Al Mal MENA Equity Fact Sheet

Aug 2026

NAV Per Unit: USD 11.24

Fund Manager Commentary

The Al Mal Capital MENA Equity Fund benefited from strong performance in Saudi Arabia (+5.1%) driven largely by market expectations of an easing in foreign ownership limits (FOL) in public equities. We also added exposure to Oman (+4.5%) during the month supported by our view of a relatively resilient economy despite the geopolitical crisis and passive tailwinds expected from a potential upgrade to emerging market indices. Lastly, we reduced our overall exposure to the UAE (ADX +0.9%, DFMgi +0.7%), however, maintain our overweight position vs. the benchmark.

The portfolio performance was driven by strong double-digit returns in SISCO (+12.0%), Company for Cooperative Insurance (Tawuniya) (+11.3%), ADNOC Logistics & Services (+11.3%), Saudi National Bank (+10.5%), and ADES (+10.3%). The stocks benefited from a mix of easing geopolitical tensions (mid-August), strong quarterly earnings beats, and a return in momentum for KSA stocks broadly. On the flip side, UAE stocks were weaker during the month especially towards the end of the month amidst news of re-escalating tensions between the US and Iran, as well as technical drivers at the end of the month (index inclusion/exclusion) that impacted stocks such as du (-6.6%). Other underperformers in the UAE included Emaar Properties (-1.8%), ADNOC Gas (-1.5%), and Empower (-0.6%).

On the macro front, crude oil retraced most of July's spike before reversing again. Brent pushed to USD84/bbl in early August on Tehran's insistence on retaining control over the Strait of Hormuz, before easing as markets read the conflict as a sanction standoff rather than an imminent supply threat. Gulf exports recovered to an estimated 15 to 16 million b/d, still below the pre-conflict run-rate but well above March's low, aided by an Iran-Oman revenue-sharing framework for the strait, though Tehran stressed this does not imply reopening. Brent slipped into the high USD80s by month-end, only for renewed hostilities on 30 August to push prices back above USD91, a reminder that de-escalation has proven reversible all year.

Looking ahead, we remain optimistic on the regional markets, albeit highlight that country specific drivers into year-end can look very different. Broadly, the overhang of the Middle East crisis is still likely to be the major driver for market performance. That said, we are optimistic on the Saudi Arabia market led by still strong underlying fundamentals, structural long-term growth opportunities, and technical upside from a potential easing in foreign ownership limits in public equities. In the UAE, we still expect the economy to eventually rebound from its crisis lows and are starting to see early signs of a bottom in the housing market. Key to watch: revival in travel and tourism, loan growth, and real estate demand. Elsewhere, Oman continues to differentiate itself as the lesser impacted country in the region with upside from more favourable shipping and logistics capabilities related to energy, agriculture and petchems. We are neutral on Kuwait and Qatar.

Objective

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

Performance[1]	Fund	Benchmark[2]	Alpha
1 Month	4.9%	5.3%	-0.4%
YTD*	1.7%	3.7%	-2.0%
2025	-4.8%	0.5%	-5.3%
2024	3.0%	1.9%	1.1%
2023	23.1%	9.8%	13.3%
Since Inc.	63.4%	-13.3%	76.7%

[1] Performance is net of fees; return is cumulative
[2] S&P Pan Arab Composite Index
[3] As of 26th Aug 2026

Top 5 Holdings

Holding	% of Fund
AL RAJHI BANK	7.8
SAUDI NATIONAL BANK	7.0
EMAAR PROPERTIES PJSC	5.5
ADNOC LOGISTICS AND SERVICES	5.1
ADNOC GAS PLC	4.7

Fund Analysis

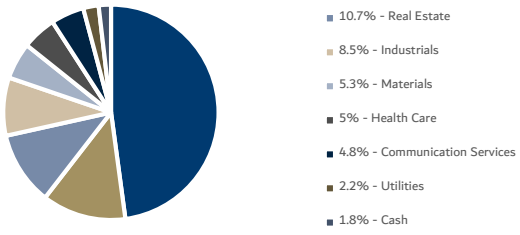
Matrix[4]	Fund	Benchmark
Standard Deviation	14.0%	11.6%
Tracking Error	7.0%	
Beta	1.0	
No. of Holdings	29	

