

Investment objective

The Fund will seek to achieve attractive risk adjusted returns by investing in Sharia compliant Saudi equities based on bottom-up fundamental research and technical analysis. The fund also allows to add GCC Sharia compliant equity names.

Fund Manager Commentary

The Fund returned 2.6% in June, against 2.1% returned by the SPSHG TR benchmark. The month saw modest gains across KSA and the UAE (TASI +1.5%, DFM +1.3%, ADX +1.3%), reversing their May losses, and an exceptional rebound in Qatar (DSM +7.0%). Despite positive macro news flow, Kuwait shed 1.8% in June, while Oman's MSX shed 3.3% in its worst month YTD. The Fund remains constructive on near-term earnings growth in the UAE, underpinned by a robust macro backdrop, warranting our 9.4% overweight allocation. Conversely, the Fund is 7.0% underweight KSA, with allocations concentrated in select sectors.

In flow terms, June saw the largest influx of foreign buying in KSA (USD 3.5bn) in the past 2 years, largely via Qualified Foreign Investors (QFI). KSA nationals and GREs remained net sellers (USD 9.1bn). The secondary offering of Aramco shares during the month precipitated the above spikes in flow activity. Kuwait experienced its 3rd consecutive month of foreign net selling. At the macro level, OPEC production cuts, which have been extended into 2025, imply a downward revision to 2024 production assumptions for (KSA -5-6%, UAE -4%, Kuwait -7%), with a likely upsurge in 2025 (+7%, +10, +4% respectively).

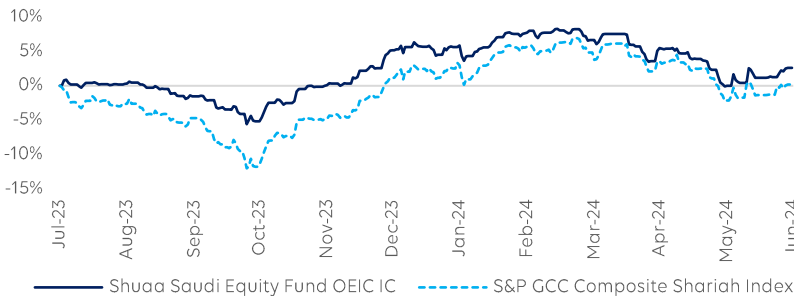
Key May inflation data boosted the odds of a Fed cut this year, though jobs data suggested that the Fed may opt to hold off on any easing in the near term. All in, barring a spike in geopolitical risk premia, the oil outlook remains subdued. OPEC output rose in June for a 2nd consecutive month, offsetting the impact of voluntary production cuts. The median rate cut expectation remains at 25bps for 2024m and 100bps in 2025.

We are on the cusp of mid-year earnings releases, which should signpost the direction of GCC markets for the remainder of the year. Against a negative backdrop in May reflected in PMI slippages in KSA and UAE, the overall earnings outlook remains positive. GCC financials continue to reflect strong corporate lending growth and suggest that NIMs may not expand further this year (KSA). Credit quality remains strong on aggregate, with the sole source of earnings pressure this year being the introduction of corporate taxes in the UAE. Property names in the UAE (and selectively in KSA) should report continued growth as residential buying appetite (+c.60% m/m in May) and occupancy rates continue to probe new highs. Petrochemical names, cyclically exposed, should return a mixed bag in H1, while insurers, despite demanding valuations, should reap price and volume growth benefits via exposure to medical inflation and mandatory coverage laws.

GCC IPOs, of which there have been 32 since Jan 2023, have raised north of USD 13.5bn over the period, in addition to absorbing a further USD 12.2bn via secondary offerings (Aramco, ADNOC Drilling). Almost two thirds of listings involved selling shareholders cashing out, which in turn likely contributed to the market's skepticism regarding the required valuation multiples, with particular reference to UAE listings in Q2.

We continue to position for select value across infrastructure, consumer, pharmaceutical, and chemicals names in KSA. In the UAE, utilities such as SALIK, DEWA, Tabreed and Empower remain in favor, while the ADNOC family of companies continues to reflect superior growth catalysts in the medium term. UAE banks offer substantial value, despite the likely compression in NIM and RoE emanating from lower policy rates.

