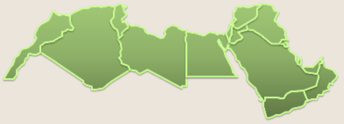
AZ Al Mal MENA Equity Fact Sheet

April 2023

NAV Per Unit: USD 7.55



Fund Manager Commentary

Over the past few weeks, worries regarding a potential banking crisis have significantly eased. Chinese economic growth expectations and growth in both Europe and the US has generated optimism for a smooth economic path. As a result, markets have been on the rise lately. One factor contributing to this increase in equity prices since last October is the greater availability of funds, because of more relaxed monetary policies.

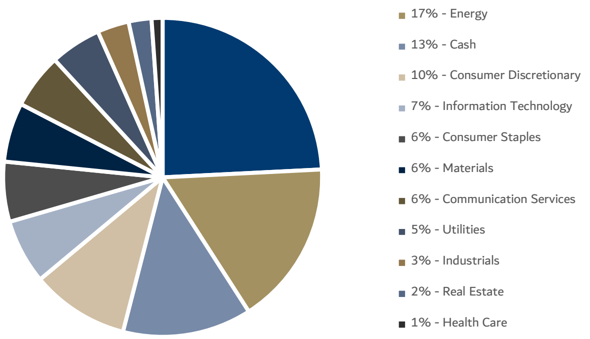
The international market witnessed uptrend due to liquidity and corporate earnings as the S&P 500 index registered a growth of 2.5% in April-2023 and this resulted in YTD positive increasing to 8.6% at the end of April-2023. The tech-heavy NASDAQ has shown a strong YTD growth of 16.8% at the end of first four months of the year. However, large cap tech stocks keep the market high and if you look deeper, the broader markets have not seen much growth. Markets wait for guidance on the Fed decision as rates reach new peak rates.

In April 2023, the GCC markets reported strong growth due to across the board buying interest by the investors. The top-performing market for the month was Saudi Arabia, which saw a 6.8% gain, followed by the UAE markets, with Dubai and Abu Dhabi achieving monthly gains of 4.1% and 3.8%, respectively. However, Oman's MSM 30 registered a decline, down by 3.0% during the month, while the Qatari market experienced a marginal decline of 0.3%.

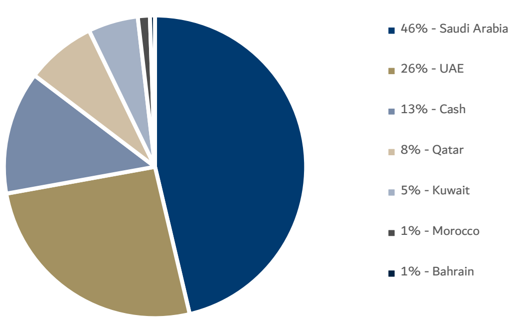
Among our holdings, Al Rajhi Bank (Rajhi) reported 1Q23 profit of SAR4.14bn. The bank generated an ROE of 20% on an underlying ROA of 2.2% this quarter. With further rate hikes likely to be modest, funding constraints likely easing due to slowing loan growth and the retail back book repricing upwards, the bank should be well positioned for a spread recovery in 2H23. Capital position is satisfactory with Tier 1 at 19.7%. In Qatar, bellwether QNB's net profit reached QR3.9 Bn in Q1-2023, up by 7.35% compared to QR3.6 Bn in Q1- 2022, driven by 6% growth in loans and advances.

The fund remains well diversified with 31 names with financials accounting for 24% of the fund. The top-5 holdings constitute 26% of the fund. Despite the volatility seen in the first quarter the fund registered a YTD growth of 11.7% in 1Q-2003 as compared to index growth of 2.4% in the same period, registering an outperformance (alpha) of 9.3% in 1Q-2023. In the month of April, the fund registered a growth of 5.4% as compared to 4.8% seen in the benchmark. We have raised our cash allocations expecting some volatility because of interest rate hikes. We wait for further guidance and for the full corporate earnings picture to emerge before churning the portfolio.

