AZ Al Mal MENA Equity Fact Sheet

July 2021

NAV Per Unit: USD 6.11

Fund Manager Commentary

US indices ebbed and flowed through the month due to themes like falling treasury yields, potentially higher than expected inflation and the delta variant. The lack of direction in the markets were evident, as the S&P 500 and the NASDAQ closed out the week flat. Brent had a volatile month as well, as the UAE initially held out on an agreement to revise supply cuts as it remained committed to an upward revision of its baseline from 3.2mb/d to 3.9mb/d. However, UAE and KSA came to an agreement in the latter half of the month. The deal reportedly increases the UAE's baseline from 3.17 mb/d to 3.65 mb/d starting May 2022. We continue to see strength in oil prices, as projected increased supply from the cartel seem to still be playing catch up with global demand.

KSA reinforced its target for the transportation sector to contribute 10% of GDP by 2030, up from 6% currently. They announced a spending plan of USD 133bn which will be concentrated in launching a new national airline, tripling passengers, expanding airports, increasing port's capacity and connecting major cities. We see tremendous potential in this sector, with valuations slightly depressed on a relative basis due to the overhang from the pandemic. Portfolio holding, eXtra, reported 2Q21 earnings with headline earnings up 11% y/y to amount to SAR 100.5mn. There was a 14% y/y decline in topline as a result of the high base from last year which was a result of pre-VAT buying, but, the continued pick up in Tas'heel, Extra's consumer finance arm, continues to impress and offset any near-term weakness in the electronics business (off a high base) contributing SAR 25.4mn vs SAR 4.3mn in 2Q20.

Kuwait approved spending of USD 65bn for projects in fiscal year 2021-2022. This includes new projects as well as a continuation of projects launched before. According to a local media outlet, nearly half of the projects are related to diversifying the economic base. Kuwait, unlike its other GCC peers, has yet to commit to diversification efforts, but the current oil price level can help the country in laying out a plan towards diversification.

Objective

Achieve capital appreciation, primarily through investment in equity and equity related securities in the Middle East and North African markets.

Fund Performance

Performance[1]	Fund	Benchmark[2]	Alpha
1 Month	-0.3%	0.4%	-0.7%
YTD[3]	17.8%	20.6%	-2.8%
1 Year	33.2%	38.0%	-4.8%
3 Year	22.4%	21.6%	0.8%
5 Year	56.2%	44.7%	11.5%
Since Inc.	22.2%	16.6%	5.6%

[1] Performance is net of fees; return is cumulative
[2] S&P Pan Arab Composite Index
[3] As of 28th July 2021

Top 5 Holdings

Holding	% of Fund
Saudi National Bank	6.5
Mouwasat Medical Services	6.1
Al Rajhi Bank	5.4
United Electronics	5.0
Saudi Basic Industries	3.4

Fund Analysis

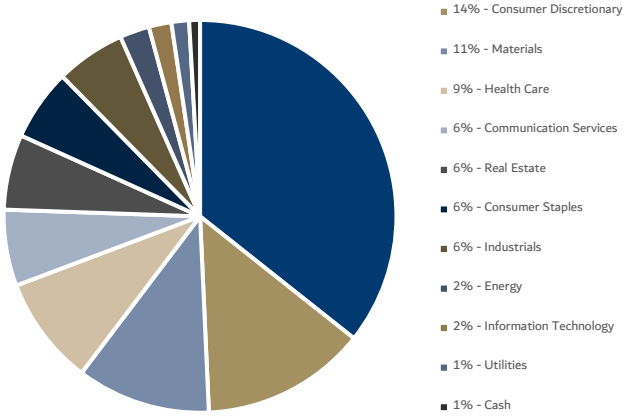
Matrix[4]	Fund	Benchmark
Standard Deviation	13.1%	15.0%
Tracking Error	5.4%	
Beta	0.8	
No. of Holdings	48	

[4] The fund characteristics are based on the historical data of the Al Mal MENA Equity Fund as the AZ Al Mal Equity Fund continues to follow the same strategy; calculated using 3-year weekly data