[4] Calculated using 3-year weekly data

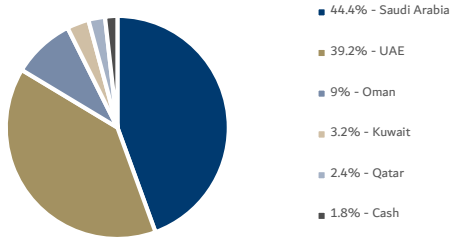
Fund Information

Fund Manager	Faisal Hasan, CFA
Inception Date	15th June 2008
Fund Size	USD 22.9 million
Strategy Size	USD 250 million
Domicile	Bahrain
Currency	USD
Subscription & Redemption	Weekly
Min Subscription	USD 50,000
Bloomberg Code	MALMENE BI
ISIN Code	BH0003764U21
Management Fee	1.75%
Benchmark Index	S&P Pan Arab Composite
Fund Type	Open Ended
Administrator	Apex
Custodian	Standard Chartered

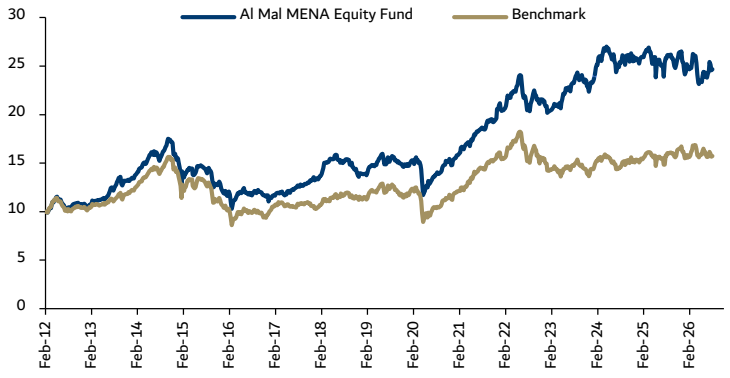
Sector Allocation



Geographic Allocation



10Y Fund Strategy Performance



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Al Mal UAE Equity Fact Sheet

Aug 2026

NAV Per Unit: AED 2.01

Fund Manager Commentary

UAE equity markets posted modest gains in August, with both bourses ending the month higher despite the backdrop of regional tension, as strong corporate earnings and resilient real estate markets as Abu Dhabi real estate sales rise while Dubai real estate sales slows down but Ejari is resilient. The FTSE ADX General Index rose around 1.15%, while the DFM General Index gained approximately 0.69%, Year-to-date, the ADX is down 0.80% and the DFM down around 4.2%.

Domestically, UAE fundamentals remained resilient through the month. Non-oil foreign trade reached around AED 2 trillion over six months, up roughly 13% year-on-year, with non-oil exports hitting a historic AED 453 billion. Banks delivered strong Q2 results, with continued credit growth and earnings resilience despite deposit competition and funding-cost pressure, while real estate stayed supported by population growth and infrastructure spend, though listed developers saw share-price volatility as investors weighed strong fundamentals against geopolitical uncertainty and higher borrowing costs. That uncertainty stemmed directly from the continuing US-Iran standoff, which weighed on regional travel, trade, and business confidence throughout August even as headline economic data held up.

Internationally, indirect US-Iran talks over Strait of Hormuz access, maritime security, and frozen Iranian assets ran through most of the month without a settlement, keeping Brent crude volatile in an $83–94/barrel range; conditions deteriorated at month-end with confirmed US strikes on Iranian positions on August 30–31, the first since late July. On rates, the Fed held at 3.50%–3.75%, its fifth consecutive freeze, on a 9–3 vote with three dissents favoring a hike, and new Chair Kevin Warsh sharpened the hawkish tone materially at his August 28 Jackson Hole address, breaking with tradition by withholding forward guidance and warning inflation trends were "more concerning" than recent data suggests, shifting market pricing toward an active expectation of a September hike.

