

# Algebris Financial Income Fund (UCITS)

I USD (Accumulating)

February 2024

Past performance does not predict future returns.

Terms	
Size (€):	682m
Fund Inception:	13.08.2013
Fund Domicile:	Ireland
Fund Base Currency:	EUR
Dealing Frequency:	Daily
SFDR Cat.:	Art. 8
MSCI ESG Rating:	AA
ISIN:	IE00BCZNWX44
Management Fee:	0.9%

## Fund Objective

The Algebris Financial Income Fund can invest in the capital structure of financial companies globally, in both equities and fixed income. The objective of the Fund is to maximise income and generate superior risk adjusted returns over an investment cycle by investing in high dividend yielding stocks and bonds. The Fund invests in equities and subordinated debt capital instruments of financial institutions globally, including preference shares and hybrid capital instruments (e.g. Additional Tier 1 securities), which may be rated investment grade or below investment grade.

Investment in the Fund may be suitable for investors with a medium to long term investment horizon.

## ESG Integration

Sustainable Investment Objective	
UN SDG Alignment	
Exclusions - Climate	✓
Exclusions - Ethics	✓
Exclusions - Normative	✓
Best-in-Class Screening	✓
Engagement	✓
Principal Adverse Impacts Considered	✓

Fund Information			
No. of Bonds/ No. of Issuers	109/44	Effective Duration of Bond Allocation	3.2 yrs
No. of Stocks	48	Avg. Rating of Bond Allocation	BBB
Bonds	49.5%	Bonds: Yield to Worst (Gross)	7.6%
Equity	36.3%	Equity: Dividend Yield (Gross)	6.1%
Hedges (delta)	-1.1%	Fund: Yield (Gross)	7.0%

Note: Fund gross yield reflects yield to worst for the bonds and dividend yield for the equities in the portfolio. Avg. Credit Rating is calculated using internal methodology based on major agency ratings and includes all rated bonds and cash. Yields are reported in local currency, gross of fees, and are not specific to share class. Source: Bloomberg Finance L.P., Algebris Investments

Performance Analytics	
Annualised Volatility	14.4%
Sharpe Ratio	0.5
2023 Annual Distribution	6.6%

Note: Figures are based on returns for the I USD (Accumulating) share class, net of management fees and operating expenses and excluding the Dilution Adjustment (currently 15bps). The actual price at which an investor subscribes or redeems shares depends on the Dilution Adjustment applied on the relevant dealing day. Further information is contained in the Prospectus. Performance and costs may increase or decrease as a result of currency and exchange rate fluctuations.

Annual Distribution refers to the equivalent distributing share class (Id USD).

Share class inception date: 26 October 2017

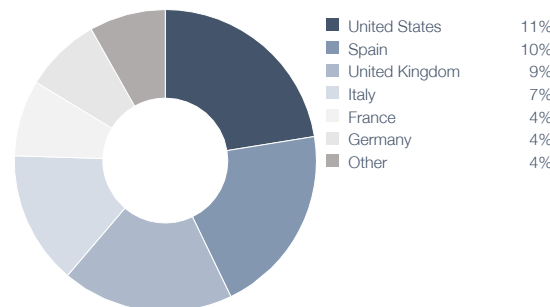
Source: BNP Paribas Fund Administration Services (Ireland) Limited, Morningstar

Performance													
Cumulative Returns (%)									Annualized Returns (%)				
	YTD	1 Mo.	3 Mo.	6 Mo.	1 Yr.	3 Yrs.	5 Yrs.	ITD		1 Yr.	3 Yrs.	5 Yrs.	ITD
Fund	2.50	1.10	6.78	11.16	9.99	33.00	73.92	66.08	Fund	9.99	9.97	11.70	8.32
Calendar Year (%)													
	2023	2022	2021	2020	2019	2018							
Fund	16.53	-0.89	20.61	5.21	28.21	-15.13							

Note: The monthly performance shown above is supplementary to the complete calendar year and or quarter end performance data. Returns are net of management fees and operating expenses but exclude the Dilution Adjustment (currently 15bps). The actual price at which an investor subscribes or redeems shares depends on the Dilution Adjustment applied on the relevant dealing day. Further information is contained in the Prospectus. Prices are published daily on Bloomberg. Performance and costs may increase or decrease as a result of currency and exchange rate fluctuations.

