

TT International

Total assets under management
USD 5,616,184,660

Locations
London, New York and Hong Kong

www.ttint.com

Strategy Information

Target Return
EURIBOR + 5-10%

Portfolio Manager
Barend Pennings
Jan Mroczkowski

Assets under management
USD 39.0m

Inception
4 March 2015

Vehicles
Luxembourg UCITS - Paretum TT
Absolute Credit
Separate accounts
Irish UCITS - coming soon

Base currency
EUR

Currency share classes
EUR, USD, GBP, CHF

Minimum investment
1k-1m (EUR/USD/GBP/CHF) depending
on the share class

Pricing / liquidity
Weekly

IDs
Bloomberg:BBG00HSL5Q93
ISIN: LU1668051557

Fees
Management: 1.0% p.a. for Founder
share classes, 1.5% for other share
classes.

Operating expenses: 0.82
Performance: 20%

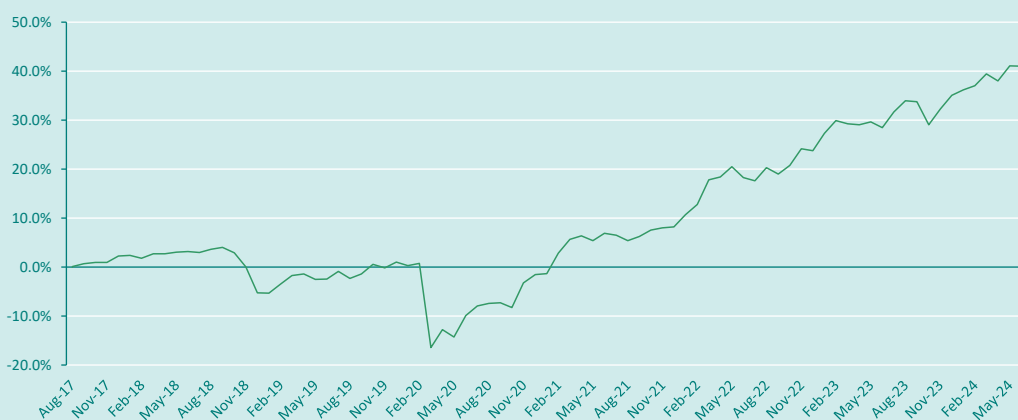
Auditor
Deloitte

Administrator
BNP Paribas

**Registered countries for UCITS -
Paretum TT Absolute Credit**
Belgium, Finland, France, Germany, Italy,
Luxembourg, Switzerland, Spain and
United Kingdom

This is a European long/short corporate credit strategy with an opportunistic and often catalyst-driven approach, founded in 2009 by Barend Pennings. It uses bottom-up fundamental credit analysis, focusing on single name corporate issues. We believe the strategy has a particular edge in European high-yield credit situations, where the competitive field is reduced. The strategy has flexibility to invest across geographic jurisdictions, industries, capital structures, and instruments. It has limited net exposure (typically ~50% to ~75%) to reduce correlation with both credit and equity market indices, with a medium- to long-term investment horizon of 6-24 months. Returns are weighted towards capital gains, rather than carry.

Cumulative Net Performance (%) Class U USD



Portfolio Concentration

	Long	Short	Net
Top 5 Positions	42.2%	(21.7%)	20.5%
Top 10 Positions	66.6%	(27.7%)	38.9%

Performance Analytics

Annualised Volatility	9.19%
Sharpe Ratio	0.60
Running Yield	3.97%

Portfolio Composition

	Long	Short	Net
Senior Credit	37.3%	(6.5%)	30.8%
Subordinated / Hybrid Credit	43.7%	(21.3%)	22.5%
Listed Equity	15.0%	-	15.0%
Reorg Equity (OTC / unlisted)	3.4%	-	3.4%
Total	99.5%	(27.7%)	71.8%

Bond Duration Profile

	Long	Short	Net
0-2 Years	9.8%	(2.9%)	7.0%
2-5 Years	66.4%	(15.9%)	50.5%
5+	0.0%	(9.2%)	(9.2%)
Total	76.2%	(28.0%)	48.2%

