ADCB PJSC

ADCB GCC Equity Sub-Fund

Sub-Fund Performance Report

January 2026 to June 2026

ADCB PJSC
Head Office, Abu Dhabi Commercial Bank Building
Sheikh Zayed Street. P. O. Box: 939
Abu Dhabi, United Arab Emirates

Contents

1. Strategic Review	**3**
1.1 Sub-Fund Overview	3
1.2 Factors Impacting Performance	3
1.3 Sub-Fund Distributions	3
1.4 Adherence to Investment Guidelines	3
1.5 Material Changes in Ownership	3
2. Sub-Fund Analysis	**4**
2.1 Sub-Fund Top Holdings	4
2.2 Sub-Fund Allocations	4
2.3 Sub-Fund Size	5
2.4 Sub-Fund Performance	5
2.5 Sub-Fund Flows	6
2.6 Sub-Fund Expense Ratio	6
3. Market Analysis	**7**
3.1 Market Overview	7
3.2 Market Outlook	8

1. Strategic Review

1.1 Sub-Fund Overview

The sub-fund's investment objective is to achieve medium to long-term capital growth by investing primarily in GCC listed Shariah-compliant equities. The sub-fund is being actively managed with the aim of maximizing total returns and returns per unit of risk while investing in high quality companies that possess superior growth potential and trade at attractive valuations.

As of end June 2026, the sub-fund is predominantly invested in Saudi Arabia and the UAE, which together account for 79% of assets. The top 5 holdings account for approximately 30%, while the banking and telecommunications sectors account for approximately 43% of the fund's net asset value.

1.2 Factors Impacting Performance

The sub-fund's performance is primarily impacted by the GCC market's performance, since all assets are invested in equities listed in the GCC region. The performance of GCC equity markets was mixed during the first half of 2026 amid heightened geopolitical tensions. In the UAE, concerns surrounding the real estate sector and oil price volatility weighed on sentiment; however, strong non-oil economic growth, resilient corporate earnings, and ongoing economic diversification helped support market resilience. These factors continued to attract investors to regional equity markets, which offer compelling structural growth opportunities, robust fundamentals, and attractive valuations relative to global peers. Meanwhile, Saudi Arabia continued to outperform, supported by regulatory reforms, rising foreign investment and improving sector-specific fundamentals.

Given the size of the sub-fund, annualized estimated TER remains high at approximately 27.0%, thereby dragging the performance of the sub-fund. The ADCB GCC Equity fund declined by 16% (net of fees) during the first of 2026, compared to 2.5% rise in the benchmark index.

1.3 Sub-Fund Distributions

There were no distributions during the first half of 2026.

1.4 Adherence to Investment Guidelines

There was no material breaches recorded during the first half of 2026. In the event of any breaches, the Fund Manager will perform the necessary corrective actions to bring the fund back into compliance in the most efficient manner while taking into account the interests of sub-fund unitholders.

1.5 Material Changes in Ownership

There were no material changes in ownership of the sub-fund during the period.

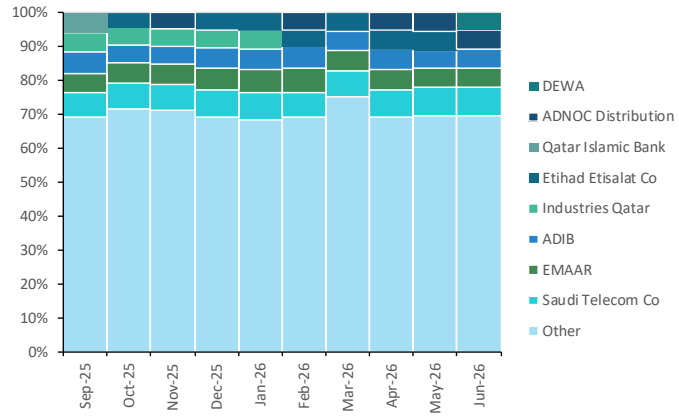
2. Sub-Fund Analysis

2.1 Sub-Fund Top Holdings

The ADCB GCC Equity sub-fund invests primarily in equities listed on GCC stock exchanges. The GCC stock markets are characterised by a significant degree of concentration whereby Aramco and the largest bank account for a substantial portion of market capitalization. As for the sub-fund, the top 5 holdings account for 30%, while the banking and telecommunications sectors accounted for 43% of the fund's net asset value at the end of June 2026.

