

PRESS RELEASE

333 Management Companies and Undertakings of Collective Investments (UCIs) under supervision

Assets under Management of Collective Investments for the 3rd quarter of 2022 reached €9.9bn

NICOSIA, 23 January 2023 – During the 3rd quarter of 2022, there was an increase in the number of Management Companies and Undertakings of Collective Investments (UCIs) to 333, with the assets under management reaching €9.9bn.

Based on the quarterly statistics bulletin for the 3rd quarter of 2022 issued by the Cyprus Securities and Exchange Commission (CySEC), which presents the most important data for the Collective Investments sector in Cyprus, CySEC supervises 333 Management Companies and Undertakings of Collective Investments (UCIs), as opposed to 330 during the second quarter of the same year and 298 during the same period of the previous year, recording an increase of 0.90% and 11.74% respectively. From these, 242 have operations.

The total number of 333 companies includes 212 Externally Managed UCIs, 43 Internally Managed UCIs and 78 External Fund Managers. The total number of Management Companies includes 46 AIFMs, 65 Sub-threshold AIFMs, 4 UCITS Management Companies and 6 dual license entities (AIFMs and UCITS Management Companies).

Based on the data for the 3rd quarter of 2022, the Total Assets Under Management (AUM) reached €9.9 billion, recording a 7.2% decrease since the 2nd quarter of 2022, whereas comparing with the same period in 2021, the decrease amounts to 14.7%. The decrease in the value of investments is mainly due to devaluation of assets, redemptions of investment shares and asset disposals. Given the undesirable events and unforeseen circumstances of the last couple of years, the Undertakings of Collective Investments Sector could not stay unaffected.

The UCIs, managed by the Management Companies, had a Net Asset Value (NAV) of €8.9 billion. Approximately, 62% of the AUM relate to Assets managed by the AIFMs, 12% by the Sub-threshold AIFMs, 17% by the AIFMs and UCITS Management Companies, 8% by the

UCITS Management Companies and only 1% by the Regulated UCIs that are managed by Foreign Fund Managers.

Approximately 81.7% of UCITS Assets under Management were invested in Transferable Securities and 11% in bank deposits, while 5.9% were invested in UCITSS and UCIs. Regarding AIFs, AIFLNPs and RAIIFs 42.7% of the Assets Under Management related to investments in Private Equity, while the investment in Hedge Funds represents the 8.7% of the AUM. Page | 2

There is a total of 208 UCIs with operations. Comprising 85% of the total AUM are 188 UCIs domiciled in Cyprus (13 UCITS, 56 AIF, 54 AIFLNP and 65 RAIIF). From the total 208 UCIs, 166 invest in Cyprus partially or entirely and these investments amount to €2.4 billion or 23.8% of the total Assets Under Management. The 69.3% of the investments in Cyprus are in Private Equity, while the 12.4% are in Real Estate.

When it comes to categorising unitholders, the vast majority of UCITs are retail investors (98.8%), while for AIF, AIFLNP and RAIIF, 21.3% of them are professional investors, 65.8% well-informed investors and only 12.9% retail investors.

Regarding the specific sectors that UCIs invested in, during the 3rd quarter of 2022, AUM in the Energy sector amounted to €386.4m (3.913% of total AUM), while €3.1m was invested in Fintech (0.031% of total AUM), €117.7m in Shipping (1.191% of total AUM), €42.9m in Sustainable Investments (0.434% of total AUM) and €4.5m in Cryptocurrencies (0.046% of total AUM).

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