

PRESS RELEASE

Azimut Group and Al Mal Capital cross the \$55 million AUM-mark in joint MENA fund as performance shines

- *Market-leading regional equities fund targets USD 250 million in assets under management (AUM)*
- *Fund looks to leverage trends fuelled by COVID-19 and find value through underserved sectors and turnaround plays*

Milan/Dubai, 7 October 2020 – After only 12 months since co-launching a new UCITS MENA equity fund, the strategic partnership between Azimut Group (“Azimut”) and Al Mal Capital PSC (“AMC”) is paying off in terms of both performance and AUMs.

Branded ‘AZ Fund Al Mal MENA Equity’, the fund is the best performing UCITS offering within the MENA hemisphere, year-to-date is down 0.02%. The S&P Pan Arab index is down 4.8%

The celebration of the fund’s first anniversary has also seen it surpass USD 55 million in AUMs, putting it well on course to achieve its target of USD 250 million.

According to Giorgio Medda, Group Co-CEO and Global Head of Asset Management at Azimut, this reflects the value of the partnership between these two firms. “AMC has a proven strategy over many years in delivering consistent returns in MENA equities relative to both peers and benchmark indices. This complements Azimut’s regional expertise and commitment to strengthening our global investment management platform.”

Naser Al Nabulsi, Vice Chairman & CEO of Al Mal Capital also added “Al Mal Capital’s strategic partnership with Azimut strengthens our distribution reach whilst also increasing our range of investment offerings to clients. Our Asset Management team has an outstanding track record and we believe now’s the time to leverage this and grow our market share within the region.

Several factors have contributed to the success, based on an investment process that is focused on targeting companies and sectors where the fund sees value over a time horizon of three to five years via strong potential growth.

“This is why we have outperformed, and why we will continue to be one of the few MENA Equities specialists that deliver long term value to our clients,” says Sherif El Haddad, AMC’s Head of Asset Management. “Our bottom-up process begins by screening for liquidity. We then look for themes we favour, or macro-economic trends, prior to picking companies we like. Within the stock selection process, we look for companies that have an edge over peers, build our assumptions, before talking to management to finalize our base, worst and best-case scenarios.”

In line with this process, the fund has positioned itself to capture trends across various sectors and themes accelerated by the pandemic.

This has included looking beyond financials, telecoms and materials sectors – which account for roughly 80% of the index across most of MENA. Further, with around 30% exposure outside the GCC, the fund can avoid any excessive downside risks that could arise from cuts in government spending amid falling oil revenue and subsequent austerity measures.

As a result, the fund is more focused on sectors under-served namely the education, healthcare, utilities, and consumer staples across the region – generally constituting a much smaller portion of MENA indices.

About Azimut

Azimut is Italy's leading independent asset manager (active since 1989). The parent company Azimut Holding was listed on the Italian stock exchange on 7 July 2004 (AZM.MI) and, among others, is a member of the main Italian index FTSE MIB. The shareholder structure includes over 1,900 managers, employees and financial advisors, bound by a shareholders' agreement that controls c. 21% of the company. The remaining is free float. The Group comprises various companies active in the sale, management and distribution of financial and insurance products, with Registered Offices mainly in Italy, Luxembourg, Ireland, China (Hong Kong and Shanghai), Monaco, Switzerland, Taiwan, Brazil, Egypt, Singapore, Mexico, Australia, Chile, USA, UAE and Turkey. In Italy, Azimut Capital Management SGR sells and manages Italian mutual funds, Italian alternative investment funds, as well as being active in the discretionary management of individual investment portfolios. Furthermore, Azimut Capital Management SGR distributes Group and third party products in Italy via a network of financial advisors while Azimut Libera Impresa focuses on the Alternatives business. Overseas main operations are Azimut Investments SA (formerly AZ Fund Management founded in Luxembourg in 1999), which manages the multi strategy funds AZ Fund 1 and AZ Multi Asset and the Irish Azimut Life DAC, which offers life insurance products.

www.azimut-group.com

About Al Mal

Established in 2005, Al Mal Capital PSC began running award winning MENA and UAE equity funds in 2008. We are one of the very few "MENA Equity" specialist houses in the region. Our exclusive focus on the MENA region is not only a product of our experience in the region but also the fundamental belief in the potential of a market that is experiencing its own enlightenment. The ability to execute our thesis, documented by our award winning funds, has attracted large institutional investors and high net worth individuals from every corner of the region.

Our primary objective is to provide investment solutions tailored to individual risk profiles in a high touch manner. We accomplish this objective by offering a diverse range of investment services and products. We offer our clients the ability to generate alpha through our award winning funds, achieve their individual investment objectives through our wealth management offering and help customize their individual investment portfolios through our discretionary portfolio management service.

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