AZ Al Mal MENA Equity Fact Sheet

May 2021

NAV Per Unit: USD 6.00

Fund Manager Commentary

US equities had a weak month with the S&P 500 rising 0.2% and the NASDAQ down 1.14%, lacking directional conviction as macro data remain mixed. Brent had a strong month, now inching towards the elusive USD 70 per barrel mark, as the rebound in global demand outweighs concerns of more supply from Iran once sanctions are lifted.

In the UAE, all eyes were on FAB on higher FOL implementation pushing Abu Dhabi (ADSM Index) higher by 8.47%. In Dubai, real estate transactions, maintained their upward trajectory during April with units sold up 5x y/y , while prices on villa continued to show their strength boding well for names like Emaar.

KSA reduced its budget deficit to USD1.97 bn in Q1 21, the finance ministry said last month, helped by austerity measures introduced in 2020 while business activity and employment have improved markedly. Also, Crown Prince Muhammad Bin Salman issued new directives that aim to build 53k new residential units. This adds to KSA's compelling home demand growth story, which has filtered positively into the financials and consumer discretionary names, sectors we retain key holdings in. Core holding, Mouwasat, reported a 36% y/y growth in net income and we remain bullish on the name due to its best-in-class profitability profile, growth prospects, and strong pricing power.

It was an eventful month for Egypt, with the MPC keeping interest rates on hold for the third consecutive meeting, in line with the global interest rate environment despite subdued inflations levels (4.5% in March). The CBE also issued new regulations that bode well for e-payment companies, and we continue to play the theme via MTI. The finance minister also shared the country's upcoming draft budget, targeting a 1.5% of GDP primary surplus and 6.6% GDP fiscal deficit.

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	1.4%	0.3%	1.1%
YTD[3]	14.9%	16.6%	-1.7%
1 Year	40.3%	42.1%	-1.8%
3 Year	20.5%	22.7%	-2.2%
5 Year	56.3%	42.5%	13.9%
Since Inc.	19.9%	13.5%	6.4%

[1] Performance is net of fees; 3-year and 5-year return is cumulative
[2] S&P Pan Arab Composite Index
[3] As of 26th May, 2021

Top 5 Holdings

Holding	% of Fund
Saudi National Bank	6.5
Mouwasat Medical Services Co	5.7
Al Rajhi Bank	5.0
United Electronics Co	3.6
Saudi Basic Industries Corp	3.5

Fund Analysis

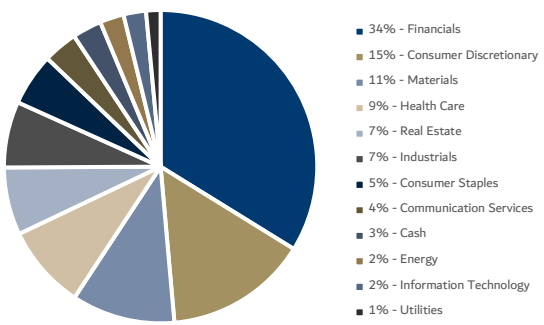
Matrix[4]	Fund	Benchmark
Standard Deviation	13.3%	15.2%
Sharpe Ratio	0.49	0.02
Beta	0.8	
Tracking Error	5.2%	
No. of Holdings	51	

[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

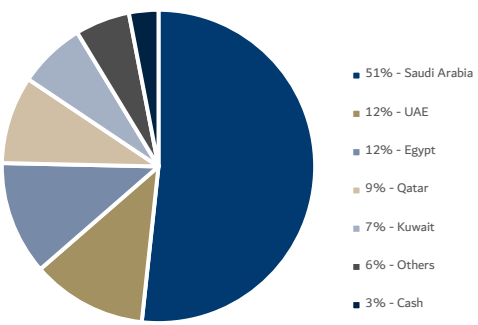
Fund Information

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

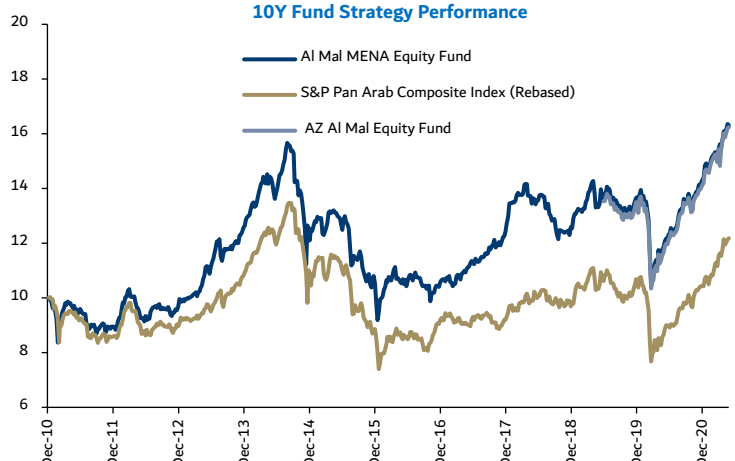
Sector Allocation



Geographic Allocation



10Y Fund Strategy Performance



Disclaimer

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Al Mal MENA Equity Fact Sheet

