

# **BOV INVESTMENT FUNDS**

**Interim Report and Unaudited Condensed Interim  
Financial Statements 2023**

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Interim Report and Unaudited Condensed Interim Financial Statements

For the six-month period ended 31 October 2023

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## Management and Administration

<b>INVESTMENT MANAGER</b>	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>
<b>FUND ADMINISTRATOR</b>	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>
<b>CUSTODIAN AND BANKER</b>	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>
<b>AUDITORS</b>	PricewaterhouseCoopers 78, Mill Street Zone 5, Central Business District Qormi CBD 5090 Malta
<b>LEGAL ADVISORS</b>	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 and amended on 9 November 2023

As at 31 October 2023, the BOV Investment Funds consisted of three separate Funds, the BOV Balanced Portfolio Fund, the BOV Conservative Portfolio Fund and the BOV Growth Portfolio Fund (collectively the "Funds"). The BOV Investment Funds has no employees.

On 15 November 2023, the BOV Capital Guaranteed Fund 2027, a new sub-fund, was launched.

## Investment Manager's Report

During the second quarter ('Q2') of 2023, global stocks rallied, with developed markets, particularly the United States, leading the way. This surge was fuelled by a growing enthusiasm for Artificial Intelligence, which significantly boosted technology stocks. Despite higher interest rates, the US economy demonstrated resilience, with inflation moderating. The first quarter GDP growth was revised to show a 2% annualized expansion, a substantial increase from the initial estimate of 1.3%.

Investor caution was initially evident due to concerns surrounding the US debt ceiling. These fears were allayed when Congress approved legislation suspending the debt ceiling in early June. This legislation included spending concessions that are expected to have minimal impact on economic growth. The Federal Reserve ('FED') adopted a "hawkish pause" in June, refraining from raising interest rates after a 25-basis point increase in May.

The European Central Bank ('ECB') increased interest rates twice during the quarter, bringing the main refinancing rate to 4.0%. Inflation rates fluctuated, with headline inflation falling to 5.5% in June from 6.1% in May, while core inflation rose slightly to 5.4% from 5.3%. Economic expectations demonstrated by eurozone composite purchasing managers' index ('PMIs') suggested a slowing momentum in the eurozone economy, as evidenced by the drop in the to 50.3 in June from 52.8 in May.

Major central banks, except for the Bank of Japan, continued to raise interest rates in Q2. Government bond yields increased, with the UK and Australia underperforming due to higher-than-expected inflation and a stronger commitment from central banks to combat inflation. Corporate balance sheets remained robust despite a slight increase in default rates demonstrated by only marginal widening in credit spreads. Global high yield outperformed global investment grade as immediate recessionary concerns were scaled back. The US economy performed better than expected, with a 'soft landing' scenario being the market consensus at the end of the first half of the years 2 year going from 4.03% to 4.87%, marking a further inversion of the curve. On the credit front, US investment grade posted negative total returns, but outperformed Treasuries over the quarter as US high yield posted positive returns.

US equities were weaker in Q3. Investors entered the quarter optimistic that the Fed had orchestrated a soft landing for the economy, and that the era of policy tightening rates would soon end. That enthusiasm withered over August and September, however, as the prospect of a sustained period of higher rates sank in. Commodities were a notable outperformer with energy gaining amid oil production cuts from Saudi Arabia and Russia.

Overall, the US labour market remains very strong. However, according to the Bureau of Labour Statistics the unemployment rate rose by 0.3 percentage point to 3.8% in August. The US PMIs fell marginally to 50.1 in September, down from 50.2 in August, emphasising the US economy is cooling. Eurozone shares fell in Q3 amid worries over the negative effects of interest rate rises on economic growth. However, data released at the very end of the period showed eurozone inflation slowed to a two-year low of 4.3% in the year to September, down from 5.2% in August. This could potentially pave the way for the ECB to put an end to interest rate rises.

Some of the steepest declines came in the consumer discretionary sector given concerns over the knock-on effects of higher interest rates on consumers' disposable income. The information technology sector was also under pressure. While there has been much enthusiasm this year around the long-term potential of artificial intelligence, nearer-term concerns over consumer spending are also affecting demand for chips.

During Q3 the US economy continued to surprise in its resilience, with the labour market remaining relatively robust and signs of improvement in the manufacturing sector. Concerns over rising US debt issuance weighed on the Treasury market as fiscal challenges mount. August saw Fitch Ratings downgrade the US's triple-A rating drop to double-A plus, citing the growing debt burden and an "erosion of governance" as reasons for its decision. Despite a significant rise in oil prices, there were better news on the inflation front, with year-on-year core measures easing across most economies. This allowed many major central banks to indicate a pause in further rate hikes.

