

Arqaam Islamic Funds (OEIC) PLC Arqaam Islamic Income Fund

March 2023



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 5%, net of Fees.

Fund Manager's Commentary

The "C" share class was up 0.02% in March, while the FTSE Ideal Ratings Sukuk Index was up 0.83% for the month. On a YTD basis the fund is up 0.94% while the index is up 1.82%. The main reason for the underperformance is the weak performance of Egypt sovereign bonds and the lower duration of the fund.

March was a very volatile month with US treasuries moving anywhere between 20-40bps intraday, causing risk assets to be heavy. Fears around the ability of Egypt to do the reforms required by the IMF caused a sell-off in the curve. Our base case remains that Egypt will not default, it will maintain the IMF support and get the June tranche along with GCC support. We are still shorter duration than the index and hence will underperform in months like March when duration rallies a lot. We are however looking to add duration on dips.

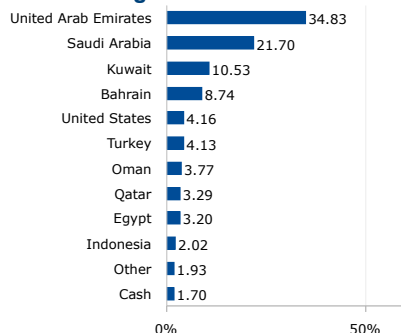
Fund Return

	MTD	YTD	1 Yr	3 Yrs	5 Yrs	SI
Class A Accumulation Shares	-0.05%	0.74%	-0.99%	7.81%	8.33%	7.89%
Class B Distribution Shares	-0.05%	0.74%	-0.99%	7.81%	8.34%	7.90%
Class C Institutional Accumulation Shares	0.02%	0.94%	-0.21%	10.38%	12.68%	12.82%
Class D Distribution Shares	0.00%	0.87%	-0.47%	7.96%	7.91%	7.79%
Class E Distribution Shares	-0.08%	0.65%	-1.09%	7.03%	-	3.79%
Class F Distribution Shares	-0.06%	0.70%	-1.14%	7.55%	-	-0.84%
Class G Distribution Shares	-0.01%	0.85%	-0.58%	-	-	-2.71%
Class I Distribution Shares	0.00%	0.88%	-	-	-	0.65%
Class J Distribution Shares	-0.01%	0.85%	-	-	-	0.61%

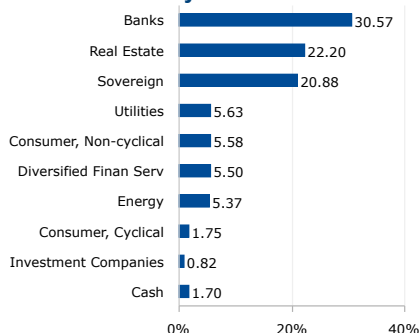
Annual Returns

	2019	2020	2021	2022	2023
Class A Accumulation Shares	8.59%	2.49%	-0.52%	-3.95%	0.74%
Class B Distribution Shares	8.59%	2.49%	-0.52%	-3.95%	0.74%
Class C Institutional Accumulation Shares	9.44%	3.30%	0.27%	-3.19%	0.94%
Class D Distribution Shares	8.37%	2.16%	-0.78%	-3.45%	0.87%
Class E Distribution Shares	6.02%	2.18%	-0.81%	-4.04%	0.65%
Class F Distribution Shares	0.76%	2.41%	-0.53%	-4.07%	0.70%
Class G Distribution Shares		0.13%	-0.10%	-3.55%	0.85%
Class I Distribution Shares				-0.23%	0.88%
Class J Distribution Shares				-0.23%	0.85%

