

EJF Investments Limited



MONTHLY FACTSHEET

MONTHLY NAV PERFORMANCE

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2024 Monthly Performance (inclusive of dividends) (%)	0.80	1.10	1.10	1.26	(0.26)	1.45	(0.19)						5.36
2023 Monthly Performance (inclusive of dividends) (%)	(0.58)	1.48	(4.55)	(0.17)	0.84	(6.72)	0.91	1.63	(0.36)	0.80	(0.69)	0.25	(7.27)
2022 Monthly Performance (inclusive of dividends) (%)	0.13	1.34	2.22	4.01	0.72	1.87	1.09	2.73	2.47	(0.40)	(3.15)	0.20	13.85
2021 Monthly Performance (inclusive of dividends) (%)	1.99	0.15	2.12	0.44	(2.09)	2.80	(0.01)	0.55	3.06	(0.16)	3.25	(1.43)	11.02
2020 Monthly Performance (inclusive of dividends) (%)	0.47	0.18	(13.57)	0.58	3.33	0.15	1.25	0.34	0.40	(0.73)	1.16	0.25	(7.02)
2019 Monthly Performance (inclusive of dividends) (%)	0.35	0.41	1.77	5.61	0.83	0.26	0.56	0.62	0.21	0.04	0.13	0.63	11.88
2018 Monthly Performance (inclusive of dividends) (%)	8.28	0.70	0.12	2.70	2.10	1.62	0.50	2.39	0.08	0.32	0.22	(1.13)	19.08
2017 Monthly Performance (inclusive of dividends) (%)	0.51*	2.96	3.65	0.24	2.85	0.34	0.90	1.37	0.54	4.92	0.59	2.53	23.47

*This performance reflects the period 1 February through 9 February, the Exchange Offer Completion Date.

EJF Capital LLC AUM¹

\$6.0 Billion

EJFI Annualised Performance since inception² (%)

8.99

Investment Manager Monthly Commentary

Portfolio Activity:

EJFI's July 2024 NAV was £99.9² million or GBp163² per share, representing a loss (inclusive of dividends) of 0.19%² for the month which was mainly driven by FX losses.

The underlying portfolio returned a 1.22% gain driven by a 1.40% return from Securitisations & Related Investments. CDO Equity Tranche prices were flat month on the month, meaning the rest of the return was driven largely by regular interest accruals. Elsewhere, MSRs were down 0.24% on account of downward mortgage rate movements. US Treasuries were up 0.06% and the US Bank debt portfolio was flat for the month.

The Company invested \$5m on 15 July 2024, in its second capital relief trade ("CRT") which was part of a \$86m credit linked note ("CLN") issued for a CRT executed by a US regional bank located in the Southeast. This transaction referenced a \$1.7 billion portfolio of prime jumbo residential mortgages and was originated and underwritten by EJF. To the Manager's knowledge, this deal represents the first CRT transaction referencing a residential mortgage pool by a US bank with less than \$100 billion in assets. The Manager believes that this transaction will create a groundswell of additional interest in CRT issuance as banks recognise the efficiency of these transactions and as there are tangible examples to analyse across a larger range of collateral types.

The US Dollar depreciated against Sterling during the month resulting in a 1.03% loss. The Company continues to hedge approximately 54% of its underlying US Dollar asset exposure as at month end.

Market:

Bank valuations had a very strong July, and the Manager is optimistic that a potential multi-year cycle for the banks may be on the horizon. There are a few reasons for the strength this month. First, investors have begun to look towards the potential for a change in US presidential administration after the elections in November. In the first US presidential debate, the Republican candidate, former President Donald Trump, made it clear that he would look to extend tax cuts and loosen regulation if he were elected. The Manager believes that more reasonable regulation, particularly at the FDIC and OCC, would lead to a healthy wave of M&A which is expected to benefit the underlying portfolio. In fact, M&A has already begun as the month of July saw large transactions announced alongside capital raising. Capital raised for recapitalisations and for M&A transactions reached a year-to-date total of \$2.3 billion, which is an indicator of investors re-engaging with the bank space.

Additionally, with inflation subsiding combined with recent softness in the US economy, the Manager believes the Federal Reserve (the "Fed") appears ready to begin cutting interest rates in the back half of the year. Fed Funds futures at the end of July expect approximately three 25bp cuts in 2024 and nearly five 25bp cuts in 2025. The Manager believes lower rate expectations increase the likelihood that the US economy avoids the worst of a recession and begins to grow more rapidly. Importantly, the Manager expects that this scenario likely limits credit quality problems to just large CRE office and unsecured consumer

exposures.

