

## Fund Description

The investment objective of the Arqaam Islamic Income Fund (a sub-Fund of Arqaam Islamic Funds (OEIC) PLC) is to invest in securities and/or instruments with the aim to provide the Shareholders with Shari'ah compliant returns. The Arqaam Islamic Income Fund will only invest in Shari'ah compliant securities and instruments approved by the Shari'ah Supervisory Board. The Arqaam Islamic Income Fund will target an annual average return of 6%, net of Fees.

## Fund Manager's Commentary

The Class C shares were down -0.91% in November versus the index return of -0.32% on the JP Morgan Mid-East Sukuk Index and -0.88% on the S&P Global High Yield Sukuk index. On a YTD basis the fund is up 0.06% versus 2.03% on the JP Index and 5.08% on the S&P Index.

YTD performance continues to be impacted by the positions in Serba Dinamik and Garuda, there was continued weakness in price of both these positions in November, and our position in Arabian Centers also suffered this month, when the company informed of a legal issue with one of its land holdings in Riyadh. The Company has expressed confidence in overcoming the issue and we are monitoring the situation across all these positions.

## Fund Return

| MTD                                       |       |       |       |       |        |
|---|-------|-------|-------|-------|--------|
| Class A Accumulation Shares               |       |       |       |       | -0.97% |
| Class B Distribution Shares               |       |       |       |       | -0.97% |
| Class C Institutional Accumulation Shares |       |       |       |       | -0.91% |
| Class D Distribution Shares               |       |       |       |       | -1.00% |
| Class E Distribution Shares               |       |       |       |       | -1.00% |
| Class F Distribution Shares               |       |       |       |       | -0.98% |
| Class G Distribution Shares               |       |       |       |       | -0.94% |
| YTD                                       | 2017  | 2018  | 2019  | 2020  | 2021   |
| Class A Accumulation Shares               | 0.05% | 0.69% | 8.29% | 2.49% | -0.66% |
| Class B Distribution Shares               | 0.05% | 0.69% | 8.29% | 2.49% | -0.66% |
| Class C Institutional Accumulation Shares | 0.39% | 1.45% | 9.07% | 3.30% | 0.06%  |
| Class D Distribution Shares               | -     | 0.76% | 8.07% | 2.16% | -0.95% |
| Class E Distribution Shares               | -     | -     | 5.88% | 2.18% | -0.93% |
| Class F Distribution Shares               | -     | -     | 0.76% | 2.41% | -0.66% |
| Class G Distribution Shares               | -     | -     | -     | 0.13% | -0.28% |

## Total Distribution per share

| YTD                                       | 2017 | 2018  | 2019  | 2020  | 2021 (YTD) |
|---|------|-------|-------|-------|------------|
| Class A Accumulation Shares               | -    | -     | -     | -     | -          |
| Class B Distribution Shares               | -    | 1.29% | 6.89% | 3.33% | 1.41%      |
| Class C Institutional Accumulation Shares | -    | -     | -     | -     | -          |
| Class D Distribution Shares               | -    | 2.26% | 4.88% | 5.14% | 3.85%      |
| Class E Distribution Shares               | -    | -     | 3.72% | 4.73% | 5.11%      |
| Class F Distribution Shares               | -    | -     | 0.84% | 4.80% | 4.78%      |
| Class G Distribution Shares               | -    | -     | -     | 0.42% | 4.66%      |

## Top Holding\*

|                       |       |
|-----------------------|-------|
| BHRAIN 3 7/8 05/18/29 | 4.15% |
| DARALA 6 7/8 02/26/27 | 3.88% |
| TURSKS 5 1/8 06/22/26 | 3.71% |
| DPWDU 6 PERP          | 3.36% |
| DUBAEE 3 3/4 02/15/26 | 3.01% |

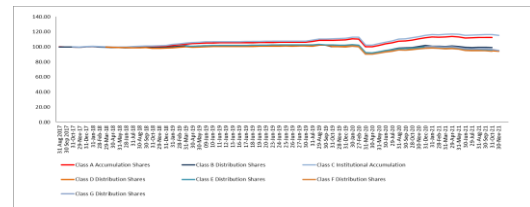
## Fund Statistics\*

|                   |       |
|-------------------|-------|
| Average Coupon    | 4.85% |
| Fund Rating       | BB-   |
| Average Maturity  | 4.56  |
| Average Yield     | 4.12  |
| Modified Duration | 3.80  |