May 2021

NAV Per Unit: USD 10.20

Fund Manager Commentary

US equities had a weak month with the S&P 500 rising 0.2% and the NASDAQ down 1.14%, lacking directional conviction as macro data remain mixed. Brent had a strong month, now inching towards the elusive USD 70 per barrel mark, as the rebound in global demand outweighs concerns of more supply from Iran once sanctions are lifted.

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Fund Performance

Performance[1]	Fund	Benchmark[2]	Alpha
1 Month	1.4%	0.3%	1.1%
YTD[3]	14.0%	16.6%	-2.6%
1 Year	38.6%	42.1%	-3.5%
3 Year	18.9%	22.7%	-3.8%
5 Year	54.2%	42.5%	11.7%
Since Inc.	18.7%	-24.3%	43.0%

[1] Performance is net of fees; 3-year and 5-year return is cumulative
[2] S&P Pan Arab Composite Index
[3] As of 26th May, 2021

Top 5 Holdings

Holding	% of Fund
Saudi National Bank	6.5
Mouwasat Medical Services Co	5.7
Al Rajhi Bank	5.0
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Saudi Basic Industries Corp	3.5

Fund Analysis

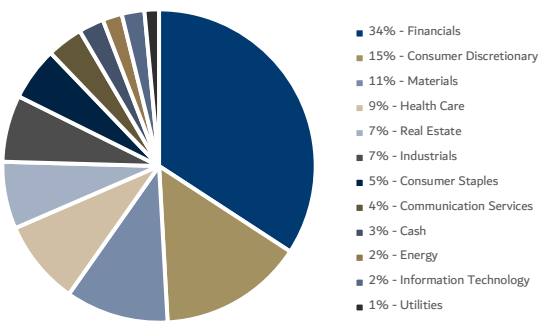
Matrix[4]	Fund	Benchmark
Standard Deviation	13.4%	15.2%
Sharpe Ratio	0.4	0.4
Beta	0.8	
Tracking Error	5.2%	
Dividend Yield 2020	4.0%	
No. of Holdings	52	

[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

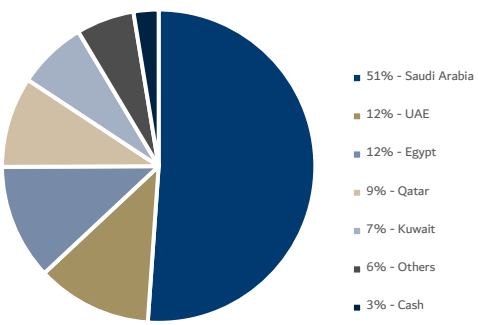
Fund Information

Fund Manager	Sherif El Haddad
Inception Date	15th June 2008
Fund Size	USD 30 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

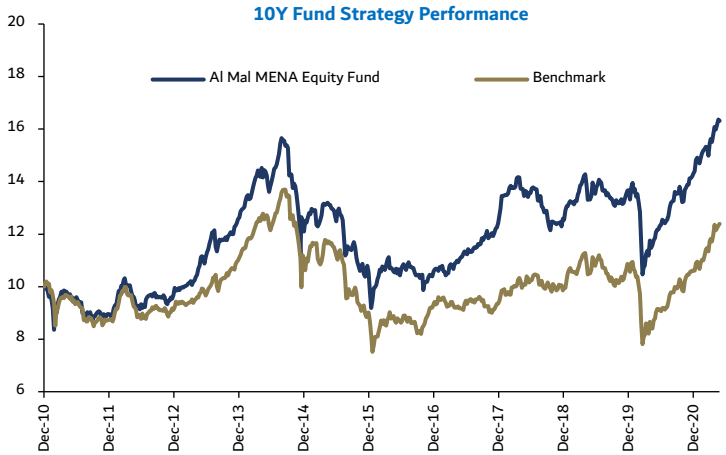
Sector Allocation



Geographic Allocation



10Y Fund Strategy Performance



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Al Mal UAE Equity Fact Sheet

May 2021

NAV Per Unit: AED 1.49

Fund Manager Commentary

Both Abu Dhabi (ADSM Index) and Dubai (DFMG Index) markets had a strong month of May, propelling the markets higher by 8.47% and 7.37% respectively, and were largely lifted by banks' shares, especially FAB post FOL hike.

