



Aperture Credit Opportunities Fund

Q4 2024 Manager Commentary

Marketing Communication for Professional Investors in Austria, Switzerland, Germany, Spain, Italy, Luxembourg, Portugal, Singapore and United Kingdom



Performance as of 31 December 2024¹

Performance Summary (%) – Simulated Past Performance of LU2713271372²

	2024	2023	2022	2021	2020
Fund (Net)	6.05	4.86	-1.47	2.86	5.12
Benchmark (SOFR)	5.14	4.98	1.64	0.04	0.36
Relative Net Performance	0.91	-0.11	-3.10	2.82	4.76

	Cumulative		Annualised since inception		
	Q4 2024	YTD	1Y	3Y	S.I.*
Fund (Net)	0.36	6.05	6.05	3.09	3.62
Benchmark	1.13	5.14	5.14	3.90	2.37
Relative Net Performance	-0.77	0.91	0.91	-0.81	1.26

Performance Summary (%) – Historical Performance of LU1958553072²

	2024	2023	2022	2021	2020
Fund (Net)	6.75	5.29	-1.08	3.78	6.11
Fund (Gross)	7.17	5.70	-0.68	4.96	8.19
Benchmark (SOFR+2)	7.19	6.98	3.63	2.04	2.36
Relative Net Performance	-0.43	-1.69	-4.71	1.74	3.75

	Cumulative		Annualised since inception		
	Q4 2024	YTD	1Y	3Y	S.I.*
Fund (Net)	0.86	6.75	6.75	3.59	4.32
Fund (Gross)	0.81	7.17	7.17	4.01	5.27
Benchmark	1.59	7.19	7.19	5.92	4.37
Relative Net Performance	-0.73	-0.43	-0.43	-2.32	-0.05

¹ Past performance does not predict future returns. Where the reference currency of the fund differs than yours, returns and costs may increase or decrease as a result of currency and exchange rate fluctuations. This is not an exhaustive list of the costs. Other costs apply and differ per share class.

² Net proforma performance displayed is a simulated past performance which has been constructed by applying the fee structure of ISIN: LU2713271372 to the historical gross performance of ISIN: LU1958553072 displayed above. This simulates a performance net of all fees (including performance and management fees, where applicable), all expenses, income, dividends, and realized and unrealized appreciation on the Fund's investments, as well as any other items that may impact the net asset value of the Fund. This performance was not actually achieved by any investor and is being provided for illustrative purposes only to provide an indication of how the sub-fund may have performed with the amended fee structure. Whilst considered a meaningful comparison given the strategy focus is the same, these share classes differ in other significant ways such as the benchmark pursued (ISIN: LU1958553072 benchmark is SOFR +2% and ISIN: LU2713271372 benchmark is SOFR) and therefore there can be no guarantee that the performance achieved would have been the same. Simulated past performance results have many inherent limitations. No representation is being made that the Fund will or is likely to achieve target net returns similar to those shown. In fact, there frequently are sharp differences between simulated past performance results and the actual results subsequently achieved by any particular trading program. One of the limitations of simulated past performance results is that they generally are prepared with the benefit of hindsight. In addition, simulated past performance does not involve financial risk, and no simulated past performance can account completely for the impact of financial risk in actual trading. There are numerous other factors related to the markets in general or to the implementation of any specific trading program which cannot be fully accounted for in the preparation of simulated performance results and all of which can adversely affect actual trading results.

Fund = Aperture Credit Opportunities Fund. Sub-fund inception date: August 5, 2019. Please contact Aperture for information regarding share classes which are open for investment. Indices are unmanaged and do not include the effect of fees. One cannot invest directly in an index. The performance of the Benchmark does not predict future performances of that Benchmark and of the performance of the Fund. The fund is actively managed and references the Benchmark only for the purpose of performance fee calculation. The Investment Manager has full discretion over the composition of the Fund's portfolio and therefore its composition may deviate substantially from the Benchmark so as to take advantage of specific investment opportunities.

