AZ Al Mal MENA Equity Fact Sheet

September 2022

NAV Per Unit: USD 6.93

Fund Manager Commentary

The S&P 500 contracted to lower lows as Fed policy and a hawkish Jerome Powell took center stage. The Fed raised rates in line with expectations but noted two more rate hikes were set to happen, a combined 1.25% before year end. As of September end, the S&P decline has totalled 21% YTD, breaching the technical 20% mark of a bear market. Bond yields leapt also at the close of September, with the 10-year Treasury yield touching 4% at one point marking its highest level since 2010. Meanwhile the BOE raised rates just 50 bps vs the ECB and Fed's 75bps hikes causing the GBP to dip to an all-time low of $1.0382. The pound has since recuperated slightly from BOE promising bond buybacks to calm investor sentiment.

Economic indicators in the region have recently fared well with Saudi Arabia's manufacturing sector posting double digit y/y growth consecutively in 2022. Industrial production grew by 17.7% y/y in August supported by boisterous growth in mining and manufacturing; the former backed by an increase in oil production to more than 10m barrels per day. Outside Saudi, Dubai's tourism emerged strong during the summer months reaching total visits of 8.1m in Jan-July 2022; almost 3x the 2.9m in Jan-July 2021 with regional tourism particularly increasing from Oman (880k visitors) and Saudi Arabia (678k visitors) accounting for close to 1/5th of visitors into Dubai in Jan-July 2022.

Portfolio Holding Al Othaim Markets shareholders approve stake sale in subsidiary Al Othaim Investment, during the AGM held on 27 September, the sale of the company's total 13.65m shares in Abdullah Al Othaim Investment Co. for SAR846.54m to Al Othaim Holding Co. The transaction also includes the sale of a c106k sqm land plot in Medina, owned by Al Othaim Markets, for SAR211.33m. Over the first half of 2022, net profits of Othaim Markets amounted to SAR 137.94 million, a y/y growth of 30.61% when compared to SAR 105.61 million.

We continue to expect volatility in the markets, and remain extremely selective, preferring companies with robust earnings growth and valuations with significant margin of safety. We also retain a high cash exposure for the time being to take advantage of the volatility in the near-term.

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	-3.8%	-8.2%	4.4%
YTD[3]	2.2%	-3.8%	6.0%
1 Year	9.8%	-2.0%	11.8%
3 Year	42.1%	27.1%	15.0%
5 Year	64.5%	38.7%	25.8%
Since Inc.	38.7%	20.0%	18.7%

[1] Performance is net of fees; return is cumulative
[2] S&P Pan Arab Composite Index
[3] As of 28th September 2022

Top 5 Holdings

Holding	% of Fund
Saudi National Bank	6.4
Qatar Gas Transport	4.3
Tanmiah Food Company	4.0
Adnoc Drilling Company	3.9
Saudi Telecom Company	3.5

Fund Analysis

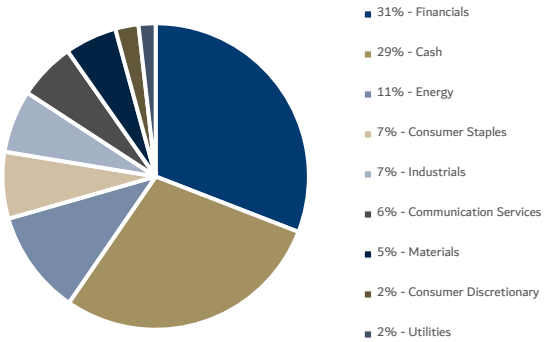
Matrix[4]	Fund	Benchmark
Standard Deviation	14.0%	15.9%
Tracking Error	5.7%	
Beta	0.8	
No. of Holdings	28	

[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

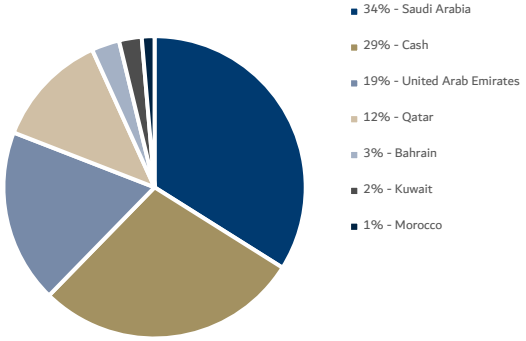
Fund Information

Investment Manager	Azimut (DIFC) Limited
Investment Advisers	Al Mal Capital PJSC
Fund Advisor	Faisal Hasan, CFA
Inception Date	June 26, 2019
Fund Size	USD 66 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

