

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

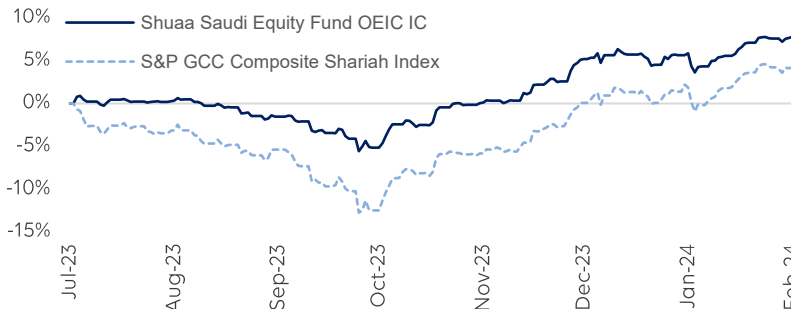
The Fund returned 4.0% in February, while the S&P GCC Composite Sharia Index in comparison returned 5.2%. KSA, constituting c.70.3% of the SPSHG benchmark, continued its momentum run throughout the month, registering only 2 sessions of trading losses, as the SASEIDX closed the month up 7.1%. Our 10.6% underweight positioning in KSA has contributed to the month's underperformance, though we remain value-oriented in our stock selection and tolerant of near-term deviation from the benchmark. Furthermore, we see restorative movement in several key positions in the fund that include off-benchmark names that offer uncorrelated returns, particularly towards the second half of the month. Coupled with UAE dividend related rallies and a cooling off in momentum-driven buying in KSA, along with eventual large-cap retracement in KSA as an Aramco secondary offering is brought to market in 2024, we expect value to overtake momentum in GCC markets in the medium term.

Oil markets remained relatively unchanged in February at USD 82/bbl Brent. In addition to continued geopolitical tensions in the region and disruptions to Red Sea-reliant supply chains, oil price remained affected by Fed rate expectations and demand overhangs. Aramco's surprise decision to halt expansions of to its Maximum Sustained Capacity (MSC) and to revise CapEx guidance in March was of greater materiality to the macroeconomic outlook in KSA, and the performance of several oil infrastructure plays on the TASI. The MSC is determined by the State under the Hydrocarbons Law, enacted by Royal Decree. In terms of Aramco stock, in which we are equal-weighted relative to the benchmark, CapEx cuts are supportive of dividend distributions, and in turn raise transfers to the government. The MSC growth suspension potentially implies that peak CapEx has already passed in 2023. We expect most of the CapEx savings to be passed through in dividends; every USD 5bn in additional dividend pass through reduces Saudi Arabia's fiscal deficit (c.2%) by 0.4% of GDP. We expect medium term oil demand growth to be met by current spare capacity (3mn bpd in KSA) and non-OPEC+ oil supply growth.

The key macroeconomic development of the month was the announcement of USD 35bn worth of investments in Egypt, via a consortium led by ADQ, a UAE SWF. The total value of the project, over phases, adds up to USD 150bn; c.8-12% of Egypt's current GDP. The news arrives as the macroeconomic outlook in Egypt delivered a mixed bag in Feb, with the upfront payments providing an immediate catalyst for an adjustment of the EGP-USD rate, via a float of the exchange rate and a closure of the gap with the parallel market. The more material impact however is on the fiscal front, via a reduction of c.7% in the country's external debt, and reducing the government's gross financing needs and funding a significant part of the fiscal deficit for free. An FX range of EGP 40-45 to the USD would also have implications for inflation expectations, particularly as expected rate hikes (coupled with an FX overshoot prior to stability) would create the conditions for a resumption in carry trade flows into EGP denominated credit.

We continue to position the Fund for cash flow quality, value, and secular/defensive earnings characteristics.

Fund Returns Since Inception



Return Statistics

	MTD	3M	6M	YoY	YTD	Inception
SHUAA SAUDI Equity Fund	4.0%	7.4%	7.3%	N/A	2.3%	7.8%
S&P GCC Composite Shariah Index	5.2%	10.1%	7.6%	N/A	3.7%	4.2%

Fund Facts

Inception Date	July 2023
Domicile	Abu Dhabi Global Markets
Fund Currency	USD/SAR
Asset Class	Sharia compliant Equities
Geography	GCC
ISIN	AE000A3CSWU8
Number of Holdings	70
Subscriptions/Fees	Daily / 0%
Redemptions/Fees	Daily / 0%
Leverage	0%
TER /Management Fee	2.4% / 1.5%
Fund Manager	Mohammad Kamal
Co Fund Manager	Aarthi Chandrasekaran
Investment Manager	SHUAA GMC Limited

