KAIROS

KIS FINANCIAL INCOME

MARCH 2025

Key Facts

Fund Inception Date

3 July 2017

Fund AUM

€ 555.97 mln

Kairos AUM (1)

€ 6.36 bn

Investment Objective

Kairos International Sicav - Financial Income aims to achieve capital growth in the medium to long term by investing in the bond market, particularly in subordinated debt securities

ESG approach

The Sub-Fund promotes environmental and social characteristics and, therefore, is subject to the disclosure obligation pursuant to art. 8 of Regulation (EU) 2019/2088. Further information is available here and in the prospectus.

Synthetic Risk and Reward Indicator (SRI)

1	2	**3**	4	5	6	7

The SRRI give the historical volatility of the fund unit price on a scale from 1-7, 1-2 being low risk, 3-6 being medium risk, 7 being high risk The full methodology is presented in the KIID.

Legal Status

Kairos International Sicav
Luxembourg Sicav with UCITS Status

Index

70% ICE BofaMLEuro Investment Grade Contingent Capital Index (COCE) + 30% ICE BofaMLEuro Financial Subordinated & Lower 2 Index (EBSL)(From inception to 31.03.2022: 50% COHY + 50% EBSL) (2)

Portfolio Managers

Rocco Bove
Edoardo Noseda

Dealing Information

Settlement

T +0 (Subscriptions)
T +3 (Redemptions)

Liquidity

Daily

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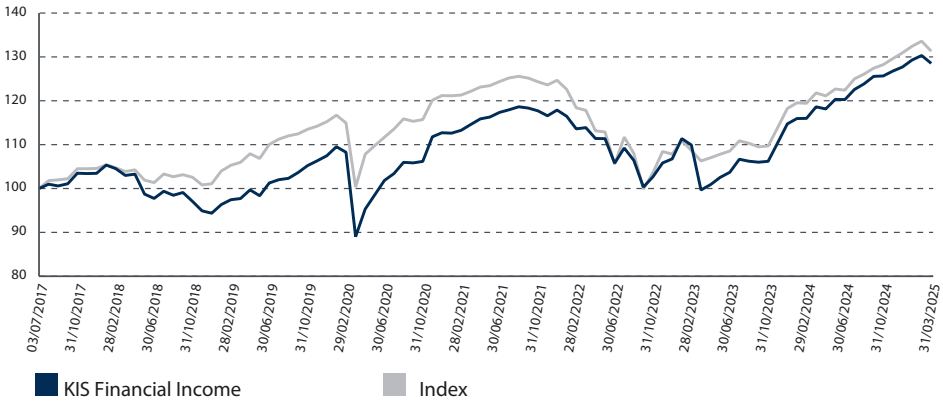
Commentary

In March, the financial markets ended the month on a downturn, burdened by uncertainties surrounding US trade policy. The announcement of tariffs fed worries about a possible increase in inflation and repercussions on international commerce. Additionally, the weakening of US consumer confidence and the increase in expected inflation also influenced attitudes. Europe also saw a drop in its main indexes, although less marked. The European and Italian stock markets continued to outperform the American ones, benefiting from lower exposure to the tech sector, which saw its largest companies suffer significant corrections. Another key element during the month was the divergence between interest rate trends in the US and in Europe. In the United States, bond returns remained relatively stable, while in Europe the cost of debt increased, driven by new fiscal measures and the prospects of greater public intervention in the economy. The BTP - Bund spread remained basically stable. The Brent ended the month slightly up, around USD 75 a barrel. On the other hand, gold continued to rise, ending the month at around USD 3120 per ounce.

KIS Financial Income ended March with negative performance, mainly due to the Financial Sub (Tier 2) and Jr Sub (AT1) components. The cause of this trend can be traced to the notable risk-off tendency which impacted the markets, as demonstrated by the significant oscillation in the VIX. This situation triggered indiscriminate sales of the riskiest assets, with structural consequences for the subordinated debt segment. During the month, it was decided to reduce positions with a duration between 0 and 2 years, which had exhausted their risk-adjusted appeal, in favour of Sub and Jr Sub with longer maturities, specifically between 5 and 7 years. The segment ended the month of March with almost no change in the average duration and yield to maturity still at very satisfactory levels.