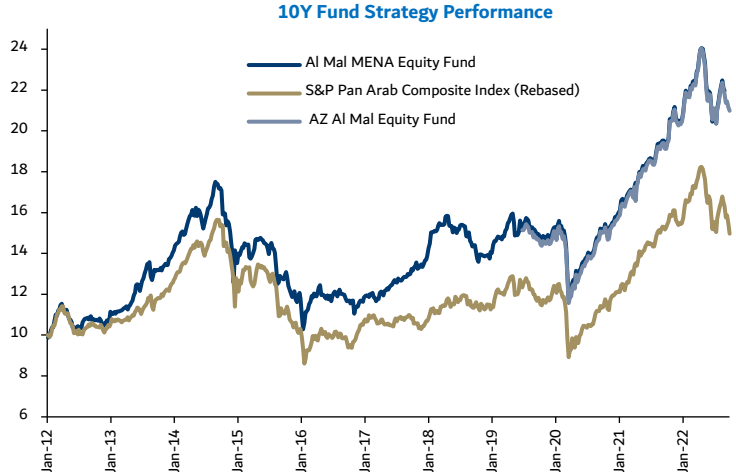
Sector Allocation



Geographic Allocation



10Y Fund Strategy Performance



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Al Mal MENA Equity Fact Sheet

September 2022

NAV Per Unit: USD 11.33

Fund Manager Commentary

The S&P 500 contracted to lower lows as Fed policy and a hawkish Jerome Powell took center stage. The Fed raised rates in line with expectations but noted two more rate hikes were set to happen, a combined 1.25% before year end. As of September end, the S&P decline has totalled 21% YTD, breaching the technical 20% mark of a bear market. Bond yields leapt also at the close of September, with the 10-year Treasury yield touching 4% at one point marking its highest level since 2010. Meanwhile the BOE raised rates just 50 bps vs the ECB and Fed's 75bps hikes causing the GBP to dip to an all-time low of $1.0382. The pound has since recuperated slightly from BOE promising bond buybacks to calm investor sentiment.

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Fund Performance

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1 Month	-3.9%	-8.2%	4.3%
YTD[3]	2.2%	-3.8%	6.0%
1 Year	8.1%	-2.2%	10.3%
3 Year	40.0%	24.7%	15.3%
5 Year	63.9%	37.3%	26.6%
Since Inc.	37.4%	-20.0%	57.4%

[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 September 2022

Top 5 Holdings

Holding	% of Fund
Saudi National Bank	6.5
Qatar Gas Transport	4.4
Tanmiah Food Company	4.0
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Qatar National Bank	3.5

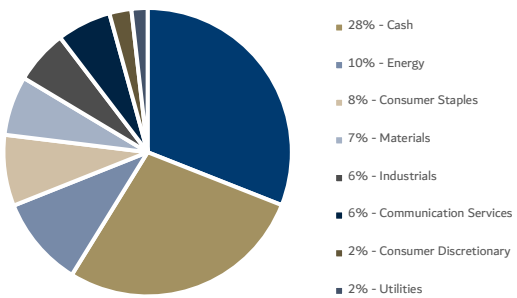
Fund Analysis

Matrix[4]	Fund	Benchmark
Standard Deviation	13.8%	15.7%
Tracking Error	5.4%	
Beta	0.8	
Dividend Yield 2021	4.0%	
No. of Holdings	30	

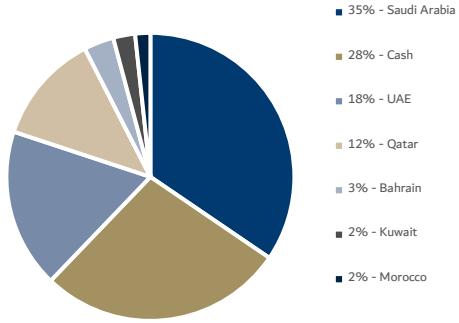
Fund Information

Fund Manager	Faisal Hasan, CFA
Inception Date	15th June 2008
Fund Size	USD 25 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

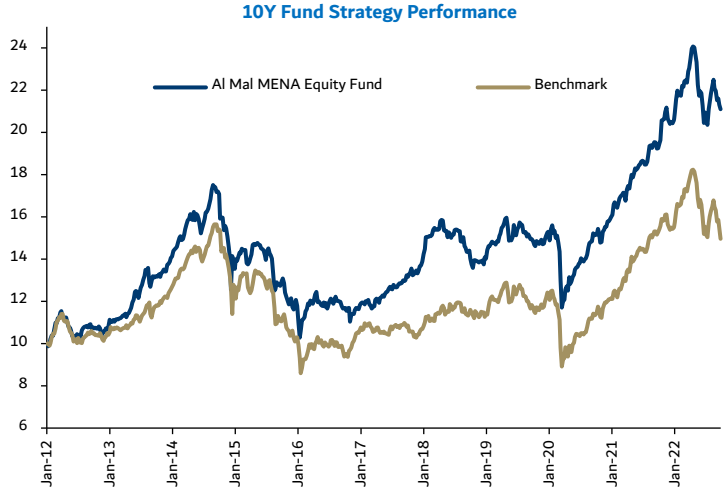
Sector Allocation



Geographic Allocation



10Y Fund Strategy Performance



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Al Mal UAE Equity Fact Sheet

September 2022

NAV Per Unit: AED 1.65

Fund Manager Commentary

The DFM General Index rebounded in July with performance at 4.25% for the month and then experienced a modest growth at 1.95% in August. During September, the index experienced a sharp fall in performance, particularly towards the end of the month with overall monthly performance falling by 2.09%.

