

Fundamentals

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1. Delivering Tailored Value to Institutional Investors

Josianne Bezzina

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2. Fund Focus: Vilhena European Multi-Manager Fund

Tara Vella

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3. The Benefits of Monthly Investment Plans

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4. BOVAM's London Training Programme

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Delivering Tailored Value to Institutional Investors

Bank of Valletta (BOV) has consistently led the way in delivering innovative solutions to meet the evolving needs of both retail and institutional clients. Positioned as a comprehensive provider of financial products and services, the Bank offers a wide spectrum of investment opportunities through BOV Asset Management (BOVAM), which sees over €1 billion assets as at 30th November 2025. Since 2017, BOVAM has also been licensed to deliver portfolio management services tailored to institutional investors and retirement pension schemes.

What is the main objective of portfolio management?

The primary goal of portfolio management is to optimize investment returns through the application of diverse strategies. At BOVAM, Portfolio Managers design and structure portfolios that not only aim to achieve the investor's objectives but also remain closely aligned with each client's unique requirements.

What type of portfolio management does BOV Asset Management offer?

BOV Asset Management provides discretionary portfolio management services to institutional clients. Under this model, portfolio managers are entrusted with the authority to invest on behalf of clients, operating within clearly defined parameters, restrictions, and risk levels as outlined in the Investment Policy Statement.

Our investment solutions span a wide spectrum—from liquidity management, designed to help companies meet short-term obligations while generating attractive returns on idle cash balances, to comprehensive fund management. The latter includes actively managed local and international equity and fixed-income portfolios, multi-asset class strategies, and risk-focused investment solutions. We also offer retirement pension schemes, investing regular contributions from employers and employees to build sustainable pension pots for the future.

The BOVAM team is further supported by dedicated Compliance Monitoring and Risk Management functions. Operating under the UCITS directive, BOVAM adheres to a robust regulatory framework, providing institutional clients with the assurance that their portfolios are managed responsibly and in strict alignment with their investment policy.

What are the benefits of discretionary portfolio management?

Discretionary portfolio management offers greater efficiency compared to advisory services, as portfolio managers can swiftly execute trades in volatile markets without requiring prior client approval. Leveraging their academic expertise and extensive experience, they are able to make informed investment decisions, enhance risk-adjusted returns, monitor performance, and effectively manage portfolio liquidity.

How does portfolio management for institutional clients work?

Portfolio management follows a structured, multi-step framework designed to align investments with client objectives.

1. **Identifying Objectives** Each client's goals, knowledge, experience, and risk tolerance form the foundation of a bespoke investment strategy. A dedicated team of portfolio managers ensures that assets are managed in line with the agreed approach.
2. **Investment Policy Statement** This document defines the portfolio's objectives, parameters, benchmarks, asset allocation guidelines, and any restrictions, serving as the governing framework for investment decisions.
3. **Portfolio Selection & Implementation** Securities are selected to construct the portfolio, with careful consideration of the client's risk appetite and agreed parameters.
4. **Monitoring & Rebalancing** Portfolios are continuously monitored to assess risk exposures and rebalanced as necessary to maintain strategic alignment. Clients receive regular performance reports, and strategies are reviewed to ensure objectives are met.
5. **Fees** An all-inclusive fee, charged as a percentage of net asset value, covers services such as brokerage, custody, and reporting. Transparency is ensured, with costs agreed in advance. An outperformance fee may apply when benchmarks are exceeded, governed by the high-watermark principle.

Who can be considered as an institutional investor?

Unlike retail investors, who invest on their own behalf, institutional investors are organizations that allocate excess funds with the aim of generating returns to strengthen their financial position. Typical institutional clients managing bespoke portfolios include corporations, professional entities, foundations, trusts, retirement pension schemes, insurance companies, and similar institutions.

Josianne Bezzina
Lead Portfolio Manager
BOV Asset Management

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Your time to invest

We have the right
investment solution for you.



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Past performance is not a guarantee to future performance. The value of the investment can go down as well as up and any initial charges may lower the amount invested and the amount received upon redemptions. Investments should be based on the full details of the Prospectus, Offering Supplement and the Key Information Document which may be obtained from BOV Asset Management Limited, Bank of Valletta p.l.c. Branches/Investment Centres and other Licensed Financial Intermediaries. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities. BOV Asset Management Limited is licensed to provide Investment Services in Malta under the Investment Services Act (Cap. 370 of the Laws of Malta) by the Malta Financial Services Authority. Issued by BOV Asset Management Limited, 58, Triq San Ķakkarija, il-Belt Valletta, VLT 1130, Malta. Tel: 21227311, Email: infoassetmanagement@bov.com, Website: www.bovassetmanagement.com.