Both the FED and the ECB raised rates in July by 0.25%, with the latter continuing hike in September. The ECB suggested that this rate might be sufficient to guide inflation back to its target. Despite the FED and the Bank of England keeping rates steady in September, the market moved to price in a longer

period of elevated rates. This was the key driver of higher yields over the quarter. Corporate bond markets outperformed government bonds, with spreads narrowing across both investment grade and high yield. Despite a weaker growth trajectory, European credit outperformed the US. European Investment Grade bonds saw the slowest quarter for net issuance in a decade with, among other things, companies limited new funding needs due to a lower number of deals in the acquisition pipeline.

October presented investors with a series of challenges, marked by declines in both equities and bonds. The bond market's recent re-pricing indicates that core bonds should serve as a diversifier in the event of a deflationary recession. The positive correlation between stocks and bonds this month underscores the importance of alternative assets, such as commodities, as a hedge against other risks. The bond market rout persisted in October, resulting in a 1.2% decrease in global bonds over the month. The US 10-year Treasury yield exceeded 5% for the first time since 2007, propelled by a combination of robust economic data, which made the prospect of 'higher for longer' rates increasingly probable, and concerns about the sustainability of government finances. This upward trend in yields was observed across the global government bond market and in credit. Consequently, widening spreads negatively impacted monthly returns for both investment grade and high yield bond markets.

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. During May, the Investment Manager started off by disposing of minimum volatility exposures given subdued VIX readings in the face of resilient job market and economies. During August, the Investment Managers reduced all direct exposures to the iShares MSCI China ETF given a structural demand and lower growth demonstrated by big downside surprises in Chinese retail sales, fixed asset investment, deepening property woes and subdued consumption. 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 amidst increased uncertainty. 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 our target duration of 5 to 7. Exposure to relatively shorter duration bonds enhanced the yield proposition of the fund whilst the gradually increasing tilt within the longer duration segments of the yield curve enhances the capital upside as central banks draw closer to the end of their hiking cycles. The strategy was deemed beneficial as it retained an overall balanced portfolio duration, thereby reducing interest rate risk emanating from pricing in of higher rates by the market. During September, the Investment Manager deemed fit to lock in profits and exit from all High Yield exposures within the funds, shifting towards higher duration investment grade bond exposures. During October, 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. The new fund proved to be a constant top performer with the added benefit of a 6.6% Yield, a quarterly distribution yield of 5.3% (annualised) with an effective duration of just 5.1 at minimal fees.

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 31 October 2023, the unit price of the BOV Conservative Portfolio Fund accumulator class of units decreased by 3.53% from €0.906 to €0.874.

### **Fund Performance - Distributor Class of Shares**

During the period from 1 May 2023 to 31 October 2023, the unit price of the BOV Conservative Portfolio Fund accumulator class of units decreased by 3.55% from €0.789 to €0.761.

### **Income Distribution**

There were no dividend declared during the period

## **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 31 October 2023, the share price of the BOV Balanced Portfolio Fund accumulator class of shares decreased by 3.37% from €1.067 to €1.031.

### **Fund Performance - Distributor Class of Units**

During the period from 1 May 2023 to 31 October 2023, the share price of the BOV Balanced Portfolio Fund accumulator class of shares decreased by 3.45% from €0.984 to €0.950.

### **Income Distribution**

There were no dividend declared during the period

## **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 31 October 2023, the unit price of the BOV Growth Portfolio Fund accumulator class of units decreased by 2.99% from €1.136 to €1.102.

*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)*



To the Directors of BOV Asset Management Limited

## Report on Review of Interim Financial Information

### *Introduction*

We have reviewed We have reviewed the accompanying condensed interim statements of financial position of BOV Investment Funds (the 'Funds') on pages 10 to 23 as at 31 October 2023 and the related condensed interim statements of changes in net assets attributable to unitholders, comprehensive income, and cash flows for the six-month period then ended, and a summary of significant accounting policies and explanatory notes. The directors are responsible for the preparation and fair presentation of these condensed interim financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU applicable to interim financial reporting (International Accounting Standard 34 'Interim Financial Reporting'). Our responsibility is to express a conclusion on these interim financial statements based on our review.

### *Scope of review*

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements do not present fairly, in all material respects, the financial position of the Funds as at 31 October 2023, and of its financial performance and its cash flows for the six-month period then ended in accordance with International Accounting Standard 34 'Interim Financial Reporting'.

### *Use of this report*

This report, including the conclusion, has been prepared for and only for the directors of the BOV Asset Management Limited and for no other purpose. We do not, in producing this report, 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 consent in writing.

