AZ Al Mal MENA Equity Fact Sheet

November 2022

NAV Per Unit: USD 6.91

Fund Manager Commentary

The S&P 500 closed the month up 5.4%, despite beginning the month weak as investors looked through inflation number with early signs of it cooling off from its highs. On the last day of November, Federal Reserve Chair Jerome Powell signalled a downshift in the pace of tightening of interest rates which could happen as early as this December. He added that more rate hikes will be needed to tame inflation and indicated that the ultimate terminal rate may be higher than previously thought.

The Saudi market reported the steepest monthly decline in the GCC during November 2022 as investors booked profits ahead of year, while oil prices remained on a downward trajectory on a bleaker economic growth outlook. During the month, the index went below the 11,000 handle for the first time since September 2022. Oil prices slipped after industry data showed U.S. crude stockpiles rose more than expected combined with COVID-related measures in China likely stifling demand. China imposed new lockdowns as local covid cases hit record highs with 31,444 new local cases, the highest daily figure since the beginning of the pandemic. At time of writing, oil has shown some recovery on a sustained tight supply curve with the EU banning Russian seaborne crude, while China alleviated some Covid measures.

Portfolio Holding NCLE received a SAR 44mn land lease contract to build an educational complex in Riyadh. NCLE was awarded a land lease contract by Tatweer Building Co to construct and operate an educational complex in Al-Narjis district, Riyadh, under the name of 'Tarbyh Namouthajiyah schools' for 20 years. The Company continues to forge ahead with its growth plans to capitalise on the country's relatively nascent private education sector, while being able to ramp up occupancy at new schools at pace while remaining healthy P&L metrics.

Portfolio Holding Tanmiah Food Co reported 3Q22 KPIs, with earnings up to SAR31.7mn, mainly on higher margins. Revenue increased 43% y/y to SAR560mn driven by growth across all segments as the company captures market share in the fresh chicken category, via growth CapEx and network and workforce enhancement. Accordingly, operating profit was up 4x y/y to SAR44mn.

We retain our defensive positioning ahead of the FOMC meeting in December, with expectations of a sustained hawkish tone considering positive economic data, such as the tight labour market. We expect volatility to continue in the markets, and position accordingly via multi-cycle names and a cash buffer to capture potential value desolation in structurally growing bottom-up stories.

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	-2.6%	-3.7%	1.1%
YTD[3]	1.8%	-3.9%	5.7%
1 Year	4.5%	-1.0%	5.5%
3 Year	43.8%	27.5%	16.3%
5 Year	58.2%	43.5%	14.7%
Since Inc.	38.2%	19.9%	18.3%

[1] Performance is net of fees; return is cumulative
[2] S&P Pan Arab Composite Index
[3] As of 30th November 2022

Top 5 Holdings

Holding	% of Fund
Saudi National Bank	5.2
Qatar Gas Transport	4.1
Tanmiah Food Company	4.0
Adnoc Drilling Company	3.9
Qatar National Bank	3.4

Fund Analysis

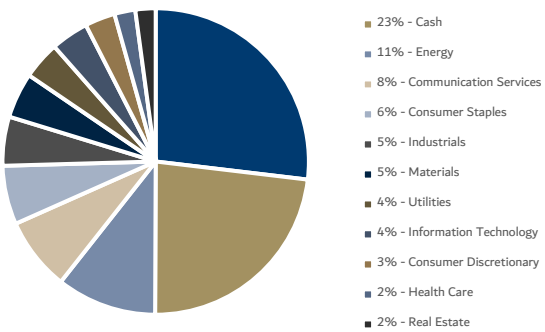
Matrix[4]	Fund	Benchmark
Standard Deviation	14.0%	16.1%
Tracking Error	5.8%	
Beta	0.8	
No. of Holdings	33	

