Flossbach von Storch - Bond High Conviction - ET

INVESTMENT STRATEGY

Flossbach von Storch - Bond High Conviction is a globally diversified, flexible and growth-orientated bond fund with an active investment approach that focuses on corporate bonds, government bonds and covered bonds. Investments in convertible bonds (including Coco Bonds) and bonds without maturity are also possible. The offensively orientated fund flexibly exploits the opportunities of the entire bond market. Investments in bonds with investment grade up to sub-investment grade (minimum: CCC rating) are possible; unrated issues are analysed in-house. A maximum of 75 per cent of the portfolio can be invested in bonds without an investment grade rating. Foreign currency risks are taken up to a maximum of 20 per cent of the portfolio. Securities are selected as part of a fundamental research and analysis process. The investment strategy includes in-house valuation models, ESG integration and engagement. Exclusion criteria defined as part of the sub-fund's investment policy are also taken into account.

The sub-fund is actively managed and not based on an index as a reference basis. The composition of the portfolio is determined by the fund manager exclusively in accordance with the criteria defined in the investment policy and is regularly reviewed and adjusted if necessary. The sub-fund is categorised as an Article 8 product within the meaning of the Disclosure Regulation (EU) 2019/2088 (SFDR).

For detailed information on the objectives and investment policy, please refer to the current sales prospectus and the key information document (PRIIP-KID).

In accordance with regulatory requirements, we are not permitted to provide performance figures for this share class, as no full calendar year is yet available.

FUND DETAILS

WKN	A41XG4
ISIN	LU3253383346
Domicile	Luxembourg
SFDR Category	Article 8
Share class	ET
Fund currency	EUR
Launch date	30 December 2025
Financial year end	30 September
Income utilisation	2.0
Authorised for distribution	AT, CH, DE, IT, LI, LU
Fund type	UCITS / FCP
Fund assets [2]	276.89 million EUR
Redemption price	97.02 EUR
Minimum initial investment	none
Minimum subsequent investment	none
Costs [1]	
Ongoing charges	1.34 % p.a.
which includes a management fee of	1.17 % p.a.
Transaction costs	0.26330 % p.a.
Performance fee	none
Redemption fee	0.00 %
Exchange commission (based on the unit value of the units to be purchased for the benefit of the relevant Distributor)	up to 3.00 %
Subscription fee	up to 3.00 %

Management company

Flossbach von Storch Invest S.A.
2, rue Jean Monnet
2180 Luxembourg, Luxembourg
www.fvsinvest.lu

Depositary

BNP PARIBAS, Succursale de Luxembourg
60, avenue J.F. Kennedy, L-1855 Luxembourg, Luxembourg

[1] In addition to the management fee, the fund is charged further costs such as transfer agent fees, transaction costs, and various other charges. Further information about ongoing and one-off costs can be found in the key information document (PRIIP-KID), the sales prospectus, and the most recent annual report.

[2] Until 30 December 2025, the performance was simulated using the performance of the IT share class (LU3072257606) of the Flossbach von Storch - Bond High Conviction sub-fund. Any differences in the remuneration structure were taken into account in the simulation. Both the IT share class and the ET share class have the same investment policy.

* YTD: Most recent month-end performance since the beginning of the year
YTQ: Performance since the beginning of the year to the end of the most recent quarter

Flossbach von Storch - Bond High Conviction - ET

TOP 10 GUARANTORS (IN %)

1.	United States of America	9.73 %
2.	New Zealand	6.95 %
3.	Kingdom of Spain	5.05 %
4.	Amazon.com Inc.	3.39 %
5.	Alphabet Inc.	3.36 %
6.	ING Groep N.V.	2.31 %
7.	Deutsche Telekom AG	2.20 %
8.	Schneider Electric SE	1.96 %
9.	BayernLB Holding AG	1.89 %
10.	Coöperatieve Rabobank U.A.	1.68 %
Total		38.52 %

Source: Depositary and Flossbach von Storch, status: 31.10.26

The portfolio currently contains 253 securities.