BOV

ASSET MANAGEMENT

A MEMBER OF THE BOV GROUP

Fund Focus: Vilhena European Multi-Manager Fund



INCEPTION DATE: June 2004
 FUND NET ASSET VALUE: \$35.55 million (as at 28th November 2025)
 TYPE OF FUND: EQUITY/GROWTH

Objective

The objective of the Vilhena European Multi-Manager Fund ("The Fund") is to aim to achieve long-term growth by investing predominantly, though not exclusively, in units of Collective Investment Schemes.

What are Collective Investment Schemes (CIS)?

CIS are a type of investment vehicle, which allows multiple investors to pool their money in a single fund.

Target Market

BOV Asset Management Limited manages a variety of Funds, and the Vilhena European Multi-Manager Fund falls under the Growth Category of the Funds managed by the company. An Investor who chooses a Growth Fund, aims to achieve long-term capital growth, rather than a stream of income/interest at timed intervals. This Fund is suitable for market participants having a long-term investment horizon and having both the ability and willingness to tolerate risk. It is imperative to keep in mind, that a Growth Fund tends to be more volatile, with an inherent element of risk, which in turn should potentially render a higher rate of return than a Fund that is more of the conservative or balanced in nature. In other words, *High Risk = High Reward*.

Fund Overview

The Vilhena European Multi-Manager Fund is designed to give Investors access to a selection of other leading fund management firms, as well as a wide array of investments across the Europe, which are actively managed to provide Investors with strong potential to maximise the return on investment. The Fund also invests in a number of Exchange Traded Funds (ETF's), with exposure across all sectors in Europe.

*TOP 3 HOLDINGS	
Axion European Banks Equity	19.84 %
SPDR MSCI Europe ETF	15.88 %
Comgest Growth Europe	10.50 %

*PERFORMANCE FIGURES net of fees	
6 months	- 3.53%
1 year	- 14.14%
2 years	- 27.53%

*TOP 3 CONTRIBUTORS - 1 YEAR	
Axion European Banks Equity	8.74 %
SPDR MSCI Europe ETF	3.16 %
SPDR MSCI Europe Industrials ETF	1.42 %

*data as at 28th November 2025

Source: BOV Asset Management

BOV Asset Management Limited, manufactures various Funds and this Fund in particular was chosen at random to feature in this brochure. The figures stated are correct at the time of publishing and the Company has no obligation to update the figures quoted in this brochure. Past performance and investments in this fund should be based on. Past performance is not a guarantee to future performance. The value of the investment can go down as well as up and any initial charges may lower the amount invested and the amount received upon redemptions. Investments should be based on the full details of the Prospectus, Offering Supplement and the Key Information Document which may be obtained from BOV Asset Management Limited, Bank of Valletta p.l.c. Branches/ Investment Centres and other Licensed Financial Intermediaries. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Tara Vella
 Manager
 BOV Asset Management



The Benefits of Monthly Investment Plans: Start Early for Greater Gains

Monthly investment plans (MIPs) are a strategic approach to building wealth over time. By investing a fixed amount of money regularly, investors can take advantage of several financial principles that enhance their potential for long-term success. This article explores the benefits of MIPs and emphasizes the importance of starting early.

What Are Monthly Investment Plans?

Monthly investment plans involve committing to invest a specific amount of money each month into a chosen collective investment scheme (Fund). BOV Asset Management provides a diverse range of funds designed to suit different investor needs. Options include funds focused exclusively on fixed-income securities, such as the Vilhena High Yield Fund, the Vilhena Euro Income Fund, and the Vilhena Sterling Income Fund. For those seeking equity exposure, there are funds like the Vilhena Global Themed Fund, the Vilhena European Multi-Manager Fund, and the Vilhena US Multi-Manager Fund. Investors can also choose funds that target local opportunities, including government bonds, corporate bonds, and equities. Additionally, the BOV Investment Funds offer a risk-conscious approach by combining both fixed income and equity investments across local and global markets. Before investing in any Fund, you should also determine your risk profile. Whether you are a cautious type of investor, or a more aggressive investor, there are Funds appropriate for every investor's risk tolerance.

Benefits of Monthly Investment Plans

- 1. Cost Averaging:** One of the primary advantages of MIPs is cost averaging. By investing the same amount each month, investors buy more shares when prices are low and fewer shares when prices are high. This strategy helps to mitigate the impact of market volatility and reduces the risk of making poor investment decisions based on market timing.
- 2. Discipline and Consistency:** MIPs encourage a disciplined and consistent investment habit. Regular contributions ensure that investors stay committed to their financial goals, regardless of market conditions. This consistency is crucial for long-term wealth accumulation.
- 3. Affordability:** Monthly investment plans are accessible to a wide range of investors, including those who may not have large sums of money to invest upfront. By spreading out contributions over time, MIPs make it easier to invest without straining your finances. BOV Asset Management's Monthly Investment Plan start at only €50 a month.