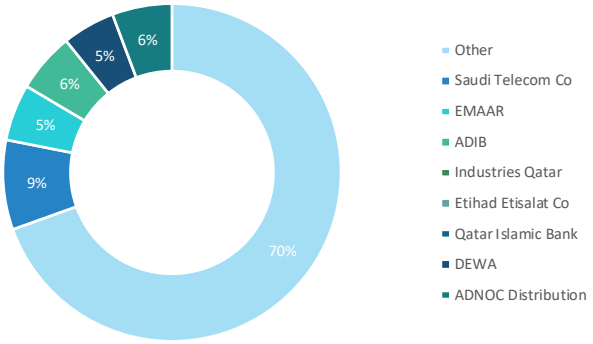
The Fund Manager follows an approach of bottom-up analysis while selecting securities and allocating risk. The investment process involves identifying potentially attractive investments that will undergo in-depth due diligence prior to capital deployment. The Fund Manager subsequently allocates risk on a relative basis, depending on the degree of conviction, valuation upside and quality of the target investment. Risk management is later conducted on an ongoing basis to ensure that allocations remain aligned with the Fund Manager's views and overall targeted portfolio risk level. Consequently, top holdings evolve from and are a product of the recursive application of fundamental and risk analysis by the Fund Manager.

Evolution of Fund Holdings
(% of Portfolio)



Source: Fund Administrator, ADCB

Top Fund Holdings
(% of Portfolio)

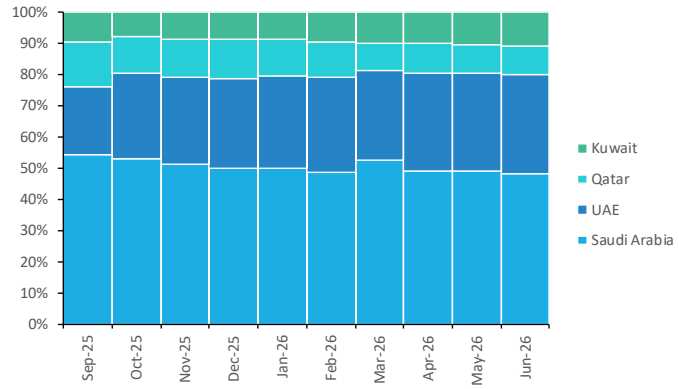


Source: Fund Administrator, ADCB

2.2 Sub-Fund Allocations

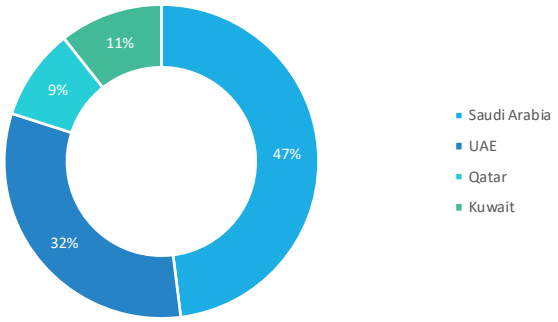
The ADCB GCC Equity sub-fund is invested in Saudi Arabia, the UAE, Qatar and Kuwait. The largest representation is that of Saudi Arabia with a 47% allocation, followed by the UAE at 32% and Kuwait at 11%. Saudi Arabia's dominance within the portfolio is a reflection of regional market capitalisations, where the bulk is concentrated in Aramco and its large banks. From a sector allocation viewpoint, banking with 28% allocation and telecommunications with 15% allocation account for 43% of the sub-fund's net assets.

