DNCA INVEST
ALPHA BONDS

INTERNATIONAL MULTI-STRATEGIES BONDS

Investment objective

The Sub-Fund seeks to provide, throughout the recommended investment period of more than 3 years, a higher performance, net of any fees, than the €STR index plus 2.20%. This performance objective is sought by associating it to a lower annual volatility than 5% in normal market conditions.

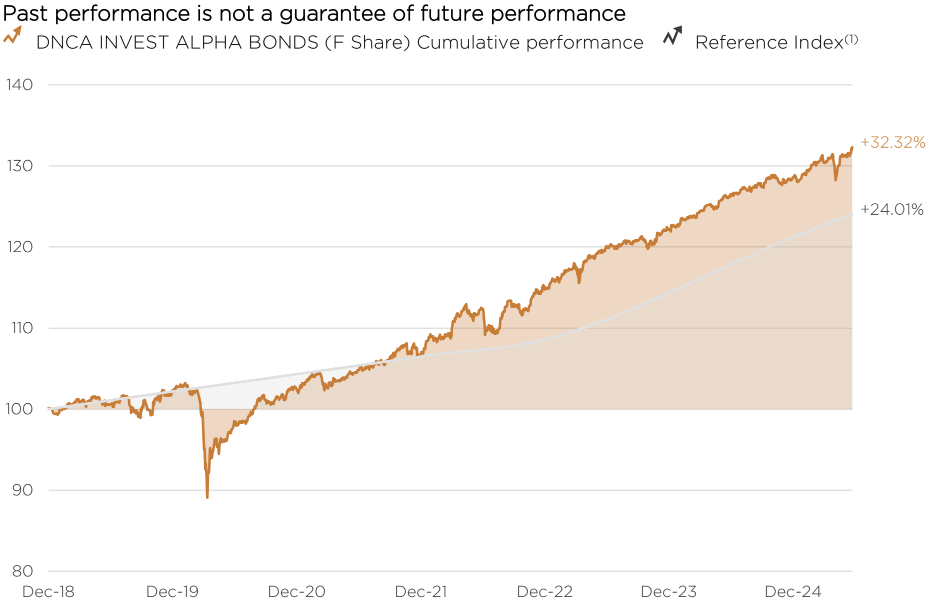
To achieve its investment objective, the investment strategy is based on active discretionary management.

Financial characteristics

NAV (€)	132.32
Net assets (€M)	17,721
Bloomberg liquidity score	86.1%
Average modified duration	5.65
Average yield	3.63%
Volatility ex ante	3.14%
Average rating	A+

Performance (from 06/12/2018 to 30/05/2025)

Past performance is not a guarantee of future performance



(1)€STR + 2.20%

Annualised performances and volatilities (%)

	1 year	3 years	5 years	Since inception
F Share	+4.82	+5.62	+6.31	+4.41
Reference Index	+5.34	+4.93	+3.74	+3.37
F Share - volatility	2.33	2.83	2.97	3.89
Reference Index - volatility	0.20	0.21	0.19	0.18

Cumulative performances (%)

	1 month	3 months	YTD	1 year	3 years	5 years
F Share	+0.68	+0.89	+2.96	+4.82	+17.82	+35.84
Reference Index	+0.36	+1.13	+1.95	+5.34	+15.53	+20.18

Calendar year performances (%)

	2024	2023	2022	2021	2020	2019
F Share	+4.68	+5.82	+6.72	+5.19	+0.31	+3.62
Reference Index	+5.98	+5.40	+2.10	+2.06	+2.09	+2.16

The performances are calculated net of any fees.