Lastly, the fuel to the fire of this most recent rally has been a rotation of style factors from growth to value within the market. As mentioned before by the Manager, banks have traded at approximately half the P/E multiple of the S&P 500 for some time. Additionally, small-cap shares, typically expressed through the Russell 2000, underperformed the tech-heavy Nasdaq 100 returning just 1.62% vs 17.33% for the Nasdaq 100 in the first half of 2024. The rotation towards small-cap value in July positively impacted many of the small and medium-sized banks.

The CRT market can be considered two markets at this juncture: the more developed large bank CRT market and the nascent small bank CRT market. In the US large bank CRT market, activity during the second quarter started slow but ended with an influx of deals. After little to no activity in April and May, June brought the pricing of three auto CRT deals totaling \$1.18B. Ally Bank, Huntington National Bank and Santander Bank all issued prime auto deals with multiple rated tranches that were syndicated to the broader market. Many large banks have turned away from bespoke, bi-lateral transactions that shaped the US CRT markets in recent years and have accepted CRT as a more consistent capital raising avenue by planning ahead, procuring credit ratings and targeting a wider, diverse group of investors. This has proven to be a cost-effective approach in a growing market where rated product is in short supply. The effective blended spreads on the CRT auto deals were firmly in the low 300bps range after incorporating the small first loss tranche retained by the bank. This is a significant tightening from the 500-600bps spread range that many bespoke, bilateral auto deals were rumoured to be priced in late 2023/early 2024.

While the bulk of the activity has been in the auto and consumer space, the Manager expects that the propensity for larger banks to tap the CRT market via syndicated, rated deals will spread to all relevant asset classes over time. In the coming quarters, the Manager fully expects to see similar type of issuance in residential mortgage, commercial mortgage, and other consumer products.

By contrast with the developed large bank CRT market, the CRT market for small banks is in its early stages and bespoke, bilateral transactions continue to be the best path to execution for the foreseeable future. These types of transactions provide certainty of execution, reduced deal costs and better investor protections while still providing institutions with a more efficient capital raising tool versus traditional alternatives. Most small banks do not have large enough capital needs to issue multiple CRT deals, engage rating agencies, or pay investment bankers in an effort to develop a presence as an issuer in the syndicated market. As a result, the Manager does not expect the CRT market for small banks to follow the same path as the big banks and will remain bi-lateral, bespoke and be relationship driven in the coming years.

EJFI Key Facts (as of 31 July 2024)

Ticker Symbol	EJFI LN
NAV/Share	GBp163 (\$2.10 equivalent)
Share Price	GBp96.0
Share Price (Discount) to NAV	(41.1)%
EJFI NAV	£99.9 million
Market Cap	£58.7 million
Gross Asset Value	£125.7 million
Target Return	8%-10% total return p.a.
Quarterly Dividend¹	GBp2.675 per share (GBp10.7 per share p.a.)
Dividend Yield	11.1% p.a. (share price)
Hedging ratio²	54.0%
Gearing ratio³	25.2%
Ongoing Charges⁴	1.2% (1.8% gross of Manager reimbursement)
2025 ZDP Shares	Ticker: EJF0 LN Shares: 19.3m, Maturity: 6/2025 Capital Entitlement: GBp140.0 Current Share Price: GBp129.5

¹The Company targets an annual dividend of 10.7 pence per share for the financial year to 31 December 2024, to be distributed evenly in four quarterly payments.

²The Company's base currency is denominated in GBP, though most of the Company's investments are currently in USD. As of 31 July 2024, USD 85.3m of approximately USD 158.0m exposure is hedged.

³Gearing ratio is computed as current accreted value of ZDP Shares over the NAV of the Company.

⁴For FY 23 and calculated in line with Association of Investment Companies ("AIC") recommended methodology. Manager Reimbursement reduced from 60% for FY23 to 10% until 30 June 2024 and nil thereafter.

¹AUM includes \$3.2 billion of CDO managed assets and \$125.8 million of uncalled capital as at 30 June 2024. ²Based on the Company's 31 July 2024 unaudited financials.

