MONTHLY FACTSHEET AS OF 31/08/2022

Promotional document

AXIOM ALTERNATIVE INVESTMENTS

Axiom European Banks Equity – Share Class C (EUR)

Sub-fund of the Luxembourg SICAV : Axiom Lux

NAV & Monthly perf.	Assets Under Management	SRRI[1]	SFDR[2]
981.0 0.30%	€ 104M	Low risk → High Risk 1 2 3 4 5 6 **7** Typically lower rewards – Typically higher rewards	6 **8** 9

Asset manager
Axiom Alternative Investments
Legal structure
Luxembourg SICAV : Axiom Lux
Strategy inception date [4]
25/03/2014
Sub-fund inception date [4]
Absorption the 11/01/2019
Share class inception date
25/03/2014
ISIN Code
LU1876459212
Minimum subscription
1 share
Share class currency
EUR
Management fees
2%
Subscription fees
0% (2% max.)
Redemption fees
0% (2% max.)
Performance fee
20% (if perf. > index)
Type of share
Accumulation
Valuation frequency
Daily
Cut-off and settlement day
before 12.00 PM / 3 business days
Main risks
Risk related to the use of financial futures instruments (IFT), equity risk, liquidity risk (for more information please refer to the Fund's prospectus)

Investment objectives[3]

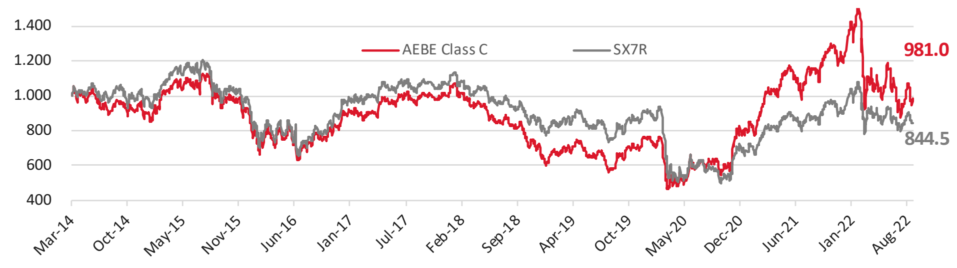
The objective of this Fund is to achieve, over a minimum 5-year investment horizon, a return (net of management fees) similar to or greater than that of its benchmark (Stoxx Europe 600 Banks Net Return[5]). The Fund is actively managed and references the Stoxx Europe 600 Banks Net Return[5] (the "Benchmark") for comparative purposes only.

Historical performance (EUR)[4]

	Annual performances[6]				
	2018	2019	2020	2021	2022
AEBE - C	-37.89%	21.31%	6.84%	56.84%	-22.04%
SX7R	-25.37%	13.52%	-24.42%	38.54%	-10.47%

	Annualized Performances[6]			Cumulated Performances[6]					
	3 years	5 years	Since inception	1 month	YTD	1 year	3 years	5 years	Since inception
AEBE - C	18.69%	0.23%	-0.23%	0.30%	-22.04%	-14.44%	67.19%	1.17%	-1.90%
SX7R	3.71%	-4.08%	-1.98%	-1.01%	-10.47%	-2.97%	11.56%	-18.80%	-15.55%

Net of fees performance since inception (base 1000)[4]



Key metrics

Number of positions	33	1 year Beta	1.35
1 year Sharpe ratio	-0.44	1 year volatility	41.22%
1 year Information ratio	-0.77	3 years volatility	37.23%
3 years Information ratio	1.20	Correlation to the SX7R since inception	0.96

Past performance is not indicative of future results

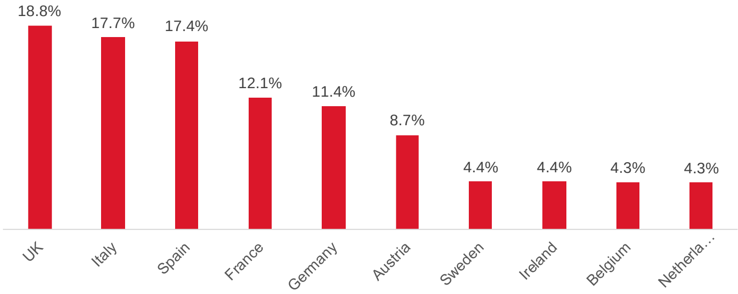
Internal source from Axiom AI | Risk and reward profile represents the annual historical volatility of the sub-fund over a 5-year period. Historical data such as that used to calculate the synthetic indicator may not be a reliable indication of the Fund's future risk profile. The risk category associated with the Fund is not guaranteed and may change over time. The lowest risk category does not mean "risk free". The capital initially invested is not guaranteed | [2] Refer to page 3 of the document | [3] There is no guarantee that the investment objective will be achieved or that there will be a return on investment | [4] Fund created as a FCP under French law on 25/03/2014 before being absorbed by the SICAV Axiom Lux under Luxembourg law on 11/01/2019 | [5] More information about the index : https://www.stoxx.com/index-details?symbol=SX7R | [6] Net of fees performances

Axiom European Banks Equity

AXIOM
ALTERNATIVE INVESTMENTS

Portfolio breakdown (in % of assets)

Breakdown by country[1]



Top 5 issuers, indexes excluded [1]

Issuer	%
Unicredit	7.4%
HSBC	7.1%
Deutsche Bank	7.0%
Intesa Sanpaolo	6.0%
Société Générale	6.0%

Monthly commentary

ANTONIO ROMAN
Portfolio Manager

DAVID BENAMOU
Portfolio Manager

August was a hectic month for markets as inflation and energy remained at the forefront of investors' concerns. Hawkish central banks sent bonds lower with Bund yields touching 1.54%, 10Y gilts at 2.80% and 10Y USTs at 3.19%. The Subfin and Xover ended the month wider at 240 bps and 588 bps, respectively. Banks outperformed the market, with the SX7R returning -1.1% vs. -5.1% for the SXXR.

