

## Investcorp Capital

Continued support from high interim dividend; MtM gains skewed to the final quarter, limiting reported earnings.

- For H1 25, ICAP reported a Gross Operating Income of USD 46m (+6% y/y) on moderate growth from CFS/CDS (+4%/+8% y/y), 17% behind our estimates.
- B/S growth expands modestly (+1.4% YtD) from RCF drawdowns. NAV slips 2.2% YTD due to the high declared interim dividend of USD 56m for H1 25.
- It trades at 0.81x P/tNAV 24e vs RoE of 8% in FY25e and LT target of 11% and offers a DY of 9.2%. We maintain our TP of AED 2.43, offering 21% upside. Catalysts: lower interest rates, capital deployment, growth of the parent, improving RoE/EPs trajectory, increased IR activity, and value discovery.

**For H1 25, Gross Operating Income grew by (+6% y/y), and 26% y/y in Q2:** For H1 25, ICAP reported a Gross Operating Income of US\$46 m, up +6% y/y, on the back of CFS/CDS growth of (+4%/+8% y/y). However, net income declined to USD 28m (-18% y/y H1 25) due to i) higher net interest expenses, which grew to USD 9m (3x) from RCF drawdowns (as it optimises its capital structure) & ii) slightly higher allocation of operating expenses from the parent to USD 5m (+25% y/y). As a result, the C/I ratio increased to 11% vs. 9% in FY24.

**CFS revenue rose 40% y/y to USD 14m for Q2 25 on normalising deal flows and expanding B/S:** The CFS business outperformed our expectations due to higher utilisation of underwriting lines and strong investor demand for structured credit products supported by Fed rate cuts, as global demand for investments in private asset classes rose. However, CFS B/S contracted by 20% YTD to USD 358m due to higher outward syndication activity. CFS yield stood at 11.2% for H1 25, ahead of 8-9% guidance.

**CDS income grew by 11% y/y to USD10m for Q2 25 on additional capital deployment:** While the cash yield remained at 8%, the realisation of Investment gains is concentrated towards Q4 25. Investment gains FY24 were at 49m (47% of gross operating income), of which USD 41m were recognised in Q4 24A and only USD 5m (c.15% of revenues) in H1 24. Therefore, we anticipate ICAP to book most investment gains of approximately USD 30m in Q4 25 as ICAP exited some positions in emerging market positions.

**NAV is down 2.2% YTD as it pays 8% of NAV:** ICAP declared an interim dividend of USD 56m, of which approximately USD 17m will be paid to minority holders and USD 39m is held as payable to the parent company. The outstanding under the revolving credit facility rose from USD 132m in June 2024 to USD 233m. Gross leverage rose from 9% to 13% (net gearing 16%).

**Investcorp Capital's CI (Corporate Investments) book expanded to USD 569m (+9% YTD),** driven by additional capital deployments into North America (+21% YTD) and Europe (+76% YTD). Exposure to emerging markets MENA (-1.6% YTD) and Asia (-3% YTD) dropped, reflecting a focus shift to developed markets amid current macroeconomic conditions, given the more liquid secondary markets, exit optionality, and availability of investment opportunities.

**We maintain Buy on a dividend yield of c.9.6% and attractive valuation with the discount to NAV at c.20%.** ICAP's management declared an H1 25 interim dividend of USD 56m. We anticipate another dividend payment of USD 58m for H2 25 based on the year-end, implying a payout of 102% and a DY of 9.7% based on FY 25e earnings of USD 113m (vs 110% payout in FY 24A). ICAP trades at 10.3x FY25e P/E and P/B of 0.8x FY25.

**Catalysts:** lower interest rates, capital deployment, growth of the parent, improving RoE/EPs trajectory, increased IR activity, and value discovery. **Risks:** Interest rate expectations have risen sharply, reducing the upside from MtM gains. The high dividend payouts at 8% NAV limit the earnings retention until it hits its long-term 11% IRR target.