Evolution of Country Allocations
(% of Portfolio)



Source: Fund Administrator, ADCB

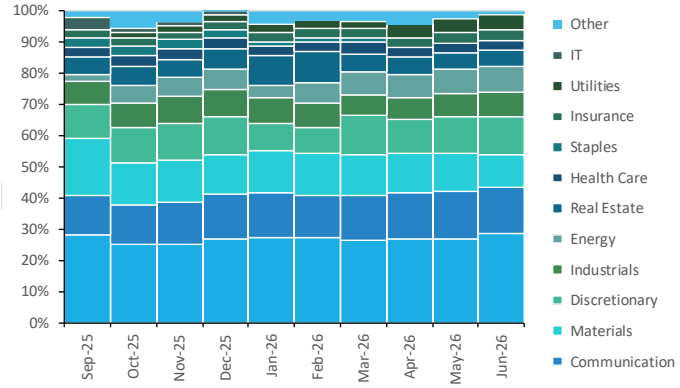
Country Allocations
(% of Portfolio)



Source: Fund Administrator, ADCB

Evolution of Sector Allocations

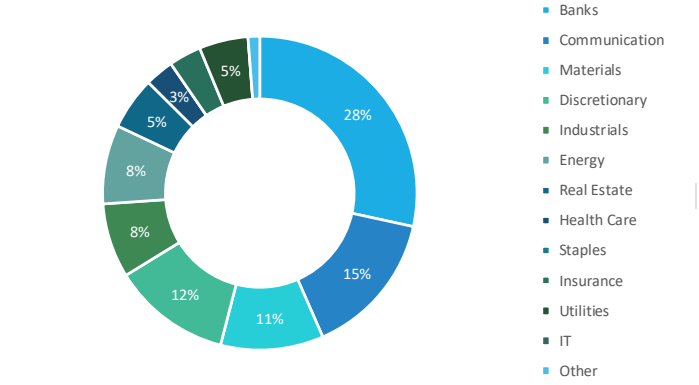
(% of Portfolio)



Source: Fund Administrator, ADCB

Sector Allocations

(% of Portfolio)



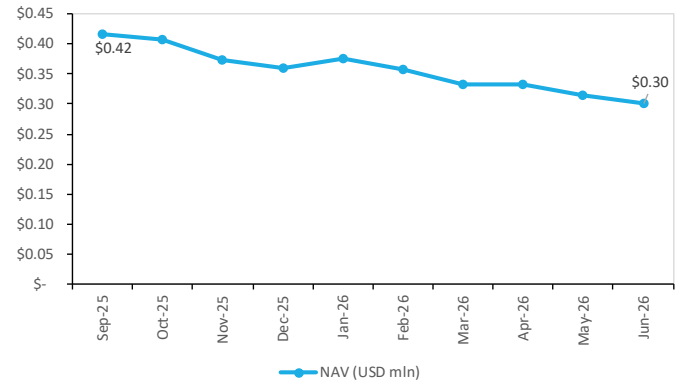
Source: Fund Administrator, ADCB

2.3 Sub-Fund Size

The sub-fund size declined from $0.42 million at the end of September 2025 to $0.30 million at the end of June 2026. The net asset value per unit on a sub-fund level declined from $39.28 per unit at the end of September 2025 to $28.48 per unit at the end of June 2026.

Evolution of Fund Size

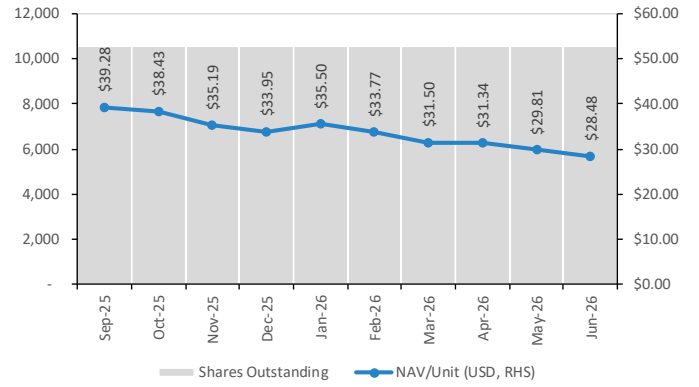
(USD)



