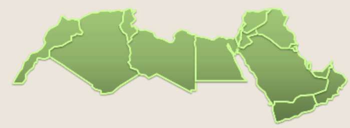
AZ Al Mal MENA Equity Fact Sheet

October 2022

NAV Per Unit: USD 7.09



Fund Manager Commentary

While inflation remained high, stocks began to rally in October in the hope that the Federal Reserve would start to pivot away from aggressive interest-rate hiking come December. The S&P 500 finished the month up 6.5% whilst the tech heavy Nasdaq lagged, up just 2.4% over the period. The delta in performance is largely a fallout from disappointing earnings from bellwethers such as Facebook parent Meta, Amazon and Microsoft. October also saw Twitter go private, with new CEO Elon Musk expected to cut jobs across the firm adding to the tech sectors woes.

Tech aside, Energy has been a large contributor to the earnings surprises as well as growth, with an average EPS beat of 11.3% and earnings growth registering a staggering 140.3%. On a more macro front, October's employment front painted a mixed picture of the labor market. The Labor Department showed that employees added 261,000 jobs to nonfarm payrolls, above estimates whilst unemployment rates rose to 3.7% from 3.5% in September as labor participation rates fell.

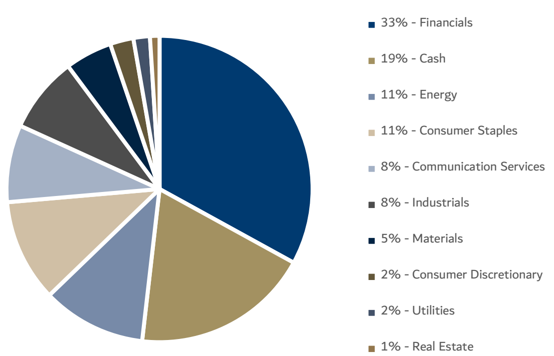
Non-oil exports from Saudi Arabia grew by 16.6% y/y to SAR 27bn in Aug, while oil exports surged by 60.2% y/y to SAR 107bn. Saudi Arabia signed five investment agreements in aerospace, technology and finance to increase FDI inflows and boost global value chains, including; Boeing, local advanced metals maker Tasnee, US space training company Orbite, US biotech company Ginkgo Bioworks among others.

Portfolio Holding STC disclosed its headline results for 3Q22, showing a surge in net income by 21% y/y and 25% q/q to SAR3,541m. The company's operating performance remained solid despite quarterly volatility in revenue growth, largely dependent on seasonality effects. Consolidated revenue for the quarter came in at SAR16,468m, climbing 5% y/y and declining 3% q/q.

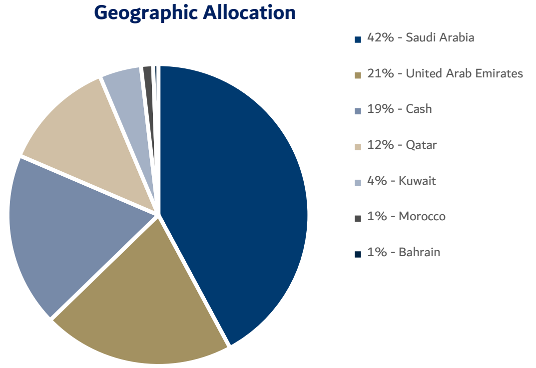
Another portfolio Holding Gulf Warehousing released its 3Q22 financial results showing a net income of QAR59m +6% y/y. Operationally, revenue grew 21% y/y to QAR391m (+6% q/q) supported by the y/y growth in both logistics and freight forwarding segments, for which revenue increased 22% and 18% y/y, respectively. A solid set of results as disappointing performance from freight forwarding was more than offset by the resilient logistics segment.

At time of writing, the FOMC had held their November meeting, raising rates by 75bps, as expected, but retaining a rather hawkish tone while indicating it is too premature to talk about pivoting the direction of rates, and thereby narrowing the window of a soft landing. We thereby expect volatility to continue in the markets, and position accordingly, via defensive, multi-cycle names and a cash position to take advantage of this volatility and future IPOs.