Regional Allocation



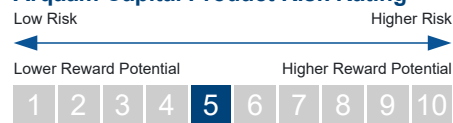
Industry Allocation



Total Distribution per share

	Frequency	2017	2018	2019	2020	2021	2022	2023 (YTD)
Class B Distribution Shares	Quarterly	-	1.29%	6.89%	3.33%	1.79%	1.07%	0.80%
Distribution Target	-	-	5%	5%	5%	5%	5%	6.5%
Class D Distribution Shares	Quarterly	-	2.26%	4.88%	5.14%	5.15%	3.97%	1.89%
Class E Distribution Shares	Monthly	-	-	3.72%	4.73%	5.55%	5.11%	1.81%
Class F Distribution Shares	Monthly	-	-	0.84%	4.80%	5.23%	5.20%	1.84%
Class G Distribution Shares	Monthly	-	-	-	0.42%	5.10%	5.05%	1.78%
Class I Distribution Shares	Monthly	-	-	-	-	-	-	1.80%
Class J Distribution Shares	Monthly	-	-	-	-	-	-	1.84%

Arqaam Capital Product Risk Rating



Source: Arqaam Capital Limited. Based on Arqaam internal product risk rating

Net Asset Value per share

Class A Shares	USD 107.8934
Class B Shares	USD 93.1974
Class C Shares	USD 112.8209
Class D Shares	USD 85.6873
Class E Shares	USD 84.7045
Class F Shares	USD 83.0332
Class G Shares	USD 86.0980
Class I Shares	USD 84.9354
Class J Shares	USD 83.1749

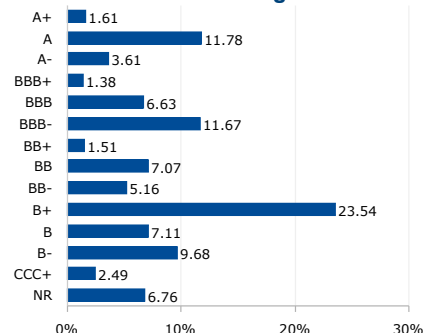
Top Holdings*

TFG SUKUK I LTD	5.11%
AIR LEASE COPR SUKUK	4.23%
CBB INTL SUKUK PROG WLL	3.71%
DP WORLD SALAAM	3.31%
EGYPT TASKEEK CMPNY	3.25%

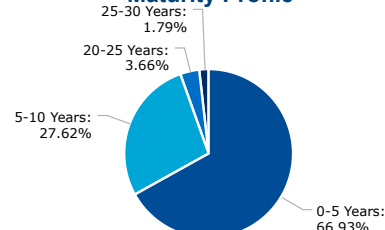
Fund Statistics*

Average Coupon	5.42%
Average Credit Rating	BB-
Average Maturity	4.85
Average Yield	6.70%
Modified Duration	3.67

Credit Rating



Maturity Profile*



*Excluding cash except for Average Credit Rating

Note: Figures are derived from Arqaam Islamic Income Fund NAV report as of 31st March 2023. 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.

Level 27, Index Tower
Dubai International Financial Centre
PO Box 506687, Dubai – UAE
Tel: +971 (0)4 507 1700

Asset Management Team:
Email: amsales@arqaamcapital.com
www.arqaamcapital.com

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Arqaam Capital Limited is authorized & regulated by the Dubai Financial Services Authority Ref F000407



March 2023

Monthly Performance (%)

Class A Accumulation Shares

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2023	1.41	-0.61	-0.05										0.74
2022	-0.56	-0.60	-1.13	-0.88	-0.64	-1.12	0.12	0.62	-2.09	-0.61	2.43	0.49	-3.95
2021	0.81	-0.10	-0.24	1.04	-0.55	-1.16	0.14	0.34	0.18	-0.13	-0.97	0.14	-0.52
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	2.49
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	8.59
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	0.67
2017								-0.29	0.09	-0.04	-0.19	0.48	0.04

Class B Distribution Shares

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2023	1.41	-0.61	-0.05										0.74
2022	-0.56	-0.60	-1.13	-0.88	-0.64	-1.12	0.12	0.62	-2.09	-0.61	2.43	0.49	-3.95
2021	0.81	-0.10	-0.24	1.04	-0.55	-1.16	0.14	0.34	0.18	-0.13	-0.97	0.14	-0.52
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	2.49
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	8.59
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	0.67
2017								-0.29	0.09	-0.04	-0.20	0.48	0.04