[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

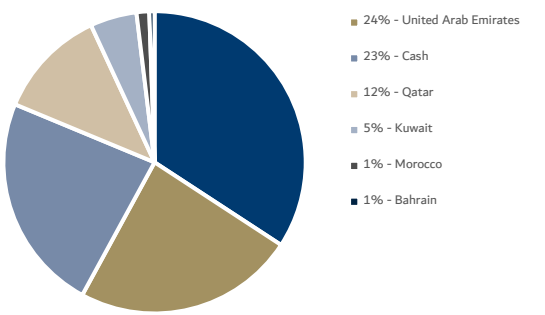
Fund Information

Investment Manager	Azimut (DIFC) Limited
Investment Advisers	Al Mal Capital PJSC
Fund Advisor	Faisal Hasan, CFA
Inception Date	June 26, 2019
Fund Size	USD 68 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

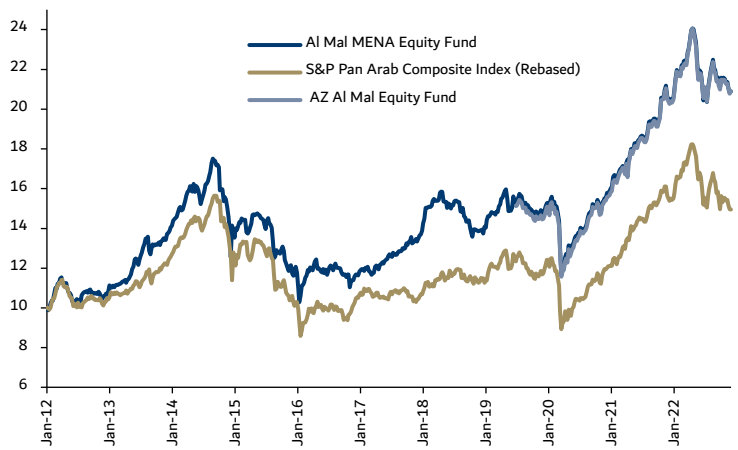
Sector Allocation



Geographic Allocation



10Y Fund Strategy Performance



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Al Mal MENA Equity Fact Sheet

November 2022

NAV Per Unit: USD 10.77

Fund Manager Commentary

The S&P 500 closed the month up 5.4%, despite beginning the month weak as investors looked through inflation number with early signs of it cooling off from its highs. On the last day of November, Federal Reserve Chair Jerome Powell signalled a downshift in the pace of tightening of interest rates which could happen as early as this December. He added that more rate hikes will be needed to tame inflation and indicated that the ultimate terminal rate may be higher than previously thought.

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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	-2.9%	-3.7%	0.8%
YTD[3]	1.2%	-3.9%	5.1%
1 Year	-1.4%	-7.2%	5.8%
3 Year	41.4%	28.5%	12.9%
5 Year	57.8%	44.7%	13.1%
Since Inc.	36.0%	-20.0%	56.0%

[1] Performance is net of fees; 3-year and 5-year return is cumulative
[2] S&P Pan Arab Composite Index
[3] As of 30th November 2022

Top 5 Holdings

Holding	% of Fund
Saudi National Bank	5.3
Qatar Gas Transport	4.3
Tanmiah Food Company	4.0
Adnoc Drilling Company	4.0
Saudi British Bank	3.8

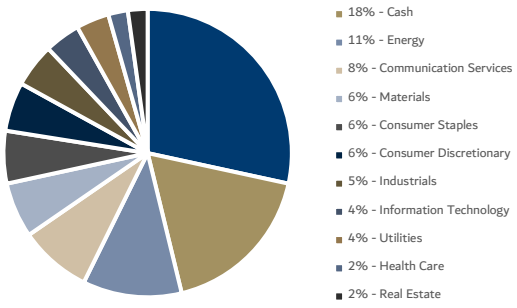
Fund Analysis

Matrix[4]	Fund	Benchmark
Standard Deviation	13.9%	15.8%
Tracking Error	5.5%	
Beta	0.8	
Dividend Yield 2022	4.0%	
No. of Holdings	33	

