Dear Investor

Emerging market (EM) corporate bonds generated another month of positive returns in June 2026. The JP Morgan CEMBI Broad Diversified ex-CCC index returned 0.41% in USD terms, while the broader EM Corporate Index returned 0.42%. Performance was supported by continued investor demand for credit and modest spread tightening, despite a rise in US Treasury yields. Five-year and ten-year US Treasury yields increased by 9bps and 3bps, respectively, during the month, while EM corporate spreads tightened by 6bps to 165bps. High-yield bonds outperformed investment-grade bonds as spreads tightened by 17bps in the high-yield segment compared with 1bp in investment grade. The supportive technical backdrop was reinforced by strong inflows into fixed income markets and resilient global risk sentiment.

The SICAV EM Corporate Debt fund returned 0.51% gross of fees during June, outperforming its benchmark return of 0.29% and generating excess return of 0.22%. The outperformance was driven by a combination of country allocation and security selection effects, reflecting the fund's positioning in selected higher-yielding credits and frontier-market exposures.

Performance across regions was generally positive. Within the benchmark, Latin America delivered the strongest return at 0.78%, followed by Eastern Europe at 0.42% and the Middle East at 0.37%. Asia returned 0.23%, while Africa generated 0.24%. The stronger performance in Latin America reflected spread tightening across several high-yield issuers, while Eastern Europe benefited from continued improvement in investor sentiment towards selected frontier markets.

At the country level within the portfolio, the strongest-performing countries were Mongolia, Turkey and Colombia. Mongolia benefited from continued positive momentum investor demand for frontier-market credit, something we recently witnessed ourselves on an investor trip to the country's capital Ulaanbaatar. Turkey was supported by Iran's and US' agreement to sign a Memorandum of Understanding to halt the war efforts, while Colombia benefited from more optimistic market views given the more market friendly De La Espriella won the presidential elections and thus continuing the right-wing movement across Latin America. The weakest-performing countries were Moldova, Ghana and Angola. Moldovan spread movement was affected allegations of trading schemes with Iran which were later dismissed by the company as fabricated. Credits from Ghana and Angola were pressured by the reopening of the Strait of Hormuz which brought declining oil prices back to pre-war levels.

In terms of contributions to relative performance, security selection in Saudi Arabia was the largest positive contributor, followed by allocation to Mongolian credits and zero underweight to Taiwanese credits. On the negative side, the exposure to Trans-Oil in Moldova was the largest detractor from relative performance given the above mentioned allegations, followed by overweight positions in the Philippines and India.

From a portfolio positioning perspective, the fund maintained a higher-risk profile than the benchmark. The portfolio yield was 6.70% compared with 6.11% for the benchmark, while spread duration and spread levels were also higher. The portfolio remained overweight high-yield bonds at 47.7% versus 31.7% in the benchmark and underweight investment-grade bonds at 45.5% versus 64.1%. Regionally, the fund was overweight the Middle East and Eastern Europe and underweight Asia and Latin America. The largest relative country exposures included positions in frontier and high-carry issuers, consistent with the strategy's focus on generating excess carry and exploiting idiosyncratic credit opportunities.

Credit rating developments were broadly supportive for holdings in the portfolio. Moody's upgraded Golomt Bank and Trade & Development Bank of Mongolia to B1 from B2 while assigning stable outlooks, reflecting strengthening financial profiles and operating conditions in Mongolia's banking sector. In

addition, Adani Ports & Special Economic Zone was upgraded by S&P to BBB from BBB-, highlighting continued strengthening of its business profile and credit metrics. On the outlook side, Vedanta Resources received a positive outlook from Moody's, while Kosmos Energy received a positive outlook and multiple rating upgrades from Moody's, supported by improving liquidity and credit fundamentals.

Primary market activity remained very strong throughout June. According to Bank of America, EM corporate issuance reached USD 66.3bn during the month, up from USD 44.7bn in May and one of the strongest June issuance volumes in recent years. Issuance was dominated by investment-grade borrowers, which accounted for approximately USD 49bn of supply, while high-yield issuers contributed USD 15bn. Activity was concentrated in EEMEA and Asia, which together represented nearly 90% of total issuance. Financial institutions remained the largest source of issuance, while energy, transportation, technology and auto-finance issuers also accessed markets actively. Investor demand remained robust, supported by strong inflows into fixed-income markets and relatively limited secondary-market liquidity. New issues generally priced tightly and were well absorbed by investors, allowing issuers to fund across a broad range of maturities and sectors.

Overall, June was characterised by continued resilience in EM corporate credit markets despite somewhat higher US Treasury yields. Tightening credit spreads, strong demand for carry and a highly supportive primary market backdrop contributed positively to performance. Against this backdrop, the fund benefited from its overweight exposure to higher-yielding segments and successful issuer selection, resulting in outperformance versus the benchmark during the month.

02-07-2026	Return last month (USD)	Acc. Return to last month	Yield to Worst	*Last month*	*Δ YTD*	OAS Spread	*Last month*	*Δ YTD*
CEMBI EUR hedged	*0,29*	*1,26*						
EM Corporate Index	0,42	2,21	6,06	0,00	0,20	165	-6	-22
CEMBI Investment grade	0,27	1,01	5,44	0,04	0,33	91	-1	-6
CEMBI High Yield	0,63	4,01	7,36	-0,08	-0,07	306	-17	-56
EMBI	0,72	3,31	6,54	0,00	0,30	196	-2	-1
EMBI Investment grade	0,45	1,18	5,58	0,01	0,30	89	0	0
EMBI High Yield	0,97	5,37	8,40	-0,02	-0,10	392	-5	-46
Developed USD IG (JPM)	0,14	0,89	5,50	0,05	0,30	87	3	-2
US High Yield Corp (BarCap)	0,27	1,96	7,16	0,20	0,62	270	13	1
5Y US Treasury bond	0,05	-0,02	4,23	0,09	0,52	n.m.		
10Y US Treasury bond	0,25	-0,17	4,47	0,03	0,33	n.m.		

Returns in USD except CEMBI EUR hedged.

Kind regards,

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