New Capital Global High Yield Bond Fund

Quarterly Commentary | As of 31 March 2026

Market overview

Markets began the year on a positive note in January, with the MSCI All Country World Index rising 2.9% in US dollar terms, driven by a nearly 9% gain in emerging markets. US small caps outperformed, and value stocks continued their recovery versus growth stocks. Commodity prices saw unusual volatility, with gold, silver, and copper reaching new all-time highs and oil rebounding due to geopolitical tensions, including US military action in Venezuela, conflict with Europe over Greenland, and threats of intervention in Iran. Concerns about the Federal Reserve's independence, heightened by a criminal investigation into Chairman Powell, pushed government bond yields higher, though the nomination of Kevin Warsh as Powell's successor helped ease fears and led to a correction in commodity prices. Despite a partial recovery, the US dollar remained down 1.5% in trade-weighted terms since the start of the year. Stock markets were buoyed by a solid global economic cycle and expectations of Fed rate cuts, with corporate profits revised upward and projected to grow by double digits for a second consecutive year, though elevated valuations warrant caution.

In February, global equity markets continued to rise, with the MSCI All Country World Index up 1.3%, bringing year-to-date gains to 4.3%. Gains were driven by markets outside the US, as the S&P 500 fell 0.8% and lagged other developed and emerging markets, which were up more than 14%. Value, small, and mid-cap stocks outperformed growth and large caps, particularly as tech companies weighed on performance. Safe assets rallied alongside equities, with falling government bond yields, rising gold prices, and a stronger Swiss franc, reflecting heightened risk of US and Israeli military action against Iran and concerns about credit quality. The US earnings season remained robust, but the announcement of over $600bn in artificial intelligence (AI)-related investment by US hyperscalers raised questions about future profits. The US Supreme Court's ruling against Trump's tariffs under the International Emergency Economic Powers Act led to a decrease in effective US tariff rates, supporting the global business cycle.

March saw a sharp reversal, with the MSCI All Country World Index falling 7.1%, erasing earlier gains and leaving first quarter performance at -3.1%. Bonds also declined as yields rose on fears of renewed inflation and more restrictive central bank policies. The shift in sentiment was triggered by the US and Israel's war against Iran, resulting in the closure of the Strait of Hormuz and threatening global supply chains, especially for energy, agri-food, steel, and semiconductors. The US, less dependent on these supplies, saw its equities and bonds outperform and the dollar strengthen, while non-US markets and currencies suffered. Notably, gold prices fell despite expectations of safe haven demand, as investors and central banks sought liquidity to address emergencies. Nevertheless, medium- to long-term fundamentals for gold remain supportive of a gradual price increase.

Fund performance and positioning

The fund underperformed its benchmark, the ICE Global High Yield Index, by -0.5% on a gross basis during the first quarter of 2026 and -0.7% on a net of fees basis. This underperformance was primarily driven by sector allocation and yield curve positioning, while ratings bucket allocation provided a partial offset.

The ratings bucket allocation contributed +13 basis points (bps) to performance. The portfolio maintains a defensive, higher-quality stance, with an overweight in BB-rated bonds and an underweight in lower-rated single-B and CCC bonds. This positioning was beneficial in Q1, as BB-rated bonds delivered an excess return of -0.71%, compared with -0.87% for single-B and -1.20% for CCC bonds. In addition, a cash position of around 5–7% during the period helped as spreads widened overall; global high yield spreads widened by roughly 50 bps over the quarter.

Sector allocation detracted -33 bps, mainly due to the portfolio's underweight in energy: the portfolio holds about 2% in energy versus approximately 13% for the index. Against the backdrop of the Iran conflict, energy outperformed significantly, with US high yield energy generating an excess return of +2.35% versus -0.82% for the broader US high yield market. Security selection detracted -12 bps, with notable underperformers including GoEasy, Virgin Media, and Shift4. GoEasy sold off following a write-down related to loan performance, Virgin Media lagged as investors focused on near-term operational concerns, and Shift4 declined amid broader weakness and concerns in the technology sector. Nonetheless, we remain constructive on the long-term fundamentals of these companies, believe position sizes are appropriate for the risk, and continue to monitor them closely. Yield curve positioning was also a headwind, costing -17 bps in Q1. The portfolio is

positioned with an overweight to duration of around half a year versus the benchmark. The Iran conflict has raised concerns about near-term inflation, pushing rates higher, which hurt the portfolio, particularly as the duration overweight is concentrated in the GBP and EUR rates markets, which underperformed the US rates market over the period.

Nonetheless, we remain constructive on the long-term fundamentals of these companies, believe position sizes are appropriate for the risk, and continue to monitor them closely.

