

ARIA ALTERNATIVE INCOME FUND GBP – C CLASS

October 2019

ARIA
CAPITAL MANAGEMENT

INTENDED FOR PROFESSIONAL INTERMEDIARIES

The value of investments can fall and you may get back less than you invested. Past performance is not a guide to future performance. Any specific investments mentioned are for illustrative purposes only and are not intended as investment advice.

FUND INFORMATION

Benchmark: 1m LIBOR + 2%

Investment objective: Capital appreciation while controlling risk

Currency: GBP

Share Class: C

ISIN: MT7000020020

Fund name: ARIA SICAV- Alternative Income Fund

Legal Structure: UCITS V

Domicile: Malta

Investment Manager: ARIA Capital Management

Administrator: Fexserv Fund Services (Malta) Ltd

Custodian: Sparkasse Bank (Malta)

Auditor: Deloitte

Management charge: 0.95% per annum

Performance fee: 20% over 1Month Libor+2% subject to high watermark

Legal Adviser: Camilleri Preziosi

Launch Date: December 2017

NAV: Calculated Weekly

Min subscription amount: £1,000

Notice Period: 2 business days

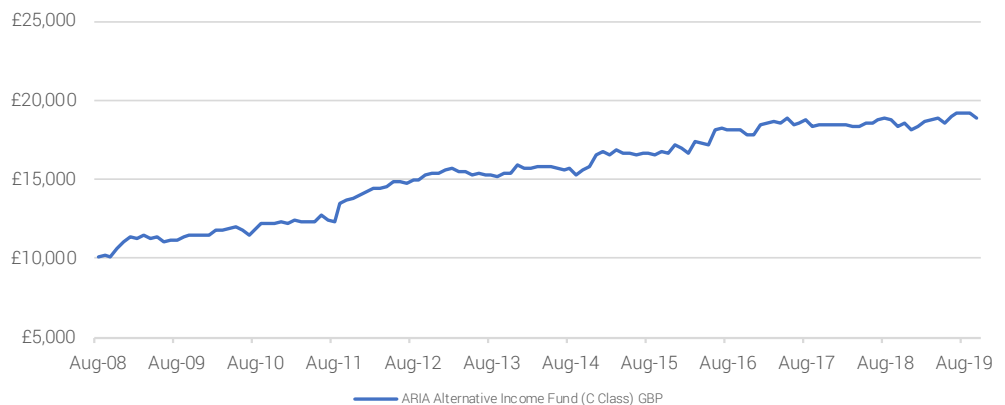
Dealing Frequency: Weekly

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KEY FEATURES

- A multi-asset approach to generating income
- Momentum based strategy which rotates towards outperforming yielding asset classes, avoiding those in downtrends
- Combines both passive investing in ETFs, and an active approach
- Long term track record of outperforming broad fixed income benchmark – Barclays US Aggregate Bond Index
- Systematically cuts equity income exposure as market volatility rises

CUMULATIVE PERFORMANCE OF 10,000 GBP*



DISCRETE PERFORMANCE*

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2019	1.18%	1.81%	0.35%	0.70%	-1.47%	2.29%	0.96%	0.14%	-0.42%	-1.52%			4.01%
2018	-0.09%	-0.09%	-0.35%	-0.50%	1.42%	0.00%	1.09%	0.52%	-0.33%	-2.28%	1.14%	-2.34%	-1.87%
2017	3.19%	0.81%	0.31%	-0.47%	1.98%	-2.57%	0.49%	1.11%	-1.97%	0.22%	0.03%	0.40%	3.47%
2016	-1.37%	-1.64%	4.11%	-0.68%	-0.37%	5.52%	0.66%	-0.51%	0.10%	-0.23%	-1.95%	0.43%	3.88%
2015	1.58%	-1.70%	2.24%	-1.17%	-0.47%	-0.13%	0.31%	-0.15%	-0.39%	0.98%	-0.39%	3.24%	3.92%
2014	-1.69%	0.37%	0.34%	-0.09%	0.31%	-0.92%	-0.43%	0.51%	-2.66%	2.03%	1.61%	4.49%	3.75%
2013	1.79%	0.28%	-1.34%	0.17%	-1.37%	0.37%	-0.21%	-0.40%	-0.10%	1.01%	-0.18%	3.90%	3.88%
2012	1.64%	1.14%	0.04%	1.07%	2.01%	0.43%	-0.76%	1.53%	-0.08%	1.75%	1.07%	-0.45%	9.74%
2011	-1.11%	2.13%	-0.63%	0.07%	-0.06%	2.77%	-2.05%	-1.41%	9.59%	1.68%	1.07%	1.26%	13.59%
2010	0.06%	2.08%	0.66%	0.35%	1.03%	-1.44%	-3.14%	4.28%	2.19%	0.45%	-0.11%	0.65%	7.09%
2009	2.41%	-0.36%	1.89%	-2.39%	1.09%	-3.06%	1.07%	0.36%	2.18%	0.84%	0.08%	-0.14%	3.89%
2008								0.84%	1.00%	-0.75%	5.65%	3.67%	10.73%

Source: ARIA, Altsoft, Bloomberg

IMPORTANT DISCLOSURES*

*The Performance figures are based on the performance of the FA AR Alternative Income Fund, until December 2017, which is an offshore OEIC which predates the UCITS 5 ARIA Alternative Income fund. There may be tax, regulatory, diversification or other trading limits specific to the UCITS legislation which means that the offshore fund's previous returns are not a reliable indication of future returns. Please note there may be additional third party fees applicable based on the manner in which 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, is not a reliable indicator of future performance.