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	2.2%	3.7%	-1.5%
YTD[3]	4.4%	-0.2%	4.6%
1 Year	4.9%	-2.3%	7.2%
3 Year	48.7%	34.9%	13.8%
5 Year	63.7%	46.9%	16.8%
Since Inc.	41.8%	24.5%	17.3%

[1] Performance is net of fees; return is cumulative
[2] S&P Pan Arab Composite Index
[3] As of 26th October 2022

Top 5 Holdings

Holding	% of Fund
Saudi National Bank	8.3
Tanmiah Food Company	4.9
Qatar Gas Transport	4.3
Adnoc Drilling Company	3.8
Saudi Telecom Company	3.6

Fund Analysis

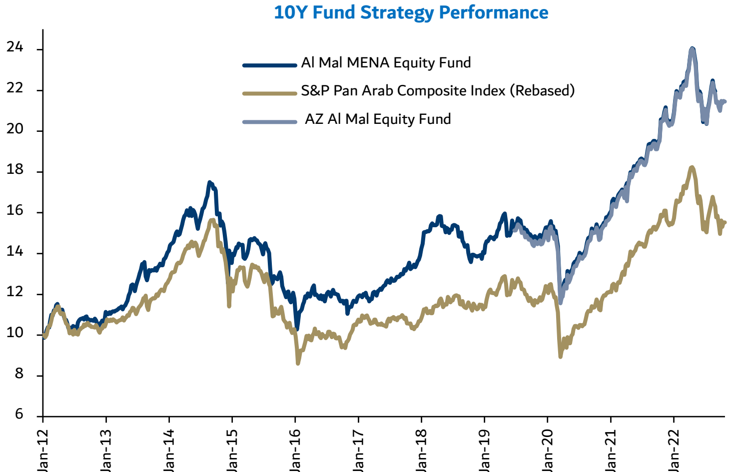
Matrix[4]	Fund	Benchmark
Standard Deviation	14.0%	16.1%
Tracking Error	5.9%	
Beta	0.8	
No. of Holdings	31	

[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 67 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



Al Mal MENA Equity Fact Sheet

October 2022

NAV Per Unit: USD 11.10

Fund Manager Commentary

While inflation remained high, stocks began to rally in October in the hope that the Federal Reserve would start to pivot away from aggressive interest-rate hiking come December. The S&P 500 finished the month up 6.5% whilst the tech heavy Nasdaq lagged, up just 2.4% over the period. The delta in performance is largely a fallout from disappointing earnings from bellwethers such as Facebook parent Meta, Amazon and Microsoft. October also saw Twitter go private, with new CEO Elon Musk expected to cut jobs across the firm adding to the tech sectors woes.

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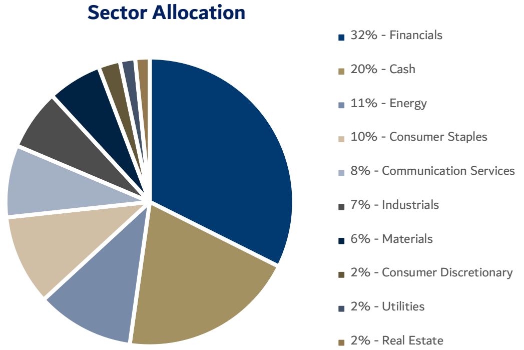
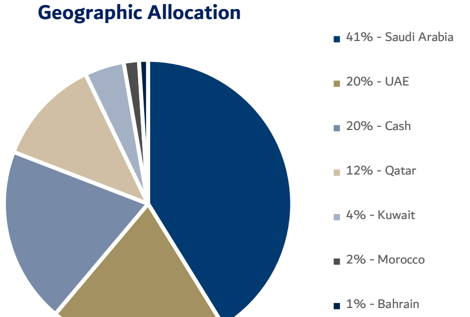
Sector Allocation



Geographic Allocation



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Fund Performance

Performance[1]	Fund	Benchmark[2]	Alpha
1 Month	2.0%	3.7%	-1.7%
YTD[3]	4.3%	-0.2%	4.5%
1 Year	4.6%	-2.3%	6.9%
3 Year	44.0%	31.2%	12.8%
5 Year	62.6%	43.1%	19.5%
Since Inc.	40.1%	-17.0%	57.1%

[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 October 2022

Top 5 Holdings

Holding	% of Fund
Saudi National Bank	8.2
Tanmiah Food Company	4.8
Qatar Gas Transport	4.3
Adnoc Drilling Company	3.7
Saudi British Bank	3.6

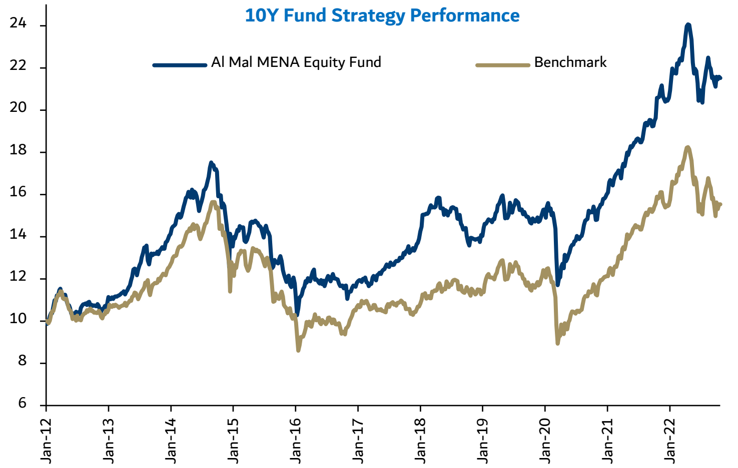
Fund Analysis

Matrix[4]	Fund	Benchmark
Standard Deviation	13.9%	15.9%
Tracking Error	5.5%	
Beta	0.8	
Dividend Yield 2022	4.0%	
No. of Holdings	31	

