SHUAA SAUDI Equity Fund

Investment objective

SHUAA Saudi Equity Fund, a Sub-Fund of SHUAA Funds OEIC ICC Limited, seeks to achieve to achieve attractive risk adjusted returns by investing in Sharia compliant Saudi equities based on bottom-up fundamental research and technical analysis. The Sub-Fund also allows to add GCC Sharia compliant equity names.

Fund Manager Commentary

GCC markets were mixed to softer in May, with the S&P GCC Composite Index declining around 1.0%. Saudi Arabia fell 1.0%, Abu Dhabi declined 0.8%, Dubai was broadly flat at -0.1%, while Kuwait remained subdued.

The pullback was driven less by earnings weakness and more by uncertainty around oil, geopolitics and liquidity. The ongoing Middle East conflict kept risk appetite cautious, while volatile oil prices created a challenging backdrop for energy-linked and cyclical sectors. Despite elevated oil prices, investors focused more on the risk of disrupted trade flows, softer activity and delayed investment decisions.

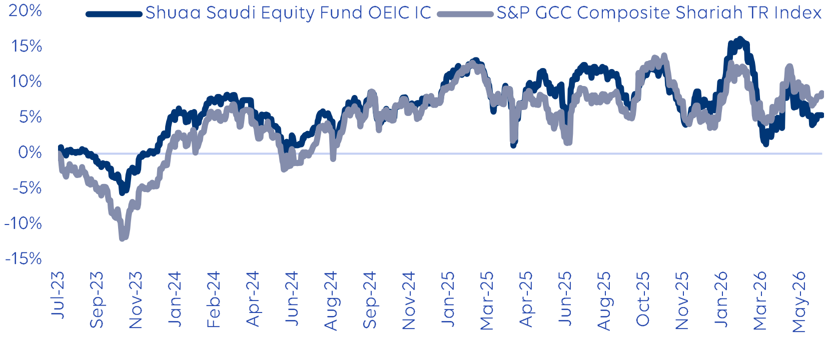
Saudi Arabia came under pressure as markets reassessed the growth outlook against softer oil-sector activity, a wider fiscal deficit and continued high spending commitments under Vision 2030. Banks and large-cap cyclicals weakened, reflecting concerns over liquidity conditions and slower near-term earnings momentum.

The UAE was relatively more resilient. Dubai ended broadly flat, supported by domestic demand, real estate activity and selective strength in consumer-related names. Abu Dhabi declined modestly, with weakness concentrated in large index constituents, particularly ADNOC-linked names, banks and financials, which weighed on the broader index despite a still-supportive domestic macro backdrop.

Kuwait remained soft but defensive. Sentiment was held back by slower growth momentum and inflation pressures, while investors continue to wait for clearer catalysts from mortgage reform, project awards and credit growth.

Looking ahead, GCC market direction is likely to be driven less by broad reform narratives and more by near-term earnings delivery. Key catalysts include oil-price stability, clarity on geopolitical risks, liquidity conditions, government spending momentum, project awards and credit growth. Over the next two to three quarters, the focus will be on earnings recovery and visibility. We therefore remain selective, favouring companies with domestic demand exposure, strong balance sheets and clear earnings momentum.

Net Total Returns Since Inception (Fund vs. Benchmark)



Past performance is not necessarily indicative of future results.

Net Total Return Statistics (Fund vs. Benchmark)

	MTD	3M	6M	YoY	YTD	Inception
Shuaa Saudi Equity Fund OEIC IC	-1.9%	-5.2%	1.0%	-2.9%	-1.1%	5.4%
S&P GCC Composite Shariah TR	-1.1%	0.9%	3.4%	3.3%	3.3%	8.1%

Fund Facts

Inception Date	Jul 2023
Domicile	Abu Dhabi Global Markets
Fund Currency	USD/SAR/AED
Asset Class	Sharia compliant Equities
Geography	GCC
ISIN	AE000A3EHBJ4
Number of Holdings	43
Subscriptions/Fees	Daily / 0%
Redemptions/Fees	Daily / 0%
Leverage	0%
TER /Mgmt Fee	2.0% / 1.5%
Performance Fee	15% since inception until June 2024
Fund Manager	Aarthi Chandrasekaran
Co Fund Manager	Rajat Varna
Investment Manager	SHUAA GMC Limited

