



## Fund Manager Commentary

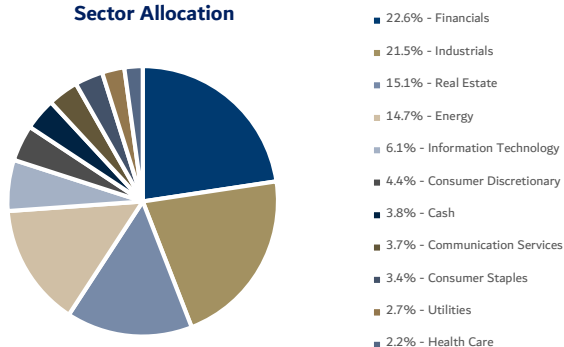
The macro environment across GCC markets became more uncertain during March 2026 as geopolitical tensions escalated following the US–Iran conflict, raising concerns about energy supply, inflation, and monetary policy. The Strait of Hormuz remains the key transmission channel, with a large share of global oil and LNG flows passing through it. Any sustained disruption would impact oil prices, inflation expectations, and interest rate trajectories, delaying U.S. rate cuts, tightening global liquidity, and increasing volatility across emerging markets, including the GCC.

GCC economies entered this period from a position of fiscal and external strength, supported by higher oil prices, government spending, and infrastructure investment across Saudi Arabia, the UAE, and Qatar. Higher oil prices supported fiscal balances during March, but the key macro variable remains oil export volumes. Any disruption to shipping routes would create a more complex scenario where higher prices are partly offset by lower export volumes, particularly for countries reliant on the Strait of Hormuz.

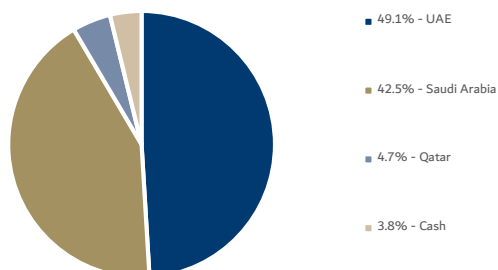
March was a high-volatility, risk-driven month across MENA. The UAE saw the steepest sell-off, with DFM down 16.4% and ADX down 8.9% due to foreign outflows, while Saudi Arabia outperformed with the market up 5.1% supported by oil, banks, and petrochemicals. Egypt and Qatar declined sharply, with the EGX30 down 7.9% and Qatar down 7.8%, while Kuwait proved relatively resilient, down only 2%, supported by domestic liquidity and policy measures. Overall, markets were driven by geopolitical risk, commodity prices, and capital flows.

From an economic activity perspective, the impact across GCC economies is expected to be sentiment-driven in the short term. Tourism, aviation, logistics, and real estate are the most sensitive sectors, particularly in the UAE and Saudi Arabia. However, government spending, infrastructure projects, and strategic investments should provide a medium-term cushion. Banking sector liquidity across the GCC remains strong, and central banks have indicated readiness to support financial stability if required.

### Sector Allocation



### Geographic Allocation



### Objective

Achieve capital appreciation, primarily through investment in equity and equity related securities in the Middle East and North African markets.

Performance <sup>1</sup>	Fund	Benchmark <sup>2</sup>	Alpha
1 Month	-7.3%	-3.7%	-3.6%
YTD*	-4.9%	1.4%	-6.3%
2025	-4.8%	0.5%	-5.3%
2024	3.0%	1.9%	1.1%
2023	23.1%	9.8%	13.3%
Since Inc.	52.8%	-15.3%	68.1%

<sup>1</sup> Performance is net of fees; return is cumulative

<sup>2</sup> S&P Pan Arab Composite Index

<sup>3</sup> As of 25<sup>th</sup> March 2026

Holding	Top 5 Holdings	% of Fund
Emaar Properties		6.6
Saudi National Bank		6.6
Adnoc Gas PLC		5.1
Sustained Infrastructure Holding Co.		4.8
Abu Dhabi Commercial Bank		4.2

