

INVESTMENT OBJECTIVE

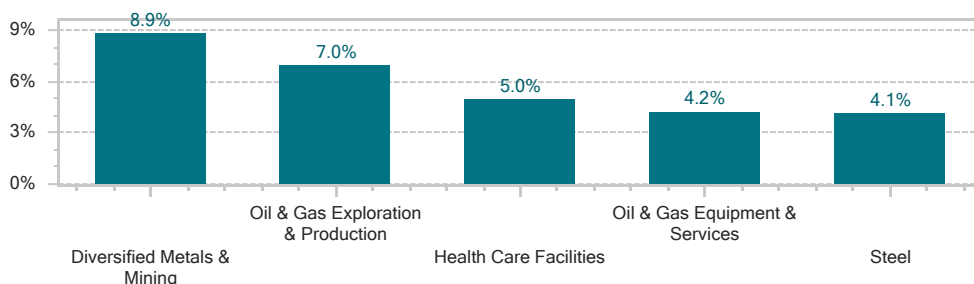
Ixios Special Situations Fund is an open-end fund registered in France. The Fund seeks capital appreciation over the medium to long-term. The Fund invest in equity securities of companies involved in, or are undergoing event driven situations, or corporate events. The Fund's objective is to seek, over the recommended investment period, an annualised return that exceeds 8% (for class I).

HISTORICAL PERFORMANCE



Past performance is not an indication of future performance. It may vary over time. Reported performance is net of fees.

Top 5 Equity and Bond Sectors



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

MANAGEMENT TEAM COMMENTARY

The fund is down 6.77% on the I share class vs the MSCI World RI in EUR which is down 2.74%. The end of the Fed monetary tightening cycle creates a surge of cross asset volatility on all asset classes (equities, sovereign bonds, credit, US dollar and commodities). Central banks must drive volatile financial conditions with diverging messages, until the inflation rates show a clear sustainable normalizing trend. We prefer to hold our positions (i.e., our stock picking convictions) through this uncomfortable period even if they are volatile (mainly for macro reasons).

Among the negative contributors, we would note Teck Resources, Adevinata, Covestro and Clariane CB. As opportunities arise, we are reducing our convertible bond holdings, which represent around 10% of the portfolio. Among the positive contributors, we would note Maire Tecnimont, Gap and oil shipping.

Teck Resources was impacted by the length of spin-off process and statement from CEO as saying that the Board may not accept the highest bid for its metallurgical coal asset. He did not comment on specific bids or the expected outcome but aims to conclude the process by year-end. Japan's JFE Steel reaffirmed its interest for this asset. A list of suitors includes Glencore, India's JSW Steel, and Pierre Lassonde.

We said last month that Adevinata received a bid from a consortium led by Blackstone. For the moment financial terms of the transaction are unknown. On 23 October, a Bloomberg article mentioned that the bidders were reassessing their plans due to unfavorable market conditions and pricing gap Adevinata's share price fell by nearly 10%. However, we are confident that a deal will be sealed, and we are just in negotiation phase. We said in the last monthly report that price rumored was between NOK 130-140 (18x EV/EBITDA and 20x for average EV/EBITDA multiple in the similar previous transactions).

Covestro weighed on October's performance as discussions with ADNOC have not yet resulted in a firm offer. On potential length of M&A process. OMV (main holder ADNOC) confirmed 'active negotiations' 3.5 months after kick-off for Borealis/Borouge (ADNOC is a holder as well) merger talks. Covestro/ADNOC isn't about synergies and shareholding simplification. We think, it's about downstream extension of ADNOC's portfolio by owning Covestro as a rather independent entity. Hence, M&A process may potentially speed up after Covestro decided to enter open-ended talks 1.5 months ago, September 8th. We stick to our view on a potential transaction and regard current risk/reward attractive.

Interest in U.S. Steel is important, with some reports indicating that final bids for U.S. Steel are expected in the coming weeks. It's our top 5 conviction in the portfolio.