BUY

AED 2.4

### Holding Companies / UAE

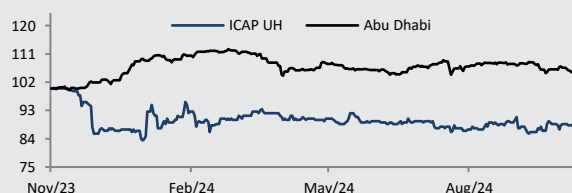
Bloomberg code	ICAP UH
Market index	Abu Dhabi
Target Price	2.4
Upside (%)	21.0

### Market data 11/7/2024

Last closing price	2.0
52 Week range	1.9-2.4
Market cap (USD m)	4,383
Market cap (USD m)	1,193
Average Daily Traded Value (USD m)	2.0
Average Daily Traded Value (USD m)	0.00
Free float (%)	29%

Year-end (local m)	2023	2024	2025e	2026e
Operating Profit	107	117	130	162
Net Profit	113	105	115	134
EPS	0.07	0.05	0.05	0.06
P/E (x) (mkt price)		12.0	10.9	9.3
BVPS	-	0.67	0.67	0.67
Tangible BVPS	-	0.67	0.67	0.67
P/B (x) (mkt price)	-	0.87	0.9	0.8
P/TBVPS (x) (mkt price)	-	1.1	1.1	1.0
DPS	-	0.05	0.05	0.05
Div. yield (%)	-	9.5	9.67	8.70
EPs	-	-	-	-
ROA (%)	7.9	6.0	5.9	6.1
ROE (%)	9.1	7.2	7.9	9.1
ROIC (%)	9.5	7.5	7.0	7.1
RE Yield (%)	-	5.0	7.0	7.0
Global Credit (%)	-	8.0	11.0	9.0
Recurring Cash Yield (%)	-	-	-	-
Recurring CFS Yield (%)	8.3	11.4	9.0	8.0
Recurring CDS Yield	9.3	7.8	7.9	10.1
Cash Conversion(%)	85.0	82.8	86.4	88.6
Recurring Cash Income	70.0	76.0	100.8	107.0
CFS Asset Base	418.0	430.0	750.0	900.0
CDS Asset Base	775.0	971.0	904.8	984.0
Numbers of shares	1,870	2,192	2,192	2,192

### Price Performance



**Abacus** Arqaam Capital Fundamental Data

**Investcorp Capital plc**

Year-end	2023	2024	2025e	2026e	2027e	2028e
<b>Performance analysis</b>						
CFS Yield(%)	8.3	11.4	9.0	8.0	8.0	8.0
CDS Yield(%)	9.3	7.8	7.9	10.1	10.1	10.2
Cost of Funds (%)	-	7.8	6.8	6.1	5.8	6.3
Average Asset Yield (%)	8.2	7.1	7.1	7.8	8.2	8.5
Cost / Income (%)	8.5	6.8	6.7	5.5	5.4	5.3
CFS / Operating Income (%)	38.5	39.2	48.5	42.0	39.9	37.8
CDS(Rental & Interest) / Operating income	23.4	23.2	25.7	21.6	21.4	21.2
Gains on Investment / Operating income (%)	40.2	39.2	27.5	37.6	39.9	42.1
RoE (%)	9.1	7.2	7.9	9.1	9.2	9.7
ROIC (%)	8.9	6.5	6.7	6.9	6.8	7.0
ROA (%)	7.9	6.0	5.9	6.1	6.2	6.6
Operating Income /Asset Exposure (%)	7.50	6.66	6.60	7.40	7.74	8.08
Cost/NAV (%)	0.81	0.58	0.64	0.63	0.65	0.66
Debt / Total Asset (%)	13.39	16.50	25.70	32.45	32.17	31.78
Net Debt /Equity (%)	15.47	19.77	34.58	48.05	47.43	46.58
Net Debt/OCF(Before Investments)(%)	9.47	7.46	6.97	7.12	6.97	7.13
Net Debt	58.57	173.68	436.31	598.27	640.74	634.47
Year-end	2023	2024	2025e	2026e	2027e	2028e
<b>Asset Quality</b>						
CFS/Total Asset	29.3	24.6	38.2	41.1	40.8	40.3
Corporate Investments/Total Assets	23.5	29.7	21.9	22.1	24.5	27.1
Global Credit/ Total Assets (%)	17.7	13.8	13.2	12.4	12.8	13.2
Real Estate/Total Assets (%)	10.9	9.3	8.5	8.1	8.5	9.0
Strategic Capital / Total Assets (%)	2.3	2.7	2.4	2.4	2.6	2.9
Cash / Total Assets (%)	10.5	8.2	12.7	11.1	8.4	5.4
Year-end	2023	2024	2025e	2026e	2027e	2028e
<b>Funding and Liquidity</b>						
RCF Utilization (%)	7.6	16.5	55.0	80.0	87.0	87.5
Cash/ Total Assets	10.5	8.2	12.7	11.1	8.4	5.4
Cash/Net Debt (%)	365.9	109.1	56.9	38.1	26.7	17.2
Year-end	2023	2024	2025e	2026e	2027e	2028e
<b>Capital and leverage ratios</b>						
Tangible equity/assets (%)	86.6	83.5	74.3	67.5	67.8	68.2
Year-end	2023	2024	2025e	2026e	2027e	2028e
<b>Growth</b>						
Revenue y/y%	18.2	6.8	11.3	23.2	5.4	5.6
Cost y/y%	(9.1)	(15.6)	10.8	(0.1)	4.0	4.0
Operating Profit y/y%	21.6	8.9	11.3	24.8	5.5	5.7
Taxes y/y%	(66.7)	(100.0)	-	16.4	2.3	7.2
Net Profit y/y%	29.9	(7.5)	10.2	16.4	2.3	7.2
Assets y/y%	22.7	22.8	12.2	11.3	0.9	1.2
CFS Assets y/y%	33.1	2.9	74.4	20.0	-	-
Finance y/y%	2.5	222.0	233.3	45.5	108.8	100.6
Total Liabilities y/y%	247.3	51.3	74.7	40.6	-	-