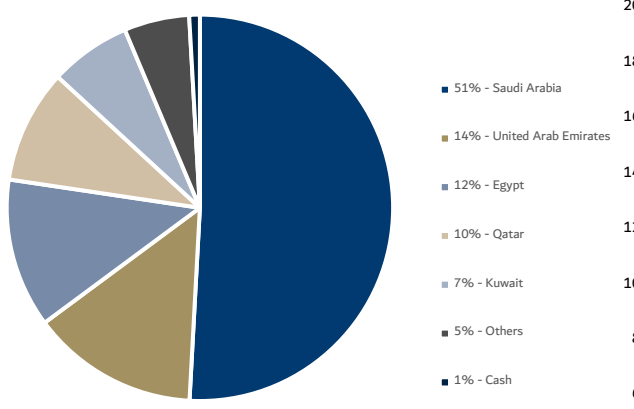
Fund Information

Investment Manager	Azimut (DIFC) Limited
Investment Advisers	Al Mal Capital PJSC
Fund Manager	Sherif El Haddad
Inception Date	June 26, 2019
Fund Size	USD 75 million
Strategy Size	USD 250 million
Domicile	Luxembourg
Currency	USD
Subscription & Redemption	Weekly
Min Subscription	USD 1 (Retail) -250,000 (Institutional)
Bloomberg Code	AZ3AZUA LX
Management Fee	Up to 2.0%
Benchmark Index	S&P Pan Arab Composite
Fund Type	Open Ended
Administrator & Custodian	BNP Paribas

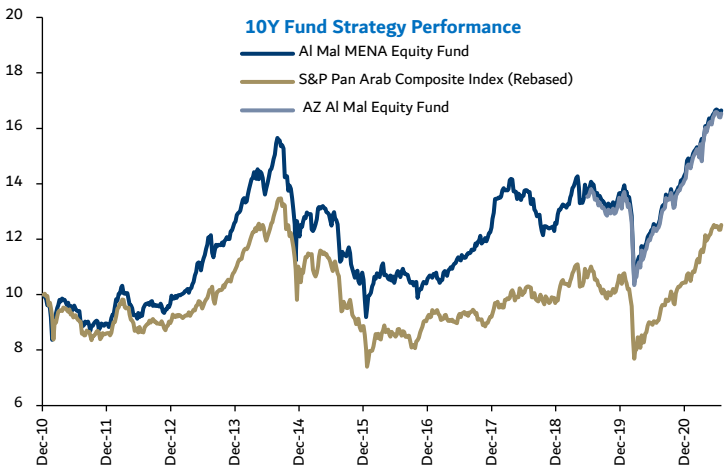
Sector Allocation



Geographic Allocation



10Y Fund Strategy Performance



Disclaimer

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Al Mal MENA Equity Fact Sheet

July 2021

NAV Per Unit: USD 10.41

Fund Manager Commentary

US indices ebbed and flowed through the month due to themes like falling treasury yields, potentially higher than expected inflation and the delta variant. The lack of direction in the markets were evident, as the S&P 500 and the NASDAQ closed out the week flat. Brent had a volatile month as well, as the UAE initially held out on an agreement to revise supply cuts as it remained committed to an upward revision of its baseline from 3.2mb/d to 3.9mb/d. However, UAE and KSA came to an agreement in the latter half of the month. The deal reportedly increases the UAE's baseline from 3.17 mb/d to 3.65 mb/d starting May 2022. We continue to see strength in oil prices, as projected increased supply from the cartel seem to still be playing catch up with global demand.

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Objective

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Fund Performance

Performance[1]	Fund	Benchmark[2]	Alpha
1 Month	-0.2%	0.4%	-0.6%
YTD[3]	17.1%	20.6%	-3.5%
1 Year	33.1%	38.4%	-5.3%
3 Year	20.9%	21.7%	-0.8%
5 Year	53.4%	42.9%	10.5%
Since Inc.	21.2%	-22.2%	43.4%

[1] Performance is net of fees; 3-year and 5-year return is cumulative
[2] S&P Pan Arab Composite Index
[3] As of 28th July 2021

Top 5 Holdings

Holding	% of Fund
Saudi National Bank	6.6
Mouwasat Medical Services Co	6.1
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Fund Analysis

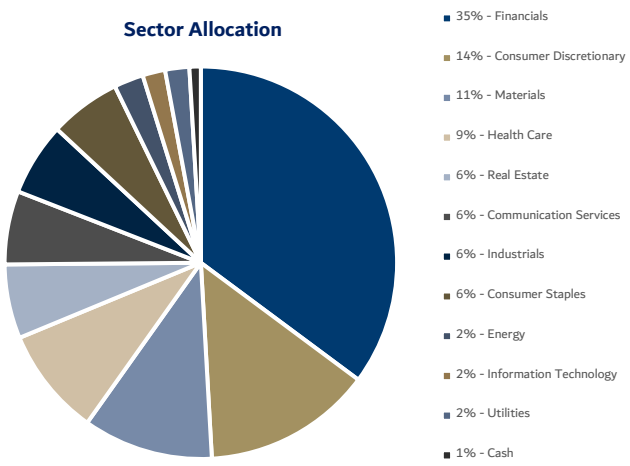
Matrix[4]	Fund	Benchmark
Standard Deviation	13.3%	15.0%
Tracking Error	5.2%	
Beta	0.8	
Dividend Yield 2020	4.0%	
No. of Holdings	47	