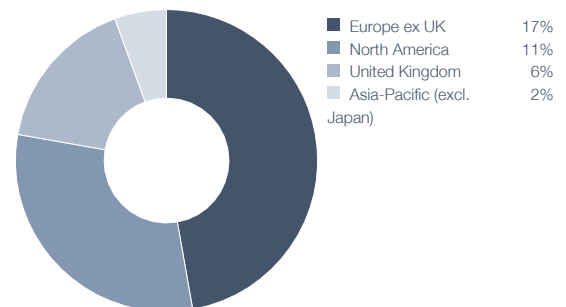
Source: BNP Paribas Fund Administration Services (Ireland) Limited, Morningstar

## Bonds - Exposure by Country



Exposure includes long bond positions.  
Source: Algebris Investments

## Equities - Exposure by Region



Exposure includes long equity positions.  
Source: Algebris Investments

This is a marketing communication. Please refer to the Prospectus and Supplement of the Fund and to the KID/KIID before making any final investment decision. Fund documents can be found at [www.algebris.com](http://www.algebris.com).

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Top 5 Equity Holdings	
Rank	Issuer name
1	BNP Paribas
2	Santander
3	Standard Chartered
4	Barclays
5	Equitable Holdings

Source: Algebris Investments

Top 5 Bond Holdings	
Rank	Issuer name
1	Barclays
2	Deutsche Bank
3	Santander
4	Intesa Sanpaolo
5	BBVA

Source: Algebris Investments

## About Algebris

Algebris Investments is a global investment manager with a historical focus on the financial sector across the capital structure. Founded in 2006, Algebris has gradually expanded its expertise and entered the global credit, Italian equity and green transition space to capture a broader set of value opportunities. Algebris has a team of 46 investment professionals and manages EUR 22.7bn AUM (inclusive of committed capital), split between credit and equity investments (data as of 29.02.2024).

Algebris (UK) Limited is authorised and regulated by the Financial Conduct Authority. Algebris Investments (US) Inc. is a SEC registered Investment Adviser. Algebris Investments (Ireland) Limited is authorised and regulated by the Central Bank of Ireland. Algebris Investments (Asia) Pte Ltd is a Licensed Fund Management Company with the MAS. Algebris Investments K.K. is licensed by Financial Services Agency.

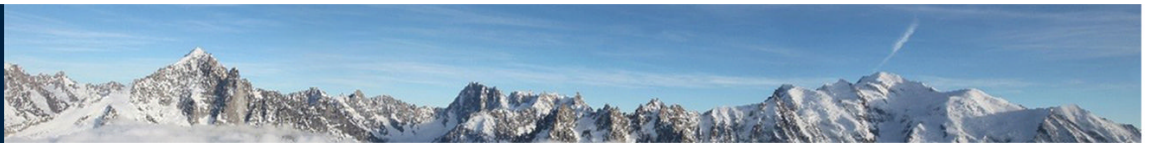
[www.algebris.com](http://www.algebris.com)

## Fund Details

Share Classes			Identifiers	
Class	Currency	Minimum Initial Investment	ISIN	BBG ticker
I	EUR	€500,000	IE00BCZNWT08	AFIIEUR ID
	GBP	GBP equivalent of €500,000	IE00BCZNWW37	AFCIIGB ID
	USD	USD equivalent of €500,000	IE00BCZNWX44	AFCIIUS ID
	CHF	CHF equivalent of €500,000	IE00BCZNWW20	ALGFIC ID
	SGD	SGD equivalent of €500,000	IE00BYYJYN11	ALGFIS ID
	JPY	JPY equivalent of €500,000	IE00BD71WT90	ALGFIJ ID
Id	EUR	€500,000	IE00BCZNWY50	AFIDEU ID
	GBP	GBP equivalent of €500,000	IE00BCZNX087	AFCIDGP ID
	USD	USD equivalent of €500,000	IE00BCZQ7R24	AFCIDUS ID
	CHF	CHF equivalent of €500,000	IE00BCZNWZ67	AFCIDCH ID
	SGD	SGD equivalent of €500,000	IE00BYYJYP35	ALGFIDS ID
	JPY	JPY equivalent of €500,000	IE00BD71WW13	ALFIIDJ ID
R	EUR	€10,000	IE00BCZQ7T48	AFIREUR ID
	GBP	GBP equivalent of €10,000	IE00BCZNX194	AFCIRGB ID
	USD	USD equivalent of €10,000	IE00BCZNXN11	AFIRUSD ID
	CHF	CHF equivalent of €10,000	IE00BCZQ7S31	AFIRCHF ID
	SGD	SGD equivalent of €10,000	IE00BYYJYJ74	AFIRSGD ID
	JPY	JPY equivalent of €10,000	IE00BD71WW20	ALGFIJR ID
Rd	EUR	€10,000	IE00BCZNX202	AFCIRDE ID
	GBP	GBP equivalent of €10,000	IE00BCZNX319	AFCIRDG ID
	USD	USD equivalent of €10,000	IE00BCZNX426	AFCRDUD ID
	CHF	CHF equivalent of €10,000	IE00BD3D0179	AFCRDCH ID
	SGD	SGD equivalent of €10,000	IE00BYYJYM04	AFIRRDS ID
	JPY	JPY equivalent of €10,000	IE00BD71WX37	ALFIRDJ ID

