

IAM EJF Alpha Opportunities

Monthly Newsletter



31 Mar 2021

For professional investors only

Fund Overview

IAM EJF Alpha Opportunities follows a low net Long/Short Equity strategy. The investment objective of the Fund is to achieve attractive risk-adjusted performance returns and to produce capital appreciation over the long-term. It will seek to achieve its investment objective primarily through investments in equity securities in the financial services sector. The Fund will primarily invest in U.S. equity securities issued by financial services entities that are impacted directly or indirectly by:

- (1) Reform of U.S. financial legislation and related policy changes by the U.S. government impacting on financial institutions;
- (2) Recapitalizations and/or restructurings of regulated financial institutions including banks.

Monthly Commentary

IAM EJF Alpha Opportunities was up +3.24% in March (E USD share class, net of fees). This compares to a +4.83% return for the KBW Regional Bank Index over the month. YTD the fund is up +7.94%, while the KBW Regional Bank Index is up +28.87%.

The Fund had strong performance in both March and the first quarter of 2021 as some financial services companies are at the intersection of the "re-opening" trade and value rotation and are beneficiaries of higher interest rates and a steepening yield curve. In March, US bank stocks climbed higher and continued to outperform relative to the broader market. The 10-year Treasury rate increased from 1.41% to 1.74% over the month. EJF's long book (+7.23%) generated strong alpha as its community bank names rallied, outperforming relatively larger cap banks. The short book detracted -3.40%, but contributed positively to performance towards the end of the month when bank stocks fell as Treasury yields slightly retreated from highs. The largest contributors were Origin Bancorp (0.40%), First Citizens (0.34%) and Peapack-Gladstone Financial (0.33%). From a sub sector perspective, community banks continue to drive performance (+3.17%). The gross exposure stood at 123%, down from 139% in the previous month, while the net exposure stood at 21%, up slightly from 17% in the previous month.

As credit fears abate and the regulatory backdrop stabilizes under the Biden administration, EJF believes a favourable operating environment returns. When thinking about the resumption of loan growth and accretive M&A activity, EJF sees a confluence of tailwinds that may propel small and medium sized banks higher over a multi-year period. This may be comparable to what was seen from 2011-2014 following the Global Financial Crisis. In fact, since the bottoming of the sector at the end of the third quarter of 2020, the NASDAQ Bank Index ("CBNK") consisting of small banks has outperformed the large-cap weighted KBW Bank Index ("BKX") by approximately 17 percentage points.

Fund Characteristics

Market Capitalisation

- US\$100mn – \$100bn

Average Holding Period

- 12-24m Longs
- 3-12m Shorts

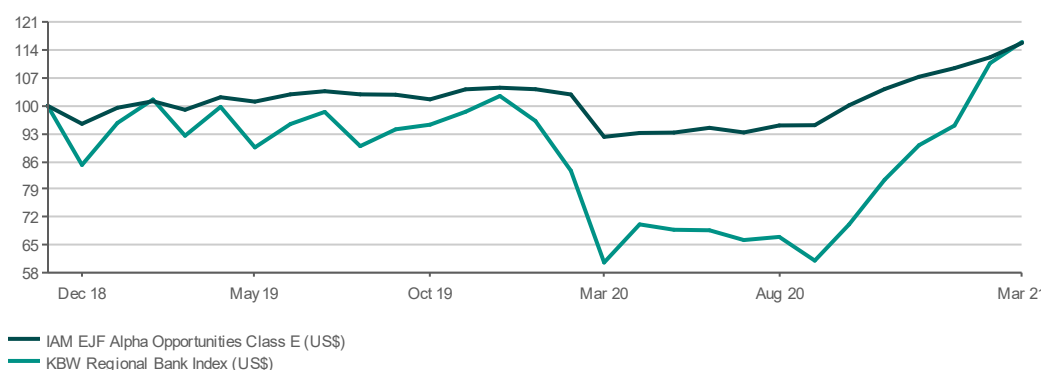
Exposure Range

- -20 to +20% Net
- 100-150% Gross

Number of Positions

- 25-50 Longs
- 25-50 Shorts

Historical Performance



Historical Monthly Returns – IAM EJF Alpha Opportunities Class E (US\$) (%)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	HFRU EH (%)	KBW (%)
2021	2.02	2.49	3.24	-	-	-	-	-	-	-	-	-	7.95	3.28	28.87
2020	-0.37	-1.26	-10.39	1.07	0.09	1.31	-1.26	1.90	0.06	5.29	4.07	2.97	2.63	0.91	-12.10
2019	4.26	1.64	-2.11	3.17	-1.07	1.80	0.76	-0.77	-0.08	-1.15	2.48	0.41	9.54	6.36	20.38
2018	-	-	-	-	-	-	-	-	-	-	-	-4.56	-4.56	-2.77 ¹	-14.89 ¹

Indices used are HFRU Equity Hedge Index (US\$) and KBW Regional Bank Index (US\$).
¹Dec 2018.

