SHUAA SAUDI Equity Fund

Investment objective

SHUAA Saudi Equity Fund, a Sub-Fund of SHUAA Funds OEIC ICC Limited, seeks 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 equity markets were mixed in July as investors weighed second-quarter earnings against renewed geopolitical tensions, disrupted trade flows and oil-price volatility. Abu Dhabi led the region with a gain of approximately 1.3%, followed by Kuwait at 0.6%. In contrast, Saudi Arabia declined around 2.0%, Dubai fell 2.7%, Qatar lost 3.1%, Oman declined 3.8% and Bahrain was the weakest market, down 4.1%.

Abu Dhabi's outperformance reflected resilient earnings across banks, real estate, infrastructure and energy services, while Kuwait benefited from its defensive, banking-heavy composition. Dubai gave back part of its strong first-half gains as elevated expectations led to more selective investor reactions. Saudi Arabia remained under pressure as weakness in petrochemicals and other cyclical sectors outweighed relatively stronger results from banks, healthcare and consumer businesses.

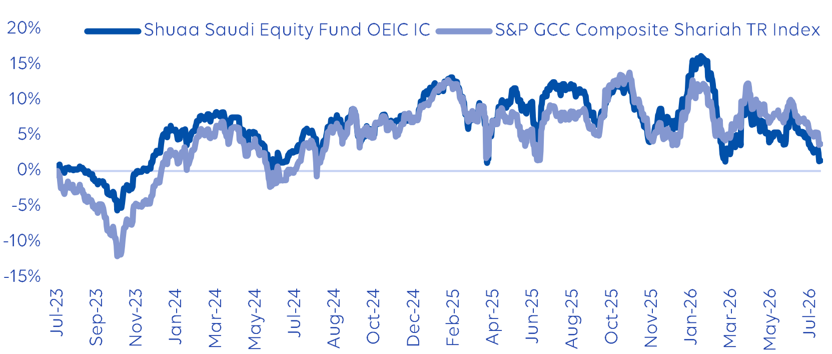
Qatar was affected by concerns over LNG exports and regional shipping routes, while Oman faced profit-taking after a strong year-to-date rally and wider geopolitical pressure through higher logistics and insurance costs. Bahrain's outlook also weakened following direct Iranian attacks and the resulting impact on trade, tourism and business activity.

The earnings season highlighted a clear sector divergence. Banks, healthcare, consumer businesses and energy-service providers remained relatively resilient, while petrochemicals, industrials and other externally exposed sectors faced pressure from weaker volumes, higher costs and supply-chain disruption.

Our regional positioning remains equally balanced between Saudi Arabia and the UAE, where more diversified export infrastructure and greater flexibility in managing oil flows provide stronger protection against disruption in the Strait of Hormuz. Saudi Arabia offers valuation upside following recent underperformance, supported by resilient non-oil activity, while the UAE combines stronger earnings visibility, robust domestic momentum and access to export routes outside the Strait. By contrast, Qatar and Kuwait remain more vulnerable to prolonged disruption in the Strait, while Bahrain faces a weaker outlook following the direct impact of the conflict on trade, tourism and business activity. Oman is comparatively insulated from export disruption and direct geopolitical damage; however, following its strong market performance, valuations appear less compelling and may not yet fully reflect the post-crisis earnings environment.

We believe regional geopolitical risk remains far from fully resolved, making resilience an increasingly important part of portfolio construction. Against this backdrop, we continue to favor Saudi Arabia and the UAE, where alternative export routes, stronger logistical flexibility and relatively lower direct exposure to recent disruptions provide a more defensive foundation. In an uncertain environment, the priority is not to avoid risk entirely, but to own the markets best equipped to absorb it.