A handwritten signature in black ink, appearing to read 'Nadia 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 CBD 5090  
Malta

18 December 2023

## UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

### UNAUDITED STATEMENTS OF FINANCIAL POSITION as at 31 October 2023

	Note	BOV Conservative Portfolio 31.10.2023	BOV Conservative Portfolio 30.04.2023	BOV Balanced Portfolio 31.10.2023	BOV Balanced Portfolio 30.04.2023	BOV Growth Portfolio 31.10.2023	BOV Growth Portfolio 30.04.2023
		€	€	€	€	€	€
<b>Assets</b>							
Financial assets at fair value through profit or loss		36,597,721	40,284,142	19,066,677	18,300,199	7,177,535	7,238,763
Accrued income		127,826	84,753	37,206	26,012	2,285	1,612
Cash and cash equivalents	6	1,953,912	386,023	730,167	571,947	110,608	115,469
<b>Total assets</b>		<b>38,679,459</b>	<b>40,754,918</b>	<b>19,834,050</b>	<b>18,898,158</b>	<b>7,290,428</b>	<b>7,355,844</b>
<b>Liabilities</b>							
Financial liabilities at fair value through profit or loss		29,479	18,886	16,760	5,576	8,023	1,959
Accrued expenses		70,944	51,105	40,755	27,717	22,610	14,425
Other payables		-	538,487	-	34,334	-	65
<b>Total liabilities</b>		<b>100,423</b>	<b>608,478</b>	<b>57,515</b>	<b>67,627</b>	<b>30,633</b>	<b>16,449</b>
<b>Net assets attributable to unitholders</b>		<b>38,579,036</b>	<b>40,146,440</b>	<b>19,776,535</b>	<b>18,830,531</b>	<b>7,259,795</b>	<b>7,339,395</b>
<b>Net Assets attributable to unitholders</b>							
as at 31 October 2023		38,579,036		19,776,535		7,259,795	
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	
<b>Net asset value per unit</b>							
as at 31 October 2023		0.874/0.761		1.031/0.950		1.102	
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 14 to 23 are an integral part of the financial statements.

The financial statements on pages 10 to 23 were authorised for issue by BOV Asset Management Ltd on 18 December 2023 and were signed on its behalf by:

Director  
BOV Asset Management Limited



Director  
BOV Asset Management Limited



## UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

### UNAUDITED STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS for the period ended 31 October 2023

	BOV Conservative Portfolio	BOV Conservative Portfolio	BOV Balanced Portfolio	BOV Balanced Portfolio	BOV Growth Portfolio	BOV Growth Portfolio
	01.05.2023 - 31.10.2023	01.05.2022 - 31.10.2022	01.05.2023 - 31.10.2023	01.05.2022 - 31.10.2022	01.05.2023 - 31.10.2023	01.05.2022 - 31.10.2022
	€	€	€	€	€	€
Net assets at the beginning of the period	40,146,440	45,319,399	18,830,531	17,372,844	7,339,395	7,375,130
Issue of units during the period	1,691,448	913,346	2,439,917	1,396,365	550,816	537,321
Redemption of units during the period	(1,849,906)	(2,208,002)	(803,725)	(902,593)	(405,968)	(378,742)
Net equalisation	1,870	(3,593)	8,190	979	59	-
Net decrease in net assets attributable to unitholders during the period	(1,410,816)	(3,719,923)	(698,378)	(1,681,500)	(224,507)	(751,794)
<b>Net assets at the end of the period</b>	<b>38,579,036</b>	<b>40,301,227</b>	<b>19,776,535</b>	<b>16,186,095</b>	<b>7,259,795</b>	<b>6,781,915</b>

The accounting policies and notes on pages 14 to 23 are an integral part of the financial statements.

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)**

**UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME**  
for the period ended 31 October 2023

	BOV Conservative Portfolio	BOV Conservative Portfolio	BOV Balanced Portfolio	BOV Balanced Portfolio	BOV Growth Portfolio	BOV Growth Portfolio
	01.05.2023 - 31.10.2023	01.05.2022 - 31.10.2022	01.05.2023 - 31.10.2023	01.05.2022 - 31.10.2022	01.05.2023 - 31.10.2023	01.05.2022 - 31.10.2022
	€	€	€	€	€	€
<b>Income</b>						
Dividend income	527,476	261,936	173,963	96,461	25,443	6,769
Other income	-	3,754	-	646	-	158
Net fair value movements on financial instruments at fair value through profit or loss	(1,799,487)	(3,854,764)	(778,890)	(1,705,941)	(197,381)	(714,469)
	<u>(1,272,011)</u>	<u>(3,589,074)</u>	<u>(604,927)</u>	<u>(1,608,834)</u>	<u>(171,938)</u>	<u>(707,542)</u>
<b>Expenses</b>	<u>(138,805)</u>	<u>(130,849)</u>	<u>(92,899)</u>	<u>(72,083)</u>	<u>(51,967)</u>	<u>(43,617)</u>
<b>Operating loss</b>	(1,410,816)	(3,719,923)	(697,826)	(1,680,917)	(223,905)	(751,159)
<b>Withholding tax</b>	-	-	(552)	(583)	(602)	(635)
<b>Decrease in net assets attributable to unitholders</b>	<u>(1,410,816)</u>	<u>(3,719,923)</u>	<u>(698,378)</u>	<u>(1,681,500)</u>	<u>(224,507)</u>	<u>(751,794)</u>

The accounting policies and notes on pages 14 to 23 are an integral part of the financial statements.



## Accounting Policies

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

### 30. BASIS OF PREPARATION

These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 'Interim Financial Reporting' and should be read in conjunction with the annual audited financial statements for the year ended 30 April 2023, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted for use in the European Union ("EU"). They do not include all of the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Funds' financial position and performance since the last annual financial statements.

