AZ Al Mal MENA Equity Fact Sheet

May 2022

NAV Per Unit: USD 7.09

Fund Manager Commentary

The S&P 500 and NASDAQ ended in the red in May 2022, posting a negative return of 0.56% and 3.32%, respectively. The S&P 500 entered bear market territory near the end of May due to inflation; the Fed's consequent mitigation efforts to raise interest rates through a 50bps rate hike in May and another one in June. The yield on the U.S. 10-year Treasury saw a significant increase to start 2022 from the month's end, with the yield on the 10-year standing at 2.84%. Brent crude oil prices stood at 115 USD per barrel, trading at highs.

Saudi Arabia's annual inflation increased to 2.3% in April from 2.0% in March. Higher inflation was mainly driven by food prices rising from the Russia-Ukraine war, especially wheat. Portfolio Holding Mouwasat signed an MoU to purchase a majority stake of Jeddah Doctors Co and the value of the transaction will be known once the due diligence process is completed. Meanwhile Saudi banking giant Al Rajhi Bank experienced strong loan growth and a boost in non-interest income as they reported Q1 numbers this past week. Profits increased 3% y/y whilst non-interest income remained strong rising 8% q/q. We remain optimistic on the name on a compelling loan book growth outlook which should come with minimal provisioning.

In the UAE, Dubai attracted 618 FDI projects in 2021 with an FDI value of AED 26bn (+5.5% y/y) whilst jobs created from such projects surged by 36%. Furthermore, Tourism in Dubai surged in Q1 2022 with visitors more than doubling to 3.97m in the quarter compared to 2021, while recording the highest number of real estate transactions since 2010.

Egypt plans to list army-owned companies on the stock exchange before the end of the year to include private sector businesses in state-owned assets. National Bank of Egypt (NBE) and Banque Misr cancelled the high-yield 18%, one-year certificate of deposit (CD) after collecting EGP750bn (USD40.3bn) in 70 days following the the Central Bank 200bps rate hike.

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	-10.2%	-9.2%	-1.0%
YTD[3]	4.5%	5.8%	-1.3%
1 Year	18.3%	16.3%	2.0%
3 Year	47.1%	37.8%	9.3%
5 Year	78.9%	57.0%	21.9%
Since Inc.	41.9%	32.1%	9.8%

[1] Performance is net of fees; return is cumulative
[2] S&P Pan Arab Composite Index
[3] As of 25th May 2022

Top 5 Holdings

Holding	% of Fund
Al Rajhi Bank	9.8
Saudi National Bank	8.9
Qatar National Bank	4.2
Saudi British Bank	3.7
Saudi Arabian Oil Company	3.1

Fund Analysis

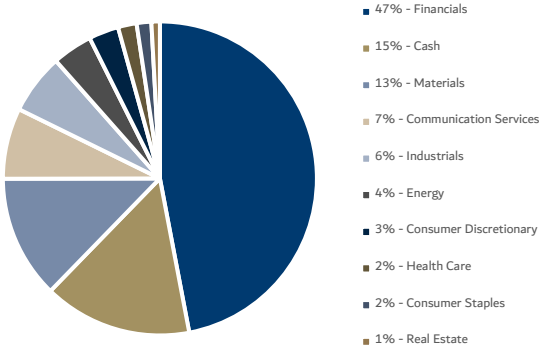
Matrix[4]	Fund	Benchmark
Standard Deviation	13.6%	15.1%
Tracking Error	5.4%	
Beta	0.8	
No. of Holdings	38	

[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

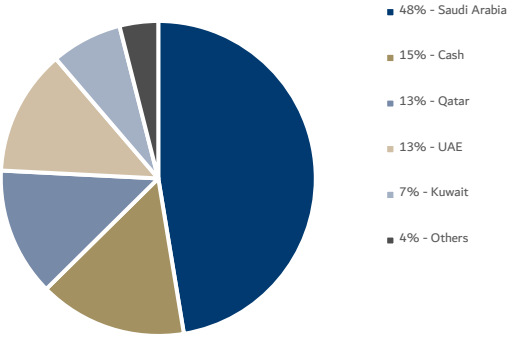
Fund Information

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

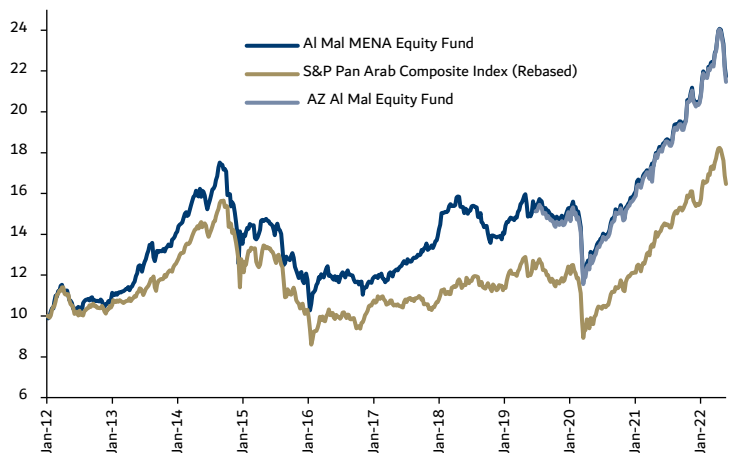
Sector Allocation



Geographic Allocation



10Y Fund Strategy Performance



Disclaimer

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Al Mal MENA Equity Fact Sheet

