MONTHLY FACTSHEET AS OF 31/05/2024

Promotional document

AXIOM ALTERNATIVE INVESTMENTS

Axiom Obligataire – Share Class IC EUR(v)

Sub-fund of the Luxembourg SICAV : Axiom Lux

NAV & Monthly perf.	Assets Under Management	Risk and reward profile[1]	SFDR[2]
1336.0 1.63%	€ 449M	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]	23/07/2009
Sub-fund inception date [4]	Absorption the 25/01/2019
Share class inception date	23/03/2016
ISIN Code	LU1876461465
Minimum subscription	250 000 EUR
Share class currency	EUR
Management fees	12%
Entry charge	0% (2% max.)
Exit charge	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	Credit risk, counterparty risk, liquidity risk (for more information please refer to the Fund's prospectus)

Investment objectives[3]

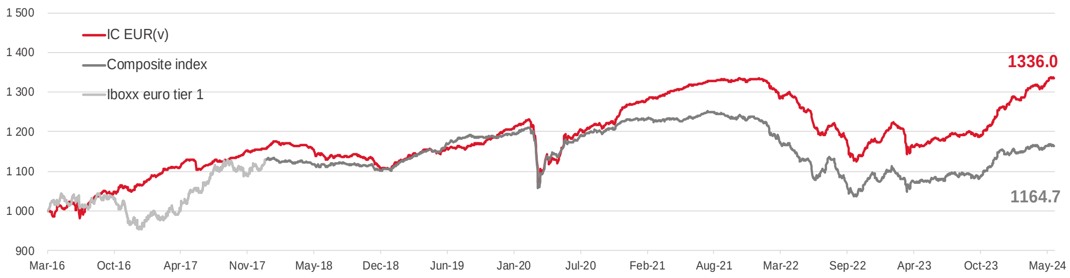
The objective of this Fund is to achieve, over a minimum 3-year investment horizon, a return (net of management fees) similar to or greater than that of its benchmarks : ICE BofAML Euro Financial Index (40%), ICE BofAML Euro Corporate Index (40%) and ICE BofAML Contingent Capital Index (20%)[5]. The Fund is actively managed and references the Benchmarks for comparative purposes only.

Historical performance (EUR)

	Historical performance[7]					
	2018	2019	2020	2021	2022	2023
Axiom Obligataire – IC EUR(v)	-4.26%	8.91%	5.42%	4.90%	-12.05%	7.72%
Benchmark	-2.03%	7.80%	3.25%	0.15%	-12.87%	7.32%

	Cumulated performance[7]					Annualized performance[7]		
	1month	YTD	1year	3 years	5 years	3 years	5 years	Since inception
Axiom Obligataire - IC EUR(v)	1.63%	5.77%	13.58%	1.85%	16.64%	0.61%	3.13%	3.60%
Benchmark	0.64%	1.05%	7.71%	-5.40%	1.29%	-1.83%	0.26%	1.88%

Net of fees performance since inception (base 1000)



Key metrics[6]

Number of positions	135
Volatility 5 years	4.15%
Volatility 3 years	3.51%
Sharpe ratio 5 years	0.55
Sharpe ratio 3 years	-0.31
Spread	400 bps
Modified Duration	3.54
Credit sensitivity	2.95
Yield to call EUR	6.89%
Yield to maturity EUR	7.28%
Average rating by issuers (WARF)	BBB+
Average rating by instruments (WARF)	BB+

Past performance is not indicative of future results

Source : Axiom Alternative Investments | [1] 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 the 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 07/23/2009 before being absorbed by the SICAV Axiom Lux under Luxembourg law on 01/25/2019 | [5] More information about the indexes : https://www.theice.com/market-data/indices | [6] Yield to maturity, excluding cash, in all currencies. Yield to maturity is the rate of return on the portfolio assuming that the securities are not redeemed and held in perpetuity | [7] Net of fees performances

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ALTERNATIVE INVESTMENTS

Monthly commentary

Management team

ANTONIO ROMAN

DAVID BENAMOU

Risk assets rallied in May as US treasuries recouped some of their April losses. US growth and inflation surprised to the downside, while the opposite is true in Europe. The yield on US 10y treasuries ended the month 20 bps lower at 4.5%, while Bund yields were 3 bps higher at 2.61%. The Xover and the Subfin tightened to resp. 295 bps and 105 bps, not far from their all-time lows.

Central banks have turned slightly more hawkish following a series of disappointing inflation prints. In the US, annualized core PCE and core services PCE are still trending above 3%. In Europe, there was an upside surprise in negotiated wages driven by Germany bonus payments. May core HICP rose to 2.9%, with the services component reaching 4.1%. Overall, though wages are moderating, there is little evidence that inflation is reverting to 2%.

Moving to European financials, M&A continued to hit the headlines. ABN announced the acquisition of Hauck Aufhauser Lampe, a mid market private bank in Germany. There were rumors of talks between EFG and Julius Baer. After shareholder approvals, the two UK deals (Virgin - Nationwide and Coopbank - Coventry) have advanced to the next stage and are expected to complete in late 2024 or early 2025. Unicredit is said to be looking at a potential acquisition of FiBank in Romania. In an interview with Bloomberg, Emmanuel Macron indicated that he was supportive of cross-border banking M&A, even if it involved a French target.