Following Exxon Mobil's agreement to acquire Pioneer Natural Resources for about \$59.5 billion and Chevron's deal to acquire Hess for about \$53 billion (both will be all-stock transactions), we continue to be exposed to operators in the Permian Basin, Western Texas as well as in Canada which are potential targets or acquirors among publicly traded companies.

Vincent Valdecabres - Laurent Roussel

RISK PROFILE SRI



SUB-FUND FACTS

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

SHARE-CLASSES FACTS

ISIN Codes :
• I Class: FR0013514296
• P Class: FR0013514304

Minimum Subscription :
• I Class: 100,000 EUR
• P Class: 1 share

Fixed Management Fees :
• I Class: 1.35%
• P Class: 2%

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
• P Class: 7.35% 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.

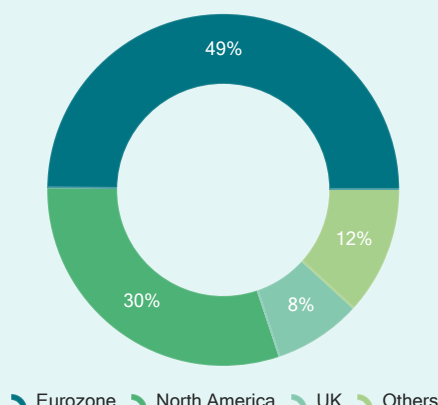
Ixios Special Situations Monthly Performances

Year	I Class	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	ITD
2023	I Class	10.06%	1.89%	-7.13%	-0.36%	-4.74%	4.32%	4.64%	-2.89%	0.80%	-6.77%	-	-	-1.52%	19.02%
	8% Objective*	0.68%	0.59%	0.66%	0.59%	0.70%	0.63%	0.66%	0.66%	0.61%	0.68%	-	-	6.64%	26.40%
2022	I Class	1.21%	0.33%	3.53%	-1.29%	1.61%	-13.17%	4.09%	-0.68%	-10.41%	6.61%	4.68%	-3.81%	-8.98%	20.85%
	8% Objective*	0.66%	0.59%	0.66%	0.61%	0.68%	0.63%	0.61%	0.70%	0.63%	0.66%	0.63%	0.63%	7.98%	18.52%
2021	I Class	-0.10%	3.87%	3.05%	1.19%	2.65%	-0.26%	-0.84%	1.97%	-0.14%	2.50%	-2.91%	3.04%	14.71%	32.78%
	8% Objective*	0.61%	0.59%	0.70%	0.63%	0.66%	0.63%	0.63%	0.68%	0.63%	0.61%	0.68%	0.66%	8.00%	9.77%
2020	I Class	-	-	-	-	-	-	-	-	-	-2.24%	14.09%	3.77%	-	15.75%
	8% Objective*	-	-	-	-	-	-	-	-	-	0.32%	0.66%	0.66%	-	1.64%

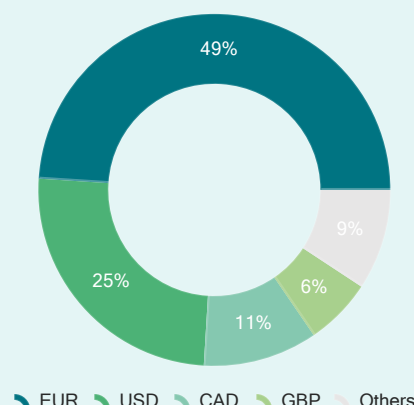
* Performance objective of 8% per year on the I share class

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COUNTRY BREAKDOWN



CURRENCY BREAKDOWN



TOP 5 EQUITY HOLDINGS

Company Name	Country	Weight
TECK RESOURCES B	Canada	4.4%
COVESTRO AG	Germany	4.0%
CRESCENT POINT ENERGY CORP	Canada	2.3%
AROUNDTOWN SA	Luxembourg	2.2%
UNITED STATES STEEL CORPORATION	USA	2.1%
Total		15.0%

RISKS INDICATORS

Risk Indicators	1 Year	Since Inception
Volatility - I	14.8%	15.9%
Sharpe Ratio	-0.06	0.37

Source: Ixios AM

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