Investment objective

SHUAA Global Equity Fund, a Sub-Fund of SHUAA Funds OEIC ICC Limited, is an actively managed fund focused on maximizing capital growth through a diversified portfolio of Sharia-compliant global equities. The Sub-Fund targets high-quality, high-growth businesses that we believe are currently undervalued. The Fund invests across most sectors and regions globally.

Fund Manager Commentary

Equity markets continued to roar higher in May driven by AI optimism. Hardware stocks that make the infrastructure that enable data centers continued to be extremely strong as their earnings expand rapidly on endless demand to increase computing capacity. The market is getting ever narrower into those stocks that are immediately seeing growth from AI investment, mainly the semiconductor and infrastructure sectors. This can be seen in the sector performances over the month, with the S&P IT sector rising almost 16%, with only Consumer Discretionary and Health Care also in the positive, and then only by 2-3%. The worst performing sectors were Energy and Industrials, both down around 6%. Whilst the market has faith in growth in AI demand, it is becoming less certain over the wider economy which has led to this narrowness in market performance.

Outside of the US, where the S&P rose 5% driven by the tech heavy Nasdaq up 11% and the more economically sensitive Russel 2000 rose only 4%, the winners were markets most exposed to technology. South Korea soared another 28%, taking the year-to-date performance to over 100%. The Taiwan market added 15%, taking the year to date move more than 50%. Japan added 6% continuing its good run, but the markets with less technology such as Europe up 2% and China down 3% are out of favor.

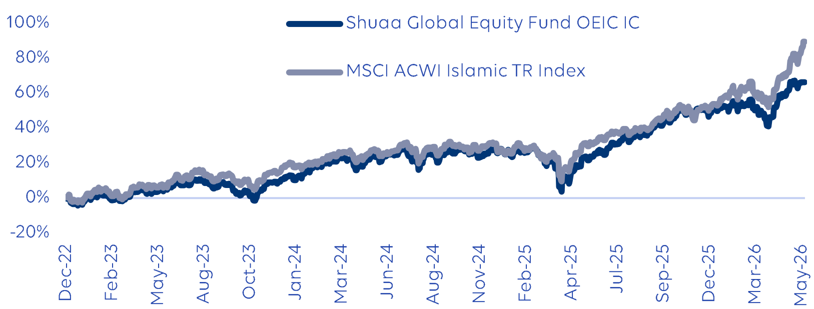
The enthusiasm for memory chips continued with Samsung Electronics adding an eye watering 40%, and Micron also up 88%. There is a supply deficit for memory that is required to complete the AI tasks now being asked for which has resulted in prices rising rapidly. For the first time in a while the market is also favoring software stocks as they have largely delivered yet another quarter of strong growth and it is becoming apparent that they will be able to use AI and monetize it rather than being replaced by it. CrowdStrike conducts cyber security which is ever more important with AI also a security threat which saw its stock rise 64%. ServiceNow also continue to see strong demand for their AI enabled products and rose 41%. Outside of tech Eli Lilly added 18% as demand for weight loss drugs continues to be strong, and Merck rose 9% on optimism over their improving pipeline of new drugs.

Markets have had an extremely strong move higher, but it has been very concentrated in tech stocks seeing strong earnings growth from AI driven investment. Whilst the earnings have undeniably been strong, future growth expectations are now getting very high which creates some risks that these lofty expectations cannot be met. Also, investor positioning has become very crowded in these names amplifying the risk. We have been taking some profits from these stocks to reduce downside risk and are seeing more opportunities in other sectors where valuations are historically quite low such as software and health care.

Net Total Return Statistics (Fund vs. Benchmark)

	MTD	3M	6M	YoY	YTD	Inception
Shuaa Global Equity Fund OEIC IC	3.4%	6.4%	10.0%	34.6%	11.0%	66.3%
MSCI ACWI Islamic TR Index	7.5%	10.4%	22.2%	40.7%	20.4%	84.0%

Net Total Returns Since Inception (Fund vs. Benchmark)



Past performance is not necessarily indicative of future results.

Fund Facts

Inception Date	Dec 2022
Domicile	Abu Dhabi Global Markets
Fund Currency	USD
Asset Class	Equities
Geography	Global
ISIN	AE000A3CSWT0
Number of Holdings	42
Subscriptions/Fees	Daily / 0%
Redemptions/Fees	Daily / 0%
Leverage	0%
TER / Mgmt Fee	1.7% / 1.5%
Performance Fee	15% since inception until June 2024
Fund Manager	Jacob Robbins
Co Fund Manager	Aarthi Chandrasekaran
Investment Manager	SHUAA GMC Limited

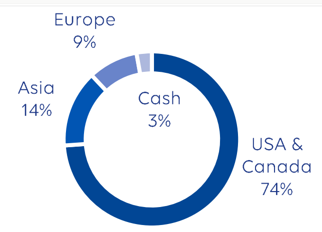
Portfolio Statistics

Fund AUM	$ 61.7mn
NAV per Share	166.3

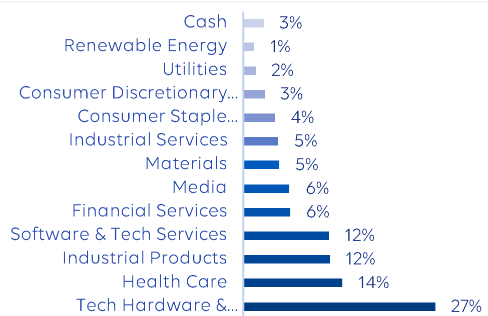
Performance (Net of fees & expenses)

Annualised return	15.7%
Sharpe ratio	1.0
Tracking error	5.2%
2025 returns	19.9%

Regional Allocation (% of Portfolio)



Sector Allocation (% of Portfolio)



Top Five Holdings (Excluding cash)

Microsoft Corp	8.0%
Apple Inc	6.1%
Alphabet Inc - CL A	4.9%
Micron Technology INC	4.4%
Taiwan Semiconductor ADR	4.1%

Fund Metrics

Dividend Yield	1.2%
PB (12m Forward)	13.5x
PE (12m Forward)	21.0x
EV/EBITDA (12m Forward)	14.3x
RoE	46.0%

Regional MTD Performance

Emerging Markets	9.5%
United States	5.1%
Japan	4.4%
Europe	1.9%
United Kingdom	-0.5%

Top Five Performers

Micron Technology INC	87.8%
SERVICENOW	40.8%
SAMSUNG ELECTRON	40.2%
Nutanix Inc	27.3%
ELI LILLY & CO	18.4%

Bottom Five Performers

Waste Management Inc	-9.1%
PepsiCo Inc	-9.0%
LG CHEM LTD	-8.9%
Cameco Corporation	-8.4%
VESTAS WIND SYST	-8.3%

Fund Management Sales

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