Risk indicator

1 2 3 4 5 6 7

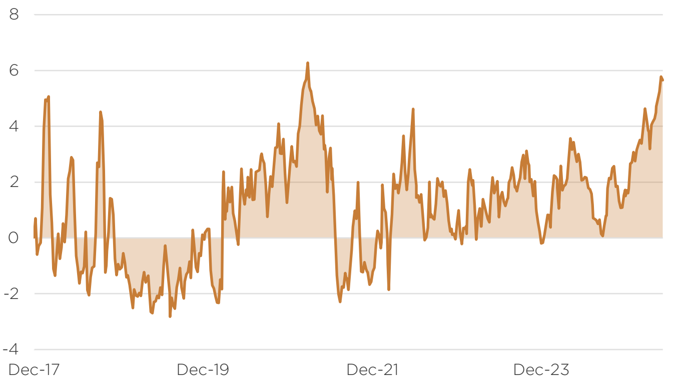
Lower risk — Higher risk

Synthetic risk indicator according to PRIIPS. 1 corresponds to the lowest level and 7 to the highest level.

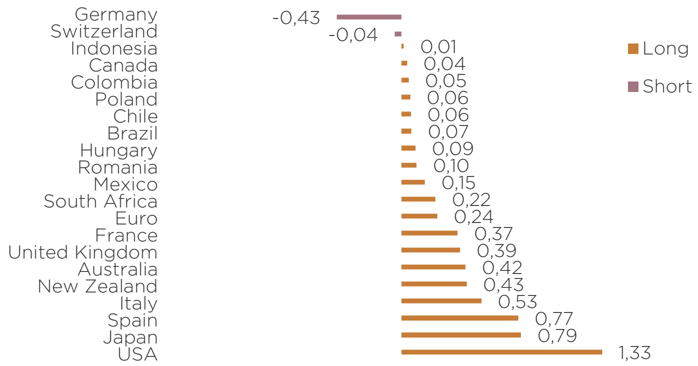
	1 year	3 years	5 years	Since inception
Sharpe Ratio	0.76	1.03	1.66	0.87
Tracking error	2.35%	2.84%	2.98%	3.89%
Correlation coefficient	-0.04	-0.01	-0.01	0.00
Information Ratio	-0.22	0.24	0.86	0.27
Beta	-0.46	-0.10	-0.16	-0.01

Main risks: risk of capital loss, interest-rate risk, risk relating to discretionary management, credit risk, inflation risk, counterparty risk, risk related to investing in speculative securities, risk of investing in derivative instruments as well as instruments embedding derivatives, convertible securities risk, specific Risks linked to Convertible, Exchangeable and Mandatory Convertible Bonds, risk related to exchange rate, liquidity risk, high volatility risk, equity risk, ESG risk, sustainability risk

