



# ARIA CAPITAL MANAGEMENT ARIA TARGET INCOME FUND MARKETING COMMUNICATION

Returns. Refined and Defined.

## How the Fund works

- The Fund aims to generate a 7% p.a. income yield by investing in a diversified portfolio of defined return products.
- The investment process is focused on minimising the risks typically associated with defined product investing whilst maintaining a long-term income yield above that of the broader equity and fixed income markets.
- Each Product is issued by investment grade counterparties offering a guaranteed coupon, with a knock-in barrier level across a range of maturities.
- The Fund offers accumulation and distribution share class to suit investors' needs and provides daily liquidity; typically uncommon in the defined return space. The minimum recommended holding period for the fund is 5 years.

## Key features

TARGET INCOME YIELD

**7%**

ANNUAL MANAGEMENT FEE

**0.75%**

CURRENCIES AVAILABLE

**USD/GBP/EUR**

SYNTHETIC RISK & REWARD

**5 / 7**

## Fund Highlights

- The ARIA Target Income Fund (TIF) aims to generate a 7% p.a. income yield by investing in a diversified portfolio of defined return products.
- TIF aims to minimize the risks typically associated with defined product investing whilst maintaining a long-term income yield above that of the broader equity and fixed income markets.
- TIF focuses on Investment Grade Counterparties, issuing products on high quality, blue chip developed market equity.
- Each product within the portfolio has a in-built 60% barrier level providing a level of principal protection per exposure (40% on each underlying's strike price).
- UCITS V regulation is the premier retail structure in Europe, Middle East and SE Asia providing the benefits of defined return investing in a suitability friendly manner.

## Illustrative Asset Allocation



- Cash/Money Markets
- UBS Note
- Societe Generale Note
- RBC Note
- Nomura Note
- Nataxis Note
- Morgan Stanley Note
- JP Morgan Note
- HSBC PLC Note
- Goldman Sachs Note
- EFG International Note
- Deutsche Bank Note
- Citibank Note
- CIBC Note
- Credit Agricole CIB Note
- BNP Paribas Note
- BBVA Note
- Barclays Bank PLC Note
- BoA Merrill Lynch Note

## Illustrative Portfolio

Counterparty	Underlying Exposure	Category	Guaranteed Coupon (p.a.)	Barrier Level	Months to Maturity	Distance to Barrier
Royal Bank of Canada	Apple Inc	US Large Cap Equity	8.75%	60%	47	38.45%
Barclays	Volkswagen Co	EU Large Cap Equity	9.25%	60%	13	24.60%
Société Générale	LVMH	EU Large Cap Equity	7.25%	60%	56	43.50%
UBS	Exxon Mobil	US Large Cap Equity	8.50%	60%	31	36.71%
Marex	Microsoft Corp	US Large Cap Equity	8.00%	60%	42	46.25%
Nataxis	SAP SE	EU Large Cap Equity	8.65%	60%	18	31.15%
EFG	JPMorgan	US Large Cap Equity	9.19%	60%	36	29.28%
BNP Paribas	British American Tobacco	UK Large Cap Equity	8.40%	60%	25	16.58%

## Reasons to Invest:

- 01** Designed to provide an attractive, reliable income with less volatility than stock markets.
- 02** Invest a lump sum and/or a regular monthly amount.

- 03** Accumulation and (Quarterly) Distribution Shares available to meet all Investors' needs.

- 04** A fund structure brings greater liquidity than the traditional 'Buy and hold till maturity' approach of structured products.

- 05** A diversified mix of structured products reduces counterparty and concentration risk.

