

BOV INVESTMENT FUNDS

Annual Report and Audited Financial Statements 2024

For the year ended 30 April 2024

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Management and Administration

INVESTMENT MANAGER	BOV Asset Management Limited 58, Zachary Street, Valletta, VLT 1130, Malta <i>Licensed to conduct investment services business in Malta by the Malta Financial Services Authority</i>
FUND ADMINISTRATOR	BOV Fund Services Limited 58, Zachary Street, Valletta, VLT 1130, Malta <i>Recognised to provide fund administration services by the Malta Financial Services Authority</i>
CUSTODIAN AND BANKER	Bank of Valletta p.l.c. 58, Zachary Street, Valletta, VLT 1130, Malta <i>Licensed to conduct investment services business by the Malta Financial Services Authority</i>
AUDITORS	PricewaterhouseCoopers 78, Mill Street, Central Business District, Qormi CBD 5090, Malta
LEGAL ADVISORS	Camilleri Preziosi Level 3, Valletta Buildings, South Street, Valletta VLT 1103, Malta

Description

The BOV Investment Funds is an open-ended UCITS umbrella contractual fund licensed by the Malta Financial Services Authority as a collective investment scheme pursuant to the Investment Services Act (Cap. 370, Laws of Malta and the UCITS Directive) as amended from time to time. The BOV Investment Funds were established by way of a Deed of Constitution under the Laws of Malta entered into by and between BOV Asset Management Limited and Bank of Valletta p.l.c. on 6 December 2016.

As at 30 April 2024, the BOV Investment Funds consists of six separate sub-funds, the BOV Balanced Portfolio Fund, the BOV Conservative Portfolio Fund, the BOV Growth Portfolio Fund, the BOV Capital Guaranteed Fund 2027, the BOV Capital Guaranteed Fund 2026 and the BOV Capital Guaranteed Fund GBP 2027 (each the "Fund" and collectively the "Funds"). The BOV Investment Funds have no employees.

Investment Manager's Report

BOV Conservative Portfolio Fund BOV Balanced Portfolio Fund BOV Growth Portfolio Fund

Market Commentary

The financial year in-scope has been filled with surprises and uncertainties characterized by dynamic markets and macro forces in an ever-evolving investment landscape. From unexpected bull markets and meteoric rise of the AI and obesity themes to a roller-coaster yield curve and monetary tightrope, investors have been very busy. The consumer and economic resilience and job market have particularly defied consensus expectations. To thrive in the dynamic markets being experienced, the Investment Manager has adopted a very active investment strategy and thoughtful risk management.

Despite the prevailing bearish sentiment going into 2023, the first quarter ('Q1') of the year, surpassed expectations with robust global economic growth improving business sentiment. Banking turmoil going into Q2 however raised concerns that the fastest hiking cycle in decades was inevitably going to cause a new financial crisis. The crisis of confidence was however overdone as prompt and resolute action by central banks led a rebound in market sentiment fuelling a continued rally helped by positive economic surprises. The increase optimism despite concerns about the lagged effects of rate hikes and tightened credit resulting in developed market equities performing well delivering 7% in Q2 and 15% for the first half of the year. Performance divergence in the first half of 2023 was evident across geographies, size and style, sectors and stocks. As developed markets comfortably outperformed, large-cap growth outperformed small-cap value (27.5% vs 3.4%), and technology outperformed energy (39.4% vs -3.2%). Market-weighted global indices also outperformed equally weighted equivalents (15.4% vs 9%). Such broad divergences in performance underscore the need for active management and portfolio diversification.

The third quarter proved challenging for risk assets with global equities falling due to surging real rates across the yield curve as markets adapt to the narrative of rates peaking and staying higher-for-longer and demanding a higher term premium for fiscal challenges. The selloff in global equities continued into October driven by mixed earnings for Q3 as several mega-cap companies disappointed and increased geopolitical uncertainty. Equity markets remained cautious until favourable economic data in November led to an early 'Santa rally' and Powell launched a 'pivot party' in December as the FED signalled 75bps of rate cuts in 2024. The 'almost everything rally' that transpired saw an uptick of 11.5% in developed market equities in Q4 taking performances up to 24.4% for 2023.

In the first quarter of 2024, equities showed robust performance, propelling the main indices to new record highs. The combination of resilient growth, a solid earnings season, and the initiation of central bank easing fostered expectations of a soft landing, prompting a reduction in rate cut expectations as economic data surprisingly strengthened with the onset of the reflation trade. Amidst this scenario, global equities yielded strong returns while maintaining low volatility. The MSCI World surged by 7.4% in the first quarter largely fuelled by the impressive performance of growth stocks, which soared by 10.3% compared to 7.7% for value stocks. After a relentless rally, geopolitical concerns catalysed a sell-off in April, but stocks were due a pullback. Three consecutive hotter-than-expected inflation prints prompted Fed Chair Powell to acknowledge a "lack of further progress", driving 10-year Treasury yields higher delaying the much-anticipated pivot. The pivot hangover saw the MSCI World's drop by 3.1% with the index gained 5.3% for the year up to April 2024.

Portfolio Activity

During the period under review, the strategy within the two main asset classes, namely equities and fixed income, varied as market dynamics evolved. Across the three sub funds of the scheme, namely BOV Conservative, BOV Balanced and BOV Growth Portfolio Funds changes to exposure towards the different equity sectors were actively managed to reflect changes in fundamental and momentum views. The Investment Manager disposed of minimum volatility exposures given subdued market volatility in the face of

resilient job market and economies. Also, all direct exposures to the iShares MSCI China ETF were sold off given structural demand concerns and lower growth demonstrated by big downside surprises in Chinese retail sales, fixed asset investment, deepening property woes and subdued consumption. Over the first six months of the period under review, the Investment Manager maintained a barbell equity strategy balancing substantial active weights in technology and consumer discretionary with defensives favouring quality investments to maintain market exposure whilst protecting the fund given continued uncertainty. The barbell strategy deployed was broadened by reducing active sector weights early August 2023 amidst increased uncertainty. During the last quarter of 2023, all exposures to the Mirova Global Sustainable Equity fund were sold off following sustained underperformance of the fund on a multi-period basis.

During the first quarter of 2024, the Investment Manager introduced exposures to the Nasdaq 100 ETF, increasing the overall fund equity exposures to overweight – going risk on – in anticipation of developed market central bank rate cuts which are deemed positive for risky assets overall. This was done in several tranches over the span of the quarter so as to cost average the funds’ overall entry. Also, a position in the EUR Hedged version of the MSCI Japan ETF was introduced over the quarter following upbeat market sentiment within the region, positive earnings and economic data, and stellar regional performance in anticipation of sustained growth and continued accommodative monetary policy. The Investment Manager also introduced exposures into the Robeco QI Global Developed Enhanced Index Equities Fund, a third-party fund with the sole aim to take slight sector bets to gain alpha over the broad world index. The fund’s strategy proved consistent over multiple periods and was selected following the fund screening and scoring methodology.

The Investment Manager actively utilised ETFs in conjunction with identified fund managers to deploy the strategy serving to enhance diversification, achieve a lower total expense ratio while maintaining an exposure to high conviction positions.

Within Fixed Income, the strategy employed by the Investment Manager on behalf of the BOV Investment Funds was to establish a barbell exposure with targeted overweight in the shorter end and longer end of the yield curves relative to a target duration of 5 to 7. The Investment Manager also introduced a new actively managed fixed income manager, namely the Dodge&Cox Global Bond Fund. Following a rigorous fund screening process, Dodge&Cox was selected as it sought to provide the funds with an actively managed investment vehicle operating within the global fixed income space. Over the course of the period under review, the barbell strategy within the fixed income space was strategically modified to take on regionally specific exposures within the short end of the US fixed income and the long end of the European fixed income. With this positioning, the Investment Manager ensured that the overall fund duration was kept balanced in the 5 to 7 mark. As the market dynamics evolved over the first quarter of 2024, it became clearer that monetary policy has diverged between the two regions. Within the US, markets revised downward the chances of a rate cut down from six to merely one to two cuts by the end of April 2024 based on slower than expected progress on inflation and resilient economic growth. Monetary policy in the European region is more predictable with the fight against inflation proving more successful and slowing growth necessitated the start of monetary easing before the Fed. Moreover, fund exposures to European and US high yield have been re-introduced during the first quarter of 2024 in view of positive expectations on spreads remaining tight and the yield generation capacity of the instruments which proved to be the best performing fixed income vehicle since the start of the year.

Active and agile investment management in the context of a multi-asset portfolio has been essential for the Investment Manager to capitalize on opportunities and adapting to evolving market dynamics.

Objectives, Performance and Distribution

BOV Conservative Portfolio Fund

Investment Objective

The BOV Conservative Portfolio Fund aims to provide a combination of income and long-term capital growth by investing in a diversified portfolio with a low to medium risk investment strategy.

Fund Performance - Accumulator Class of Units

During the period from 1 May 2023 to 30 April 2024, the unit price of the BOV Conservative Portfolio Fund accumulator class of units increased by 3.96% from €0.9056 to €0.9415.

Fund Performance - Distributor Class of Shares

During the period from 1 May 2023 to 30 April 2024, the unit price of the BOV Conservative Portfolio Fund accumulator class of units increased by 0.83% from €0.7890 to €0.7956.

Income Distribution

The dividend declared during the period under review in respect of the distributor class of units is listed under note 9 of the financial statements.

BOV Balanced Portfolio Fund

Investment Objective

The BOV Balanced Portfolio Fund aims to provide long-term capital growth by investing in a diversified portfolio with a medium risk investment strategy.

Fund Performance - Accumulator Class of Units

During the period from 1 May 2023 to 30 April 2024, the share price of the BOV Balanced Portfolio Fund accumulator class of shares increased by 8.27% from €1.0674 to €1.1557.

Fund Performance - Distributor Class of Units

During the period from 1 May 2023 to 30 April 2024, the share price of the BOV Balanced Portfolio Fund accumulator class of shares increased by 6.23% from €0.9836 to €1.0449.

Income Distribution

The dividend declared during the period under review in respect of the distributor class of units is listed under note 9 of the financial statements.

BOV Growth Portfolio Fund

Investment Objective

The BOV Growth Portfolio Fund aims to provide long-term capital growth by investing in a diversified portfolio with a medium to high-risk investment strategy.

Fund Performance

During the period from 1 May 2023 to 30 April 2024, the unit price of the BOV Growth Portfolio Fund increased by 13.44% from €1.1356 to €1.2882.

BOV Capital Guaranteed Fund 2027
BOV Capital Guaranteed Fund 2026
BOV Capital Guaranteed Fund GBP 2027

Commentary

The BOV Capital Guaranteed Fund 2027 (“the CG Fund 2027”) is a sub fund of the BOV Investment Funds. The Investment Manager intends to seek to achieve the CG Fund 2027’s investment objective by investing predominantly in listed Euro denominated debt securities, whether corporate, supranational and/or sovereign, the majority of which shall be rated Investment Grade and having a maturity of close to but less than the maturity of the CG Fund 2027 at the point of investment. The CG Fund 2027 was launched on the 20th November 2023 locking in attractive yields in advance of the first dealing date on the 15th December 2023.

Most of the underlying instruments held are euro denominated plain vanilla corporate investment-grade bonds comprising of a sectorial mix of financials and non-financials across the US, UK and EU to deliver yield across a well-diversified portfolio. The remaining minority are euro denominated zero-coupon and fixed coupon government bonds to meet the distributions at specified dates. The positive upside over the period from launch was driven by a drop in European corporate investment-grade bond yields of circa 24 basis points and a narrowing of credit spreads of circa 35 basis points.

Following the first dealing date of the CG Fund 2027 occurring later than previously anticipated, the Investment Manager utilised net cash available post initial receipts, coupon receipts and trimmed government bonds more than amounts earmarked for the first and second distributions to increase duration and yield by allocating available funds to the corporates bucket. To this end, the buy to hold-to-maturity investment strategy was maintained by the Investment Manager merely adjusted for timing delays and enhanced to capitalize on favourable yields to maximize yield generation over the term.

The BOV Capital Guaranteed Fund 2026 (“the CG Fund 2026”) is a sub fund of the BOV Investment Funds. The Investment Manager intends to seek to achieve the Fund’s investment objective by investing predominantly in listed Euro denominated debt securities, whether corporate, supranational and/or sovereign, the majority of which shall be rated Investment Grade and having a maturity of close to but less than the maturity of the CG Fund 2026 at the point of investment. The CG Fund 2026 was launched on the 28 March 2024 locking in attractive yields in advance whilst matching in advance projected cash outflows with coupons paid to the fund and maturities of the underlying investments.

All the underlying instruments held are euro denominated plain vanilla corporate investment-grade bonds comprising of a sectorial mix of financials and non-financials across the US, UK and EU to deliver yield across a well-diversified portfolio.

Following the first dealing date of the CG Fund 2026, the Investment Manager utilised net cash available post initial receipts, coupon receipts to enhance yield by allocating available funds to the highest yielding securities within the portfolio.

The BOV Capital Guaranteed GBP Fund 2027 (“the CG Fund GBP 2027”) is a sub fund of the BOV Investment Funds. The Investment Manager intends to seek to achieve the Fund’s investment objective by investing predominantly in listed Sterling denominated debt securities, whether corporate, supranational and/or sovereign, the majority of which shall be rated Investment Grade and having a maturity of close to but less than the maturity of the CG Fund GBP 2027 at the point of investment. The CG Fund GBP 2027 was launched on the 28 March 2024 locking in attractive yields in advance whilst matching in advance projected cash outflows with coupons paid to the fund and maturities of the underlying investments.

Most of the underlying instruments held are sterling denominated plain vanilla corporate investment-grade bonds comprising of a sectorial mix of financials and non-financials across the US, UK and EU to deliver yield across a well-diversified portfolio. The remaining minority are sterling denominated fixed coupon government bonds to meet the distributions at specified dates.

Following the first dealing date of the CG Fund GBP 2027, the Investment Manager utilised net cash available post initial receipts, coupon receipts to enhance yield by allocating available funds to the highest yielding securities within the portfolio.

Objectives, Performance and Distribution

BOV Capital Guaranteed Fund 2027

Investment Objective

The Sub-Fund aims to guarantee Unitholders' initial investment and a fixed return of 3% per annum thereon, in accordance with the terms of the Offering Supplement. The Investment Objective will only be attained if the investment is held until Maturity Date.

Fund Performance

From launch of the fund on 20 November 2023 to 30 April 2024, the share price of the BOV Capital Guaranteed Fund 2027 increased by 1.34% from €100 to €101.3362.

Regulatory Matters

On the 15 March 2024, the Fund was not adhering to the 5-10-40 rule, in view that it was exceeding the 40% limit of net assets in exposures of greater than 5% to single issuers, following a purchase of circa 0.62% of NAV in one of the holdings exceeding the 5% of NAV threshold. The position was rectified on 20 March 2024, with the Investment Manager reimbursing the Fund with losses incurred. There were no subscriptions nor redemptions during this period.

BOV Capital Guaranteed Fund 2026

Investment Objective

The Sub-Fund aims to guarantee Unit Holders' initial investment and a fixed return of 2.00% per annum for the first year and a fixed return of 3.50% for the second year, in accordance with the terms of the Offering Supplement. The Investment Objective will only be attained if the investment is held until Maturity Date.

Fund Performance

From launch of the fund on 28 March 2024 to 30 April 2024, the share price of the BOV Capital Guaranteed Fund 2026 decreased by 0.28% from €100 to €99.7216.

BOV Capital Guaranteed Fund GBP 2027

Investment Objective

The Sub-Fund aims to guarantee Unit Holders' initial investment and a fixed return of 3.25% per annum for the first year, a fixed return of 3.75% for the second year and a fixed return of 4.10% for the third year, in accordance with the terms of the Offering Supplement. The Investment Objective will only be attained if the investment is held until Maturity Date.

Fund Performance

From launch of the fund on 28 March 2024 to 30 April 2024, the share price of the BOV Capital Guaranteed Fund GBP 2027 decreased by 1.40% from £100 to £98.5988.

