

SMD-AM Ares ESG Enhanced Global High Yield Bond Fund (F) USD

SMD-AM FUNDS | MONTHLY FACTSHEET

Data as of 30 September 2024

Investment Objective

Maximise total return, consisting of interest income and capital appreciation, through access to the developed high yield bond markets while promoting, amongst others, certain environmental and social characteristics in compliance with Article 8 of the Sustainable Finance Disclosure Regulation ("SFDR").

Product Description

This product is actively managed and invests in global high yield bonds, principally in the USA and Europe that are typically rated lower than Baa by Moody's or BBB by S&P or equivalently rated by Fitch. The Sub-Fund is actively managed but uses the ICE BofA Global High Yield Constrained Index (Total Return) ("HWOC") as a reference for performance comparison. This product promotes environmental or social characteristics, but does not have as its objective sustainable investment.

Investor Profile

Institutional and wholesale investors seeking to participate in the capital market performance of an actively managed SFDR Article 8 compliant global high yield bond portfolio. The Sub-Fund is therefore suitable for investors who can afford to invest their capital over the longer term.

Key Facts

ISIN [(P) USD]	LU2710802047
Bloomberg Ticker	SMARUFH LX
Sub-Fund Domicile	Luxembourg
Legal Structure	SICAV
LEI	213800IKWO7BJPUD7M73
Regulatory Structure	UCITS
Sub-Investment Manager	Ares Capital Management II LLC ("Ares Capital")
SMDAM (UK) LEI:	213800U65SVAMEAI6V90
Sub-Fund Inception	22 March 2024
Share Class Inception	22 March 2024
Portfolio Managers	Boris OKULIAR, Brian ABDELHADI, Chris MATHEWSON, Kapil SINGH
Base Currency	USD
Available Currencies	USD, EUR, JPY, HKD
Investment Style	Value & ESG Exclusions
EU 2019/2088 SFDR Regs: Article 8	The Sub-Fund is categorised under SFDR as Article 8. The Sub-Fund promotes environmental and social characteristics but does not have a sustainable investment objective.
Reference Benchmark*	ICE BofA High Yield Constrained Index (Total Return) (HWOC)
Number of Holdings	Circa 100 - 150 stocks
Fund AUM (million)**	USD 31.7
Administrator	Brown Brothers Harriman (Luxembourg) S.C.A.
BBH LEI	222100V03Y766EM5TZ83

* For performance comparison purposes and not to attain the SFDR environmental or social characteristics promoted by this Sub-Fund. **As at 30 September 2024

Investment Information

Investment Management Fee	Founders (F) up to 0.70% p.a. Institutional (I) up to 1.30% p.a. Wholesale (A) up to 1.80% p.a.
Trading Frequency	Daily
Dealing Cut-Off Time (Luxembourg time)	16:00 CET, on the Business Day prior to the relevant dealing date

Daily Fund Performance vs. Reference Benchmark

Performance data for 12 months is not available, therefore, we cannot provide performance data as this would be deemed insufficient to provide a useful indication of past performance.

Fund Performance - Share class: (F) USD as at 30 September 2024

ISIN: LU2710802047 Fund: Net of Fees	July 2024 %	August 2024 %	September 2024 %	3 Months %	12 Months %	2 Years % p.a.	Since Inception % †
SMD-AM Ares ESG Global HY Bond Fund (F) USD	-	-	-	-	-	-	-
HWOC (Total Return)	-	-	-	-	-	-	-
Excess Return	-	-	-	-	-	-	-

Top Ten Holdings

	Holding %
Iron Mountain Inc	1.24
CCO Holdings LLC / CCO Holdings Capital Corp	1.19
Summit Materials LLC / Summit Materials Finance Corp	1.18
Howden UK Refinance PLC / Howden UK Refinance 2 PLC / Howden US Refinance LLC	1.16
Sealed Air Corp/Sealed Air Corp US	1.14
CP Atlas Buyer Inc	1.14
CF Industries Inc.	1.13
Scripps Escrow II Inc	1.12
OCI NV	1.12
Specialty Building Products Holdings LLC / SBP Finance Corp	1.11
Total	11.53

Source: SMDAM and Ares Capital, data as at 30 September 2024. Any discrepancies are due to rounding.

† Data shown is for the UCITS SMD-AM Ares ESG Enhanced Global High Yield Bond Fund (F) USD using portfolio month-end weights

Risk Warning: The organisations and/or financial instruments mentioned are for reference purposes only. Material content should not be construed as a recommendation for their purchase or sale.

Performance Disclaimers

Source for all Sub-Fund data is SMDAM, SMDAM (UK) & Ares Capital. Basis for (F) USD share class performance data: NAV based, total return (net of fees), in USD. This information is provided against the ICE BofA Global High Yield Constrained Index (Total Return) (HWOC) to illustrate how the investment fared versus the entire global high yield market. Where indicated, Net of fees refers to: returns reflect the reinvestment of dividends and other earnings and are shown after the deduction of investment management fees.

Performance Risk Warnings

Inception date of SMD-AM Ares ESG Enhanced Global High Yield Bond Fund (F) USD is 22 March 2024.

Risk warning: Past performance is not a reliable indicator of future performance and may not be repeated. An investment's value and the income deriving from it may fall, as well as rise, due to market fluctuations. **Investors may not get back the amount originally invested and may lose money as a result of the investment.** Any minor discrepancies are due to rounding. Performance is shown in USD, the return may increase or decrease as a result of currency fluctuations, and is net of fees (after trading expenses).