EJF Investments Limited



MONTHLY FACTSHEET

Existing Portfolio Breakdown¹

Securitisations & Related Investments

- £75.6 million investment in 7 CDO Equity Tranches of securitisations sponsored by EJF Capital LLC
- £5.2 million investment in EJF CDO Manager LLC (49% ownership interest)
- £4.6 million investment in 7 Mezzanine debt securities of securitisations sponsored by EJF Capital LLC
- £1.1 million investment in a TruPS CDO security

Specialty Finance Investments

- £8.8 million investment in a portfolio of mortgage servicing rights ("MSRs")

Credit risk transfer

- £4.6 million in two Credit risk transfer ("CRT") transactions

U.S. Treasuries

- £3.3 million in U.S. Treasury bills to partially hedge MSRs

U.S. Bank debt

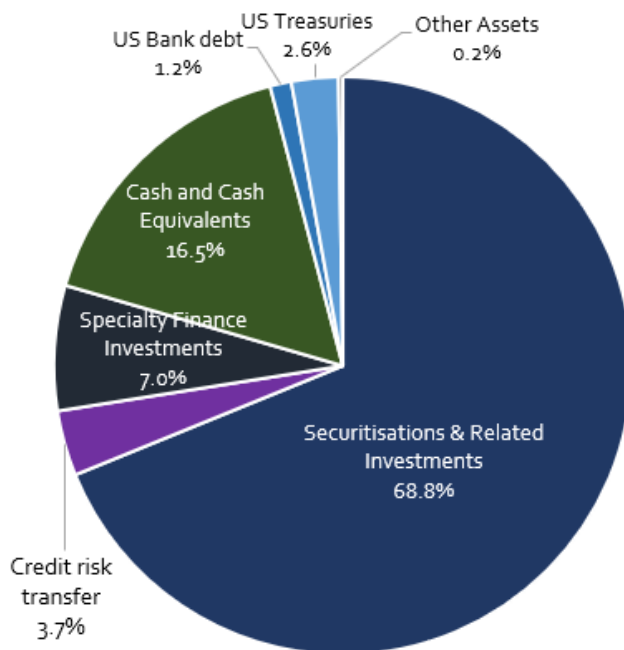
- £1.5 million in one subordinated debt instrument issued by a US Bank

Cash and Cash Equivalents

- £3.9 million unrestricted cash
- £3.1 million restricted cash²
- £13.7 million in a money market fund

Other Assets

- £0.3 million of other assets



¹Based on the Company's 31 July 2024 unaudited financials.

²Including an unrealised gain on forward currency contracts of £1.3 million.

COMPANY OVERVIEW

EJF Investments Ltd ("EJFI" or the "Company", together with its subsidiary the "Group") is a Jersey incorporated, closed end investment company. EJFI's shares are traded on the Specialist Fund Segment of the London Stock Exchange.

EJFI offers exposure to a portfolio of loans to US financial institutions and related assets, with an emphasis on floating rate debt. EJFI's objective is to provide shareholders with attractive risk adjusted returns via regular dividends and capital growth over the long term.

PORTFOLIO OVERVIEW

EJFI primarily invests in a diversified portfolio of debt issued by smaller US banks and insurance companies via CDO Equity Tranches, where the CDOs were structured by an affiliate of EJF Capital LLC.

EJFI owns a 49% interest in EJF CDO Manager LLC (the "CDO Manager") that manages CDOs and generates regular income. EJFI also invests in Specialty Finance Investments, including Mortgage Servicing Rights ("MSRs") which provide regular income in exchange for servicing pools of US mortgages.

EJF Investments Manager LLC (the "Manager")	U.K. Office	11 Berkeley Street, 5th Floor, London, W1J 8DS	Info@ejfi.com
Panmure Liberum	U.K. Office	25 Ropemaker Street London EC2Y 9LY	james.shields@panmureliberum.com
Barclays Bank PLC	U.K. Office	1 Churchill Place, London E14 5HP	barclaysinvestmentcompanies@barclays.com
Apex Financial Services (Alternative Funds) Limited	Jersey Office	IFC 5, St Helier, Jersey JE1 1ST	ejfcosec@apexgroup.com

EJF Investments Limited



MONTHLY FACTSHEET

IMPORTANT DISCLOSURE

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS, WHICH MAY VARY. There is no guarantee that the Company will continue to invest in these allocations at all or do so in the same manner as set forth in this factsheet. Allocations may change at any time without notification to shareholders. Pie charts include all investments, cash and hedges. Returns are net of fees, accrued liabilities and expenses and include dividend reinvested.