These unaudited condensed interim financial statements 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"). They 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.

As at 31 October 2023, there are three sub-funds, the BOV Conservative Portfolio Fund, the BOV Balanced Portfolio Fund and the BOV Growth Portfolio Fund. Each unit that the Fund issues 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 with the Investment Manager's recommendations. All other assets and liabilities are expected to be realised within one year.

In preparing these unaudited condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Funds' accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited financial statements as at and for the year ended 30 April 2023.

The comparative amounts reflect the position of the Funds as included in the audited financial statements for the year ended 30 April 2023 and the unaudited results for the six-month period ended 31 October 2022.

## 2. 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 three Funds, which is the presentation currency used for the statements.

## 2. FOREIGN EXCHANGE TRANSLATION (CONTINUED)

### 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' period-end. Foreign exchange gains and losses arising from translation are included in the statement of comprehensive income.

Translation differences on financial assets and liabilities held at fair value through profit or loss are presented in the statement of comprehensive income within 'net fair value movements on financial assets and liabilities at fair value through profit or loss'.

## 3. FINANCIAL ASSETS AND LIABILITIES

### (a) Classification

#### (30)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.

#### (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.

#### (30)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 statement 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 statement of comprehensive income within other net changes in fair value of financial assets and liabilities at fair value through profit or loss in the period in which they arise.

### 3. FINANCIAL ASSETS AND LIABILITIES (CONTINUED)

#### I 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.

### 4. 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).

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.

### 5. REDEEMABLE UNITS

The Funds issue redeemable units, which are redeemable at the unit holder'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 period-end if the unit holders exercises 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.

### 6. 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.

## 7. EXPENSES

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

## 8. 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 unit holders, 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.

## 9. 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 unit holders in respect of which equalisation payments are made, will be paid out of the equalisation account.

## 10. 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.

## 11. 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 Unaudited Condensed Interim 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 and amended on 9 November 2023

As at 31 October 2023, the BOV Investment Funds consisted of three separate Funds, the BOV Balanced Portfolio Fund, the BOV Conservative Portfolio Fund and the BOV Growth Portfolio Fund (collectively the "Funds").

### 2. FORMAT OF THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

The Unaudited 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 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.

### 3. 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 with their respective capital contributions. The BOV Growth Portfolio Fund has only one class of unit, being the accumulator class.

### 4. DISTRIBUTIONS TO UNITHOLDERS

There were no distributions to unitholders during the six-month period ended 31 October 2023 and 2022.

### 5. 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) BOV Asset Management Limited is the Investment Manager. The fees, disclosed within 'Expenses' in the Unaudited Statements of Comprehensive Income, are as follows:

	31.10.2023	31.10.2022
	€	€
BOV Conservative Portfolio Fund	69,840	75,229
BOV Balanced Portfolio Fund	49,631	42,166
BOV Growth Portfolio Fund	24,724	22,814

(ii) Bank of Valletta p.l.c. provides custody services. The fees, disclosed within 'Expenses' in the Unaudited Statements of Comprehensive Income, are as follows:

	31.10.2023	31.10.2022
	€	€
BOV Conservative Portfolio Fund	16,024	13,576
BOV Balanced Portfolio Fund	11,742	9,909
BOV Growth Portfolio Fund	9,175	8,554

## Notes to the Unaudited Condensed Interim Financial Statements (continued)

### 5. RELATED PARTIES (CONTINUED)

As at 31 October 2023 and 30 April 2023, the following bank balances are held with Bank of Valletta p.l.c.:

	31.10.2023	30.04.2023
	€	€
BOV Conservative Portfolio Fund	1,953,912	386,023
BOV Balanced Portfolio Fund	730,167	571,947
BOV Growth Portfolio Fund	110,608	115,469

(iii) As at 31 October 2023 and 30 April 2023, the Funds held shares in the following sub-funds under the Vilhena Funds SICAV p.l.c. which is also managed by BOV Asset Management Limited:

	BOV Conservative Portfolio Fund 31.10.2023 Number of shares	BOV Balanced Portfolio Fund 31.10.2023 Number of shares	BOV Growth Portfolio Fund 31.10.2023 Number of shares
Euro Income Fund B1 - Accumulator	-	-	34,754.288
Euro Income Fund B2 - Monthly Distributor	1,577,639.290	196,077.606	-
Global Themed Fund - USD Class	1,425,739.917	664,782.373	384,083.873
High Yield Fund - EUR Class	-	-	114,531.561
Sterling Income Fund	1,656,690.722	214,833.876	-

	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	-

(iv) Holdings of the director of the Investment Manager

As at 31 October 2023, a director of BOV Asset Management Limited held 1,703 shares (30 April 2023: 1,703 shares) jointly in BOV Balanced Portfolio Fund and 3,962 shares (30 April 2023: 3,962) in BOV Growth Portfolio Fund.