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	-3.7%	-5.6%	-11.3%	-9.2%	-4.8%	1.5%
S&P GCC Composite Shariah TR	-2.8%	-5.1%	-7.0%	-3.7%	-0.9%	3.8%

Fund Facts

Inception Date	Jul 2023
Domicile	Abu Dhabi Global Markets
Fund Currency	SAR, USD, 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	2.1% / 1.5%
Performance Fee	15% since inception until June 2024
Fund Manager	Aarthi Chandrasekaran
Co Fund Manager	Rajat Varna
Investment Manager	SHUAA GMC Limited

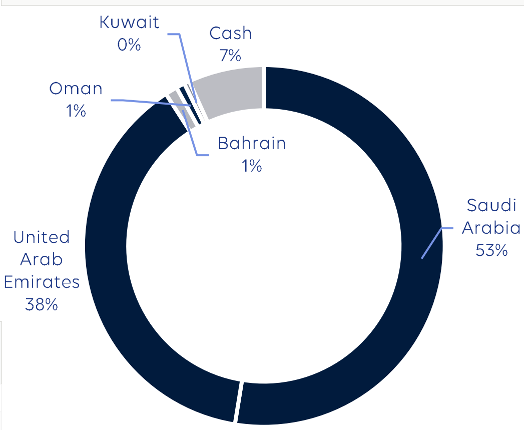
Portfolio Statistics

Fund AUM	$ 22.4mn
NAV per Share	101.5

Performance (Net of fees and expenses)

Annualised return	0.5%
Sharpe ratio	-0.5
Tracking Error	1.2%
2025 returns	-2.1%

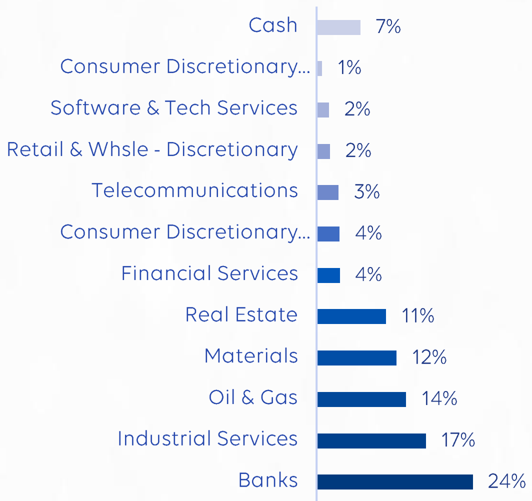
Country Allocation (% of Portfolio)



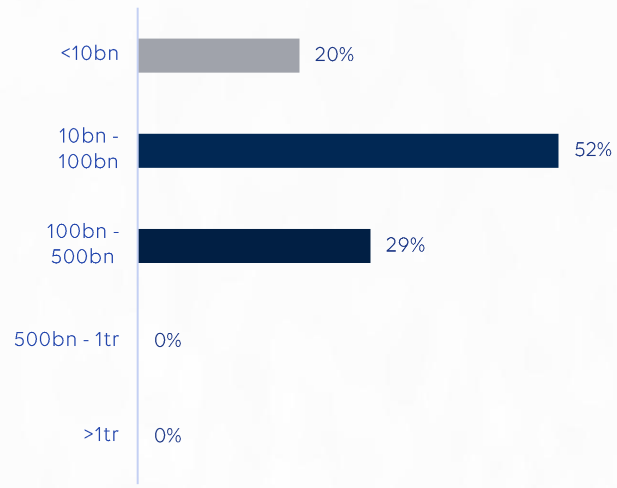
Top 5 holdings (excluding cash)	
Al-Rajhi Bank	21.3%
Aldar Properties	4.8%
SAL Saudi Logistics	4.4%
Al Masane Al Kobra Mining Co	3.9%
Abu Dhabi Ports Co PJSC	3.7%

Fund Metrics	
RoE	27.7%
Earnings Yield	7.4%
PE (12m Forward)	13.6x
EV/EBITDA (12m Forward)	9.6x
Net Debt/EBITDA	1.1x

Sector Allocation (% of Portfolio)



Equity Market Capitalization of Holdings (USD)



Top 5 Performers	
Americana Restaurants	6.9%
Jabal Omar Development Company	5.9%
Abu Dhabi Ports Co PJSC	4.3%
MAHARAH HUMAN RESOURCES CO	4.2%
Al Masane Al Kobra Mining Co	3.1%

Bottom 5 Performers	
United International Holding Company	-16.7%
East Pipes Integrated Co for I	-16.3%
Gas Arabian Services Co Ltd	-16.1%
Rasan Information Tech	-15.7%
Al-Anwar Ceramic Tiles	-13.6%

Fund Management Sales

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