TOP 10 SECTORS (IN %)*

1.	Financials	21.00 %
2.	Consumer Discretionary	12.58 %
3.	Industrials	12.06 %
4.	Communication Services	11.30 %
5.	Consumer Staples	9.69 %
6.	Real Estate	9.65 %
7.	Information Technology	6.74 %
8.	Energy	5.09 %
9.	Materials	4.78 %
10.	Utilities	4.22 %
Total		97.11 %

Source: Depositary and Flossbach von Storch, status: 31.10.26

*based on bonds excluding government bonds

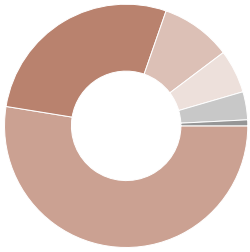
CREDIT RATING ALLOCATION (IN%)

AAA	21.36 %
AA	22.64 %
A	27.34 %
BBB	22.19 %
BB	3.73 %
B	2.28 %
NR	0.46 %

Source: Depositary and Flossbach von Storch, status: 31.10.26

A simplified ratings scorecard is used when determining the rating. Trends (+/-) are not taken into account in this process.

ASSET ALLOCATION (IN %)



- 53.39 % Corporate bonds
- 28.22 % Government bonds
- 9.54 % Covered bonds
- 5.86 % Convertible bonds
- 3.79 % Cash
- -0.80 % Other (incl. derivatives)

Source: Depositary and Flossbach von Storch, status: 31.10.26

KEY FUND FIGURES

Average Yield to Maturity	4.37 %
Duration	10.39 years

Source: Depositary and Flossbach von Storch, status: 31.10.26

MONTHLY COMMENTARY

In October, global bond markets recovered – albeit with significant divergence beneath the surface. Central banks on both sides of the Atlantic kept their key interest rates unchanged at their October meetings and, on the whole, provided little new impetus. Despite energy prices continuing to rise, prices of German Bunds and US Treasuries recovered noticeably from the yield highs seen at the end of September. In the five-year maturity segment, yields on German Bunds and US Treasuries fell by around 20 basis points (bps) and just over 35 bps, respectively. In addition to what we consider to be the undervaluation of high-quality bonds, recent developments increasingly reflect concerns about a possible bursting of the AI bubble in the USA and the fact that the ECB's restrictive monetary policy stance is gradually reaching its limits. The latter, particularly in France, exacerbated the outlook for interest expenditure – which was already too high – and led to a wave of selling in French government bonds (OATs). Over the course of the month, the risk premiums on 10-year OATs rose by around 30 bps relative to German Bunds. Risk premiums on other spread products, such as Italian government bonds or corporate bonds, were also broadly around 10–15 bps higher for 10-year maturities, and even higher still in the high-yield segment. Thanks to our (moderately) aggressive duration of just under 11 years and the portfolio's focus on quality, the Fund price recovered noticeably in October. Recent developments have reinforced our view that the ECB's restrictive stance increasingly poses risks to the growth outlook and may lead to collateral damage.
Within the portfolio, we have taken advantage of the short-term volatility among French issuers to accumulate high-quality credits with diversified businesses – such as Air Liquide and Michelin – at favourable valuations.

FUND MANAGEMENT



Frank Lipowski
at Flossbach von Storch since 2009.

Team Fixed Income
Deputy and operational collaboration is conducted through our Fixed Income Team.

Flossbach von Storch - Bond High Conviction - ET

MONTHLY COMMENTARY - CONTINUED

As part of the first wave of new issues, we have also stepped up our purchases of corporate bonds – both in the investment-grade segment and, for the first time, in the subordinated and high-yield segments (the high-yield allocation was increased from around 3% to 6%) – following a broad-based return of risk premiums to more attractive levels. To free up cash for this, we sold some inflation-linked German and US Treasuries, as well as high-quality covered bonds, during the recovery in real yields. Furthermore, we have further increased our exposure to US dollar risk. As a result, the portfolio's duration has shortened by around 0.4 years overall; however, we continue to benefit significantly from a normalisation of yield levels and, thanks to the now higher corporate bond allocation and the fact that duration gains were achieved primarily through derivatives, we still have a very attractive current yield that acts as a buffer against setbacks.