## Abacus Arqaam Capital Fundamental Data

### Investment thesis

Investcorp Capital (ICAP) is a carveout of Investcorp Group, which is the Bahraini-based largest alternative asset manager in the MENA region with an AUM of USD 52 bn FY23 and aims to achieve an AUM of USD 100bn FY27. Investcorp Group was founded in 1982 to provide global opportunities for its GCC clients. Investcorp Group has 4000 active GCC clients, including family offices, banks, and 300 global institutional clients. Despite Macro headwinds, Investcorp Group raised USD 7.4bn FY22 and successfully placed 80% of their deals.

AUM under private markets reached 13.1 trillion FY23, and it is expected to reach USD 23.3 trillion FY27, growing at a CAGR of 9.3%. Aggregate fundraising has become challenging due to macro-backdrops, higher interest rates and uncertainty, which has slowed the deal flow. However, it was reported in a survey conducted by Preqin c. that 95% of alternative asset managers plan to increase their allocation to private assets over the long term despite near-term headwinds due to higher long-term returns in private markets vs public markets.

ICAP has two operating segments: CFS (Capital Financing Services) and CDS (Capital Deployment Services). In the CFS business, ICAP holds, finances, and disposes of the investments across four underlying asset classes, which are CI (Corporate Investments), RE (Real Estate), and GC (Global Credit). Whereas Investcorp Group manages, governs, and arranges for the syndication of the underlying period. In the CDS segment, ICAP generates revenue in two forms: i) Cash yield and recurring revenue and ii) Net gain/loss on the net exposure within the CD business upon realisation or when revalued.

### Investment thesis

ICAP benefits from its association with Investcorp Group, a top-tier alternative investment platform in the MENA region. Investcorp Group affords access to adviser resources, tapping into Investcorp's deep bench of sector experts and investment professionals globally.

Effective dividend yield of 8%, multilayered income profile and diversified regional exposure.

Investcorp is well positioned as the leading regional MENA player, positioning itself to capture secular growth trends in private markets. Private markets offer higher returns over longer horizons than their public market peers.

Downside risks:

- Interest rate expectations have risen sharply, reducing the benefits of lower finance costs.
- High dividend payouts limit retained earnings and reinvestment capacity, increasing reliance on external financing.