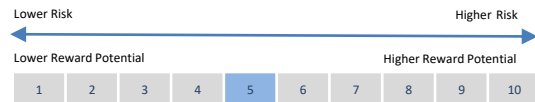
\* Excluding Cash;

Note: Figures are derived from Arqaam Islamic Income Fund NAV report as of 30<sup>th</sup> November 2021. Past performance as illustrated herein is not a guarantee of future returns. The information contained herein, including any expression of opinion, has been obtained from Bloomberg, Fund Administrator and/or Fund Manager and is believed to be fair and not misleading. However, Arqaam Capital does not guarantee its accuracy or completeness.

## Performance (Chart) for Class A ,B ,C ,D ,E ,F and G Shares



## Arqaam Capital Product Risk Rating



Source: Arqaam Capital Limited. Based on Arqaam's internal product risk for suitability assessment

## Net Asset Value per share

|                |              |
|----------------|--------------|
| Class A Shares | USD 111.3469 |
| Class B Shares | USD 97.9450  |
| Class C Shares | USD 115.2176 |
| Class D Shares | USD 94.0195  |
| Class E Shares | USD 94.5697  |
| Class F Shares | USD 92.8136  |
| Class G Shares | USD 95.3073  |

## Regional Allocation

|               |        |
|---------------|--------|
| UAE           | 41.49% |
| Saudi Arabia  | 16.15% |
| Bahrain       | 11.45% |
| Kuwait        | 8.88%  |
| Turkey        | 5.72%  |
| Oman          | 5.36%  |
| Qatar         | 5.15%  |
| Indonesia     | 1.37%  |
| Malaysia      | 1.28%  |
| Maldives      | 1.04%  |
| Pakistan      | 0.52%  |
| Supranational | 0.24%  |
| Cash          | 1.35%  |

## Industry Allocation

|                        |        |
|------------------------|--------|
| Banks                  | 26.33% |
| Real Estate            | 24.07% |
| Sovereign              | 21.28% |
| Consumer, Non-cyclical | 9.16%  |
| Diversified Finan Serv | 4.93%  |
| Utilities              | 4.01%  |
| Financial              | 3.09%  |
| Consumer, Cyclical     | 2.97%  |
| Energy                 | 2.56%  |
| Supranational          | 0.25%  |
| Cash                   | 1.35%  |

## Maturity Profile\*

|       |        |
|-------|--------|
| 0-5   | 65.70% |
| 5-10  | 33.24% |
| 10-15 | 1.05%  |