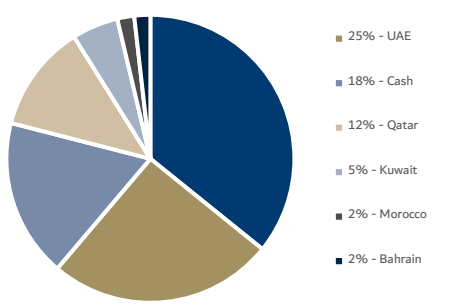
Fund Information

Fund Manager	Faisal Hasan, CFA
Inception Date	15th June 2008
Fund Size	USD 22 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

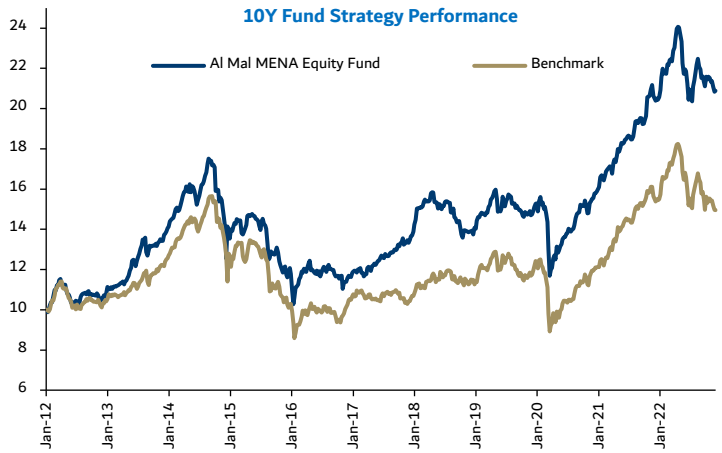
Sector Allocation



Geographic Allocation



10Y Fund Strategy Performance



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Al Mal UAE Equity Fact Sheet

November 2022

NAV Per Unit: AED 1.62

Fund Manager Commentary

The DFM General Index fell 0.23% in the month of November. The DFM exchange saw the IPO of Taaleem Holdings Group, one of the largest education service providers in the Emirates with a portfolio of 26 schools and more than 27 thousand students, adding depth to the market. On the other hand, the ADX experienced a slight increase of 1.3%, mainly lifted by Taqa's strong price performance. The Real Estate and the Industrials indices followed as the second and third biggest gainers recording 8.6% and 6.8% increases, respectively, during November-2022.

Real GDP in Abu Dhabi grew by 11.2% y/y to AED 543bn in the first half of 2022, supported by both oil and non-oil sectors (which grew by 10.8% and 11.6% y/y respectively). Oil sector accounted for 49.7% of overall GDP in H1 2022. According to Statistics Centre Abu Dhabi, Abu Dhabi's GDP grew by 11.7% y/y in Q2 2022, the highest quarterly value in 6 years.

Abu Dhabi's AED 5bn IPO Fund shortlisted six private sector companies to potentially receive investment and advisory services for listing their shares on the Abu Dhabi Securities Exchange, Chairman of the Abu Dhabi Department of Economic Development (ADDED) Mohamed Al-Shorafa said. The six shortlisted companies are expected to come to the market by the end of the first half of 2023. One of six companies supported by the fund is Americana, the IPO of which we look forward to in December. The fund is sector agnostic with a task force of assessing local and regional companies from various sectors to shortlist qualified candidates that it can support during the pre-IPO and IPO phases.

Portfolio Holding AD Ports Group announced the acquisition of Noatum, a global integrated logistics platform, for a total purchase consideration of AED2.5bn (EUR660mn). As stated in the announcement, Noatum has an LTM revenue of AED6.91bn. The company specializes in freight management, project and contract logistics, international supply chain management, customs, e-solutions, and most importantly, heavy lift logistics which AD Ports aims adopt into the region. This comes after the business's acquisition of Global Feeder Shipping for AED 2.9bn, at attractive multiples.

We retain our defensive positioning ahead of the FOMC meeting in December, with expectations of a sustained hawkish tone considering positive economic data, such as the tight labour market. We thereby expect volatility to continue in the markets, and position accordingly via multi-cycle names and a cash buffer to capture potential value desolation in structurally growing bottom-up stories.