The Funds' performance figures listed above have been truncated to two decimal places. Furthermore, past performance is not necessarily indicative of future results. Some of the opinions expressed herein are of a forward-looking nature and should not be interpreted as investment advice. The Investment Manager has obtained the information contained in this document from sources believed to be reliable but has not independently verified the information contained herein and therefore its accuracy cannot be guaranteed. The Investment Manager makes no guarantees, representations or warranties and accept no responsibility or liability as to the accuracy or completeness of the information contained in this document. The Investment Manager has no obligation to update, modify or amend this article or to otherwise notify a reader thereof in the event that any matter stated therein, or any opinion, projection, forecast or estimate set for the herein changes or subsequently becomes inaccurate.

(Sources: BOV Asset Management Limited, Bloomberg)



Independent auditor's report

To the Directors of BOV Asset Management Limited

Report on the audit of the financial statements

Our opinion

In our opinion:

- The financial statements give a true and fair view of the financial position of BOV Investment Funds (the Funds) as at 30 April 2024, and of the Funds' financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the EU.

What we have audited

BOV Investment Funds' financial statements, set out on pages 16 to 46, comprise:

- the statements of financial position as at 30 April 2024;
- the statements of changes in net assets attributable to unitholders;
- the statements of comprehensive income for the year then ended;
- the statements of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Funds in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) together with the ethical requirements of the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) that are relevant to our audit of the financial statements in Malta. We have fulfilled our other ethical responsibilities in accordance with these Codes.



Independent auditor's report - continued

To the Directors of BOV Asset Management Limited

Other information

Management is responsible for the other information. The other information comprises the management and administration, description, investment manager's report, portfolio statements, statement of changes in the composition of the portfolios, and the information about the Funds (but does not include the financial statements and our auditor's report thereon).

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the management for the financial statements

The management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs as adopted by the EU, and for such internal control as management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Funds or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



Independent auditor's report - continued

To the Directors of BOV Asset Management Limited

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Funds' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other matter – use of this report

Our report, including the opinions, has been prepared for and only for the Directors of BOV Asset Management Limited as Manager of the BOV Investment Funds and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior written consent.

A handwritten signature in blue ink, appearing to read 'N. Vella', is written over a horizontal line.

Nadia Vella
Principal

For and on behalf of
PricewaterhouseCoopers
78, Mill Street
Zone 5, Central Business District
Qormi
Malta

23 August 2024

BOV

Bank of Valletta

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11th June 2024

BOV Investment Funds

Annual Report of the Custodian

We, Bank of Valletta p.l.c., as Custodian to the BOV Investment Funds ("the Fund"), hereby, confirm that having enquired into the conduct of the Manager during the year from the 1st May 2023 until the 30th April 2024 it is our opinion that during this year, the Funds have been managed:

- (i) in accordance with the limitations imposed on the investment and borrowing powers of each Fund by the constitutional documents and by the Malta Financial Services Authority; and
- (ii) Otherwise in accordance with the provisions of the constitutional documents and the Fund's license conditions.



Kevin Portelli
Head – Custody Services
Bank of Valletta p.l.c.


Financial Statements

STATEMENTS OF FINANCIAL POSITION as at 30 April 2024

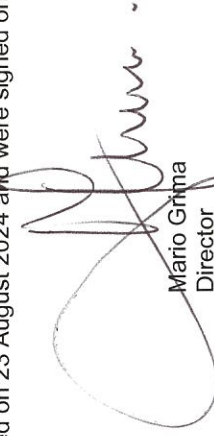
Notes	BOV Conservative Portfolio		BOV Balanced Portfolio		BOV Growth Portfolio		BOV Capital Guaranteed Fund 2027		BOV Capital Guaranteed Fund 2026		BOV Capital Guaranteed Fund GBP 2027*	
	30.04.2024	30.04.2023	30.04.2024	30.04.2023	30.04.2024	30.04.2023	30.04.2024	30.04.2023	30.04.2024	30.04.2023	30.04.2023	30.04.2023
Assets												
Financial assets at fair value through profit or loss	41,661,280	40,284,142	23,686,812	18,300,199	8,648,404	7,238,763	15,244,424	-	19,905,247	-	8,670,348	-
Accrued income	220,733	84,753	76,228	26,012	6,708	1,612	96,084	-	95,726	-	71,491	-
Cash and cash equivalents	198,412	386,023	138,724	571,947	61,540	115,469	65,797	-	6,040	-	1,708	-
Total assets	42,080,425	40,754,918	23,901,764	18,898,158	8,716,652	7,355,844	15,406,305	-	20,007,013	-	8,743,547	-
Liabilities												
Financial liabilities at fair value through profit or loss	220,755	18,886	126,703	5,576	59,972	1,959	-	-	-	-	-	-
Accrued expenses	48,141	51,105	31,824	27,717	15,772	14,425	61,820	-	25,518	-	12,572	-
Other payables	633,625	538,487	49,759	34,334	65	65	170,724	-	37,158	-	26,653	-
Total liabilities	902,521	608,478	208,286	67,627	75,744	16,449	232,544	-	62,676	-	39,225	-
Net assets attributable to unitholders	41,177,904	40,146,440	23,693,478	18,830,531	8,640,908	7,339,395	15,173,761	-	19,944,337	-	8,704,322	-
Net asset attributable to unitholders												
as at 30 April 2024	41,177,904		23,693,478		8,640,908		15,173,761		19,944,337		8,704,322	
as at 30 April 2023	40,146,440		18,830,531		7,339,395		-		-		-	
as at 30 April 2022	45,319,399		17,372,844		7,375,130		-		-		-	
Net asset value per unit - Accumulator/Distributor												
as at 30 April 2024	0.942/0.796		1.156/1.045		1.288		1.01.336		99.722		98.599	
as at 30 April 2023	0.906/0.789		1.067/0.984		1.136		-		-		-	
as at 30 April 2022	0.952/0.852		1.127/1.055		1.201		-		-		-	

The accounting policies and notes on pages 20 to 46 are an integral part of the financial statements.

The financial statements on pages 16 to 46 were authorised for issue by BOV Asset Management Limited on 23 August 2024 and were signed on its behalf by:



Alexandre Dergatcheff
Chairman
BOV Asset Management Limited



Mario Grima
Director
BOV Asset Management Limited

*The currency of the units of the BOV Capital Guaranteed Fund GBP 2027 is the pound sterling and separate primary statements in pound sterling are also presented in these financial statements (Note 3a).

Financial Statements

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
for the year ended 30 April 2024

	BOV Conservative Portfolio		BOV Conservative Portfolio		BOV Balanced Portfolio		BOV Balanced Portfolio		BOV Growth Portfolio		BOV Growth Portfolio		BOV Capital Guaranteed Fund 2027		BOV Capital Guaranteed Fund 2026		BOV Capital Guaranteed Fund 2026		BOV Capital Guaranteed Fund GBP 2027*		
	01.05.2023 - 30.04.2024	01.05.2022 - 30.04.2023	01.05.2023 - 30.04.2024	01.05.2022 - 30.04.2023	01.05.2023 - 30.04.2024	01.05.2022 - 30.04.2023	01.05.2023 - 30.04.2024	01.05.2022 - 30.04.2023	01.05.2023 - 30.04.2024	01.05.2022 - 30.04.2023	01.05.2022 - 30.04.2023	01.05.2023 - 30.04.2024	01.05.2022 - 30.04.2023	01.05.2023 - 30.04.2024	01.05.2022 - 30.04.2023	01.05.2022 - 30.04.2023	01.05.2022 - 30.04.2023	01.05.2022 - 30.04.2023	01.05.2022 - 30.04.2023	01.05.2022 - 30.04.2023	01.05.2022 - 30.04.2023
	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
Net assets at the beginning of the year	40,146,440	45,319,369	18,830,531	17,372,844	7,339,395	7,375,130	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issue of units during the year	3,505,755	1,760,571	4,955,199	4,262,576	1,224,802	1,061,073	14,973,669	20,000,000	20,000,000	-	-	-	-	-	-	-	-	-	-	-	-
Redemption of units during the year	(3,428,755)	(4,164,353)	(1,779,675)	(1,884,610)	(922,962)	(706,369)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net equalisation	7,895	(20,315)	29,588	17,564	119	20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Effect of translation difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net increase/(decrease) in net assets attributable to unitholders during the year	946,569	(2,748,864)	1,657,835	(937,843)	999,554	(390,439)	200,092	(55,663)	19,944,337	8,704,322	(123,698)	(144,410)	8,828,020	10,338,471	8,828,020	10,338,471	8,828,020	10,338,471	8,828,020	10,338,471	8,828,020
Net assets at the end of the year	41,177,904	40,146,440	23,683,478	18,830,531	8,640,908	7,339,395	15,173,761	19,944,337	19,944,337	8,704,322	8,704,322	8,704,322	8,704,322	8,704,322	8,704,322	8,704,322	8,704,322	8,704,322	8,704,322	8,704,322	8,704,322

The accounting policies and notes on pages 20 to 46 are an integral part of the financial statements.

* The currency of the units of the BOV Capital Guaranteed Fund GBP 2027 is the pound sterling and separate primary statements in pound sterling are also presented in these financial statements (Note 3a).

Financial Statements

STATEMENTS OF COMPREHENSIVE INCOME for the year ended 30 April 2024

	BOV Conservative Portfolio	BOV Conservative Portfolio	BOV Balanced Portfolio	BOV Balanced Portfolio	BOV Growth Portfolio	BOV Growth Portfolio	BOV Growth Portfolio	BOV Capital Guaranteed Fund 2027	BOV Capital Guaranteed Fund 2026	BOV Capital Guaranteed Fund 2026	BOV Capital Guaranteed Fund GBP 2027 *
	€	€	€	€	€	€	€	€	€	€	€
Income											
Interest income from investments	189,710	324,414	24,357	3,996	2,374	104,819	-	29,240	-	22,799	26,616
Dividend income	1,053,778	732,402	247,518	50,631	42,809	-	-	-	-	-	-
Other income	-	3,754	646	-	158	252	-	-	-	-	-
	01.05.2023 - 30.04.2024	01.05.2023 - 30.04.2024	01.05.2023 - 30.04.2024	01.05.2023 - 30.04.2024	01.05.2023 - 30.04.2024	15.11.2023 - 30.04.2024	01.05.2022 - 30.04.2023	26.02.2024 - 30.04.2024	01.05.2022 - 30.04.2023	26.02.2024 - 30.04.2024	01.05.2022 - 30.04.2024
	€	€	€	€	€	€	€	€	€	€	€
Net fair value movements on financial instruments at fair value through profit or loss	632,154	(2,936,327)	1,502,010	1,059,175	(332,291)	339,757	-	(9,762)	-	(97,243)	(113,525)
Total net loss	1,875,642	(1,875,757)	1,914,734	1,113,802	(286,950)	444,828	-	19,478	-	(74,444)	(86,909)
Expenses											
Service fees	141,969	145,420	105,741	51,469	45,702	46,468	-	14,904	-	6,552	7,649
Custodian fees	31,744	31,653	23,684	18,338	17,991	2,318	-	559	-	479	559
Administration fees	48,609	48,739	27,895	20,915	15,370	3,863	-	932	-	799	933
Transaction costs	25,742	66,714	19,985	7,988	10,533	2,835	-	35	-	710	829
Other operating expenses	47,384	44,792	29,835	14,936	13,258	18,528	-	21,553	-	14,061	16,415
Total operating expenses	295,448	337,318	207,140	113,646	102,854	74,012	-	37,983	-	22,601	26,385
Operating loss	1,580,194	(2,213,075)	1,707,594	1,000,156	(389,804)	370,816	-	(18,505)	-	(97,045)	(113,294)
Finance costs - distributions to unitholders	(633,625)	(535,789)	(49,759)	(34,294)	-	(170,724)	-	(37,156)	-	(26,653)	(31,116)
Withholding tax	-	-	-	(602)	(635)	-	-	-	-	-	-
Increase(decrease) in net assets attributable to unitholders	946,569	(2,748,864)	1,657,835	999,554	(390,439)	200,092	-	(55,663)	-	(123,698)	(144,410)

The accounting policies and notes on pages 20 to 46 are an integral part of the financial statements.

* The currency of the units of the BOV Capital Guaranteed Fund GBP 2027 is the pound sterling and separate primary statements in pound sterling are also presented in these financial statements (Note 3a).

Financial Statements

STATEMENTS OF CASH FLOWS for the year ended 30 April 2024

	BOV Consecutive Portfolio 01.05.2023 - 30.04.2024	BOV Consecutive Portfolio 01.05.2023 - 30.04.2024	BOV Balanced Portfolio 01.05.2023 - 30.04.2024	BOV Growth Portfolio 01.05.2023 - 30.04.2024	BOV Growth Portfolio 01.05.2023 - 30.04.2024	BOV Growth Portfolio 01.05.2023 - 30.04.2024	BOV Capital Guaranteed Fund 2027 15.11.2023 - 30.04.2024	BOV Capital Guaranteed Fund 2026 26.02.2024 - 30.04.2024	BOV Capital Guaranteed Fund 2026 01.05.2022 - 30.04.2023	BOV Capital Guaranteed Fund 2027* 26.02.2024 - 30.04.2024	BOV Capital Guaranteed Fund 2027* 01.05.2022 - 30.04.2023	BOV Capital Guaranteed Fund 2027* 26.02.2024 - 30.04.2024	BOV Capital Guaranteed Fund 2027* 01.05.2022 - 30.04.2023
	€	€	€	€	€	€	€	€	€	£	£	£	£
Cash flows from operating activities													
Net interest and other income received/(paid)	175,986	380,153	40,636	2,617	1,467	8,987	-	-	-	-	-	-	-
Dividend income received	928,824	839,294	321,832	46,849	47,322	-	-	-	-	-	-	-	-
Operating expenses paid	(272,670)	(280,156)	(183,046)	(104,311)	(89,818)	(9,357)	(66,486)	-	-	-	-	-	-
Taxation paid	-	-	-	(602)	(635)	-	(12,430)	-	-	-	-	-	-
Collateral received	-	-	-	-	178,000	-	-	-	-	-	-	-	-
Net (purchases)/disposals of financial assets and settlement of financial liabilities	(568,857)	1,488,320	(3,783,461)	(300,441)	(465,226)	(14,907,502)	(19,915,044)	-	-	-	-	(10,236,470)	-
Net cash flows generated from/(used in) operating activities	263,283	2,427,611	(3,604,041)	(355,888)	(328,890)	(14,907,872)	(19,963,860)	-	-	-	-	(10,306,190)	-
Cash flows from financing activities													
Proceeds from creation of units	3,605,755	1,760,571	4,955,199	1,224,802	1,061,073	14,973,689	20,000,000	-	-	-	-	10,306,190	-
Payment on redemptions of units	(3,420,860)	(4,287,894)	(1,750,087)	(922,843)	(706,369)	-	-	-	-	-	-	-	-
Distributions paid	(935,789)	(426,539)	(34,294)	-	-	-	-	-	-	-	-	-	-
Net cash flows (used in)/generated from financing activities	(450,894)	(2,953,862)	3,170,818	301,959	354,704	14,973,689	20,000,000	-	-	-	-	8,828,020	-
Net (decrease)/increase in cash and cash equivalents	(187,611)	(526,251)	(433,223)	(53,929)	25,814	65,797	6,040	-	-	-	-	1,708	-
Effect of exchange rate	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents at beginning of the year	386,023	912,274	571,947	115,469	89,655	-	-	-	-	-	-	-	-
Cash and cash equivalents at end of the year	198,412	386,023	138,724	61,540	115,469	65,797	6,040	-	-	-	-	1,708	-

The accounting policies and notes on pages 20 to 46 are an integral part of the financial statements.

* The currency of the units of the BOV Capital Guaranteed Fund GBP 2027 is the pound sterling and separate primary statements in pound sterling are also presented in these financial statements (Note 3a).

Material Accounting Policies

The material accounting policies adopted in the preparation of these financial statements are set out below.

1. BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union (“EU”). They have also been prepared in accordance with the requirements of the Investment Services Rules for Collective Investment Schemes of the Malta Financial Services Authority (“MFSA”). These financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities held at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS as adopted by the EU requires the use of certain accounting estimates. It also requires the Investment Manager to exercise their judgement in the process of applying its accounting policies.

During the year, BOV Investment Funds launched three new sub-funds namely, BOV Capital Guaranteed Funds 2027, BOV Capital Guaranteed Funds 2026 and BOV Capital Guaranteed Funds GBP 2027.

As at 30 April 2024, there are six sub-funds, the BOV Conservative Portfolio Fund, the BOV Balanced Portfolio Fund, the BOV Growth Portfolio Fund, the BOV Capital Guaranteed Fund 2027, the BOV Capital Guaranteed Fund 2026 and the BOV Capital Guaranteed Fund GBP 2027 (each the “Fund” and collectively the “Funds”). Each unit that the Fund issue is allocated to a class representing the sub-fund. The BOV Investment Funds maintain a separate account for the sub-funds to which the proceeds are credited, and against which expenses are charged. Upon redemption, unitholders are entitled only to their proportion of the net assets held in the account relating to the sub-fund in which their units are designated.

The Statements of Financial Position present assets and liabilities in increasing order of liquidity and do not distinguish between current and non-current items. Financial assets and liabilities at fair value through profit or loss are intended to be held for an indefinite period of time and may be sold in response to needs for liquidity or in accordance to the Investment Manager’s recommendations. All other assets and liabilities are expected to be realised within one year.

2. NEW STANDARDS AND AMENDMENTS TO EXISTING STANDARDS

(a) *Standards and amendments to existing standards effective 1 January 2023*

(i) *Amendments to IAS 8 – Disclosure of Accounting Estimates*

The amendments are intended to help entities distinguish between accounting policies and accounting estimates.

The changes to IAS 8 focus entirely on accounting estimates and clarify the following:

- The definition of a change in accounting estimates is replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”.
- Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.
- The Board clarifies that a change in accounting estimate that results from new information or new developments is not the correction of an error. In addition, the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors.
- A change in an accounting estimate may affect only the current period’s profit or loss, or the profit or loss of both the current period and future periods. The effect of the change relating to the current period is recognised as income or expense in the current period. The effect, if any, on future periods is recognised as income or expense in those future periods.

Material Accounting Policies *(continued)*

2. NEW STANDARDS AND AMENDMENTS TO EXISTING STANDARDS *(continued)*

(ii) Amendments to IAS 1 and IFRS Practice Statements – Disclosure of Accounting Policies

The amendments are intended to help preparers in deciding which accounting policies to disclose in their financial statements.

The amendments amend IAS 1 in the following ways:

- An entity is now required to disclose its material accounting policy information instead of its significant accounting policies;
- several paragraphs are added to explain how an entity can identify material accounting policy information and to give examples of when accounting policy information is likely to be material;
- the amendments clarify that accounting policy information may be material because of its nature, even if the related amounts are immaterial;
- the amendments clarify that accounting policy information is material if users of an entity's financial statements would need it to understand other material information in the financial statements; and
- the amendments clarify that if an entity discloses immaterial accounting policy information, such information shall not obscure material accounting policy information.

In addition, IFRS Practice Statement 2 has been amended by adding guidance and examples to explain and demonstrate the application of the 'four-step materiality process' to accounting policy information in order to support the amendments to IAS 1.

None of these standards, amendments and interpretations had a significant impact on the financial statements of the Company in the period of their initial application.

(b) New International Financial Reporting Standards in issue but not yet effective

(i) Amendments to IAS 21 – the Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

The amendments specify when a currency is exchangeable into another currency and when it is not and how an entity determines the exchange rate to apply when a currency is not exchangeable. The amendments also introduce new disclosure requirements when a currency is not exchangeable.

(ii) Amendments to IAS 1 – Classification of Liabilities as Current or Non-Current (effective for financial years on or after 1 January 2024)

The amendments to IAS 1 published on January 2020 affect only the presentation of liabilities as current and non-current in the statement of financial position – not the amount or timing of recognition of any asset, liability income or expenses, or the information that entities disclose about those items. They:

- Clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the "right" to defer settlement by at least twelve months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability;
- Clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and
- Make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

Material Accounting Policies (*continued*)

2. NEW STANDARDS AND AMENDMENTS TO EXISTING STANDARDS (*continued*)

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2024, with early application permitted. The IASB has aligned the effective date with the 2022 amendments to IAS 1. If an entity applies the 2020 amendments for an earlier period, it is also required to apply the 2022 amendments early.

The Directors anticipate that the adoption of other International Financial Reporting Standards that were in issue at the date of authorisation of these financial statements, but not yet effective, will have no material impact on the financial statements of the Company in the period of initial application.

3. FOREIGN EXCHANGE TRANSLATION

a) *Functional and presentation currency*

The Funds' functional currency is the currency of denomination of the Funds as stipulated in the Prospectus. The Euro (€) is the functional currency of all the Funds except for the BOV Capital Guaranteed Fund GBP 2027, which has the pound sterling (£) as its functional currency. The presentation currency of the Funds is the Euro as stipulated in the Offering Memorandum. The currency of the units of the BOV Capital Guaranteed Fund GBP 2027 is the pound sterling and separate primary statements presented in pound sterling are also included in these financial statements.

b) *Transactions and balances*

Transactions carried out in currencies other than the functional currency of each Fund, are translated at exchange rates ruling at the transaction dates. Assets and liabilities designated in currencies other than the functional currency are translated into the functional currency at exchange rates ruling at the Funds' year-end. Foreign exchange gains and losses arising from translation are included in the Statements of Comprehensive Income.

Translation differences on financial assets and liabilities held at fair value through profit or loss are presented in the Statements of Comprehensive Income within 'net fair value movements on financial instruments at fair value through profit or loss'.

4. FINANCIAL ASSETS AND LIABILITIES

(a) *Classification*

(i) Assets

The Funds classify its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Funds are primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. The contractual cash flows of the Funds' debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Funds' business model's objective. Consequently, all investments are measured at fair value through profit or loss.

Material Accounting Policies *(continued)*

4. FINANCIAL ASSETS AND LIABILITIES *(continued)*

(a) Classification (continued)

(ii) Liabilities

Derivative contracts that have a negative fair value are presented as liabilities at fair value through profit or loss. As such, the Funds classify all of its investment portfolio as financial assets or liabilities as fair value through profit or loss.

(b) Recognition, derecognition and measurement

Regular purchases and sales of investments are recognised on the trade date – the date on which the Funds commit to purchase or sell the investment. Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the Statements of Comprehensive Income.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the Statements of Comprehensive Income within other net changes in fair value of financial instruments at fair value through profit or loss in the period in which they arise.

(c) Fair value estimation

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial instruments listed or dealt on a regulated market, is based on the latest available price, appearing to the Investment Manager. In the case of financial instruments which are quoted, listed or normally dealt in or under the rules of a regulated market but in respect of which, for any reason, prices on that regulated market may not be available at any relevant time, the value thereof is determined by reference to prices sought from dealers, brokers or pricing service providers. The fair values of unquoted investments are established by using valuation techniques. These include reference to recent financial statements and similar financial instruments as well as option pricing models.

(d) Transfers between levels of the fair value hierarchy

Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting period.

5. OTHER RECEIVABLES AND PAYABLES

Other receivables and payables represent amounts receivable and payable respectively, for transactions contracted for but not yet delivered by the end of the period. These amounts are initially recognised at fair value and subsequently measured at amortised cost less any provision for impairment (in the case of other receivables).

Material Accounting Policies (*continued*)

5. OTHER RECEIVABLES AND PAYABLES (*continued*)

At each reporting date, the Funds shall measure the loss allowance on other receivables at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Funds shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the counterparty, probability that the counterparty will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance.

6. REDEEMABLE UNITS

The Funds issue redeemable units, which are redeemable at the unitholder's option and are classified as a financial liability. Redeemable units can be put back to the respective Fund at any time for cash equal to a proportionate share of that Fund's net asset value ("NAV"). The redeemable units are carried at redemption amount that is payable at year-end if the unitholders exercise the right to put the shares back to the respective Fund.

The NAV per unit is calculated by dividing the net assets attributable to the holders of redeemable units with the total number of outstanding redeemable units. In accordance with the Prospectus, investment positions are valued based on the last traded market price for the purpose of determining the NAV per share for subscriptions and redemptions.

7. INCOME RECOGNITION

Dividend income from income financial assets at fair value through profit or loss is recognised in the Statements of Comprehensive Income within dividend income when the Funds' right to receive payments is established, it is probable that the economic benefits associated with the dividend will flow to the Fund, and the amount of the dividend can be measured reliably. Interest on debt securities at fair value through profit or loss is recognised in the Statements of Comprehensive Income. Interest is recognised on a time-proportionate basis using the effective interest method.

8. EXPENSES

Expenses are accounted for on an accrual basis and are expensed as incurred.

9. DISTRIBUTION POLICY

In the absence of unforeseen circumstances, subject to the availability of distributable profits and in the absence of exceptional market conditions, the Investment Manager expects to distribute to unitholders, on a yearly basis, part or all of the net income available for distribution by the BOV Conservative Portfolio Fund's and by the BOV Balanced Portfolio Fund's distributor class of units. For the purpose of calculating profits available for distribution, expenses are capitalised in accordance with the MFSA Investment Services Rules for Retail Collective Investment Schemes. However, for the purpose of the Statements of Comprehensive Income, these expenses would still be deducted from income. Any undistributed income will be reflected in the net asset value per share of the respective Fund. Distributions are classified as finance costs in the Statements of Comprehensive Income and are recognised in the accounting period in which they become due. The Investment Manager expects to distribute a set rate of return to the unitholders of the three BOV Capital Guaranteed Funds on a yearly basis in line with the respective offering supplements.

Material Accounting Policies (continued)

10. EQUALISATION

In the case of distributor units, the Funds operate an equalisation account to ensure that the amount distributed in respect of each unit will be the same for all shares notwithstanding different dates of issue of those shares. Accordingly, a sum equal to that part of the issue/redemption price of a share, which reflects income (if any) accrued up to the date of issue/redemption, will be deemed to be an equalisation payment/charge and credited (in the case of share issues)/debited (in the case of share redemptions) by the Investment Manager to the equalisation account. Part of the first distribution to unitholders in respect of which equalisation payments are made, will be paid out of the equalisation account.

11. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments, that are readily convertible to known amounts of cash, and which are subject to insignificant changes in value and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

12. TAXATION

The Funds currently incur withholding taxes imposed by certain countries on investment income and capital gains. Such income or gains are recorded gross of withholding taxes in the Statements of Comprehensive Income. Withholding taxes are shown as a separate line item in the Statements of Comprehensive Income.

Notes to the Financial Statements

1. GENERAL

The BOV Investment Funds is an open-ended UCITS umbrella contractual fund licensed by the Malta Financial Services Authority as a collective investment scheme pursuant to the Investment Services Act (Cap. 370, Laws of Malta and the UCITS Directive) as amended from time to time. The BOV Investment Funds has been established by way of a Deed of Constitution under the Laws of Malta entered into by and between BOV Asset Management Limited and Bank of Valletta p.l.c. on 6 December 2016.

As at 30 April 2024, the BOV Investment Funds consists of six separate sub-funds, the BOV Conservative Portfolio Fund, the BOV Balanced Portfolio Fund, the BOV Growth Portfolio Fund, the BOV Capital Guaranteed Fund 2027, the BOV Capital Guaranteed Fund 2026 and the BOV Capital Guaranteed Fund GBP 2027.

Capital Guaranteed Funds

During the year, BOV Investment Funds launched three new sub-funds namely, BOV Capital Guaranteed Funds 2027, BOV Capital Guaranteed Funds 2026 and BOV Capital Guaranteed Funds GBP 2027. The Funds have been established for a definite period of time. On the respective maturity date of each fund, each unit in the Funds will be mandatorily and unilaterally redeemed at a set price as described in the offering memorandum. The maturity dates and final redemption price of each fund are as follows:

	Maturity dates	Final redemption price/ unit
BOV Capital Guaranteed Fund 2027	15 June 2027	€104.53
BOV Capital Guaranteed Fund 2026	27 March 2026	€103.50
BOV Capital Guaranteed Fund GBP 2027	25 March 2027	£104.10

The Capital Guaranteed Funds aim to guarantee unitholders' initial investment and a fixed return per annum thereon in accordance with the terms of the respective offering supplements. The guaranteed capital and return can only be attained if the investment is held until maturity. The Funds will effect interim distributions annually at amount equal to the initial offering price multiplied by the rates described below.

	BOV Capital Guaranteed Fund 2027	BOV Capital Guaranteed Fund 2026	BOV Capital Guaranteed Fund GBP 2027
First interim distribution	3%	2%	3.25%
Second interim distribution	3%	Not applicable	3.75%

Subject to holding the investment for the full term of the Fund, and in the event of a unitholder not receiving an interim distribution by the interim payment cut-off date and/or not receiving the final redemption amount by the final redemption cut-off date, then Bank of Valletta p.l.c. acting as guarantor will pay the interim distribution or final redemption amount to the said unitholder (as the case may be).

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and based on experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

In the opinion of the Investment Manager, the accounting estimates and judgements made in the course of preparing these financial statements are not difficult, subjective or complex to a degree which would warrant their description as critical in terms of the requirements of IAS 1.

Notes to the Financial Statements (continued)

3. FINANCIAL ASSETS / LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

BOV Conservative Portfolio Fund	Fair value	% of net	Fair value	% of net
	2024	assets	2023	assets
	€	2024	€	2023
<i>Financial assets at fair value through profit or loss</i>				
Quoted local corporate bonds	2,461,453	5.98	3,064,801	7.63
Quoted foreign corporate bonds	1,661,479	4.03	-	-
Quoted foreign government bonds	-	-	1,246,766	3.11
Collective investment schemes	10,572,649	25.68	7,527,842	18.75
Exchange traded funds	26,965,699	65.49	27,898,504	69.49
Forward foreign exchange contracts	-	-	546,229	1.36
	41,661,280	101.18	40,284,142	100.34
<i>Financial liabilities at fair value through profit or loss (derivatives)</i>				
Forward foreign exchange contracts	(220,755)	(0.54)	(18,886)	(0.05)
BOV Balanced Portfolio Fund	Fair value	% of net	Fair value	% of net
	2024	assets	2023	assets
	€	2024	€	2023
<i>Financial assets at fair value through profit or loss</i>				
Quoted local equities	18,665	0.08	113,899	0.60
Quoted local corporate bonds	528,300	2.23	557,250	2.96
Quoted foreign government bonds	-	-	481,486	2.56
Collective investment schemes	4,895,737	20.66	2,781,632	14.77
Exchange traded funds	18,243,572	77.00	14,052,988	74.63
Forward foreign exchange contracts	538	-	312,944	1.66
	23,686,812	99.97	18,300,199	97.18
<i>Financial liabilities at fair value through profit or loss (derivatives)</i>				
Forward foreign exchange contracts	(126,703)	(0.53)	(5,576)	(0.03)
BOV Growth Portfolio Fund	Fair value	% of net	Fair value	% of net
	2024	assets	2023	assets
	€	2024	€	2023
<i>Financial assets at fair value through profit or loss</i>				
Quoted local equities	20,328	0.24	26,488	0.36
Quoted local corporate bonds	29,655	0.34	29,462	0.40
Quoted foreign government bonds	-	-	187,147	2.55
Collective investment schemes	2,359,715	27.31	1,645,884	22.43
Exchange traded funds	6,238,372	72.20	5,197,862	70.82
Forward foreign exchange contracts	334	-	151,920	2.07
	8,648,404	100.09	7,238,763	98.63
<i>Financial liabilities at fair value through profit or loss (derivatives)</i>				
Forward foreign exchange contracts	(59,972)	(0.69)	(1,959)	(0.03)

Notes to the Financial Statements (continued)

3. FINANCIAL ASSETS / LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

BOV Capital Guaranteed Fund 2027	Fair value 2024	% of net assets 2024	Fair value 2023	% of net assets 2023
<i>Financial assets at fair value through profit or loss</i>	€		€	
Quoted foreign corporate bonds	14,916,429	98.30	-	-
Quoted foreign government bonds	327,995	2.16	-	-
	15,244,424	100.46	-	-

BOV Capital Guaranteed Fund 2026	Fair value 2024	% of net assets 2024	Fair value 2023	% of net assets 2023
<i>Financial assets at fair value through profit or loss</i>	€		€	
Quoted foreign corporate bonds	19,905,247	99.81	-	-
	19,905,247	99.81	-	-

BOV Capital Guaranteed Fund GBP 2027	Fair value 2024	% of net assets 2024	Fair value 2023	% of net assets 2023
<i>Financial assets at fair value through profit or loss</i>	€		€	
Quoted foreign corporate bonds	9,584,879	94.03	-	-
Quoted foreign government bonds	568,942	5.58	-	-
	10,153,821	99.61	-	-

4. ACCRUED INCOME

Accrued income represents accrued interest from bonds and accrued dividend as at year-end.