## Monthly Performance (%)

|  | Jan  | Feb   | Mar   | Apr   | May   | Jun   | Jul  | Aug   | Sep   | Oct   | Nov   | Dec  |
|--|------|-------|-------|-------|-------|-------|------|-------|-------|-------|-------|------|
| <b>Class A Accumulation Shares</b>               |      |       |       |       |       |       |      |       |       |       |       |      |
| 2017   | -    | -     | -     | -     | -     | -     | -    | -0.29 | 0.09  | -0.04 | -0.19 | 0.48 |
| 2018   | 0.37 | -0.54 | -0.27 | -0.39 | -0.24 | -0.07 | 0.63 | 0.28  | 0.40  | 0.02  | 0.10  | 0.40 |
| 2019   | 1.19 | 0.92  | 0.76  | 0.56  | 0.52  | 1.25  | 1.20 | 1.24  | -0.12 | 0.20  | 0.27  | 0.30 |
| 2020   | 1.15 | -0.14 | -9.40 | 0.04  | 1.88  | 1.79  | 1.57 | 2.02  | 0.38  | 1.02  | 1.43  | 1.29 |
| 2021   | 0.81 | -0.10 | -0.24 | 1.04  | -0.55 | -1.16 | 0.14 | 0.34  | 0.44  | -0.13 | -0.97 | -    |
| <b>Class B Distribution Shares</b>               |      |       |       |       |       |       |      |       |       |       |       |      |
| 2017   | -    | -     | -     | -     | -     | -     | -    | -0.29 | 0.09  | -0.04 | -0.19 | 0.48 |
| 2018   | 0.37 | -0.54 | -0.27 | -0.39 | -0.24 | -0.07 | 0.63 | 0.28  | 0.40  | 0.02  | 0.10  | 0.40 |
| 2019   | 1.19 | 0.92  | 0.76  | 0.56  | 0.52  | 1.25  | 1.20 | 1.24  | -0.12 | 0.20  | 0.27  | 0.30 |
| 2020   | 1.15 | -0.14 | -9.40 | 0.04  | 1.88  | 1.79  | 1.57 | 2.02  | 0.38  | 1.02  | 1.43  | 1.29 |
| 2021   | 0.81 | -0.10 | -0.24 | 1.04  | -0.55 | -1.16 | 0.14 | 0.34  | 0.44  | -0.13 | -0.97 | -    |
| <b>Class C Institutional Accumulation Shares</b> |      |       |       |       |       |       |      |       |       |       |       |      |
| 2017   | -    | -     | -     | -     | -     | -     | -    | -     | -     | -0.03 | -0.13 | 0.55 |
| 2018   | 0.43 | -0.48 | -0.21 | -0.32 | -0.18 | -0.01 | 0.70 | 0.34  | 0.47  | 0.08  | 0.16  | 0.47 |
| 2019   | 1.26 | 0.98  | 0.82  | 0.62  | 0.58  | 1.32  | 1.27 | 1.30  | -0.05 | 0.27  | 0.33  | 0.37 |
| 2020   | 1.21 | -0.08 | -9.33 | 0.10  | 1.95  | 1.86  | 1.63 | 2.09  | 0.45  | 1.08  | 1.51  | 1.36 |
| 2021   | 0.88 | -0.04 | -0.17 | 1.10  | -0.48 | -1.10 | 0.21 | 0.41  | 1.04  | -0.06 | -0.91 | -    |
| <b>Class D Distribution Shares</b>               |      |       |       |       |       |       |      |       |       |       |       |      |
| 2018   | -    | -     | -0.11 | -0.42 | -0.27 | -0.10 | 0.60 | 0.25  | 0.37  | -0.02 | 0.07  | 0.39 |
| 2019   | 1.19 | 0.85  | 0.73  | 0.53  | 0.49  | 1.21  | 1.17 | 1.21  | -0.15 | 0.17  | 0.39  | 0.28 |
| 2020   | 1.12 | -0.16 | -9.42 | 0.01  | 1.85  | 1.76  | 1.54 | 1.99  | 0.36  | 1.00  | 1.40  | 1.26 |
| 2021   | 0.79 | -0.12 | -0.26 | 1.01  | -0.58 | -1.19 | 0.12 | 0.31  | 0.21  | -0.16 | -1.00 | -    |
| <b>Class E Distribution Shares</b>               |      |       |       |       |       |       |      |       |       |       |       |      |
| 2019   | -    | -     | 0.68  | 0.53  | 0.49  | 1.24  | 1.17 | 1.21  | -0.15 | 0.18  | 0.25  | 0.28 |
| 2020   | 1.12 | -0.16 | -9.42 | 0.02  | 1.85  | 1.76  | 1.54 | 1.99  | 0.36  | 1.00  | 1.40  | 1.26 |
| 2021   | 0.78 | -0.12 | -0.26 | 1.01  | -0.58 | -1.18 | 0.11 | 0.32  | 0.22  | -0.16 | -1.00 | -    |
| <b>Class F Distribution Shares</b>               |      |       |       |       |       |       |      |       |       |       |       |      |
| 2019   | -    | -     | -     | -     | -     | -     | -    | -     | -     | 0.20  | 0.26  | 0.30 |
| 2020   | 1.14 | -0.15 | -9.40 | 0.04  | 1.87  | 1.78  | 1.56 | 2.01  | 0.38  | 1.01  | 1.43  | 1.28 |
| 2021   | 0.81 | -0.11 | -0.25 | 1.03  | -0.56 | -1.16 | 0.15 | 0.34  | 0.42  | -0.10 | -0.98 | -    |
| <b>Class G Distribution Shares</b>               |      |       |       |       |       |       |      |       |       |       |       |      |
| 2020   | -    | -     | -     | -     | -     | -     | -    | -     | -     | -     | -     | 0.13 |
| 2021   | 0.85 | -0.07 | -0.20 | 1.07  | -0.51 | -1.13 | 0.18 | 0.38  | 0.76  | -0.09 | -0.94 | -    |