Past performance is not reliable indicator of future results

Performance Since Inception



Performance Data

	Fund	Index
Performance month to date	-1.37%	-1.72%
Performance year to date	0.65%	0.28%
Performance since inception	28.53%	31.29%
Annualized performance	3.29%	3.58%
Performance last 12 months rolling	8.35%	7.80%
Average annual performance composed by the last 2 years (3)	13.56%	11.15%
Average annual performance composed by the last 3 years (3)	4.12%	3.67%
Average annual performance composed by the last 5 years (3)	7.62%	5.53%

Statistics

	Fund	Index
Percentage up months	65.59%	65.59%
Percentage down months	34.41%	34.41%
Maximum drawdown	-25.88%	-20.92%
Best month	7.07%	7.47%
Worst month	-17.77%	-12.72%

Other Indicators

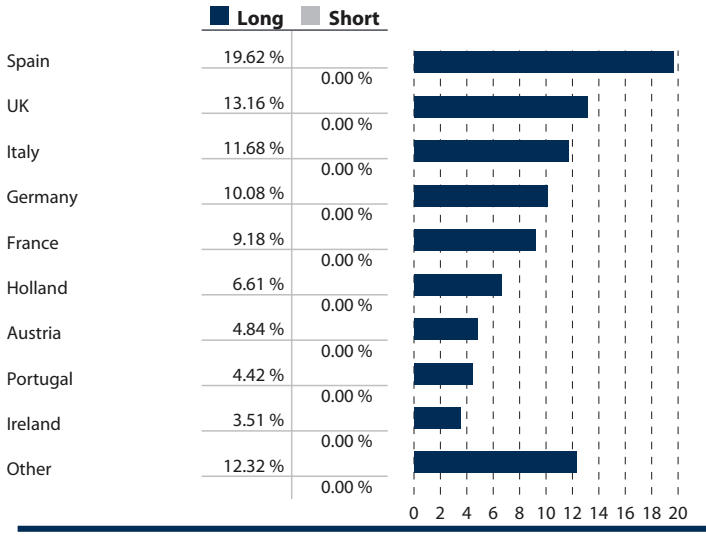
	Fund	Index
Annualized volatility	10.55%	8.89%
Yield to Maturity	6.46%	n.a.
Duration	3.83	

1. Data as at previous month is based on estimates.
2. Source: ICE Data Indices, LLC ("ICE DATA"), is used with permission. ICE DATA, its affiliates and their respective third party suppliers disclaim any and all warranties and representations, express and/or implied.
3. As at last quarter end.

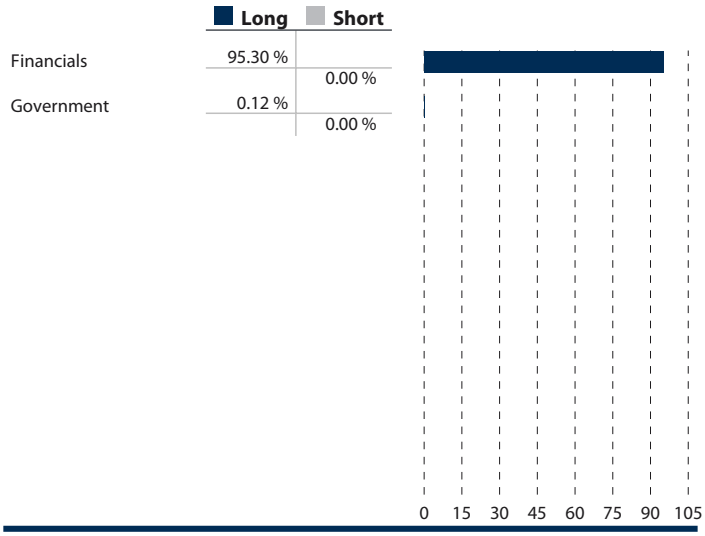
Data as at 31/03/2025 - Kairos data. Quantitative data based on Class P - EUR, unless otherwise specified.

