DISRUPTIVE TECHNOLOGIES STRATEGY

FACT SHEET

28/02/2023

RASAMEEL

Investment Objective
The strategy is to invest in companies that are developing technologies that will disrupt the status quo in multiple areas such as healthcare, retail, AI etc.

Investment Manager
Rasameel Investment Company KSCC

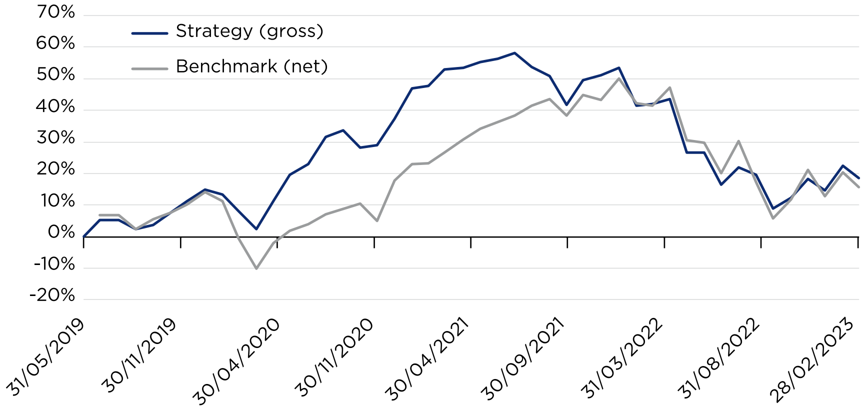
Time Horizon
Longterm

Inception Date
01/06/2019

Base Currency
USD

Benchmark Index
Morningstar Exponential Technologies index

Performance



* *Benchmark at inception was the iShares MSCI World Islamic index, which was changed to the Morningstar Exponential Technologies index (XT US) in April 2022. Performance reported since April 2022 represents that of a rebased benchmark.*

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Benchmark
2023 (%)	6.8	-3.1											3.5	7.6
2022 (%)	-7.7	0.3	1.1	-11.7	0.0	-8.0	4.6	-1.9	-8.9	3.1	5.2	-3.5	-25.6	-20.7
2021 (%)	0.6	3.4	0.3	0.9	0.6	1.2	-2.8	-1.8	-6.0	5.4	1.0	1.5	4.3	21.1
2020 (%)	-1.4	-4.8	-5.4	8.9	7.5	3.0	7.2	1.6	-4.2	0.7	6.5	7.0	27.9	7.8
2019 (%)						5.2	-0.2	-2.6	1.1	3.6	3.6	3.3	14.7	14.2

Top Holdings

Company	Weight
YCA LN	3.0%
META US	2.9%
AZN US	2.9%
GFS US	2.4%
ICFI US	2.4%

Characteristics	Strategy
TTM P/E	22.4
P/B	2.7
P/CF	15.6
Dividend Yield	1.7%
Debt/Equity	0.4

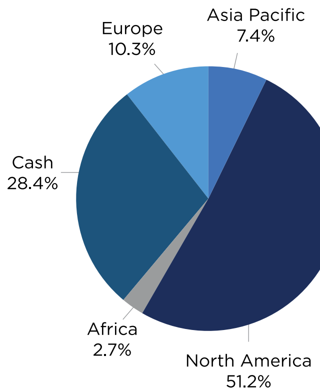
Returns	Strategy (Gross)	Benchmark (Net)
MTD	-3.1%	-3.5%
YTD	3.5%	7.6%
ITD	18.5%	15.7%

Risk Statistics - 1Yr	Strategy	Benchmark
Std. Dev	24.1%	24.5%
Downside Risk	17.4%	17.2%
MC VAR	26.7%	36.2%
BETA (ex-post)	0.93	1.0
Correlation	0.94	1.0
Sharpe Ratio	-0.69	-0.36
IR	-0.80	NA

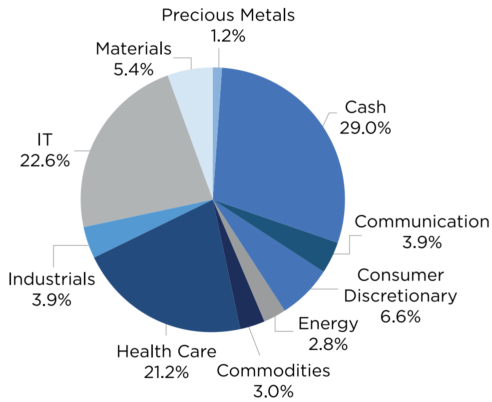
30 Day Top Contributers & Detractors

Contributers	Return	Cont.	Detractors	Return	Cont.
META US	17.4%	0.4%	9618 HK	-25.1%	-0.5%
GFS US	10.2%	0.2%	AKAM US	-18.4%	-0.4%
CRWD US	14.0%	0.2%	VRTX US	-10.2%	-0.2%
NVDA US	18.8%	0.1%	ADBE US	-12.5%	-0.2%
TWLO US	12.3%	0.1%	INCY US	-9.6%	-0.2%