Modified duration evolution



Modified duration by country

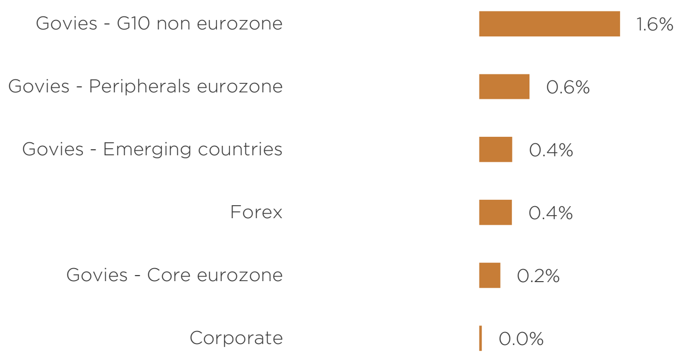


Performance contribution MTD

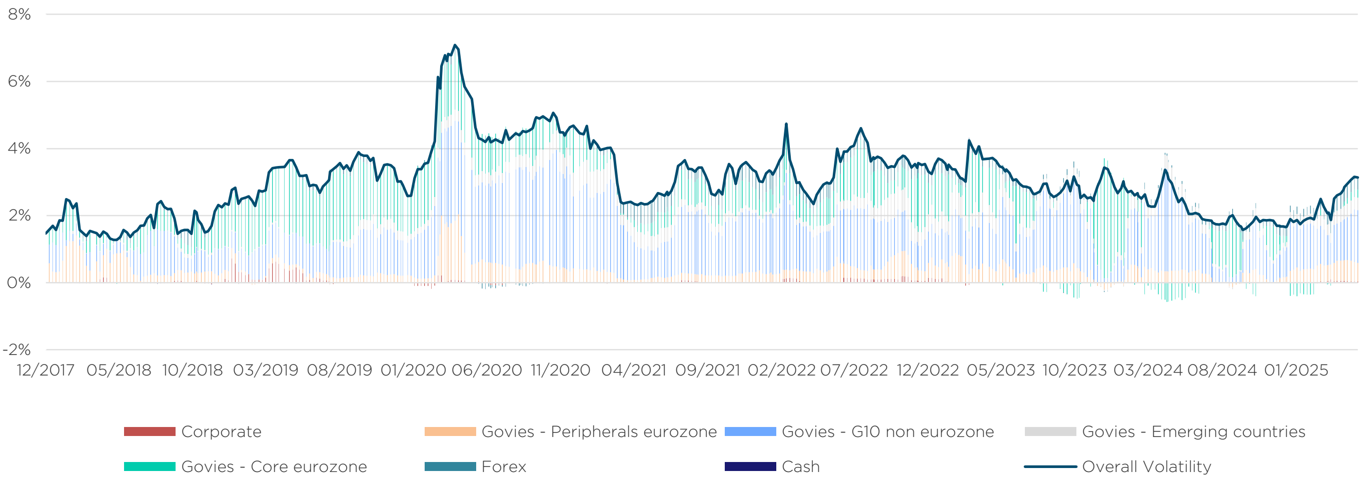
Past performance is not a guarantee of future performance

Performance Contribution	+0.62%
Govies - Core eurozone	+0.14%
Govies - Peripherals eurozone	+0.11%
Euro Interest Rate Swaps	+0.24%
Euro Inflation Swaps	+0.00%
CDS eurozone	+0.01%
Govies - G10 non eurozone	-0.11%
Interest Rate Swaps exc. Euro	+0.01%
CDS exc. Euro	+0.07%
Govies - Emerging countries	+0.21%
Cash and equivalents	-0.05%

Volatity contribution

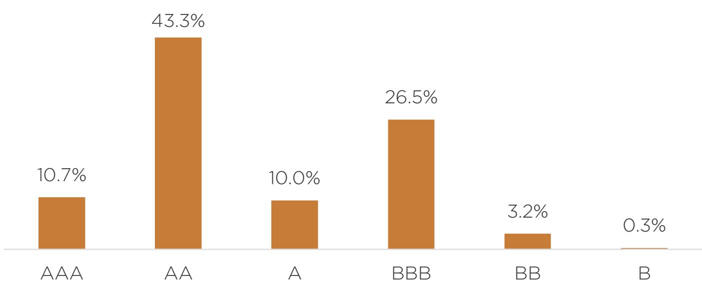


Volatility evolution



Exposure by currency

Exposure by rating



Portfolio managers comments

May was marked by an intensification of budgetary tensions in the United States and renewed uncertainty on the trade front. The adoption by the House of Representatives of the Trump administration's new tax proposal. The "Big Beautiful Bill" has rekindled fears about the sustainability of the US debt trajectory. The initiative, which combines an extension of the 2017 tax cuts, increased military spending and targeted tax breaks, could widen the federal deficit by more than $4 trillion over ten years. At the same time, Moody's downgraded the US sovereign rating to Aa1, joining S&P and Fitch.

On the economic front, economic publications in the United States confirmed the resilience of the economy. PMIs returned to expansionary territory, buoyed by a joint improvement in services and manufacturing. Household spending remains solid, and incomes have surprised on the upside. The persistent robustness of the labour market thus continues to put the brakes on the scenario of rapid monetary easing. Several Fed members have reiterated their caution, pointing out that the potential effects of the envisaged rate hikes could be stagflationary.