Past performance is not a reliable indicator of future performance and can be misleading. Performance is net of all fees except entry and exit fees (where applicable). Dividend reinvested for accumulative classes. Past performance is calculated in USD.



Q4 2024 Commentary

The highlight of the quarter was always going to be the US presidential election, and it did not disappoint. The Trump clean sweep was greeted positively by risk markets with US equities rallying 1.84% (SPX) and US high yield (HYG US) spreads tightening 18bps to 312bps over the quarter. However, government bonds fell, and yields rose (10-year UST rose from 3.78% to 4.54%) as investors fretted over potentially higher inflation because of Trump's tariff proposals.

Although spreads tightened, US HY bonds (HYG US) delivered a marginally negative total return of -18bps whereas European HY bonds (IHYG LN) had a positive return of 1.47%. Investment grade bonds (LQD US) performed worst delivering -4.1% over the period. As the quarter wore on and yields moved higher, idiosyncratic moves (up and down) increased – mainly driven by changing operational expectations in a potentially higher-for-longer-rate environment. The best performing segment across credit was Leveraged Loans, and the US loan market (IBXXLLTR) delivered a total return of 2.35% in the quarter as the asset class benefitted from its floating-rate structure.

OUTPERFORMANCE OF US LOANS VERSUS HIGH YIELD BONDS (Q4 2024)

The worst performance was seen from the weaker, more highly-levered names with upcoming maturities that were perceived to be most vulnerable to the heightened cost of capital and an inability to re-finance debt. Other areas of thematic weakness were European autos (both OEMs and auto-parts) and German corporates. The former saw continued selling as car sales data disappointed, Chinese EVs increased their market share and many of the large OEMs (Stellantis, BMW and VW) issued profit warnings. German corporates (especially those focused on Asian exports) also saw above-average selling as sentiment continued to decline as macro data continued to deteriorate and Chinese import demand weakened.



In the Credit Opportunities Fund, the best performance was from **DIGICEL 2028s** (improved earnings and ratings upgrade), **TENNECO 2028s** (hopes for IPO of Indian business) and our short position in **GLOBAL AUTO 2032s** (refinancing carried out at penal cost repricing existing debt). The largest detractors included a long position in a UK bank AT1 (duration weakness) and in a European auto-parts manufacturer (investor selling on negative sector sentiment).

OUTLOOK FOR 2025

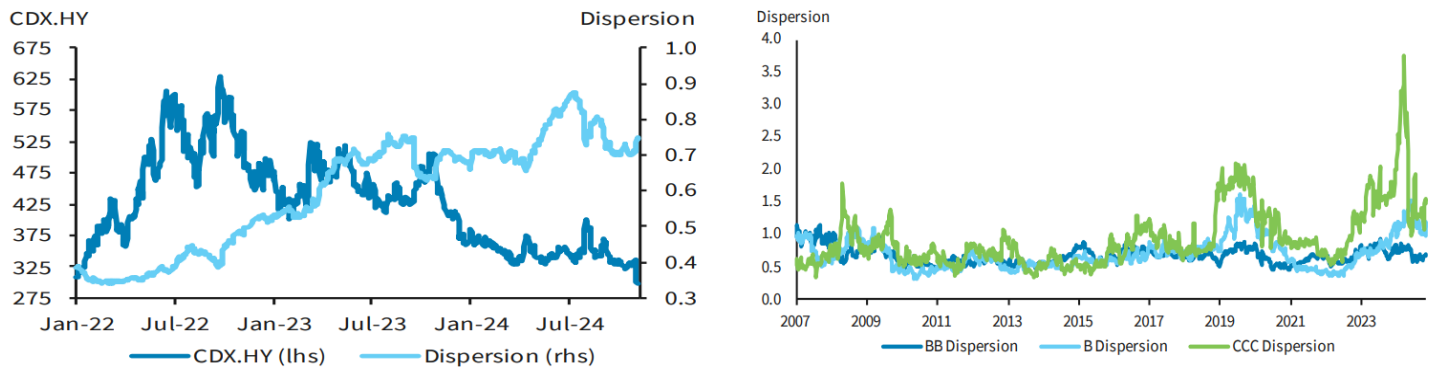
The starting point for 2025 is one of tight spreads and optically attractive yields, and we think that the latter should keep investor demand elevated for all credit sectors. Although spreads are historically tight, the quality of the market has improved, and the quality of underlying risk-free assets has deteriorated. We see continued opportunity in the high level of dispersion in credit markets. This allows for the construction of portfolios