Source: Fund Administrator, ADCB

Evolution of Net Asset Value per Unit

(USD, Number of Units Outstanding)



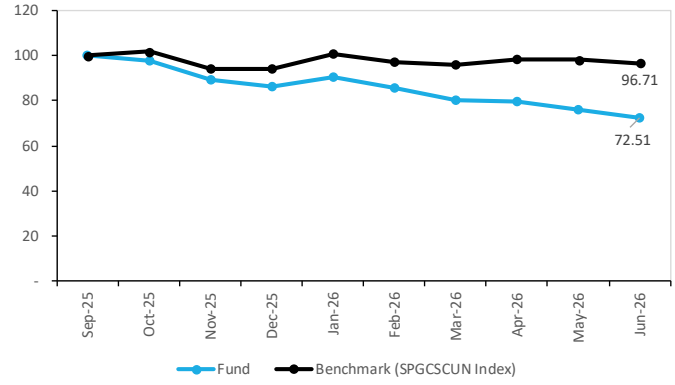
Source: Fund Administrator, ADCB

2.4 Sub-Fund Performance

During the first half of 2026, the sub-fund generated a net return of -16%, compared to 2.5% for the relevant benchmark. The sub-fund's performance relative to the benchmark is -18.6% year to date.

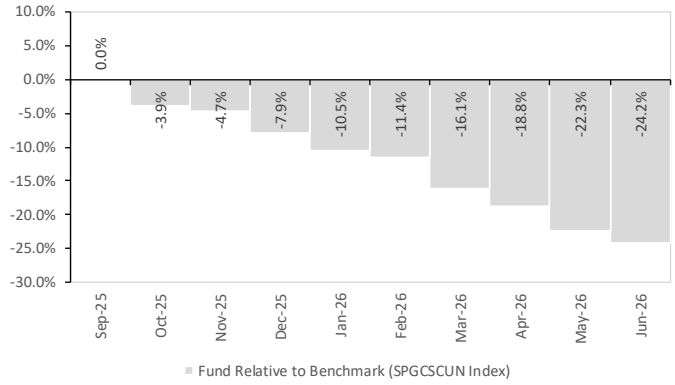
The sub-fund did not distribute any dividends during the first half of 2026.

Fund & Benchmark Performance Since Inception
(Rebased to 100)



Source: Fund Administrator, ADCB

Fund Cumulative Performance Relative to the Benchmark Since Inception
(%)

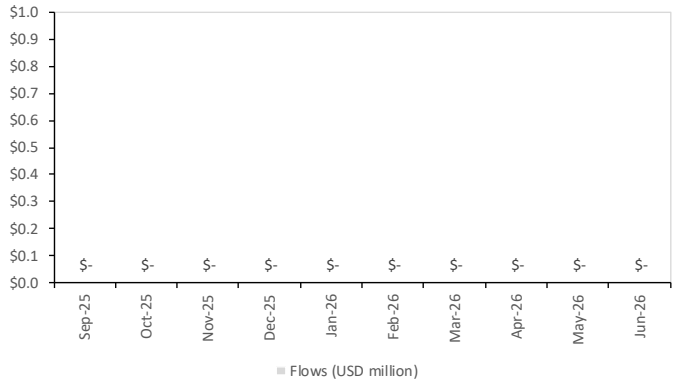


Source: Fund Administrator, ADCB

2.5 Sub-Fund Flows

There were no subscriptions or redemptions during the first half of 2026.

