

# Calamos High Income Opportunities Strategy

# CALAMOS<sup>®</sup>

## INVESTMENTS

### STRATEGY OVERVIEW

The Calamos High Income Opportunities strategy invests primarily in a diversified portfolio of US high-yield bonds. Rather than an exclusive focus on yield, the strategy employs a total return framework designed to enhance our ability to generate alpha and preserve capital over entire credit cycles.

### KEY FEATURES

- » Our portfolio construction process demands keen, security-level awareness of appropriate compensation for risks taken.
- » An expanded investable universe, including bank loans and preferred securities, enhances portfolio opportunities, construction and risk management.
- » Our robust, independent credit research, uniting quantitative and qualitative analyses in historical and forward-looking models, produces a credit rating reflective of where a company is heading.
- » Our macro-overlay, which considers the business cycle, geopolitical factors, inflation and real rate expectations, acts as a risk control while capitalizing on opportunities in misunderstood industries and sectors.

### PORTFOLIO MANAGEMENT

- » Matt Freund, CFA, Co-CIO, Head of Fixed Income Strategies, and Senior Co-Portfolio Manager
- » Charles E. Carmody, CFA, Senior Vice President, Co-Portfolio Manager
- » John Saf, CFA, Vice President, Co-Portfolio Manager

The team leverages the insights and analysis of the Calamos Investment Committee, as well as dedicated research, risk management, trading, and portfolio specialist team support.

### AVERAGE ANNUAL RETURNS (%)

	1-YEAR	3-YEAR	5-YEAR	10-YEAR	SINCE INCEPTION (11/99)
High Income Opportunities (gross of fees)	11.81	2.82	4.67	4.30	6.86
High Income Opportunities (net of fees)	11.30	2.35	4.18	3.69	6.14
Bloomberg US High Yield 2% Issuer Capped Index	11.15	2.19	4.19	4.44	6.58

### CALENDAR YEAR RETURNS (%)

	YTD	2023	2022	2021	2020	2019	2018	2017	2016	2015
High Income Opportunities (gross of fees)	1.82	12.82	-9.63	7.04	6.11	14.47	-2.61	7.27	13.22	-3.52
High Income Opportunities (net of fees)	1.70	12.31	-10.04	6.56	5.61	13.87	-3.27	6.47	12.38	-4.24
Bloomberg US High Yield 2% Issuer Capped Index	1.47	13.44	-11.18	5.26	7.05	14.32	-2.08	7.50	17.13	-4.43

Past performance does not guarantee or indicate future results. Current performance may be lower or higher than the performance quoted. Portfolios are managed according to their respective strategies which may differ significantly in terms of security holdings, industry weightings, and asset allocation from those of the benchmark(s). Portfolio performance, characteristics and volatility may differ from the benchmark(s) shown.

### REPRESENTATIVE PORTFOLIO LARGEST 10 HOLDINGS

	COUPON %	MATURITY	%
Team Health Holdings, Inc.	10.58	3/2/2027	0.7
Jefferies Finance, LLC / JFIN Co-Issuer Corp.	5.00	8/15/2028	0.7
CSC Holdings, LLC	5.38	2/1/2028	0.6
Amneal Pharmaceuticals, LLC	10.83	5/4/2028	0.6
Tenet Healthcare Corp.	6.25	2/1/2027	0.6
OCI, NV	6.70	3/16/2033	0.6
Burford Capital Global Finance, LLC	6.88	4/15/2030	0.6
Jazz Securities DAC	4.38	1/15/2029	0.6
Ford Motor Credit Company, LLC	5.11	5/3/2029	0.6
Iron Mountain, Inc.	5.25	3/15/2028	0.5

The information provided in this page should not be considered a recommendation to purchase or sell any particular security. There is no assurance that any securities discussed herein will remain in an account's portfolio at the time you receive this report or that securities sold have not been repurchased. The securities discussed do not represent an account's entire portfolio and in the aggregate may represent only a small percentage of an account's portfolio holdings. Holdings and weightings are subject to change daily. Largest Ten Holdings exclude any cash, government/sovereign bonds or broad-based index hedging securities the portfolio may hold.