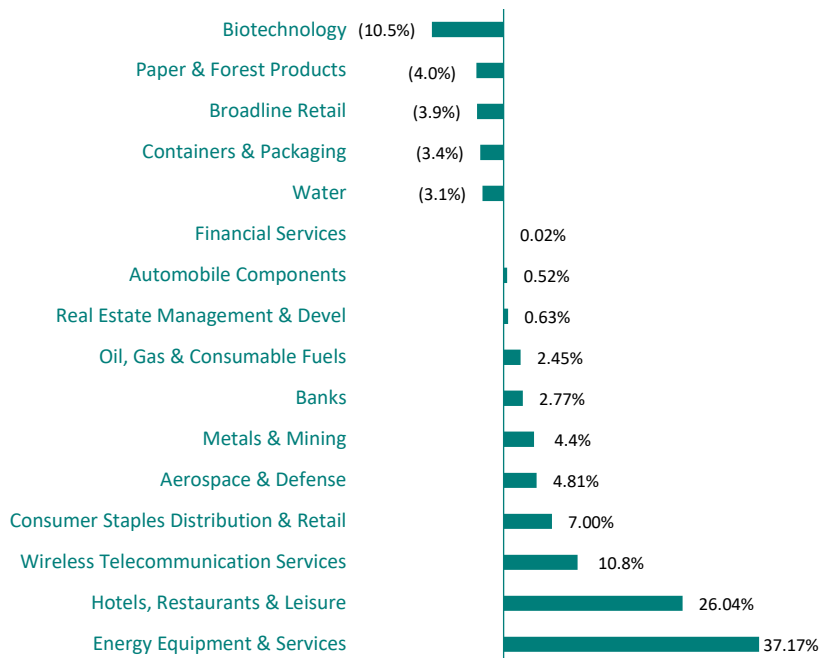
Source: TT International, Bloomberg

There is no assurance the TT Credit Opportunities Strategy will achieve their goals. Past performance is not indicative of future results and you may not recover your original investment. Performance statistics (i) are total returns for investments priced in USD (ii) are provided by TT and not necessarily based on audited financial statements (iii) are fund returns net of all fees and operating expenses and (iv) assume reinvestment of portfolio distributions. This information may not be representative of the fund's current or future investments. TT will make available further information concerning such data, upon request.

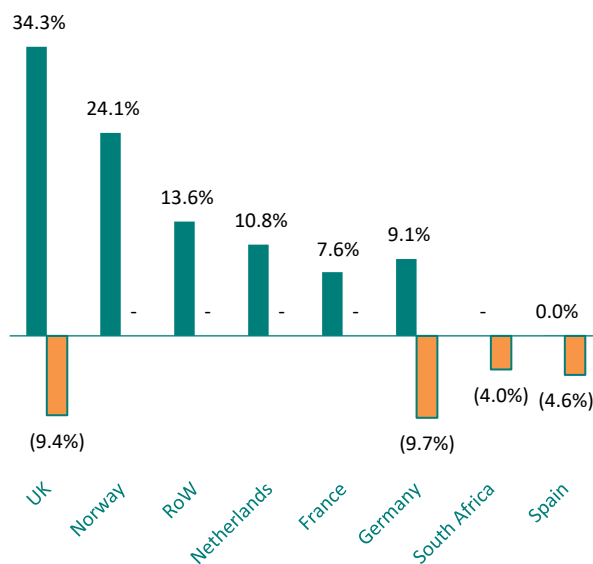
Operating expenses: 0.82 % (We forecast the operating cost to go down to 0.42% from Sept 2024)

All data stated is as at 30 June 2024.

Sector Breakdown Net



Geographical Breakdown Long/ Short



Fund Net Performance (%) Class U USD

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2024	0.84%	0.61%	1.77%	(1.04%)	2.27%	(0.05%)							4.49%
2023	2.83%	2.08%	(0.53%)	(0.13%)	0.45%	(0.89%)	2.46%	1.78%	(0.15%)	(3.54%)	2.50%	2.09%	9.10%
2022	2.30%	1.88%	4.49%	0.48%	1.79%	(1.88%)	(0.54%)	2.31%	(1.12%)	1.47%	2.85%	(0.32%)	14.40%
2021	0.19%	4.24%	2.72%	0.67%	(0.94%)	1.42%	(0.36%)	(1.01%)	0.76%	1.25%	0.40%	0.19%	9.83%
2020	(0.71%)	0.44%	(17.03%)	4.40%	(1.74%)	5.08%	2.17%	0.58%	0.14%	(1.05%)	5.50%	1.77%	(2.48%)
2019	(0.09%)	1.96%	1.80%	0.33%	(1.13%)	0.10%	1.58%	(1.44%)	1.28%	1.65%	(0.74%)	1.19%	6.60%
2018	0.09%	(0.54%)	0.86%	0.01%	0.31%	0.11%	(0.13%)	0.64%	0.61%	(1.35%)	(2.75%)	(5.31%)	(7.36%)
2017								0.12%	0.57%	0.23%	0.04%	1.31%	2.29%

Figures based on Class U USD share class, net of all fees and operating expenses. Past performance is not a reliable indicator of future performance.

*Inception date of the fund: 4th March 2015. TT International appointed as Asset Manager on 27th March 2024 therefore past performance might not be representative of fund's future investments.

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Monthly Performance

The fund's muted decline in June masked dispersion within the portfolio. President Macron's decision to announce new parliamentary elections led to a sell-off in French financial assets, and we booked negative mark-to-market contributions from our holdings in the capital certificates of French regional banks, as well as a decline in the value of the convertible bonds of a French airplane components manufacturer. On the latter, there is a one-time reset in the conversion price if the share price is meaningfully below the conversion price, providing a silver lining. Other detractors included the convertible bond of a mining company as well as several energy service firm exposures. Conversely, the fund achieved a major win with the listing of shares in Paratus Energy, which the fund has meaningfully sold since the shares were listed on 28 June. The fund received its unlisted shares in Paratus pursuant to its restructuring in January 2022, in combination with amended bonds. The fund also achieved mark-to-market gains in a perpetual bond short of a lab testing business, and a long in an LNG carrier company.