	New Capital Global High Yield Bond Fund	BofA Merrill Lynch Global High Yield Constrained index	Difference
1 Month	-2.18%	-1.54%	-0.64%
3 Months	-1.26%	-0.57%	-0.69%
6 Months	+0.12%	+0.69%	-0.57%
YTD	-1.26%	-0.57%	-0.69%
1 Year	+5.78%	+6.53%	-0.75%
3 Years	+26.26%	+28.82%	-2.56%
Since Inception Annualised	+2.27%	+3.86%	-1.59%
Since Inception (27/10/2021)	+10.44%	+18.25%	-7.81%

Past performance is not a guide to the future. The value of your investments and the income from them may fall as well as rise as a result of market as well as currency fluctuations and you may not get back the full amount invested. The Fund is actively managed and as such does not seek to replicate its benchmark index, but instead may differ from the performance benchmark in order to achieve its objective. Fund performance is net of fees and representative of the USD I Inc Share Class, OCF 0.83%, and shows a maximum of five previous calendar years and current year to date (computed on a NAV to NAV basis). Where share class inception begins prior to the five previous years the chart has been re based to 100. Where the Fund has fewer than five full years of performance, returns are shown from the inception date. Source: EFG Asset Management, Bloomberg. As at 31 March 2026.

Outlook

Spreads moved wider by around 50 bps over the period, largely driven by the Iran conflict, having moved off the sub-300 bps tights seen in mid-January. The ICE Global High Yield Index ended the first quarter of 2026 with spreads at around 345 bps. Nevertheless, current levels still sit toward the lower end of the market's typical historical range, indicating that the market is not yet pricing in a severe credit downturn, but rather the uncertainty stemming from the conflict. Unlike spreads, all-in yields continue to offer a fairly attractive income profile. The yield-to-worst on the ICE Global High Yield Index as of the end of March

2026 is approximately 7.31% unhedged and around 7.6% when hedged back to USD. Given that income is the primary driver of returns in high yield, these starting yields suggest that the asset class could still deliver attractive medium- to longer-term returns.

While all-in yields are attractive in our view, with credit spreads still near the lower end of their historical range, we continue to believe that now is not the time to "reach for yield" and take unnecessary risk. The fund therefore maintains a conservative positioning, favouring higher-quality credits, specifically bonds rated BB and above. As of the end of March, approximately 80% of the portfolio is invested in BB or better-rated bonds, compared to around 60% for the index. Within the single-B rating category, the fund remains focused on companies with robust fundamentals, resilient balance sheets capable of withstanding an economic downturn and, where possible, secured against assets. The portfolio has minimal exposure to CCC-rated bonds, holding less than 2%, compared to approximately 8% for the index. This disciplined approach aims to enhance the fund's resilience in the event of material credit spread widening, while still providing returns by capturing the headline yield.

Looking ahead, a key risk is the potential emergence of a broader credit cycle, fuelled in part by stress in private credit markets. We are seeing early signs of strain, including large outflow requests from private credit vehicles, loans being marked down significantly, and banks tightening their lending standards to private credit funds. At the same time, the Iran conflict is likely to keep volatility elevated in the near term. Over the medium term, persistently higher oil prices could create recessionary pressures, which would be challenging for lower-quality credits. Against this backdrop, our positioning remains underweight to credit risk and a slight overweight to rates. We also expect that much of the recent outperformance in energy may be given back as the year progresses, either because the conflict de-escalates and energy reprices, or because the sector underperforms from what we view as rich valuation levels. Currently, the spread on US high yield energy stands at 239 bps versus 349 bps for the broader US high yield market, underscoring how expensive the sector has become on a relative basis.

While all-in yields are attractive in our view, with credit spreads still near the lower end of their historical range, we continue to believe that now is not the time to "reach for yield" and take unnecessary risk.

New Capital Disclaimer

new capital
An EFG brand

MARKETING COMMUNICATION

For professional clients, qualified investors and accredited investors only. The value of investments and the income derived from them can fall as well as rise, your capital is at risk. Note: Past performance is not a guide to the future. Returns may increase or decrease as a result of currency fluctuations.

All sources: EFG Asset Management (UK) Limited ("EFGAM"), Factset, Bloomberg, Morningstar as at end of the month. Any other sources as applicable.

This document has been produced by EFG Asset Management (UK) Limited for use by the EFG International ("EFG Group" or "EFG") worldwide subsidiaries and affiliates within the EFG Group. EFG Asset Management (UK) Limited is authorised and regulated by the UK Financial Conduct Authority, registered no. 7389736. Registered address: EFG Asset Management (UK) Limited, Park House, 116 Park Street, London W1K 6AP, United Kingdom, telephone +44 (0)20 7491 9111.