## Calamos High Income Opportunities Strategy

## KEY

COMPOSITE: High Income Opportunities Composite  
 PORTFOLIO: Representative Portfolio  
 BENCHMARK: Bloomberg US High Yield 2% Issuer Capped Index

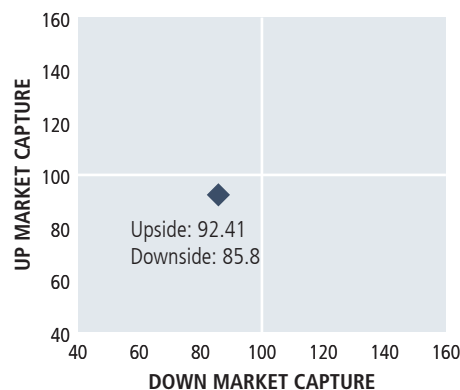
TOP SECTOR WEIGHTINGS <sup>1</sup>	PORTFOLIO %
Consumer Cyclical	17.7
Communications	14.0
Consumer Non Cyclical	14.0
Energy	13.1
Capital Goods	8.7
Technology	5.9
Basic Industry	5.8
Finance Companies	4.4
Insurance	3.7
Transportation	2.6

QUALITY ALLOCATION <sup>2</sup>	PORTFOLIO %
AAA	0.0
AA	0.0
A	0.8
BBB	9.9
BB	49.7
B	29.0
CCC and below	8.0
Unrated Securities	2.7

MATURITY SCHEDULE	PORTFOLIO %
< 1 Year	4.0
1 to 3 Years	13.4
3 to 5 Years	37.7
5 to 7 Years	27.9
7 to 10 Years	10.2
10 to 20 Years	1.9
> 20 Years	1.6
Equities and Other	3.2

## SINCE INCEPTION UP/DOWN CAPTURE VS. BENCHMARK

◆ Calamos High Income Opportunities



CHARACTERISTICS	PORTFOLIO	BENCHMARK
Strategy Assets <sup>3</sup>	\$3.3 B	N/A
Number of Holdings	478	1,949
Portfolio Turnover (12 months)	34.8%	N/A
Option Adjusted Duration	2.8 yrs	3.1 yrs
Time to Maturity	5.7 yrs	5.2 yrs
Option Adjusted Spread	349 bps	302 bps

YIELD	PORTFOLIO %	BENCHMARK %
Current Yield	6.61	6.62
Yield to Worst	7.89	7.65
Average Coupon	6.52	6.23

SINCE INCEPTION RISK/REWARD STATISTICS<sup>4</sup>

	COMPOSITE	BENCHMARK
Alpha	1.01%	N/A
Beta	0.88	1.00
Standard Deviation	8.48%	9.07%
Information Ratio	0.10	N/A
Sharpe Ratio	0.60	0.53
Upside Semivariance	3.38%	3.98%
Downside Semivariance	2.93%	3.18%

<sup>1</sup>Sector Weightings are calculated as a percentage of net assets and exclude cash or cash equivalents, any government / sovereign bonds or broad-based index hedging securities the portfolio may hold. The Sector table Other row includes securities that do not have a sector classification.

<sup>2</sup>Credit quality of bonds reflects the higher of the ratings of Standard & Poor's Corp. and Moody's Investment Service Inc. Ratings are relative, subjective and not absolute standards of quality, represent the opinions of the independent, Nationally Recognized Statistical Rating Organizations (NRSRO), and are adjusted to the Standard & Poor's scale shown. Ratings are measured using a scale that typically ranges from AAA (highest) to D (lowest). The table excludes equity securities, cash and cash equivalents.

<sup>3</sup>Strategy Assets reflect all assets that are currently being managed (collectively) under the strategy, which may contain multiple performance composites.

<sup>4</sup>All risk-adjusted statistics are relative to the benchmark on an annualized basis versus the composite. Source: Calamos Advisors LLC.

The results portrayed on this page are for the High Income Opportunities Strategy and as such only relate to the representative portfolio shown at that point in time. Other portfolios will vary in composition, characteristics, and will experience different investment results. The representative portfolio shown has been selected by the advisor based on account characteristics that the advisor feels accurately represents the investment strategy as a whole.

