AZ Al Mal MENA Equity Fact Sheet

April 2022

NAV Per Unit: USD 7.90

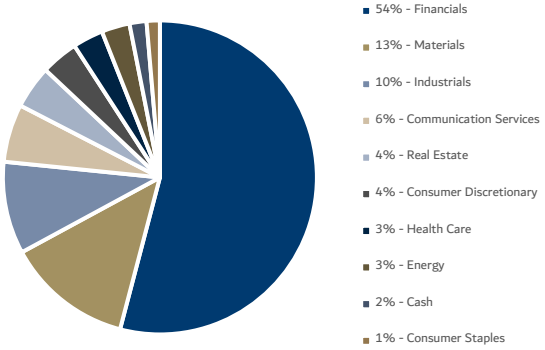
Fund Manager Commentary

A largely disappointing set of earnings meant major indexes endured four consecutive weeks of losses with the S&P falling 9% over April, the Nasdaq meanwhile down 13% over the same period. Disappointing Q1 numbers from Amazon saw the stock plunge 14% with the stock posting its first quarterly loss since 2015 while Apple originally rose on record revenue news but cautious guidance as a result of supply chain issues drained the gains later in the session. Economic data also weighed on sentiment with stagflation concerns rising after the US Commerce Department showed that the economy contracted at an annualized rate of 1.4% in the first quarter, well below consensus expectations of a 1% expansion. Meanwhile, Crude rose 5.5% over April as a Russia – Ukraine ceasefire appeared less imminent. Partially as a result, our home markets showed strength, the S&P Pan Arab closed April up 3.2%.

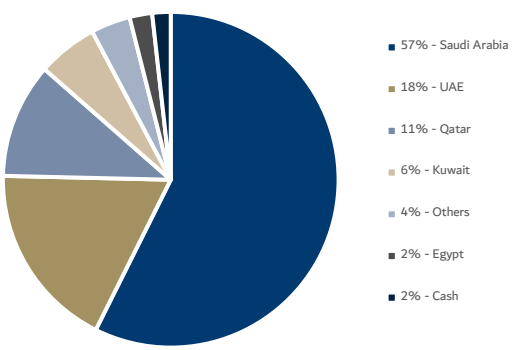
April saw the IMF raise KSA's growth forecasts to 7.6% for 2022 on an increase in oil production and non-oil economic growth exceeding expectations. This comes after Saudi's non-oil private sector grew both output and purchasing in March, at its fastest rate in the last four years, despite cost pressures arising from the Russia – Ukraine war. On the micro front, SNB reported Q1 numbers this month. The bank reported profits for Q1 amounting to SAR 4.5bn, up 34% q/q with the strength in earnings primarily coming from a combination of higher non-interest income and lower costs contributing to an ROE of 16.8%. Portfolio holding eXtra also reported Q1 numbers with earnings up 20% y/y. The company's consumer finance arm continued to offset weakness in the electronics retail segment given supply chain and semiconductor disruptions. At an aggregate level, revenues increased 3% y/y, whilst the c54% y/y expansion in Tasheel revenues expanded gross margins by c.1.5% y/y. We remain buyers of the name, as the adept management team have pivoted the company from a consumer discretionary name to a competitive challenger bank in the Kingdom.

Annual urban inflation in Egypt surged to 10.5% in March, the highest reading in nearly 3 years and up from 8.8% reported in Feb. Overall annual inflation in Egypt reached 12.1% in March with Egypt's net foreign reserves falling by USD 4bn according to the Egypt Central Bank. Egypt's government as a result planned to form a committee to strategize ways to assist in the economy's recovery, given the effects the Russia-Ukraine conflict had on the nation. Plans include increasing FDI, domestic industries and local business activities through support packages and structural reform programs. Meanwhile Portfolio holding in Egypt, CIB, reported a strong beat to earnings estimates with EPS surging 48% y/y, largely on strong non-interest income from fees, FX gains, and sizeable balance sheet growth with loans and deposits up 30% y/y, and 17% y/y, respectively, combined with loan loss credit provision reversals.