This document has been prepared solely for information purposes. The information contained herein constitutes a marketing communication and should not be construed as financial research or analysis, an offer, a public offer, an investment advice, a recommendation or solicitation to buy, sell or subscribe to financial instruments and/or to the provision of a financial service. It is not intended to be a final representation of the terms and conditions of any investment, security, other financial instrument or other product or service. The content of this document is intended only for persons who understand and are capable of assuming all risks involved. Further, this document is not intended to provide any financial, legal, accounting or tax advice and should not be relied upon in this regard. The information in this document does not take into account the specific investment objectives, financial situation or particular needs of the recipient. You should seek your own professional advice (including tax advice) suitable to your particular circumstances prior to making any investment or if you are in doubt as to the information in this document.

Performance results shown are net of applicable fees and expenses. The value of investments and the income derived from them can fall as well as rise, and you may not get back the amount originally invested. Past performance is no indicator of future performance. Investment products may be subject to investment risks, involving but not limited to, currency exchange and market risks, fluctuations in value, liquidity risk and, where applicable, possible loss of principal invested. Some funds may have high volatility owing to portfolio composition or the portfolio management techniques utilised or be subject to various other risk factors. Such risks are set out in the Prospectus and KIID/KID.

A copy of the English version of the prospectus of the Fund and the key investor information document relating to the Fund is available on www.newcapital.com and may also be obtained from EFG Asset Management (UK) Limited. Where required under national rules, the key investor information document/the key information document will also be available in the local language of the relevant EEA Member State.

The information provided in this document is not the result of financial research conducted by EFGAM's research department. Therefore, it does not constitute investment or independent research as defined in EU regulation (such as "MIFID II" or "MIFIR") nor under the Swiss "Directive on the Independence of Financial Research" issued by the Swiss Banking Association or any other equivalent local rules. Investors should carefully read the Prospectus and the Key Investor Information Document (KIID) and review such documents prior to taking any investment decisions. This information can be obtained on request and free of charge from your client relationship officer.

Waystone Management Company (IE) Limited is the appointed Management Company and is regulated by the CBI. The Manager is a private limited company incorporated in Ireland under the company registration number C123529 with its registered office at 4th Floor, 35 Shelbourne Road, Ballsbridge, Dublin, D04 A4E0, Ireland.

Although information in this document has been obtained from sources believed to be reliable, no member of the EFG group represents or warrants its accuracy, and such information may be incomplete or condensed. Any opinions in this document are subject to change without notice. This document may contain personal opinions which do not necessarily reflect the position of any member of the EFG group. To the fullest extent permissible by law, no member of the EFG group shall be responsible for the consequences of any errors or omissions herein, or reliance upon any opinion or statement contained herein, and each member of the EFG group expressly disclaims any liability, including (without limitation) liability for incidental or consequential damages, arising from the same or resulting from any action or inaction on the part of the recipient in reliance on this document.

EFG and its employees may engage in securities transactions, on a proprietary basis or otherwise and hold long or short positions with regard to the instruments identified herein; such transactions or positions may be inconsistent with the views expressed in this document.

The availability of this document in any jurisdiction or country may be contrary to local law or regulation and persons who come into possession of this document should inform themselves of and observe any restrictions.

New Capital Disclaimer

This document may not be reproduced, disclosed or distributed (in whole or in part) to any other person without prior written permission from an authorised member of the EFG Group.

Financial intermediaries/independent asset managers who may be receiving this document confirm that they will need to make their own independent decisions and in addition shall ensure that, where provided to end clients/investors with the permission from the EFG Group, the content is in line with their own clients' circumstances with regard to any investment, legal, regulatory, tax or other considerations. No liability is accepted by the EFG Group for any damages, losses or costs (whether direct, indirect or consequential) that may arise from any use of this document by the financial intermediaries/independent asset managers, their clients or any third parties.

Comparisons to indexes or benchmarks in this material are being provided for illustrative purposes only and have limitations because indexes and benchmarks have material characteristics that may differ from the particular investment strategies that are being pursued by EFG and securities in which it invests.

The information and views expressed herein at the time of writing are subject to change at any time without notice and there is no obligation to update or remove outdated information.