In Europe, inflation has surprised on the downside, particularly in France, Spain and Italy, reinforcing the likelihood of a further rate cut by the ECB in June. In the short term, growth momentum remains weak (PMI in contraction territory, business confidence down, etc.), and the uncertainty surrounding US trade policy is weighing on visibility. In the long term, the prospect of Germany's infrastructure stimulus plan and the rise in defence spending across the continent raise hopes of a moderate rebound in growth in 2026. So, without a rapid deterioration in the global environment, or a collapse in inflation expectations, it is now clear that the ECB's bearish cycle is nearing its end.

The portfolio's exposure has been increased to 5.3, and the yield climbs to 3.68% at the end of the period. The increase in swap spreads combined with the steepening of the curves are the two driving forces behind this upward adjustment.

This rise was achieved by continuing to reduce our short position in German 10-year yields and by strengthening a long position in GILT. We also implemented a strategy to flatten the Japanese 10-30-year curve and strengthened our long position in the 20-year segment.

The momentum of three of our four pillars (growth, inflation and monetary policy) justifies the level of our fixed income exposure. Valuation appears attractive, but we remain vigilant as to how the markets perceive government debt (linked to the fourth pillar: the budget deficit).

Finally, while all strategies with duration (nominal rates, real rates, emerging countries) posted positive performance, it was the steepening of the yield curves on both sides of the Atlantic that made the biggest contribution to the fund's performance in May.

Text completed on 11/06/2025.


Pascal
Gilbert

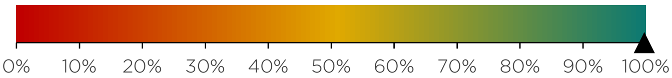

François
Collet


Fabien
Georges


Paul
Lentz

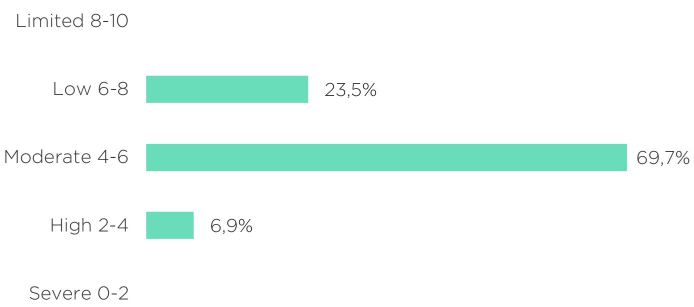

Thibault
Chrapaty

ABA coverage rate+ (99.8%)

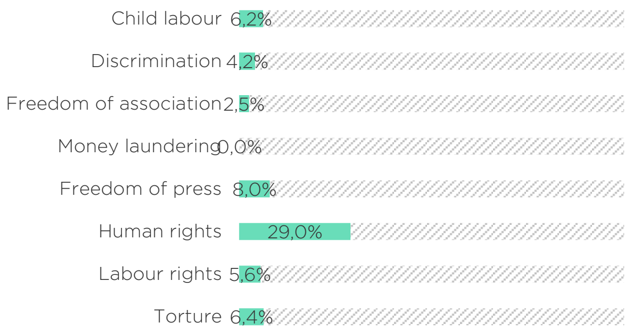


Average ESG Score: 5.2/10

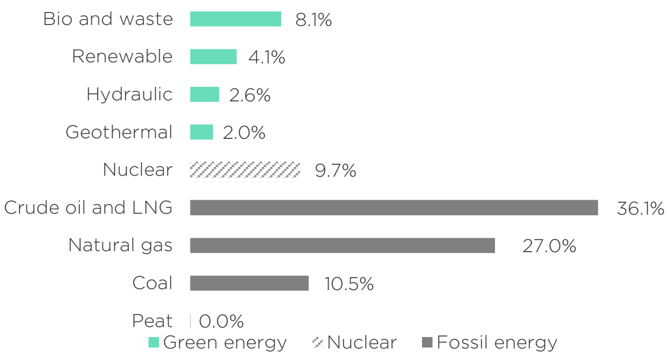
ESG risk breakdown[1]



