

Al Mal UAE Equity Fact Sheet

NAV Per Unit: AED 1.28



September 2018

Fund Objective: The Al Mal UAE Equity Fund's objective is to achieve medium to long-term capital growth by investing primarily in equities listed on the UAE Exchange.

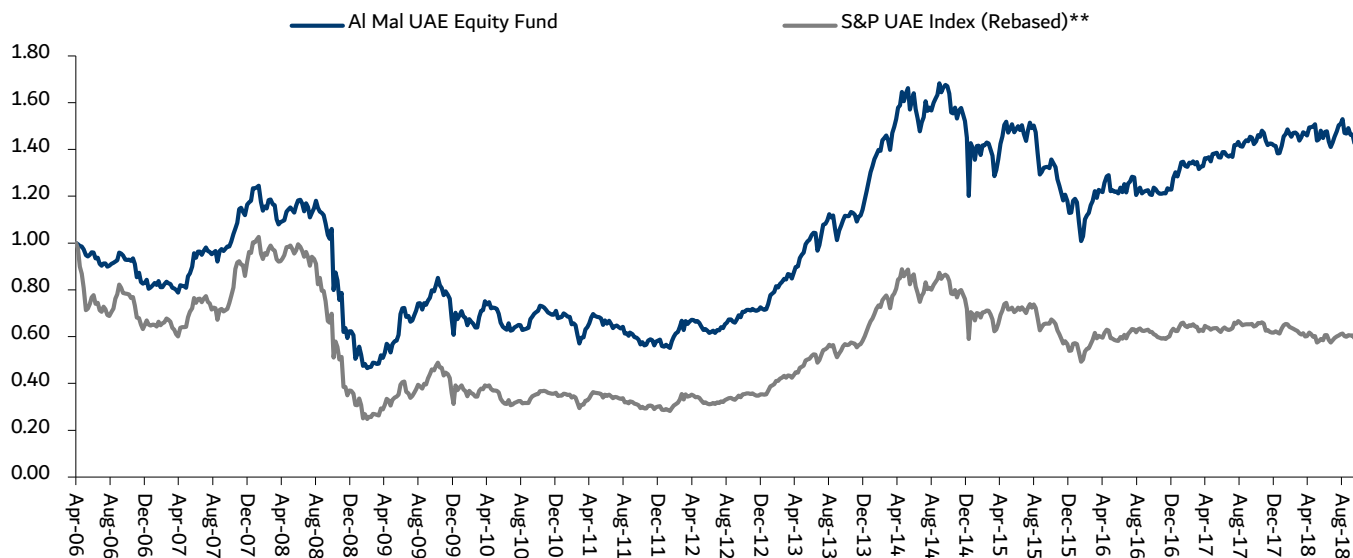
Key Terms:

| | |
|---------------------------|---|
| Fund Manager | Charles-Henry Monchau, CFA Vrajesh Bhandari, CFA |
| Inception Date | 5th April 2006 |
| Fund Registration | UAE |
| Currency | AED |
| Fund Size | AED 32mn |
| Subscription | Weekly |
| Dividend Frequency | Yearly |
| Min Subscription | AED 100,000 |
| Management Fee | 1.50% |
| Performance Fee | 20% over 10% hurdle with high watermark |
| Subscription Fee | Up to 2% |
| Redemption | Weekly |
| Benchmark Index | S&P UAE Composite Index |
| Fund Type | Open Ended |
| Administrator | Standard Chartered |
| Custodian | Standard Chartered |
| Financial Year End | 31st December |
| Auditors | Deloitte |

| Performance Yearly | Fund | Benchmark | Relative Perf. |
|--------------------|--------------|---------------|----------------|
| YTD 2018 | 3.1% | -2.6% | 5.7% |
| 2017 | 7.8% | -1.6% | 9.4% |
| 2016 | 7.9% | 9.0% | -1.1% |
| 2015 | -15.3% | -17.6% | 2.3% |
| 2014 | 11.2% | 7.5% | 3.7% |
| 2013 | 81.4% | 88.0% | -6.6% |
| 2012 | 28.7% | 23.5% | 5.2% |
| 2011 | -18.4% | -17.7% | -0.7% |
| 2010 | -1.0% | -8.8% | 7.8% |
| 2009 | 31.2% | 24.6% | 6.6% |
| 2008 | -56.9% | -69.4% | 12.5% |
| 2007 | 50.4% | 54.8% | -4.4% |
| 2006 | -19.1% | -35.2% | 16.1% |
| Since Inc. | 42.8% | -40.2% | 83.0% |

| Performance ¹ | Fund | Benchmark ² | Relative Perf. |
|--------------------------|--------------|------------------------|----------------|
| 1 Month | -4.3% | -1.3% | -3.0% |
| YTD* | 3.1% | -2.6% | 5.7% |
| 1 Year | 0.3% | -7.1% | 7.4% |
| 3 Years | 8.1% | -8.7% | 16.9% |
| 5 Year | 27.9% | 5.3% | 22.6% |
| Since Inc. | 42.8% | -40.2% | 83.0% |

Performance



* As of the last Wednesday of every month (26 of September, 2018)

Source: Al Mal internal performance measurement based on reports from third-party administrators (Standard Chartered Bank)

¹ Performance is net of fees; 3-year and 5-year return is cumulative

² S&P Pan Arab Composite Index

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Fund Manager Commentary:

The S&P UAE Index recorded a decline of 1.3% last month. The announcement of the potential merger between three banks in Abu Dhabi – ADCB, UNB & Al Hilal Bank – helped the ADX to once again outperform its DFM neighbor. Year to date, the return differential between the two markets now stands at a staggering 30 percentage points.