### Fund Analysis

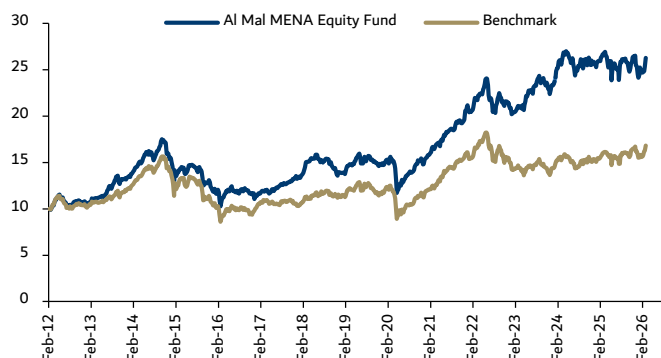
Matrix <sup>4</sup>	Fund	Benchmark
Standard Deviation	13.1%	11.6%
Tracking Error	734%	
Beta	0.9	
No. of Holdings	29	

<sup>4</sup> Calculated using 3-year weekly data

### Fund Information

Fund Manager	Faisal Hasan, CFA
Inception Date	15th June 2008
Fund Size	USD 21.5 million
Strategy Size	USD 250 million
Domicile	Bahrain
Currency	USD
Subscription & Redemption	Weekly
Min Subscription	USD 50,000
Bloomberg Code	MALMENE BI
Management Fee	1.75%
Benchmark Index	S&P Pan Arab Composite
Fund Type	Open Ended
Administrator	Apex
Custodian	Standard Chartered

### 10Y Fund Strategy Performance



#### Disclaimer

None of the information and opinions contained herein is intended to form the basis for any investment or trading decision, and no specific recommendations are intended. The products and transactions described herein are not suitable for every investor. Such products and transactions are only suitable for sophisticated and knowledgeable professional users of financial instruments and are structured and customized to the needs and objectives of each investor. The information and opinions contained herein have been prepared for informational purposes only and do not constitute an offer to sell, or solicitation of an offer to purchase, any security, any commodity futures contract, any derivative product, or any trading strategy or service described herein. Neither Al Mal Capital PSC nor any of its affiliates, directors, authorized managers and/or employees accepts liability for any loss arising from the use of or makes any representation as to the accuracy or completeness of the terms and conditions of products and transactions described herein. Finalized terms and conditions are subject to further discussion and negotiation and will be determined in part on the basis of pricing and valuation models, data, and assumptions that are proprietary to Al Mal Capital and its affiliates. No assurance can be given that a product or transaction can, in fact, be executed on any representative terms indicated herein.



## Fund Manager Commentary

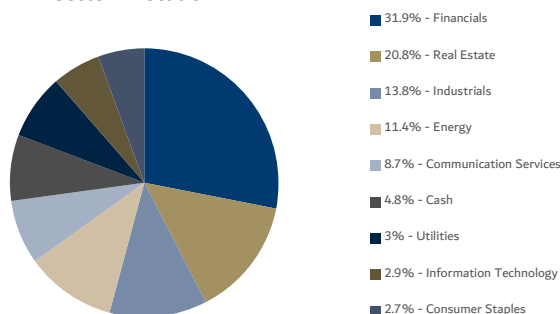
The global macro environment has become more complex in early 2026 as regional geopolitical tensions introduce new inflation and growth risks to the global economy. The main transmission channel remains energy trade routes, particularly the Strait of Hormuz, through which around 20% of global oil and significant LNG flows pass. Any disruption would have major implications for inflation and monetary policy, potentially delaying interest rate cuts in the U.S. and other developed markets, keeping global liquidity tighter and increasing market volatility.

Against this backdrop, the UAE entered 2026 from a position of strength, supported by solid non-oil growth, expansionary fiscal policy, rising oil production, and continued population inflows. However, the macro impact of the regional conflict will depend on the balance between oil prices and export volumes. Higher oil prices support fiscal and external balances, but if Strait of Hormuz disruptions persist, lower export volumes could gradually offset these benefits and weigh on economic activity.

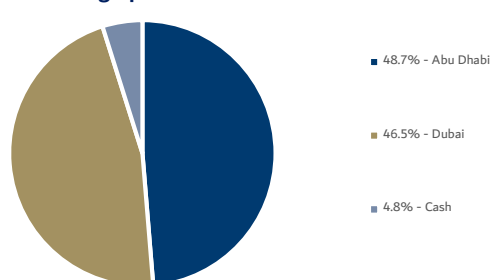
In our view, the economic impact on the UAE is likely to be sentiment-driven in the short term rather than structural. Tourism, real estate, logistics, and foreign investment flows are the most sensitive sectors. While the non-oil economy may face near-term headwinds due to uncertainty and travel disruptions, the UAE's political stability, strong financial system, and safe-haven status may attract capital inflows over the medium term. The Central Bank of the UAE has also introduced a Financial Institutions Resilience Package and confirmed its readiness to deploy further policy support if needed, while noting that the banking sector remains resilient.