## General Risks

- As the Fund invests in debt securities (e.g. bonds) it is subject to credit risk (the risk of a bond issuer failing to pay) and interest rate risk (the risk of changes in interest rates).
- The strategy employed may result in the NAV exhibiting a high level of volatility. The Fund may be leveraged which can potentially increase losses. This Fund may invest in contingent convertible securities. These securities have unique risks, for example, due to equity conversion or principal write-down features which are tailored to the issuing entity and its regulatory requirements, which means the market value of the securities may fluctuate. Additional risk factors associated with contingent convertible securities are set out in the Fund's Prospectus. There is no secondary market for investments in the Fund and none are expected to develop. The Fund may lack diversification. The Fund's high fees and expenses may offset the Fund's trading profits.
- The Fund can invest in equities which may be affected by market risk (the risk of an investment losing its value due to changes in economic conditions).
- The Fund can invest in emerging markets. Such markets carry additional risks such as political instability, weaker auditing and financial reporting standards and less government supervision and regulation.
- The Fund's investments may be in currencies other than Euros. The impact of this is that as the value of a currency rises or falls it can have a positive or negative impact on the value of the Fund's investments.
- The Fund can invest in Financial Derivative Instruments (FDI). These instruments have additional risks such as legal risk or liquidity risk (the inability to sell the contract due to lack of buyers in the market). These risks can have adverse impacts on the overall value of the Fund.



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- Sustainability risks may adversely affect the returns of the Fund. A sustainability risk is an environmental, social or governance (ESG) event that if it occurs, could cause an actual or potential material negative impact on the value of the Fund's investment. The Fund's investments are also exposed to the risk of losses resulting from reputational damage an issuer may face in connection with an ESG event.
- For a complete overview of all risks attached to this fund, refer to the section entitled "Risk Factors" in the Supplement and Algebris UCITS Funds plc Prospectus.

Note: When an investor purchases or sells shares, an additional charge called Dilution Adjustment may be payable respectively on net subscriptions for shares and net redemptions of shares from the fund in order to cover the costs incurred by the fund in buying or selling investments. The level of the Dilution Adjustment can vary over time and can reach up to 0.75%. Further information on the Dilution Adjustment can be found in the Supplement and Algebris UCITS Funds plc Prospectus.

## Important Information

Algebris Financial Income Fund (the "Fund") is a sub-fund of Algebris UCITS Funds plc (the "Company") an investment company with variable capital incorporated with limited liability in Ireland with registered number 509801 and established as an umbrella fund with segregated liability between sub-funds pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) 2011. Algebris Investments (Ireland) Limited is the UCITS Management Company of the Fund. Algebris Investments (Ireland) Limited is authorized and regulated by the Central Bank of Ireland. Algebris (UK) Limited is the Investment Manager, Distributor and Promotor of the Fund. Algebris (UK) Limited is authorised and regulated in the UK by the Financial Conduct Authority. The fund administrator is BNP Paribas Fund Administration Services (Ireland) Limited and the fund depositary is BNP Paribas Dublin Branch.

The value of Shares in the Fund ("Shares") is not guaranteed and the value of such Shares can reduce as well as increase and therefore the return on investment in the Shares will be variable. Changes in exchange rates may have an adverse impact on the value price or income of the Shares. The difference at any one time between the sale and repurchase price of Shares means that the investment should be viewed as medium to long term. Past Performance is not a reliable guide to future performance. Neither past experience nor the current situation are necessarily accurate guides to the future growth in value or rate of return. The strategy employed by the Fund may result in the NAV exhibiting a high level of volatility and therefore may be subject to sudden large falls in value, and, if it is the case, investors could lose the total value of the initial investment.