Sector Allocation



Geographic Allocation



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	4.1%	2.4%	1.7%
YTD[3]	16.3%	16.6%	-0.3%
1 Year	33.5%	28.5%	5.0%
3 Year	55.0%	41.7%	13.3%
5 Year	104.0%	72.5%	31.5%
Since Inc.	57.9%	45.4%	12.5%

[1] Performance is net of fees; return is cumulative
[2] S&P Pan Arab Composite Index
[3] As of 27th April 2022

Top 5 Holdings

Holding	% of Fund
Al Rajhi Bank	10.2
Saudi National Bank	8.3
Alinma Bank	4.6
Qatar National Bank	4.1
Saudi Basic Industries Corporation	3.6

Fund Analysis

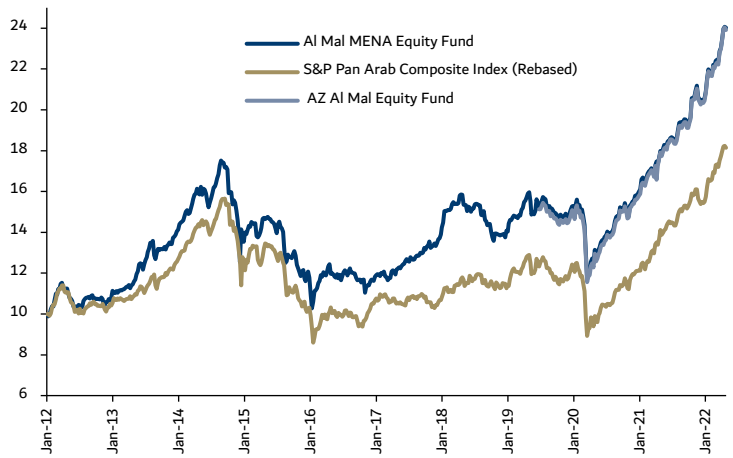
Matrix[4]	Fund	Benchmark
Standard Deviation	13.2%	15.0%
Tracking Error	5.4%	
Beta	0.8	
No. of Holdings	44	

[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	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

10Y Fund Strategy Performance



Disclaimer

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Al Mal MENA Equity Fact Sheet

April 2022

NAV Per Unit: USD 12.90

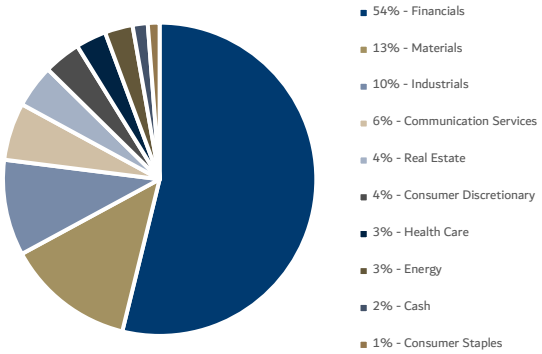
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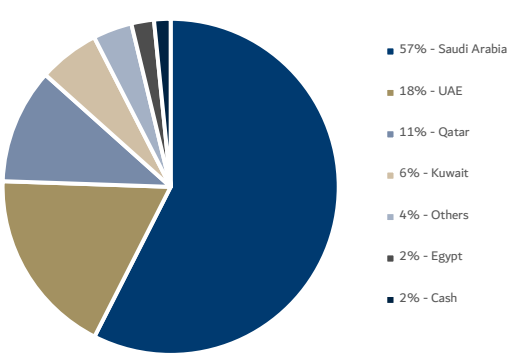
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Sector Allocation



Geographic Allocation



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	4.3%	2.4%	1.9%
YTD[3]	16.4%	16.6%	-0.2%
1 Year	36.1%	32.6%	3.5%
3 Year	55.2%	44.9%	10.3%
5 Year	98.0%	68.5%	29.5%
Since Inc.	56.4%	-3.0%	59.4%

