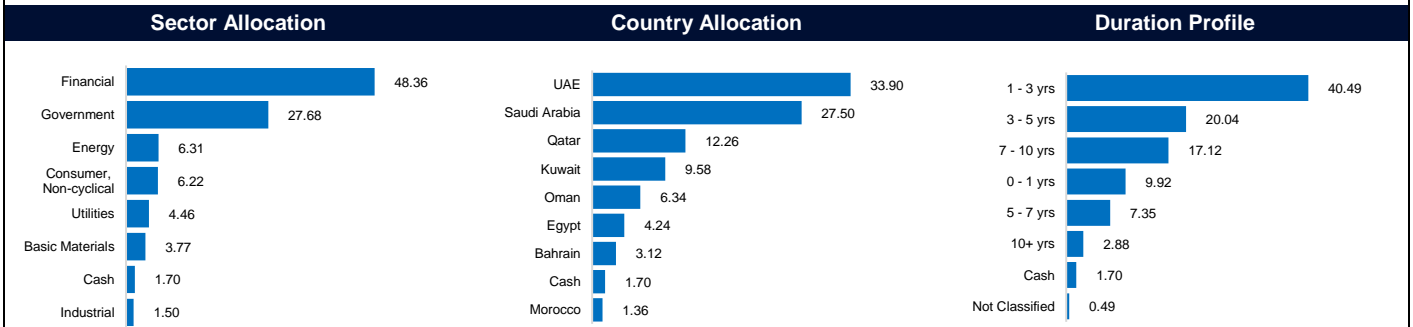


| Financial Information in USD | | Investment Objective: |
|-----------------------------------|---------|---|
| Total Net Asset (US\$ mil) | 62.2433 | The Sub-Fund will seek to outperform the Benchmark Index by investing primarily in a diversified range of bonds with either a fixed or floating rate of interest, listed or traded on global recognized Markets and issued by (i) governments, government related entities and corporations in the Middle East and North Africa ("MENA") and Turkey; and/or (ii) by corporations which derive a significant proportion of their revenues or profits from, or have a significant portion of their assets in MENA countries or Turkey; and/or (iii) by entities in any other geographic area provided that the entity must be controlled by any such MENA or Turkey based entities. Up to 10% of the Net Asset Value of the Sub-Fund may be invested in the bonds of issuers in Turkey while a 10% allocation is set for exposure in Ex-MENA & Turkey region. |
| NAV 31 December 2023 | 8.9550 | |
| NAV 30 November 2023 | 8.7232 | |

| Total Return performances (%) | | |
|--|--------|---|
| | Fund | Benchmark (Bloomberg EM USD Aggregate MENA) |
| 1 Month | 2.66% | 4.31% |
| YTD (Since 31-December-22) | 6.50% | 6.19% |
| 1 Year | 6.50% | 6.19% |
| 3 Years (Annualised) | 0.77% | -1.66% |
| Inception to Date (Including Dividends) | 14.65% | 17.15% |
| FY 2023 | 6.50% | 6.19% |
| FY 2022 | -5.09% | -10.83% |
| FY 2021 | 1.23% | 0.43% |
| FY 2020 | 1.76% | 7.30% |
| FY 2019 | 10.07% | 13.10% |
| FY 2018 | -1.10% | -0.44% |
| FY 2017 (From 04-July-17) | 1.22% | 2.03% |

| Key Metrics of the Fund | | |
|----------------------------------|-------|-------|
| Gross Yield to Maturity/Call | 6.43% | 5.66% |
| Duration to Maturity/Call | 3.96 | 6.61 |
| No of Holdings | 52 | 375 |
| Average Credit Rating of Issuers | BBB | A- |
| 1 Year Volatility | 3.12% | 6.01% |
| Sharpe Ratio | 0.45 | 0.21 |



Fund Manager Comment

Q4'23, including the month of December, was favorable for fixed income as US treasury rates dropped, with the longer end showcasing a material drop driven by the heightened expectation of several fed rate cuts in 2024. Inflation heading lower with moderating growth and a stable labor market has created optimism over the said rate cuts.

During December, the US-10-year Treasury yield dropped to 3.88% from 4.33%. The starting point of US-10-year Treasury yield for 2023 was 3.87% while it reached a high of c.5% during October. Fed comments during the month iterated that rates have peaked and are expected to have about three cuts in 2024. They do acknowledge that the inflation is easing but yet is at an elevated level. Therefore, investors are confident that we are approaching the peak of the rate hike cycle.

During the month, Brent ended lower at USD 77 from c. USD 79 compared to the C.USD 86 at the start of the year. Although the recent drop was mainly due to increased supply from the US and non-adherence to the quotas by some OPEC+ members, it is expected levels to rise hereon given the regional developments and stronger global demand. Regional IG and HY space remain favorable to their global counterparts and will continue attracting flows from yield-seeking investors.