[4] The fund characteristics are based on the historical data of the Al Mal MENA Equity Fund as the AZ Al Mal Equity Fund continues to follow the same strategy; calculated using 3-year weekly data

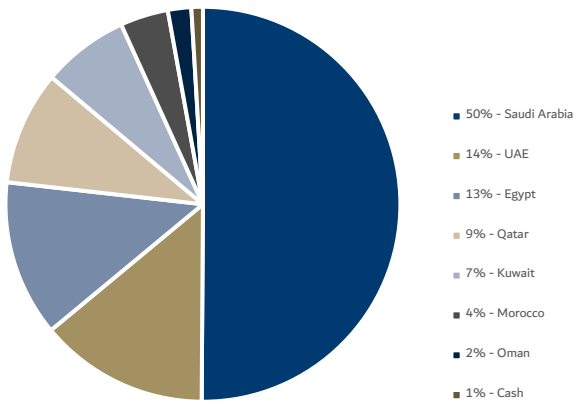
Fund Information

Fund Manager	Sherif El Haddad
Inception Date	15th June 2008
Fund Size	USD 31 million
Strategy Size	USD 250 million
Domicile	Bahrain
Currency	USD
Subscription & Redemption	Weekly
Min Subscription	USD 250,000
Bloomberg Code	MALMENE BI
Management Fee	1.75%
Benchmark Index	S&P Pan Arab Composite
Fund Type	Open Ended
Administrator	Apex
Custodian	Standard Chartered

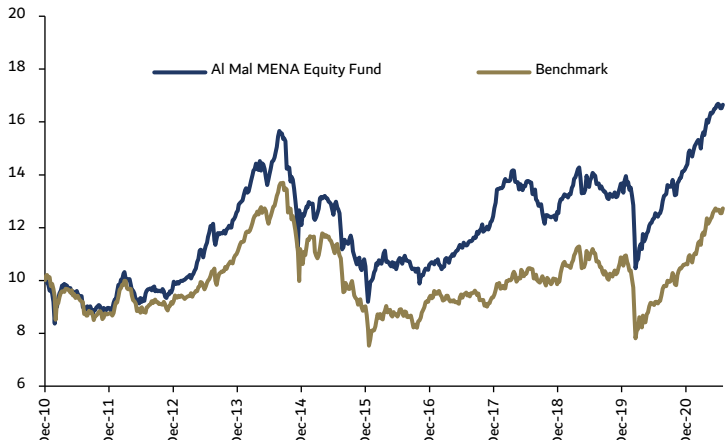
Sector Allocation



Geographic Allocation



10Y Fund Strategy Performance



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Al Mal UAE Equity Fact Sheet

July 2021

NAV Per Unit: AED 1.43

Fund Manager Commentary

According to the MENA Investment Banking Review, out of the USD 70.6bn raised through capital markets in the MENA region for H1 2021, UAE was the top nation for DCM proceeds raising almost USD 20.5bn across the period. Debt raised in the utilities and energy sector were the primary contributing sectors in the DCM activity in the UAE. Additionally, out of the equity and equity-related issuance totaling USD2.1 bn during the first half of 2021, UAE was also the most active in ECM activity with USD 1.7bn in proceeds raised. Out of the USD 1.7bn, USD 1.1bn was raised through ADNOC's convertible offering. We continue to see corporate issuances in the short to medium term, particularly on the equity side through the ADX via liquidity boosting mechanisms.

In Dubai, consumer confidence hit multi-year highs as stimulus measures and vaccination rates softened the blow from the pandemic. In addition, there seems to be a marked improvement in tourism as higher occupancy rates have pushed up average daily room rates from USD 65 from July of last year to USD 104 in May 2021. Taqa and Abu Dhabi ports announced intentions to develop a 2GW green ammonia project in the UAE. This move is in line with other regional competitors like Aramco who see the potential of ammonia as a means to transport hydrogen, albeit using a slightly different process producing blue ammonia. We see a lot of investment in this area particularly in the region, with lofty decarbonization targets that remain to be met.

Emaar properties expects to conclude 2021 with EBITDA of USD 2.2bn, after S&P raised it outlook on Emaar to stable from negative. Emaar remains best positioned to capitalize on a recovering Dubai real estate market, which has seen monthly property transactions hitting a four-year high of AED 11.1bn last month, with the developer achieving approximately 50% market share of new sales.