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	5.4%	4.8%	0.6%
YTD[3]	11.7%	2.4%	9.3%
1 Year	-4.4%	-19.7%	15.3%
3 Year	86.0%	56.0%	30.0%
5 Year	46.8%	24.2%	22.6%
Since Inc.	50.9%	17.5%	33.4%

[1] Performance is net of fees; return is cumulative
[2] S&P Pan Arab Composite Index
[3] As of 26th April 2023

Top 5 Holdings

Holding	% of Fund
Adnoc Drilling Company	6.1
Saudi Telecom Company	5.6
Al Rajhi Bank	5.3
Saudi National Bank	5.3
National Co. For Learning and Education	3.9

Fund Analysis

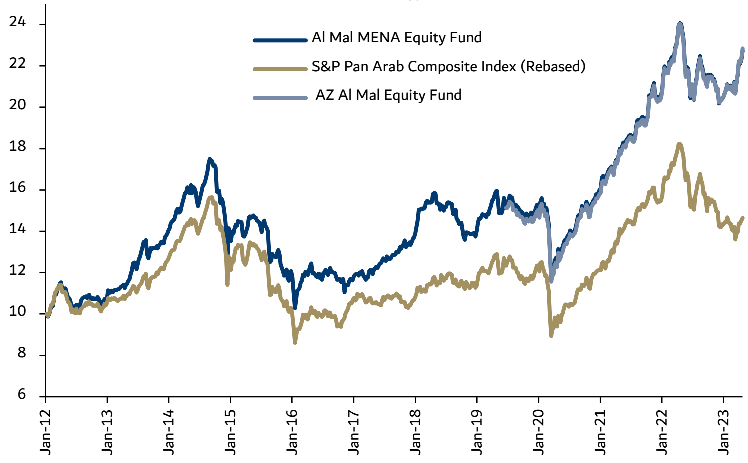
Matrix[4]	Fund	Benchmark
Standard Deviation	11.2%	13.0%
Tracking Error	5.6%	
Beta	0.8	
No. of Holdings	31	

[4] 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 70 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

April 2023

NAV Per Unit: USD 11.72

Fund Manager Commentary

Over the past few weeks, worries regarding a potential banking crisis have significantly eased. Chinese economic growth expectations and growth in both Europe and the US has generated optimism for a smooth economic path. As a result, markets have been on the rise lately. One factor contributing to this increase in equity prices since last October is the greater availability of funds, because of more relaxed monetary policies.

The international market witnessed uptrend due to liquidity and corporate earnings as the S&P 500 index registered a growth of 2.5% in April-2023 and this resulted in YTD positive increasing to 8.6% at the end of April-2023. The tech-heavy NASDAQ has shown a strong YTD growth of 16.8% at the end of first four months of the year. However, large cap tech stocks keep the market high and if you look deeper, the broader markets have not seen much growth. Markets wait for guidance on the Fed decision as rates reach new peak rates.

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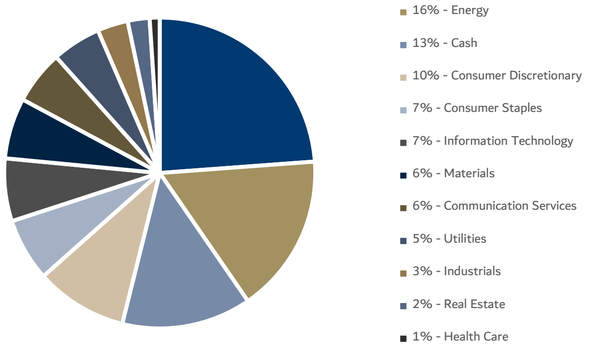
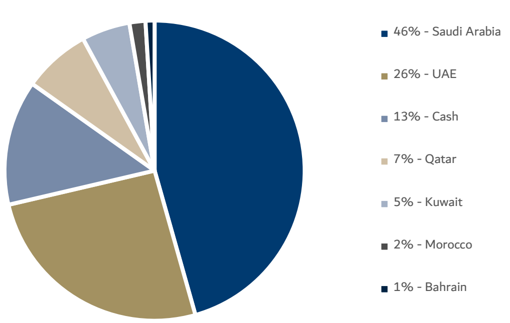
Among our holdings, Al Rajhi Bank (Rajhi) reported 1Q23 profit of SAR4.14bn. The bank generated an ROE of 20% on an underlying ROA of 2.2% this quarter. With further rate hikes likely to be modest, funding constraints likely easing due to slowing loan growth and the retail back book repricing upwards, the bank should be well positioned for a spread recovery in 2H23. Capital position is satisfactory with Tier 1 at 19.7%. In Qatar, bellwether QNB's net profit reached QR3.9 Bn in Q1-2023, up by 7.35% compared to QR3.6 Bn in Q1- 2022, driven by 6% growth in loans and advances.

