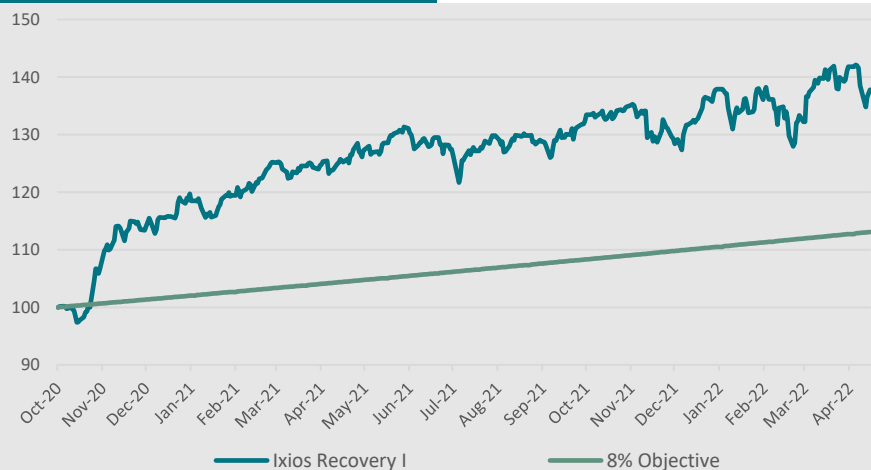


## Investment Objective

IXIOS Recovery, a French SICAV UCITS fund, is a thematic sub-fund designed for investors seeking long-term performance from the normalisation of excessive discounts on equities and bonds issued by companies in developed markets. The objective of IXIOS Recovery is to achieve an annual performance equal to 8% (for class I) over a recommended investment period of more than 5 years.

## Fund Size: EUR 35.42 mln



## Risk Profile SRRI

Lower Risk Potentially lower return  Higher Risk Potentially higher return

## Sub-fund Facts

**Fund inception date:** 15/10/2020  
**Recommended investment period:** > 5 years  
**Fund domicile:** France  
**Management Company:** Ixios Asset Management  
**Custodian:** Société Générale

## Share-classes Facts

**ISIN Codes:**  
 ○ F Class: FR0013514270  
 ○ F Prime Class: FR0014001KX3  
 ○ I Class: FR0013514296  
 ○ P Class: FR0013514304

**Minimum Subscription:**  
 ○ F & F Prime Classes: 5,000,000 EUR  
 ○ I Class : 100,000 EUR  
 ○ P Class : 1 share

**Fixed Management Fees:**  
 ○ F & F Prime Classes: 0.80%  
 ○ I Class: 1.35%  
 ○ P Class: 2.00%

**Performance Fees:** 15% over benchmark with High Water Mark absolute

**Performance Benchmark:**  
 ○ F & F Prime Classes: 8.55% net / year  
 ○ I Class: 8.00% net / year

## Main Risks

The main risks of the UCITS are:  
 Discretionary management risk;  
 Equity risk;  
 Liquidity risk;  
 Credit risk;  
 Exchange rate risk;

**For more information on the risks, please refer to the prospectus of the UCITS.**

| Cumulative Performance (net of fees) | 1 Month | YTD   | 1 Year | Since inception | Since inception relative |
|--------------------------------------|---------|-------|--------|-----------------|--------------------------|
| Ixios Recovery F Prime               | -1.25%  | 3.96% | 10.62% | 20.00%          | 9.14%                    |
| Performance objective 8.55% / year   | 0.68%   | 2.83% | 8.90%  | 11.24%          | -                        |
| Ixios Recovery I                     | -1.29%  | 3.77% | 10.02% | 37.79%          | 24.71%                   |
| Performance objective 8% / year      | 0.64%   | 2.64% | 8.30%  | 13.08%          | -                        |
| Ixios Recovery P                     | -1.34%  | 3.56% | 9.33%  | 20.10%          | 9.24%                    |
| Performance objective 7.35% / year   | 0.59%   | 2.42% | 7.60%  | 10.86%          | -                        |

## Management Team Commentary



**LAURENT ROUSSEL,**  
Lead fund manager

In April, the fund (down 1.29% on the I share class) underperformed its objective of achieving an 8% annual return (on the I share class) and equity benchmarks: vs the Stoxx 600 RI (down 0,72%) and vs the MSCI World Value RI in EUR (down 0,18%). But it has outperformed the S&P 500 RI (down 8,74%). Up 3,77% YTD, the fund has outperformed all equity benchmarks: vs the Stoxx 600 RI (down 6,70%), vs S&P 500 RI (down 13,70%) and vs the MSCI World Value RI in EUR (up 1.89%).

In April and so far in May, the value rotation and basic resource themes are losing momentum because of fears of a strong economic deceleration. In that context, our "Barbell" strategy on our stock portfolio, i.e. complement our exposures to reopening economies (consumer stocks) and accelerating capex and infrastructure investments with commodity stocks, does not generate alpha anymore. Despite a very good earnings season. We keep our convictions for the coming months.



**DAVID FINCH, CEO,**  
Co-manager

The strong acceleration in the surge of real bond yields, coupled with the inflationary and supply chain pressures, has brought forth a resurgence of fears of a US monetary error and recession. We think these fears should ease. Most of deep economic recessions come from weakening balance sheets and current corporates / households balance sheets remain healthy despite inflation. The Fed must balance two opposite targets, ie maintain its credibility in the fight against inflation and avoid a deflationary scenario resulting from an economic hard landing. But among the two, Fed members know that the second one would be much more damageable in an indebted world. A peaking inflation in the coming months should reassure investors, reduce the risk of overtightening by the Fed and increase the probability of a US soft landing.