On the macro front, the UAE announced foreigners opening a company in the UAE will no longer need an Emirati Shareholder or agent under changes to UAE company law effective as of the 1st of June. This is largely in line with earlier moves lifting foreign ownership limits to boost the country's competitive edge and facilitate business activity. UAE PMI edged up to 52.7 in April from 52.6 in March. This was its highest level since July 2019 and the fifth consecutive month it has held above the 50 handle. Going forward, The UAE government has announced its aim to double the economy by 2030, implying a nominal growth rate of c7% per annum. According to the Economic Minister, Abdullah Bin Touq, the Ministry of Economy and other government agencies are working on an ambitious vision to double the UAE economy to AED 3 trillion by 2031.

Portfolio holding Agthia announced Q1 21 revenues of AED 665m growing 17% y/y, whilst headline earnings surged 84% to AED 49.6m on consolidation of Al Foah and Al Faysal. Consolidation helped drive an 84bps expansion in gross margins to 30.7%, also aided by improvements in the core business. M&A transactions Ismilia (Atayab) and Nabil foods (completed) remain yet to be consolidated, but these results are representative of management's strong focus to expand into value-added categories to help bolster its water, flour and feed categories, thereby expanding EBITDA margins by 100bps per annum until 2025.

Portfolio holding Emaar Properties reported strong 1Q21 headline operating and financial figures. The company recorded contracted sales of AED7,115m (+83.0% y/y, +128.3% q/q), including AED5,904m from Dubai (+106.7% y/y; +200.5% q/q) in 1Q21. With strong quarterly result across all its operating segments, we continue to view Emaar as a proxy play on a recovery in tourism and spending.

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	6.5%	8.5%	-2.0%
YTD[3]	20.8%	20.3%	0.5%
1 Year	52.0%	49.2%	2.8%
3 Year	24.5%	7.3%	17.2%
5 Year	48.0%	7.7%	40.3%
Since Inc.	80.6%	-37.2%	117.9%

[1] Performance is net of fees; 3-year and 5-year return is cumulative
[2] S&P UAE Composite Index
[3] As of 26th May, 2021

Top 3 Holdings

Holding	% of Fund
First Abu Dhabi Bank	22.4
Tabreed	12.0
Emirates NBD	11.6

Fund Analysis

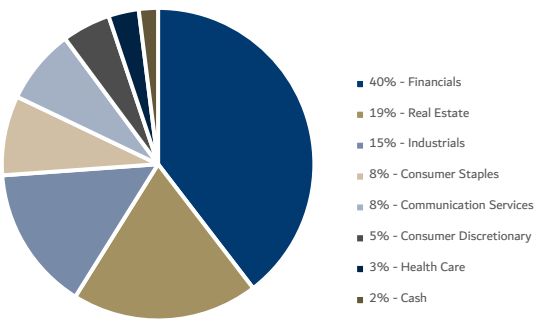
Matrix[4]	Fund	Benchmark
Standard Deviation	17.3%	23.4%
Sharpe Ratio	0.26	-0.01
Beta	0.66	
Dividend Yield 2020	4.5%	
No. of Holdings	17	

[4] Calculated using 3-year weekly data

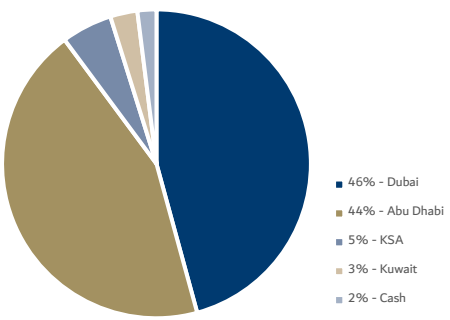
Fund Information

Fund Manager	Sherif El Haddad
Fund Size	AED 55 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

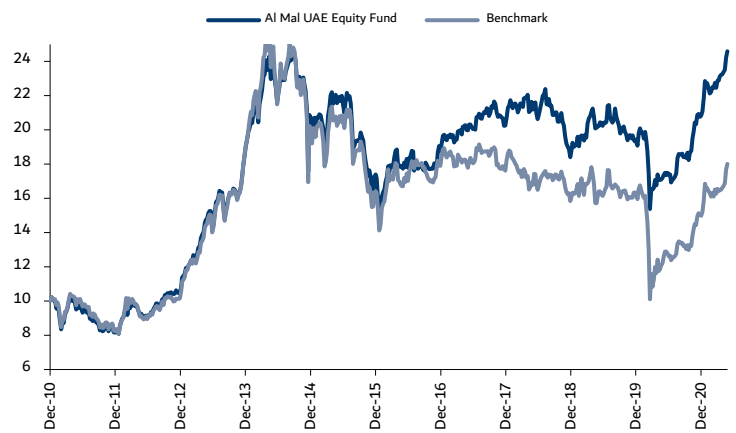
Sector Allocation



Geographic Allocation



10Y Fund Strategy Performance



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