#### Investcorp Capital plc

Year-end	2023	2024	2025e	2026e	2027e	2028e
<b>Income statement (AEDmn)</b>						
CFS Revenue	45	49	68	72	72	72
Gain on Financial Assets	47	49	38	64	72	80
Yield on Globa Credit	17	19	23	24	25	26
Dividend Income Financial Assets	8	8	10	11	11	12
<b>Gross Operating Income</b>	<b>117</b>	<b>125</b>	<b>139</b>	<b>171</b>	<b>181</b>	<b>191</b>
Operating Expenses	(10)	(8)	(9)	(9)	(10)	(10)
<b>Net Operating Income</b>	<b>107</b>	<b>117</b>	<b>130</b>	<b>162</b>	<b>171</b>	<b>181</b>
Interest Expenses	(2)	(19)	(20)	(33)	(39)	(39)
Interest Income	9	7	7	8	8	9
<b>Pre Tax Profit</b>	<b>114</b>	<b>105</b>	<b>118</b>	<b>137</b>	<b>140</b>	<b>150</b>
Taxes	(1)	-	(2)	(3)	(3)	(3)
<b>Net Income</b>	<b>113</b>	<b>105</b>	<b>115</b>	<b>134</b>	<b>137</b>	<b>147</b>
Recurring Cash Income	70	76	101	107	109	110
<b>Recurring Cash Income per share</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Dividends	-	99	117	117	118	120
EPS	0.06	0.05	0.05	0.06	0.06	0.07
Minorities	-	-	-	-	-	-
Others	-	-	-	-	-	-
<b>Attributable net profit</b>	<b>113</b>	<b>105</b>	<b>115</b>	<b>134</b>	<b>137</b>	<b>147</b>
Diluted EPS	0.1	-	0.1	0.1	0.1	0.1
DPS	-	0.1	0.1	0.1	0.1	0.1
BVPS	-	0.7	0.7	0.7	0.7	0.7
Tangible BVPS	-	0.7	0.7	0.7	0.7	0.7

Year-end	2023	2024	2025e	2026e	2027e	2028e
<b>Balance sheet (AEDmn)</b>						
Due from a related party	150	144	251	244	186	120
Recievables and other assets	83	206	60	60	50	50
Global Credit	-	-	-	-	-	-
CFS Assets	418	430	750	900	900	900
Croporate Investments	335	520	430	483	542	606
Global Credit	252	242	259	270	282	294
Real Estate	155	162	168	177	188	200
Strategic Capital	33	47	48	53	58	64
<b>Total assets</b>	<b>1,426</b>	<b>1,751</b>	<b>1,965</b>	<b>2,188</b>	<b>2,207</b>	<b>2,234</b>
Payables and Accrued expenses	150	157	65	70	75	75
Financing	41	132	440	640	696	700
Debt	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total liabilities</b>	<b>191</b>	<b>289</b>	<b>505</b>	<b>710</b>	<b>710</b>	<b>710</b>
<b>Total equity</b>	<b>1,235</b>	<b>1,462</b>	<b>1,460</b>	<b>1,478</b>	<b>1,497</b>	<b>1,524</b>
CFS Yield	1	1	2	2	2	2
Financial Assets at FV	233	350	311	304	236	170
FA at Amort Cost	(109)	(12)	189	396	510	580
Shareholders Equity	1,235	1,462	1,460	1,478	1,497	1,524
Net Debt/Equity	-	0.1	0.3	0.4	0.5	0.5
Cash Conversion	0.85	0.83	0.86	0.89	0.89	0.90

Jaap Meijer, MBA, CFA

jaap.meijer@arqaamcapital.com  
+971 4 507 1744

Abdullah Abbas

Arqaam Capital Research Offshore s.a.l

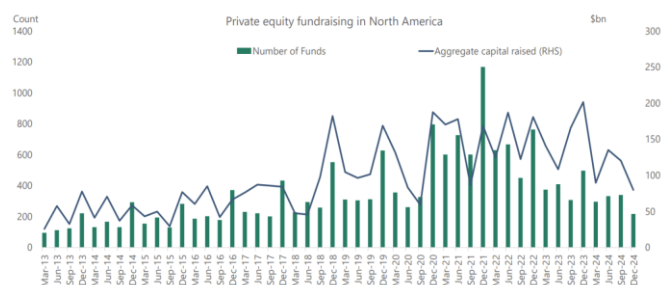
**We maintain our net income estimates for FY25 and FY26:** Our forecasts imply a low-single-digit growth in NAV during FY25-27 due to a high dividend payout range of 95% to 100% in the forecast period. We now expect net income to grow 26% year over year in FY25 and 13% year over year in FY26 due to the realisation of investment gains.

**Private equity (PE) fundraising in North America has continued its downward trajectory.** The peak in fundraising activity was observed in mid-2021, where capital raised exceeded \$250bn before declining to sub-\$100bn levels by Q4 2024, marking a multi-year low. The higher cost of capital, rising investor risk aversion, and slower exit markets have weighed on LP allocations, with dry powder deployment slowing. This has also impacted valuations, resulting in lower investment gain realisation at asset repricing.