Fund Flows
(USD million)

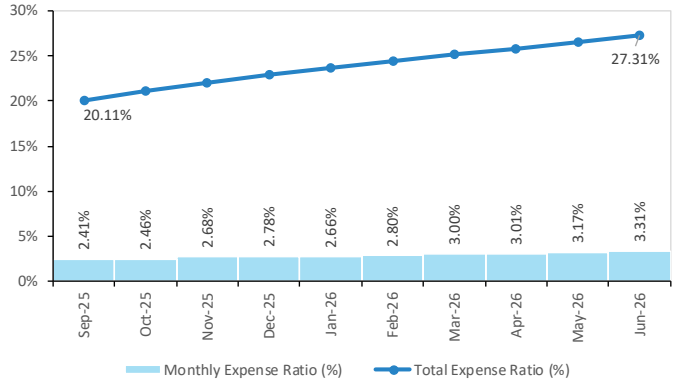


Source: Fund Administrator, ADCB

2.6 Sub-Fund Expense Ratio

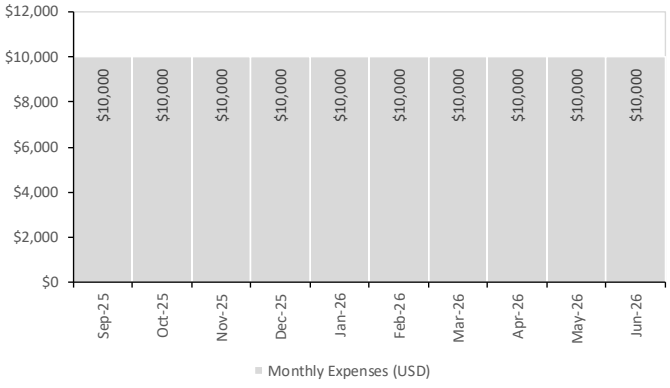
The estimated sub-fund total expense ratio rose to 27.3% at the end of June 2026 due to a decline in assets over time.

Estimated Fund Total Expense Ratio
(% of NAV)



Source: Fund Administrator, ADCB

Estimated Fund Monthly Expenses
(USD)



Source: Fund Administrator, ADCB

3. Market Analysis

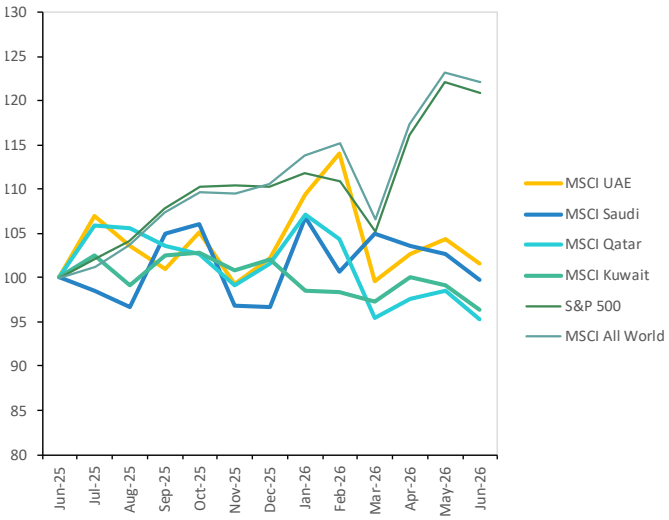
3.1 Market Overview

The performance of GCC equity markets was mixed during the first half of 2026 amid heightened geopolitical tensions. In the UAE, market performance was impacted by concerns surrounding the real estate sector and periodic oil price volatility; however, strong non-oil economic growth, healthy corporate earnings, and continued progress on economic diversification initiatives helped support investor sentiment and market resilience.

Meanwhile, the Saudi Arabian equity market continued to outperform, supported by regulatory reforms aimed at attracting foreign investment, improving energy prices, and a more constructive outlook for chemical prices, which benefited from ongoing supply disruptions.