combining fundamentally oversold and overbought names alongside more highly convex special situations (positive and negative).

We feel that this represents a very positive backdrop for discerning, fundamental credit strategies which we believe should deliver attractive non-correlated returns whilst the opportunity set exists.

SPREADS ARE TIGHT BUT DISPERSION (especially in Bs) REMAINS HIGH



Dispersion calculated as the standard deviation of constituent spreads divided by the average spread of the mid-80% of index constituents.

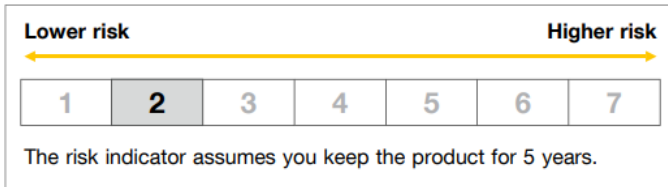
Best,

Simon Thorp
CIO, Aperture Credit Opportunities

Chart sources: Bloomberg and Barclays Research, respectively.



Risk profile of Aperture Credit Opportunities Fund



The summary risk indicator (“SRI”) level, as calculated under the PRIIPS methodology, is 2 (which is a low-risk class). Investments involve risks. Past performance does not predict future return.

The inherent main risks of the sub-fund (non-exhaustive list): Interest rate risk, The Sub-fund may invest in securities rated below Investment Grade, which present greater risk of loss to principal and interest than higher-quality securities, Credit risk, Credit default swaps, Emerging markets, Derivatives, Foreign exchange, Liquidity risk, Short exposure risk, Equity, Rule 144A and/or Regulation S securities, Investment in CoCos.



IMPORTANT INFORMATION

Investments involve risks. Past performance does not predict future return. There can be no assurance that an investment objective will be achieved or that there will be a return on capital. You may not get back the amount initially invested. Before making any investment decision, investors must read the Prospectus, and particularly the specific risks contained in section 6, as well as the Key Investor Information Document (KIID) / Key Information Document (KID) (as applicable to their jurisdiction).

As indicated in the KID accurate as of 21 May 2024, costs: (illustrative share classes: ISIN LU1958553072 registered in AT, CH, DE, ES, IT, LU, PT, UK): Entry charge: up to 3% max, Exit charge: none, Ongoing charge: 0.71% per year. Performance fee: For its services to the Sub-fund, the Investment Manager is entitled to a variable management fee ("VMF"), which is calculated and accrued daily, at the rate stated as the "VMF Midpoint". The VMF Minimum portion of the VMF will be calculated and accrued daily based on the Sub-fund's NAV. The rest of the VMF amount, if any, will be calculated and accrued daily based on the Sub-fund's daily Modified Net Assets, adjusted upward or downward by a performance adjustment (the "Performance Adjustment") that depends on whether, and to what extent, the performance of the Sub-fund exceeds, or is exceeded by, the performance of the Benchmark plus 6.5% (650 basis points) (the "VMF Midpoint Hurdle") over the Performance Period. For a full description of the VMF please see the applicable section in Appendix A contained in the Prospectus.