May 2022

NAV Per Unit: USD 11.67

Fund Manager Commentary

The S&P 500 and NASDAQ ended in the red in May 2022, posting a negative return of 0.56% and 3.32%, respectively. The S&P 500 entered bear market territory near the end of May due to inflation; the Fed's consequent mitigation efforts to raise interest rates through a 50bps rate hike in May and another one in June. The yield on the U.S. 10-year Treasury saw a significant increase to start 2022 from the month's end, with the yield on the 10-year standing at 2.84%. Brent crude oil prices stood at 115 USD per barrel, trading at highs.

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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	-9.6%	-9.2%	-0.4%
YTD[3]	5.2%	5.8%	-0.6%
1 Year	20.2%	17.9%	2.3%
3 Year	36.7%	28.0%	8.7%
5 Year	78.6%	56.1%	22.5%
Since Inc.	41.4%	-11.9%	53.3%

[1] Performance is net of fees; 3-year and 5-year return is cumulative
[2] S&P Pan Arab Composite Index
[3] As of 25th May 2022

Top 5 Holdings

Holding	% of Fund
Al Rajhi Bank	9.8
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Qatar National Bank	4.1
Saudi British Bank	3.8
Saudi Arabian Oil Company	3.3

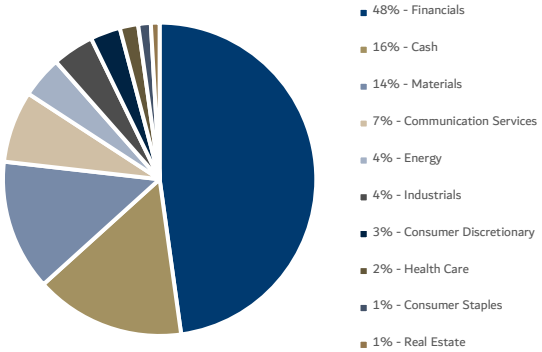
Fund Analysis

Matrix[4]	Fund	Benchmark
Standard Deviation	13.8%	15.2%
Tracking Error	5.1%	
Beta	0.9	
Dividend Yield 2021	4.0%	
No. of Holdings	38	

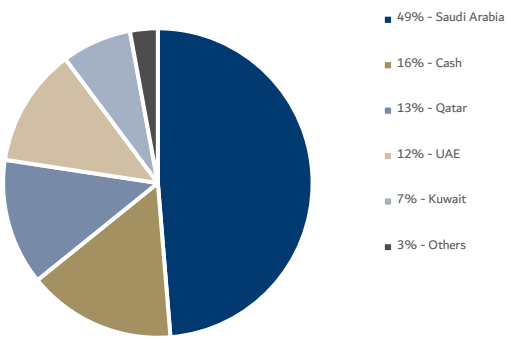
Fund Information

Fund Manager	Faisal Hasan, CFA
Inception Date	15th June 2008
Fund Size	USD 35 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

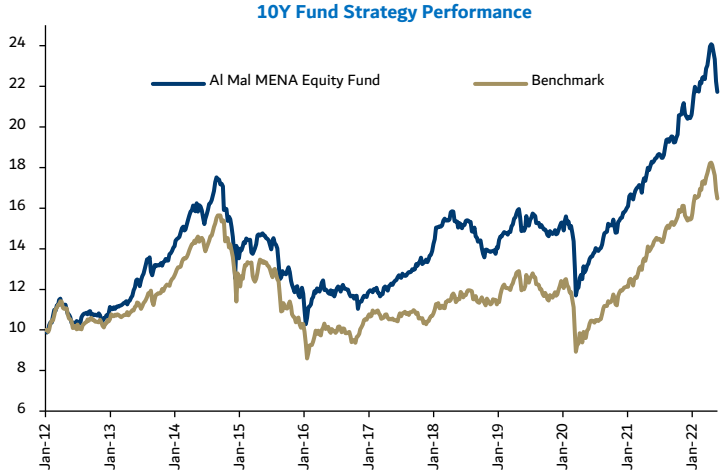
Sector Allocation



Geographic Allocation



10Y Fund Strategy Performance



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Al Mal UAE Equity Fact Sheet

May 2022

NAV Per Unit: AED 1.64

Fund Manager Commentary

The Abu Dhabi Securities Exchange (ADX) experienced double-digit growth in its market cap following IPOs by large businesses in the UAE. The market capitalisation jumped 25% year-to-date to close to AED 2tr (USD 545bn), bolstered by more than USD 5bn in share offerings and listings over the past year, including Abu Dhabi Ports, Fertiglobe, ADNOC Driling, Alpha Dhabi and Multiply Group.