QNB MENA Debt Fund, after being launched in 2017, has paid 13 coupons. We remain focused on taking advantage of the opportunistic trades apparent in the market. The fund manager will maintain a lower duration than the benchmark duration until a satisfactory normalization of policy rates and a sustainable inflation outlook is reached. Assets of the Fund are satisfactorily deployed as per the investment guidelines and also in line with the selected benchmark, which the fund intends to outperform in the longer run.

| Issuers of Top 5 Holdings | | | | | | | | | | |
|---|---|--|-------------------|---|---|---|---|---|---|--|
| Name | | Weight % | | | | | | | | |
| Kingdom of Saudi Arabia – Sovereign Bond | | 10.65 % | | | | | | | | |
| Saudi Aramco | | 5.22 % | | | | | | | | |
| Commercial Bank of Qatar | | 4.86 % | | | | | | | | |
| Al Ahli Bank of Kuwait | | 4.19 % | | | | | | | | |
| Emirates NBD Bank | | 4.07 % | | | | | | | | |
| Dividend History | | | | | | | | | | |
| Nov - 2017 | | 50 bps | | | | | | | | |
| 2018 | | 350 bps | | | | | | | | |
| 2019 | | 400 bps | | | | | | | | |
| 2020 | | 400 bps | | | | | | | | |
| 2021 | | 350 bps | | | | | | | | |
| 2022 | | 375 bps | | | | | | | | |
| 2023 | | 400 bps | | | | | | | | |
| Fund Facts | | | | | | | | | | |
| Domicile | | Ireland | | | | | | | | |
| UCITs compliant | | Yes | | | | | | | | |
| Asset Class | | Fixed Income | | | | | | | | |
| Style | | Active | | | | | | | | |
| Subscription/Redemption | | Daily | | | | | | | | |
| Minimum Subscription / Subsequent Subscription / Minimum Redemption | | US\$1,500.00 / US\$1,500.00 / US\$1,500.00 | | | | | | | | |
| Management Fee / Total Expense Ratio | | 0.75 % p.a./ 1.20% p.a | | | | | | | | |
| Subscription / Redemption Fee | | Nil | | | | | | | | |
| Benchmark | | Bloomberg EM USD Aggregate MENA | | | | | | | | |
| Inception | | 04 July 2017 | | | | | | | | |
| Share Class | | Class A Retail | | | | | | | | |
| Distribution Policy | | Expected Distributions in May and November | | | | | | | | |
| Settlement Deadline | | 8:00 Noon (Irish time) on the Dealing Day | | | | | | | | |
| Valuation Point | | 2:00 pm (Irish time) on each Business Day | | | | | | | | |
| Fund base currency | | USDs | | | | | | | | |
| Fund Manager | | QNB Suisse SA | | | | | | | | |
| Administrator & Registrar: | | Société Générale Securities Services Ireland | | | | | | | | |
| Depository: | | Société Générale S.A., Dublin Branch | | | | | | | | |
| Auditor | | E&Y Ireland | | | | | | | | |
| Contact Details | | Fund Identifiers | | | | | | | | |
| Investment Manager | QNB Suisse SA | ISIN | IE00BD3GFR79 | | | | | | | |
| Fund Manager | Chanaka Dassanayaka CFA | Bloomberg Ticker | QNBMDBA ID Equity | | | | | | | |
| Address | Quai du Mont-Blanc 1, 1201 Genève, Switzerland | WKN Code | | | | | | | | |
| Telephone in Qatar | +974 4440 7339 | | | | | | | | | |
| Risk and Reward Profile | | | | | | | | | | |
| <p>Lower risk Higher risk</p> <p>Potentially lower rewards Potentially higher rewards</p> | | <ul style="list-style-type: none"> The lowest category does not mean a risk-free investment. The risk and reward profile may change over time. Historical data may not be a reliable indication for the future. This fund is in category 4, since the bond prices have a low to moderate level of volatility | | | | | | | | |
| <table border="1" style="width: 100%; text-align: center;"> <tr> <td style="width: 12.5%;">1</td> <td style="width: 12.5%;">2</td> <td style="width: 12.5%;">3</td> <td style="width: 12.5%; background-color: #cccccc;">4</td> <td style="width: 12.5%;">5</td> <td style="width: 12.5%;">6</td> <td style="width: 12.5%;">7</td> </tr> </table> | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | <p>A complete description of risk factors is set out in the prospectus of the ICAV (the 'Prospectus') in the section entitled 'Risk Information'.</p> | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | | | | |
| Disclaimer: | | | | | | | | | | |
| <p>The information herein is for illustrative purposes only and reflects current market practices and is not intended to constitute legal, tax, accounting, or financial advice; investors should consult their own advisers on such matters.</p> <p>At all times prospective investors considering an investment in the Fund should carefully read the Prospectus, Sub-Fund Supplement, KIID and the Terms & Conditions of the Subscription form.</p> <p>Investors are reminded that past performance of any investment is not a guide to future returns.</p> <p>All performance figures are net of administration and performance fees.</p> | | | | | | | | | | |