

## KEY INFORMATION FOR THE INVESTOR

This document provides key investor information about this Sub-fund. This is not a promotional document. The information contained herein is provided to you pursuant to a legal obligation to help you understand what an investment in the Sub-fund involves and the risks associated with it. You are advised to read it to decide knowingly whether to invest.

### AL MAL MENA EQUITY

**Class A-PLATFORMS (USD) (ISIN Code LU1816222704) - Class A-PLATOFRMS (USD DIS) (ISIN Code LU1816223264)**

**A sub-fund of AZ Fund 3 managed by AZ Fund Management S.A., which is part of the Azimut Group**

#### A) OBJECTIVES AND INVESTMENT POLICY:

**Objectives:** the Sub-Fund aims to achieve capital growth in the long-term by investing, directly or indirectly, in equities and equity-related securities of companies that are domiciled in the Middle East (Kingdom of Saudi Arabia, United Arab Emirates, Qatar, Kuwait, Bahrain, Oman), North Africa (Egypt, Morocco, Tunisia) or Levant (Lebanon, Jordan, Palestine) ("Target Regions"); and/or, companies which have all or part of their business activities in the Target Regions.

The Sub-Fund mainly consists of liquid securities which are dealt in on Regulated Markets deemed to be undervalued compared to their fair value, regardless of the market capitalization, selected through an efficient investment process based on fundamental analysis, which involves in particular macro, sectorial and micro research, with an investment horizon of 3 to 5 years.

**Investment policy:** subject to the investment restrictions provided in this Prospectus and the 2010 Law, the Sub-Fund may focus its investment choices on a limited number of issuers.

Under normal market conditions, the Sub-Fund may invest:

- at least 60% of its net assets, directly or indirectly, in equities and equity-related securities of companies related to the Target Regions as described above;
- up to 20% of its net assets in equities, equity-related securities and equity financial derivative instruments related to companies not domiciled in and/or not having all or part of their business activities in the Target Regions;

- up to 10% of its net assets in units of UCITS and/or of Other UCIs;
- up to 30% of its net assets in cash

The Sub-Fund may use financial derivative instruments for investment purposes, such as contracts for difference (CFD) and futures contracts and Total Return Swaps on single equities and equity related securities in order to implement long directional strategies only.

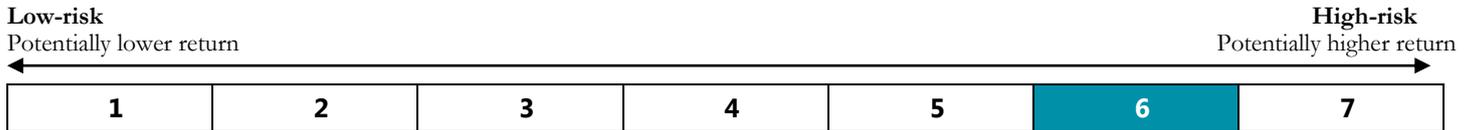
The Sub-Fund may also use financial derivative instruments for hedging purposes, such as:

- contracts for difference and futures contracts and Total Return Swaps on single equities and equity related securities for beta-hedging, which aims to offset the significant risks linked to an investment in a well-diversified portfolio of shares by taking a short position on stocks, which allows for an unquestionable reduction of the general market risk related to the equity portfolio;
- currency forward, currency swap and currency options for currency hedging with the aim to reduce the effect of exchange rate movements between the Reference Currency of the Sub-Fund and the currencies of the investments

**Unit Redemption:** Holders of Units of the Sub-fund may request redemption thereof in cash at any time, any day. Redemption will be made weekly. For further information, please refer to AZ Fund 3 Prospectus.

**Distribution Policy:** The Sub-fund shall distribute dividends to holders of class A-PLATFORMS (USD DIS) units and shall reinvest dividends for holders of class A PLATFORMS (USD) units. Returns are distributed quarterly

#### B) RISK/RETURN PROFILE:



- These classes are in **risk category 6** because of their increases or decreases, or simulated data, in the past.
- the risk category associated with these classes was calculated based on historical data, therefore it may not be a reliable indication of its future risk profile
- the risk category is not guaranteed and may change over time;
- the lowest category does not mean "risk free";
- other important risks for the Sub-fund not taken properly into account in this indicator: risks linked to emerging markets and risks linked to investments in the MENA Region

**Risks:**

**Risks linked to emerging markets**

Transactions on emerging markets make the investor take considerable additional risks, as the regulation of these markets does not provide for the same guarantees as far as protection of investors is concerned. The risks linked to the political-economic situation of the issuer's

country of origin must be considered too;

**Risks linked to investments in the MENA Region**

Middle East and North Africa ("MENA") countries may have particularly high levels of emerging market risks. Due to political and economic situation in the Middle East and North Africa, markets of MENA countries have a comparatively high-risk of political instability. Some of these MENA markets may remain closed for days at a time (due to religious celebrations, for instance), and the exact dates of market closure may not be known in advance. This could hinder the normal operation of a Sub-Fund with regard to the purchase and sale of investments. Whilst the Management Company shall ensure that under normal circumstances the Sub-Funds have sufficient liquidity to meet redemption requests in accordance with the provisions of this Prospectus, the risk of suspension of redemptions in a Sub-Fund investing in MENA markets may be higher than for Sub-Funds investing in major world markets

#### C) COSTS:

**One-off fees withdrawn before or after investment**

<b>Entry fees:</b>	2,0% (*) of the amount invested
<b>Exit fees:</b>	0% (*) on redeemed amount
<b>Conversion fees:</b>	zero
(*) indicated percentages are the maximum ones that can be withdrawn on your capital before investment or before return distribution. In some cases, a lower amount may be due by the investor.	