This material is not for distribution to retail clients and is directed exclusively to the Company's professional clients and eligible counterparties, as defined in the Markets in Financial Instruments Directive (2004/39/EC) Article 4(1) (12). The information provided herein is intended solely for the use of the party to whom the Company or the Manager has provided it, is strictly confidential, and may not be reprinted or distributed in whole or in part nor may its contents be disclosed to any other recipient under any circumstances. By accepting this information, the recipient agrees that it will not divulge any such information to any other party. This document, and the information contained therein, is not for viewing, release, distribution or publication in or into the United States, Canada, Japan, South Africa or any other jurisdiction where applicable laws prohibit its release, distribution or publication, and will not be made available to any national, resident or citizen of such jurisdiction. The distribution of this document in certain jurisdictions may be restricted by law; therefore, people into whose possession this document comes should inform themselves about and observe any such restrictions. It does not take into account the particular investment objectives, financial situation, risk adversity, tax status or needs of individual clients. The Company and the Manager disclaim any and all liability relating to a decision based on or for reliance on this document.

This document is directed only at: (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005; or (ii) high net worth bodies corporate, unincorporated associations and partnerships and trustees of high value trusts as described in Article 49(2) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 and persons who receive this document who do not fall within (i) or (ii) above should not rely on or act upon this document.

This document has been prepared for general information purposes only and has not been delivered for registration in any jurisdiction nor has its content been reviewed by any regulatory authority in any jurisdiction. The information contained herein does not constitute: (i) a legal agreement (ii) legal, regulatory, tax, accounting or other advice, (iii) an offer, recommendation or solicitation to buy or sell shares in any fund or any security, commodity, financial instrument or derivative linked to, or otherwise included in the Company or a portfolio managed or advised by EJF Capital LLC ("EJF"), the Manager or their respective affiliates, (iv) an offer to enter into any other transaction whatsoever, (each a "Transaction"). This document does not constitute due diligence reporting and neither the Company nor the Manager bear any responsibility for your investment research and/or investment decisions, nor will the Company or the Manager be liable of any decision made or actions taken by you or others based on the contents of this document and neither the Company, the Manager, nor any of their respective directors, officers, employees or representatives accept any liability whatsoever for any loss or damage of any kind and howsoever arising.

These materials may also contain historical market data; however, historical market trends are not reliable indicators of future market behavior. Any historical investment results of any person or entity described in this material are not indicative of the future investment results. Such results are intended only to give potential investors information concerning the general experience of the relevant person or entity, and is not intended as a representation or warranty by the Company, the Manager, EJF or any other person or entity as to the actual composition of or performance of any future investments.

The information herein may include statements of future expectations, estimates, projections, models, forecasts, scenarios, and other forward-looking statements (collectively "Statements"). The Statements provided are based on the Manager's beliefs, assumptions and information available at the time of issuance of such Statement. Such Statements may be speculative in nature, and can be expected that some or all of the assumptions underlying the forecasts and estimates will not materialize and/or that actual events and consequences thereof will vary significantly from the assumptions upon which forecasts and estimates contained herein have been based. The inclusion of such Statements herein should not be regarded as a representation or guarantee regarding the reliability, accuracy or completeness of the information contained herein, neither the Company nor the Manager are under any obligation to update or keep current such information. As a result, all the information contained in this document, including the Statements, is inherently speculative and actual results or events may differ materially from those expressed or implied in such Statements. Therefore, this information, as well as the Statements, cannot be relied upon for any purpose other than the current illustrative one.

No liability whatsoever (whether in negligence or otherwise) arising directly or indirectly from the use of this document is accepted and no representation, warranty or undertaking, express or implied, is or will be made by the Company, the Manager, EJF or any of their respective directors, officers, employees, advisers, representatives or any other agents ("Agents") for any information or any of the opinions contained herein or for any errors, omissions or misstatements. None of the Agents makes or has been authorised to make any representation or warranties (express or implied) in relation to the Company or as to the truth, accuracy or completeness of this document, or any other written or oral statement provided. In particular, no representation or warranty is given as to the achievement or reasonableness of, and no reliance should be placed on any projections, targets, estimates or forecasts contained in this document and nothing in this document is or should be relied on as a promise or representation as to the future.