Returns and Risk/Reward statistics presented reflect the Calamos High Income Opportunities Composite which is an actively managed composite investing in high-yield fixed-income securities, primarily with credit ratings lower than investment grade securities. The Composite was created January 1, 2001, calculated with an inception date of November 1, 1999 and includes all fully discretionary, fee paying accounts, including those no longer with the Firm.

Fees include the investment advisory fee charge by Calamos Advisors LLC. Returns greater than 12 months are annualized. Chart Data Sources: Calamos Advisors LLC.

Average annual total return measures net investment income and capital gain or loss from portfolio investments as an annualized average. All performance shown assumes reinvestment of dividends and capital gains distributions.

Alpha is a measurement of performance on a risk-adjusted basis. A positive alpha shows that performance of a portfolio was

higher than expected given the risk. A negative alpha shows that the performance was less than expected given the risk.

Beta is a measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole.

Standard deviation is a measure of volatility.

Information ratio is the measurement of the performance returns of a portfolio against the performance volatility of an index or benchmark. The information ratio is generally used as a gauge to measure the ability of a portfolio to generate excess returns of the index or benchmark.

Sharpe ratio is a calculation that reflects the reward per each unit of risk in a portfolio. The higher the ratio, the better the portfolio's risk-adjusted return is.

Upside semivariance is a measure of upside potential based on gains dispersed above a mean value.

Downside semivariance is a measure of downside risk based on losses dispersed below a mean value.

**Fixed Income Risks:** Portfolios that invest in fixed income securities are subject to several general risks, including interest rate risk, credit risk, and market risk, which could reduce the yield that an investor receives from his or her portfolio. These risks may occur from fluctuations in interest rates, a change to an issuer's individual situation or industry, or events in the financial markets.

**High-Yield Fixed-Income ("Junk Bond") Securities Risks:**

Investments in Junk Bonds entails a greater risk than an investment in higher-rated securities. Although Junk Bonds typically pay higher interest rates than investment-grade bonds, there is a greater likelihood that the company issuing the Junk Bond will default on interest and principal payments. In the event of an issuer's bankruptcy, claims of other creditors may have priority over the claims of Junk Bond holders, which may leave few or no assets to repay Junk Bond holders. Junk Bonds are also more sensitive to adverse economic changes or individual corporate developments than higher quality bonds. During a period of adverse economic changes or including a period of rising interest rates, companies issuing Junk Bonds may be unable to make principal and interest payments.

**Interest-Rate Risks:** The value of fixed-income securities generally decreases in periods when interest rates are rising. In addition, interest rate changes typically have a greater effect on prices of longer-term fixed-income securities rather than shorter-term fixed-income securities. A strategy is subject to the risk that the market value of the bonds in its portfolio will fluctuate because of changes in interest rates, changes in supply and demand for investment securities, or other market factors. Bond

prices generally are linked to the prevailing market interest rates. In general, when interest rates rise, bond prices fall; and conversely, when interest rates fall, bond prices rise. The price volatility of a bond also depends on its duration. Duration is a measure that relates the expected price volatility of a bond to changes in interest rates. The duration of a bond may be shorter than or equal to the full maturity of a bond. Generally, the longer the maturity of a bond, the greater is its sensitivity to interest rates. Bonds with longer durations have more risk and will decrease in price as interest rates rise. For example, a bond with a duration of three years will decrease in value by approximately 3% if interest rates increase by 1%. To compensate investors for this higher interest rate risk, bonds with longer maturities generally offer higher yields than bonds with shorter duration. If interest rates increase, the yield of a strategy may increase and the market value of the strategies' securities may decline, adversely affecting the strategies' net asset value ("NAV") and total return. If interest rates decrease, the yield of a strategy may decrease and the market value of the strategies' securities may increase, which may increase the strategies' NAV and total return.

The Bloomberg US High Yield 2% Issuer Capped Index measures the performance of high yield corporate bonds with a maximum allocation of 2% to any one issuer.

Unmanaged index returns, unlike fund returns, do not reflect fees, expenses or sales charges. Investors cannot invest directly in an index.

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Calamos Advisors LLC is a federally registered investment advisor. Part II of Form ADV, which provides background information about the firm and its business practices, is available upon written request to: Calamos Advisors LLC | 2020 Calamos Court | Naperville, IL 60563-2787 | Attn: Compliance Officer  
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