5. ACCRUED EXPENSES AND OTHER PAYABLES

	BOV Conservative Portfolio Fund 2024	BOV Balanced Portfolio Fund 2024	BOV Growth Portfolio Fund 2024
	€	€	€
<i>Accrued expenses</i>			
Service fees	13,684	11,089	5,280
Administration fees	4,608	2,883	2,049
Custodian fees	2,149	1,823	1,553
Other expenses	27,700	16,029	6,890
	48,141	31,824	15,772
<i>Other payable</i>			
Distribution payable	633,625	49,759	-
	633,625	49,759	-

Notes to the Financial Statements (continued)

5. ACCRUED EXPENSES AND OTHER PAYABLES (continued)

	2023 €	2023 €	2023 €
<i>Accrued expenses</i>			
Service fees	13,146	8,625	4,379
Administration fees	4,702	2,416	1,537
Custodian fees	2,252	1,787	1,550
Other expenses	31,005	14,889	6,959
	<u>51,105</u>	<u>27,717</u>	<u>14,425</u>
<i>Other payables</i>			
Distribution payable	535,789	34,294	-
Bank interest payable	2,698	40	65
	<u>538,487</u>	<u>34,334</u>	<u>65</u>
	BOV Capital Guaranteed Fund 2027 2024 €	BOV Capital Guaranteed Fund 2026 2024 €	BOV Capital Guaranteed Fund GBP 2027 2024 €
<i>Accrued expenses</i>			
Service fees	46,468	14,904	7,673
Administration fees	3,863	932	936
Custodian fees	2,318	559	561
Other expenses	9,171	9,123	5,553
	<u>61,820</u>	<u>25,518</u>	<u>14,723</u>
<i>Other payable</i>			
Distribution payable	170,724	37,158	31,213
	<u>170,724</u>	<u>37,158</u>	<u>31,213</u>

Notes to the Financial Statements (continued)

6. REDEEMABLE UNITS

The outstanding redeemable units represent the capital of the Funds. Each redeemable unit has no par value, and the value of each redeemable unit is its NAV. The redeemable units may be issued and redeemed at the NAV per unit of the respective class of unit of the Funds.

Holders of distributor class of units are entitled to distributions in accordance with the distribution policy. The determination of the net asset value per accumulator and distributor unit is explained in note 7.

	BOV Conservative Portfolio Fund 2024	BOV Balanced Portfolio Fund 2024	BOV Growth Portfolio Fund 2024
Accumulator units in issue at beginning of year	22,433,492.872	15,536,915.448	6,462,480.880
Distributor units in issue at beginning of year	25,129,638.834	2,283,361.425	-
Creation of Accumulator units	1,581,972.491	4,149,024.421	1,013,907.249
Creation of Distributor units	2,619,730.182	406,333.022	-
Redemption of Accumulator units	(2,077,333.917)	(1,451,007.332)	(768,969.593)
Redemption of Distributor units	(1,954,488.378)	(183,978.271)	-
Accumulator units in issue at end of year	21,938,131.446	18,234,932.537	6,707,418.536
Distributor units in issue at end of year	25,794,880.638	2,505,716.175	-
	2023	2023	2023
Accumulator units in issue at beginning of year	23,796,545.817	13,446,853.541	6,142,680.247
Distributor units in issue at beginning of year	26,590,529.529	2,100,951.308	-
Creation of Accumulator units	1,019,240.494	3,661,825.225	952,873.797
Creation of Distributor units	1,047,584.804	406,337.182	-
Redemption of Accumulator units	(2,382,293.439)	(1,571,763.318)	(633,073.164)
Redemption of Distributor units	(2,508,475.499)	(223,927.065)	-
Accumulator units in issue at end of year	22,433,492.872	15,536,915.448	6,462,480.880
Distributor units in issue at end of year	25,129,638.834	2,283,361.425	-
	BOV Capital Guaranteed Fund 2027 2024	BOV Capital Guaranteed Fund 2026 2024	BOV Capital Guaranteed Fund GBP 2027 2024
Distributor units in issue at beginning of year	-	-	-
Creation of Distributor units	149,736.685	200,000.000	88,280.195
Distributor units in issue at end of year	149,736.685	200,000.000	88,280.195

Notes to the Financial Statements *(continued)*

6. REDEEMABLE UNITS *(continued)*

Capital risk management

The net assets attributable to holders of redeemable units in the BOV Conservative Portfolio Fund, BOV Balanced Portfolio Fund and BOV Growth Portfolio Fund can change significantly on a weekly basis, as the Funds are subject to weekly subscriptions and redemptions at the discretion of unitholders. The BOV Capital Guaranteed Funds are closed for subscriptions and redemptions before the maturity date of each fund are subject to a fee up to 5% of the redemption proceeds. Further, any unit holder redeeming prior to the maturity date will not benefit from the guarantee and will not receive the guaranteed capital and return. The Funds' objective when managing capital is to safeguard their ability to continue as a going concern in order to provide returns for unitholders, provide benefits for other stakeholders and maintain a strong capital base to support the development of the investment activities of the Funds.

In order to maintain or adjust the capital structure, the Funds' policy is to redeem and issue new units in accordance with the constitutional documents of the Funds, which include the ability to restrict redemptions and require certain minimum holdings and subscriptions.

The Investment Manager monitors capital on the basis of the value of net assets attributable to holders of redeemable units.

If the Investment Manager determines that satisfying all or a portion of a redemption request would not be possible, the Investment Manager, with the approval of the Custodian, may elect to exercise its power of deferral and power to suspend redemption of shares. In such an event, the Investment Manager reduces all valid redemption instructions pro-rata to the number of units requested to be redeemed. The balance of such shares will be redeemed on the next dealing day until the original redemption instructions have been satisfied. In accordance with the objectives outlined in the prospectus and the risk management policies in note 14, the Funds endeavour to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by short-term borrowing or disposal of listed securities where necessary.

7. NET ASSET VALUE

The BOV Conservative Portfolio Fund and the BOV Balanced Portfolio Fund have two classes of units, being the accumulator class and the distributor class. The net asset value per unit of each respective class is calculated by apportioning the net asset attributable to holders of redeemable units in accordance to their respective capital contributions. The BOV Growth Portfolio Fund has only one class of unit, being the accumulator class. The BOV Capital Guaranteed Funds have only one class of unit each, being a distributor class for each of the Funds.

8. FEES

a) *Investment manager fees*

BOV Asset Management Limited is the Funds' Investment Manager. With effect from 15 July 2022, the Investment Manager receives a service fee of 0.35% per annum of the net asset value of BOV Conservative Portfolio Fund, 0.50% per annum of the net asset value of BOV Balanced Portfolio Fund, and 0.65% per annum of the net asset value of BOV Growth Portfolio Fund. The Investment Manager receives a service fee of 0.8% per annum of the net asset value for each of the three BOV Capital Guaranteed Funds. The Investment Manager will be reimbursed for all properly incurred and approved out of pocket expenses.

Notes to the Financial Statements (continued)

8. FEES (continued)

a) Investment manager fees

If NAV per unit of the BOV Capital Guaranteed Funds is higher than the redemption price at the maturity date, any excess will be paid out to the Investment Manager as fees for investment management services rendered. Further, if the unitholder of the BOV Capital Guaranteed Funds redeems prior to the maturity date, the Investment Manager will be entitled to receive an exit fee up to 5% of the redemption proceeds.

Service fees incurred during the years ended 30 April 2024 and 2023 are disclosed in the Statements of Comprehensive Income. The outstanding balance as at year-end is disclosed in note 5.

b) Administration fees

BOV Fund Services Limited is the Funds' Administrator. Up to 15 July 2023, the Administrator receives an administration fee of 0.03% to 0.14% per annum of the net asset value of BOV Conservative Portfolio Fund, BOV Balanced Portfolio Fund and BOV Growth Portfolio Fund, subject to a minimum fee of €22,000 for BOV Conservative Portfolio Fund and BOV Balanced Portfolio Fund and €16,500 for BOV Growth Portfolio Fund. After 15 July 2023, the Administrator receives an administration fee of 0.03% to 0.13% per annum of the net asset value of BOV Conservative Portfolio Fund, BOV Balanced Portfolio Fund and BOV Growth Portfolio Fund subject to the minimum fee of €22,000. The Fund administrator receives an administration fee of €10,000 per annum for each of the three BOV Capital Guaranteed Funds.

Fees incurred during the years ended 30 April 2024 and 2023 are disclosed in the Statements of Comprehensive Income. The outstanding balance as at year-end is disclosed in note 5.

c) Custodian fees

Bank of Valletta p.l.c. is the Funds' Custodian. The Custodian receives a custody fee of 0.05% per annum of the aggregate net asset value of the Funds, subject to an aggregate minimum fee of €60,000 per annum for the BOV Conservative Portfolio Fund, the BOV Balanced Portfolio Fund and the BOV Growth Portfolio Fund. The Custodian receives a custody fee of €6,000 per annum for each of the three BOV Capital Guaranteed Funds.

Fees incurred during the years ended 30 April 2024 and 2023 are disclosed in the Statements of Comprehensive Income. The outstanding balances as at year-end are disclosed in note 5.

d) Auditor's remuneration

Fees charged by the auditor (exclusive of VAT) for services rendered to the Funds during the financial years ended 30 April 2024 and 2023 relate to:

	2024	2023
	€	€
Annual statutory audit	32,000	16,000
Other assurance services	4,200	4,000
Tax compliance services	1,600	1,500
	37,800	21,500

Notes to the Financial Statements (continued)

9. DISTRIBUTIONS TO UNITHOLDERS

Distributions reflected in the Statements of Comprehensive Income for the year ended 30 April 2024 and 2023 as follows:

	Ex-dividend date	Rate per share	Amount
BOV Conservative Portfolio Fund	19 April 2024	0.024564	633,625
BOV Balanced Portfolio Fund	19 April 2024	0.019858	49,759
BOV Conservative Portfolio Fund	28 April 2023	0.021321	535,789
BOV Balanced Portfolio Fund	28 April 2023	0.015019	34,294

All income attributable to the distributor units as disclosed above have been declared and the distribution payable as at 30 April 2024 and 2023 are disclosed in note 5.

As of 30 April 2024, the accrued distribution on the BOV Capital Guaranteed Funds that are payable on the interim distribution date are disclosed in the statements of comprehensive income and note 5.

10. TAX EXPENSE ON INCOME

The Maltese tax regime for collective investment schemes is based on the classification of funds into prescribed or non-prescribed funds in terms of the conditions set out in the Collective Investment Schemes (Investment Income) Regulations, 2001 (as amended). In general, a prescribed fund is defined as a resident fund, which has declared that the value of its assets situated in Malta amount to at least 85% of the value of the total assets of the fund. A non-prescribed fund is a fund which does not qualify as a prescribed fund.

On the basis that the Funds are currently classified as a non-prescribed funds for Maltese income tax purposes, then the Funds should not be subject to Maltese income tax in respect of the income or gains derived by such fund other than on any income (if any) from immovable property situated in Malta.

However, Maltese resident investors therein may be subject to a 15% final withholding tax on capital gains realised on redemption, liquidation, or cancellation of units. Nevertheless, the Maltese resident investor may request the Funds not to affect the deduction of the said 15% final withholding tax, in which case the said investor would be required to declare the gains in his/her Maltese income tax return and will be subject to tax at the normal rates of tax.

Any gains or profits derived on the transfer or redemption of units in the Funds by investors who are not resident in Malta should not be chargeable to Maltese income tax, subject to the satisfaction of applicable statutory conditions.

With respect to any distributions by the Funds, dividends paid from Malta source taxed profits or profits received by the Funds from the Foreign Income Account of another Maltese company, should not be subject to further tax in the hands of the unitholders. In the case of distributions from the Funds' Final Tax Account (if any), the unitholders should not be subject to further tax on such dividends but should not be entitled to claim a credit or refund of any tax directly or indirectly paid on such profits.

Distributions from the Funds' foreign source profits allocated to their Untaxed Account, or distributions of any Malta source profits which are not subject to tax and which are allocated to their Untaxed Account, to a Maltese resident person (other than a company), or to a non-resident person who is owned or controlled by, or who acts on behalf of, a person who is ordinarily resident and domiciled in Malta, should be subject to a withholding tax of 15%.

Notes to the Financial Statements *(continued)*

10. TAX EXPENSE ON INCOME *(continued)*

Distributions (if any) from the Funds' equalisation reserve are treated as dividends for Maltese income tax purposes and should be subject to a withholding tax of 15% when paid to a Maltese resident person (other than a company), or to a non-resident person who is owned, or controlled by, or who acts on behalf of a person who is ordinarily resident and domiciled in Malta.

In the case of the Funds' foreign investments, any capital gains, dividends, interest and other gains or profits may be subject to tax imposed by the country of origin concerned and such taxes may not be recoverable by the Fund or by its unitholders under Maltese domestic tax law.

The redemption or transfer of shares and any distribution on a winding-up of the Funds, may result in a tax liability for the shareholders according to the tax regime applicable in their respective countries of incorporation, establishment, residence, citizenship, nationality, domicile or other relevant jurisdiction.

11. RELATED PARTIES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

(i) Fee to the Investment Manager

BOV Asset Management Limited is the Investment Manager. It provides management services for fees as specified in note 8(a). The fees due for the reporting year are disclosed in the Statements of Comprehensive Income and the outstanding service fees at year end are detailed in note 5. There were no redemption fees paid to the investment manager during the year.

(ii) Fee to the Administrator

The Investment Manager appointed BOV Fund Services Limited, a subsidiary of Bank of Valletta p.l.c., as administrator to the BOV Investment Funds. It provides administrator services for fees as specified in note 8(b). The fees due for the reporting year are disclosed in the Statements of Comprehensive Income and the outstanding administration fees at year end are detailed in note 5.

(iii) Fee to the Custodian

Bank of Valletta p.l.c. provides custody and banking services for a fee as specified in note 9(c). The fees due for the reporting year are disclosed in the Statements of Comprehensive Income and the outstanding custodian fees at year end are detailed in note 5.

As at 30 April 2024 and 2023, all of the bank balances (note 12) and margin accounts (note 13) are held with Bank of Valletta p.l.c.

(iv) Holdings of the director of the Investment Manager

As at 30 April 2024, no holdings were held in any of the BOV Investments funds by any director of BOV Asset Management Limited. As at 30 April 2023, a director of BOV Asset Management held 1,703 shares in BOV Balanced Portfolio Fund and 3,962 shares in BOV Growth Portfolio Fund.