The information, estimates, forecasts or opinions supplied by the Company, the Manager and/or EJF in this document are supplied for your private use and information, and for discussion purposes only and do not constitute, and may not be used for the purposes of, an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, shares issued by the Company (or units, notes, products or shares issued by a fund managed or promoted by the Manager, EJF or their respective affiliates) in any jurisdiction in which such offer, solicitation or sale would be unlawful. The information supplied by the Company, the Manager, EJF or their respective affiliates and contained herein shall not be deemed to constitute investment advice and should not be relied upon as the basis for a decision to enter into a transaction or as the basis for an investment in shares issued by the Company (or units, notes, products or shares issued by a fund managed or promoted by the Manager, EJF or their respective affiliates) as an investment in such shares notes, or products or units may not be suitable or lawful for all investors.

Prospective investors should (i) consult their financial, accounting, tax and legal advisors prior to any investment in units or shares issued by a fund managed or promoted by the Manager, EJF or its affiliates; and (ii) inform themselves as to (a) the appropriateness of said investment in units or shares (b) the legal requirements within their own jurisdictions for the purchase or holding of said investment, (c) any foreign exchange restrictions which may affect them, and (d) the income and other tax consequences which may apply in their own jurisdictions relevant to the purchase, holding or disposal of units or shares of the relevant fund or investment vehicle.

This document contains information about EJF, certain of its respective personnel and affiliates and the historical performance information of investment vehicles whose portfolios are managed by EJF or its affiliates. Such information has been included to provide information as to general portfolio management experience. You should not view the past performance of the Company or its investments, or EJF, as indicative of future results. Neither the Company, the Manager, nor EJF makes any representation or warranty, express or implied, as to the fairness, accuracy or completeness of the information contained herein and nothing contained herein shall be relied upon as a promise or representation as to past or future performance of any structure, managed by EJF or the Manager from time to time.

The shares issued and to be issued by the Company (the "Shares") have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or with any securities regulatory authority of any state or other jurisdiction of the United States. The Shares may not be offered, sold, resold, pledged, delivered, distributed or otherwise transferred, directly or indirectly, into or within the United States, or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act), except to persons who are both a "qualified purchaser" as defined in Section 2(a)(51) and related rules of the U.S. Investment Company Act of 1940, as amended, (the "Investment Company Act") and an "accredited investor" as defined in Rule 501(a) of Regulation D under the Securities Act. No public offering of the Shares is being made in the United States.

The Company has not been and will not be registered under the Investment Company Act and, as such, holders of the Shares will not be entitled to the benefits of the Investment Company Act. No offer, sale, resale, pledge, delivery, distribution or transfer of the Shares may be made except under circumstances that will not result in the Company being required to register as an investment company under the Investment Company Act. Neither the U.S. Securities and Exchange Commission (the "SEC") nor any state securities commission has approved or disapproved of the Shares or passed upon or endorsed the merits of the offering of the Shares or the adequacy or accuracy of this document. Any representation to the contrary is a criminal offence in the United States. In addition, the Shares are subject to restrictions on transferability and resale in certain jurisdictions and may not be transferred or resold except as permitted under applicable securities laws and regulations. Investors may be required to bear the financial risks of their investment in the Shares for an indefinite period of time. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions.

All investments are subject to risk, including the loss of the principal amount invested. Past performance is not necessarily indicative of future results, and there can be no assurance that the Company will achieve comparable results, will meet its target returns, achieve its investment objectives or be able to implement its investment strategy. All investments to be held by the Company involve a substantial degree of risk, including the risk of total loss. The value of Shares and the income from them is not guaranteed and can fall as well as rise due to stock market and currency movements. When you sell your investment you may get back less than you originally invested. You should always seek expert legal, financial, tax and other professional advice before making any investment decision.

The Company has appointed ACOLIN Fund Services SA, 6 Cours de Rive, 1204 Geneva, Switzerland, as its Swiss Representative. Banque Cantonale de Genève, 17 Quai de l'Île, CH-1208 Geneva, Switzerland is the Swiss Paying Agent. In Switzerland shares shall be distributed exclusively to qualified investors. The fund offering documents, articles of association and audited financial statements can be obtained free of charge from the Representative. The place of performance with respect to shares distributed in or from Switzerland is the registered office of the Representative.