- 4. Flexibility:** MIPs are designed around the consumers' needs; therefore, they offer absolute flexibility. Subject to the €50 minimum investment requirement, you have the option to increase or decrease your monthly contributions, stop payments completely or suspend payments for a period and resume whenever you wish, without any penalties. Whilst one should aim to save for the long-term, with a Monthly Investment Plan, you have the possibility to withdraw your capital whenever required.
- 5. Reduced Emotional Investing:** Regular, automated investments help reduce the emotional aspect of investing. Investors are less likely to make impulsive decisions based on short-term market fluctuations, leading to more rational and effective investment behaviour.

The Importance of Starting Early

The earlier you start investing, the greater the potential benefits. Here's why:

- **Longer Time Horizon:** Starting early gives your investments more time to grow. Even small contributions can accumulate significantly over decades.
- **Greater Risk Tolerance:** Younger investors typically have a higher risk tolerance, allowing them to invest in higher-risk, higher-reward assets. Over time, these investments can yield substantial returns.
- **Financial Stability:** Early investing helps build a strong financial foundation, providing peace of mind for the future. It also allows for more flexibility in achieving financial goals, such as buying a home, funding education, or enjoying a comfortable retirement.

Monthly investment plans offer a structured and effective way to build wealth over time. By leveraging cost averaging, maintaining discipline, and benefiting from compounding returns, investors can achieve their financial objectives more efficiently. The key to maximizing these benefits is to start as early as possible. Whether you are just beginning your investment journey or seeking to enhance your current strategy, MIPs can be a valuable asset to have in your portfolio.

Therese Azzopardi Cachia
Manager
BOV Asset Management



BOVAM's London Training Programme: A Gateway to Global Investment Insights

BOVAM's highly regarded training programmes in London have now become a bi-annual tradition, offering top-performing Financial Advisers from the Bank's Investment Centres a unique opportunity to deepen their expertise. This year, six standout employees were selected to participate in a two-day intensive training hosted by Insight Investment Management (Global) Limited and Fidelity International.

During their visit, the team engaged with Mr. Ulrich Gerhard, Portfolio Manager and Ms. Cathy Braganza, Senior Credit Analyst of the Vilhena High Yield Fund—a fund well-known among local investors for its focus on non-investment grade bonds. Mr. Gerhard and Ms. Braganza shared the Fund's current bullish outlook on the high yield market, citing attractive yield levels and low default rates. They delved into the Fund's strategy of investing in companies with stable business models and strong cash flow generation.

The following day featured insightful presentations at Fidelity's London offices where the team met with Fidelity European Dividend Fund Manager, Mr. Fred Skyes. The Fund invests in multinational companies across Europe, with notable exposure to the financial sector, particularly insurance, which has been performing strongly. Mr. Fred Skyes applies a high-conviction, quality-focused approach to stock selection, aiming to deliver attractive total returns through

dividends. The fund targets companies that meet the following criteria: Quality, Sustainability, Value, Income and ESG integration.

The team also met with Ms. Ario Emami Najad, the Manager for The Fidelity Euro Bond Fund. This Fund primarily invests in government bonds, such as German Bunds and Spanish sovereign debt, as well as investment-grade corporate bonds, including issuers like Inditex, the Spanish multinational behind Zara. The Fund's objective is to deliver capital growth and income through investments in Euro-denominated bonds. The Fund is actively managed, with the portfolio team adjusting positions based on macroeconomic trends, central bank policies, and credit market conditions. A key feature of the strategy is its short duration positioning, which helps reduce sensitivity to interest rate fluctuations. This Fund is suitable for investors seeking moderate risk and a diversified fixed-income portfolio within the Eurozone.

The BOV participants expressed sincere appreciation for the Company's initiative, returning with enriched perspectives and valuable insights into the global investment arena. BOV Asset Management remains steadfast in its commitment to empowering the Bank's representatives through ongoing training programmes—both locally and internationally—ensuring they stay ahead of evolving market dynamics and regulatory standards.



Tara Vella
Manager
BOV Asset Management



Invest wisely and consolidate your wealth with the **BOV Conservative Portfolio Fund** for brighter days ahead.

Keep the adventure going.



Benefit from **50% off** initial fees



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Offer valid until end June 2025. Past performance is not a guarantee to future performance. The value of the investment can go down as well as up and any initial charges may lower the amount invested and the amount received upon redemptions. Investments should be based on the full details of the Prospectus, Offering Supplement and the Key Information Document which may be obtained from BOV Asset Management Limited, Bank of Valletta p.l.c. Branches/ Investment Centres. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities. BOV Asset Management Limited of Premium Banking, Premium Banking Centre, 475, Triq il-Kbira San Ġużepp, Santa Venera SVR1011 is licensed to conduct investment services in Malta under the Investment Services Act (Cap.370 of the laws of Malta) by the MFSA. BOV Investment Funds are common contractual funds licenced by the MFSA and qualify as UCITS. The Funds are manufactured by BOV Asset Management Limited and distributed by Bank of Valletta p.l.c.

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