Fund Information

Fund Manager	Faisal Hasan, CFA
Inception Date	15th June 2008
Fund Size	USD 23 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



Al Mal UAE Equity Fact Sheet

October 2022

NAV Per Unit: AED 1.60

Fund Manager Commentary

The DFM General Index experienced a slight increase in performance at 0.79% with some volatility both during first week and in the middle of October. While the FTSE ADX experienced a sizeable price change with an increase of 3.33% as the index experienced a sharp rise in performance between October 17 and October 18 with positive fluctuations continuing towards the end of the month.

The UAE government reported a total revenue of AED 305.6bn in H1 2022, according to the finance ministry. In 2021, state revenues totalled AED 463.9bn (+26% y/y) while expenditures ticked up by 1% to AED 402.4bn, thereby recording an overall surplus of AED 61.5bn. Current spending grew by 8% to AED 382.4bn.

Portfolio Holding ENBD reported profit of AED3.8bn for 3Q22, +8% q/q and +51% y/y as a result of higher revenue and lower provisioning. The group's MENA business continues delivering on spread expansion, aided by rising rates. Even though credit quality metrics have improved, ENBD is using the strong pre-provision profit growth to boost NPL coverage.

Portfolio Holding ADNOC Distribution will enter into term and revolving credit facilities with First Abu Dhabi Bank, other banks and state oil firm ADNOC for a total of USD2.25bn to refinance general corporate facilities. ADNOC Distribution will enter into an unsecured senior corporate term facilities agreement with banks for a USD-denominated term facility of USD375mn and a AED-denominated term facility of AED4.13bn.

Another portfolio holding DEWA announced its intention to seek necessary approvals for a one-time special dividend, noting that the size and timing of the dividend are yet to be disclosed. The special dividend will come in addition to DEWA's stated annual dividend of AED6.2bn. According to management, this proposal comes following on the back of the AED2.03bn cash dividend received by DEWA from its 70% owned subsidiary, Empower.

At time of writing, the FOMC had held their November meeting, raising rates by 75bps, as expected, but retaining a rather hawkish tone while indicating it is too premature to talk about pivoting the direction of rates, and thereby narrowing the window of a soft landing. We thereby expect volatility to continue in the markets, and position accordingly, via defensive, multi-cycle names and a cash position to take advantage of this volatility and future IPOs.

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	1.0%	1.0%	0.0%
YTD[3]	8.4%	3.6%	4.8%
1 Year	16.4%	13.4%	3.0%
3 Year	48.1%	28.7%	19.4%
5 Year	45.3%	12.0%	33.3%
Since Inc.	111.6%	-26.4%	138.0%

[1] Performance is net of fees; return is cumulative
[2] S&P UAE Domestic 10% Capped Index
[3] As of 26th October 2022

Top 3 Holdings

Holding	% of Fund
Emaar Properties	8.7
Emirates NBD	6.3
Dubai Islamic Bank	5.8

Fund Analysis

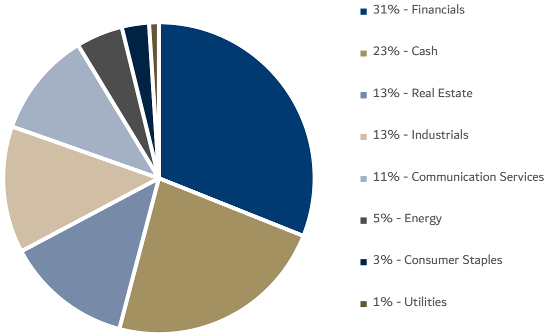
Matrix[4]	Fund	Benchmark
Standard Deviation	16.7%	23.8%
Tracking Error	10.6%	
Beta	0.6	
Dividend Yield 2022	4.0%	
No. of Holdings	19	

[4] Calculated using 3-year weekly data

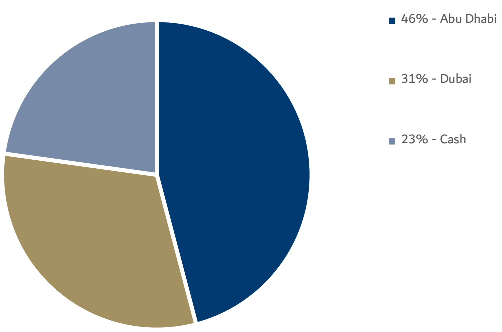
Fund Information

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