

United Capital Global Fixed Income Fund

Mutual Funds Factsheet | August 2025

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FUND OBJECTIVE

The United Capital Global Fixed Income Fund is an actively managed open-ended specialized fund whose main objective is to achieve consistent income streams through investment in select dollar-denominated global Fixed income securities issued by non-Nigerian issuers, sovereign as well as top-tier corporate Eurobonds. The fund is targeted at investors looking to diversify their portfolios from country specific investment risks.

The Fund will also provide portfolio managers access to diversify their portfolio and income streams whilst providing long-term capital appreciation. The minimum investment is \$50,000 and multiples of \$1,000 thereafter.

MARKET REVIEW, OUTLOOK AND STRATEGY

Investors' sentiment in global bond markets in August was shaped by Central Banks' policies and evolving changes in trade tariffs initiated by the US President. Early in the month, signals of interest rate cut from the US Federal Reserve including the Bank of England's (BoE) rate cut from 4.25% to 4.00% and the People's Bank of China (PBoC's) decision to hold rates supported a rally in global debt, with yields easing across maturities. Comments from the major Central Bankers at the Jackson Hole symposium further fueled optimism for potential policy easing. Demand for Treasuries and gold remained resilient amid ongoing geopolitical and inflation concerns. In his final speech at the annual Jackson Hole confab, Federal Reserve Chair Jerome Powell signaled an openness to easing policy in September citing labor market softness while maintaining vigilance on tariff-driven inflation. His remark increased the likelihood of a rate cut when the Federal Open Market Committee (FOMC) of the US Fed meets on 16 -17 September. The rate cut will have significant implications for the US bond market. Mr. Powell's Jackson Hole speech triggered a rally in Treasuries, with yields falling most notably at the short end as markets priced in a higher likelihood of a September Fed rate cut. The move pushed the curve to steepen slightly, reflecting expectations of easier policy ahead.

In the UK, BoE cut its policy rate by 0.25% to 4.00% in a close 5-4 vote, marking its 3rd -rate reduction in 2025 to support economic growth. This may redirect some portfolio flows toward higher-yielding frontier and emerging markets such as Nigeria, potentially boosting demand for Nigerian Eurobonds and local fixed-income securities. The BoE's August Report projects CPI inflation to rise to around 3.75% in H2 2025, peaking at 4.0% in September, slightly above forecast. This will be driven by higher energy, food, and services costs, partly offset by softer core goods inflation.

Looking ahead, global bond yields are likely to remain under downward pressure through September. This will be driven by expectations of a Federal Reserve rate cut, continued dovish signals from the BoE, and a neutral policy stance by the PBoC. However, volatility is expected to persist, with yields trading in a wider band as investors weigh sticky core inflation against signs of labor market fragility and geopolitical uncertainty. While global monetary policy remains cautiously accommodative, downside risks from tariff-driven inflation and weaker global demand remain material.

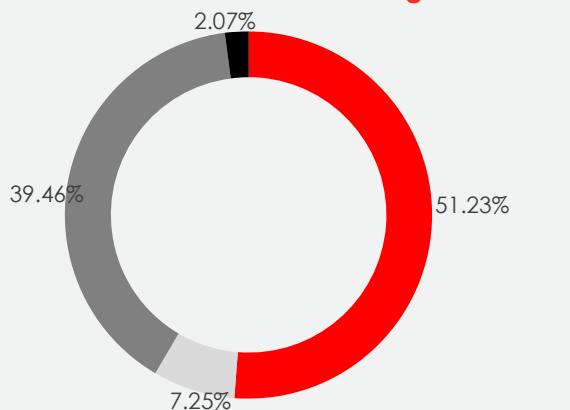
FUND FEATURES

| | |
|-----------------------------------|-------------------------------------|
| Fund Manager | United Capital Asset Management Ltd |
| Investment Manager Rating | A+(IM) |
| Base Currency/Start Year | USD/2023 |
| Fund Size (\$) | 118.3Mn |
| NAV Per Share (\$) | 1.2137 |
| Minimum Investment(\$) | 50,000 |
| Additional Investment (\$) | 1,000 |
| Structure | Open Ended |
| Minimum Holding Period | 180 days |
| Management Fee | 2.00% |
| Total Expense Ratio* | 2.3% |
| Benchmark | 3-yr FGN sovereign Eurobond |
| Risk Profile | Medium |
| Investment Style | Income Oriented |