Notes to the Financial Statements (continued)

11. RELATED PARTIES (continued)

(v) *Holdings of the Funds in Vilhena Funds SICAV p.l.c.*

As at 30 April 2024 and 2023, the Funds held shares in the following Funds under the Vilhena Funds SICAV p.l.c. which is also managed by BOV Asset Management Limited:

	BOV Conservative Portfolio Fund 30.04.2024 Number of shares	BOV Balanced Portfolio Fund 30.04.2024 Number of shares	BOV Growth Portfolio Fund 30.04.2024 Number of shares
Euro Income Fund B1 - Accumulator	-	-	34,754.288
Euro Income Fund B2 - Monthly Distributor	1,589,732.245	197,580.582	-
Global Themed Fund - USD Class	1,425,739.917	664,782.373	384,083.873
High Yield Fund - EUR Class	-	-	117,912.300
Sterling Income Fund	1,685,739.974	218,600.883	-

	BOV Conservative Portfolio Fund 30.04.2023 Number of shares	BOV Balanced Portfolio Fund 30.04.2023 Number of shares	BOV Growth Portfolio Fund 30.04.2023 Number of shares
Euro Income Fund B1 - Accumulator	-	-	34,754.288
Euro Income Fund B2 - Monthly Distributor	1,565,958.385	194,625.843	-
Global Themed Fund - USD Class	1,425,739.917	664,782.373	384,083.873
High Yield Fund - EUR Class	-	-	111,280.541
Sterling Income Fund	1,628,833.527	211,221.455	-

(vi) *Bond holdings of the Funds in Bank of Valletta p.l.c.*

As at 30 April 2024 and 2023, the Funds held bonds issued by the Bank of Valletta p.l.c. as follows:

	BOV Conservative Portfolio Fund 30.04.2024 Nominal amount	BOV Balanced Portfolio Fund 30.04.2024 Nominal amount
10% Bank of Valletta p.l.c. 2027	875,000	343,000

	BOV Conservative Portfolio Fund 30.04.2023 Nominal amount	BOV Balanced Portfolio Fund 30.04.2023 Nominal amount
10% Bank of Valletta p.l.c. 2027	875,000	343,000

Notes to the Financial Statements (continued)

12. CASH AND CASH EQUIVALENTS

For the purpose of the Statements of Cash Flows, the year-end cash and cash equivalents comprise bank balances held at call as follows:

	30.04.2024	% of net assets	30.04.2023	% of net assets
BOV Conservative Portfolio Fund	€198,412	0.49	€386,023	0.96
BOV Balanced Portfolio Fund	€138,724	0.58	€571,947	3.04
BOV Growth Portfolio Fund	€61,540	0.71	€115,469	1.57
BOV Capital Guaranteed Fund 2027	€65,797	0.43	-	-
BOV Capital Guaranteed Fund 2026	€6,040	0.03	-	-
BOV Capital Guaranteed Fund GBP 2027	€2,000	0.02	-	-

13. MARGIN ACCOUNTS

The Funds have a commitment facility with the Custodian intended as a margin account to enable the Funds to enter into forward contracts as described further in note 14. As at 30 April 2024 and 2023, the Funds have the following commitment facility limits:

	30.04.2024	30.04.2023
	€	€
BOV Conservative Portfolio Fund	2,400,000	2,400,000
BOV Balanced Portfolio Fund	900,000	900,000
BOV Growth Portfolio Fund	450,000	450,000

If the net fair value loss on the open derivative contracts exceeded the above limits, the Custodian will make a margin call to cover the fair value of the derivative contracts. The margin balance at 30 April 2024 and 2023 were nil.

14. FINANCIAL RISK MANAGEMENT

The Funds' activities expose them to a variety of financial risks: market risk (including price risk, fair value interest rate risk, cash flow interest rate risk and currency risk), credit risk and liquidity risk.

Market risk

(a) Price risk

The Funds trade in equity, debt securities and financial derivative instruments. All securities present a risk of loss of capital. The Investment Manager moderates this risk through a careful selection of securities within specified limits.

The Funds' equity financial instruments are susceptible to market price risk arising from uncertainties about future prices of securities. The Funds are exposed to equity price risk either through their direct investment in equity securities or indirectly through the assets held by the respective underlying collective investment schemes.

Notes to the Financial Statements (continued)

14. FINANCIAL RISK MANAGEMENT (continued)

Market risk (continued)

(a) Price risk (continued)

The table below summarises the Funds' principal exposures to equity price risk. Sensitivity to equity price risk is included in the overall Value at Risk (VaR) measure presented in note 14 (d).

	30.04.2024	30.04.2023
	% of net assets	% of net assets
BOV Conservative Portfolio Fund	91.17	88.24
BOV Balanced Portfolio Fund	97.74	90.00
BOV Growth Portfolio Fund	99.75	93.61

(b) Currency risk

Market risk includes currency risk, whereby currency fluctuations between the functional currency of the Funds and other currencies that the Funds may be exposed to, may adversely affect the Funds. In all the Funds, foreign exchange fluctuations are partially hedged through forward foreign exchange contracts. The funds match the notional amounts of the contracts to the market value of the individual foreign exposure to be hedged as reflected in the table below.

The table below summarises the Funds' principal exposures to different currencies including the notional amounts of the forward foreign currency contracts. No exposure to currency risk in the BOV Capital Guaranteed Funds. Sensitivity to currency risk is included in the overall VaR measure presented in note 14 (d).

30 April 2024		GBP	USD
BOV Conservative Portfolio Fund	Functional currency	% of net assets	% of net assets
Total financial assets	€	4.00	46.51
Financial derivative instruments (FX forwards)		(3.30)	(39.67)
Net exposure		0.70	6.84
30 April 2023		GBP	USD
	Functional currency	% of net assets	% of net assets
Total financial assets	€	3.83	49.72
Financial derivative instruments (FX forwards)		(3.64)	(43.17)
Net exposure		0.19	6.55
30 April 2024		GBP	USD
BOV Balanced Portfolio Fund	Functional currency	% of net assets	% of net assets
Total financial assets	€	0.91	51.78
Financial derivative instruments (FX forwards)		(1.65)	(40.35)
Net exposure		(0.74)	11.43

Notes to the Financial Statements *(continued)*

14. FINANCIAL RISK MANAGEMENT *(continued)*

Market risk (continued)

(b) Currency risk (continued)

30 April 2023		GBP	USD
	Functional	% of net	% of net
	currency	assets	assets
Total financial assets	€	2.40	61.82
Financial derivative instruments (FX forwards)		(2.29)	(52.73)
Net exposure		0.11	9.09
30 April 2024		GBP	USD
BOV Growth Portfolio Fund	Functional	% of net	% of net
	currency	assets	assets
Total financial assets	€	0.03	70.22
Financial derivative instruments (FX forwards)		(1.54)	(52.66)
Net exposure		(1.51)	17.56
30 April 2023		GBP	USD
BOV Growth Portfolio Fund	Functional	% of net	% of net
	currency	assets	assets
Total financial assets	€	2.16	78.83
Financial derivative instruments (FX forwards)		(2.07)	(65.67)
Net exposure		0.09	13.16

(c) Interest rate risk

Market risk includes interest rate risk, arising through directly holding interest-bearing financial assets or indirectly through interest-bearing financial assets held by the respective underlying collective investment schemes. Assets earning interest at variable rates expose the Funds to cash flow interest rate risk, whereas assets earning interest at fixed rates expose the Funds to fair value interest rate risk. The Funds' exposure to direct interest rate risk is summarised in the table below. Sensitivity to interest rate risk is included in the overall VaR measure presented in note 14 (d).

	Assets held at fixed rates	Assets held at variable rates
	30.04.2024	30.04.2024
	% of NAV	% of NAV
BOV Conservative Portfolio Fund	10.01	0.49
BOV Balanced Portfolio Fund	2.23	0.58
BOV Growth Portfolio Fund	0.34	0.71
BOV Capital Guaranteed Fund 2027	100.46	0.43
BOV Capital Guaranteed Fund 2026	99.81	0.03
BOV Capital Guaranteed Fund GBP 2027	99.61	0.02

Notes to the Financial Statements *(continued)*

14. FINANCIAL RISK MANAGEMENT *(continued)*

Market risk (continued)

(c) Interest rate risk (continued)

	30.04.2023 % of NAV	30.04.2023 % of NAV
BOV Conservative Portfolio Fund	10.74	0.96
BOV Balanced Portfolio Fund	5.52	3.04
BOV Growth Portfolio Fund	2.95	1.57

The direct exposure in interest rate risk is managed through investment in debt securities with different maturity dates over the time bands as illustrated in the tables below. In addition, investment limits in interest bearing securities are prescribed in the Prospectus. The Investment Manager monitors such exposure against these limits on a regular basis.

Maturities of debt securities as at 30 April 2024:

	up to 1 year	1 to 5 years	More than 5 years
BOV Conservative Portfolio Fund	€6,400	€1,148,693	€2,967,839
BOV Balanced Portfolio Fund	-	€442,284	€86,016
BOV Growth Portfolio Fund	-	€29,655	-
BOV Capital Guaranteed Fund 2027	€327,995	€14,916,429	-
BOV Capital Guaranteed Fund 2026	€196,412	€19,708,835	-
BOV Capital Guaranteed Fund GBP 2027	€129,608	€10,024,213	-

Maturities of debt securities as at 30 April 2023:

	up to 1 year €	1 to 5 years €	More than 5 years €
BOV Conservative Portfolio Fund	-	2,386,071	1,925,496
BOV Balanced Portfolio Fund	-	905,984	132,752
BOV Growth Portfolio Fund	-	216,609	-

(d) Market risk measurement

The Funds' overall market positions are monitored on a regular basis by the Investment Manager. The Investment Manager uses Value at Risk (VaR) as a risk measure in order to gauge market risk. VaR is an estimated monetary (and % of portfolio market value) amount the portfolio stands to lose over a specified period (time horizon or holding period) from an adverse market movement within a specified probability (confidence level).

The VaR model used by the Funds is based on a 99% confidence level and assumes a one-month holding period.

The VaR model used is based on the MonteCarlo simulation. Taking into account market data from the previous one or two years and observed relationships between different markets and prices, the model generates a wide range of plausible future scenarios for market price movements. Assets having less than the required pricing history are extended by reference to a proxy that replicates similar characteristics in terms of market or industry, while illiquid assets are assigned a risk-alias by the Investment Manager.

Notes to the Financial Statements *(continued)*

14. FINANCIAL RISK MANAGEMENT *(continued)*

Market risk *(continued)*

*(d) Market risk measurement *(continued)**

Although VaR is an important tool for measuring market risk, the assumptions on which the model is based give rise to some limitations, including the following:

- A one-month holding period assumes that it is possible to hedge or dispose of positions within that period. This may not be the case for certain illiquid assets or in situations in which there is severe general market illiquidity.
- A 99% confidence level does not reflect losses that may occur beyond this level, meaning that within the model used there is a 1% probability that losses could exceed the VaR.
- The use of historical data as a basis for determining the possible range of future outcomes may not always cover all possible scenarios, especially those of an exceptional nature.
- The VaR measure is dependent on the Funds' position and the volatility of market prices.
- The VaR of an unchanged position reduces if market price volatility declines, and vice versa.

The Investment Manager uses VaR thresholds for overall market risk to each Fund to monitor market risk. VaR is measured daily, with quarterly summary reports submitted to the Board of Directors and Risk Committee of the Investment Manager. The below table provides the overall VaR calculations for each Fund.

Fund	Value at Risk (1 Month) – 99% Conf. Level as at 30 April 2024
BOV Conservative Portfolio Fund	3.81
BOV Balanced Portfolio Fund	5.25
BOV Growth Portfolio Fund	7.00
BOV Capital Guaranteed Fund 2027	1.57
BOV Capital Guaranteed Fund 2026	0.84
BOV Capital Guaranteed Fund GBP 2027	1.92

Fund	Value at Risk (1 Month) – 99% Conf. Level as at 30 April 2023
BOV Conservative Portfolio Fund	4.84
BOV Balanced Portfolio Fund	6.21
BOV Growth Portfolio Fund	9.01

The limitations of the VaR methodology are recognised by supplementing VaR thresholds with other position and sensitivity limit structures, including limits to address potential concentration risks and illiquidity risks. In addition, the Investment Manager grades and monitors the level to which unsystematic risk is diversified away and carries out parametric stress tests to model the financial impact of hypothetical or historical exceptional market scenarios, such as international financial crises, on the Funds' overall positions.

Notes to the Financial Statements (continued)

14. FINANCIAL RISK MANAGEMENT (continued)

Credit risk

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Funds. Financial instruments, which potentially subject the Funds to credit risk, consist principally of debt securities, derivative instruments, margin accounts, and cash balances.

Credit quality, collateral and other credit enhancements

The following tables provide information regarding the Funds' aggregated credit risk exposure relating to debt securities with external credit ratings as a percentage of NAV. The credit rating analysis below takes into account the rating of the respective financial instrument and is categorised by Standard & Poor's ("S&P") Rating or equivalent when not available from S&P.

	BOV Conservative Portfolio Fund €	BOV Balanced Portfolio Fund €	BOV Growth Portfolio Fund €
2024			
Debt securities	4,122,932	528,300	29,655
A+ to A-	-	-	-
AAA+ to AAA-	-	-	-
BBB+ to BBB-	4.03%	1.59%	-
Not Rated	5.98%	0.64%	0.34%
	BOV Conservative Portfolio Fund €	BOV Balanced Portfolio Fund €	BOV Growth Portfolio Fund €
2023			
Debt securities	4,311,567	1,038,736	216,609
A+ to A-	3.11%	-	-
AAA+ to AAA-	-	2.56%	2.55%
BBB+ to BBB-	2.28%	1.91%	-
Not Rated	5.35%	1.05%	0.40%
	BOV Capital Guaranteed Fund 2027 €	BOV Capital Guaranteed Fund 2026 €	BOV Capital Guaranteed Fund GBP 2027 €
2024			
Debt securities	15,244,424	19,905,247	10,153,821
A+ to A-	40.07%	45.00%	45.18%
AA+ to AA-	0.76%	27.72%	10.73%
AAA+ to AAA-	4.59%	-	6.04%
BBB+ to BBB-	52.88%	22.37%	22.74%
Not Rated	2.16%	4.72%	14.92%

The Funds do not hold any collateral as security.

Notes to the Financial Statements (continued)

14. FINANCIAL RISK MANAGEMENT (*continued*)

Credit risk (continued)

All transactions in listed debt securities are settled for upon delivery through clearing houses. The risk of default is considered minimal, as delivery of securities sold is only made once the clearing house has received payment. Payment is made on a purchase once the securities have been received by the clearing house. The trade will fail if either party fails to meet its obligation.

Receivables mainly constitute accrued interest from bonds and accrued dividend. These receivables are all short term. Accordingly, the Funds have no significant credit risk in respect of receivables.

The Funds have policies that limit the amount of credit exposure to any single issuer. Such policies are in line with the UCITS Directive and the investment limits laid down in the said Directive. Accordingly, the Investment Manager monitors the Funds' credit position on a regular basis.

All bank balances (note 12) and forward exchange contracts (note 3) are held and transacted with BOV, which is rated BBB-.

The derivative transactions are entered into under International Swaps and Derivatives Association (ISDA) master netting agreements, according to which in certain circumstances - e.g., when a credit event such as a default occurs - all outstanding transactions under the agreement are terminated, the termination value is assessed and only a single net amount is payable in settlement of all transactions. The Funds execute a credit support annex for variation margin in conjunction with the ISDA agreement, which requires the Funds and the counterparty to post collateral to mitigate counterparty credit risk. Collateral is posted daily subject to thresholds, minimum transfer amounts and rounding.

The Funds measure credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward looking information in determining any expected credit loss. At 30 April 2024 and 2023, accrued income and bank balances are held with counterparties with a credit rating of BBB- or higher and/or are due to be settled within a short period of time. Management consider the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Funds.

Liquidity risk

The BOV Conservative Portfolio Fund, BOV Balanced Portfolio Fund and BOV Growth Portfolio Fund are exposed to weekly cash redemptions of redeemable units.

The BOV Capital Guaranteed Funds are closed for subscriptions and redemptions before the maturity date of each fund are subject to a fee up to 5% of the redemption proceeds. Further, any unit holder redeeming prior to the maturity date will not benefit from the guarantee and will not receive the guaranteed capital and return.

The Investment Manager monitors the Funds' liquidity position on a regular basis. Redeemable units are redeemed on demand at the holder's option and settled by the respective Fund within 14 business days from the redemption date. In accordance with the constitutional documents of the respective Funds, the Investment Manager has the ability to restrict redemptions (note 6) and/or gate a Fund to avoid a run on the particular Fund should redemption requests be on the high side.