OPPORTUNITIES

+ Participate in global bond market growth.
+ Income can be generated from regular interest payments.
+ Active interest rate, currency and risk management (e.g. from the use of derivatives).
+ Increase in potential returns through the use of investment-grade bonds, contingent convertible bonds ('CoCo bonds') and bonds with no maturity date ('Perpetuals').

RISKS

- Country, credit and issuer liquidity risk. Also potential exchange rate risks. If securities are illiquid (i.e. thinly traded), there is a risk that it may either not be possible to sell the assets at all or only by accepting a significant discount on the sale price. Screening against an exclusion list may partially restrict the range and number of eligible target investments.
- Investing in bonds may entail price risks, especially in case of rising interest rates on the capital markets.
- Where used, derivatives can have a greater negative impact on the fund value than would be the case if the assets were acquired directly. The value of the fund may also be negatively impacted to a greater extent by the use of investment-grade bonds. This can affect the fund's risk profile and volatility (tendency for the price to fluctuate).
- The limited use of contingent convertible bonds ('CoCo bonds') and bonds with no maturity date ('Perpetuals') entails specific additional risks. 'CoCo bonds' are typically debt instruments that can be converted into the issuer's equity or redeemed in whole or in part if a predefined trigger event occurs. 'CoCo bonds' increase the complexity of the fund and may present a higher liquidity and market risk. 'Perpetuals' have no fixed maturity and may increase the risk of repayment of the bond.

Please read the Prospectus and particularly the RISK WARNINGS section and the specific annex of the subfund to understand the risks and benefits of this product.

INVESTOR PROFILE

GROWTH-ORIENTED:

The fund is appropriate for growth-oriented investors. Due to the composition of the net subfund assets, there is a high degree of risk but also a high degree of profit potential. The risks may consist in particular of currency risk, credit risk and price risk, as well as market interest rate risks.

INVESTMENT HORIZON:

Medium- to long-term: Minimum 4 years

RISK INDICATOR

Lower risk ⟷ Higher risk

1	2	**3**	4	5	6	7

The risk indicator assumes you keep the product for a minimum of 4 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less. The summary risk indicator ("SRI") is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. Unusual market conditions could arise, for example, due to currency, creditworthiness, price, counterparty, liquidity and interest rate risks, as detailed in the sales prospectus. We have classified this product as 3 out of 7, which is a medium-low risk class. This rates the potential losses from future performance at a medium-low level, and poor market conditions are unlikely to impact the Fund's capacity to pay you. This product does not include any protection from future market performance. Please refer to the 'Risk' section of the sales prospectus for more details.

Flossbach von Storch - Bond High Conviction - ET

LEGAL NOTICE

One of the purposes of this publication is to serve as advertising material.

This publication does not constitute an offer to sell, purchase or subscribe to securities or other assets. The information and estimates contained herein do not constitute investment, legal and/or tax advice or any other form of recommendation. In particular, this information is not a replacement for suitable investor and product-related advice and, if required, advice from legal and/or tax advisers. Detailed information about the fund(s) can be found in the sales prospectus as well as in the articles of association, management regulations or contract conditions, in conjunction with the latest respective audited annual report and semi-annual report, if the latter is published later than the most recent annual report. These documents form the sole binding basis for any purchase. The said documents and the Key Information Document (PRIIP-KID) are available free of charge in English and German (and, as required, further languages) from the respective management company or the custodian/depositary or from agents in those countries where the funds have been admitted for distribution. You can view the aforementioned documents at any time via https://www.fvsinvest.lu/. For the summary of investor rights in English with additional information regarding legal disputes, please refer to the website https://www.fvsinvest.lu/investor-rights. The management company may make any country-specific adjustments to the distribution authorisation, including the revocation of distribution regarding its investment funds.

