

Amana Income Fund Commentary


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In the first quarter of 2026, Amana Income Fund Investor Shares returned –2.34% and the Institutional Shares returned –2.28%, outperforming the Bloomberg US Large Cap Index which returned –4.67% over the same period.

The top contributor to Fund performance for the first quarter was Taiwan Semiconductor, which also remained the Fund's largest holding at quarter-end. The largest detractor for the same period was Eli Lilly. Demand for GLP-1 drugs is attracting competition from suppliers offering substitute products that appear to cut corners on safety, legal, and regulatory compliance.

Microsoft was also a notable detractor for the period. While hardware providers such as Taiwan Semiconductor continue to benefit from a strong pipeline of data center construction, investors have grown concerned that improving artificial intelligence (AI) capabilities may commoditize services from companies like Microsoft, eroding their margins and market share.

Outlook

Two themes are likely to dominate the investment landscape in the coming quarters: the ongoing US-Israeli war against Iran and the resulting closure of the Strait of Hormuz, and the continuing effects of AI spending and innovation on the broader economy.

10 Largest Contributors	Return ¹	Contribution
Taiwan Semiconductor ADR	11.52%	1.31
Linde	16.66%	0.46
W.W. Grainger	8.31%	0.35
Johnson & Johnson	18.74%	0.32
Johnson Controls	9.68%	0.31
Texas Instrument	12.64%	0.29
Novartis ADR	14.16%	0.29
Air Products and Chemicals	18.44%	0.25
Illinois Tool	6.33%	0.24
Eaton	12.64%	0.22

10 Largest Detractors	Return ¹	Contribution
Eli Lilly	-14.27%	-1.99
Microsoft	-23.28%	-1.98
Broadcom	-10.39%	-0.55
Nintendo	-17.12%	-0.45
Rockwell Automation	-7.43%	-0.40
Abbott Laboratories	-17.64%	-0.39
Genuine Parts	-13.21%	-0.30
Unilever	-12.23%	-0.29
Nike Class B	-16.54%	-0.18
CRH Public Limited	-15.46%	-0.17

Top 10 Holdings	Portfolio Weight
Taiwan Semiconductor ADS	11.65%
Eli Lilly	11.45%
Microsoft	6.01%
Rockwell Automation	5.19%
Broadcom	4.48%
W.W. Grainger	4.21%
Illinois Tool Works	3.77%
Johnson Controls	3.47%
Linde	3.11%
Cisco Systems	2.99%

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We expect meaningful delays in returning export volumes to normal even under an optimistic scenario for the conflict's resolution, as infrastructure damage and the effects of energy production shut-ins could take considerable time to repair. We are mindful that behind the disruption to export volumes lies a significant human toll, and that any meaningful recovery in the region depends as much on the well-being of its people as on the repair of its physical infrastructure. The Fund's sustainability mandate precludes ownership of fossil fuel companies. While this positioning has not weighed on performance thus far, the impact could shift in coming quarters as energy dynamics evolve.

Over the past year, we have focused on shifting exposure from the US to other developed markets, where valuations are generally lower and dividend yields are higher. The war presents a near-term headwind for this strategy, as both Europe and Japan are net importers of oil. We nonetheless remain confident in the longer-term case for a rebalancing of global equity markets away from the US.

AI investment and the optimism surrounding it have become a principal driver of US economic growth in recent quarters. The pace and scale of capital deployment is unprecedented, and revenues from these investments will eventually need to rise commensurately to justify the spending. At the same time, there appears to be ample near-term opportunity in deploying AI tools within business operations, and momentum is likely to continue as implementation challenges are overcome.

Against this backdrop of geopolitical tension and rapid technological change, we remain focused on owning financially strong companies with durable cash flows, prudent balance sheets, and a demonstrated commitment to shareholders. We believe this disciplined, value oriented approach, grounded in Saturna's long standing emphasis on downside risk management and sustainable business practices, is well suited to navigate periods of volatility.

Average Annual Total Returns	Since Inception ²	1 Year	3 Year	5 Year	10 Year	Expense Ratio ²
Investor Shares (AMANX)	9.13%	15.15%	12.37%	9.16%	10.91%	1.01%
Institutional Shares (AMINX)	10.45%	15.43%	12.64%	9.42%	11.16%	0.76%
Bloomberg US Large Cap Total Return Index	10.70%	17.84%	18.54%	11.71%	14.27%	n/a
Bloomberg 1000 Value Total Return Index	n/a	18.71%	15.61%	11.07%	11.45%	n/a
S&P 500 Index	10.81%	17.80%	18.32%	12.06%	14.16%	n/a

(as of March 31, 2026, Net of Fees)

Performance data quoted herein represents past performance, which is no guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data quoted herein. Performance current to the most recent month-end can be obtained by visiting www.amanafunds.com or calling toll-free 1-800-728-8762. The Amana Income Fund cannot guarantee that its investment objective will be met. Securities of the Fund are offered and sold only through the prospectus or summary prospectus. Please consider an investment's objectives, risks, charges, and expenses carefully before investing. For this and other important information about the Amana Income Fund, please obtain and carefully read a free prospectus or summary prospectus from your financial adviser, at www.amanafunds.com, or by calling toll-free 1-800-728-8762.

¹ Returns are as of quarter-ended March 31, 2026.

² June 23, 1986.

³ Expense ratio shown is as stated in the Fund's most recent Prospectus, dated September 29, 2025.

All data as of March 31, 2026, unless otherwise noted.

Bloomberg US Large Cap Total Return Index is a float market-cap-weighted benchmark of the 500 most highly capitalized US companies.

Bloomberg US 1000 Growth Total Return Index provides exposure to companies with superior growth factor scores based on their earnings yield, valuation, dividend yield, and growth.

The S&P 500 is an index comprised of 500 widely held common stocks considered to be representative of the US stock market in general.

Fund holdings are subject to change at any time.

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A Few Words About Risk

The value of the shares of the Funds rises and falls as the value of the securities in which the Funds invest goes up and down. The Amana Mutual Funds limit the securities they purchase to those consistent with Islamic principles. This limits opportunities and may affect performance. Each of the Funds may invest in securities that are not traded in the United States. Investments in the securities of foreign issuers may involve risks in addition to those normally associated with investments in the securities of US issuers. These risks include currency and market fluctuations and political or social instability. The risks of foreign investing are generally magnified in the smaller and more volatile securities markets of the developing world.

Please consider an investment's objectives, risks, charges, and expenses carefully before investing. To obtain this and other important information about the Amana Funds in a current prospectus or summary prospectus, please visit www.amanafunds.com or call toll-free 1-800-728-8762. Please read the prospectus or summary prospectus carefully before investing. Distributed by Saturna Brokerage Services, a wholly-owned subsidiary of Saturna Capital Corporation, investment adviser to the Amana Funds.



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