Fund Information

Fund Inception	6 November 2018
Investment Manager/ Distributor	International Asset Management Ltd
Sub-Investment Manager	EJF Capital LLC
IAM EJF Alpha Opps. AuM	US\$79m
EJF Capital Firm AuM	US\$5.9bn (US\$3.5bn incl. CDOs) ¹
Subscriptions	Daily, T-1 Notice, T+3 Settlement
Redemptions	Daily, T-3 Notice, T+3 Settlement

Performance – All Share Classes (UCITS)

Class	ISIN	NAV	MTD (%)	YTD (%)	Since Inc. (%)
E USD (Acc)	IE00BDFXQL70	1,121.50	3.24	7.94	12.15
E EUR (Acc)	IE00BDFXQK63	1,065.71	3.22	7.95	6.57
I USD (Acc)	IE00BDFXQN94	1,096.62	3.09	7.55	9.66
I EUR (Acc)	IE00BDFXQM87	1,045.66	3.06	7.43	4.57

¹As at 31 Dec 2020.
Source: IAM. All data is net of fees.



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Portfolio Analysis

Direction	Contribution (%)
Long	7.23
Short	-3.40
	3.83

Top 5 Contributors	Ticker	Contribution (%)
ORIGIN BANCORP I	OBNK US	0.40
FIRST CITIZENS	FCNCA US	0.34
PEAPACK GLADSTON	PGC US	0.33
CIT GROUP INC	CIT US	0.30
BERKSHIRE HILLS	BHLB US	0.29
		1.66

Top 5 Detractors	Contribution (%)
Short	-0.65
Short	-0.26
Short	-0.22
Short	-0.19
Short	-0.19
	-1.51

Top 5 Long Holdings	Group	Exposure (%)
PEAPACK GLADSTON	Community Banks	3.01
SOUTHERN FIRST	Community Banks	2.99
BANK OF AMERICA	Large Cap Banks	2.70
METROPOLITAN BAN	Community Banks	2.53
FIRST CITIZENS	Regional Banks	2.32

Note: Totals are subject to rounding differences.
Source: IAM.

www.iaminvestments.com

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Portfolio Manager and Firm Background

Jason Ruggiero, Portfolio Manager

Mr. Ruggiero joined EJF at its founding in 2005 and is a partner and member of the Executive Committee. Mr. Ruggiero serves as the primary portfolio manager for equities strategies. Mr. Ruggiero also currently serves on the Board of Directors for TIG Bancorp in Denver, CO and is a member of the JMU College of Education Executive Advisory Council. Mr. Ruggiero also formerly served on the Board of Directors of FB Corporation in St. Louis, MO. Prior to joining EJF, Mr. Ruggiero was an equity trader in FBR's Alternative Asset Investment Group, where he assisted Mr. Friedman in the day-to-day operations of FBR Ashton, L.P., a Long/Short hedge fund. In 2004, Mr. Ruggiero assumed co-portfolio manager responsibilities for FBR Ashton, L.P. Before joining FBR, Mr. Ruggiero was an auditor for Deloitte and Touche in Washington, DC, where he focused on the financial services industry. He holds a BBA in accounting from James Madison University and an MBA in finance from the University of Maryland.

EJF Capital, LLC

EJF Capital LLC was founded in September 2005 and leverages the asset management and capital markets experience of Emanuel J. Friedman, co-founder and former Co- Chairman and Co-CEO of Friedman, Billings Ramsey Group, Inc. ("FBR," later known as Arlington Asset Investment Corporation, NYSE: AI and FBR & Co.), Mr. Friedman has more than 40 years of experience in the U.S. securities industry, including more than 20 years as a hedge fund and private equity portfolio manager. EJF was co-founded by Neal J. Wilson, formerly Senior Managing Director for the Alternative Asset Investment and Private Wealth Management groups at FBR.