International norm based compliance



Energy supply mix breakdown



Carbon intensity

	Amount
Production intensity (tCO_2/M Euros Debt)	286.1
Production intensity (tCO_2/M Euros GDP)	266.2

Sustainablity engagements

	Weight	Countries in portfolio
UN Paris agreement (COP 21)	100%	19
UN biodiversity convention	78.6%	18
Coal phase out	69.8%	12
Signatory to the Nuclear Non-Proliferation Agreement	87.8%	18

Analysis methodology

We develop proprietary models based on our expertise and conviction to add tangible value in the selection of portfolio securities. DNCA's ESG analysis model, Above & Beyond Analysis (ABA), respects this principle and offers a rating that we control the entire construction. Information from companies is the main input to our rating. The methodologies for calculating ESG indicators and our responsible investor and engagement policy are available on our website by clicking here.

[1] The rating out of 10 integrates 4 responsibility risks: governance, environmental, social and societal. Regardless of their geographical area, 15 indicators are evaluated such as democratic life, climate change, education and employment, health, living conditions, freedoms and respect for fundamental rights, inequalities...

[2] Total energy supply means the overall supply of energy for all activities on the territory of the country, but excluding international aviation and maritime bunkers. It includes energy needs for energy transformation (including generating electricity from combustible fuels), support operations of the energy sector itself, transmission and distribution losses, final energy consumption (industry, transport, households, services, agriculture, ...) and the use of fossil fuel products for non-energy purposes (e.g. in the chemical industry). It excludes international aviation and maritime bunkers, but it might include other fuels purchased within the country that are used elsewhere (e.g. “fuel tourism” in the case of road transport).

+ The coverage rate measures the proportion of issuers (government bonds) taken into account in the calculation of the extra-financial indicators. This measure is calculated as a % of the fund's net assets adjusted for cash, money market instruments, derivatives and any vehicle outside the scope of "listed government bonds". The coverage rate of the portfolio and the benchmark is identical for all indicators presented.

Administrative information

Name: DNCA INVEST Alpha Bonds
ISIN code (Share F): LU1908356857
SFDR classification: Art.8
Inception date: 06/12/2018
Investment horizon: Minimum 3 years
Currency: Euro
Country of domicile: Luxembourg
Legal form: SICAV
Reference Index: €STR + 2.20%
Valuation frequency: Daily
Management company: DNCA Finance

Portfolio Managers:
Pascal GILBERT
François COLLET
Fabien GEORGES
Paul LENTZ
Thibault CHRAPATY

Minimum investment: 250,000,000 EUR
Subscription fees: - max
Redemption fees: -
Management fees: 0.40%
Ongoing charges as of 31/12/2023: 0.46%
Performance fees: 20% of the positive performance net of any fees above the index: €STR + 2.20%

Custodian: BNP Paribas - Luxembourg Branch
Settlement:
Cut off: 12:00 Luxembourg time

Legal information

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Past performance is not a reliable indicator of future performance.

Sub-fund of DNCA INVEST Investment company with variable capital (SICAV) under Luxembourg law in the form of a Société Anonyme - domiciled at 60 Av. J.F. Kennedy - L-1855 Luxembourg. It is authorised by the Commission de Surveillance du Secteur Financier (CSSF) and subject to the provisions of Chapter 15 of the Law of 17 December 2010.