Our core holdings - NMC Healthcare & DP World – each fell 10% in September. NMC - which is listed on London stock exchange - mainly sold off due to global investors offloading their most liquid emerging markets related holdings. We remain positive on this story as we believe that current valuations do not reflect the strong 30% CAGR in earnings growth we expect for the coming 3 years driven by higher utilization of current facilities. The partnership with GOSI in Saudi Arabia is creating the second largest private healthcare player in the Kingdom (by beds capacity) and will benefit from economies of scale which are expected to unlock considerable synergies.

In case of DP World, the Government of Djibouti ordered the nationalization of the Doreleh Container Terminal, a joint venture operated by DP World until February when the government seized the terminal. We spoke to the IR Director and understood the company will continue to pursue all legal means to defend its rights as a shareholder. On the positive side, the company is in various stages of conversation with at least five state governments in India about 'major logistics facilities'. DP world is looking at opportunities beyond sea ports such as river ports and transportation, freight corridors, port-led special economic zones, inland container terminal and logistics infrastructure, including cold storage.

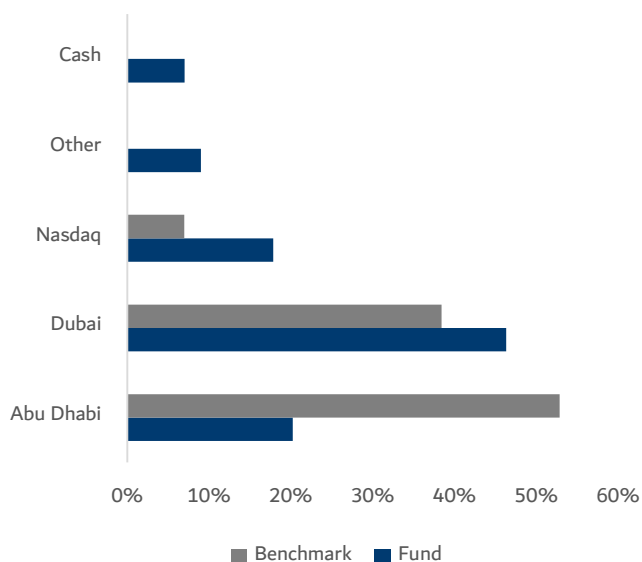
| Top Portfolio Holdings | % of Fund |
|----------------------------|-----------|
| First Abu Dhabi Bank | 14.6 |
| Emirates NBD | 10.4 |
| Emaar Properties | 10.4 |
| Total # of Holdings | 11 |

Source: Al Mal internal performance measurement based on reports from third-party administrators (Apex)

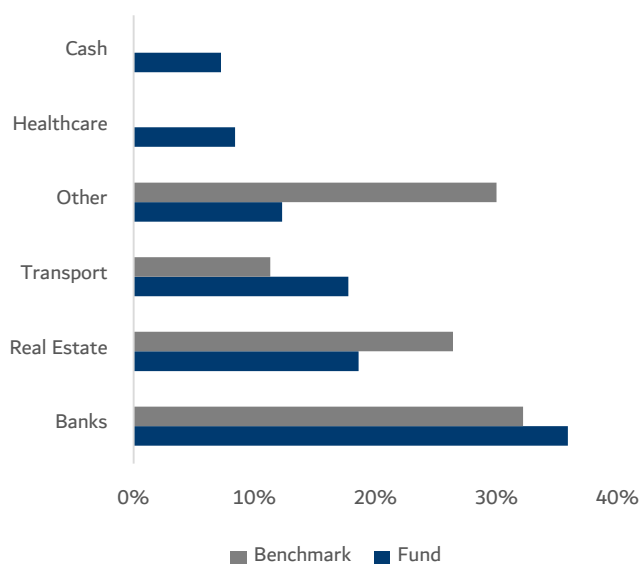
| Fund Characteristics ² | Fund | Benchmark |
|-----------------------------------|-------|-----------|
| Standard Deviation | 19.7% | 21.8% |
| Sharpe Ratio | 0.10 | -0.09 |
| Beta | 0.87 | |
| Tracking Error | 5.6% | |
| Information Ratio | 0.61 | |

² Calculated using 5-year weekly data

Geographic Allocation



Sector Allocation



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