## Notes to the Unaudited Condensed Interim Financial Statements (continued)

### 5. RELATED PARTIES (CONTINUED)

(v) The Investment Manager appointed BOV Fund Services Limited as administrator to the BOV Investment Funds. The fees, disclosed within 'Expenses' in the Unaudited Statements of Comprehensive Income, are as follows:

	31.10.2023	31.10.2022
	€	€
BOV Conservative Portfolio Fund	24,261	23,710
BOV Balanced Portfolio Fund	13,307	10,423
BOV Growth Portfolio Fund	9,945	7,188

### 6. CASH AND CASH EQUIVALENTS

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

	31.10.2023	% of net assets	30.04.2023	% of net assets
	€		€	
BOV Conservative Portfolio Fund	1,953,912	5.06	386,023	0.96
BOV Balanced Portfolio Fund	730,167	3.69	571,947	3.04
BOV Growth Portfolio Fund	110,608	1.52	115,469	1.57

### 7. FAIR VALUE ESTIMATION

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 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).

## Notes to the Unaudited Condensed Interim Financial Statements (continued)

## 7. FAIR VALUE ESTIMATION (CONTINUED)

The following tables analyse the fair value hierarchy within the Funds' financial assets and liabilities at fair value through profit or loss:

<b>BOV Conservative Portfolio Fund</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Total</b>
	<b>€</b>	<b>€</b>	<b>€</b>
<b>As at 31 October 2023</b>			
<b>Assets</b>			
<i>Fair value through profit or loss</i>			
Quoted local corporate bonds	941,946	2,094,901	3,036,848
Quoted foreign corporate bonds	1,296,997	-	1,296,997
Collective investment schemes	7,592,572	-	7,952,572
Exchange traded funds	24,665,292	-	24,665,292
Foreign exchange contracts	-	6,012	6,012
	<b>34,496,807</b>	<b>2,100,913</b>	<b>36,597,721</b>
<b>Liabilities</b>			
<i>Fair value through profit or loss</i>			
Foreign exchange contracts	-	(29,479)	(29,479)
<b>BOV Balanced Portfolio Fund</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Total</b>
	<b>€</b>	<b>€</b>	<b>€</b>
<b>As at 31 October 2023</b>			
<b>Assets</b>			
<i>Fair value through profit or loss</i>			
Quoted local equities	-	107,095	107,095
Quoted local corporate bonds	369,243	188,999	558,242
Quoted foreign corporate bonds	500,884	-	500,884
Collective investment schemes	2,822,752	-	2,822,752
Exchange traded funds	15,077,704	-	15,077,704
	<b>18,770,583</b>	<b>296,094</b>	<b>19,066,677</b>
<b>Liabilities</b>			
<i>Fair value through profit or loss</i>			
Foreign exchange contracts	-	(16,760)	(16,760)
<b>BOV Growth Portfolio Fund</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Total</b>
	<b>€</b>	<b>€</b>	<b>€</b>
<b>As at 31 October 2023</b>			
<b>Assets</b>			
<i>Fair value through profit or loss</i>			
Quoted local equities	-	24,024	24,024
Quoted local corporate bonds	-	28,661	28,661
Quoted foreign corporate bonds	194,687	-	194,687
Collective investment schemes	1,681,368	-	1,681,368
Exchange traded funds	5,248,795	-	5,248,795
	<b>7,124,850</b>	<b>52,685</b>	<b>7,177,535</b>
<b>Liabilities</b>			
<i>Fair value through profit or loss</i>			
Foreign exchange contracts	-	(8,023)	(8,023)

## Notes to the Unaudited Condensed Interim Financial Statements (continued)

### 7. FAIR VALUE ESTIMATION (CONTINUED)

<b>BOV Conservative Portfolio Fund</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Total</b>
	€	€	€
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)
<b>BOV Balanced Portfolio Fund</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Total</b>
	€	€	€
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
Quoted foreign government bonds	481,486	-	481,486
Collective investment schemes	2,781,632	-	2,781,632
Exchange traded funds	14,052,988	-	14,052,988
Forward foreign exchange contracts	-	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)
<b>BOV Growth Portfolio Fund</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Total</b>
	€	€	€
As at 30 April 2023			
Assets			
<i>Fair value through profit or loss</i>			
Quoted local equities	-	26,488	26,488
Quoted local corporate bond	-	29,462	29,462
Quoted foreign government bonds	187,147	-	187,147
Collective investment schemes	1,645,884	-	1,645,884
Exchange traded funds	5,197,862	-	5,197,862
Forward foreign exchange contracts	-	151,920	151,920
	<u>7,030,893</u>	<u>207,870</u>	<u>7,238,763</u>
Liabilities			
<i>Fair value through profit or loss</i>			
Forward foreign exchange contracts	-	(1,959)	(1,959)

## Notes to the Unaudited Condensed Interim Financial Statements (continued)

### 8. SUBSEQUENT EVENTS

On 15 November 2023, the BOV Capital Guaranteed Fund 2027 was launched. The Initial Offering Period closed on 2 December 2023.