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Country Breakdown



Sector Breakdown



Rating Breakdown

Bond	%Nav
Investment Grade	**29.84 %**
AA	0.12 %
A	0.98 %
BBB	28.73 %
Non Investment Grade	**65.59 %**
BB	61.20 %
B	3.39 %
NR	1.00 %
Total	**95.43 %**

Duration Breakdown

Bond (years)	Corporate	Government	Future	Total
0 - 2	15.54%	0.00%	0.00%	15.54%
2 - 5	52.84%	0.00%	0.00%	52.84%
5 - 7	23.27%	0.12%	0.00%	23.39%
7 - 10	2.84%	0.00%	0.00%	2.84%
>10	0.81%	0.00%	0.00%	0.81%
Total	**95.30%**	**0.12%**	**0.00%**	**95.43%**

Top 5 Holdings

DB 4 5/8 PERP (PERP)	1.59 %
DB 4 1/2 PERP (PERP)	1.47 %
CAZAR 9 1/8 PERP (PERP)	1.39 %
LLOYDS 8 1/2 PERP (PERP)	1.33 %
BBVASM 7 3/4 PERP (PERP)	1.33 %

Exposure

Gross Exposure	95.43 %
Net Exposure	95.43 %
Long Exposure	95.43 %
Short Exposure	0.00 %
Number of positions	177
Number of issuers	70

Seniority Breakdown

Financials	Long	Short	Total
Financials: Sub Tier 1	61.20%		61.20%
Financials: Sub Lower Tier 2	23.17%		23.17%
Corporate: Subordinated	9.00%		9.00%
Financials: Jr Subordinated	0.81%		0.81%
N/A	0.69%		0.69%
Financials: Senior	0.43%		0.43%
Total	**95.30%**		**95.30%**

Historical Performance Class P-USD

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	Index
2025	1.39%	0.92%	-1.19%										1.10%	0.28%
2024	1.19%	0.17%	2.39%	-0.26%	2.05%	-0.07%	2.20%	1.25%	1.51%	0.15%	0.70%	0.78%	12.69%	10.74%
2023	4.74%	-1.36%	-9.07%	1.40%	1.80%	1.29%	3.05%	-0.28%	-0.08%	0.31%	4.12%	4.06%	9.62%	9.67%
2022	-1.12%	-2.39%	0.38%	-2.09%	0.08%	-4.84%	3.39%	-2.36%	-5.52%	2.60%	3.27%	1.13%	-7.68%	-13.52%
2021	-0.01%	0.63%	1.23%	1.18%	0.44%	0.96%	0.56%	0.63%	-0.20%	-0.48%	-0.92%	1.19%	5.30%	2.88%
2020	2.08%	-1.06%	-17.17%	7.27%	3.52%	3.43%	1.64%	2.53%	-0.04%	0.36%	5.30%	0.96%	6.80%	5.17%
2019	2.35%	1.36%	0.50%	2.28%	-1.10%	3.19%	0.98%	0.50%	1.50%	1.76%	1.19%	1.30%	16.92%	13.99%
2018	2.02%	-0.62%	-1.28%	0.51%	-4.17%	-0.78%	1.90%	-0.68%	0.85%	-1.83%	-2.00%	-0.28%	-6.35%	-3.32%
2017									-0.16%	2.49%	0.02%	0.19%	2.54%	2.10%
Total													**45.58%**	**28.19%**

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Historical Performance Class P (EUR)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	Index
2025	1.25%	0.80%	-1.37%										0.65%	0.28%
2024	1.06%	0.03%	2.27%	-0.40%	1.85%	-0.04%	1.92%	1.04%	1.37%	0.08%	0.88%	0.73%	11.30%	10.74%
2023	4.34%	-1.32%	-9.33%	1.23%	1.64%	1.12%	2.87%	-0.42%	-0.21%	0.19%	3.99%	3.88%	7.48%	9.67%
2022	-1.20%	-2.46%	0.25%	-2.18%	-0.03%	-5.02%	3.26%	-2.58%	-5.71%	2.35%	3.06%	0.87%	-9.44%	-13.52%
2021	-0.08%	0.58%	1.17%	1.12%	0.37%	0.90%	0.51%	0.58%	-0.24%	-0.53%	-0.96%	1.12%	4.59%	2.88%
2020	1.92%	-1.16%	-17.77%	7.07%	3.42%	3.31%	1.55%	2.48%	-0.12%	0.32%	5.28%	0.82%	4.88%	5.17%
2019	2.09%	1.15%	0.27%	2.03%	-1.34%	2.96%	0.74%	0.30%	1.28%	1.54%	1.04%	1.08%	13.88%	13.99%
2018	1.82%	-0.77%	-1.48%	0.29%	-4.42%	-0.99%	1.67%	-0.92%	0.64%	-2.05%	-2.23%	-0.56%	-8.79%	-3.32%
2017							0.98%	-0.39%	0.50%	2.37%	-0.08%	0.05%	3.46%	4.57%
Total													**28.53%**	**31.29%**