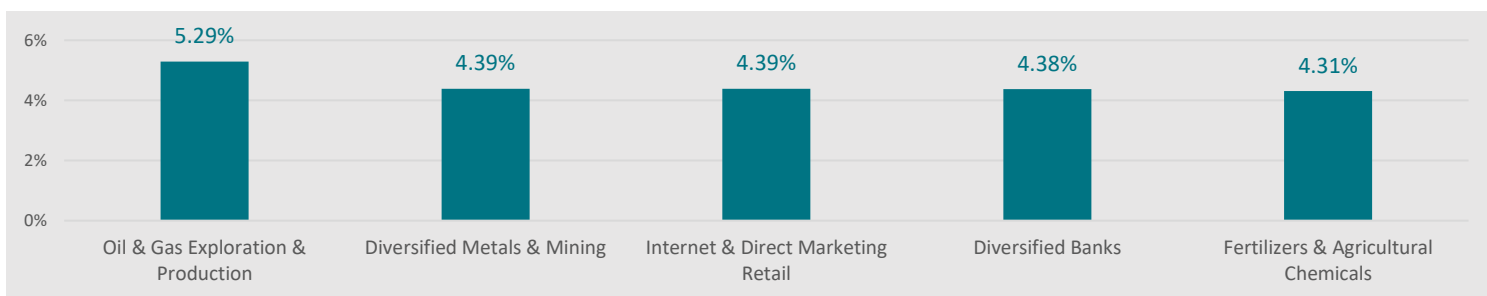
The second risk, a Chinese hard landing because of lasting Covid lockdowns, should also be put in perspective and the sell-off of commodity stocks looks like a buying opportunity ahead of a very large Real Estate and Infrastructure effort from China. This program is inspired in the short term by the need to offset the dire impact of the lockdowns on economic growth ahead of the 20th National Congress of the Chinese Communist Party later this year. From a strategic point of view, the program is needed to accelerate the energy transition in China – for both practical and strategic reasons. China imports 12m barrels of oil a day – around 60% of its petroleum products consumption. The faster it can move to self-generated electricity the more independent it will become from potentially crippling sanctions in the future.



**NAN ZHANG, CFA,**  
Co-manager

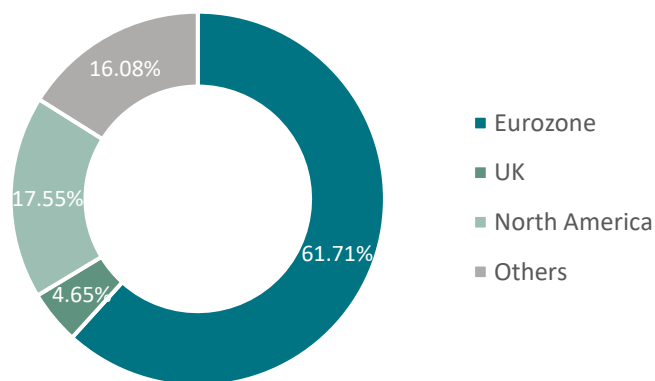
In April, the alpha is less broad based than in March, with less sectors and themes contributing (significantly) to the performance: Energy shipping (International Seaways up 23,5%, Euronav up 15,0% and Flex LNG up 7,8%), Metal Mining / Steel (Alphamin up 22,4% and New Century up 17,9%), Agrichemicals (Oci up 13,2% and K+S up 17,3%), Communication services (JOYY up 15,0% and Hyve up 7,6%) and Sacyr bond (up 9,1%).

## Top 5 Sectors of Equity and Bonds

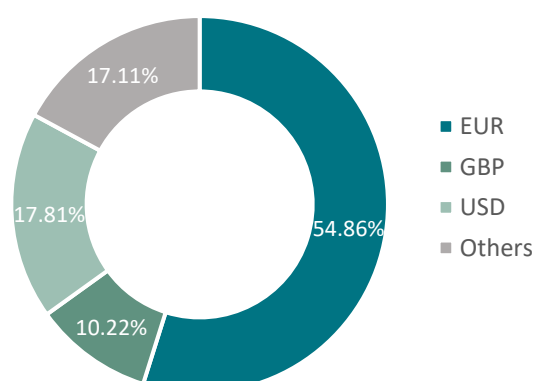


Note: The classification above is based on the GICS sector definition.

## Country Breakdown



## Currency Breakdown



## Top 5 Equity Holdings

| Company Name              | Country | Weight        |
|---------------------------|---------|---------------|
| Unibail                   | FRANCE  | 3.28%         |
| Alibaba Group Holding Ltd | CHINA   | 2.95%         |
| K & S                     | GERMANY | 2.38%         |
| Telecom Italia            | ITALY   | 1.92%         |
| UniCredito Italiano       | ITALY   | 1.83%         |
| <b>Total</b>              |         | <b>12.36%</b> |

## Risk Indicators

| Risk Indicators | 1 Year | Since inception |
|-----------------|--------|-----------------|
| Volatility - I  | 13.79% | 13.52%          |
| Sharpe Ratio    | 0.51   | 1.50            |

Source: Ixios AM

### Disclaimer

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