

Ver Capital High Yield Italian Selection

The aim of the sub-fund is to increase the value of the invested capital, through a diversified portfolio mainly invested in high yield bonds issued by companies with a permanent establishment in Italy. The sub-fund can be considered as a qualified investment for the establishment of a "Piano individuale di Risparmio a lungo termine" (PIR) under the Law 232/2016. VCCF is structured as a UCITS IV Compliant with daily NAV.

Market

May marked a notable shift in market tone, as optimism cautiously returned across asset classes despite continued geopolitical noise and lingering macroeconomic uncertainty. The rebound that began in late April gained momentum, supported by temporary trade truces and resilient risk appetite. On the geopolitical front, the U.S. and U.K. announced a symbolic trade agreement, including targeted tariff reductions on steel, aluminum, ethanol, and automobiles. Meanwhile, a 90-day tariff truce between the U.S. and China eased tensions and offered temporary relief to global markets. However, investor nerves remain taut, especially with U.S. President Trump resuming attacks on Fed Chair Powell, publicly calling him an "idiot" on social media. Equity markets surged throughout May, with the S&P 500 climbing 6.5%, the Nasdaq up 9%, and EuroStoxx advancing 4%. Credit markets mirrored this positive trend: European high yield (HY) gained 1.5%, driven by a 52 basis point tightening in spreads amid a stable rate environment. Yield to maturity dipped back below the 6% threshold, settling at 5.7%. Since the start of the year, HY returns have shown limited differentiation by rating: BBs are up 2.0%, single-Bs +2.5%, and CCCs +1.8%. This flattening trend reflects a still-risk-on environment, albeit with some caution toward lower-rated names after their outsized early-year rally. May was a record month for credit issuance, as both Investment Grade and High Yield issuers took advantage of calmer macro conditions and the end of earnings blackouts. In the HY segment alone, gross issuance reached €19 billion, with net issuance at €6.8 billion. Roughly 75% of deals were refinancing-driven, continuing a two-year trend.

Key primary market transactions included:

- Golden Goose (Sneakers, unrated): Floating-rate notes, +375 bps, 6 years.
- Trivium Packaging (Metal packaging, B): 6.625%, 5 years.
- Dufry (Travel retail, BB-): 4.5%, 7 years.
- Air France-KLM (Hybrid, unrated): Perpetual, 5.75%
- Akropolis (Real estate, BB+): €350 million, 5 years, 6%
- Shift4 Payments (Fintech, BB-): €680 million, 5 years, 5.5%.

Looking forward, the months of June and July will be crucial. With a potential Fed rate hike looming on July 9, alongside dense macroeconomic data and heavy primary issuance, volatility may reemerge. While sentiment has improved, risk remains asymmetrically skewed to the downside in case policy or geopolitical tensions resurface.

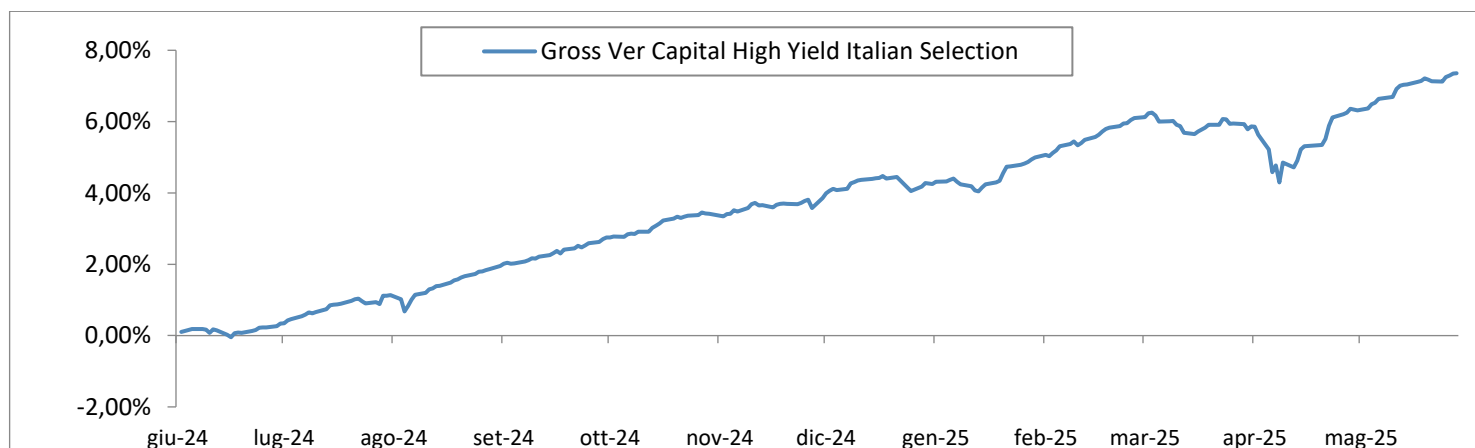
In summary, May offered a reprieve from April's turbulence, but caution remains warranted. Risk assets performed strongly, but structural fragilities suggest the path ahead is far from settled.

Investment Tactics

In the next months we will perform our monitoring activities and we do not expect to rotate portfolio composition.

