



FAM Alternative Income (USD)

30 Jun 2025

Strategy Description

FAM Alternative Income Fund 'FAI' seeks stable and recurring income that is independent of market performance by investing opportunistically in truly alternative investments, instead of traditional income assets such as equities and bonds. The strategy focuses on performance drivers that make sense and are backed by empirical research.



Alternative
Asset Class



Target 3% Above
Money Market



Income
Rain or Shine



Exclusive Capacity:
'Quality over
Quantity' approach

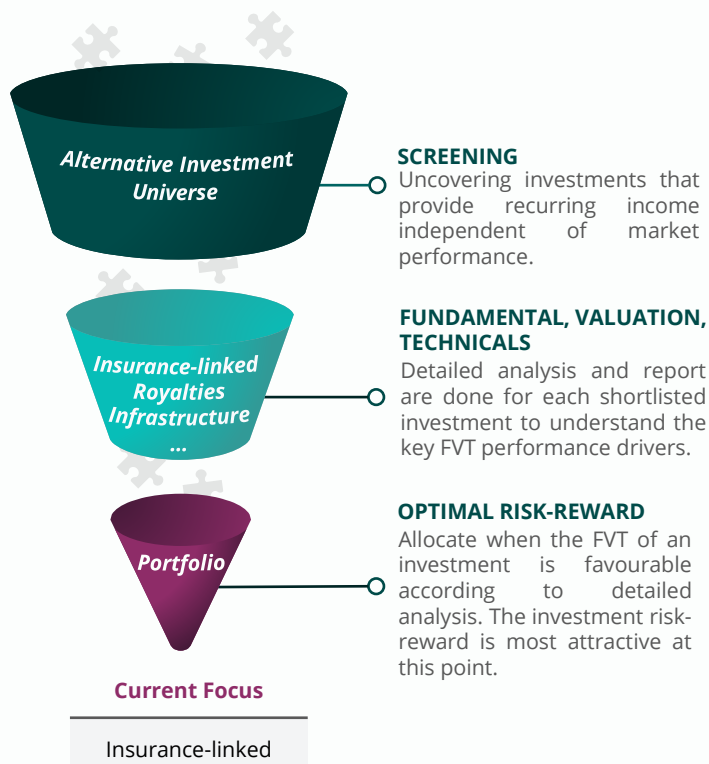
FVT

Fundamental, Valuation,
Technical

Selection Process

Illustration of how we select the right investments:

1 2 3 Portfolio Investment(s)



"Diversify and gain income resilience through targeted exposure to various alternative investments."



Our **Alternative** universe comprises non-traditional investments (other than equities, bonds, and cash) that do not rely on broad market trends to perform

Portfolio Statistics

Average Monthly Return (since fund inception)	0.85
Annual Volatility	3.38
Correlation to Equity ¹	0.23
Correlation to Bonds ¹	0.21
Annual Return over Money Market ²	4.64

Portfolio statistics refers to the strategy composite and the actual performance of FAI. Strategy composite consists of the potential opportunity set considered from 31/12/2002 to 1/11/2022. ¹ Correlation to equity and correlation to bonds are calculated with references to the MSCI World Equity Index and Global Aggregate Bond Index, respectively. ² Return over money market is calculated using gross returns. Statistics shown may not be a good indication of actual performance which can differ meaningfully over shorter time periods.

Historical Performance

Calendar Returns, %

USD A	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2022	-	-	-	-	-	-	-	-	-	-	-	1.08	1.08
2023	1.09	1.07	1.39	1.20	1.04	1.20	1.40	1.27	0.70	1.13	0.47	0.51	13.20
2024	1.34	1.08	0.96	0.47	-0.25	0.71	0.97	1.23	1.19	0.27	0.94	0.96	10.32
2025	0.17	0.08	0.36	0.45	0.33	0.65 ¹							2.06 ¹

Source: Finexis Asset Management. Share class performance is calculated using NAV of the share class with income reinvested and including ongoing charges, excluding any entry and exit fees.

² Manager's estimated return. Monthly estimated returns will be updated in the following month.

Market & Portfolio Developments

Commentary

FAI posted a gain of +0.65% in June, marking its strongest monthly performance so far this year. This is in line with our earlier expectations that FAI's income generation would accelerate in the second half of 2025, particularly if a less than severe hurricane season persists. Indeed, it is also observed that over the past 20 years, performance in the second half of the year has been higher than the first half for our Insurance-Linked Securities (ILS) positions.