UAE equity markets, which performed strongly in the first two months of 2026, saw heavy selling in March due to geopolitical risks and foreign outflows. The DFM fell 16.4% and the ADX declined 8.9% on very high trading volumes, driven largely by international institutional selling. Real estate stocks led the decline, with Emaar and Aldar down around 28%, while banks weakened and ADNOC-linked companies remained relatively defensive. We expect near-term volatility to remain driven by geopolitics and oil prices, but we remain constructive on the medium-term outlook for UAE equities given strong macro fundamentals, earnings visibility, and attractive dividend yields.

### Sector Allocation



### Geographic Allocation



### Objective

Achieve medium to long-term capital growth by investing primarily in equities listed on the UAE Exchange.

### Fund Performance

Performance <sup>1</sup>	Fund	Benchmark <sup>2</sup>	Relative Perf.
1 Month	-12.0%	-14.4%	2.4%
YTD*	-4.4%	-3.8%	-0.6%
2025	8.5%	15.1%	-6.6%
2024	17.9%	12.2%	5.7%
2023	14.5%	7.6%	6.9%
Since Inc.	190.1%	-7.0%	197.1%

<sup>1</sup> Performance is net of fees; return is cumulative

<sup>2</sup> S&P UAE Domestic 10% Capped Index

<sup>3</sup> As of 25<sup>th</sup> March 2026

### Top 3 Holdings

Holding	% of Fund
Emaar Properties PJSC	9.0
First Abu Dhabi Bank PJSC	8.6
Emirates NBD PJSC	8.3

### Fund Analysis

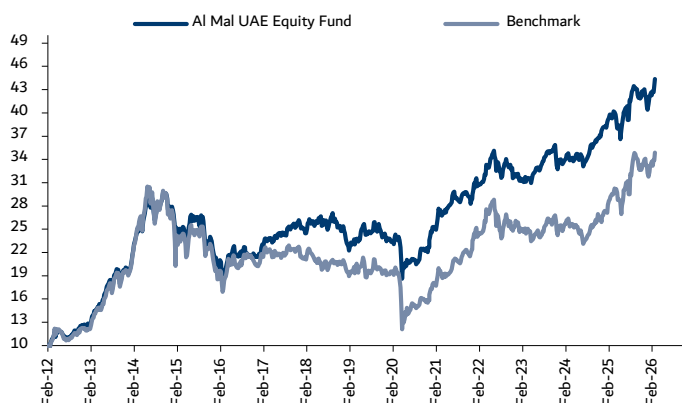
Matrix <sup>4</sup>	Fund	Benchmark
Standard Deviation	12.3%	14.9%
Tracking Error	5.6%	
Beta	0.8	
No. of Holdings	23	

<sup>4</sup> Calculated using 3-year weekly data

### Fund Information

Fund Manager	Faisal Hasan, CFA
Fund Size	AED 55.4 million
Domicile	UAE
Currency	AED
Subscription & Redemption	Weekly
Min Subscription	AED 40,000
Management Fee	1.50%
Performance Fee	20% over 10% hurdle with high watermark
Financial Year End	31st December
Benchmark Index	S&P UAE Domestic 10% Capped Index
Fund Type	Open Ended
Administrator & Custodian	Standard Chartered

### 10Y Fund Strategy Performance



#### Disclaimer

None of the information and opinions contained herein is intended to form the basis for any investment or trading decision, and no specific recommendations are intended. The products and transactions described herein are not suitable for every investor. Such products and transactions are only suitable for sophisticated and knowledgeable professional users of financial instruments and are structured and customized to the needs and objectives of each investor. The information and opinions contained herein have been prepared for informational purposes only and do not constitute an offer to sell, or solicitation of an offer to purchase, any security, any commodity futures contract or commodity-related product, any derivative product, or any trading strategy or service described herein. Neither Al Mal Capital PSC nor any of its affiliates, directors, authorized managers and/or employees accepts liability for any loss arising from the use of or makes any representation as to the accuracy or completeness of the terms and conditions of products and transactions described herein. Finalized terms and conditions are subject to further discussion and negotiation and will be determined in part on the basis of pricing and valuation models, data, and assumptions that are proprietary to Al Mal Capital and its affiliates. No assurance can be given that a product or transaction can, in fact, be executed on any representative terms indicated herein.