As indicated in the KID accurate as of 3 July 2024, costs: (illustrative share classes: ISIN LU2713271372 registered in AT, DE, IT, LU, PT, ES, CH, SG, UK): Entry charge: up to 3% max, Exit charge: none, Ongoing charge: 1.12% per year. Performance fee: For its services to the Sub-fund, the Investment Manager is entitled to a variable management fee ("VMF"), which is calculated and accrued daily, at the rate stated as the "VMF Midpoint". The VMF Minimum portion of the VMF will be calculated and accrued daily based on the Sub-fund's NAV. The rest of the VMF amount, if any, will be calculated and accrued daily based on the Sub-fund's daily Modified Net Assets, adjusted upward or downward by a performance adjustment (the "Performance Adjustment") that depends on whether, and to what extent, the performance of the Sub-fund exceeds, or is exceeded by, the performance of the Benchmark plus 6.5% (650 basis points) (the "VMF Midpoint Hurdle") over the Performance Period. For a full description of the VMF please see the applicable section in Appendix A contained in the Prospectus.

This marketing communication is related to **Aperture Investors SICAV**, an open-ended investment company with variable capital (SICAV) under Luxembourg law of 17 December 2010, qualifying as an undertaking for collective investment in transferable securities (UCITS) and its Sub-Fund, Credit Opportunities Fund, altogether referred to as "the Fund". This marketing communication is intended **only for professional investors in Austria, Switzerland, Germany, Spain, United Kingdom, Italy, Luxembourg, the Netherlands, Singapore and Portugal** where the Fund is registered for distribution, within the meaning of the Markets in Financial Instruments Directive 2014/65/EU (MiFID) and is not intended for retail investors, nor for U.S. Persons as defined under Regulation S of the United States Securities Act of 1933, as amended.

This document is co-issued by Generali Asset Management S.p.A. Società di gestione del risparmio, Generali Investments Luxembourg S.A. and Aperture.

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Please also consider all the ESG characteristics, approach, binding elements of the selection process and methodological limits contained in the SFDR Pre-contractual annex of the prospectus, as well as the Summary of the Website Product Disclosure, available in the "Sustainability-related Disclosure" section of the website fund page at: www.generali-investments.lu. Before making any investment decision, please read the **PRIIPs Key Information Document (PRIIPs KID) / UCITS Key Investor Information Document (KIID)** (as applicable to your jurisdiction) and the **Prospectus**. The PRIIPs KIDs are available in one of the official languages of the EU/EEA country, where the Fund is registered for distribution, and the Prospectus is available in English (not in French), as well as the annual and semi-annual reports **at www.generali-investments.lu** or upon request free of charge to Generali Investments Luxembourg SA, 4 Rue Jean Monnet, L-2180 Luxembourg, Grand Duchy of Luxembourg, e-mail address: GILfundInfo@generali-invest.com. The Management Company may decide to terminate the agreements made for the marketing of the Fund. For a summary of **your investor rights** in respect of an individual complaint or collective action for a dispute relating to a financial product at the European level and at the level of your EU country of residence, please consult the information document contained in the "About Us" section at the following link: www.generali-investments.com and www.generali-investments.lu. The summary is available in English or in a language authorized in your country of residence.

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Secured Overnight Financing Rate (SOFR) is a broad measure of the cost of borrowing cash overnight collateralized by US Treasury securities. It was selected as a preferred alternative to LIBOR by the US Federal Reserve in June 2017.

Investors should note the specific risk warnings:

Interest Rate Risk – The performance of the strategy may be influenced by changes in the general level of interest rates. Generally, the value of fixed income instrument will change inversely with changes in interest rates: when interest rates rise, the value of fixed income instruments generally can be expected to fall and vice versa. Fixed income securities with longer-term maturities tend to be more sensitive to interest rate changes than shorter-term securities. In accordance with its investment objective and policy, the strategy may attempt to hedge or reduce interest rate risk, generally through the use of interest rate futures or other derivatives. However, it may not be possible or practical to hedge or reduce such risk at all times.