**Inflation expectations are at 3%, so the rate cut outlook has changed dramatically.** Fundraising momentum will depend on rate normalisation, exit market recovery, and renewed investor appetite for illiquid assets. The outlook for 2025 remains cautious, with institutional LPs prioritising capital efficiency over fresh allocations.

### Exhibit 1: PE Fund Raising in North America

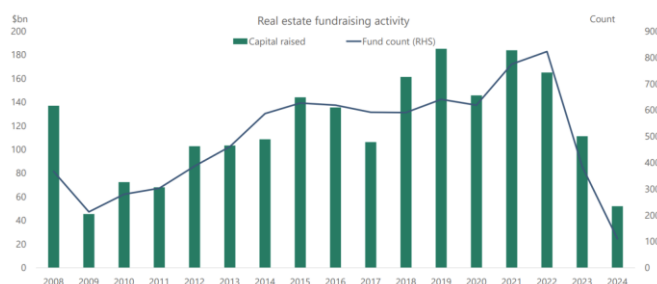
Private equity fundraising is trending lower since the Fed started raising rates in Q1 2022



Source: Arqaam Capital Research, Company Data

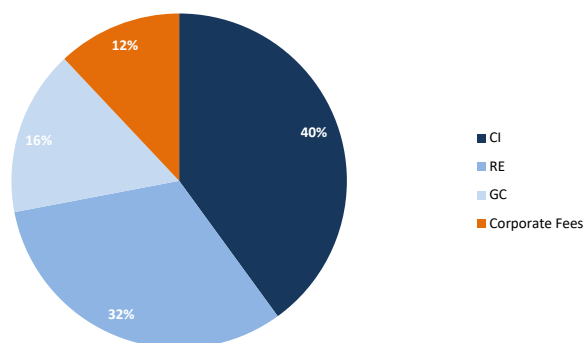
### Exhibit 2: RE Fundraising activity is declining

... real estate fundraising declined even more rapidly



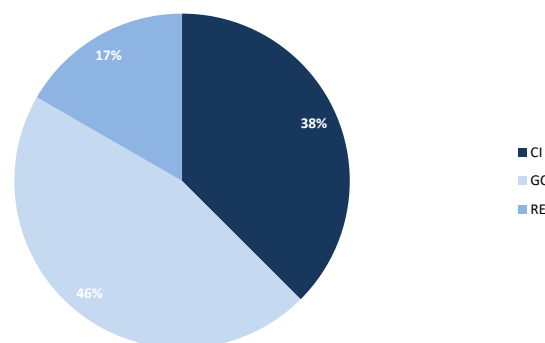
Source: Arqaam Capital Research, Company Data

### Exhibit 3: CFS Income Breakdown



Source: Arqaam Capital Research, Company Data

### Exhibit 4: CDS Income Breakdown



Source: Arqaam Capital Research, Company Data

**Exhibit 5: Key CD Segment Asset Exposure:**

Metric	H1 25	H2 24	Ytd	Key Drivers
Total Capital Deployment Assets	1048	988	6%	Increased allocation to corporate investments and real estate.
Corporate Investments	569	520	9%	Strong growth in high-growth sectors in North America and Europe.
Real Estate Investments	177	162	9%	Increased demand for income-generating real estate properties.
Global Credit Investments	195	242	-19%	Tactical reallocation
Strategic Capital Exposure	43	47	-9%	Reduced focus on strategic capital, shifting towards core asset classes

Source: Arqaam Capital Research, Company Data

**Exhibit 6: Geographical Allocation of the CD Segment: ICAP plans to lower its CI exposure in Emerging markets.**

Metric	31-Dec-24( H1 25)	30-Jun-24 ( H2 24)	y/y Change (%)	Key Drivers
Total Corporate Investments	569	520	9.40%	Increasing allocation to CI with lower rate cut expectation.
North America	151	125	20.80%	Higher allocations to private equity in financials & industrials.
Europe	72	41	75.60%	Significant increase in European infrastructure & credit investments.
MENA	183	186	-1.60%	Stable allocation, awaiting better macro tailwinds.
Asia	163	168	-3.00%	Sector-specific rebalancing in China & India