At a recent OPEC+ meeting, oil production was agreed to be accelerated from an earlier planned 400k barrels per day to 650k barrels per day.

The UAE's main oil company ADNOC and Borealis raised USD 2bn in the initial public offering of their chemicals joint venture, Borouge, drawing USD 83bn of orders in the latest sign of strong demand for listings in the region. Borouge's IPO is Abu Dhabi's biggest-ever listing as Abu Dhabi National Oil Co. and Borealis sold 3 billion shares at a AED 2.45 price/share, valuing Borouge at USD 20bn. IPO coverage surmounted to an oversubscription level of almost 42 times.

Dubai attracted 618 FDI projects in 2021 with an FDI value of AED 26bn (+5.5% y/y) whilst jobs created from such projects surged by 36%. Dubai also attracted 43 Headquarter FDI projects in 2021, top-ranked in the region and second globally behind Singapore. Portfolio Holding Etisalat acquired 9.8% of Vodafone for USD 4.4bn, which has a strong balance sheet, a diversified currency base, and commercial procurement partnerships.

Tourism in Dubai surged in Q1 2022: visitors more than doubled to 3.97m in the quarter compared to 2021, with Oman and Saudi accounting for 1/5th of visitors during the quarter. Portfolio Holding AD Ports experienced robust performance because of a resilient business model with recurring earnings growing +7% y/y. Growth in earnings can be attributed to higher investment income and growth across core divisions such as the maritime (111% y/y revenue growth), logistics (flat y/y), and digital clusters (EBITDA AED 58m).

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	-8.3%	-11.8%	3.5%
YTD[3]	6.7%	4.1%	2.6%
1 Year	17.3%	25.0%	-7.7%
3 Year	51.7%	35.0%	16.7%
5 Year	49.6%	16.3%	33.3%
Since Inc.	108.3%	-26.0%	134.3%

[1] Performance is net of fees; return is cumulative
[2] S&P UAE Domestic 10% Capped Index
[3] As of 25th May 2022

Top 3 Holdings

Holding	% of Fund
Dubai Islamic Bank	10.4
Emaar Properties	9.8
First Abu Dhabi Bank	9.4

Fund Analysis

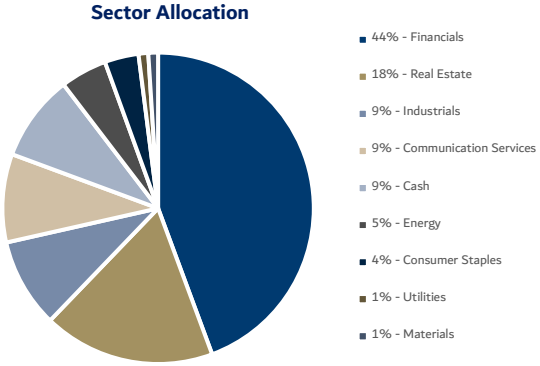
Matrix[4]	Fund	Benchmark
Standard Deviation	16.8%	23.3%
Tracking Error	10.7%	
Beta	0.7	
Dividend Yield 2021	4.0%	
No. of Holdings	19	

[4] Calculated using 3-year weekly data

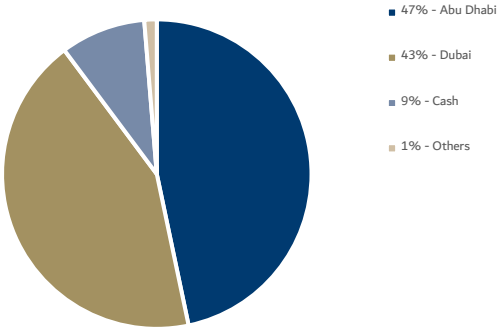
Fund Information

Fund Manager	Faisal Hasan, CFA
Fund Size	AED 58 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

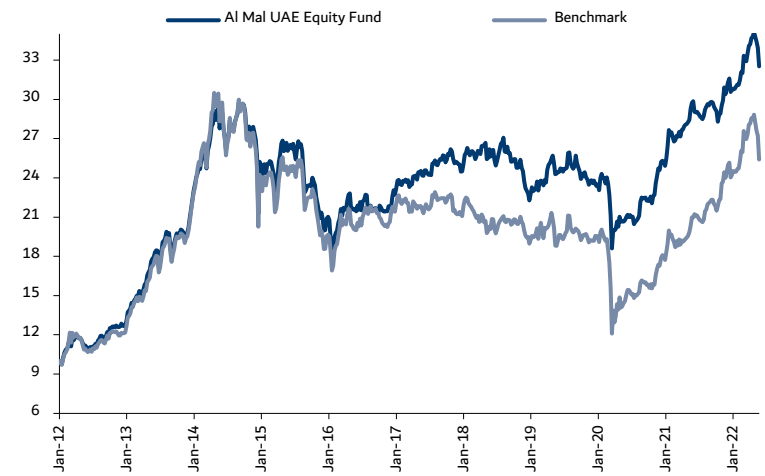
Sector Allocation



Geographic Allocation



10Y Fund Strategy Performance



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