[1] Performance is net of fees; 3-year and 5-year return is cumulative
[2] S&P Pan Arab Composite Index
[3] As of 27th April 2022

Top 5 Holdings

Holding	% of Fund
Al Rajhi Bank	10.2
Saudi National Bank	8.2
Alinma Bank	4.6
Qatar National Bank	4.1
Saudi Basic Industries Corporation	3.6

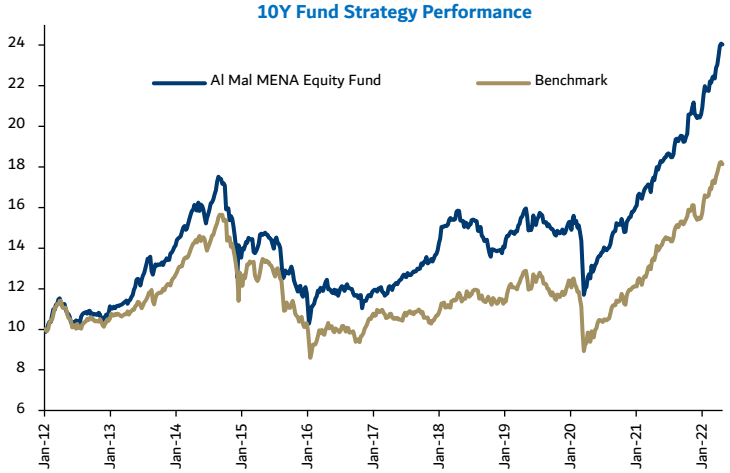
Fund Analysis

Matrix[4]	Fund	Benchmark
Standard Deviation	13.3%	14.8%
Tracking Error	5.1%	
Beta	0.8	
Dividend Yield 2021	4.0%	
No. of Holdings	44	

Fund Information

Fund Manager	Sherif El Haddad
Inception Date	15th June 2008
Fund Size	USD 39 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

10Y Fund Strategy Performance



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Al Mal UAE Equity Fact Sheet

April 2022

NAV Per Unit: AED 1.79

Fund Manager Commentary

April saw the UAE approve a significant overhaul of its residency system, by which the need for sponsorship in select cases has been removed, while extending the stay to 60 days, from 30 days. Furthermore, the UAE amended its Golden Visa system, expanding the eligibility criteria and rendering it more accessible to skilled professionals with salaries of at least AED 30,000 per month. We believe this should further support the real estate sector in the UAE, which has seen record transactions in 2022 insofar, helping companies such as portfolio holding Emaar. More news emanated out of Abu Dhabi, which added 80 economic activities in 2021 within the commercial, agricultural, industrial, and tourism sectors, to name a few. This comes as the UAE's non-oil contribution to GDP stood at 72% in 2021, as the country continues to diversify its economy.

The DFM outperformed the ADX in April, up 6.4% vs the latter's 1.9%. The outperformance was largely a function of Dubai's March real estate sales hitting an all time high of AED 22.6bn across 8,400 transactions. The Dubai real estate market continues to perform well, while tourism remains on an upward trajectory. Visitors into the city over Jan-Feb reached 2.19m, up almost 3x y/y, bolstering hotel occupancy rates to 78% and helping improve rates by 60% y/y. On a more micro front but staying on the topic of real estate, Emaar announced a 15% cash dividend, up from the 10% previously announced implying a 2.7% dividend yield at the time of announcement alongside a 1% buyback of shares.

Onto Q1 numbers for our portfolio holdings, Emirates NBD reported a profit of AED2.7bn for Q122, up 36% q/q and 18% y/y. Earnings were strong as non-interest income more than compensated for higher OPEX and provisions. Another portfolio holding Etisalat reported net income up 4% y/y on stabilizing operations, despite some weakness observed in foreign operations as strong margins were realized in most key operations. More specifically, UAE's stable revenue base compensated for weaker revenues in other geographies as revenue from UAE improved 4.3% y/y and was flat q/q at AED 7,800m.