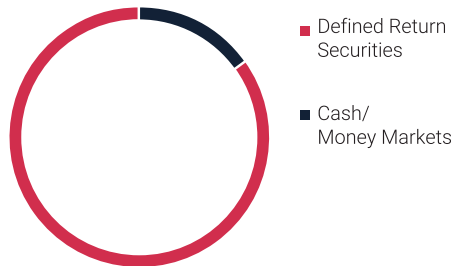




### WHAT DOES THE FUND INVEST IN?

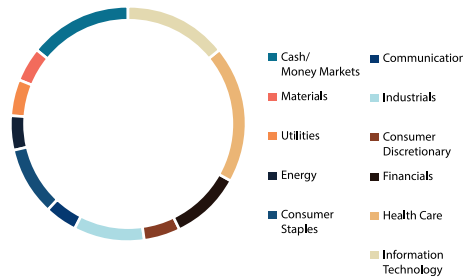
The details below are illustrative and updated as per the latest available factsheet.

#### PRODUCT EXPOSURE



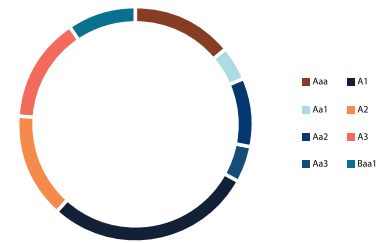
- Single Stock Autocall on high quality exposure.
- Guaranteed Coupons
- 0-5yr Maturities
- Final Observation Date Barriers only.

#### SECTOR EXPOSURE



- Systematic quantitative approach to underlying selection with qualitative overlay.
- Diversified across sectors and maturity.

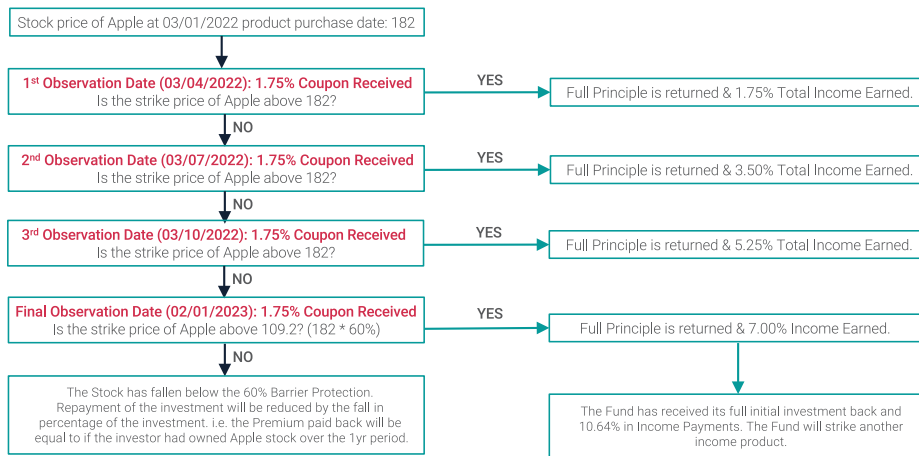
#### ISSUER EXPOSURE



- Investment Grade Issuers Only.
- Tight portfolio controls surrounding counterparty exposure.

### EXAMPLE PRODCUT

E.g., 1yr Autocallable on Apple Inc. with 60% Barrier, Guaranteed Coupon at 7.00%, and Quarterly Payments