Source: Company Data, Arqaam Capital Research

**Investcorp Q2 25A Preliminary Results:**

<b>CFS Revenue:</b>	USD 14m (+40% y/y, +27.3% q/q, -17 vs. ACe)
<b>CDS Income:</b>	USD 10m (+11.1% y/y, -4.8% q/q, -9.6 vs. ACe)
<b>Operating Profit :</b>	USD 21m (+31.3% y/y, +31.3% q/q, -39.6 vs. ACe)
<b>Net Interest Expense:</b>	USD -3m (0% y/y, -25% q/q, -1.3 vs. ACe)
<b>Net income:</b>	USD16m (+23.1% y/y, +33.3% q/q, -44.5 vs. ACe)

**Exhibit 7: Investcorp Q2 & H1 2025 results summary**

(AEDm)	Q2 25A	ACe	vs. ACe	Q2 24A y/y change		Q1 25A	q/q change	H1 25E	H1 24A	y/y change
CFS Revenue	14	17	(17%)	10	40%	11	27%	25	24	4%
CDS Income	10	11	(10%)	9	11%	11	(5%)	21	19	8%
Gross Operating Income	24	28	(27%)	19	26%	22	12%	46	43	6%
Operating Profit	21	35	(40%)	16	31%	16	31%	37	39	(5%)
Net Interest Expense	(3)	(3)	(1%)	(3)	--%	(4)	(25%)	(7)	(6)	17%
<b>Net income</b>	16	29	(44%)	13	23%	12	33%	28	34	(18%)
ROE	4.4%	7.9%	-3.5 ppts	3.6%	0.8 ppts	3.4%	1.0 ppts	3.9%	4.8%	-0.9 ppts
ROA	3.6%	6.5%	-2.9 ppts	1.6%	2.0 ppts	2.8%	0.8 ppts	3.2%	4.0%	-0.8 ppts
CFS Yield	5.3%	18.5%	-13.2 ppts	5.3%	0.0 ppts	11.9%	-6.6 ppts	13.8%	11.9%	1.8 ppts
CDS Yield	3.3%	3.6%	-0.4 ppts	4.2%	-0.9 ppts	2.9%	0.4 ppts	4.2%	3.9%	0.2 ppts
Cost to Income Ratio	12.5%		12.5 ppts	9.3%	3.2 ppts	11.1%	1.4 ppts	17.9%	11.8%	6.1 ppts

Source: Arqaam Capital Research, Company Data

#### 1. Author, regulator and responsibility

Arqaam Capital Limited ("Arqaam") is incorporated in the Dubai International Financial Centre ("DIFC") and is authorised and regulated by the Dubai Financial Services Authority ("DFSA") to carry on financial services in and from the DIFC. Arqaam publishes and distributes (i.e. issues) all research. Arqaam Capital Research Offshore s.a.l. is a specialist research centre in Beirut, Lebanon, which assists in the production of research issued by Arqaam.

#### 2. Purpose

This document is provided for informational purposes only. Nothing contained in this document constitutes investment, legal, tax or other advice or guidance and should be disregarded when considering or making investment decisions. In preparing this document, Arqaam did not take into account the investment objectives, financial situation and particular needs of any particular person. Accordingly, before acting on this document, investors should independently evaluate the investments and strategies referred to herein and make their own determination of whether it is appropriate in light of their own financial circumstances and objectives.

#### 3. Rating system

Arqaam investment research is based on the analysis of regional and country economics, industries and company fundamentals. Arqaam company research reflects a long-term (12-month) fair value target for a company or stock. The ratings bands are:

Buy	Total return >15%
Hold	0-15%
Sell	Total return <0%

In certain circumstances, ratings may differ from those implied by a fair value target using the criteria above. Arqaam policy is to maintain up-to-date fair value targets on the companies under its coverage, reflecting any material changes to the analyst's outlook on a company. Share price volatility may cause a stock to move outside the rating range implied by Arqaam's fair value target. Analysts may not necessarily change their ratings if this happens, but are expected to disclose the rationale behind their view to Arqaam clients.

#### 4. Accuracy of information

The information contained in this document is based on current trade, statistical and other public information we consider reliable. We do not represent or warrant that such information is accurate or complete and it should not be relied upon as such. Any mention of market rumours has been derived from the markets and is not purported to be fact or reflect our opinions. Arqaam has no obligation to update, modify or amend this document or to otherwise notify a recipient thereof in the event that any opinion, forecast or estimate set forth herein, changes or subsequently becomes inaccurate. In accordance with Regulation AC of the 1934 Exchange Act, the views expressed in this research report accurately reflect the research analysts' personal views about the subject securities or issuers and are subject to change without notice. No part of the research analysts' compensation is related to the specific recommendations or views in the research report.