## Fund Details

|  |   |
|--|---|
| <b>Fund Size</b>                               | USD 196.753 Million   |
| <b>Fund Type</b>                               | DIFC Public Domestic Fund   |
| <b>Launch Date</b>                             | August 22, 2017   |
| <b>Domicile</b>                                | Dubai International Financial Centre, Dubai   |
| <b>FRN</b>                                     | F000407   |
| <b>Currency</b>                                | USD   |
| <b>Benchmark</b>                               | NIL   |
| <b>Fund Manager</b>                            | Arqaam Capital Limited - Regulated by Dubai Financial Services Authority  |
| <b>Valuation day</b>                           | Each Business Day   |
| <b>Dealing Day (Subscription / Redemption)</b> | Each Business Day   |
| <b>ISIN</b>                                    | Class A Shares - AEDFXA3ON005<br>Class B Shares - AEDFXA3ON021<br>Class C Shares - AEDFXA3ON039<br>Class D Shares - AEDFXA3TN004<br>Class E Shares - AEDFXA3TN038<br>Class F Shares - AEDFXA3TN046<br>Class G Shares - AEDFXA05C088 |
| <b>Bloomberg Ticker</b>                        | Class A Shares - ARQAIIA UH<br>Class B Shares - ARQAIIA UH<br>Class C Shares - ARQAIIA UH<br>Class D Shares - ARQAIIA UH<br>Class E Shares - ARQAIIA UH<br>Class F Shares - ARQAIIA UH<br>Class G Shares - ARQAIIA UH               |
| <b>Settlement for Subscription</b>             | 2 Business days prior to Dealing Day  |
| <b>Settlement for Redemption</b>               | Within 5 Business days after the Dealing Day  |
| <b>Notice Period</b>                           | 2 Business days for Subscription and Redemption   |

|                              |   |
|------------------------------|---|
| <b>Minimum Subscription</b>  | Class A Shares - USD 3,000 and in multiples of USD 3,000 thereafter;<br>Class B Shares - USD 3,000 and in multiples of USD 3,000 thereafter;<br>Class C Shares - USD 250,000 and in multiples of USD 100,000 thereafter;<br>Class D shares: USD 3,000 and in multiples of USD 3,000 thereafter;<br>Class E Shares - USD 3,000 and in multiples of USD 3,000 thereafter.<br>Class F Shares - USD 3,000 and in multiples of USD 3,000 thereafter.<br>Class G Shares - USD 3,000 and in multiples of USD 3,000 thereafter. |
| <b>Performance Fee</b>       | NIL   |
| <b>Management Fee</b>        | Class A Shares - 1.5%<br>Class B Shares - 1.5%<br>Class C Shares - 0.75%<br>Class D Shares - 1%<br>Class E Shares - 1%<br>Class F Shares - 1.1%<br>Class G Shares - 1.1%  |
| <b>Deferred Sales Fee</b>    | Class D shares - 2.4%<br>Class E shares - 2.5%<br>Class F shares - 1.5%   |
| <b>Deferred Services Fee</b> | Class D shares follows the below schedule, if the redemption is processed within:<br>12 months: 2.4%<br>13 - 24 months: 1.6%<br>25 - 36 months: 0.80%   |
| <b>Redemption Fee</b>        | Class E shares follows the below schedule, if the redemption is processed within:<br>12 months: 2.50%<br>13 - 24 months: 1.67%<br>25 - 36 months: 0.84%<br>Class F shares follows the below schedule, if the redemption is processed within:<br>12 months: 1.50%<br>13 - 24 months: 1%<br>25 - 36 months: 0.5%  |

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