Newsflow was dominated by energy supply risks as Russia announced a full stop to NS1. This brings total Russian gas cuts to 80% of pre-invasion flows. Should Russia stop all exports, simulations show that further demand cuts would be necessary in case of a cold winter. The size of household and business support programs announced to date in the EU equals c. 2.5% of GDP (3.5% in Greece, 3% in Italy and 2% in Germany).

Bank analysts continued to restrike their earnings expectations higher as sensitivity to interest rates and strong lending outweighed salary inflation and a more prudent credit losses outlook. Price / book ratios at 0.5x are consistent with an average deflationary recession being priced in. While the typical recession knocks out 40% of bank earnings, our pessimistic scenario only sees a 15-20% impact with inflation and rates offsetting a jump in defaults. As such, we believe earnings resilience should provide support at these levels.

Q3 results could be a catalyst for a rally absent further negative headlines on the energy and tax fronts. Lending and market activity remained strong. Though bank executives are warning that credit losses should increase going forward, they are not seeing defaults trending higher yet. As a result, a sector beat on NII and asset quality is highly likely.

These examples do not constitute an investment recommendation

Internal source from Axiom AI [1] Single name derivatives included

Glossary

Volatility: the volatility of a security or fund indicates how much the price of that security or fund may vary, up or down, from its average price, over a given period of time.

Sharpe ratio: measures the difference in profitability of a portfolio of financial assets (e.g. equities) compared to the rate of return of a risk-free investment (i.e. the risk premium, positive or negative), divided by an indicator of risk, the standard deviation of the profitability of this portfolio, i.e. its volatility. The higher the standard deviation, the greater the risk-adjusted outperformance of the asset.

Information ratio: measures the excess return relative to a benchmark divided by the volatility of those excess return.

Correlation: the correlation between two financial assets, or more generally between two random variables, is the strength of the link between these two variables. The closer the coefficient is to the extremes, the more the variables are correlated, i.e. linearly dependent on each other.

Beta: compares an asset's movements against its benchmark market, which helps determine its risk level relative to other benchmark assets.

Main risks

Risk of loss of capital: the sub-funds do not offer any protection or guarantee. As a result, investors may not be able to fully recover their initial investment.

Operational risk: the risk of losses resulting from inadequate or failed internal processes, people, systems or external events. The occurrence of these risks may cause the net asset value of the fund to fall

Currency risk: as some of the assets may be denominated in currencies other than the reference currency, the sub-fund may be affected by changes in exchange controls or in the exchange rates between the reference currency and these other currencies. For this reason, the sub-fund will systematically hedge against this risk. However, a residual risk remains. These exchange rate fluctuations may cause the net asset value of the sub-fund to fall.

Credit risk: this risk arises from the possibility that an issuer of bonds or debt securities may not be able to honour its payment obligations, i.e. the payment of coupons and/or the repayment of capital at maturity. Such a default may result in a decrease in the net asset value of the sub-fund (including total return swaps or DPSs). This also includes the risk of a downgrade of the issuer's credit rating.

Counterparty risk: A sub-fund that invests in OTC derivatives may be exposed to the risk arising from the creditworthiness of its counterparties and their ability to meet the terms of such contracts. The sub-fund may enter into forward contracts, options and swaps, including CDS, or use derivative techniques, which involves the risk that the counterparty may not meet its obligations under each contract.

Exchange rate: Any investment in equities may involve directly or indirectly an exchange rate risk. While the net asset value of the sub-fund is calculated in its reference currency, the performance of an underlying asset or its components denominated in a currency other than the reference currency will also depend on the exchange rate of that currency. Similarly, the currency other than the reference currency in which an asset of the sub-fund is denominated implies a currency risk for the sub-fund.

Liquidity risk: risk arising from the difficulty or impossibility of selling securities held in the portfolio when necessary and at the price at which the portfolio is valued, due to the limited size of the market or insufficient trading volumes on the market where these securities are usually traded. The realisation of this risk may result in a decrease in the net asset value of the sub-fund.

Use of derivatives: If a sub-fund whose performance is linked to an underlying asset frequently invests in derivatives or securities other than the underlying asset, derivative techniques will be used to link the value of the shares to the performance of the underlying asset. While the prudent use of such derivative techniques may be beneficial, derivatives also involve risks which in some cases may be greater than the risks associated with more traditional instruments. Transaction costs may be associated with the use of such derivatives.

Climate/ESG data risk: The Management Company's ESG integration process relies on third party data from climate/ESG data providers. Data providers may apply different models and use different sources of information, which may contain inaccurate, incomplete or unaudited data. In addition, where data is insufficient, data providers may use internal methods to produce subjective estimates and approximations. Similarly, the Management Company conducts qualitative analysis based on self-reported information, which is generally not audited by a third party. As the portfolio manager bases its investment decisions on this data, this uncertainty in data collection may have a negative impact on the performance of the portfolio.