Unaudited Supplementary Disclosures

Portfolio Statements

31 October 2023

	Market value 31.10.2023 €	% of net assets
<b>BOV Conservative Portfolio Fund</b>		
<b>Exchange Traded Funds</b>		
<i>France</i>		
Amundi S&P Global Luxury UCITS ETF - EUR (C)	50,131	0.13
<i>Germany</i>		
iShares Global Corp Bond EUR Hedged UCITS ETF D	6,876,211	17.82
iShares Core MSCI World UCITS ETF USD (Acc)	2,545,266	6.60
<i>Netherlands</i>		
iShares MSCI World Energy Sector UCITS ETF USD D	94,042	0.24
<i>United Kingdom</i>		
iShares Corp Bond Large Cap UCITS ETF EUR (Dist)	352,842	0.91
iShares \$ Corp Bond UCITS ETF USD Dist	5,098,313	13.22
Xtrackers MSCI World Consumer Staples UCITS ETF 1C	178,620	0.46
Xtrackers MSCI Wrd Cons Discretionary UCITS ETF 1C	245,735	0.64
Xtrackers MSCI Wld Communic Services UCITS ETF 1C	243,530	0.63
SPDR S&P US Health Care Sel Sector UCITS ETF Acc	92,895	0.24
SPDR MSCI World Financials UCITS ETF	401,174	1.04
SPDR MSCI World Health Care UCITS ETF	259,301	0.67
SPDR MSCI World Industrials UCITS ETF	241,948	0.63
SPDR MSCI World Technology UCITS ETF	527,084	1.37
SPDR MSCI World Materials UCITS ETF	60,052	0.16
SPDR MSCI World Utilities UCITS ETF	45,931	0.09
SPDR Bloomberg 1-10 Y U.S. CB UCITS ETF Dist	3,526,375	9.14
Vanguard USD Corporate Bond UCITS ETF USD Dis	3,825,842	9.92
<b>Quoted Local Corporate Bonds</b>		
3.25% APS Bank p.l.c. 2030	482,500	1.24
3.50% AX Real Estate p.l.c. 2032	378,801	0.98
3.50% GO p.l.c. 2031	160,146	0.42
3.65% Mizzi Organisation Finance 2028-2031	292,830	0.76
4.00% Cablenet Communications Systems p.l.c 2030	563,502	1.46
4.00% International Hotel Investments 2026	181,999	0.47
4.35% SD Finance p.l.c. 2027	20,378	0.05
5.75% International Hotel Investments 2025	8,282	0.02
6.00% International Hotel Investments 2024	6,464	0.02
10.00% Bank of Valletta p.l.c. 2027	941,946	2.44
<b>Quoted Foreign Government Bonds</b>		
2.50% United States of America 2025	1,296,997	3.36
<b>Collective Investment Schemes</b>		
Vilhena Global Themed USD	2,469,419	6.40
Cohen & Steers SICAV Global Real Estate Secs AX	88,247	0.23
Vilhena EUR Income Fund Class B1 Accumulator	3,508,196	9.09
Vilhena Sterling Income	1,526,710	3.96

## Unaudited Supplementary Disclosures (continued)

## Portfolio Statements

31 October 2023

		Market value 31.10.2023 €	% of net assets
	<i>Fair value</i>	<i>Notional amount</i>	
<b>Derivatives – Forward Foreign Exchange Contracts</b>			
Sale of Euro against US Dollar maturing on 21 December 2023	6,012	1,824,878	0.02
Sale of Sterling against Euro maturing on 21 December 2023	(42)	1,280,000	-
Sale of US Dollar against Euro maturing on 21 December 2023	(29,437)	20,740,000	(0.08)
		Market value 31.10.2023 €	% of net assets
<b>BOV Balanced Portfolio Fund</b>			
<b>Exchange Traded Funds</b>			
<i>France</i>			
SPDR MSCI Europe Consumer Discr UCITS ETF		48,386	0.24
Amundi S&P Global Luxury UCITS ETF - EUR (C)		37,006	0.20
<i>Germany</i>			
iShares Global Corp Bond EUR Hedged UCITS ETF D		2,368,086	11.97
<i>Netherlands</i>			
iShares € Govt Bond 7-10yr UCITS ETF EUR (Dist)		288,635	1.46
iShares MSCI World Energy Sector UCITS ETF USD D		246,362	1.25
<i>United Kingdom</i>			
Amundi ETF MSCI UK UCITS ETF C/D		243,000	1.20
iShares Corp Bond Large Cap UCITS ETF EUR (Dist)		490,764	2.48
iShares \$ Corp Bond UCITS ETF USD Dist		1,298,528	6.57
iShares MSCI World EUR Hedged UCITS ETF (Acc)		2,462,743	12.45
Xtrackers MSCI World Consumer Staples UCITS ETF 1C		393,365	1.99
Xtrackers MSCI Wrd Cons Discretionary UCITS ETF 1C		404,607	2.05
Xtrackers MSCI Wld Communic Services UCITS ETF 1C		414,497	2.10
SPDR S&P US Financials Select Sector UCITS ETF Acc		75,147	0.38
SPDR S&P US Health Care Sel Sector UCITS ETF Acc		180,666	0.91
SPDR MSCI World Financials UCITS ETF		597,320	3.02
SPDR MSCI World Health Care UCITS ETF		460,343	2.33
SPDR MSCI World Industrials UCITS ETF		483,023	2.44
SPDR MSCI World Technology UCITS ETF		1,133,838	5.73
SPDR MSCI World Materials UCITS ETF		153,644	0.78
SPDR MSCI World Utilities UCITS ETF		74,048	0.38
SPDR Bloomberg 1-10 Y U.S. CB UCITS ETF Dist		1,068,429	5.40
Vanguard USD Corporate Bond UCITS ETF USD Dis		2,155,267	10.90
<b>Quoted Local Equities</b>			
BMIT Technologies plc		85,037	0.42
Main Street Complex PLC		22,058	0.11