Quarterly Performance

The fund's modest returns over the quarter were mostly supported by the listing of Paratus Energy. The fund acquired the shares through its original bond position in Seadrill. Those shares were sold in July. The fund also achieved mark-to-market gains in its holdings of a firm that transports LNG, and several French issuers. On the last point, those gains were reversed after the French government announced elections that rejected the incumbent government's party. The main detractors were short positions, which we have kept because we believe they still offer favourable asymmetric outcomes.

Portfolio Positioning

Most of our trading activity was on the short side, as we initiated high yield short positions in stressed names in challenged industries such as packaging. They are likely to require exchanges into new bonds with longer maturities and below market coupons. We added to a short position where there has been a collapse in equity value due to questions over the company's accounting policies. There is already substantial debt burdens at these companies, affording little room for error. We also initiated a short position in a UK water company, though not Thames Water, where the name is priced to investment grade levels, whilst the industry is going through substantial upheaval. Elsewhere we shorted the equity of a name where our credit analysis showed a difficult near-term refinancing. This investment was ultimately successful due to a dilutive sale of additional shares, leading to a sharp decline in the share price.

On the long side, we harvested names that have performed well, most notably TalkTalk, where the bonds are supposed to mature in less than a year, but the financing is yet to be announced. We initiated new long positions where we see safe carry at circa 10% returns. The largest return contributor came from Paratus Energy, where the shares that we received from the company's restructuring were finally listed on the 28 June, and we commenced selling down the position.

Why TT?

TT International offers a range of long-only and hedge fund strategies designed to meet clients' investment objectives and risk budgets. We have over 30 years' experience of conviction investing and a strong track record of delivering compelling risk-adjusted returns.

TT manages assets for a growing institutional client base, which is increasingly diverse in type and location.

To align our interests, TT's investment teams are compensated based on the returns they deliver to clients, and many of our employees also invest their own assets alongside those of our clients.

Furthermore, we believe that investment performance suffers from diseconomies of scale if assets under management grow too large. We therefore limit capacity in all of our products, enabling us to remain nimble and maximising our chances of success. Rather than simply being asset gatherers, we pride ourselves on our investment-led culture that focuses on doing what is right for existing clients.

Important Information:

Shareholder Rights

A Prospectus is available for Paretun and Key Investor Information Documents (KIIDs) are available for each share class of each of the sub-funds of the Fund. The Fund's Prospectus can be obtained on request from info@ttint.com and is available in other languages. The KIIDs can also be obtained on request from info@ttint.com and are available in one of the official languages of each of the EU Member States into which each sub-fund has been notified for marketing under the Directive 2009/65/EC (the "UCITS Directive"). In addition, a summary of investor rights is available on request. The summary is available in English. The sub-funds of the Fund are currently notified for marketing into a number of EU Member States under the UCITS Directive. Waystone Management Company (Lux) S.A can terminate such notifications for any share class and/or sub-fund of the Fund at any time using the process contained in Article 93a of the UCITS Directive.

Disclaimer

This is a marketing communication. This document is issued by TT International Asset Management Ltd ("TT"), authorised by and regulated in the United Kingdom by the Financial Conduct Authority. Paretun (the "Fund") is a recognised collective investment scheme for the purposes of Part 17 of the Financial Services and Markets Act 2000 ("FSMA") of the United Kingdom (as amended by Part 6 of the Collective Investment Schemes (Amendment etc.) (EU Exit) Regulations 2019). The Fund is being marketed into the UK under the Temporary Marketing Permission Regime. This information may be distributed only to persons to whom an offer to purchase securities may legally be made. The circulation of this document is restricted to experienced investors as defined in the legislation of the relevant countries. In the UK, the restriction is to "professional investors" in accordance with FSMA. No shares in any fund may be offered or sold in the United States, or to or for the benefit of U.S. persons.

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The Fund is an Investment Company with Variable Capital ("SICAV") established under Luxembourg law and authorised in Luxembourg as an undertaking for collective investment in transferable securities pursuant to the European Communities Undertakings for Collective Investment in Transferable Securities Regulations 2011 (as amended or supplemented from time to time).

Switzerland: Copies of the prospectus, key investor information documents ("KIIDs"), the articles of association as well as the annual and semi-annual reports of any UCITS referenced in this communication may be obtained free of charge from the Swiss Representative and Paying Agent: BNP Paribas, Zurich Branch, 16 Selnaustrasse, CH-8002, Zurich, Switzerland.

Additional risks

FDI Risk: FDI may fluctuate in value rapidly and leverage through FDI may cause losses that are greater than the original amount paid for the relevant FDI.

Operational Risk: human error, system and/process failures, inadequate procedures or control may cause losses to the Fund.

Liquidity Risk: the Fund may have difficulty buying or selling certain securities readily which may have a financial impact on the Fund.

Credit/Counterparty Risk: a party with whom the Fund contracts for securities may fail to meet its obligations (e.g. fail to pay principal or interest or to settle an FDI) or become bankrupt, which may expose the Fund to a financial loss.

For more information on these and other risk factors that apply to the Fund, see the section entitled "Risk Factors" in the Prospectus.