

Fund Name and Reporting Period

Daman UAE IPO Fund

1st January 2026 to 30th June 2026

Fund Performance during the reporting period

The investment objective of the Fund is to generate medium term capital growth by investing in securities issued by companies that are undertaking an initial public offering either in the UAE or on other global exchanges, or by investing in companies that have listed on UAE or other global exchanges in the previous five (5) years. The Fund may also on a temporary basis invest up to 75% of its assets in cash or cash equivalent instruments (such as cash deposits, money market instruments, up to A- rated short-term bonds, etc.), if there are limited attractive IPO investment opportunities in the near-term. The Fund shall invest at least 60% of the Fund's assets in the investments in the UAE and may invest up to 40% of the Fund's assets in other global ex-UAE exposures.

During the reporting period mentioned below is the performance of various classes of the Fund:

Share Class	Performance during the reporting period
Class A	1.0%
Class D	0.8%

The regional geopolitical escalation affected the Fund's performance during the reporting period. At the end of the period fund portfolio consisted of 98.4% of equities (predominantly in UAE) and 1.6% in cash and cash equivalents. Our top holdings at the end of the period were Tecom, Empower, NMDC, AD Ports and Adnoc Drilling. Within GCC, we stay positive on UAE markets due to attractive valuation and country's strong fiscal and external buffers. We are selective in our exposure to names in broader MENA region.

During the first half of 2026, GCC equity markets experienced heightened volatility amid geopolitical tensions, disruptions to regional shipping routes and significant movements in oil prices. Markets initially started the year on a positive note, with most GCC indices gaining during the first quarter before sentiment weakened as geopolitical tensions intensified. The second quarter remained volatile, although a temporary de-escalation in June helped support a recovery in regional equities. By 30 June 2026, performance across the GCC was mixed: the Muscat market gained 28% and Saudi Arabia's Tadawul rose 3%, while Dubai (DFMGI) and Abu Dhabi (FADGI) declined by 2% each, with Kuwait and Qatar falling 4% and 5%, respectively. Within the UAE, investor sentiment remained sensitive to geopolitical developments and oil-price movements, although increased trading activity and continued interest in UAE equities provided some support.

Material Changes affecting the Fund

At the peak of the escalation in March the fund performance was significantly impacted. The fund had to witness significant volatility during the period of weakness across UAE equity markets. Given the Fund's predominantly UAE-focused equity portfolio, these market movements adversely affected the valuation of certain portfolio holdings and resulted in increased volatility in the Fund's NAV during the reporting period. However, as the situation settled down the Fund recovered its losses and closed the period up 1%. The diversification of the portfolio across different sectors helped the Fund to withstand the volatile environment and recover the losses.

We continue to closely monitor the evolving geopolitical environment and its potential impact on the Fund's portfolio and performance. We will maintain appropriate diversification across sectors and continue to monitor the portfolio to support its resilience and ability to withstand potential adverse market conditions.

Changes in the Fund's Net Asset Value

Fund's Net Asset Value increased almost 50% to reach AED 40.86 million from AED 27.42 million on 31st of December 2025 mainly due to the new subscriptions in the Fund.

Changes to the Fund's Investment Policy

During the reporting period there were no changes in the Fund's Investment Policy.

Related-Party Dealings in the Fund Units

During the reporting period there were no related party dealings in the Fund.

Investment Restriction Breaches / Violations

Nil – No such events were identified during the reporting period.

Corrective Actions taken for each breach

Nil – No such events were identified during the reporting period.

Impact / Effect of the Corrective Actions

Nil – No such events were identified during the reporting period.

Assessment of Fund Service Providers' Performance

During the reporting period Service providers performed their respective functions in accordance with agreed service arrangements and applicable requirements. No material concerns were identified.

Fund Manager's Observations on Service Providers

Nil – No such events were identified during the reporting period. Services were provided on a timely basis, with appropriate communication and coordination.

Identified Service Quality Deficiencies

Nil – No such events were identified during the reporting period.

Remedial Actions taken to address deficiencies

Nil – Not applicable. No material deficiencies requiring remedial action were identified.

Management Conclusion / Confirmation

Based on the overall monitoring and assessment conducted during the reporting period, the Fund operated satisfactorily and in accordance with its applicable investment objectives, guidelines, restrictions and regulatory requirements. The Fund's operations and performance were subject to appropriate oversight, and no material issues, exceptions, or matters requiring escalation were identified during the reporting period. While geopolitical developments contributed to periods of heightened market volatility and affected the Fund's performance during the reporting period, the Fund was appropriately managed through this environment. Effective diversification, ongoing monitoring and appropriate oversight of the Fund's investments supported the management of the associated risks and enabled the Fund to navigate the period of heightened volatility in an orderly manner.

Supporting Evidence / References

Nil - No material exceptions or adverse matters were identified.