**Unaudited Supplementary Disclosures (continued)****Portfolio Statements**

31 October 2023

	Market value 31.10.2023 €	% of net assets
<b>BOV Balanced Portfolio Fund</b>		
<i>Quoted Local Corporate Bonds</i>		
3.50% GO p.l.c. 2031	48,639	0.25
3.65% Mizzi Organisation Finance 2028-2031	77,056	0.39
4.00% International Hotel Investments 2026	63,304	0.32
10.00% Bank of Valletta p.l.c. 2027	369,243	1.87
<i>Quoted Foreign Government Bonds</i>		
2.50% United States of America 2025	500,884	2.53
<i>Collective Investment Schemes</i>		
Vilhena Global Themed USD	1,151,421	5.81
Cohen & Steers SICAV Global Real Estate Secs AX	99,901	0.51
MS INVF Global Opportunity A USD	342,080	1.73
Mirova Global Sustainable Equity Fund R/A (EUR)	595,354	3.01
Vilhena EUR Income Fund Class B1 Accumulator	436,018	2.20
Vilhena Sterling Income	197,978	1.00
	<i>Fair value</i>	<i>Notional amount</i>
<i>Derivatives – Forward Foreign Exchange Contracts</i>		
Sale of Sterling against Euro maturing on 21 December 2023	(12)	377,000
Sale of US Dollar against Euro maturing on 21 December 2023	(16,748)	11,800,000
		(0.08)
	Market value 31.10.2023 €	% of net assets
<b>BOV Growth Portfolio Fund</b>		
<i>Exchange Traded Funds</i>		
<i>France</i>		
Amundi S&P Global Luxury UCITS ETF - EUR (C)	21,511	0.30
<i>Germany</i>		
iShares Global Corp Bond EUR Hedged UCITS ETF D	291,946	4.02
<i>Netherlands</i>		
iShares MSCI World Energy Sector UCITS ETF USD D	203,302	2.80

## Unaudited Supplementary Disclosures (continued)

## Portfolio Statements

31 October 2023

	Market value 31.10.2023 €	% of net assets
<b>BOV Growth Portfolio Fund</b>		
<b>Exchange Traded Funds</b>		
<i>United Kingdom</i>		
Amundi ETF MSCI UK UCITS ETF C/D	148,691	2.05
iShares Corp Bond Large Cap UCITS ETF EUR (Dist)	19,990	0.27
iShares \$ Corp Bond UCITS ETF USD Dist	295,217	4.07
iShares € Govt Bond 7-10yr UCITS ETF EUR (Dist)	121,483	1.67
iShares MSCI World EUR Hedged UCITS ETF (Acc)	283,636	3.91
Xtrackers MSCI World Consumer Staples UCITS ETF 1C	309,177	4.26
Xtrackers MSCI Wrd Cons Discretionary UCITS ETF 1C	360,812	4.97
Xtrackers MSCI Wld Communic Services UCITS ETF 1C	318,458	4.38
SPDR S&P US Financials Select Sector UCITS ETF Acc	54,817	0.76
SPDR S&P US Health Care Sel Sector UCITS ETF Acc	71,873	0.99
SPDR MSCI World Financials UCITS ETF	476,191	6.56
SPDR MSCI World Health Care UCITS ETF	444,222	6.12
SPDR MSCI World Industrials UCITS ETF	376,898	5.20
SPDR MSCI World Technology UCITS ETF	982,176	13.53
SPDR MSCI World Materials UCITS ETF	122,148	1.68
SPDR MSCI World Utilities UCITS ETF	77,922	1.07
SPDR Bloomberg 1-10 Y U.S. CB UCITS ETF Dist	197,637	2.72
Vanguard USD Corporate Bond UCITS ETF USD Dis	70,688	0.97
<b>Quoted Local Equities</b>		
Main Street Complex PLC	24,024	0.33
<b>Quoted Local Corporate Bonds</b>		
4.00% International Hotel Investments 2026	28,661	0.39
<b>Quoted Foreign Government Bonds</b>		
2.50% United States of America 2025	194,687	2.68
<b>Collective Investment Schemes</b>		
Vilhena EUR Income Fund Class B1 Accumulator	110,015	1.52
Vilhena Global Themed USD	665,243	9.17
Cohen & Steers SICAV Global Real Estate Secs AX	66,272	0.91
MS INV F Global Opportunity A USD	355,390	4.89
Mirova Global Sustainable Equity Fund R/A (EUR)	418,284	5.76
Vilhena High Yield Fund EUR	66,164	0.91
	<b>Fair value</b>	<b>Notional amount</b>
<b>Derivatives – Forward Foreign Exchange Contracts</b>		
Sale of Sterling against Euro maturing on 21 December 2023	(4)	130,000
Sale of US Dollar against Euro maturing on 31 December 2023	(8,019)	5,650,000
		0.00
		(0.11)