Credit Risk – Investing in fixed income instruments will be exposed to the creditworthiness of the issuers of the instruments and their ability to make principal and interest payments when due in accordance with the terms and conditions of the instruments. The creditworthiness or perceived creditworthiness of an issuer may affect the market value of fixed income instruments. Issuers with higher credit risk typically offer higher yields for this added risk, whereas issuers with lower credit risk typically offer lower yields. Generally, government debt is considered to be the safest in terms of credit risk, while corporate debt involves a higher credit risk. Related to that is the risk of downgrade by a rating agency. Rating agencies are private undertakings providing ratings for a variety of fixed income instruments based on the creditworthiness of their issuers. The agencies may change the rating of issuers or instruments from time to time due to financial, economic, political, or other factors, which, if the change represents a downgrade, can adversely impact the market value of the affected instruments.

Distressed Securities Risk – The strategy may directly or indirectly purchase securities and other obligations of securities and other obligations of companies that are experiencing significant financial or business distress, including companies involved in bankruptcy, insolvency or other reorganization and liquidation proceedings ("Distressed Companies"). Although such purchases may result in significant returns, they involve a substantial degree of risk and may not show any return for a considerable period of time or any return at all. Evaluating investments in Distressed Companies is highly complex and there is no assurance that Aperture will correctly evaluate the nature and magnitude of the various factors that could affect the prospects for a successful reorganization or similar action. In any reorganization or liquidation proceeding relating to a Distressed Company in which the strategy invests, such strategy may lose its entire investment or may be required to accept cash or securities with a value less than its original investment. In addition, distressed investments may require active participation of the strategy and/or its representatives and this may expose the strategy to litigation risks or restrict its ability to dispose of its investments. Under such circumstances, the returns generated from the strategy's investments may not compensate investors adequately for the risks assumed. There are a number of significant risks when investing in Distressed Companies that are or may be involved in bankruptcy or insolvency proceedings, including adverse and permanent effects on an issuer, such as the loss of its market position and key personnel, otherwise becoming incapable of restoring itself as a viable entity and, if converted to a liquidation, a possible liquidation value of the company that is less than the value that was believed to exist at the time of the investment. Many events in a bankruptcy or insolvency are the product of contested matters and adversary proceedings that are beyond the control of the creditors. Bankruptcy or insolvency proceedings are often lengthy and difficult to predict and could adversely impact a creditor's return.



on investment. The bankruptcy and insolvency courts have extensive power and, under some circumstances, may alter contractual obligations of a bankrupt company. Shareholders, creditors, and other interested parties are all entitled to participate in bankruptcy or insolvency proceedings and will attempt to influence the outcome for their own benefit. Administrative costs relating to bankruptcy or insolvency proceedings will be paid out of the debtor's estate prior to any returns to creditors. Also, certain claims, such as for taxes, may have priority by law over the claims of certain creditors.

High-Yield Risk - Investments in fixed-income securities with sub-investment grade ratings may involve greater risks of loss of income and principal than rated or higher-rated securities and are more speculative in nature. Although they may offer higher yields than do higher-rated securities, they generally involve greater price volatility and greater risk of default in payment of principal and income due to factors including corporate developments, negative perceptions of high-yield instruments generally and decreased secondary market liquidity.