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CONTACTS

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Asset Management Company

Sumitomo Mitsui DS Asset Management (UK) Limited, authorised by the UK FCA (FRN: 115126)
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 London EC2M 2AT,
 United Kingdom.
www.smd-am.co.uk

Sub-Portfolio Manager

Ares Capital Management II LLC
 2000 avenue of the Stars 12th Floor,
 Los Angeles CA 90067-4733,
 United States of America

Management Company:

Kroll (Luxembourg) Management Company S.à.r.l.
 AIR Building, 1 rue Jean Piret,
 Luxembourg, L-2350.

Paying / Information Agents:

UK:

FE fundinfo.

Luxembourg: Brown Brothers Harriman (Luxembourg) S.C.A.

Switzerland:

Telco Bank Ltd. Bahnhofstrasse 4,
 6430 Schwyz,
 Switzerland.

The representative in Switzerland is 1741 Fund Solutions Ltd, Burggraben 16, CH-9000 St. Gallen.

The prospectus and the Key Investor Information Document as well as the annual and semi-annual reports may be obtained free of charge from our website: www.smd-am.co.uk

Market and Portfolio Commentary

During September, the fund returned 1.57% on a gross basis, 1.51% on a net versus, 1.57% for the ICE BofA Global High Yield Constrained Index ("HWOC" or the "benchmark") during the month. During the quarter, the Fund returned 4.96% on a gross basis, 4.77% net, versus 4.96% for the benchmark. For September, the top contributor for the month was Scripps Escrow which contributed 16 basis points to performance. Scripps Escrow serves audiences and businesses through a portfolio of local television stations and their associated digital media products. Scripps maintains expectations of an imminent BounceTV sale of over \$300 million that would be a de-leveraging event with proceeds in Q4'24. The bottom contributor for the month was Grupo Antolin-Irausa, S.A. ("Antolin"), which detracted 4 basis points during the month. The Company is a manufacturer in the car interiors market internationally and a worldwide supplier of headliner substrates. Antolin traded down in sympathy with the broader European automotive market which had announced a series of profit warnings from some issuers, facing challenges in China, one of their largest markets, as a result of China's economic slowdown and an increase in competition from local rivals.

Portfolio positioning largely remained the same throughout the month with some general trading based on relative value with smaller moves out of single-B rated assets into BB-rated to lengthen duration at the margin. Lastly, we added a few more USD names to bring the portfolio's currency distribution generally in line with global benchmark, noting the relative resilience in the U.S. economy.

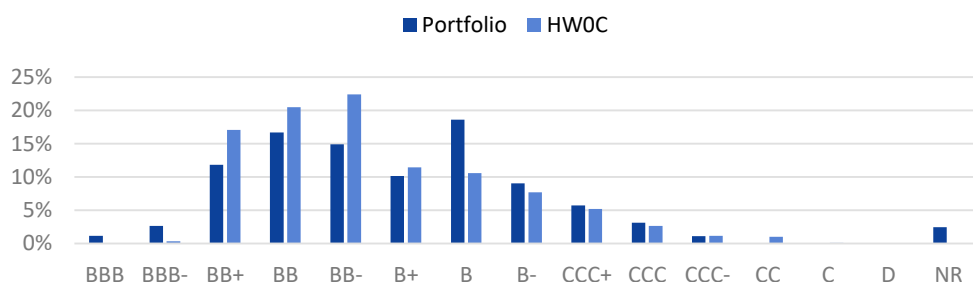
Performance data shown in USD terms. Past performance is not a reliable indicator of future performance and may not be repeated. An investment's value may fall as well as rise and may be subject to currency fluctuations. Investors may not get back the amount originally invested

Top 10 Industry Exposures



Source: SMDAM and Ares Capital as at 30 September 2024.

Credit Rating Exposures



Source: SMDAM and Ares Capital as at 30 September 2024.

The exposure weights of the UCITS SMD-AM Ares ESG Enhanced Global High Yield Bond Fund (F) USD are calculated using portfolio month-end weights.

Institutional (F & I share class)***

Share Class	ISIN	Minimum investment amount *	Subsequent investment amount *
F, USD	LU2710802047	USD 5,000,000	USD 50,000
I, USD	LU2710801825	USD 300,000	USD 50,000

Wholesale (A share class)***

Share Class	ISIN	Minimum investment amount *	Subsequent investment amount *
A, USD	LU2710801742	USD 2,000	USD 1,000
A, EUR (UH)	LU2710800934	USD 2,000	USD 1,000
A, HKD (UH) (S*2) **	LU2710800264	USD 2,000	USD 1,000

(H) indicates hedged share class. (UH) indicates unhedged share class.

* USD or the equivalent in other currencies | ** indicates the share class is Income whereas all others are Accumulation

*** Please refer to the Prospectus for other available share classes | S*2 indicates the share class has Semi-Annual Distribution

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The KID, the prospectus and the most recent annual report and the latest semi-annual report, if published thereafter, are the only binding basis for the purchase of shares and investment decisions should be based solely on this. The documents can be obtained free of charge at Sumitomo Mitsui DS Asset Management (UK) Limited, and on <http://www.smd-am.co.uk/>. Sumitomo Mitsui DS Asset Management (UK) Limited suggests that you read the KID, the prospectus and the last annual report or semi-annual report and that you contact a professional adviser for personalised advice before deciding on any investment. Sumitomo Mitsui DS Asset Management (UK) Limited assumes no responsibility for the use of this document or its contents. This document does not contain any representation made by the management company of the Sub-Fund. Opinions and data expressed herein are subject to change without notice.

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This is a marketing communication. Please refer to the prospectus of the UCITS and to the KID before making any final investment decisions.

The Sub-Fund is making disclosures as an Article 8 fund for the purposes of the SFDR.