## Fees withdrawn by the Sub-fund every year

Current expenses: Operating and management fee For these unit classes: 2.60% of net assets

## Fees withdrawn by the Sub-fund under certain circumstances

### Additional variable management fees

For these classes of Units, an additional variable management fee is payable for this Sub-Fund in the following instances:

- in case of over-performance, i.e., if the change in Unit value within the reference timeframe (calendar year) exceeds the change in the reference index indicated below, within the same timeframe (calendar year). It is calculated on the last Business Day of the calendar year before the reference timeframe (calendar year); and
- if Unit value calculated at the last Business Day of the current calendar year is higher than the Unit value calculated at the last Business Day of the previous calendar year.

When the two above conditions are met, the additional fee will be 10% of said over-performance, multiplied by the number of existing Units as at the Valuation Day to which the calculation of the above fee refers to.

For the purpose of verifying the fulfilment of the above conditions, all reference Unit values will be considered as including (gross value) any amount distributed to Unitholders of the Sub-Fund.

This additional fee is withdrawn every year from the Sub-Fund's assets, on the first Business Day of the calendar year following the reference period.

The additional variable management fee is applied weekly with the provision of the Valuation Day to which the calculation refers being accrued as indicated below.

Every Valuation Day, the provision of the previous Valuation Day will be credited and, where appropriate, the provision of the Valuation Day to which the calculation refers will be debited so as to calculate the total value of the Sub-Fund.

This additional variable management fee will be calculated weekly as of each Valuation Day on the total value of the relevant Classes (net of all liabilities other than the additional variable management fee, if applicable).

**REFERENCE INDEX: 100% S&P Pan Arab Composite Index (SEMGPCPD Index).**

Since these Units have just been created, 0% is the additional variable management fee of the last year.

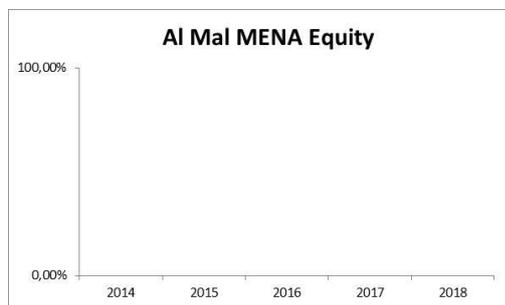
The investor can ask his/her advisor or distributor the actual amount of entry and exit fees.

Since the sub-fund has just been created, current costs are an estimate based on the total expected amount of fees. This amount could change from one year to another. The current expenses do not include fees related to certain circumstances and transaction costs (except in the case of entry and/or exit fees paid by the Sub-fund when buying or selling units of another collective management vehicle).

Fees paid by investors are used to cover the Sub-fund's operating costs including the marketing and distribution costs of the units, these charges reduce the potential investment growth.

For more information on fees and costs, please refer to section 15 and Appendix II of AZ Fund 3 prospectus, available on the website [www.azfund.com](http://www.azfund.com)

## D) PAST PERFORMANCE:



- No past performance is available for a complete year
- Past performance is not an indicator of future performance
- Past performance has been measured in USD
- Past performance of the Sub-fund reflects the costs borne by the Sub-fund and does not include costs/fees directly at the investor's charge
- The Sub-fund was created on 16 May 2019

## E) USEFUL INFORMATION:

• **Name of custodian:** BNP Paribas Securities Services, Luxembourg branch

• **Place and method for obtaining further details:** investors can obtain further information concerning AZ FUND 3, its sub-funds and available unit classes from the AZ Fund 3 prospectus or from [www.azfund.com](http://www.azfund.com). The prospectus and the financial reports are drafted for all sub-funds of AZ Fund 3. Sub-funds' assets and liabilities are segregated as required by law.

Further information on the Fund, such as a copy of the management regulations, the Prospectus, the latest annual report and any subsequent interim report can be obtained free of charge in French at the registered office of the Management Company (AZ Fund Management SA, 35, avenue Monterey, L-2163 Luxembourg) as well as at dealers in the distribution countries

• **Company Remuneration Policy:** The updated remuneration policy - including, but not limited to, a description of how remuneration and benefits are calculated as well as the identity of the persons responsible for the granting of remuneration and benefits - is available on the website: <http://www.azimut-group.com/en/international-presence/az-fund-management>

A hard copy is made available free of charge, on request, at the registered office of the Company

• **How to obtain further useful information:** other practical information, including the latest unit price, can be obtained free of charge at the registered office of the Management Company (AZ Fund Management S.A, 35, avenue Monterey, L-2163 Luxembourg) as well as at dealers in the distribution countries

• **Tax rules:** the tax laws of the Grand Duchy of Luxembourg may have an impact on the personal tax position of the investor.

• **Liability:** AZ Fund Management S.A. liability may be claimed only based on statements herein that would be misleading, inaccurate or inconsistent with the relevant parts of AZ Fund 3 prospectus

• **Other Unit Classes:** the Sub-fund may issue different classes of units. For further information on Unit classes, please refer to AZ Fund 3 prospectus or to the website [www.azfund.com](http://www.azfund.com).

• **Conversions:** investors have the right to exchange the units held in a sub-fund against units of another sub-fund belonging to AZ FUND 3, according to the conversion procedures described in chapter 11 of AZ Fund 3 prospectus.

**AZ FUND 3 is registered in Luxembourg and regulated by the Commission de Surveillance du Secteur Financier. AZ Fund Management S.A. is registered in Luxembourg and regulated by the Commission de Surveillance du Secteur Financier.**

**Key investor information here is accurate as at 10 May 2019.**