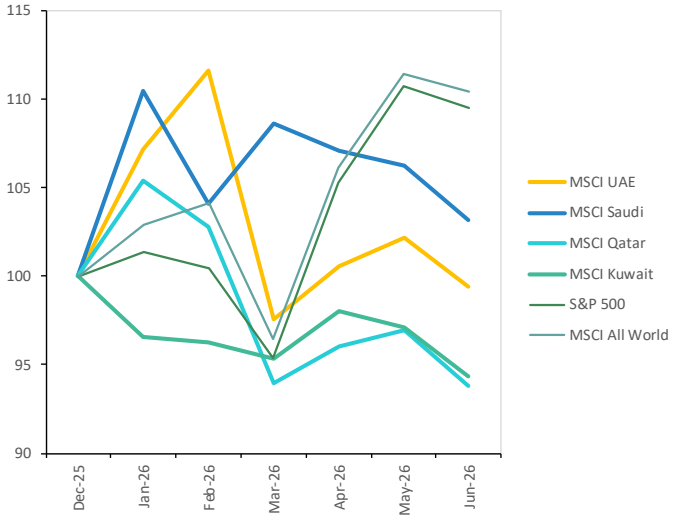
Saudi Arabia was among the strongest-performing markets in the GCC, driven by the positive impact of government reforms that have encouraged higher levels of foreign direct investment. This underpinned investor confidence and boosted both foreign and retail participation in local equity markets, which continued to offer attractively valued investment opportunities on both an absolute and relative basis.

GCC & Global Markets Performance - Trailing 12 months
(Rebased to 30-Jun-25)



Source: MSCI, Bloomberg, ADCB

GCC & Global Markets Performance - Year to Date
(Rebased to 31-Dec-25)



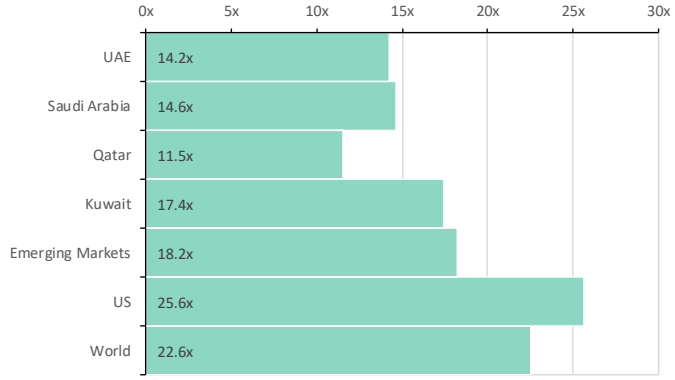
Source: MSCI, Bloomberg, ADCB

3.2 Market Outlook

Overall, GCC markets continue to demonstrate strong resilience despite geopolitical tensions and global trade friction, help by higher oil prices. Corporate credit quality remains robust, supported by solid sovereign balance sheets. We expect economic growth to stay resilient, underpinned by sustained government spending, rising populations that drive domestic demand and the implementation of sound economic policies.

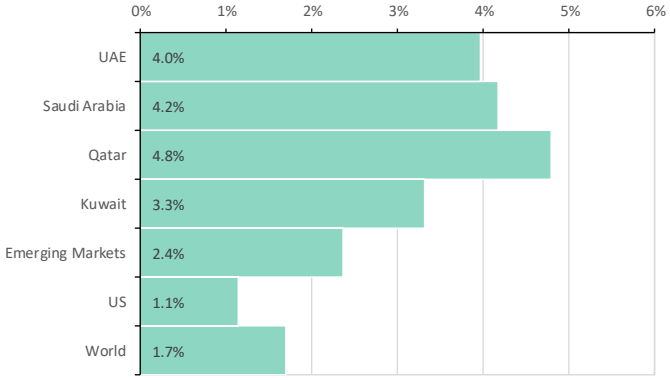
Moreover, despite the mixed performance seen recently in GCC markets, we see confidence returning gradually, backed by general resilience in various economic sectors as well as high cash flow visibility and sustainable dividend payouts. We maintain our view that the UAE will continue to benefit from sustained government investment in infrastructure and economic diversification, supported by strong population growth, rising economic activity, and improving consumer confidence. In addition, government initiatives aimed at broadening the country's global trade partnerships are expected to create further opportunities for corporates and serve as an additional driver of medium/long term growth. However, we do observe a slowdown in tourism as a result of regional events, though the impact of this slowdown appears to be largely contained.