FAI's exposure to ILS are tied to infrequent but high-severity natural disasters - such as major hurricanes or earthquakes - rather than economic or geopolitical risks. This structural advantage allows FAI to provide our investors with a steady, uncorrelated income stream, even as others grapple with uncertainty around Trump tariffs and the impact on their investments.

This quarter's performance also reflects the benign catastrophe loss environment in 2025, with no major natural disaster triggering losses - thus preserving investor returns. Looking ahead, we expect this trend to continue as meteorologists have lowered their forecasts for the Atlantic hurricane season compared to last season.

Beyond ILS, we are actively expanding FAI's diversification into other alternative income segments. For instance, Royalties offer different sources of resilient income e.g. music, pharmaceuticals. These assets offer additional sources of uncorrelated yield, further insulating the strategy from market cycles. Music-royalties generate predictable, long-term cash flows tied to streaming and licensing demand, while Pharma-royalties generate income from medical formulas with proven commercial viability. These complement FAI's ILS exposure, enhancing its risk-adjusted return profile.

FAI's 12-month trailing returns stand at 7.8%. As context, current money market (MM) rate is 4.4%, meaning it continues to deliver meaningful yield pickup over cash equivalents. Since inception it has also compounded better than investment grade bonds with much lower volatility. This consistency underscores the strategy's role as a stabilizing component within a broader portfolio. As we move into the latter half of 2025, we remain focused on selective deployment into high-conviction alternative income opportunities, ensuring FAI maintains its track record of low volatility and uncorrelated high income.

Fund Details

Item	Class A
Currency	USD
ISIN (USD Class)	SGXZ97877740 (Distribution)
Min. Subscription	USD 400,000
Min. Subsequent Subscription	USD 10,000
Management Fee	1.2%
Fund Name	FAM Alternative VCC Income Fund
Dealing Frequency	Monthly
Inception Date	1 Dec 2022
Fund Focus	Alternative Income
Fund Domicile	Singapore
Investment Manager	Finexis Asset Management
Fund Administrator	ASCENT Fund Services (Singapore) Pte. Ltd.
Custodian	Standard Chartered Bank (Singapore) Limited
Broker	Standard Chartered Bank (Singapore) Limited
Auditor	PwC LLP

Dividend Distribution

Strategy launch: 1 November 2022
 Distribution frequency: Monthly
 Objective: Steady alternative income independent of traditional markets. Current payout target of Money Market + 3%.

		A USD Class		
Ex-Dividend Date	Distribution Date	Payout Amount (US\$ / Unit)	Ex-Date Nav (US\$)	Annualized Dividend Yield (%)
30 Jun 2025	18 Jul 2025	0.61	105.893*	7.14%
30 May 2025	18 Jun 2025	0.61	105.815	7.14%
30 Apr 2025	19 May 2025	0.61	106.079	6.74%
28 Mar 2025	21 Apr 2025	0.68	106.210	7.91%
28 Feb 2025	18 Mar 2025	0.68	106.504	7.94%
31 Jan 2025	18 Feb 2025	0.68	107.103	7.89%
31 Dec 2024	20 Jan 2025	0.71	107.604	8.21%
29 Nov 2024	18 Dec 2024	0.71	107.281	8.24%
30 Oct 2024	18 Nov 2024	0.71	106.982	8.26%
30 Sep 2024	18 Oct 2024	0.63	107.400	7.27%
30 Aug 2024	18 Sep 2024	0.63	106.755	7.32%
31 Jul 2024	18 Aug 2024	0.63	106.082	7.36%
28 Jun 2024	18 Jul 2024	3.80	105.687	7.32%
29 Dec 2023	22 Jan 2024	3.80	104.901	7.38%
30 Jun 2023	21 Jul 2023	5.40	101.487	10.92%

Glossary

- Ex-Dividend Date: The date which you will be entitled to a recently announced dividend if you have units held.
- Distribution Date: Payable date for cash dividends.
- *NAV calculated based on the manager's estimates. The actual NAV will be updated in the following month.
- Prior to August 2024, payouts were made for 6 months of net distributable income, with subsequent dividend distributions paid monthly.
- 21 Jul 2023 payout includes a special bonus dividend.

About FAM: Finexis Asset Management is a Capital Markets Services (CMS) licensed fund management company established in Singapore, focusing on bringing institutional capabilities to private clients. The boutique set-up ensures that we are flexible, responsive and proactive. We embrace the latest technology and constantly improve our processes to complement our investment solutions. Constant evolution to fulfil our investor's needs is ingrained in our beliefs.

For professional and accredited investors only. For fund and sales related enquires please reach out to your finexis financial advisor representative or email us at customer.service@finexisam.com

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