Securitized Debt Risk - The strategy may have exposure to a wide range of ABS (including asset pools in credit card loans, auto loans, residential and commercial mortgage loans, collateralized mortgage obligations and collateralized debt obligations), agency mortgage pass-through securities and covered bonds. The obligations associated with these securities may be subject to greater credit, liquidity and interest rate risk compared to other fixed income securities such as government issued bonds. ABS and MBS are often exposed to extension and prepayment risks that may have a substantial impact on the timing and size of the cash flows paid by the securities and may negatively impact the returns of the securities. The average life of each individual security may be affected by a large number of factors such as the existence and frequency of exercise of any optional redemption and mandatory prepayment, the prevailing level of interest rates, the actual default rate of the underlying assets, the timing of recoveries and the level of rotation in the underlying assets. In certain circumstances investments in ABS and MBS may become less liquid making it difficult to dispose of them. As a result, the strategy's ability to respond to market events may be impaired and the strategy may experience adverse price movements upon disposal of such investments. In addition, the market price for MBS has, in the past, been volatile and difficult to ascertain, and it is possible that similar market conditions may occur in the future. MBS that are issued by government-sponsored enterprises are known as Agency MBS. Such government-sponsored enterprises guarantee payments on Agency MBS. Non-agency MBS are typically supported solely by the underlying mortgage loans and do not carry the guarantee of any institution, and therefore carry a greater degree of credit/default risk in addition to extension and prepayment risk. The list above refers to the most frequently encountered risks and is not an exhaustive list of all the potential risks.

Credit Default Swaps ("CDS") Risk - A CDS is a bilateral financial contract in which one counterpart (the protection buyer) pays a periodic fee in return for a contingent payment by the protection seller following a credit event of a reference issuer. The protection buyer must either sell particular obligations, issued by the reference issuer at their par value (or some other designated reference or strike price) when a credit event occurs or receive a cash settlement based on the difference between the market price and such reference or strike price. A credit event is commonly defined as bankruptcy, insolvency, receivership, material adverse restructuring of debt, or failure to meet payment obligations when due. The ISDA has produced standardized documentation for these transactions under the umbrella of its ISDA Master Agreement. As protection seller, the strategy will seek a specific credit exposure to the reference issuer – selling protection (by mitigating the counterparty risk) is economically equivalent to buying a maturity matching floating rate note on the same reference entity. As protection buyer, the strategy may seek either to hedge a specific credit risk of some issuers in the portfolio or to exploit a negative view on a given reference entity. When these transactions are used in order to eliminate a credit risk in respect of the issuer of a security, they imply that the strategy bears a counterparty risk in respect of the protection seller. This risk is, however, mitigated by the fact that the strategy will only enter into CDS transactions with highly rated financial institutions. CDS used for a purpose other than hedging, such as for efficient portfolio management purposes or if disclosed in relation to the strategy, as part of the principal investment policy, may present a risk of liquidity if the position must be liquidated before its maturity for any reason. The strategy will mitigate this risk by limiting in an appropriate manner the use of this type of transaction. Furthermore, the valuation of CDS may give rise to difficulties which traditionally occur in connection with the valuation of OTC contracts. Insofar as the strategy uses CDS for efficient portfolio management or hedging purposes, investors should note that such instruments are designed to transfer credit exposure of fixed income products between the buyer and seller. The strategy would typically buy a CDS to protect against the risk of default of an underlying investment, known as the reference entity and would typically sell a CDS for which it receives payment for effectively guaranteeing the creditworthiness of the reference entity to the buyer. In the latter case, the strategy would incur exposure to the creditworthiness of the reference entity but without any legal recourse to such reference entity. In addition, as with all OTC derivatives, CDS expose the buyer and seller to counterparty risk and the strategy may suffer losses in the event of a default by the counterparty of its obligations under the transaction and/or disputes as to whether a credit event has occurred, which could mean the strategy cannot realize the full value of the CDS.