The fund remains well diversified with 31 names with financials accounting for 24% of the fund. The top-5 holdings constitute 26% of the fund. Despite the volatility seen in the first quarter the fund registered a YTD growth of 11.2% in 1Q-2003 as compared to index growth of 2.4% in the same period, registering an outperformance (alpha) of 8.8% in 1Q-2023. In the month of April, the fund registered a growth of 5.2% as compared to 4.8% seen in the benchmark. We have raised our cash allocations expecting some volatility because of interest rate hikes. We wait for further guidance and for the full corporate earnings picture to emerge before churning the portfolio.

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.

Performance[1]	Fund	Benchmark[2]	Alpha
1 Month	5.2%	4.8%	0.4%
YTD[3]	11.2%	2.4%	8.8%
1 Year	-5.5%	-19.7%	14.2%
3 Year	81.8%	56.0%	25.8%
5 Year	43.4%	24.2%	19.2%
Since Inc.	48.0%	-21.7%	69.7%

[1] Performance is net of fees; return is cumulative
[2] S&P Pan Arab Composite Index
[3] As of 26th April 2023

Top 5 Holdings

Holding	% of Fund
Adnoc Drilling Company	6.0
Saudi Telecom Company	5.6
Saudi National Bank	5.3
Al Rajhi Bank	5.1
National Co. For Learning and Education	3.8

Fund Analysis

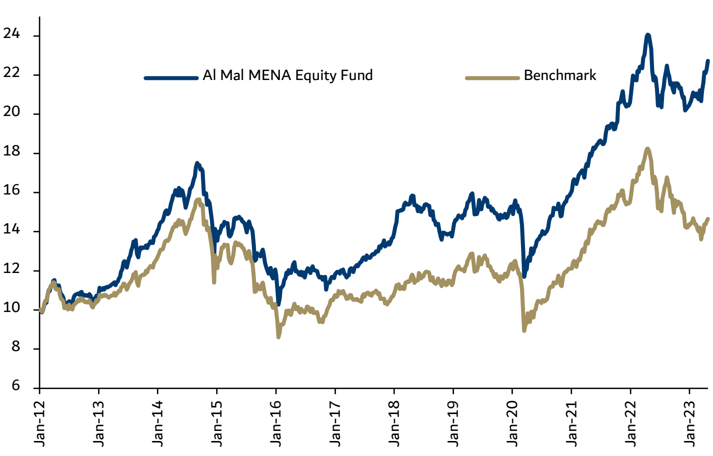
Matrix[4]	Fund	Benchmark
Standard Deviation	11.1%	13.2%
Tracking Error	5.5%	
Beta	0.8	
No. of Holdings	31	

[4] Calculated using 3-year weekly data

Fund Information

Fund Manager	Faisal Hasan, CFA
Inception Date	15th June 2008
Fund Size	USD 24 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

April 2023

NAV Per Unit: AED 1.67

Fund Manager Commentary

Over the past few weeks, worries regarding a potential banking crisis have significantly eased. Chinese economic growth expectations and growth in both Europe and the US has generated optimism for a smooth economic path. As a result, markets have been on the rise lately. One factor contributing to this increase in equity prices since last October is the greater availability of funds, because of more relaxed monetary policies.