NAV Performance

Share Class	ISIN	Mgmt Fee	1 Month	YTD	1 Year	3 Years
BX	LU2344422014	0,45%	0,88%	1,91%	4,71%	20,32%
DXL	LU2344420745	1,55%	0,84%	1,49%	3,73%	16,54%



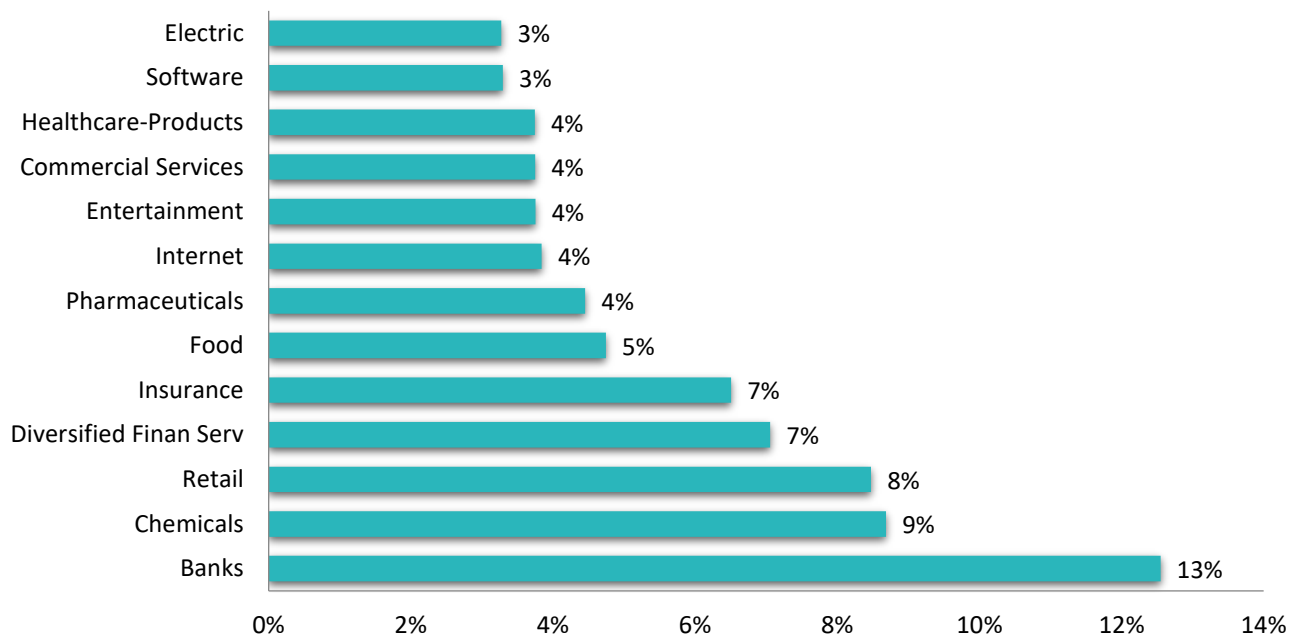
Portfolio Performance

Currency denomination (EUR)	100%
Average rating	BB-/B+
Average coupon (not including cash)	5.5%
Yield to worst (not including cash)	4.9%
Yield To Maturity (not including cash)	5.6%
Modified Duration	2.49
Number of sectors	23
Number of issuers	47
Number of issuances	48
Top 10 holdings	34%

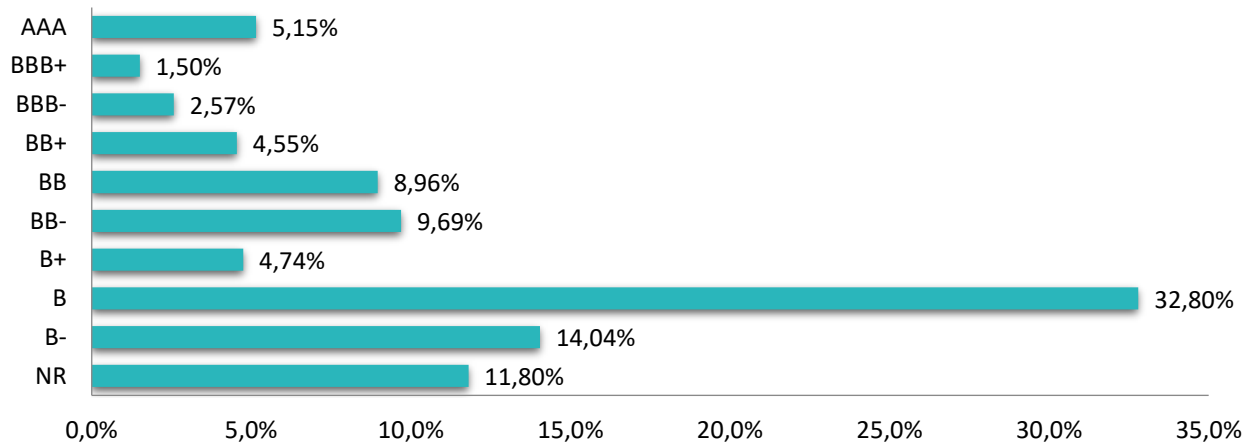
Top 10 holdings

	Ticker	wgt	Cumulated Wgt
1	NEOPHARMED GENTILI SPA	3,94%	3,94%
2	UNIPOL ASSICURAZIONI SPA	3,88%	7,82%
3	ITELYUM REGENERATION SPA	3,78%	11,60%
4	INTER MEDIA COMMUNICATIO	3,75%	15,35%
5	MARCOLIN SPA	3,74%	19,10%
6	CARRARO FINANCE SA	2,97%	22,06%
7	WEBUILD SPA	2,93%	24,99%
8	FABBRICA ITA SINTETICI	2,87%	27,86%
9	BUBBLES HOLDCO SPA	2,85%	30,70%
10	IRCA SPA	2,84%	33,54%
	Totale		33,54%

Sector allocation



Allocation by rating



Info

Investment Manager

Sienna IM Italia

Sales Contacts

Sergio Trezzi

Sergio.trezzi@sienna-im.com;

Portfolio Managers

Alberto Gesualdi
Giacomo Bergamo

Alberto.gesualdi@sienna-im.com;
Giacomo.bergamo@sienna-im.com;