#### 5. Recipients and sales and marketing restrictions

5.1 Nothing in this document should be construed as a solicitation or offer, or recommendation, to acquire or dispose of any investment or to engage in any other transaction, or to provide any investment advice or service.

5.2 This document is directed at Professional Clients and not Retail Clients within the meaning of DFSA rules. Any investments or financial products referred to herein will only be made available to clients who Arqaam is satisfied qualifies as Professional Clients. Any other persons in receipt of this document must not rely upon or otherwise act upon it.

5.3 This document is only being distributed to investors who meet certain qualifications and to whom an investment or service may be offered or promoted in accordance with relevant country restrictions. This excludes the US except for SEC registered broker-dealers (or banks in permissible "broker" or "dealer" capacity) acting on a principal or agency capacity, and major US institutional investors in accordance with SEC Rules 15a-6(a)(2). Details of other relevant country restrictions are set out on our website at <http://www.arqaamcapital.com/english/system/footer/terms-of-use.aspx>. Persons into whose possession this document comes are required to inform themselves about, and observe, such restrictions and should not rely upon or otherwise act upon this document where it is unlawful to make to such person such an offer or invitation or recommendation without compliance with any authorisation, registration or other legal requirements.

#### 6. Risk warnings

6.1 Any prices, valuations or forecasts are indicative and are not intended to predict actual results, which may differ substantially from those reflected.

6.2 The value of an investment may go up as well as down. The value of and income from any investment may fluctuate from day to day as a result of changes in relevant economic markets (including, without limitation, foreseeable or unforeseeable changes in interest rates, foreign exchange rates, default rates, prepayment rates, political or financial conditions, etc.).

6.3 Past performance is not indicative of future results. Any opinions, estimates, valuations or projections (target prices and ratings in particular) are inherently imprecise and a matter of judgement. They are statements of opinion and not of fact, based on current expectations, estimates and projections, and rely on beliefs and assumptions. Actual outcomes and returns may differ materially from what is expressed or forecasted. There are no guarantees of future performance.

6.4 Certain transactions, including those involving futures, options, and other derivatives, give rise to substantial risk and are not suitable for all investors.

6.5 This document does not propose to identify or to suggest all of the risks (direct or indirect) which may be associated with the investments and strategies referred to herein.

#### 7. Conflict

7.1 Arqaam and its affiliates provide full investment banking services, and they and their directors, officers and employees, may take positions which conflict with the views expressed in this document. Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients and our proprietary trading desks that reflect opinions that are contrary to the opinions expressed in this document. Our asset management area, our proprietary trading desks and investing businesses may make investment decisions that are inconsistent with the recommendations or views expressed in this document.

7.2 Arqaam may have or seek investment banking or other business relationships for which it will receive compensation from the companies that are the subject of this document.

7.3 Facts and views presented in this document have not been reviewed by, and may not reflect information known to, professionals in other Arqaam business areas, including investment banking personnel.

7.4 Emirates NBD PJSC owns 8.32% of Arqaam.

7.5 This is a commissioned report for which Arqaam capital has been remunerated.

#### 8. No warranty

Arqaam makes no representations or warranties and, to the fullest extent permitted by applicable law, we hereby expressly disclaim any and all express, implied and statutory representations and warranties of any kind, including, without limitation, any warranty as to accuracy, timeliness, completeness, merchantability, fitness for a particular purpose and/or non-infringement.

#### 9. No liability

Arqaam will accept no liability in any event including (without limitation) negligence for any damages or loss of any kind, including (without limitation) direct, indirect, incidental, special or consequential damages, expenses or losses arising out of, or in connection with your use or inability to use this document, or in connection with any error, omission, defect, computer virus or system failure, or loss of any profit, goodwill or reputation, even if expressly advised of the possibility of such loss or damages, arising out of or in connection with your use of this document. We do not exclude our duties or liabilities under binding applicable law.

#### 10. Copyright and Confidentiality

The entire content of this document is subject to copyright with all rights reserved and the information is private and confidential for your own personal use only. This document and the information contained herein may not be reproduced, distributed or transmitted to any other person or incorporated in any way into another document or other material without our prior written consent.

#### 11. Governing law

English law governs this document and these disclaimers and any dispute in relation thereto shall be exclusively referred to the English Courts.