Available Classes

Class	ISIN	Bloomberg Code	Currency	Management Fee	Performance Fee	Minimum Investment	Country of Distribution
D - EUR	LU1559732265	KAIFIDE LX	EUR	1.60%(4)	None	€ 1,000	LU, IT
P - EUR	LU1559732349	KAIFIPE LX	EUR	0.60%	10% Relative vs 70% COCE + 30% EBSL	€ 15,000	CH, DE, ES, IT, LU, SG.RES(5)
P - USD	LU1615669006	KAIFIPU LX	USD	0.60%	10% Relative vs 70% COCE + 30% EBSL	USD equivalent of € 15,000	CH, DE, ES, IT, LU, SG.RES(5)
P - CHF	LU1615669188	KAIFIPC LX	CHF	0.60%	10% Relative vs 70% COCE + 30% EBSL	CHF equivalent of € 15,000	CH, LU
X - EUR	LU1559732851	KAIFIXE LX	EUR	0.50%	10% Relative vs 70% COCE + 30% EBSL	€ 3,000,000	CH, DE, ES, GB, IT, LU, SG.RES(5)
Y - EUR	LU1615670194	KAIFIYE LX	EUR	0.80%	None	€ 3,000,000	LU
C - EUR	LU1559732182	KAIFICE LX	EUR	0.50%	10% Relative vs 70% COCE + 30% EBSL	€ 30,000	CH, DE, GB, IT, LU, SG.RES(5)
C - CHF	LU1615668883	KAIFICC LX	CHF	0.50%	10% Relative vs 70% COCE + 30% EBSL	CHF equivalent of € 30,000	CH, LU
C - GBP	LU1615668966	KAIFICG LX	GBP	0.50%	10% Relative vs 70% COCE + 30% EBSL	GBP equivalent of € 30,000	CH, LU, GB
C - USD	LU1615668701	KAIFICU LX	USD	0.50%	10% Relative vs 70% COCE + 30% EBSL	USD equivalent of € 30,000	CH, DE, GB, LU, SG.RES(5)
C - USD Dist	LU1762981204	KAIFCUD LX	USD	0.50%	10% Relative vs 70% COCE + 30% EBSL	USD equivalent of € 30,000	CH, LU, SG.RES(5)

Kairos data. Quantitative data based on Class P - EUR, unless otherwise specified.

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4. Inclusive of Distribution fee.
5. In Singapore the distribution is restricted to certain categories of investors. For more information please refer to the latest Singapore Wrapper.

Disclaimer

Please refer to the Prospectus and the Key Information Document (KID) before making any final investment decision. These documents are available in Italian on the website www.kairospartners.com and at the registered office of Kairos Partners SGR S.p.A. ("Kairos") and placement agents, also in a paper copy. A summary of investor rights is available in both Italian and English at https://www.kairospartners.com/sintesi-dei-diritti-degli-investitori-it-en/. Past performance is shown net of expenses borne by the Fund and before taxes. **Past performance does not predict future returns**. The investment concerns the acquisition of shares in the Fund and not a given underlying asset which remains the property of the Fund. The investment implies a risk component, consequently, some or all of the originally invested capital may not be recovered. Exchange rates movements may affect the value of the investment and costs when expressed in a currency other than the investor's reference currency. Information on the features of the Fund and general sustainability aspects (ESG) can be found at www.kairospartners.com/esg/, in accordance with Regulation (EU) 2019/2088. If the Fund is marketed in countries other than the country of origin, Kairos has the right to terminate the marketing agreements based on the withdrawal of notification process provided for by Directive 2009/65/EC.

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