The fixed interim distribution amounts and the final redemption amounts of the three BOV Capital Guaranteed Funds are guaranteed by Bank of Valletta subject to the terms and conditions disclosed in note 1.

Notes to the Financial Statements (continued)

14. FINANCIAL RISK MANAGEMENT (continued)

All derivative liabilities have maturity dates falling within less than 3 months, while all other liabilities are due within less than one year.

The Funds' quoted securities are considered to be readily realisable as the majority are quoted on active markets. In respect of securities listed on the Malta Stock Exchange, despite the fact that such securities are listed, the market in such securities may be illiquid due to limited trading volumes. The Investment Manager monitors trading on a regular basis and has in place the necessary policies and procedures to mitigate this risk. The Funds have the ability to borrow on a temporary basis to meet redemption requests. Furthermore, cash buffers are held in the Funds in order for the Investment Manager to be in a position to meet daily redemption requests.

Fair value hierarchy

IFRS 7 requires the Funds to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The fair value of financial assets of listed equity securities, exchange traded funds, collective investment schemes and quoted debt securities are based on quoted market prices at the close of trading on the reporting date (Level 1 for active markets, Level 2 for inactive markets).

The fair value of over-the-counter foreign currency forward derivative contracts is determined using quoted spot and forward exchange rates at the measurement date and present value calculations based on high credit quality yield curves in the respective currencies (Level 2).

BOV Conservative Portfolio Fund	Level 1	Level 2	Total
	€	€	€
As at 30 April 2024			
Assets			
<i>Fair value through profit or loss</i>			
Quoted local corporate bonds	982,131	1,479,322	2,461,453
Quoted foreign corporate bonds	1,661,479	-	1,661,479
Collective investment schemes	10,572,649	-	10,572,649
Exchange traded funds	26,965,699	-	26,965,699
Forward foreign exchange contracts	-	-	-
	40,181,958	1,479,322	41,661,280
Liabilities			
<i>Fair value through profit or loss</i>			
Forward foreign exchange contracts	-	(220,755)	(220,755)

Notes to the Financial Statements (continued)

14. FINANCIAL RISK MANAGEMENT (continued)

Fair value hierarchy (continued)

BOV Conservative Portfolio Fund	Level 1 €	Level 2 €	Total €
As at 30 April 2023			
Assets			
<i>Fair value through profit or loss</i>			
Quoted local corporate bonds	1,079,624	1,985,177	3,064,801
Quoted foreign corporate bonds	1,246,766	-	1,246,766
Collective investment schemes	7,527,842	-	7,527,842
Exchange traded funds	27,898,504	-	27,898,504
Forward foreign exchange contracts	-	546,229	546,229
	<u>37,752,736</u>	<u>2,531,406</u>	<u>40,284,142</u>
Liabilities			
<i>Fair value through profit or loss</i>			
Forward foreign exchange contracts	-	(18,886)	(18,886)

BOV Balanced Portfolio Fund	Level 1 €	Level 2 €	Total €
As at 30 April 2024			
Assets			
<i>Fair value through profit or loss</i>			
Quoted local equities	-	18,665	18,665
Quoted local corporate bonds	376,782	151,518	528,300
Collective investment schemes	4,895,737	-	4,895,737
Exchange traded funds	18,243,572	-	18,243,572
Forward foreign exchange contracts	-	538	538
	<u>23,516,091</u>	<u>170,721</u>	<u>23,686,812</u>
Liabilities			
<i>Fair value through profit or loss</i>			
Forward foreign exchange contracts	-	(126,703)	(126,703)

BOV Balanced Portfolio Fund	Level 1 €	Level 2 €	Total €
As at 30 April 2023			
Assets			
<i>Fair value through profit or loss</i>			
Quoted local equities	-	113,899	113,899
Quoted local corporate bonds	408,847	148,403	557,250
Collective investment schemes	481,486	-	481,486
Exchange traded funds	2,781,632	-	2,781,632
Forward foreign exchange contracts	14,052,988	-	14,052,988
	-	312,944	312,944
	<u>17,724,953</u>	<u>575,246</u>	<u>18,300,199</u>
Liabilities			
<i>Fair value through profit or loss</i>			
Forward foreign exchange contracts	-	(5,576)	(5,576)

Notes to the Financial Statements (continued)

14. FINANCIAL RISK MANAGEMENT (continued)

Fair value hierarchy (continued)

BOV Growth Portfolio Fund	Level 1	Level 2	Total
	€	€	€
As at 30 April 2024			
Assets			
<i>Fair value through profit or loss</i>			
Quoted local equities	-	20,328	20,328
Quoted local corporate bonds	-	29,655	29,655
Quoted foreign government bonds	-	-	-
Collective investment schemes	2,359,715	-	2,359,715
Exchange traded funds	6,238,372	-	6,238,372
Forward foreign exchange contracts	-	334	334
	8,598,087	50,317	8,648,404
Liabilities			
<i>Fair value through profit or loss</i>			
Forward foreign exchange contracts	-	(59,972)	(59,972)
As at 30 April 2023			
	Level 1	Level 2	Total
	€	€	€
Assets			
<i>Fair value through profit or loss</i>			
Quoted local equities	-	26,488	26,488
Quoted local corporate bonds	-	29,462	29,462
Collective investment schemes	187,147	-	187,147
Exchange traded funds	1,645,884	-	1,645,884
Forward foreign exchange contracts	5,197,862	-	5,197,862
	-	151,920	151,920
	7,030,893	207,870	7,238,763
Liabilities			
<i>Fair value through profit or loss</i>			
Forward foreign exchange contracts	-	(1,959)	(1,959)
BOV Capital Guaranteed Fund 2027			
	Level 1	Level 2	Total
	€	€	€
As at 30 April 2024			
Assets			
<i>Fair value through profit or loss</i>			
Quoted foreign corporate bonds	14,916,429	-	14,916,429
Quoted foreign government bonds	327,995	-	327,995
	15,244,424	-	15,244,424

Notes to the Financial Statements (continued)

14. FINANCIAL RISK MANAGEMENT (continued)

Fair value hierarchy (continued)

BOV Capital Guaranteed Fund 2026	Level 1	Level 2	Total
	€	€	€
As at 30 April 2024			
Assets			
<i>Fair value through profit or loss</i>			
Quoted foreign corporate bonds	17,191,564	-	17,191,564
Quoted foreign government bonds	2,713,683	-	2,713,683
	<u>19,905,247</u>	<u>-</u>	<u>19,905,247</u>

BOV Capital Guaranteed Fund GBP 2027	Level 1	Level 2	Total
	€	€	€
As at 30 April 2024			
Assets			
<i>Fair value through profit or loss</i>			
Quoted foreign corporate bonds	9,584,879	-	9,584,879
Quoted foreign government bonds	568,942	-	568,942
	<u>10,153,821</u>	<u>-</u>	<u>10,153,821</u>

The following table presents the transfers between levels for the year ended 30 April 2024:

	Level 1	Level 2
	€	€
BOV Conservative Portfolio Fund		
<i>Transfers between Levels 1 and 2</i>		
Quoted local corporate bonds	20,952	(20,952)

The following table presents the transfers between levels for the year ended 30 April 2023:

	Level 1	Level 2
	€	€
BOV Conservative Portfolio Fund		
<i>Transfers between Levels 1 and 2</i>		
Quoted local corporate bonds	(316,665)	316,665
BOV Balanced Portfolio Fund		
<i>Transfers between Levels 1 and 2</i>		
Quoted local equities	(83,328)	83,328

15. SUBSEQUENT EVENTS

There are no subsequent events which impact the financial statements as at 30 April 2024.

Portfolio Statements

30 April 2024

	Market value 30.04.2024 €	% of net assets
BOV Conservative Portfolio Fund		
Exchange Traded Funds		
<i>Germany</i>		
SPDR S&P US HCRE. (LON)	104,993	0.25
<i>Ireland</i>		
ISHARES \$ BOND	5,781,853	14.04
ISHARES GOVT BD.7- (MIL)	442,816	1.08
ISHARES \$ HY BOND (LON)	1,492,052	3.62
ISHRS GLBL CORP BND EUR H	6,098,635	14.81
ISHARES \$	518,140	1.26
ISHARES \$ TRSY.BD 20+YR	1,666,164	4.05
ISHM.WLD.ESCT.UCITS ETF	102,395	0.25
ISHARES CORE MSCI WLD.	2,816,047	6.84
DB XTRS.MSCI WD (LON)	192,986	0.47
XTRACKERS MSCI WRD CONS	291,185	0.71
XTRACKERS MSCI WLD	304,179	0.74
SPDR MSCI WORLD	499,489	1.21
SPDR MSCI WORLD HEALTH	292,965	0.71
SPDR MSCI WORLD (LON)	303,391	0.71
SPDR MSCI WORLD (SWX)	667,986	1.62
SPDR MSCI WORLD (LON)	69,581	0.17
SPDR MSCI WORLD	50,998	0.12
SPDR BLOOMBERG 1-10 Y U	698,151	1.70
VANGD.USD CBD.UCITS ETF	3,947,151	9.61
<i>Luxembourg</i>		
AMUNDI ETF NASDAQ-100	624,542	1.52
Quoted Local Corporate Bonds		
3.25% APS Bank p.l.c. 2030	482,500	1.17
3.50% AX Real Estate p.l.c. 2032	380,512	0.91
4.00% Cablenet Communications Systems p.l.c 2030	443,348	1.08
4.00% International Hotel Investments 2026	158,362	0.38
4.35% SD Finance p.l.c. 2027	20,952	0.05
5.75% International Hotel Investments 2025	8,200	0.02
6.00% International Hotel Investments 2024	6,400	0.02
10% Bank of Valletta p.l.c. 2027	961,179	2.35
Quoted Foreign Corporate Bonds		
1.816% EP INFR SA 2031	425,582	1.03
1.25% THAMES WATER 2032	392,175	0.95
5.625% ELECTRICITE 2033	451,834	1.10
4.375% BANQUE FEDV 2034	391,888	0.95
Collective Investment Schemes		
C&S SICAV GLBL REAL EST	99,242	0.24
DODGE&COX WORLDWIDE FDS	2,086,812	5.07
VILHENA EURO INCOME FUND	3,650,343	8.87
VILHENA GLB THM FD USD CL	3,094,141	7.51
VILHENA STERLING INCOME	1,642,111	3.99

Portfolio Statements

30 April 2024

		Market value 30.04.2024 €	% of net assets
BOV Conservative Portfolio Fund			
	<i>Fair value</i>	<i>Notional amount</i>	
Derivatives – Forward Foreign Exchange Contracts			
Sale of Sterling against Euro maturing on 24 May 2024	(8,402)	16,335,000	(0.02)
Sale of United States Dollar against Euro maturing on 24 May 2024	(212,353)	1,359,000	(0.52)

Portfolio Statements

30 April 2024

		Market value 30.04.2024 €	% of net assets
BOV Balanced Portfolio Fund			
Exchange Traded Funds			
<i>Ireland</i>			
ISHARES \$ BOND		1,956,054	8.26
ISHARES GOVT BD.7- (MIL)		553,707	2.34
ISHM.JAP.EUR HGD. UCITS		239,271	1.01
ISHM.WLD.EUR HGD. UCITS		4,472,910	18.88
ISHARES \$ HY BOND (LON)		334,383	1.41
ISHARES HIGH YIELD BOND		382,345	1.61
SPDR DJ.GLRE.UCITS ETF		92,324	0.39
ISHRS GLBL CORP BND EUR H		2,512,757	10.61
ISHARES \$		662,048	2.79
ISHARES \$ TRSY.BD 20+YR		787,768	3.32
ISHM.WLD.ESCT.UCITS ETF		177,980	0.75
SPDR MSCI EUROPE (XET)		57,681	0.24
DB XTRS.MSCI WD (LON)		245,084	1.03
XTRACKERS MSCI WRD CONS		382,142	1.61
XTRACKERS MSCI WLD		317,373	1.34
SPDR MSCI WORLD		703,741	2.97
SPDR MSCI WORLD HEALTH		501,728	2.12
SPDR MSCI WORLD (LON)		507,478	2.14
SPDR MSCI WORLD (SWX)		1,062,263	4.48
SPDR MSCI WORLD (LON)		154,811	0.65
SPDR MSCI WORLD		238,359	1.01
VANGD.USD CBD.UCITS ETF		1,086,256	4.60
<i>Luxembourg</i>			
AMUNDI ETF NASDAQ-100		815,109	3.44
Quoted Local Equities			
Main Street Complex PLC		18,665	0.08
Quoted Local Corporate Bonds			
3.65% Mizzi Organisation Finance 2028-2031		86,016	0.36
4.00% International Hotel Investments 2026		65,502	0.28
10% Bank of Valletta p.l.c. 2027		376,782	1.59

Portfolio Statements

30 April 2024

	Market value 30.04.2024 €	% of net assets
BOV Balanced Portfolio Fund		
<i>Collective Investment Schemes</i>		
C&S SICAV GLBL REAL EST	112,348	0.47
DODGE&COX WORLDWIDE FDS	1,208,739	5.10
MSIF GLOBAL OPPORTUNITY	443,223	1.87
ROBEKO QI GLBL DVLP	1,022,088	4.32
VILHENA EURO INCOME FUND	453,685	1.91
VILHENA GLB THM FD USD CL	1,442,711	6.09
VILHENA STERLING INCOME	212,943	0.90
	<i>Fair value</i>	<i>Notional amount</i>
Derivatives – Forward Foreign Exchange Contracts		
Sale of Sterling against Euro maturing on 24 May 2024	(2,424)	392,000 (0.01)
Sale of United States Dollar against Euro maturing on 24 May 2024	(124,279)	9,560,000 (0.52)

Portfolio Statements

30 April 2024

	Market value 30.04.2024 €	% of net assets
BOV Growth Portfolio Fund		
<i>Exchange Traded Funds</i>		
<i>Ireland</i>		
ISHARES \$ BOND	308,704	3.57
ISHARES GOVT BD.7- (MIL)	181,390	2.10
ISHM.JAP.EUR HGD. UCITS	110,246	1.28
ISHM.WLD.EUR HGD. UCITS	1,612,316	18.66
SPDR DJ.GLRE.UCITS ETF	36,021	0.42
ISHRS GLBL CORP BND EUR H	201,000	2.33
ISHARES \$	89,530	1.04
SPDR RUSSELL 2000 (LON)	117,772	1.36
ISHM.WLD.ESCT.UCITS ETF	177,076	2.05
DB XTRS.MSCI WD (LON)	194,773	2.25
XTRACKERS MSCI WRD CONS	338,718	3.92
XTRACKERS MSCI WLD	244,377	2.83
SPDR MSCI WORLD	544,232	6.30
SPDR MSCI WORLD HEALTH	388,353	4.49
SPDR MSCI WORLD (LON)	392,291	4.54
SPDR MSCI WORLD (SWX)	764,900	8.85
SPDR MSCI WORLD (LON)	122,070	1.41
SPDR MSCI WORLD	75,255	0.87
<i>Luxembourg</i>		
AMUNDI ETF NASDAQ-100	339,348	3.93

Portfolio Statements

30 April 2024

	Market value 30.04.2024 €	% of net assets
BOV Growth Portfolio Fund		
Quoted Local Equities		
Main Street Complex PLC	20,328	0.24
Quoted Local Corporate Bonds		
4.00% International Hotel Investments 2026	29,655	0.34
Collective Investment Schemes		
C&S SICAV GLBL REAL EST	74,529	0.86
DODGE&COX WORLDWIDE FDS	240,497	2.78
MSIF GLOBAL OPPORTUNITY	460,468	5.33
ROBECO QI GLBL DVLP	564,380	6.54
VIL EURO INC FD ACC CLS	114,470	1.32
VILHENA GLB THM FD USD CL	833,539	9.65
VILHENA HIGH YIELD EUR CL	71,832	0.83
	Fair value	Notional amount
Derivatives – Forward Foreign Exchange Contracts		
Sale of Sterling against Euro maturing on 24 May 2024	(822)	133,000 (0.01)
Sale of United States Dollar against Euro maturing on 24 May 2024	(59,150)	4,550,000 (0.68)