Class C Institutional Accumulation Shares

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2023	1.48	-0.55	0.02										0.94
2022	-0.49	-0.54	-1.06	-0.82	-0.57	-1.05	0.18	0.70	-2.02	-0.55	2.50	0.56	-3.19
2021	0.88	-0.04	-0.17	1.10	-0.48	-1.10	0.21	0.41	0.25	-0.06	-0.91	0.21	0.27
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	3.30
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	9.44
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	1.46
2017										-0.03	-0.13	0.55	0.38

Class D Distribution Shares

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2023	1.46	-0.57	0.00										0.87
2022	-0.51	-0.56	-1.08	-0.84	-0.60	-1.07	0.16	0.67	-2.04	-0.57	2.48	0.54	-3.45
2021	0.79	-0.12	-0.26	1.01	-0.58	-1.19	0.12	0.31	0.16	-0.16	-1.00	0.17	-0.78
2020	1.12	-0.16	-9.42	0.01	1.85	1.76	1.54	1.99	0.36	0.99	1.41	1.26	2.16
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	8.37
2018			-0.11	-0.42	-0.27	-0.10	0.60	0.25	0.37	-0.02	0.07	0.39	0.75

Class E Distribution Shares

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2023	1.38	-0.63	-0.08										0.65
2022	-0.59	-0.63	-1.15	-0.91	-0.68	-1.14	0.11	0.63	-2.09	-0.62	2.42	0.62	-4.04
2021	0.78	-0.12	-0.26	1.01	-0.58	-1.18	0.11	0.32	0.15	-0.16	-1.00	0.12	-0.81
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	2.18
2019		0.68	0.53	0.49	1.24	1.17	1.21	1.21	-0.15	0.18	0.25	0.28	6.02

Class F Distribution Shares

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2023	1.40	-0.63	-0.06										0.70
2022	-0.56	-0.61	-1.13	-0.89	-0.65	-1.13	0.11	0.61	-2.10	-0.63	2.42	0.49	-4.07
2021	0.81	-0.11	-0.25	1.03	-0.56	-1.16	0.15	0.34	0.17	-0.10	-0.98	0.13	-0.53
2020	1.14	-0.15	-9.40	0.03	1.87	1.78	1.56	2.01	0.38	1.01	1.43	1.28	2.41
2019										0.20	0.26	0.30	0.76

Class G Distribution Shares

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2023	1.45	-0.58	-0.01										0.85
2022	-0.52	-0.57	-1.09	-0.85	-0.61	-1.08	0.15	0.66	-2.05	-0.58	2.47	0.53	-3.55
2021	0.85	-0.07	-0.20	1.07	-0.51	-1.13	0.18	0.38	0.22	-0.09	-0.94	0.18	-0.10
2020												0.13	0.13

Class I Distribution Shares

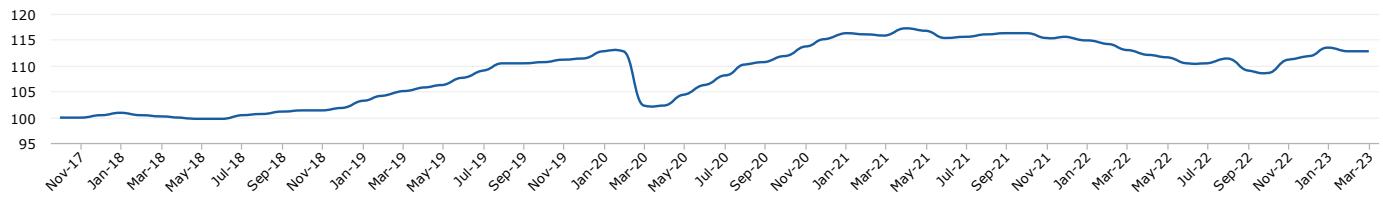
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2023	1.46	-0.57	0.00										0.88
2022												-0.23	-0.23