Portfolio Statistics

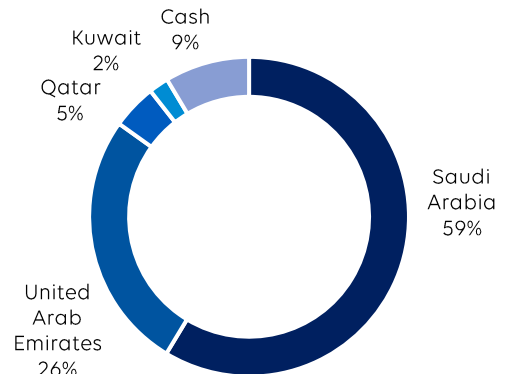
Fund AUM	\$45.5m
NAV per Share	107.8

Performance

Annualised return	13.4%
Sharpe ratio	1.4
Standard deviation	6.8%
2023 Return*	5.3%*

* Inception 31st July 2023

Country Allocation

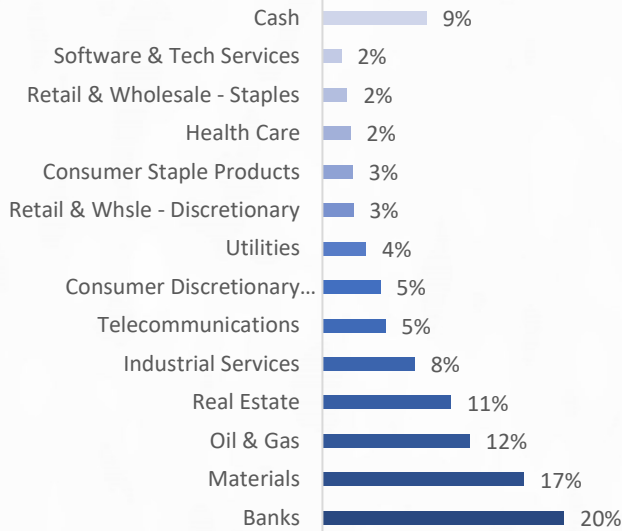
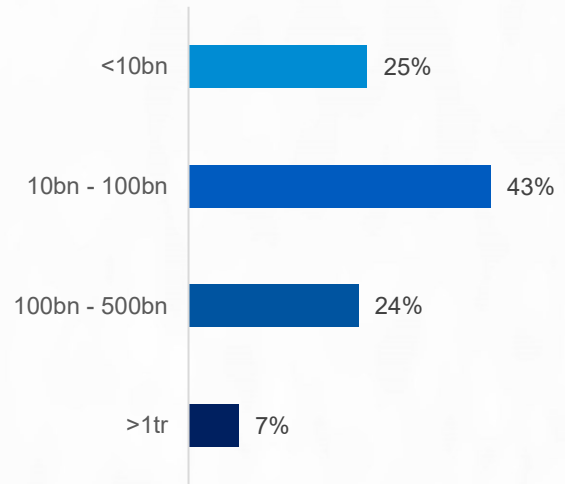


Top 5 holdings (excluding cash)

Al-Rajhi Bank	14.4%
Saudi Arabian Oil Co	7.2%
Americana Restaurants International	4.2%
Saudi Telecom Company	4.2%
SABIC	3.8%

Fund Metrics

RoE	25.1%
Earnings Yield	6.0%
PE (12m Forward)	16.6x
EV/EBITDA (12m Forward)	33.7
Net Debt/EBITDA	1.6

Sector Allocation

Equity Market Capitalization of Holdings (USD)

Top 5 Performers

Power & Water Utility Co for J	22.4%
ALMUNAJE FOODS CO	21.7%
Jahez International Co	21.4%
Yamama Cement	18.6%
Saudi Catering Company	16.0%

Bottom 5 Performers

Dana Gas	-14.5%
FERTIGLOBE PLC	-8.2%
Abu Dhabi Ports Co PJSC	-6.8%
EMIRATES CENTRAL COOLING SYS	-6.3%
Qatar Fuel Company	-4.7%

Asset Management Sales

Marowa Mansoor
 Omar Danish
 +971 4 330 3600
 Amsales@shuua.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. Shuua GMC Limited is the "Investment Manager" (IM) which is a prudential category 2 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 may 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.