Geographic Breakdown



Sector Breakdown



* *The performance shown above is gross of all fees and unaudited. Past performance is not indicative of future returns.*

Disclaimer:

This document is prepared for promotional purposes. The performance stated above is for a composite of client accounts and is gross of all fees and commissions. Actual client performance may vary from the composite. Rasameel Investment Company hereby undertakes that it does not disguise, diminish or obscure important items from the investment subject of promotion.

Warning:

The past performance of any investment or a product is not a reliable indicator of future results and it cannot be relied upon for investment decision making.

Commentary

The Disruptive Technologies Strategy declined 3.1% in February, however, outperformed the Morningstar Exponential Technologies Index, which was down 3.5% during the month. The internally tracked benchmark, the ARK Innovation ETF, was down some 4% as well. During the month, major Central Banks all raised rates and, with inflation staying higher than expected, the market is increasingly concerned that the Fed funds rate may peak at a higher than expected level. This all put pressure on risk assets.

During the month, **Meta Platforms (META US)** returned 17.4%, continuing its strong performance from the prior month (up 40% YTD). The company beat Q4 revenue estimates, but missed on EPS, albeit accounting for restructuring charges which amounted to $4.2 billion. For the current fiscal year, Meta aims to reign in opex and capex, with the aim of focusing on efficiency and profitability. **Globalfoundries (GFS US)** returned 10.2% during the month on the back of revenue and earnings for Q4 which came ahead of consensus. The company also cited ASP growth of 20% YoY, which reflects positively on execution during a period witnessing weak consumer end-market demand. We expect upcoming catalysts in the form of US Chips Act funding allocation and EU semiconductor funding measures over the course of the year, as well as GFS's Singapore Fab ramping up revenue in 2H23. **Crowdstrike Holdings (CRWD US)** was up 14% last month and up 17% YTD as the company continues to achieve impressive net new customer adds over the course of the quarter. It has inked a deal with Dell to ramp up its go-to-market strategy in offering its licensed platform to organizations for endpoint and cloud workload protection. CRWD is a best-in-class name in cyber security, and although macro headwinds have affected enterprise budgets and elongated sales cycles, we believe the company has significant pricing power with its offerings. Elsewhere, **Nvidia (NVDA US)** was up 18.8% in February (up 62% YTD) as management guided to sequential growth in data center and gaming, which suggests sales channels normalizing. In addition, the investment rationale for NVDA is strengthening as it looks to capitalize on the generative AI opportunity brought forth by the likes of ChatGPT.

With regards to detractors during the month, **JD.com (9618 HK)** declined 25%, as Chinese e-commerce names struggle with weak online sales to start the year, and a drop in global demand for Chinese exports. With that said, however, JD.com's most recent quarter saw revenue rise 11%, and a rebound may be underway as China emerges from the slowdown induced by zero-Covid policy. **Akamai Technologies (AKAM US)** declined 18.4% despite beating Q4 revenue and EPS forecasts, however issued a muted guidance for the upcoming quarter and year, as it ramps up capex to build out its compute segment, which it believes will take on cloud titans such as AWS and Google Cloud. For a company trading below 14x CY23 earnings and making a strong move into security and cloud compute, which are strong growth verticals in today's economy, we are confident in the company's transition away from content delivery. Elsewhere, **Adobe Inc (ADBE US)** was down 12.5% in February, and down 3-4% YTD. The company reports earnings mid-March and we will get to hear more about Adobe's integration of newly acquired Figma. Analysts seem to suggest that demand for content-creation tools should start to reaccelerate following the post-Covid hangover period over the course of the last year.

We are still very overweight cash in the strategy and continue to expect equities to come under further pressure in the next few months as rates continue to rise and the macro gradually weakens. We are though, building a 'wish list' of stocks we want to add to and are looking to add risk exposure very selectively where we see attractive opportunities, over the next few months.