Class J Distribution Shares

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2023	1.45	-0.58	-0.01										0.85
2022												-0.23	-0.23



Performance (Chart) for Class C Shares



Fund Highlights*

Fund Size	USD 144.303 Million
Fund Type	DFSA Public Domestic Fund
Launch Date	August 22, 2017
Domicile	Dubai International Financial Centre, Dubai
DFSA Ref	C000047A
Currency	USD
Benchmark	NIL
Fund Manager	Arqaam Capital Limited - Regulated by Dubai Financial Services Authority
Administrator	Apex Fund Services (Dubai) Limited
Custodian	Standard Chartered Bank, DIFC Branch
Valuation Day	Each Business Day
Dealing Day	Each Business Day
ISIN	Class A Shares - AEDFXA3ON005 Class B Shares - AEDFXA3ON021 Class C Shares - AEDFXA3ON039 Class D Shares - AEDFXA3TN004 Class E Shares - AEDFXA3TN038 Class F Shares - AEDFXA3TN046 Class G Shares - AEDFXA05C088 Class I Shares - AEDFXA05C179 Class J Shares - AEDFXA05C187
Bloomberg Ticker	Class A Shares - ARQAIIA UH Class B Shares - ARQAII B UH Class C Shares - ARQAII C UH Class D Shares - ARQAII D UH Class E Shares - ARQAII E UH Class F Shares - ARQAII F UH Class G Shares - ARQAII G UH Class I Shares - ARQAII I UH Class J Shares - ARQAII J UH
Settlement for Subscription	2 Business days prior to Dealing Day
Settlement for Redemption	Within 5 Business days after the Dealing Day
Notice Period	2 Business days for Subscription and Redemption
Subscription Fee	Class A Shares - Up to 5% Class B Shares - Up to 5% Class C Shares - 0% Class D Shares - 0% Class E Shares - 0% Class F Shares - 0% Class G Shares - 0% Class I Shares - 0% Class J Shares - 0%

Minimum Subscription

Class A Shares - USD 3,000 and in multiples of USD 3,000 thereafter;
Class B Shares - USD 3,000 and in multiples of USD 3,000 thereafter;
Class C Shares - USD 250,000 and in multiples of USD 100,000 thereafter;
Class D shares: USD 3,000 and in multiples of USD 3,000 thereafter (Closed for new subscriptions).
Class E Shares - USD 3,000 and in multiples of USD 3,000 thereafter (Closed for new subscriptions).
Class F Shares - USD 3,000 and in multiples of USD 3,000 thereafter (Closed for new subscriptions).
Class G Shares - USD 3,000 and in multiples of USD 3,000 thereafter.
Class I Shares - USD 3,000 and in multiples of USD 3,000 thereafter
Class J Shares - USD 3,000 and in multiples of USD 3,000 thereafter.

Management Fee

Class A Shares - 1.5%
Class B Shares - 1.5%
Class C Shares - 0.75%
Class D Shares - 1%
Class E Shares - 1%
Class F Shares - 1.1%
Class G Shares - 1.1%
Class I Shares - 1%
Class J Shares - 1.10%

Performance Fee

NIL

Redemption Fee

Class E shares follows the below schedule, if the redemption is processed within:
12 months: 2.50%
13 - 24 months: 1.67%
25 - 36 months: 0.84%

Deferred Sales Fee

Class D shares - 2.5%
Class E shares - 2.5%
Class F shares - 1.5%

Deferred Services Fee

Class D shares follows the below schedule, if the redemption is processed within:
12 months: 2.5%
13 - 24 months: 1.7%
25 - 36 months: 0.90%

VAT/Taxes

5% VAT and any other applicable taxes

Other Standard Costs, Fees & Expenses

As detailed in the Prospectus

* These are only the key highlights of this fund. Further details, including all additional standard fees, costs and expenses and other terms are set out in the prospectus. The prospectus' terms, rates and conditions shall prevail in the event of any discrepancies or errors.

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March 2023

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