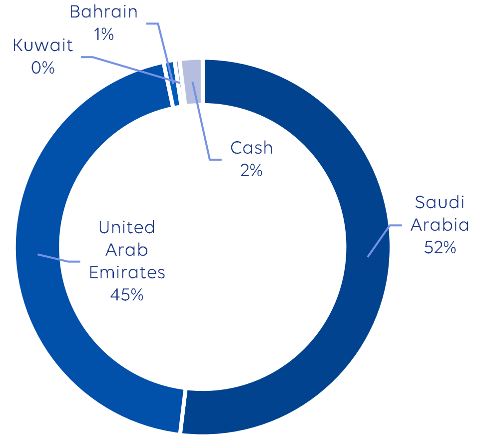
Portfolio Statistics

Fund AUM	$ 24.9mn
NAV per Share	105.4

Performance (Net of fees and expenses)

Annualised return	1.9%
Sharpe ratio	-0.3
Standard deviation	8.8%
2025 returns	-2.1%

Country Allocation (% of Portfolio)



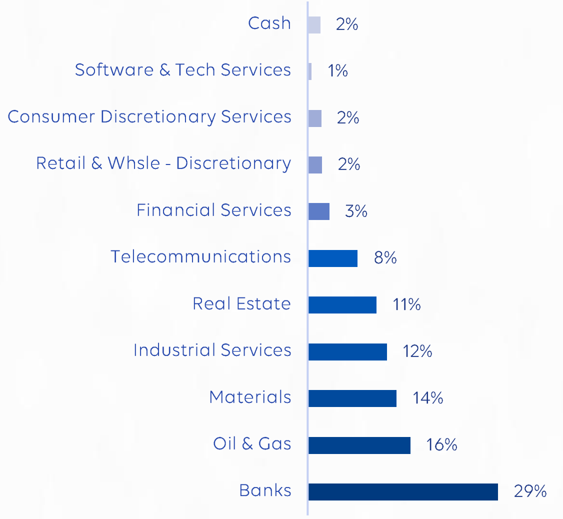
Top 5 holdings (excluding cash)

Al-Rajhi Bank	23.1%
Abu Dhabi Islamic Bank	4.9%
SALIK CO PJSC	4.3%
Aldar Properties	3.4%
Al Masane Al Kobra Mining Co	3.4%

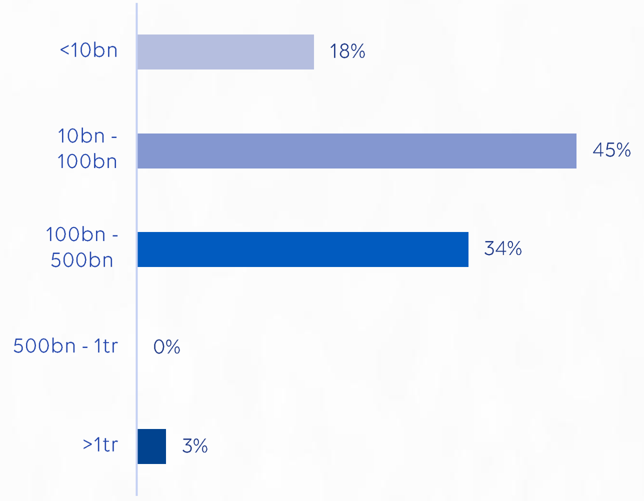
Fund Metrics

RoE	28.6%
Earnings Yield	7.6%
PE (12m Forward)	13.2x
EV/EBITDA (12m Forward)	8.8x
Net Debt/EBITDA	0.9x

Sector Allocation (% of Portfolio)



Equity Market Capitalization of Holdings (USD)



Top 5 Performers

Parkin Co PJSC	10.6%
MAHARAH HUMAN RESOURCES CO	9.5%
ADNOC Distribution	8.5%
ADNOC DRILLING CO PJSC	6.3%
Abu Dhabi Ports Co PJSC	4.6%

Bottom 5 Performers

Budget Saudi	-17.6%
United International Holding Company	-11.9%
FERTIGLOBE PLC	-10.4%
Taaleem Holdings PJSC	-9.2%
RAK Properties	-8.1%

Fund Management Sales

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