Risks associated with debt instruments with loss-absorption features – the Fund/Note/Account may invest in debt instruments with loss-absorption features, for example, contingent convertible debt securities ("CoCos"), senior non-preferred debts and subordinated debts issued by financial institutions. These debt instruments are subject to greater risks when compared to traditional debt instruments as such instruments typically include terms and conditions which may result in them being partly or wholly written off, written down, or converted to ordinary shares of the issuer upon the occurrence of a pre-defined trigger event (e.g. when the issuer is near or at the point of non-viability or when the issuer's capital ratio falls to a specified level). Such trigger events are likely to be outside of the issuer's control and are complex and difficult to predict and can result in a significant or total reduction in the value of such instruments.

Country of origin of the collective investment scheme: Ireland. The information contained in this document is merely a brief summary of key aspects of the fund.

More complete information on the fund can be found in the relevant memorandum and articles of association, prospectus, key information document, the addenda, the supplements and the most recent audited annual report and the most recent semi-annual report. These documents constitute the sole binding basis for the purchase of fund units. Copies of these documents are available free of charge and may be obtained upon request from www.newcapital.com and also as follows:

Ireland: from the registered office of the Fund at 35 Shelbourne Road, Ballsbridge, Dublin, Ireland

United Kingdom: from the UK facilities agent, EFG Asset Management (UK) Limited, Park House, 116 Park Street, London W1K 6AF, United Kingdom

Switzerland: from the Swiss representative, CACEIS (Switzerland) SA, Route de Signy 35, CH-1260 Nyon 2 and the paying agent, EFG Bank SA, 24 Quai du Seujet, CH-1211, Geneva 2, Switzerland.

Italy: from the Italian paying agent, All funds Bank S.A.U., Milan Branch, Via Santa Margherita, 7 – 20121, Milan, Italy

Germany: from the German Facility Agent, FE fundinfo (Luxembourg) S.a.r.l. 6 Boulevard des Lumières, Belvaux 4369 Luxembourg

Austria, France, Luxembourg, the Netherlands, Portugal, Spain and Sweden: from the European Facility Service provider, FE fundinfo with registered address 6 Boulevard des Lumières, Belvaux, 4369 Luxembourg

Cyprus: from the Cypriot Paying Agent Eurobank Cyprus Ltd, 41 Makariou Avenue, 1065, Nicosia, Cyprus

Greece: from the Greek Paying Agent, Eurobank S.A., 8 Othonos Street, 10557 Athens, Greece

A summary of investor rights associated with an investment in the Fund shall be available in English from https://www.newcapital.com/summary-investor-rights.html

As part of the Sub-Fund's investment strategy, certain ESG considerations are taken into account. Investors should consider all the characteristics or objectives of the promoted fund as described in its prospectus or any other fund-related document before making an investment decision. Not considering sustainability risks may have a material negative impact on the value of an investment and may result in an entire loss of value of the relevant investment(s).

For Sustainability Related Disclosures, please visit https://www.newcapital.com/responsible-investing.html

Termination of marketing arrangements: Waystone Management Company (IE) Limited have the right to terminate the arrangements made for marketing the Fund in certain jurisdictions and to certain investors. In such circumstances, Shareholders in the affected EEA Member State will be notified of this decision and will be provided with the opportunity to redeem their shareholding in the

Fund free of any charges or deductions for at least 30 working days from the date of such notification.

European Union: Waystone Investment Management (IE) Limited is the European investment distributor and is authorized in Ireland as an investment firm under the Markets in Financial Instruments Directive. Waystone Investment Management (IE) Limited acts as a distributor in the European Union under reference number C1011 and Ireland. Waystone Investment Management (IE) Limited does not provide investment advice on an independent basis.

Hong Kong: This document is issued by EFG Asset Management (Hong Kong) Limited and has not been reviewed by the Securities and Futures Commission ('SFC") in Hong Kong. The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness. Registered address: 18th Floor, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong. The above information does not constitute an offer, solicitation or invitation, publicity or any other advice or recommendation. Informational sources are believed to be reliable and accurate at the time of issue but no representation or warranty, expressed or implied, is made as to the fairness, accuracy or completeness of the information. Investment involves risk. Past performance is not indicative of future results. Before making any investment decision to invest in the Fund, you should read the Hong Kong offering documents and especially the risk factors therein. An investment in the Fund may not be suitable for everyone. If you are in any doubt about the contents of this document, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser for independent professional advice.