Objective

Achieve medium to long-term capital growth by investing primarily in equities listed on the UAE Exchange.

Fund Performance

Performance[1]	Fund	Benchmark[2]	Alpha
1 Month	-0.6%	2.2%	-2.8%
YTD[3]	17.7%	24.2%	-6.5%
1 Year	44.3%	45.5%	-1.2%
3 Year	14.9%	5.0%	9.9%
5 Year	35.4%	1.6%	33.8%
Since Inc.	73.7%	-36.0%	109.7%

[1] Performance is net of fees; return is cumulative
[2] S&P UAE Composite Index
[3] As of 28th July 2021

Top 3 Holdings

Holding	% of Fund
Emirates NBD	9.2
First Abu Dhabi Bank	9.2
Emaar Properties	9.0

Fund Analysis

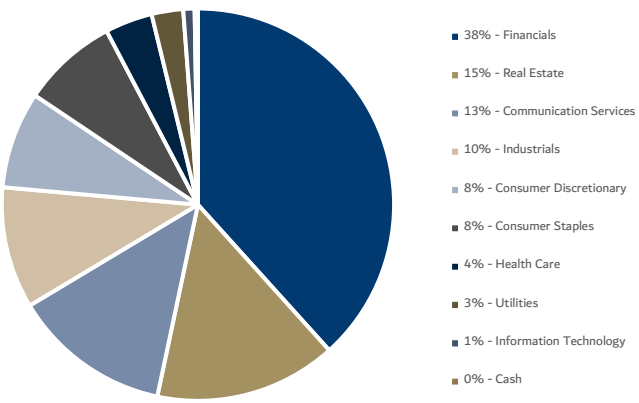
Matrix[4]	Fund	Benchmark
Standard Deviation	17.2%	23.1%
Tracking Error	11.2%	
Beta	0.66	
Dividend Yield 2020	4.5%	
No. of Holdings	20	

[4] Calculated using 3-year weekly data

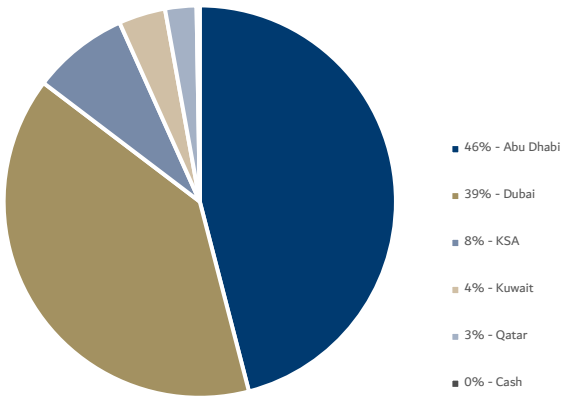
Fund Information

Fund Manager	Sherif El Haddad
Fund Size	AED 52 million
Domicile	UAE
Currency	AED
Subscription & Redemption	Weekly
Min Subscription	AED 100,000
Management Fee	1.50%
Performance Fee	20% over 10% hurdle with high watermark
Financial Year End	31st December
Benchmark Index	S&P UAE Composite Index
Fund Type	Open Ended
Administrator & Custodian	Standard Chartered

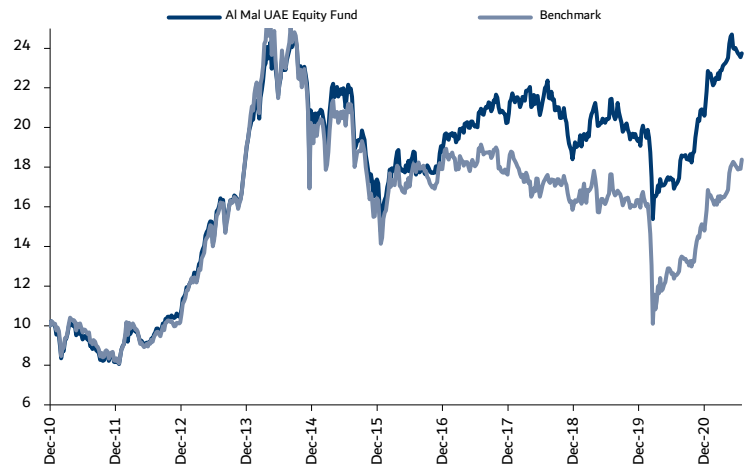
Sector Allocation



Geographic Allocation



10Y Fund Strategy Performance



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