## Statement of Changes in the Composition of the Portfolios

The composition of the portfolios, detailed in the Portfolio Statements on pages 22 to 25, in comparison with the Portfolio Statements as at 30 April 2023 stood as follows:

	% of net assets 31.10.2023	% of net assets 30.04.2023
<b>BOV Conservative Portfolio</b>		
Exchange Traded Funds	63.93	68.99
Quoted Local Corporate Bonds	7.87	7.63
Quoted Foreign Corporate Bonds	3.36	3.11
Collective Investment Schemes	19.68	19.25
Forward Foreign Exchange Contracts	(0.06)	1.31
<b>BOV Balanced Portfolio</b>		
Exchange Traded Funds	76.24	73.30
Quoted Local Corporate Bonds	2.82	2.96
Quoted Foreign Corporate Bonds	2.53	2.56
Quoted Local Equities	0.54	0.60
Collective Investment Schemes	14.27	16.10
Forward Foreign Exchange Contracts	(0.08)	1.66
<b>BOV Growth Portfolio</b>		
Exchange Traded Funds	72.30	70.82
Quoted Local Corporate Bonds	0.39	0.40
Quoted Foreign Corporate Bonds	2.68	2.55
Quoted Local Equities	0.33	0.36
Collective Investment Schemes	23.16	22.43
Forward Foreign Exchange Contracts	(0.11)	2.04

## 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 period ended 31 October 2023, there were no breaches of the standard license conditions.

### 3. UP-FRONT FEES, EXIT & OTHER FEES

Fund	Upfront Fees	Exit Fees	Service Fee	Administration Fee	Custody Fee
<b>BOV Conservative Portfolio Fund</b>	1.5%	0	0.35%	The first €25 million 0.13%, the next €25 million 0.1%, the next €25 million 0.08% and any amount in excess of €75 million 0.03% of the Net Asset Value of the fund, subject to a minimum of €22,000 per annum.	0.05% pa of the aggregate NAV of the 3 funds, subject to an aggregate minimum fee of Euro 60,000 pa.
<b>BOV Balanced Portfolio Fund</b>	1.5%	0	0.50%		The resultant applicable custody fee will be apportioned between the funds in the following manner: - Euro 15,000 pa each fund, plus - an apportionment on a pro-rata basis of the remaining custody fee based on the respective NAV size of each fund.
<b>BOV Growth Portfolio Fund</b>	1.5%	0	0.65%		

### 4. NOTIONAL EXPOSURES

As at 31 October 2023 all three Funds had commitments through the use of forward foreign exchange contracts. There was no significant exposure after netting for all the above mentioned Funds.

### 5. 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 realize 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.

## Information about the Funds (continued)

### 5. RISK FACTORS (continued)

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.

#### 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.

#### 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.

**Information about the Funds (continued)****5. RISK FACTORS (continued)****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 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.

**Information about the Funds (continued)****5. RISK FACTORS (continued)**

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.

**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.

**Information about the Funds (continued)****5 RISK FACTORS (continued)****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.

**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.

## Information about the Funds (continued)

### 5. RISK FACTORS (continued)

#### 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.

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.

**Information about the Funds (continued)****5. RISK FACTORS (continued)**

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.

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.

## Information about the Funds (continued)

### Depository Receipts

The Fund may invest (either directly or through collective investment schemes) in American depository receipts, global depository receipts, and European depository receipts (collectively, "Depository Receipts"). Depository Receipts generally evidence an ownership interest in a corresponding foreign security on deposit with a financial institution. Because the value of Depository Receipts will be dependent upon the market price of an underlying equity security, such Depository 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.

## 6. 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.

## 7. 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 5 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](http://www.bovassetmanagement.com) and paper copies will be made available to investors free of charge upon request.

## 8. 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 Unaudited Interim Report, which is available upon request from the Investment Manager, and were current at the date of publishing of this Unaudited Interim 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.

## 9. INVESTMENT MANAGER'S STATEMENT

In the opinion of the Investment Manager, this Unaudited Interim 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 period ended 31 October 2023, and does not omit any matter or development of significance.