Singapore: This document shall be construed as part of the information memorandum (the "Information Memorandum") for the Fund, which shall be deemed to include and incorporate this document and any other document, correspondence, communication or material sent or provided to eligible participants in relation to the Fund from time to time. Accordingly, this document must not be relied upon or construed on its own without reference to and as part of the Information Memorandum. The Fund has not been authorised or recognised by the Monetary Authority of Singapore ("MAS"), and the units in the Fund (the "Units") are not allowed to be offered to the retail public. Moreover, the Information Memorandum is not a prospectus as defined in the Securities and Futures Act 2001 of Singapore, as amended or modified from time to time ("SFA"), and statutory liability under the SFA in relation to the content of prospectuses would not apply. The Information Memorandum has not been and will not be registered as a prospectus with the MAS. Accordingly, the Information Memorandum, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Units may not be circulated or distributed, nor may the Units be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to the public, any member of the public or any person in Singapore, other than under an exemption provided in the SFA for offers made (a) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 304 of the SFA, (b) to a relevant person (as defined in Section 305(5) of the SFA), or any person pursuant to an offer referred to in Section 305(2) of the SFA, and in accordance with the conditions specified in Section 305 of the SFA, or (c) otherwise pursuant to, and in accordance with, the conditions of any other applicable provision of the SFA. The Units are classified as "capital markets products other than prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 and Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Information for investors in Australia:
For Professional, Institutional and Wholesale Investors Only. This document has been prepared and issued by EFG Asset Management (UK) Limited, a private limited company with registered number 7389736 and with its registered office address at Park House, Park Street, London W1K 6AP (telephone number +44 (0)20 7491 9111). EFG Asset Management (UK) Limited is regulated and authorized by the Financial Conduct Authority No. 536771.
EFG Asset Management (UK) Limited is exempt from the requirement to hold an Australian financial services licence in respect of the financial services it provides to wholesale clients in Australia and is authorised and regulated by the Financial Conduct Authority of the United Kingdom (FCA Registration No. 536771) under the laws of the United Kingdom which differ from Australian laws.
This document is personnal and intended solely for the use of the person to whom it is given or sent and may not be reproduced, in whole or in part, to any other person.
ASIC Class Order CO 03/1099 EFG Asset Management (UK) Limited notifies you that it is relying on the Australian Securities & Investments Commission (ASIC) Class Order CO 03/1099 (Class Order) exemption (as extended in operation by ASIC Corporations (Repeal and Transitional Instrument 2016/396) for UK Financial Conduct Authority (FCA) regulated firms which exempts it from the requirement to hold an Australian financial services licence (AFSL) under the Corporations Act 2001 (Cth) (Corporations Act) in respect of the financial services we provide to you.

UK Regulatory Requirements
The financial services that we provide to you are regulated by the FCA under the laws and regulatory requirements of the United Kingdom which are different to Australia. Consequently any offer or other documentation that you receive from us in the course of us providing financial services to you will be prepared in accordance with those

new capital
An EFG brand

laws and regulatory requirements. The UK regulatory requirements refer to legislation, rules enacted pursuant to the legislation and any other relevant policies or documents issued by the FCA. Your Status as a Wholesale Client. In order that we may provide financial services to you, and for us to comply with the Class Order, you must be a 'wholesale client' within the meaning given by section 761G of the Corporations Act. Accordingly,
by accepting any documentation from us prior to the commencement of or in the course of us providing financial services to you, you warrant to us that you are a ‘wholesale client’; agree to provide such information or evidence that we may request from time to time to confirm your status as a wholesale client;
agree that we may cease providing financial services to you if you are no longer a wholesale client or do not provide us with information or evidence satisfactory to us to confirm your status as a wholesale client;
and agree to notify us in writing within 5 business days if you cease to be a 'wholesale client' for the purposes of the financial services that we provide to you.

IMPORTANT NOTE: FOR PUBLICATIONS WITH CONTENT RELATED TO FUNDS

Offering Documents

Neither this document nor any document under which Interests in the New Capital UCITS Fund plc (the “Fund”) are offered is a prospectus, product disclosure statement or other formal disclosure document under the Corporations Act. Interests in the Fund may not be offered, issued, sold or distributed in Australia other than by way of or pursuant to an offer or invitation that does not need disclosure to investors either under Part 7.9 or Part 6D.2 of the Corporations Act, whether by reason of the investor being a wholesale client (as defined in section 761G of the Corporations Act and applicable regulations) or otherwise. Nothing in this document nor any document under which interests in the Fund are offered constitutes an offer of interests in a financial product or financial product advice to a 'retail client' (as defined in section 761G of the Corporations Act and applicable regulations).

The issuer of the interests in the Fund relies on exemptions available under Australian law from the need to hold an AFSL for the provision of financial services to Australian wholesale clients. Note that as all investors must be wholesale clients, no cooling off rights are available in relation to an investment in the Fund.

Contact us:

Park House
116 Park Street
London
W1K 6AP
UK
+44 (0)20 7491 9111
enquiries@newcapital.com

© EFG. All rights reserved