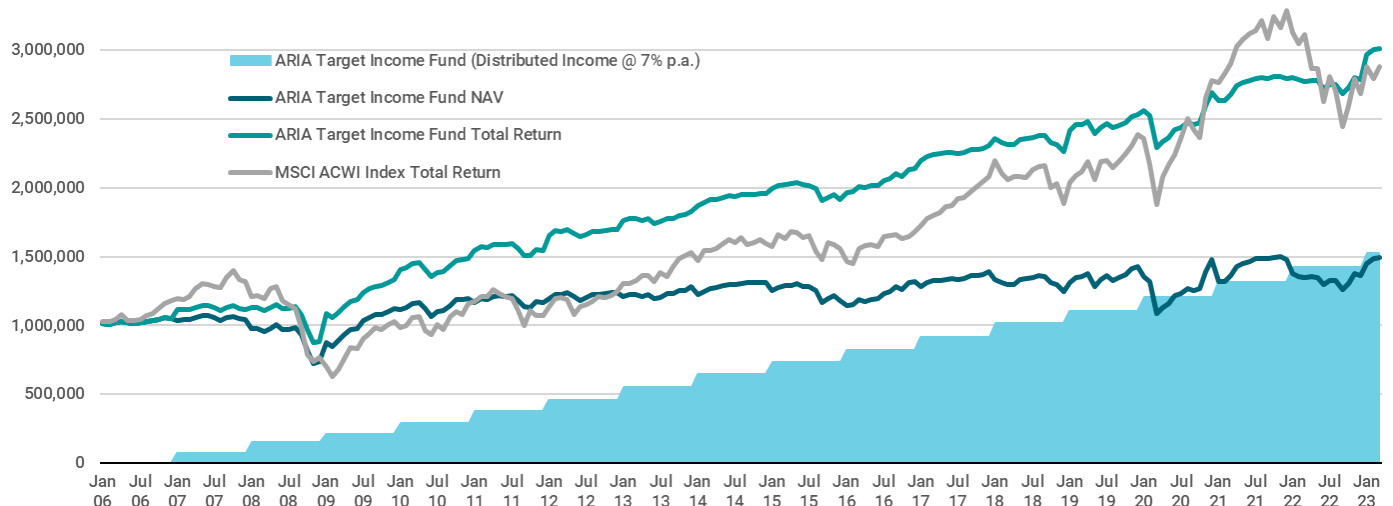
The Fund will diversify across several products like the product shown left to minimise the impact, in such cases, where the barrier is breached.

In the example given above: Apple Inc share price began 2022 at 182 (Its current All time high). On the 4 product observation dates, its share price remained lower than 182.

Apple's Share Price at the Final Observation Date was 130.20 marking a 28.46% fall. As the share price was higher than the 60% barrier provided by the product: the fund would receive the full premium back and 7.00% in total Income. A stark contrast to an investor who purchased apple shares at the same time who would have lost 28.46%.

### A PORTFOLIO SIMULATION

The below simulation shows the performance of a 3yr Autocall portfolio, with 1yr observation dates using ARIA Target Income Funds proprietary screen for underlying stock selection. The 'ARIA Target Income Fund NAV' shows the impact of market moves and is after a 7% p.a. distribution (Paid Quarterly). Underlying products are marked to market using the implied volatility of the underlying holding. Source: ARIA; Data from Bloomberg; As at 31/03/2023.





## Fund Manager

### ARIA Capital Management

We're a global asset management firm, with offices in London, Ireland, Malta, and Dubai, which designs, delivers, and manages innovative investment solutions that bridge the gap between active and passive solutions. ARIA Capital Management is an agent for change.