Finally, portfolio holding Air Arabia's Abu Dhabi arm plans to launch two weekly direct flights to Jaipur, the capital of the state of Rajasthan, India starting 5 May 2022. This marks the carrier's 18th route since its launch from Abu Dhabi International Airport in July 2020. We continue to like the name given the current environment of higher oil prices translating to elevated yields, while Air Arabia hedges its oil needs in the near-term.

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	3.4%	2.7%	0.7%
YTD[3]	16.3%	18.1%	-1.8%
1 Year	33.9%	48.4%	-14.5%
3 Year	57.0%	35.2%	21.8%
5 Year	67.7%	33.2%	34.5%
Since Inc.	127.0%	-16.1%	143.1%

[1] Performance is net of fees; return is cumulative
[2] S&P UAE Domestic 10% Capped Index
[3] As of 27th April 2022

Top 3 Holdings

Holding	% of Fund
Aldar Properties	10.2
Dubai Islamic Bank	9.5
Abu Dhabi Commercial Bank	9.2

Fund Analysis

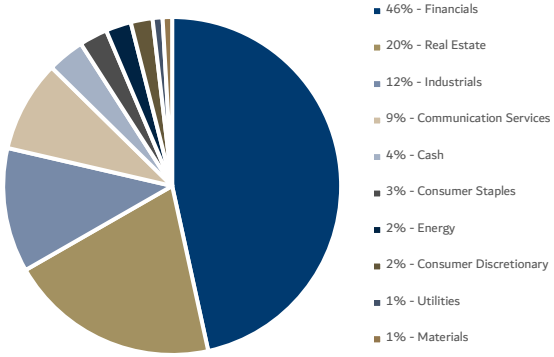
Matrix[4]	Fund	Benchmark
Standard Deviation	16.7%	23.3%
Tracking Error	10.9%	
Beta	0.6	
Dividend Yield 2021	4.0%	
No. of Holdings	22	

[4] Calculated using 3-year weekly data

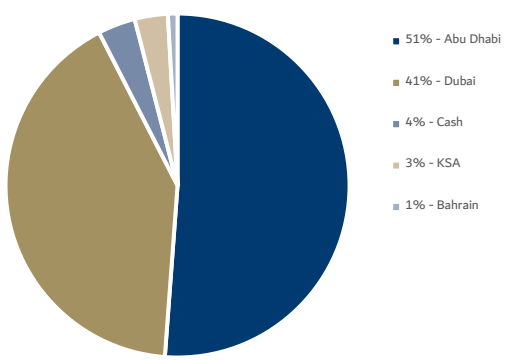
Fund Information

Fund Manager	Sherif El Haddad
Fund Size	AED 69 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

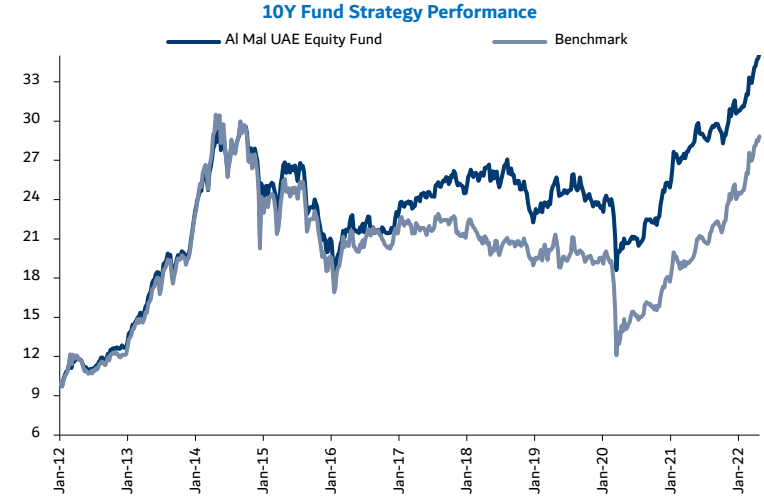
Sector Allocation



Geographic Allocation



10Y Fund Strategy Performance



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