The information contained and opinions expressed in this publication reflect the views of Flossbach von Storch at the time of publication and are subject to change without prior notice. Forward-looking statements reflect the judgement and future expectations of Flossbach von Storch. Actual performance and results may, however, differ materially from such expectations. All information has been compiled with care. However, no guarantee is given as to the accuracy and completeness of information and no liability is accepted. The value of any investment can fall as well as rise and you may not get back the amount you invested. In connection with the brokerage of fund units/shares, Flossbach von Storch and/or its distribution partners may receive reimbursements from costs charged to the fund by the management company in accordance with the relevant sales prospectus. The tax treatment of the investment depends on the investor's personal circumstances and may be subject to change. For more information please consult your professional tax adviser.

The units/shares issued by this fund may only be offered for purchase or sold in jurisdictions in which such offer or sale is permitted. Accordingly, the units/shares of this fund must not be offered for purchase or sold neither within the USA nor to or for the account of US citizens or US persons domiciled in the USA. Additionally, the units/shares issued by this fund must not be offered for purchase or sold to "US-Persons" and/ or entities, which are owned by one or more "US-Persons" based on the definitions set out in the "Foreign Account Tax Compliance Act (FATCA)". This publication and the information contained herein must not be distributed in the USA. The distribution and publication as well as the offer or sale of the fund's units/shares may also be subject to restrictions in other jurisdictions.

The latest net asset value (NAV) of the fund can be obtained from the management company's website.

Past performance is not a reliable indicator of future performance.

This publication is subject to copyright, trademark and intellectual property rights. The reproduction, distribution, making available for retrieval, or making available online (transfer to other websites) of the publication in whole or in part, in modified or unmodified form is only permitted with the prior written consent of Flossbach von Storch. If permission is granted, its scope must not be exceeded and attention must be paid to the origin of the duplicated material and to the rights of Flossbach von Storch.

The publication issued in German is legally binding. This English translation is only for the purpose of convenience.

A comprehensive glossary of topics and terms (in German) can also be found at http://www.flossbachvonstorch.com/glossar/.

© 2026 Flossbach von Storch. All rights reserved.

CONTACTS FOR INVESTORS

Sales and information agent in Germany
Flossbach von Storch SE
Ottoplatz 1, 50679 Cologne
Germany
Phone: +49. 221. 33 88-290
E-Mail: info@fvs.com
Web: www.flossbachvonstorch.de

Sales and information agent in Austria
Flossbach von Storch SE
Zweigniederlassung Österreich
(Austrian Branch)
Schottenring 2-6, 1010 Vienna
Austria
Phone: +43. 1. 253 70 18-0
E-Mail: info@fvs.com
Web: www.flossbachvonstorch.at

Paying agent in Austria
Erste Bank der oesterreichischen Sparkassen AG
("Erste Bank")
Am Belvedere 1, 1100 Vienna
Austria

Contact in Switzerland
Flossbach von Storch Invest S.A., Vertretung Zürich
Fraumünsterstrasse 21, 8001 Zurich
Switzerland
Phone: +41. 44. 21 73-700
E-Mail: info.ch@fvsag.com
Web: www.flossbachvonstorch.ch

Representative in Switzerland
FIRST INDEPENDENT FUND SERVICES AG
Feldeggstrasse 12, 8008 Zurich
Switzerland
Phone: +41. 44. 20 61-640
E-Mail: info@fifs.ch

Paying agent in Switzerland
Banque Cantonale de Genève
Quai de L'Île 17, 1204 Geneva
Switzerland

Paying agent in Liechtenstein
VP Bank AG
Aeulestrasse 6, 9490 Vaduz
Liechtenstein