Fund Returns Since Inception



Return Statistics

| | MTD | 3M | 6M | YoY | YTD | Inception |
|--|------|-------|-------|-----|-------|-----------|
| SHUAA SAUDI Equity Fund | 2.6% | -3.8% | -2.6% | N/A | -2.6% | 2.6% |
| S&P GCC Composite Shariah Total Return Index | 2.1% | -3.7% | -1.6% | N/A | -1.6% | -0.1% |

Fund Facts

| | |
|---------------------|---------------------------|
| Inception Date | July 2023 |
| Domicile | Abu Dhabi Global Markets |
| Fund Currency | USD/SAR/AED |
| Asset Class | Sharia compliant Equities |
| Geography | GCC |
| ISIN | AE000A3CSWU8 |
| Number of Holdings | 50 |
| Subscriptions/Fees | Daily / 0% |
| Redemptions/Fees | Daily / 0% |
| Leverage | 0% |
| TER /Management Fee | 2.2% / 1.5% |
| Fund Manager | Mohammad Kamal |
| Co Fund Manager | Aarthi Chandrasekaran |
| Investment Manager | SHUAA GMC Limited |

Portfolio Statistics

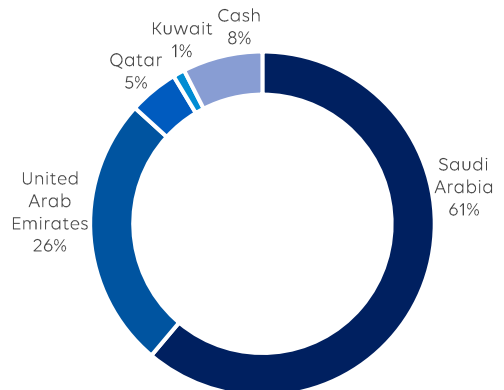
| | |
|---------------|---------|
| Fund AUM | \$41.6m |
| NAV per Share | 102.6 |

Performance

| | |
|--------------------|-------|
| Annualised return | 2.8% |
| Sharpe ratio | -0.3 |
| Standard deviation | 6.2% |
| 2023 Return* | 5.3%* |

* Inception 31st July 2023

Country Allocation



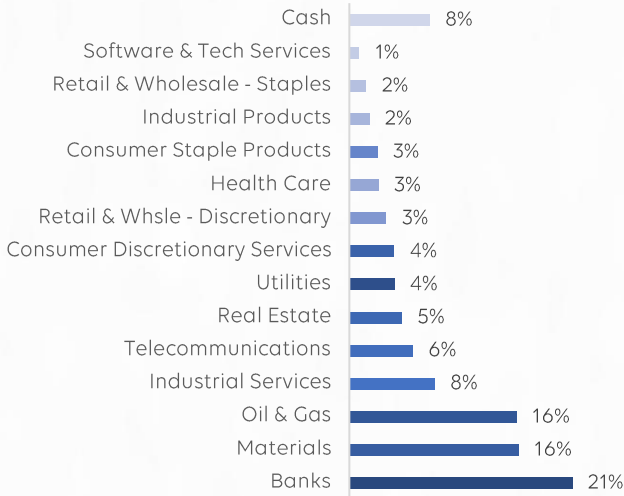
Top 5 holdings (excluding cash)

| | |
|-----------------------|-------|
| Al-Rajhi Bank | 11.0% |
| Saudi Arabian Oil Co | 10.3% |
| Saudi Telecom Company | 5.4% |
| Alinma Bank | 5.1% |
| SABIC | 3.7% |