We believe UAE equities should remain supported by resilient bank profitability, healthy property demand, and government-led infrastructure investment. Nevertheless, higher-for-longer interest rates could increase funding costs and moderate property demand, while the outlook will remain sensitive to US-Iran negotiations, oil-price movements, and shipping security. Within this environment, companies with strong balance sheets and sticky revenues are the companies we are looking at. We have positioned the portfolio in large cap equities and low beta stocks as we believe that once the conflict slows down they are poised to see their pricing to improve as the fundamental story is still intact.

Objective

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

Fund Performance

Performance[1]	Fund	Benchmark[2]	Relative Perf.
1 Month	3.9%	3.2%	0.7%
YTD*	1.9%	0.2%	1.7%
2025	8.5%	15.1%	-6.6%
2024	17.9%	12.2%	5.7%
2023	14.5%	7.6%	6.9%
Since Inc.	209.2%	-3.1%	212.3%

[1] Performance is net of fees; return is cumulative
[2] S&P UAE Domestic 10% Capped Index
3 As of 26th Aug 2026

Top 3 Holdings

Holding	% of Fund
First Abu Dhabi Bank PJSC	9.8
Emirates NBD PJSC	8.8
Emaar Properties PJSC	8.2

Fund Analysis

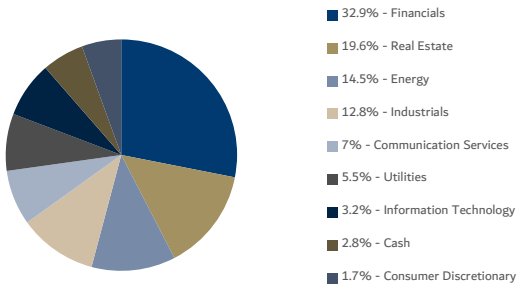
Matrix[4]	Fund	Benchmark
Standard Deviation	14.2%	16.0%
Tracking Error	5.0%	
Beta	0.8	
No. of Holdings	23	

[4] Calculated using 3-year weekly data

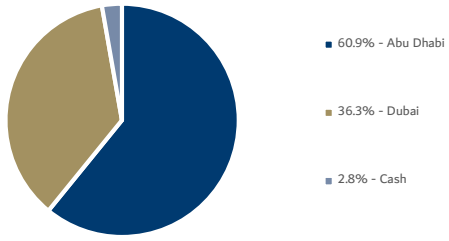
Fund Information

Fund Manager	Faisal Hasan, CFA
Fund Size	AED 57 million
Domicile	UAE
Currency	AED
Subscription & Redemption	Weekly
Min Subscription	AED 40,000
ISIN Code	AEA003630026
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

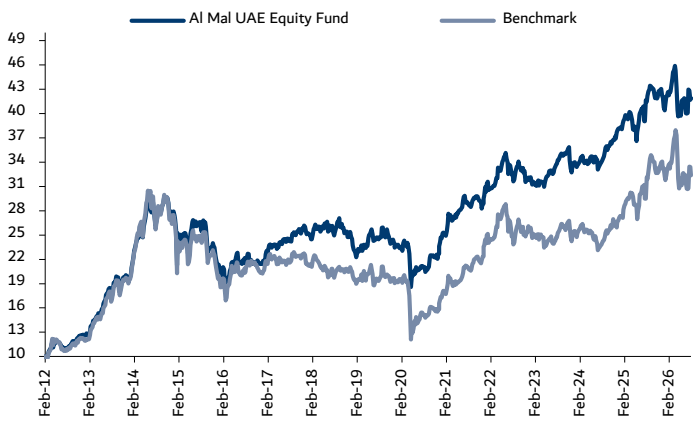
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