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INVESTMENT HIGHLIGHTS

-  Multi-asset income
-  The importance of income
-  Momentum driven asset allocation
-  Dynamic equity exposure
-  Total return: income plus capital growth potential

INVESTING RATIONALE

An actively managed multi-asset approach to income generating asset classes

A 'factor based' strategy focussed on more defensive asset classes

A momentum based approach to asset allocation that increases equity market exposure to higher yielding blue chip equities whilst markets are trending upwards

A fund which provides diversification alongside more traditional approaches

CUMULATIVE PERFORMANCE*

1 month	-1.52%
YTD	4.01%
1 year	2.74%
3 year (Ann.)	1.32%
Since Inception (Ann.)	5.81%
Volatility (Since inception)	6.18%

FUND PERFORMANCE*

1 year	2.74%
3 year	4.00%
5 year	21.03%
Since Inception (TR)	88.68%

Source: ARIA, Altsoft, Bloomberg

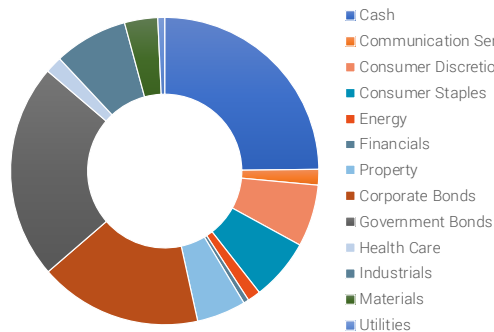
TOP HOLDINGS*

ISHARES GLOBAL HY CORP-DISTR	20.4%
ISHARES US AGG BND USD DIST	11.8%
SERICA FINANCE PLC 5.5%	9.3%
ISHARES USD TREASURY BOND 3-7yr	8.4%
ISHARES EURO GOVT 3-7YR	7.9%
ISHARES ASIA PROPERTY YIELD	6.2%
ILLINOIS TOOLS WORK INC	1.2%
THE PROCTOR & GAMBLE CO.	1.1%

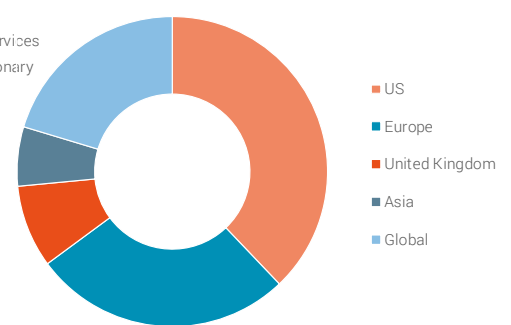
Source: ARIA, Altsoft, Bloomberg

ASSET & GEOGRAPHICAL ALLOCATION*

Sector asset allocation



Geographical asset allocation



RISK STATISTICS*

Source: ARIA, Altsoft, Bloomberg

	Alt Inc	Cash	Fixed Inc	Property	Equities	Commod. Hedge funds	
Annualised Vol	6.18%	0.15%	8.26%	20.03%	15.88%	16.77%	5.43%
Sharpe ratio	0.90	1.43	0.70	0.20	0.40	-0.44	-0.07
Correlation to Equities	0.00	-0.42	0.38	0.68	1.00	0.62	0.83
Max Drawdown	-4.53%	0.00%	-19.12%	-55.69%	-44.35%	-60.78%	-20.20%
% positive months	60.00%	100.00%	64.44%	54.81%	64.44%	49.63%	60.74%