Portfolio Statements

30 April 2024

	Market value 30.04.2024 €	% of net assets
BOV Capital Guaranteed Fund EUR 2027		
Quoted Foreign Corporate Bonds		
0.60% ABN AMRO BAN 2027	734,856	4.84
0.75% SOCIETE GL S 2027	1,467,296	9.67
1% WLF&G CO 2027	717,084	4.73
1.25% BANQUE FEDV 2027/	742,464	4.89
1.375% COOPERATIEVE 2027	759,297	5.00
1.375% NATWEST MKTS 2027	1,445,091	9.53
1.50% BNP PARIBAS 2025	135,152	0.89
1.625% DEUTSCHE BAN 2027	1,501,280	9.89
1.75 % VONOVIA SE 2027	1,509,872	9.95
1.75% BPCE SA 2027	662,823	4.37
1.875% CREDIT AGR S 2026	665,994	4.39
1.875% MCDONALD S 2027	667,618	4.40
2% NATIONWIDE B 2027	741,203	4.88
2.50% HSBC HOLDING 2027	726,327	4.79
3.25% NATIONALE NE 2027	696,843	4.59
4.125% ELECTRICITE 2027	704,781	4.64
4.125% LLOYDS BANK 2027	201,840	1.33
4.625% VEOLIA ENNT 2027	721,602	4.76
4.875 THE P&G CO 2027	115,006	0.76

Portfolio Statements

30 April 2024

	Market value 30.04.2024 €	% of net assets
BOV Capital Guaranteed Fund EUR 2027		
<i>Quoted Foreign Government Bonds</i>		
BTF FRANCE ZERO 2024/	327,995	2.16

Portfolio Statements

30 April 2024

	Market value 30.04.2024 €	% of net assets
BOV Capital Guaranteed Fund EUR 2026		
<i>Quoted Foreign Corporate Bonds</i>		
0.125% NATWEST MKTS 2025	904,055	4.52
0.25% BPCE SA 2026	848,079	4.25
0.25% CORPN ANDINA 2026	1,905,571	9.55
0.25% LEASEPLAN CO 2026	1,905,982	9.56
0.25% NYK REALKRED 2026	876,611	4.40
0.25% OP YRITKK OY 2026	900,569	4.52
1% BERLIN HYP A 2026	848,916	4.26
1% COMMERZBANK 2026	891,484	4.47
1.099% WESTPAC SECS 2026	893,964	4.48
1.25% LLOYDS BK PL 2025	196,412	0.98
1.5% BNP PARIBAS 2025	900,690	4.52
1.625% BANQUE FEDV 2026	868,680	4.36
2.625% DEUTSCHE BAN 2026	879,300	4.41
2.80% CREDIT AGR S 2026	92,554	0.46
3% JPMORGAN CHA 2026	858,951	4.31
3.625% ABN AMRO BAN 2026	699,678	3.51
3.652% AANDNZ BKG G 2026	862,630	4.33
6.375% NIBC BANK 2025	1,857,438	9.31
<i>Quoted Foreign Government Bonds</i>		
0.125% FIRST ADB BK 2026	1,866,144	9.36
0.375% BELFIUS BANQ 2026	847,539	4.25

Portfolio Statements

30 April 2024

	Market value 30.04.2024 GBP	% of net assets
BOV Capital Guaranteed Fund GBP 2027		
Quoted Foreign Corporate Bonds		
0.25% PROV OF ONT 2026	353,972	4.07
0.50% BNG BANK NV 2026	354,628	4.07
0.50% NRW BANK 2026	178,582	2.05
1% LDK BADEN 2026	380,024	4.37
1.375% BPCE SA 2026	813,132	9.34
1.50% BANQUE FEDV 2026	822,096	9.44
1.625% STHN WT SVS 2027	367,366	4.22
2.625% MORGAN STANL 2027	370,844	4.26
2.75% CLOSE BROS F 2026	804,864	9.25
3.25% BARCLAYS PLC 2027	803,654	9.23
3.50% JPMORGAN CHA 2026	404,485	4.65
4.25% BK OF AM COR 2026	397,098	4.56
4.375% MOTABILITY O 2027	367,922	4.23
4.875% LLOYDS BK PL 2027	383,387	4.40
5% KON KPN 2026	409,907	4.71
5.50% VW FINL SVS 2026	398,016	4.58
5.625% HTWMP FIN UK 2026	403,080	4.63
5.75% SANTANDER UK 2026	171,471	1.97
Quoted Foreign Government Bonds		
0.375% DEUTSCHE BAH 2026	375,148	4.31
1.50% LB BADEN WUE 2025	96,660	1.11
5% TREASURY GIL 2025	14,012	0.16

Statement of Changes in the Composition of the Portfolios

The composition of the portfolios, detailed in the Portfolio Statements on pages 39 to 43, in comparison with the Portfolio Statements as at 30 April 2024 and 2023 stood as follows:

	% of net assets 30.04.2024	% of net assets 30.04.2023
BOV Conservative Portfolio		
Exchange Traded Funds	65.49	68.99
Quoted Local Corporate Bonds	5.98	7.63
Quoted Foreign Corporate Bonds	4.03	3.11
Collective Investment Schemes	25.68	19.25
Forward Foreign Exchange Contracts	(0.54)	1.31
BOV Balanced Portfolio		
Exchange Traded Funds	77.00	73.30
Quoted Local Corporate Bonds	2.23	2.96
Quoted Foreign Corporate Bonds	-	2.56
Quoted Local Equities	0.08	0.60
Collective Investment Schemes	20.66	16.10
Forward Foreign Exchange Contracts	(0.53)	1.63
BOV Growth Portfolio		
Exchange Traded Funds	72.20	70.82
Quoted Local Corporate Bonds	0.34	0.40
Quoted Foreign Corporate Bonds	-	2.55
Quoted Local Equities	0.24	0.36
Collective Investment Schemes	27.31	22.43
Forward Foreign Exchange Contracts	(0.69)	2.04
BOV Capital Guaranteed Fund 2027		
Quoted Foreign Corporate Bonds	98.30	-
Quoted Foreign Government Bonds	2.16	-
BOV Capital Guaranteed Fund 2026		
Quoted Foreign Corporate Bonds	86.20	
Quoted Foreign Government Bonds	13.61	-
BOV Capital Guaranteed Fund GBP 2027		
Quoted Foreign Corporate Bonds	94.03	-
Quoted Foreign Government Bonds	5.58	-

Information about the Funds

1. AUTHORISATION

The BOV Investment Funds is an open-ended UCITS umbrella contractual fund licensed by the Malta Financial Services Authority as a collective investment scheme pursuant to the Investment Services Act (Cap. 370, Laws of Malta and the UCITS Directive) as amended from time to time.

2. STANDARD LICENCE CONDITIONS AND REGULATORY SANCTIONS

During the year ended 30 April 2024, there were no breaches of the standard license conditions and no other breaches of regulatory requirements which were subject to an administrative penalty or regulatory sanctions, with the exception of a breach in the BOV Capital Guaranteed Fund 2027. On the 15 March 2024, the BOV Capital Guaranteed Fund 2027 was not adhering to the 5-10-40 rule, in view that it was exceeding the 40% limit of net assets in exposures of greater than 5% to single issuers, following a purchase of circa 0.62% of NAV in one of the holdings exceeding the 5% of NAV threshold. The position was rectified on 20 March 2024, with the Investment Manager reimbursing the BOV Capital Guaranteed Fund 2027 with losses incurred. There were no subscriptions nor redemptions during this period.

3. SUBSCRIPTION FEES, EXIT & OTHER FEES

Fund	Subscription Fees	Exit Fees	Service Fee*	Administration Fee	Custody Fee
BOV Conservative Portfolio Fund	1.5%	0	0.35%	0.03% to 0.14%	0.05% per annum (p.a.) of the aggregate NAV of the 3 funds, subject to an aggregate minimum fee of Euro 60,000 p.a.
BOV Balanced Portfolio Fund	1.5%	0	0.50%	0.03% to 0.14%	The resultant applicable custody fee will be apportioned between the funds in the following manner: (1) Euro 15,000 pa each fund, plus (2) an apportionment on a pro-rata basis of the remaining custody fee based on the respective NAV size of each fund.
BOV Growth Portfolio Fund	1.5%	0	0.65%	0.03% to 0.14%	
BOV Capital Guaranteed Fund 2027	0	5%	0.80%	€10,000 pa	€6,000 pa
BOV Capital Guaranteed Fund 2026	0	5%	0.80%	€10,000 pa	€6,000 pa
BOV Capital Guaranteed Fund GBP 2027	0	5%	0.80%	€10,000 pa	€6,000 pa

*Effective 15 July 2023, the administration fee rates of BOV Conservative Portfolio Fund, BOV Balanced Portfolio Fund and BOV Growth Portfolio Fund are between 0.03% to 0.14% annum.

Information about the Funds *(continued)*

4. ONGOING CHARGES

The 'Ongoing Charges' are payments deducted from the assets of a Fund where such deductions are required or permitted by national law and regulation, the Fund rules or instrument of incorporation of the Fund, or its prospectus.

The Ongoing Charges figure includes all types of cost borne by the Funds, whether they represent expenses necessarily incurred in its operations, or the remuneration of any party connected with it or providing services to it. This figure may vary from year to year. It excludes portfolio transaction costs except in the case of any entry or exit charge paid by the Fund when buying or selling shares/units in another fund.

	Ongoing Charge
BOV Conservative Portfolio Fund	1.18%
BOV Balanced Portfolio Fund	1.36%
BOV Growth Portfolio Fund	1.91%
BOV Capital Guaranteed Fund 2027	0.46%
BOV Capital Guaranteed Fund 2026	0.19%
BOV Capital Guaranteed Fund GBP 2027	0.25%

5. NOTIONAL EXPOSURES

As at 30 April 2024, three of the Funds had commitments through the use of forward foreign exchange contracts. There was no significant exposure after netting for all the above-mentioned Funds.

6. RISK FACTORS

General

Investment in the BOV Investment Funds should be regarded as a long-term investment. There can be no guarantee that the investment objective of the Funds will be achieved. The Funds' investments are subject to normal market fluctuations and the risks inherent in all investments and there are no assurances that capital appreciation will occur. The value of investments and the income deriving therefrom (if any) can, from time to time, go down as well as up and investors may not realise the amount of their initial investment. In particular, deduction of the initial charge and the exit fee (where applicable) means that if an investor withdraws from the investment in the short-term he may not get back the amount he invested.

Risk factors may occur simultaneously and/or may compound each other resulting in an unpredictable effect on the value of units in the Funds. No assurance can be given as to the effect that any combination of risk factors may have on the value of units in the Funds.

Insufficient Risk Recognition

An investment in the units in a particular Fund involves risks. These risks may include or relate to, among others, equity market, bond market, foreign exchange, interest rate, credit, market volatility and political risks and any combination of these and other risks. Some of these risk factors are briefly discussed below.

Investors should understand the risks associated with an investment in the units in a particular Fund and should only reach an investment decision after careful consideration with their legal, tax, accounting, financial and other advisors of (i) the suitability of an investment in the units in the light of their own particular financial, fiscal and other circumstances, (ii) the information set out in the Prospectus, (iii) the risks associated with the use by the -Fund of derivative techniques (if applicable), (iv) the nature of the Fund's assets, and (v) information set out in the relevant Offering Supplement. Investors in the units in a particular Fund should recognise that the units may decline in value and should be prepared to sustain a substantial loss of their investment.

Suspension Risk

Investors are reminded that in certain circumstances their right to have their units redeemed may be suspended.

Information about the Funds *(continued)*

6. RISK FACTORS *(continued)*

Risks Relating to Fund of Funds

Where the Funds invest all or a portion their capital in units of other Collective Investment Schemes ("CISs"), the performance of such Funds will be dependent on the performance of the funds selected for investment by the Investment Manager and will depend on the Investment Manager's ability to effectively allocate and reallocate the Sub-Fund's assets amongst such funds. If the underlying funds in which the Funds invest register a negative performance, the value of the units will be negatively affected.

Contractual Funds

The BOV Investment Funds has certain features which differentiate it from other types of CISs. For instance, the BOV Investment Funds does not have legal personality and unitholder meetings will not be held (unless requisitioned by unitholders holding not less than fifty percent of the units in issue or unless determined by the Investment Manager). Further, save as specified in the BOV Investment Funds' Prospectus, units do not carry voting rights.

Investments on the Malta Stock Exchange

The Funds may at any one time invest a substantial portion of their capital in securities which are quoted on the Malta Stock Exchange. Despite the fact that such securities are listed, the market in such securities may be illiquid. The trading volumes on emerging stock exchanges such as the Malta Stock Exchange are substantially less than the world's leading stock markets. Accordingly, the buying and selling of securities may need to be effected at unfavourable prices. Although it is not envisaged that this should create any difficulty in valuing the Fund's investments, reduced secondary market liquidity may have an adverse effect on the market price of such securities and the Manager's ability to dispose of particular securities to meet its liquidity requirements.

Interest Rates

Investors in the units in a particular Fund should be aware that an investment in such units might involve interest rate risk in that there may be fluctuations in the currency of denomination of the Fund's assets and/or the units in that Fund.

Interest rates are determined by factors of supply and demand in the international money markets, which are influenced by macro-economic factors, speculation and central bank and government intervention. Fluctuations in short term and/or long-term interest rates may affect the value of the units in a particular Fund. Fluctuations in interest rates of the currency in which the units in a particular Fund are denominated and/or fluctuations in interest rates of the currency or currencies in which the Fund's assets are denominated may affect the value of the units in that Sub-Fund.

Hedging

The Investment Manager, in respect of the Funds, may employ various techniques in respect of the Funds to attempt to reduce a portion of the risks inherent in their respective investment strategies. The ability to achieve the desired effect through a particular technique is dependent upon many factors, including the liquidity of the market at the desired time of execution. Thus substantial risk remains so that such techniques cannot always be implemented or effective in reducing losses. Hedging transactions, including the use of Financial Derivative Instruments ("FDIs"), which may be used by the Investment Manager have risks associated with them, including possible default by the other party to the transaction, illiquidity and, to the extent that the view of the Investment Manager as to certain market movements is incorrect, the risk that the use of hedging transactions could result in losses greater than if they had not been used.

Use of FDIs

While the prudent use of FDIs can be beneficial, FDIs also involve risks which are different from, and in certain cases, greater than, the risk presented by more traditional investments.

OTC FDIs, in particular, are typically structured derivative transactions. Structured derivative transactions are complex and may involve a high degree of loss.

The Investment Manager will (on behalf of the Funds) only use FDIs (including OTC FDIs) for the purpose

Information about the Funds *(continued)*

6. RISK FACTORS *(continued)*

of efficient portfolio management and hedging purposes, and as such, FDIs will not be used for speculative purposes.

Derivative contracts can be highly volatile, and the amount of initial margin is generally small relative to the size of the contract so that transactions may be leveraged in terms of market exposure. A relatively small market movement may have a potentially larger impact on derivatives than on standard bonds or equities. Leveraged derivative positions can therefore increase volatility in the performance of the Funds.

The FDIs that the Investment Manager may (on behalf of the Funds) transact in include, without limitation, forward foreign exchange contracts (including non-deliverable forwards), options (including foreign exchange options and exchange traded options on futures), futures, swaps (including, exchange rate swaps, interest rate swaps, inflation rate swaps and credit default swaps) and swap options. Should the need arise, when transacting in FDIs, the Investment Manager may (on behalf of the Funds) be required to collateralize the Funds' assets, whether by way of outright collateral transfers or by way of security interests thereon, in order to secure the obligations undertaken.

FDIs are highly specialised instruments that require investment techniques and risk analyses different from those associated with equity and debt securities. There can be no guarantee or assurance that the use of FDIs will meet or assist in meeting the investment objectives of a Fund.

FDIs do not always perfectly or even highly correlate or track the value of the securities, rates or indices they are designed to track. Consequently, the use of FDIs may not always be an effective means of, and sometimes could be counter-productive to, the relevant Fund's investment objective.