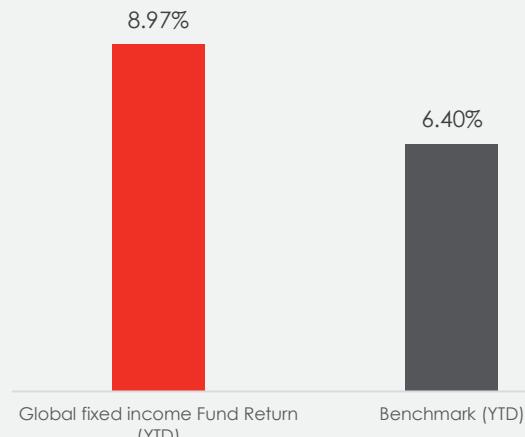
* Inclusive of management fee; Returns are net of all fees

MATURITY PROFILE OF ASSETS

| | |
|--------|--------|
| <1yr | 47.32% |
| 1-3yr | 1.97% |
| 3-5yr | 16.61% |
| 5-10yr | 22.12% |
| >10yr | 11.98% |

Current Portfolio Holdings**Governance Asset Allocation Ranges:**

Nigerian Eurobonds- FGN Sovereign and Corporates (50%-70%); Money Market Instruments (30% - 50%) Global Fixed Income securities(0%-20%), Alternative Investment Assets denominated in USD (0%-20%)

Global Fixed Income Fund Return Vs Benchmark (Annualized)**RETURN HISTORY**

| | FY 2023 | FY 2024 | 2025 YTD |
|-------------------------------|---------|---------|----------|
| UCAP Global Fixed Income Fund | 8.64% | 9.20% | 8.97% |
| Benchmark | 8.43% | 8.62% | 6.40% |

*Represents the Fund's Annualized Return vs the Benchmark's Annualized Return

PERFORMANCE REVIEW

The United Capital Global Fixed Income Fund returned a year-to-date annualized return of 8.97%, compared to the benchmark return of 6.40%.

Positive sentiment improved in the global fixed income space on the back of reduced uncertainties from geopolitical tension, and expectation of rate cut by the US FED. Jerome Powell in his speech signaled possible easing at the next meeting, citing labour softness and monitoring the effect on tariff on inflation. Yields declined in the fixed income space, with the Emerging Markets and SSA region witnessing significant buy interest as prices rises.

The expected rate cut in the US as well as current stance of central banks in other developed economies is expected to signal a bullish trend in Emerging Markets and SSA in the short-term highlighting a lower yield in Eurobond due to increase demand from foreign investors. In the long run we expect that the SSA region including Nigeria would experience an increase in portfolio flows, increasing the demand high yielding instruments. We expect increased buy interest to continue to pull down yields globally, especially in the SSA Eurobond space.

We will continue to maintain the required allocation ranges in line with the Trust Deed and tactically pick higher yielding maturities in the sovereign bond space to enhance the fund return.

WHY CHOOSE THE FUND?

- Delivers significantly higher returns than regular domiciliary bank deposits
- A good hedge against depreciation of the Naira
- Seamless Entry and Exit
- Professional management with robust risk framework
- Long term capital preservation and growth

INVESTMENT RISK

- Credit Risks
- Macroeconomic instability
- Interest Rate Risk

HOW TO PARTICIPATE

1. Log in to our online platform www.investnow.ng
2. Click on "Global fixed income Fund"
3. Click on "Open an account" and complete the online form
4. Fund the Custody Account detailed here:

UNITED CAPITAL GLOBAL FIXED INCOME FUND

Account Name: EAC Trustees/ United Capital Global Fixed Income Fund

Account No: 0045814566

Currency: USD

Bank: STANBIC IBTC

Correspondence: Citibank N.A 111 Wall Street, New York N/A

Swift Code: CITIUS33XXX ABA 021000089



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