Contingent Capital Securities (CoCos) Risk - In the framework of new banking regulations, banking institutions are required to increase their capital buffers and have therefore issued certain types of financial instrument known as subordinated contingent capital securities (often referred to as "CoCo" or "CoCos"). The main feature of a CoCo is its ability to absorb losses as required by banking regulations, but other corporate entities may also choose to issue them. Under the terms of a CoCo, the instruments become loss absorbing upon certain triggering events, including events under the control of the management of the CoCo issuer which could cause the permanent write-down to zero of principal investment and/or accrued interest, or a conversion to equity. These triggering events may include (i) a deduction in the issuing bank's capital ratio below a pre-set limit, (ii) a regulatory authority making a subjective determination that an institution is "non-viable" or (iii) a national authority deciding to inject capital. Furthermore, the trigger event calculations may also be affected by changes in applicable accounting rules, the accounting policies of the issuer or its group and the application of these policies. Any such changes, including changes over which the issuer or its group has a discretion, may have a material adverse impact on its reported financial position and accordingly may give rise to the occurrence of a trigger event in circumstances where such a trigger event may not otherwise have occurred, notwithstanding the adverse impact this will have on the position of holders of the CoCos. Upon such occurrence, there is a risk of a partial or total loss in nominal value or conversion into the common stock of the issuer which may cause the strategy as a CoCo bondholder to suffer losses (i) before both equity investors and other debt holders which may rank pari passu or junior to CoCo investors and (ii) in circumstances where the bank remains a going concern. The value of such instrument may be impacted by the mechanism through which the instruments are converted into equity or written down which may vary across different securities which may have varying structures and terms. CoCo structures may be complex, and terms may vary from issuer to issuer and bond to bond. CoCos are valued relative to other debt securities in the issuer's capital structure, as well as equity, with an additional premium for the risk of conversion or write-down. The relative riskiness of different CoCos will depend on the distance between the current capital ratio and the effective trigger level, which once reached would result in the CoCo being automatically written down or converted into equity. CoCos may trade differently to other subordinated debt of an issuer which does not include a write-down or equity conversion feature which may result in a decline in value or liquidity in certain scenarios. It is possible in certain circumstances for interest payments on certain CoCos to be cancelled in full or in part by the issuer, without prior notice to bondholders. Therefore, there can be no assurance that investors will receive payments of interest in respect of CoCos. Unpaid interest may not be cumulative or payable at any time thereafter,



and bondholders shall accordingly have no right to claim the payment of any foregone interest which may impact the value of the strategy. Notwithstanding that interest not being paid or being paid only in part in respect of CoCos or the principal value of such instruments may be written down to zero, there may be no restriction on the issuer paying dividends on its ordinary shares or making pecuniary or other distributions to the holders of its ordinary shares or making payments on securities ranking pari passu with the CoCos resulting in other securities by the same issuer potentially performing better than CoCos. Coupon cancellation may be at the option of the issuer or its regulator but may also be mandatory under certain European directives and related applicable laws and regulations. This mandatory deferral may be at the same time that equity dividends and bonuses may also be restricted, but some CoCo structures allow the bank at least in theory to keep on paying dividends whilst not paying CoCo holders. Mandatory deferral is dependent on the amount of required capital buffers a bank is asked to hold by regulators. CoCos generally rank senior to common stock in an issuer's capital structure and are consequently higher quality and entail less risk than the issuer's common stock; however, the risk involved in such securities is correlated to the solvency and/or the access of the issuer to liquidity of the issuing financial institution. The structure of CoCos is yet to be tested and there is some uncertainty as to how they may perform in a stressed environment. Depending on how the market views certain triggering events, as outlined above, there is the potential for price contagion and volatility across the entire asset class. Furthermore, this risk may be increased depending on the level of underlying instrument arbitrage and in an illiquid market, price formation may be increasingly difficult.

Rule 144A and Regulation S Risk - SEC Rule 144A provides a safe harbor exemption from the registration requirements of the US Securities Act of 1933 for resale of restricted securities to qualified institutional buyers, as defined in the rule. Regulation S provides an exclusion from registration requirements of the US Securities Act of 1933 for offerings made outside the United States by both US and foreign issuers. A securities offering, whether private or public, made by an issuer outside of the United States in reliance on Regulation S need not be registered. The advantage for investors may be higher returns due to lower administration charges. However, dissemination of secondary market transactions is limited and might increase the volatility of the security prices and, in extreme conditions, decrease the liquidity of a particular security.

For further information on risks related to the Fund please see the Prospectus.

Middle East Disclosures

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