



Lunate Capital launches first UAE Bond ETF in the UAE and GCC

- *The Chimera JP Morgan UAE Bond ETF will track the J.P. Morgan MECI UAE Investment Grade Custom Index, which includes liquid USD-denominated bonds from the UAE*
- *The ETF will be listed on the Abu Dhabi Securities Exchange and will enable investors to access UAE bonds with a lower investment requirement*

Abu Dhabi, 14 March, 2024: Lunate Capital Limited, an Abu Dhabi-based investment management firm licensed by the ADGM Financial Services Regulatory Authority (FSRA), and subsidiary of Lunate Holding RSC Limited, announced today the launch of the **Chimera JP Morgan UAE Bond UCITS ETF** (Bloomberg: BONDAE), the UAE and GCC's first-ever UAE bond Exchange Traded Fund ("ETF") that will list on the Abu Dhabi Securities Exchange ("ADX").

The ETF will track the performance of the J.P. Morgan MECI UAE Investment Grade Custom Index, which includes liquid, USD-denominated bonds from the UAE. The ETF will hold Investment Grade sovereign, quasi-sovereign and corporate bond issues with at least US\$500 million in face amount outstanding, providing investors with a unique opportunity to invest in the UAE's robust bond markets. The ETF, which is fully compliant with UCITS rules, including portfolio holdings diversification requirements, will list on the ADX on 26 March.

The first of its kind in the UAE and GCC, the **Chimera JP Morgan UAE Bond UCITS ETF** provides global investors access to a diversified portfolio of UAE bonds with low investment requirements. Its listing on the ADX ensures that it trades in a mechanism similar to stocks, providing investors with the ability to buy and sell shares through the trading day at prevailing market prices. With a total expense ratio of 0.5% plus brokerage fees, the ETF is a compelling and cost-effective way to invest in the UAE bond market, with efficient access enabled through ADX and customer brokerage accounts.

Sherif Salem, Partner & Head of Public Markets at Lunate, said: "Our focus at Lunate is to provide our clients with customized solutions and products that can broaden their access to financial strategies and markets. The first UAE-focused fixed income product of its kind, the Chimera JP Morgan UAE Bond UCITS ETF will bring accessibility and liquidity to investors, while maintaining our strong conviction in the growth and diversification of the UAE economy. The bond ETF will complement our suite of 13 equity ETFs currently listed on the UAE stock markets - offering investors access to some of the most liquid sovereign and corporate bonds of the country's leading issuers."

Abdulla Salem Alnuaimi, Chief Executive Officer of Abu Dhabi Securities Exchange (ADX), said: "We are excited and look forward to welcoming Lunate's Chimera JP Morgan UAE Bond UCITS ETF, the first UAE bond ETF in the GCC region. This new addition marks a significant milestone for ADX, as well as reinforces Abu Dhabi's role as a leading international financial hub. Lunate's Chimera UAE Bond ETF provides investors with an exceptional opportunity to enter the fixed income market, granting investors exposure to a diversified portfolio. It presents a compelling investment option, offering significantly reduced risk and guaranteed returns. The new ETF will enable retail investors the platform to become more actively engaged in the UAE's continuous growth and its flourishing economy. The



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listing of this UAE bond ETF underscores ADX's ongoing dedication in supporting the home market, facilitating new investment opportunities, and expanding UAE's market accessibility to address growing investors' needs."

Hani Kablawi, Head of International, BNY Mellon, said: "In collaboration with Lunate Capital, we are delighted to support the UAE and GCC's first-ever bond ETF as Administrator, Registrar, Transfer Agent, and Depositary. We're proud of our association with Lunate Capital, which has been visionary in launching innovative first-to-market products and in paving the way for Abu Dhabi to become a buy-side hub in the region."

The ETF is a sub-fund of the Chimera UCITS ICAV, an open-ended Irish Collective Asset-management Vehicle (ICAV) umbrella fund with FundRock Management Company S.A. as its appointed manager. Both the sub-fund and ICAV are authorized and regulated by the Central Bank of Ireland. The Investment Manager of the Chimera JP Morgan UAE Bond UCITS ETF will be Lunate Capital Limited, a company based in the Abu Dhabi Global Market (ADGM) and regulated by the ADGM Financial Services Regulatory Authority (FSRA). Bank of New York Mellon Fund Services (Ireland) Designated Activity Company has been appointed as the Administrator, Registrar and Transfer Agent of the ICAV, with the Bank of New York Mellon SA/NV Dublin branch acting as the Depositary to the ICAV. Authorized Participants (APs) for the ETF include Arqaam Securities, International Securities, EFG-Hermes, and BHM Capital.

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About Lunate Capital Limited

Lunate Capital Limited (regulated by the ADGM FSRA) is a subsidiary of Lunate Holding RSC Limited.

Lunate is a new Abu Dhabi-based, Partner-led, independent global alternative investment manager with more than 150 employees and \$105 billion of assets under management. Lunate invests across the entire private markets spectrum, including buyouts, growth equity, early and late-stage venture capital, private credit, real assets, and public equities and public credit. Lunate aims to be one of the world's leading private markets solutions providers through SMAs and multi-asset class funds, seeking to generate best-in-class risk-adjusted returns for its clients.

For any media inquiries, please contact media@lunate.com

About Abu Dhabi Securities Exchange

Abu Dhabi Securities Exchange (ADX) was established on November 15, 2000, by Local Law No. (3) Of 2000, the provisions of which vest the market with a legal entity of autonomous status, independent finance and management. The Law also provides ADX with the necessary supervisory and executive powers to exercise its functions. On March 17, 2020, ADX was converted from a "Public Entity" to a



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"Public Joint Stock Company PJSC" pursuant to law No. (8) of 2020. ADX is part of ADQ, one of the region's largest holding companies with a broad portfolio of major enterprises spanning key sectors of Abu Dhabi's diversified economy.

ADX is a market for trading securities; including shares issued by public joint stock companies, bonds issued by governments or corporations, exchange traded funds, and any other financial instruments approved by the UAE Securities and Commodities Authority (SCA). ADX is the second largest market in the Arab region and its strategy of providing stable financial performance with diversified sources of incomes is aligned with the guiding principles of the UAE "Towards the next 50" agenda. The national plan charts out the UAE's strategic development scheme which aims to build a sustainable, diversified and high value-added economy that positively contributes to transition to a new global sustainable development paradigm.

For more information, please contact:

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About BNY Mellon

Established in 1784, BNY Mellon is America's oldest bank and the first company listed on the New York Stock Exchange (NYSE: BK). Today, BNY Mellon powers capital markets around the world through comprehensive solutions that help clients manage and service their financial assets throughout the investment life cycle. BNY Mellon had \$47.8 trillion in assets under custody and/or administration and \$2.0 trillion in assets under management as of December 31, 2023. BNY Mellon has been named among Fortune's World's Most Admired Companies and Fast Company's Best Workplaces for Innovators. BNY Mellon is the corporate brand of The Bank of New York Mellon Corporation. Additional information is available on www.bnymellon.com. Follow us on LinkedIn or visit our Newsroom for the latest company news.

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