## Target Income Fund ISINs

SUB-FUND NAME	SHARE CLASS	CURRENCY	ISIN	AMC
Aria Target Income Fund	A11 Accumulation shares	GBP	MT7000033593	0.75%
Aria Target Income Fund	A11 Accumulation shares	EUR	MT7000033601	0.75%
Aria Target Income Fund	A11 Accumulation Shares	USD	MT7000033619	0.75%
Aria Target Income Fund	A11 Distribution Shares	GBP	MT7000033627	0.75%
Aria Target Income Fund	A11 Distribution Shares	EUR	MT7000033635	0.75%
Aria Target Income Fund	A11 Distribution Shares	USD	MT7000033643	0.75%
Aria Target Income Fund	C11 Accumulation Shares	GBP	MT7000033650	0.75%
Aria Target Income Fund	C11 Accumulation Shares	EUR	MT7000033668	0.75%
Aria Target Income Fund	C11 Accumulation Shares	USD	MT7000033676	0.75%
Aria Target Income Fund	C11 Distribution Shares	GBP	MT7000033684	0.75%
Aria Target Income Fund	C11 Distribution Shares	EUR	MT7000033692	0.75%
Aria Target Income Fund	C11 Distribution Shares	USD	MT7000033700	0.75%
Aria Target Income Fund	D11 Accumulation Shares	GBP	MT7000033718	1.25%
Aria Target Income Fund	D11 Accumulation Shares	EUR	MT7000033726	1.25%
Aria Target Income Fund	D11 Accumulation Shares	USD	MT7000033734	1.25%
Aria Target Income Fund	D11 Distribution Shares	GBP	MT7000033742	1.25%
Aria Target Income Fund	D11 Distribution Shares	EUR	MT7000033759	1.25%
Aria Target Income Fund	D11 Distribution Shares	USD	MT7000033767	1.25%
Aria Target Income Fund	E11 Accumulation Shares	GBP	MT7000033775	0.75%
Aria Target Income Fund	E11 Accumulation Shares	EUR	MT7000033783	0.75%
Aria Target Income Fund	E11 Accumulation Shares	USD	MT7000033791	0.75%
Aria Target Income Fund	E11 Distribution Shares	GBP	MT7000033809	0.75%
Aria Target Income Fund	E11 Distribution Shares	EUR	MT7000033817	0.75%
Aria Target Income Fund	E11 Distribution Shares	USD	MT7000033825	0.75%

For more information, please contact your ARIA representative or visit: [www.ariacm.com/funds.php](http://www.ariacm.com/funds.php)

## Important Disclosures and Risk Warning

The value of investments can fall and you may lose some or all of the money you invest. Investor returns in different currency share classes may vary substantially due to changes in currency exchange rate movements. Simulated past performance is not a reliable indicator of future performance and should not be the sole factor of consideration when selecting a product or strategy. Any income stipulated is not guaranteed and is provided as a target level to assess manager performance against. Please note the backtest does not include the impact of fees. There may be additional third-party fees applicable based on the way you access the strategy (financial adviser fees for example) which are not factored into the return data. Past performance of any kind, actual or simulated, does not predict future performance. Investments in equities, and equity related securities are subject to market risk. Changes in exchange rates may have an adverse effect on the value price or income of the product. MSCI ACWI Index information is included for illustrative purposes only and as a performance comparator. It is not intended to imply that the portfolio was similar to any index either in composition or in element of risk. ARIA Target Income Fund (the "Fund") may use higher leverage and financial derivative instruments as part of the investment process.

The distribution of this report does not constitute an offer or solicitation and this notice is not contractually binding and shall not be construed as an offer of sale in the Fund or any other fund managed or advised by ARIA Capital Management. Any investment in the Fund should be based on the full details contained in the Fund's Supplement Prospectus and PRIIP KID which may be downloaded from the ARIA Capital Management website. Information given in this document has been obtained from, or based upon, sources believed by us to be reliable and accurate although ARIA Capital Management does not accept liability for the accuracy of the contents. Issuer: This communication is from ARIA SICAV PLC, Company registration number ID SV 415, trading as ARIA, with the registered address The Hub, Triq Sant' Andrija, San Gwann, SGN 1612, Malta.

Aria Capital Management (Europe) Limited is licensed by the Maltese Financial Services Authority with its registered address at The Hub, Triq Sant' Andrija, San Gwann, SGN 1612 under Malta Registration number C 26673. Absolute Return Investment Advisers (ARIA) Ltd is authorised and regulated by the Financial Conduct Authority, under reference 527575, with its registered office at Building 2, Ground Floor, Guildford Business Park, Guildford, GU2 8XG.

ARIA SICAV P.L.C. (the "Company") a self-managed open-ended collective investment scheme organized as a multi-fund public limited liability company with variable share capital registered under the Laws of Malta and licensed by the Malta Financial Services Authority in terms of the Investment Services Act (Chapter 370 of the Laws of Malta). The Company qualifies as a self-managed, Maltese UCITS in terms of the Investment Services Act (Marketing of UCITS) Regulations 2011.