

Morgan Stanley Saudi Arabia Funds

Morgan Stanley Saudi Equity Fund

Fund Aim

To provide long-term capital appreciation and growth by investing in securities listed on the Saudi Stock Exchange, Tadawul and in securities offered in the course of an Initial Public Offering (IPO) in the Kingdom of Saudi Arabia.

Investment Process

The manager of the Morgan Stanley Saudi Equity Fund (Fund Manager) employs an active investment strategy by selecting securities which it believes will appreciate in value based on an analysis of sector and/or the expected return or growth of individual securities.

When selecting security investments for the Morgan Stanley Saudi Equity Fund, the Fund Manager adopts a long-term approach, focusing on the market price of a company's securities relative to the Fund Manager's evaluation of the company's potential long-term earnings, asset value and cash flow potential.

Investment Philosophy

The Riyadh-based team believes that fundamentals-driven, stock-specific investing when carried out within the context of broad Saudi macroeconomic themes can be successful in creating value for investors. Furthermore, the current mix between retail and institutional investors creates intrinsic price anomalies that can be a potential source of additional returns. The team believes it can best exploit these anomalies by applying a top-down sector allocation and bottom up stock selection approach.

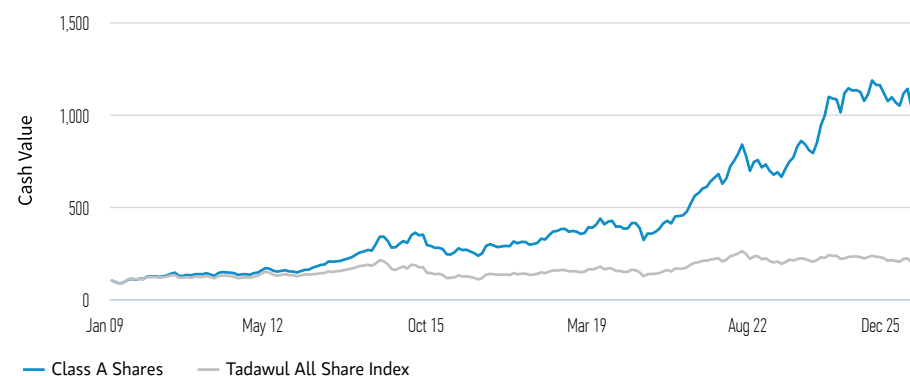
Investment Team

	JOINED FIRM	YEARS OF INDUSTRY EXPERIENCE
Najmul Hasnain, Managing Director	2003	32
Alowi AliMirah, Executive Director	2007	19
Khurram Javed, Executive Director	2008	18

Team members may be subject to change at any time without notice.

Returns in SAR versus Benchmark

Performance of 100 Saudi Riyals invested Since Inception (Cash Value)



Performance in Saudi Riyal, net of fees, vs benchmark (%)

PERIOD ^{1,2}	Cumulative (%)	Annualised (% p.a.)				
	1 YR	3 YR	5 YR	10 YR	INCEPTION	
Fund	-6.31	15.59	18.26	14.42	14.79	
Benchmark	-12.84	0.04	3.84	4.26	4.11	

Calendar Year Returns (%)

	2025	2024	2023	2022	2021
Fund	-6.31	18.04	39.65	3.16	45.21
Benchmark	-12.84	0.58	14.21	-7.12	29.83

¹ Past performance is not a reliable indicator of future results. Returns may increase or decrease as a result of currency fluctuations. All performance data is calculated NAV to NAV, net of fees, and does not take account of commissions and costs incurred on the issue and redemption of units.

² The benchmark is a price return Index.

EMERGING MARKETS EQUITY TEAM

CONTACT DETAILS

For further information, please contact:

Najmul Hasnain

MSIM Saudi Arabia

Email: Najmul.Hasnain@morganstanley.com

Fund Facts

Launch date	06 January 2009
Location	Riyadh, Saudi Arabia
Base currency	Saudi Riyal (SAR) 1 USD = 3.75
Benchmark	Tadawul All Share Index
Investment universe	All stocks listed on Tadawul
Minimum subscription	50,000 SAR (USD 13,333)
Liquidity	Twice weekly, Sunday & Tuesday
Net asset value	SAR 1,040.9394
Total net assets	SAR 198.11 million
Country of domicile	Kingdom of Saudi Arabia
Investment manager	Morgan Stanley Saudi Arabia
Custodian	HSBC Securities Ltd, Saudi Arabia
Auditor	Ernst & Young, Saudi Arabia

Charges (% of NAV)

	FUND
Subscription fee	1.50
Management fee (p.a.)	1.25

Statistics (3 Year Annualised)³

	FUND	BENCHMARK
Excess Return (%)	15.55	--
Alpha (%)	15.75	--
Beta	1.03	1.00
Correlation	0.77	1.00
Tracking error (%)	8.27	--
Information ratio	1.88	--

³ The numbers are calculated on a rolling 3 years basis.

Sector Allocation (% of Total Net Assets)^{4,5}

	FUND
Financials	41.10
Industrials	16.73
Energy	8.84
Consumer Discretionary	7.95
Health Care	7.62
Materials	6.94
Real Estate	2.29
Utilities	2.11
Consumer Staples	1.95
Communication Services	0.98
Information Technology	0.92
Cash	2.59

⁴ May not sum to 100% due to the exclusion of other assets and liabilities.

⁵ For additional information regarding sector classification/definitions please visit www.msci.com/gics and the glossary at www.morganstanley.com/im.

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The investment performance of the Morgan Stanley Saudi Equity Fund is calculated on a total return basis (i.e., with cash dividend reinvested), while the investment performance of the benchmark is provided on price return basis (i.e., it does not include dividends). The dividend yield as per Bloomberg for TASI was 3.50% as of 31 December 2025.

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Funds that specialize in a particular region or market sector are more risky than those which hold a very broad spread of investments. Where portfolio concentration is in one sector it is subject to greater risk and volatility than other portfolios that are more diversified and the value of its shares may be more substantially affected by economic events.

These investments are designed for investors who understand and are willing to accept these risks. Performance may be volatile, and an investor could lose all or a substantial portion of his or her investment.

Please click this hyperlink to the [Information Memorandum](#) for further information-regarding the principle risks, terms and conditions of investing in the Morgan Stanley Saudi Equity Fund.

CUSTODIAN

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Head Office, North Olaya Road

P. O. Box 9084

Riyadh 11413

Saudi Arabia