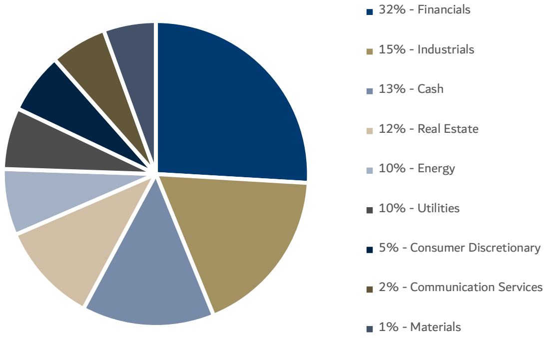
The international market witnessed uptrend due to liquidity and corporate earnings as the S&P 500 index registered a growth of 2.5% in April-2023 and this resulted in YTD positive increasing to 8.6% at the end of April-2023. The tech-heavy NASDAQ has shown a strong YTD growth of 16.8% at the end of first four months of the year. However, large cap tech stocks keep the market high and if you look deeper, the broader markets have not seen much growth. Markets wait for guidance on the Fed decision as rates reach new peak rates.

UAE markets saw buying activity as the FTSE ADX index gained 3.8% during April-2023 closing the month at 9,789.17 points. The Abu Dhabi index is now down 4.1% YTD basis. The DFM General Index showed a strong growth of 4.1% as many of the stocks showed strong buying interest and it closed at 3,544.8 points and on YTD basis, it is now up 6.3% at the end of April-2023. In economic news, the World Bank revised down its economic forecast for the UAE for 2023 from 4.1% to 3.3% mainly due to weakening oil demand. However, the UAE property sector remains strong and is ranked among the best performing globally.

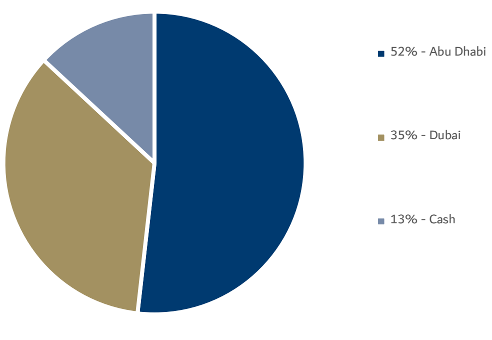
In the first quarter of 2023, ENBD, one of our holdings, reported a profit of AED 6.0bn, which was a 53% increase Q-o-Q and a 119% increase Y-o-Y. Although the bank's margins shrank Q-o-Q mainly due to the contraction at Denizbank, the margin for ENBD's MENA business, which primarily consists of the UAE, improved compared to 4Q22. Another holding, Abu Dhabi Islamic Bank, reported a net profit of AED1,059 Mn in 1Q23, up 48.0% Y-o-Y due to a strong increase in net funded income, partially offset by an increase in operating expenses and impairments.

The fund remains well diversified with 21 names with financials accounting for 32% of the fund. The top-3 holdings constitute 22% of the fund. Despite the volatility seen in the first quarter the fund registered a growth of 6.1% in YTD ending April-2023 as compared to the index falling 1.3% in the same period, registering an outperformance (alpha) of 7.4% in the period. We have raised our cash allocations expecting some volatility because of interest rate hikes. We wait for further guidance and for the full corporate earnings picture to emerge before churning the portfolio.

Sector Allocation



Geographic Allocation



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]	Relative Perf.
1 Month	3.2%	3.5%	-0.3%
YTD*	6.1%	-1.3%	7.4%
1 Year	-2.1%	-14.0%	11.9%
3 Years	89.3%	76.0%	13.3%
5 Year	46.6%	19.1%	27.5%
Since Inc.	119.9%	-28.7%	148.6%

[1] Performance is net of fees; return is cumulative
[2] S&P UAE Domestic 10% Capped Index
[3] As of 26th April 2023

Top 3 Holdings

Holding	% of Fund
Abu Dhabi Ports	7.9
Adnoc Drilling Company	7.8
Emirates NBD	6.6

Fund Analysis

Matrix[4]	Fund	Benchmark
Standard Deviation	12.4%	16.3%
Tracking Error	7.7%	
Beta	0.7	
Dividend Yield 2022	4.0%	
No. of Holdings	21	

[4] Calculated using 3-year weekly data

Fund Information

Fund Manager	Faisal Hasan, CFA
Fund Size	AED 45 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

10Y Fund Strategy Performance