The FTSE ADX index returned to growth during both July and August. The index registered a similar performance to the DFM General index for those months with performance in July and August at 3.41% and 1.90%, respectively. In the month of September, overall change in price was borderline negligible with an inconsequential increase of 0.48% as positive fluctuations that happened in the first half of the month were offset by a steep downturn that took place during the tail end of the month.

Portfolio Holding Air Arabia and Sudanese Dal Group have partnered to launch a new low-cost airline based at Khartoum International Airport. Air Arabia Sudan will be a joint venture between the two companies, they said in a joint statement on Thursday, without providing details on the ownership structure. The move is the latest in a series of JV agreements by Air Arabia to launch new budget airlines. UAE-listed Air Arabia signed JV deals to establish new airlines in Abu Dhabi in 2020, and in Armenia and Pakistan in 2021.

Finally, Portfolio Holding ADNOC Drilling signed a sale and purchase agreement (SPA) worth USD140m to acquire two new offshore jack-up drilling units. The contract marks the company's fourth acquisition in 2022 (two rigs in May and one in June), supports its fleet expansion programme and its plan to raise and sustain production capacity. As per the SPA, operations are aimed to start by end-2022. Since its listing, ADNOC Drilling has expanded its fleet from 96 to 105 owned rigs, as of July 31, 2022. With the latest addition, the company will own one of the largest operating fleets of offshore jack-up rigs in the world, totaling 32.

We continue to expect volatility in the markets, and remain extremely selective, preferring companies with robust earnings growth. We maintain decent exposure to the Financials sector considering future rate hikes amidst a hawkish Fed. We also retain a high cash exposure for the time being to take advantage of the volatility 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	-2.0%	-4.0%	2.0%
YTD[3]	7.3%	2.6%	4.7%
1 Year	17.3%	13.9%	3.4%
3 Year	43.5%	25.7%	17.8%
5 Year	44.2%	11.5%	32.7%
Since Inc.	109.5%	-27.1%	136.6%

[1] Performance is net of fees; return is cumulative
[2] S&P UAE Domestic 10% Capped Index
[3] As of 28th September 2022

Top 3 Holdings

Holding	% of Fund
Dubai Islamic Bank	7.7
Emirates NBD	7.1
First Abu Dhabi Bank	7.0

Fund Analysis

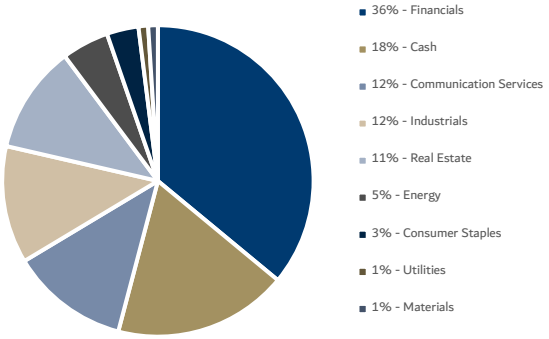
Matrix[4]	Fund	Benchmark
Standard Deviation	16.8%	23.8%
Tracking Error	10.6%	
Beta	0.7	
Dividend Yield 2021	4.0%	
No. of Holdings	19	

[4] Calculated using 3-year weekly data

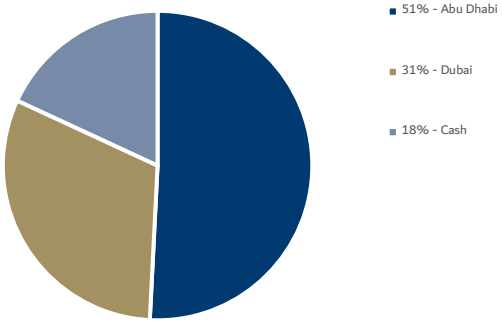
Fund Information

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

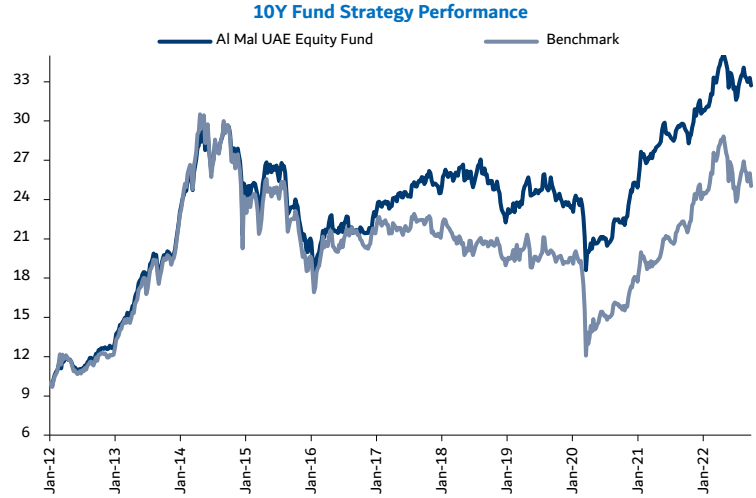
Sector Allocation



Geographic Allocation



10Y Fund Strategy Performance



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