The Company has issued a Prospectus and Key Investor Information Document ("KIID/KIID") with respect to the Fund the English language version of which is available from Algebris (UK) Limited on request and from [www.algebris.com](http://www.algebris.com). Where required under national rules, the KIID/KIID will also be available in the local language of the relevant EEA Member State. Information relating to investor rights including information on access to collective redress mechanisms at EU level and national level, where available, can be found in English at <https://www.algebris.com/cbdr-investor-rights/>. A decision may be taken at any time to terminate the arrangements made for the marketing of the Fund in any EEA Member State in which it is currently marketed. In such circumstances, Shareholders in the affected EEA Member State will be notified of this decision and will be provided with the opportunity to redeem their shareholding in the Fund free of any charges or deductions for at least 30 working days from the date of such notification.

The Fund is considered to be actively managed but not in reference to a benchmark. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units. This Fund may invest in contingent convertible securities. These securities have unique risks, for example, due to equity conversion or principal write-down features which are tailored to the issuing entity and its regulatory requirements, which means the market value of the securities may fluctuate. Additional risk factors associated with contingent convertible securities are set out in the Prospectus. All figures, unless stated otherwise, are as at the last business day of the relevant month showing above. Some of the figures shown in the tables are estimates, provided by Algebris (UK) Limited.

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The Fund SFDR categorisation has been made in accordance with Article 8 of Regulation (EU) 2019/2088 and is subject to change. MSCI ESG Rating produced by MSCI ESG Research. Full disclaimer for the ratings can be found here: <https://www.algebris.com/msci-esg-ratings-disclaimer/>.

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Switzerland: This is a marketing document. The State of the origin of the Fund is Ireland. In Switzerland, the Representative is ACOLIN Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zurich, whilst the Paying agent is Vontobel Ltd, Gotthardstrasse 43, CH-8022 Zurich. The prospectus, the key information documents or the key investor information documents, the fund regulation or the articles of association as well as the annual and semi-annual reports may be obtained free of charge from the representative. Past performance is no indication of current or future performance.

Spain: Algebris Financial Income Fund is a sub-fund of Algebris UCITS Funds Plc. The registration number for Algebris UCITS Funds Plc with the CNMV is 1538, obtained on 16th of December 2016. The Fund Documents are available in the premises of each of the Spanish distributors of the Fund, a list of which is available at the CNMV website ([www.cnmv.es](http://www.cnmv.es)).

Netherlands: Algebris Investments (Ireland) Limited is a management company of undertakings for UCITS within the meaning of the UCITS Directive and is authorised to offer shares in the Algebris Financial Income Fund to investors in the Netherlands on a cross border basis and is registered as such in the register kept by the Dutch Authority for the Financial Markets ("AFM") [www.afm.nl](http://www.afm.nl). The prospectus of the Algebris Financial Income Fund is available at <https://www.algebris.com>.

United States: "Shares in the Fund ("Shares") have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or the securities laws of any of the states of the United States. The Shares are being offered inside the United States in reliance on Regulation D promulgated under the Securities Act and Section 4(a)(2) thereof. The Fund is not and will not be registered as an investment company under the U.S. Investment Company Act of 1940, as amended ("Investment Company Act"). All investors in Shares which are U.S. persons must qualify as "accredited investors" (as defined in Rule 501(a) under the Securities Act) and "qualified purchasers" (as defined in Section 2(a)(51) of the Investment Company Act and the regulations promulgated thereunder)."

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## Glossary

Annualised volatility: The Annualised volatility measures the extent to which returns vary up and down over a given period. The measure is expressed as an annualised value.

Sharpe ratio: The Sharpe ratio measures the performance of an investment adjusting for the amount of risk taken (compared to a risk-free investment). The higher the Sharpe ratio the better the returns compared to the risk taken. Effective Duration: Duration is the price sensitivity (expressed in years) of a fixed income security to a change in interest rates. Effective duration is a duration calculation for bonds that have embedded options. A higher (effective) duration indicates a higher price sensitivity.

Yield to worst: The yield to worst (YTW) is the lowest potential yield that can be received on a bond which can be redeemed by the issuer on a call date which is earlier than the final maturity date. The reported yield is gross of fees and expenses.

Yield to Call: yield to call (YTC) is the return a bondholder would earn, inclusive of coupons and capital appreciation, if the bond is redeemed on the first call date. The reported yield is gross of fees and expenses.

## For further information please contact your financial intermediary.

Algebris Group comprises Algebris (UK) Limited, Algebris Investments (Ireland) Limited, Algebris Investments (US) Inc., Algebris Investments (Asia) Pte. Limited, Algebris Investments K.K. and other non-regulated companies such as special purposes vehicles, general partner entities and holding companies.

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