The prices of FDIs, including futures and options, are highly volatile. Payments made pursuant to swap agreements may also be highly volatile. Price movements of futures and options contracts and payments pursuant to swap agreements are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies.

In the case of listed put or call options, the Investment Manager's ability (on behalf of the Funds) to close out its position as a purchaser or seller of a listed put or call option is dependent, in part, upon the liquidity of the option market.

Where the Investment Manager, on behalf of a Fund, enters into swap arrangements or a forward foreign exchange contract, the Fund will be exposed to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of a bankruptcy or insolvency of a counterparty, the Fund could experience delays in liquidating the position and may incur significant losses. There is also a possibility that ongoing derivative transactions will be terminated unexpectedly as a result of events outside the control of the Investment Manager, for instance, bankruptcy, supervening illegality or a change in the tax or accounting laws relative to those transactions at the time the agreement was originated.

Credit default swaps also carry specific risks, including the possibility that premiums are paid for credit default swaps which expire worthless, wide bid/offer spreads and documentation risks. In addition, there can be no assurance that the counterparty to a credit default swap will be able to fulfil its obligations to the Investment Manager (in respect of the Funds) if a credit event occurs in respect of the reference entity. Further, the counterparty to a credit default swap may seek to avoid payment following an alleged credit event by claiming that there is a lack of clarity in, or an alternative meaning of, language used in the contract, most notably the language specifying what would amount to a credit event.

Exchange Rate Fluctuations

Currency fluctuations between the currency of denomination of a class of units of a Fund and the investor's currency of reference and the currency of the underlying investments of a Fund, may adversely affect the value of investments and the income derived therefrom.

Information about the Funds *(continued)*

6. RISK FACTORS *(continued)*

Market Volatility

Market volatility reflects the degree of instability and expected instability of the performance of the Fund's assets. The level of market volatility is not purely a measurement of the actual volatility, but is largely determined by the prices for instruments, which offer investors protection against such market volatility. The prices of these instruments are determined by forces of supply and demand in the options and derivatives markets generally. These forces are, themselves, affected by factors such as actual market volatility, expected volatility, macro-economic factors and speculation.

Liquidity Risk

Certain types of assets or securities may be difficult to buy or sell, particularly during adverse market conditions. This may affect the ability to obtain prices for the assets held by a Fund and may therefore prevent the calculation of the Net Asset Value per unit and/ or the raising of cash to meet redemptions of units in the Fund concerned.

Specific Restrictions in Connection with the Subscription and Redemption of units

Investors should note that there may be restrictions in connection with the subscription, holding and repurchase of and trading in the units in a particular Fund. Such restrictions may have the effect of preventing the investor from freely subscribing, holding, trading and/or repurchasing the unit. In addition to the features described below, such restrictions may also be caused by specific requirements such as the minimum amount that may be held or invested in any particular class of units.

Additionally, the Investment Manager will have the option to limit the number of units in any Fund repurchased on any dealing day (other than at the specified maturity date, where applicable) to a stated percentage of the total Net Asset Value of that Fund on that dealing day and, in conjunction with such limitation, to pro rata limit the number of units repurchased by any unitholder on such dealing day so that all unitholders wishing to have units in that Fund repurchased on that dealing day realise the same proportion of such units. In the event the Investment Manager elects to limit the number of units repurchased on such date, a unitholder may not be able to repurchase on such dealing day all the units that it desires to repurchase.

Illiquidity of Units

There will be no secondary market for the units, and consequently, unitholders can normally dispose of the units only by means of redemption on a dealing day. There is no assurance that the Investment Manager will be able to liquidate the portfolio securities attributable to the units being redeemed without losses. These losses might have an adverse effect on the Net Asset Value of that Fund and thus on the redemption proceeds that will be received by the outgoing investor. In the event of unsettled market conditions, or if for any reason the Investment Manager is unable to liquidate its investments or if it is obliged to suspend dealings in its units, the Investment Manager may be unable to redeem such units.

Substantial Redemptions

Substantial redemption/repurchase of units in a particular Fund could require the Investment Manager to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the value of the units in that Fund. In these circumstances, the Investment Manager may defer redemptions/repurchases. Illiquidity in certain markets could also make it difficult for any Fund to liquidate positions on favourable terms, thereby resulting in a decrease in the value of the assets. In these circumstances, the non-redeeming unitholders will bear a disproportionate risk of any decline in the value of a Fund's assets subsequent to the redemptions.

Temporary Suspension in Redemptions and Suspension in the determination of Net Asset Value

The Investment Manager reserves the right to suspend the determination of the Net Asset Value of a Fund and the right of any unitholder to require redemption of any units and the issue of units. In such cases a unitholder may be unable to redeem his units in a Fund within the normal timeframes described in this Prospectus.

Information about the Funds *(continued)*

6. RISK FACTORS *(continued)*

Conflicts of Interest

Conflicts of interest may arise from time to time between the interests of the Investment Manager, the Custodian and the Administrator in connection with fees, commissions and other revenues derived from the Fund, in particular, because certain Directors may also be acting as directors or senior officers of the Custodian and the Administrator. Prospective investors should also note that a conflict may arise as the Funds may invest in CISs which are managed by the Investment Manager. In the event that such a conflict arises, the Directors will endeavour to ensure that it is resolved in a fair manner.

Fee Arrangements

In instances, one or more Funds may invest predominantly in CISs managed by the Investment Manager (the "Target CISs"). As a result, the Investment Manager will receive any management fees charged to the Target CISs as well as service fees from the Funds (details of such fees are contained in the Offering Supplements of the Funds). Prospective investors should note that the payment of the foregoing fees to the Investment Manager will reduce the Net Asset Value per unit.

Risk relating to Omnibus Accounts

Prospective investors should note that assets of the BOV Investment Funds may be co-mingled, in an omnibus account, with assets of other persons held at a sub-custodian (or any delegate of the sub-custodian (the "Sub-Delegate") or any clearing system, settlement system, dematerialised book entry system, central securities depository or similar system (the "Securities System") with which the Custodian may, directly or indirectly, transfer, settle, clear, deposit or maintain assets of the Funds.

In the holding assets on a co-mingled basis at sub-Custodians, Sub-Delegates or through a Securities System, prospective investors should note that the Investment Manager (on behalf of the Fund) may only be entitled, in common with those other persons, to its proportionate share of the assets so held in such omnibus account. Prospective investors should also note that omnibus accounts (where certain assets of the Funds are to be held) may have specific risks related to settlement cycles for certain assets which may operate both on an intra-day and inter-day basis, including the following: (i) the total amount of instruments recorded in such omnibus accounts may be unavailable at a given time during any intra-day or inter-day settlement cycle; (ii) a decrease in the total amount of instruments in such omnibus accounts may lead to potential shortfalls of instruments in absolute terms; (iii) a shortfall of instruments in absolute terms in omnibus accounts means that the Fund's entitlement to such instruments may be reduced in order to facilitate the purchase, sale or exchange of instruments of other persons within the omnibus account until such time as subsequent settlement cycles reconcile such shortfall. Further, if there is a failure of the Custodian, a sub-custodian, Sub-Delegate or Securities System, during a period of any shortfall of instruments, the Investment Manager (on behalf of the Funds) may only have a right to its proportion of the total amount of instruments in the relevant omnibus account.

Taxation

Investors in the units in a particular Fund should be aware that they may be required to pay income tax, withholding tax, capital gains tax, wealth tax, stamp taxes or any other kind of tax on distributions or deemed distributions of the Funds, capital gains within the Funds, whether or not realised, income received or accrued or deemed received within the Fund etc., and this will be according to the laws and practices of the country where the units are purchased, sold, held or redeemed and in the country of residence or nationality of the unitholder.

Information about the Funds *(continued)*

6. RISK FACTORS *(continued)*

Investors should be aware of the fact that they might have to pay taxes on income or deemed income received by or accrued within a Fund. Taxes might be calculated based on income received and/or deemed to be received and/or accrued in the Fund in relation to the Fund asset, whereas the performance of the Fund, and subsequently the return investors receive after redemption of the units, might partially or fully depend on the performance of the underlying. This can have the effect that the investor has to pay taxes for income and/or performance which he does not, or does not fully, receive. Investors who are in any doubt as to their tax position should consult their own independent tax advisors. In addition, investors should be aware that tax regulations and their application or interpretation by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment, which will apply at any given time.

Foreign Account Tax Compliance Act Risks

FATCA imposes a new reporting regime and, potentially, a 30% withholding tax with respect to: (i) certain payments from sources within the US; (ii) so-called 'foreign pass-thru payments' made to certain non-US financial institutions that do not comply with this new reporting regime; and (iii) payments to certain investors that do not provide identification information with respect to interests issued by a participating non-US financial institution.

The BOV Investment Funds and its Funds may be classified as a non-US financial institution for these purposes.

In order to avoid being subject to US withholding tax, investors are likely to be required to provide information regarding themselves. In this regard, the Maltese and US Governments have signed an intergovernmental agreement with respect to the implementation of FATCA. Although the Investment Manager will (on behalf of the BOV Investment Funds) attempt to satisfy any obligations imposed on it to avoid the imposition of this withholding tax, no assurance can be given that the Investment Manager (on behalf of the BOV Investment Funds) will be able to satisfy these obligations. If a Fund becomes subject to a withholding tax as a result of FATCA, the return of all unitholders may be materially affected. To the extent a Fund suffers US withholding tax on its investments as a result of FATCA, the Investment Manager may (on behalf of a Fund) take any action in relation to an investor's investment in the Fund to ensure

that such withholding is economically borne by the relevant investor whose failure to provide the necessary information or to become a participating FFI (i.e., foreign financial institution) gave rise to the withholding.

The Investment Manager may (on behalf of the Fund) mandatorily redeem the units of any unitholders that fail to cooperate with the Investment Manager's efforts to comply with FATCA.

Common Reporting Standard Risks

The Organisation for Economic Co-operation and Development (OECD) has developed a new global standard for the automatic exchange of financial information between tax authorities (the "Common Reporting Standard"), which is similar to FATCA (see risk factor above). Malta is a signatory jurisdiction to the Common Reporting Standard and intends to conduct its first exchange of information with tax authorities of other signatory jurisdictions in late 2017. The detailed requirements for complying with the Common Reporting Standard, when finalised, may impose additional burdens and costs on the Investment Manager (in respect of the BOV Investment Funds, the Funds and/or unitholders). Although the Investment Manager (in respect of the BOV Investment Funds or each Fund) will attempt to satisfy any obligations imposed upon it by the Common Reporting Standard, no assurance can be given that it will be able to satisfy such obligations. Implementation of the Common Reporting Standard may require the Investment Manager (in respect of the BOV Investment Funds or each Fund) to conduct additional due diligence and report upon accounts held with it by unitholders who are reportable persons in other participating jurisdictions. The Investment Manager (in respect of the BOV Investment Funds or each Fund) may require certain additional financial information from unitholders and financial intermediaries acting on behalf of unitholders to comply with its diligence and reporting obligations under the Common Reporting Standard.

Information about the Funds *(continued)*

6. RISK FACTORS *(continued)*

If the Investment Manager (in respect of the BOV Investment Funds or each Fund) is unable to obtain the necessary information from unitholders, it may take any steps necessary to avoid resulting sanctions, which may include (but are not limited to) compulsorily redeeming the units of the relevant unitholder.

Change of Law

The Investment Manager must comply with regulatory constraints, such as a change in the laws affecting the investment restrictions of one or more Funds, which might require a change in the investment policy and objectives followed by a Fund.

Political and Regulatory Risk

The performance of the units in a particular Fund or the possibility to purchase, sell, or repurchase may be affected by changes in general economic conditions and uncertainties such as political developments, changes in government policies, laws or regulations (including regarding taxation), the imposition of restrictions on the transfer of capital and changes in regulatory requirements in Malta or in countries where a Fund is invested. The legal infrastructure, accounting, auditing and reporting standards in certain jurisdictions in which the capital of a Fund may be invested may not offer the same degree of investor protection or information as is normally expected in major securities markets.

Importance of the Investment Manager

The Funds' success depends, to a large extent, upon the Investment Manager's ability to determine appropriate investments. In addition, if any of the officers of the Investment Manager cease to participate in the operation of the Investment Manager to the extent they relate to the operations of the Fund, the objectives, activities and performance of one or more classes of units may be adversely affected.

Borrowing Risks

The Investment Manager in respect of a Fund may not be able to repay borrowings or may be forced to sell investments at a disadvantageous time in order to repay borrowings. The Investment Manager in respect of a Fund might elect to sell its more liquid assets to repay borrowings, or to meet redemptions, thus increasing its concentration in less liquid securities.

Credit Risk

The Fund may invest (either directly or through collective investment schemes) in debt securities which may expose the Fund to the risk that an issuer may default on the payment of principal and/or interest.

In the event that any issuer of bonds or other debt securities experiences financial or economic difficulties, this may affect the value of the relevant securities which may in turn affect the Net Asset Value per unit.

Equity Investment Risk

Equity investments are subject to greater fluctuations in market value than other asset classes as a result of factors such as a company's business performance, investor perceptions, stock market trends and general economic conditions. Prospective investors should note that this could have an impact on the Fund's Net Asset Value.

Depositary Receipts

The Fund may invest (either directly or through collective investment schemes) in American depositary receipts, global depositary receipts, and European depositary receipts (collectively, "Depositary Receipts"). Depositary Receipts generally evidence an ownership interest in a corresponding foreign security on deposit with a financial institution. Because the value of Depositary Receipts will be dependent upon the market price of an underlying equity security, such Depositary Receipts are subject to most of the risks associated with investing in equities. For further details see the risk factor headed 'Equity Investment Risk' above.

Information about the Funds *(continued)*

7. INVESTMENT RISK MANAGEMENT PROCESS

The Investment Manager employs a Risk Management Process, which enables it to monitor, and measure and manage at any time as frequently as appropriate, the risks of the Funds' derivatives positions and their contribution to the overall risk profile of the Funds. The Investment Manager will, on the request of unitholders provide supplementary information relating to the quantitative limits that apply in the risk management of the UCITS, the methods chosen to this end and to the recent evolution of the main instrument categories' risks and yields.

8. REMUNERATION POLICY

Remuneration Policy of the BOV Investment Funds

The money laundering officer fees are compensated through a fixed amount payable to the Administrator. There are no Board of Directors nor compliance officer fees given that the BOV Investment Funds are not structured as a company but as a common contractual fund.

Details of the management fees paid by the BOV Investment Funds to the Investment Manager and a description of how they are calculated are disclosed in the statement of comprehensive income and in note 8 to the financial statements.

Remuneration Policy of the Investment Manager

The Investment Manager's remuneration policy sets out the basis upon which the relevant identified staff thereof are remunerated. In terms of such policy, identified staff are entitled to a fixed base salary, and a yearly annual performance bonus. The quantum of such performance bonus is assessed against the backdrop of the individual performance of identified staff (including the successful completion of individual tasks assigned thereto) and their contribution to the performance of the Investment Manager. The base salary of the identified staff represents a very significant portion of the total remuneration package of identified staff.

Responsibility for the amount of remuneration awarded to identified staff vests in the Board.

Details of the up-to-date remuneration policy of the Investment Manager, including, amongst others, a description of how remuneration and benefits are calculated and the identity of persons responsible for awarding the remuneration and benefits are available on the Investment Manager's website on www.bovassetmanagement.com and paper copies will be made available to investors free of charge upon request.

9. SCHEME PARTICULARS

The above details are extracted from the latest BOV Investment Funds Prospectus, Offering Supplements and Key Investor Information Document as of the date of this Annual Report, which is available upon request from the Investment Manager, and were current at the date of publishing of this Annual Report. Persons wishing to invest in any of the Funds should do so on the basis of the full information contained in the most recent Prospectus, Funds' respective Offering Supplement and Key Investor Information Document.

10. INVESTMENT MANAGER'S STATEMENT

In the opinion of the Investment Manager, this Annual Report contains all the information necessary to enable investors to make an informed judgment of the results and activities of the BOV Investment Funds for the year ended 30 April 2024 and does not omit any matter or development of significance.