Comparison of Price/Earnings Ratios
(Multiple)



Source: MSCI, Bloomberg, ADCB

Comparison of Dividend Yields
(%)



Source: MSCI, Bloomberg, ADCB

Abu Dhabi Commercial Bank PJSC ("ADCB", "The Bank") is licensed by the Central Bank of the United Arab Emirates under license number 13/2461/2005 to provide banking services to its clients, and by the Securities and Commodities Authority to promote investment securities and provide investment related services under license number 601001.	بنك أبوظبي التجاري ش.م.ع. ("البنك") مرخص من قبل مصرف الإمارات العربية المتحدة المركزي بالرخصة رقم 2005/2461/13 لتقديم الخدمات المالية والمصرفية إلى عملائه، ومرخص أيضاً من قبل هيئة الأوراق المالية والسلع بالرخصة رقم 601001 لتوفير خدمات ومنتجات الاستثمار والترويج لها.
The content hereinis for information and illustrative purposes only and does not constitute any form of advice, commitment or engagement on behalf of the Abu Dhabi Commercial Bank PJSC and It should not be construed as an offer or solicitation to buy or sell any investment products, nor is it to be considered as personalized investment advice.	هذا العرض التقديمي هو لأغراض تقديم المعلومات ولأغراضٍ وتوضيحيّة فقط، ولا يعتبر بأي شكلٍ تقديماً لنصيحةٍ أو التزاماً أو مشاركةً بالنيابة عن بنك أبوظبي التجاري، كما يجب ألّا تُفسّر الرسالة على أنّها عرضٌ أو دعوة لشراء أي منتجاتٍ استثماريّةٍ أو بيعها، وكذلك يجب ألّا تُعتبر على أنه نصيحة استثماريّةً شخصيّة.
It should be read in conjunction with offering documents and respective terms and conditions for potential investor to understand the terms and information contained therein.	ويجب أن يُقرأ جنباً إلى جنب مع المستندات ذات الصلة والأحكام والشروط ذات الصلة حتى يتسنى للمستثمرين المحتملين فهم الأحكام والمعلومات الواردة.
Persons reviewing the contents are instructed to discuss it with their professional legal, financial and tax advisors before they make any financial commitments and shall be deemed to have made a reasonable assessment of the potential risks and rewards in making such a commitment.	ويتعين على الأشخاص الذين يصلهم هذا العرض التقديمي مناقشته مع المختصين القانونين وكذلك مستشاريهم في الشؤون المالية والضريبية قبل القيام بأي التزامات مالية، حيث سيُعتبر أنهم قاموا بإجراء التقييمات المعقولة للمخاطر المحتملة والعوائد الناتجة عن مثل هذا الالتزام.
ADCB does not guarantee any third party service provider, and investors invest at their own risk and bear all risks involved in any product purchased.	إن بنك أبوظبي التجاري لا يضمن أي خدمة مقدمة من مزوّد طرف ثالث. كما يتحمل المستثمرون مخاطر الاستثمار على مسؤوليتهم الشخصية ويتحملون كافة المخاطر ذات العلاقة بأي منتج تم شراؤه.
ADCB will not hold any responsibility for the outcome of any investment decisions taken.	كما لا يتحمل بنك أبوظبي التجاري أي مسؤولية عن نتيجة أي قرارات استثمار يتم اتخاذها.
Past performance does not guarantee future results.	الأداء السابق لا يضمن النتائج المستقبلية.
Investment products are not Bank deposits and are not guaranteed by ADCB, they are subject to investment risks, including possible loss of the principal amount invested.	إن منتجات الاستثمار ليست ودائع مصرفية وليست مضمونة من قبل بنك أبوظبي التجاري، هذه المنتجات تخضع لمخاطر الاستثمار التي تشمل خسارة محتملة لرأس المال المستثمر.
Please refer to ADCB Wealth Services Terms and Conditions.	يرجى الرجوع إلى أحكام وشروط خدمات إدارة الثروات من بنك أبوظبي التجاري.