DNCA Finance is a limited partnership (Société en Commandite Simple) approved by the Autorité des Marchés Financiers (AMF) as a portfolio management company under number GP00-030 and governed by the AMF's General Regulations, its doctrine and the Monetary and Financial Code. DNCA Finance is also a Non-Independent Investment Advisor within the meaning of the MIFID II Directive. DNCA Finance - 19 Place Vendôme-75001 Paris - e-mail: dnca@dnca-investments.com - tel: +33 (0)1 58 62 55 00 - website: www.dnca-investments.com

Any complaint may be addressed, free of charge, either to your usual contact (within DNCA Finance or within a delegate of DNCA Finance), or directly to the Head of Compliance and Internal Control (RCCI) of DNCA Finance by writing to the company's head office (19 Place Vendôme, 75001 Paris, France). In the event of persistent disagreement, you may have access to mediation. The list of out-of-court dispute resolution bodies and their contact details according to your country and/or that of the service provider concerned can be freely consulted by following the link https://finance.ec.europa.eu/consumer-finance-and-payments/retail-financial-services/financial-dispute-resolution-network-fin-net/members-fin-net-country_fr.

A summary of investors' rights is available in English at the following link: https://www.dnca-investments.com/en/regulatory-information

This Fund is being marketed as a public offering in Luxembourg. You can contact the DNCA Finance branch:

DNCA Finance Luxembourg Branch - 1 Place d'Armes - L-1136 Luxembourg

This product promotes environmental or social characteristics, but does not have as its objective a sustainable investment. It might invest partially in assets that have a sustainable objective, for instance qualified as sustainable according to the EU classification.

This product is subject to sustainability risks as defined in the Regulation 2019/2088 (article 2(22)) by environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment.

If the portfolio investment process can incorporate ESG approach, the portfolio's investment objective is not primarily to mitigate this risk. The sustainability risk management policy is available on the website of the Management Company.

The reference benchmark as defined in the Regulation 2019/2088 (article 2(22)) does not intend to be consistent with the environmental or social characteristics promoted by the fund.

Glossary

Beta. Measures the average extent to which a fund moves relative to the broader market. The beta of a market is 1. A fund with a beta of more than 1 moves on average to a greater extent than the market. A fund with a beta of less than 1 moves on average to a lesser extent. If beta is a minus number, it is likely that the stock and the market move in opposite directions.
Bloomberg liquidity Score. The Bloomberg Liquidity Score reflects the security's centile rank, and is represented with a relative value between 1 and 100. A score of 100 is the most liquid, with the lowest average liquidation cost for a range of volumes.
Correlation coefficient. The correlation coefficient is a measure of correlation. It is used to determine the relationship between two assets over a given period. A positive coefficient means that the two assets move in the same direction. Conversely, a negative coefficient means that the assets move in the opposite direction. The correlation or decorrelation can be more or less strong and varies between -1 and 1.
Derivatives. The collective name used for a broad class of financial instruments that derive their value from other underlying financial instruments. Futures, options and swaps are all types of derivative.
Maturity. The time when a bond or other debt instrument is due to for redemption (is due to mature); or the length of time between the issue of such an instrument and the date it is due for redemption (the maturity date).
Sensitivity. The sensitivity of a bond measures the change in its percentage value induced by a given change in interest rates.
Sharpe Ratio. The Sharpe ratio measures the excess return over the risk-free money rate of an asset portfolio divided by the standard deviation of that return. It is therefore a measure of the marginal return per unit of risk. It is used to measure the performance of managers with different risk policies.
Sharpe Ratio. A way of measuring the historical risk-adjusted return on an investment. It is the average previous return minus the risk-free return, divided by the standard deviation (a measure of risk that looks at the diversion of actual returns from expected returns).
Tracking error. Tracking Error is a measure of how closely an investment portfolio follows the index against which it is benchmarked. It is the difference in the return earned by a portfolio and the return earned by the benchmark against which the portfolio is constructed. For example, if a bond portfolio earns a return of 5.15% during a period when the portfolio's benchmark (say, for example, the Lehman Brothers Index) produces a return of 5.06%, the tracking error is .09%, or 9 basis points.