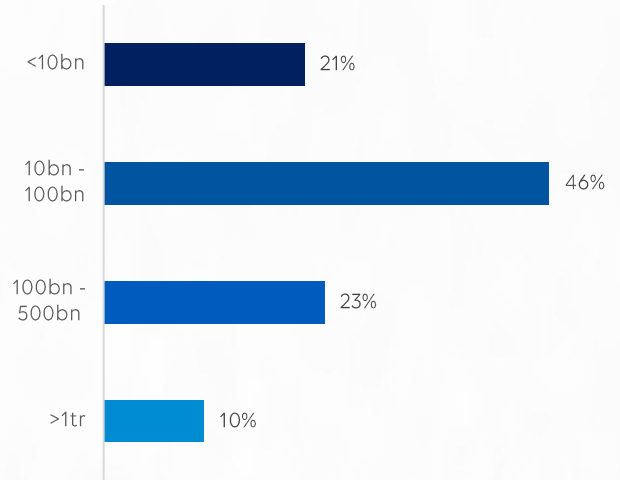
Fund Metrics

| | |
|-------------------------|-------|
| RoE | 22.4% |
| Earnings Yield | 6.3% |
| PE (12m Forward) | 15.8x |
| EV/EBITDA (12m Forward) | 10.3x |
| Net Debt/EBITDA | 0.6x |

Sector Allocation



Equity Market Capitalization of Holdings (USD)



Top 5 Performers

| | |
|--|-------|
| Al Hassan Ghazi Ibrahim Shaker Company | 17.6% |
| National Medical Care Company | 15.5% |
| Budget Saudi | 13.8% |
| Aldar Properties | 13.8% |
| Mouwasat Medical Services Company | 13.2% |

Bottom 5 Performers

| | |
|--------------------------|-------|
| EMIRATES CENTRAL COOLING | -4.6% |
| DEWA UH Equity | -3.9% |
| Saudi Arabian Oil Co | -3.8% |
| Tabreed | -3.2% |
| Jazeera Airways | -3.2% |

Asset Management Sales

Omar Danish
 +971 4 330 3600
 Amsales@shuaa.com

Address

SHUAA GMC Limited
 Al Khatem Tower, Floor 32
 ADGM Square, Al Maryah Island
 P.O. Box 764606, Abu Dhabi, UAE

Disclaimer: The opinions presented herein are based on general information at the time of writing and are subject to change without notice. SHUAA GMC Limited ("SHUAA"), SHUAA Capital psc ("SHUAA Capital"), and/or affiliate companies (together with SHUAA and SHUAA Capital, the "Group") does not and do not guarantee its accuracy or completeness. Shuaa GMC Limited is the "Investment Manager" (IM) which is a prudential category 3C licensed firm regulated by Abu Dhabi Global Market ("ADGM") Financial Services Regulatory Authority ("FSRA"). This information is intended only for qualified institutional investors that are professional clients or market counterparties, not an individual natural person. The content is provided within the UAE by SHUAA Capital. SHUAA Capital is regulated by the UAE Securities and Commodities Authority ("SCA"). Neither SCA nor any other regulatory authority have reviewed or approved this content. This sheet is provided for informational purposes only. It is not an offer to sell or issue, or any solicitation of any offer to purchase, subscribe for or otherwise acquire, any securities, and nothing contained herein shall form the basis of any contract or commitment. Any offering related to the subject matter of this communication will be made pursuant to separate documentation. This sheet June contain statements about future events and expectations that are forward-looking statements. Such statements typically contain words such as "expects" and "anticipates" and similar words. Any statement in this material that is not a statement of historical fact is a forward-looking statement that involves known and unknown risks and none of the information should be taken as forecasts or promises nor as implying any indication, assurance or guarantee that the assumptions on which the content has been prepared are correct or exhaustive. Past performance is not necessarily indicative of future results. The information in this sheet are provided at the date of writing and are subject to change without notice. There is no obligation to update or modify this information if there are changes. No representation or warranty, express or implied, is made or given by or on behalf of SHUAA, the Group, or any of their shareholders, affiliates, directors, employees, agents or advisers or any other person as to the accuracy, completeness or fairness of the information or opinions contained in this presentation. Neither SHUAA nor the Group nor any of their respective shareholders, affiliates, directors, employees, agents or advisers or any other person accepts any liability (in negligence or otherwise) whatsoever for any arising from any use of this contents or otherwise arising in connection herewith. This presentation does not constitute a recommendation regarding the purchase of any financial instrument. The recipient is strongly advised to seek their own independent advice in relation to any investment, financial, legal, tax, accounting or regulatory issues discussed herein.