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	1.2%	2.5%	-1.3%
YTD[3]	9.7%	6.1%	3.6%
1 Year	11.0%	7.8%	3.2%
3 Year	53.9%	34.6%	19.3%
5 Year	50.0%	21.6%	28.4%
Since Inc.	114.1%	-24.6%	138.7%

[1] Performance is net of fees; return is cumulative
[2] S&P UAE Domestic 10% Capped Index
[3] As of 30th November 2022

Top 3 Holdings

Holding	% of Fund
Aldar Properties	7.3
Emaar Properties	7.0
Abu Dhabi Ports	6.9

Fund Analysis

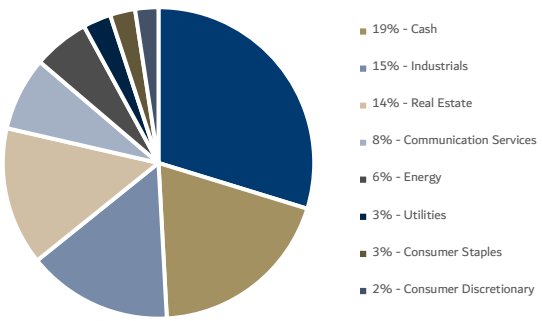
Matrix[4]	Fund	Benchmark
Standard Deviation	16.7%	23.8%
Tracking Error	10.6%	
Beta	0.6	
Dividend Yield 2022	4.0%	
No. of Holdings	19	

[4] Calculated using 3-year weekly data

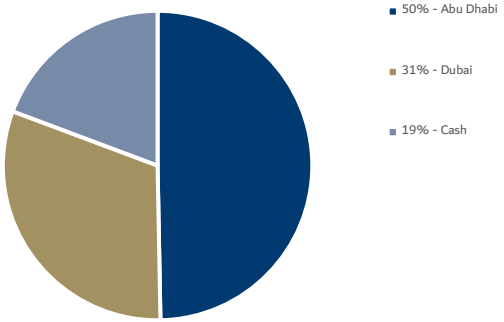
Fund Information

Fund Manager	Faisal Hasan, CFA
Fund Size	AED 57 million
Domicile	UAE
Currency	AED
Subscription & Redemption	Weekly
Min Subscription	AED 40,000
Management Fee	1.50%
Performance Fee	20% over 10% hurdle with high watermark
Financial Year End	31st December
Benchmark Index	S&P UAE Domestic 10% Capped Index
Fund Type	Open Ended
Administrator & Custodian	Standard Chartered

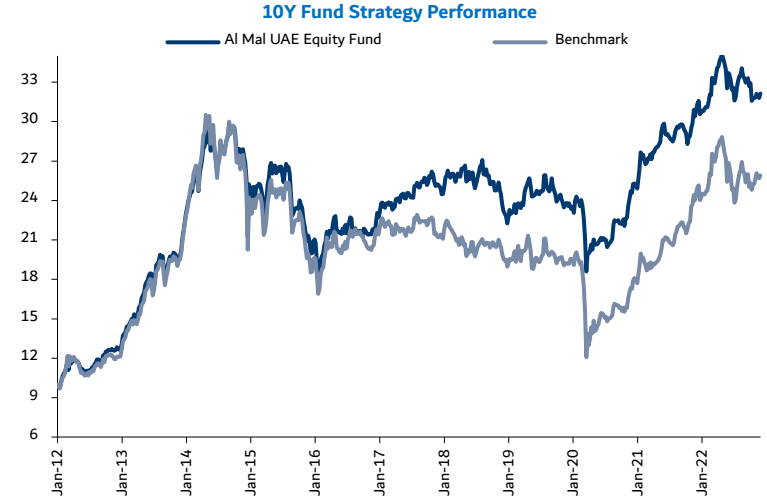
Sector Allocation



Geographic Allocation



10Y Fund Strategy Performance



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