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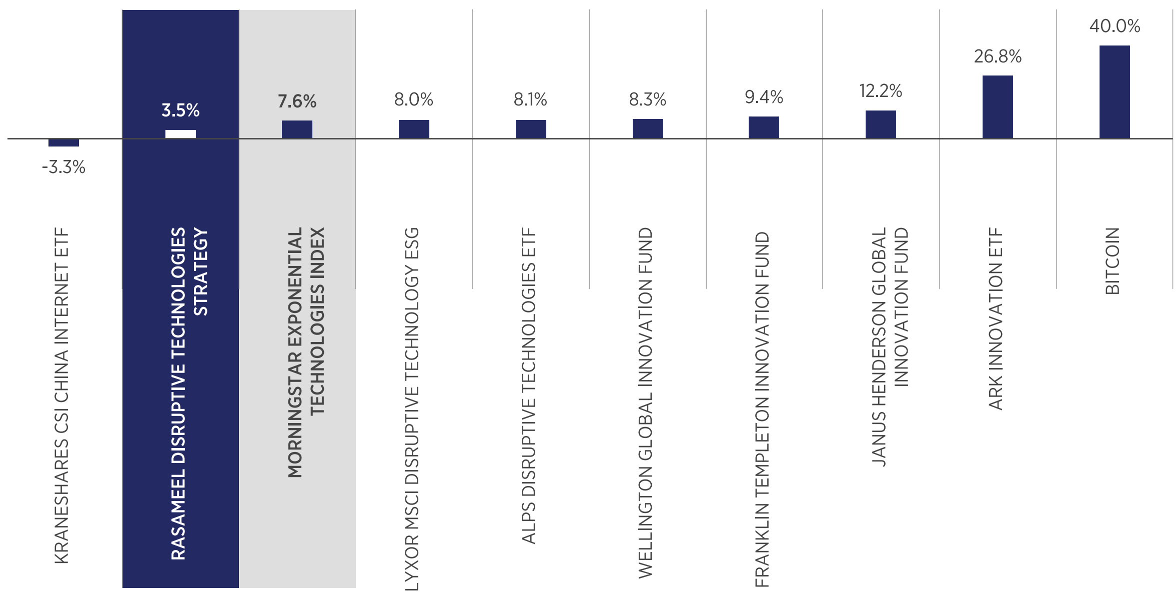
Strategy Top Holdings

STOCK	INVESTMENT THESIS	
		Fundamental Investment Thesis
YELLOW CAKE	Rationale	We like Uranium as it is the greenest and most reliable source of energy on the planet. With years of underinvestment in uranium supply, and demand starting to rise from China, India, and Japan, we expect uranium prices to rise much higher. Yellow Cake is our investment vehicle of choice, as it provides physical storage of uranium oxide and is currently trading at a discount around 25% to its Net Asset Value, essentially buying physical uranium at a discount. Yellow Cake is likely to trade at a premium as prices start to rise again.
ASTRAZENECA	Rationale	Astrazeneca has been a steady performer as the company has a strong product offering and a strong organic pipeline. Coupled with their huge cash flow generation, AZN has exhibited resilience in downturns and has a strong expected growth going forward with a stacked readout season until 2023.
VERTEX PHARMA	Rationale	One of the bright spots in a dark biotech environment. The company profited from their success tackling CF via their offerings. Their updates on the patents have ensured that growth from this drug will continue and their pipeline has seen approvals that will enable them to diversify away from CF and into other areas of medicine.
META PLATFORMS	Rationale	META's family of apps are accessed by 3 billion people on a daily basis. We like the company capital allocation history and see a lot of room to grow unmonetized assets such as WhatsApp, Reels, Reality Labs and FB marketplace. The company is a high FCF generator, and we remain bullish on META's sustainable moat in the online advertising industry. We think the market is overly bearish on META's focus on the metaverse and its ability to overcome IDFA issues. We see this as short-term noise given META's history of successfully overcoming similar challenges in the past. A weakening environment for online ad spend could further drive back advertisers to META's platform given its ability to offer higher ROI on ad spend. While currently a cash burn segment, we see the metaverse, AR/VR business as an optionality into the future, that is sufficiently priced in by the market with the stock trading at historically trough valuation.
ICF INTERNATIONAL	Rationale	As the environmental, social, and economic climates turn more volatile, both Government and Corporates need to plan for their goals and assess their risks. ICF International is one of the top providers of professional consulting and technology-based solutions to Governments and large Corporations. The consulting focus is offered in energy, environment, health, education, and social programs. They also have acquired key competencies in safety and security, and consumer and finance. ICFI has a very broad-based exposure within the United States and across the Globe. It has been advising the US EPA and US Dept. of Health and Human Services for over 25 years, the US Department of Defense for more than 20 years, and the European Commission for more than 15 years. ICFI continues to witness an increase in demand driven by the paradigm shifts of energy transition, demographics, and the social climate. Its expansion focus on centered on establishing digital solutions. With a solid balance sheet and proven track record, ICFI should consistently continue to be value accretive.

Strategy vs Peers

DISRUPTIVE TECHNOLOGIES STRATEGY - YTD PERFORMANCE VS SIMILAR STRATEGIES



Reported numbers as of 28 February 2023