Source: ARIA, Altsoft, Bloomberg

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PORTFOLIO MANAGEMENT TEAM



James Hindmarch
Portfolio Manager



Matt Brittain
Portfolio Manager



Paul Magro
Independent Risk Manager

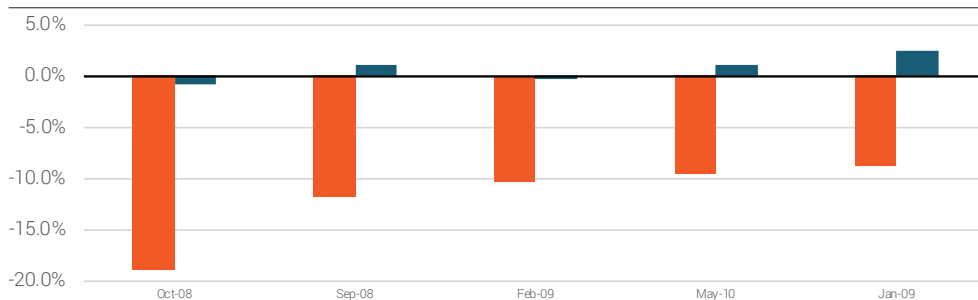


James Ward
Portfolio Analyst

DISCLAIMER

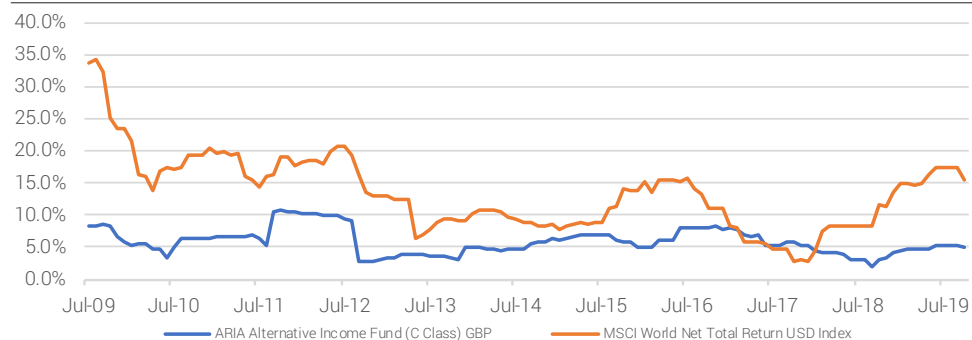
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FUND PERFORMANCE vs WORST 5 EQUITY PERIODS*



Source: ARIA, Altsoft, Bloomberg

ROLLING 12 MONTH VOLATILITY*



Source: ARIA, Altsoft, Bloomberg

ROLLING 12 MONTH CORRELATION*



Source: ARIA, Altsoft, Bloomberg

GLOSSARY

Volatility: Standard deviation is a statistical measurement which, when applied to an investment fund, expresses its volatility, or risk. It shows how widely a range of returns varied from the fund's average return over a particular period.

Volatility Targeting: Means portfolios are managed to a certain level of risk, which is defined by a given volatility target number. This usually means a rolling target range.

Market Drawdown: Represents the worst possible return over a specified period. E.g. Buying at the maximum price over the period and selling at the worst.

MSCI World: MSCI World is an index which includes exposure to global stock markets including the US, UK, Europe and SE Asia which provides a relevant reference for how global markets are performing.

Sharpe Ratio: This is a commonly-used measure which calculates the level of a fund's return over and above the return of a national risk-free investment, such as cash or Government bonds. The ratio is an indication of the amount of excess return generated per unit of risk.

Bloomberg Barclays US Aggregate Bond Index: A broad based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The Index includes treasuries, government-related and corporate securities.

FTSE 100: This is an index that measures the performance of the shares of the top 100 largest companies listed on the London Stock Exchange.

RISK CONSIDERATIONS

Please carefully consider the below risks in addition to the more detailed description in the Prospectus and Offering Supplement entitled "Risk Factors".

- **Market risk:** The value of assets in the Fund are typically dictated by a number of factors, including the confidence levels of the market in which they are traded.
- **Operational risk:** Material losses to the Fund may arise as a result of human error, system and/or process failures, inadequate procedures or controls.
- **Liquidity risk:** The Fund may not always find another party willing to purchase an asset that they want to sell which could impact their ability to meet redemption requests on demand.
- **Exchange rate risk:** Changes in exchange rates may reduce or increase the returns an investor might expect to receive independent of the performance of such assets. If applicable, investment techniques used to attempt to reduce the risk of currency movements (hedging), may not be effective. Hedging also involves additional risks associated with derivatives.
- **Custodian risk:** Insolvency, breaches of duty of care or misconduct of a custodian or sub-custodian responsible for the safekeeping of the Fund's assets can result in a loss to the Fund.
- **Derivatives risk:** Certain derivatives may result in losses greater than the amount originally invested.
- **Counterparty risk:** A party that the Funds transact with may fail to meet its obligations which could cause losses.
- **Emerging markets risk:** Emerging markets are likely to bear higher risk due to lower liquidity and possible lack of adequate financial, legal, social, political and economic structures, protection and stability as well as uncertain tax positions.
- **Volatility risk:** An investment in the Fund can expose investors to higher volatility levels than is normally associated with "balanced" investment strategies, therefore the value of their investment may be subject to significant changes in the short term.
- **Leverage risk:** The Fund may operate with leverage. Leverage occurs when the economic exposure created by the use of derivatives is greater than the amount invested. A leveraged portfolio may result in large fluctuations in the value of the Fund and therefore entails a high degree of risk including the risk that losses may be substantial.
- **Historical performance data:** The composition of each strategy is determined by reference to historical data. However, past performance is not an indicator of future performance. The performance of a market may differ to that indicated by a mathematical formula based on historical data, which in turn may adversely affect the value of your investment.

IMPORTANT DISCLOSURES

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