On the regulatory front, the EU CMDI (Crisis Management and Deposit Insurance) package seems to be making progress. The proposal extends the resolution toolkit to smaller banks, introduces a single-tier depositors preference, and clarifies the interaction between deposit guarantee schemes and the single resolution fund. In the US, the initial Basel 3 Endgames proposals have been significantly watered down, with the total increase in required capital levels now estimated at ~10% vs. ~20% initially. ECB governor Villeroy de Galhau urged the EU to push back the implementation of the new market risk regulations to make sure EU banks won't be at a disadvantage versus their US counterparts.

In other news, the Italian factoring specialist BFF has been subject to a dividend and bonus ban following a Bank of Italy investigation, which showed that the bank did not correctly apply the Definition of Default regulations.

Primary markets remained buoyant. Aareal returned to the market with a senior non-preferred which priced at +255 bps. The Portuguese insurer Fidelidade issued an inaugural RT1. Satander, Erste Bank and Intesa printed new AT1s, all with a 7% coupon. CCF holdings announced a tender on its existing AT1 together with a new 200mm deal.

Fund's activity

On the primary market, we participated in the issue of Fidelidade, a BBB- rated RT1 bond offering a yield of 7.81% in EUR.

We also bought a perpetual RT1 bond issued by Pension Insurance Corporation. The bond offers a yield of 8.11% in GBP for a BBB rating. We increased our position in Utmost's AT1 perpetual bond.

It does not constitute an investment recommendation.

Portfolio Management and Research team

David
BENAMOU
Managing Partner
Chief Investment Officer

Jérôme
LEGRAS
Managing Partner
Reseach diretor

Antonio
ROMAN
Partner
Portfolio Manager

Adrian
PATURLE
Managing Partner
Portfolio Manager

Paul
GAGEY
Portfolio Manager

Laura
RAMIREZ
ESG Analyst

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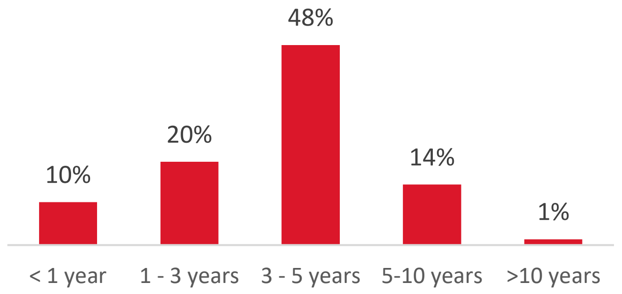
Portfolio breakdown (in % of assets)

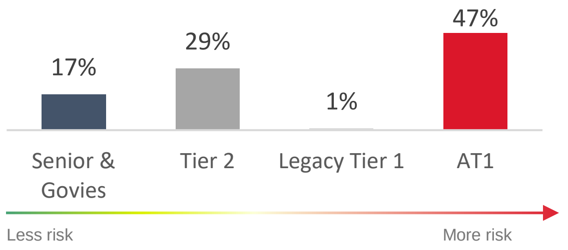
Breakdown by maturity[1]



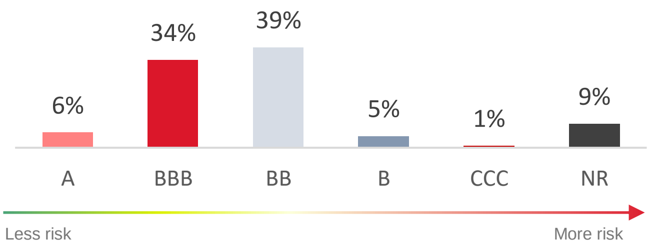
Top 5 issuers[2]

SAXO BANK	**2.59%**
FIDELIDADE CIA SEGUROS	**2.55%**
DEUTSCHE BANK AG	**2.15%**
MAREX GROUP PLC	**2.04%**
CAIXABANK SA	**1.95%**

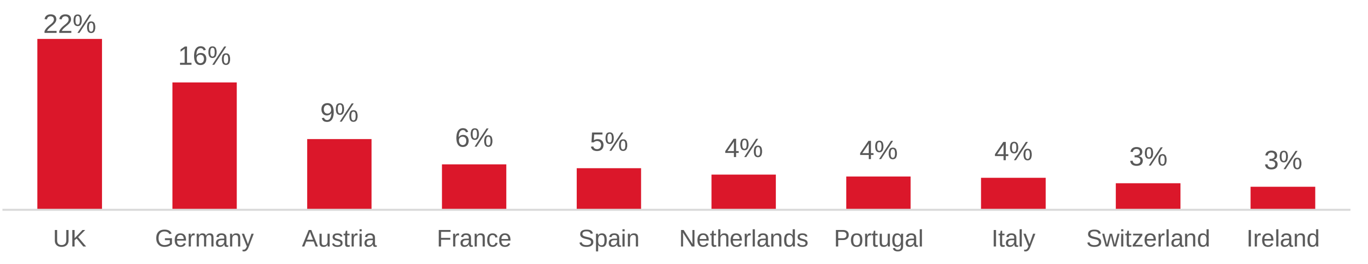
Breakdown by subordination[3]



Breakdown by rating[3]



Top 10 country[1]



Glossary

Debt subordination	The general principle is that when there is not enough money to pay all the debts, the subordinated debt will be paid after the other debts.
Tier 1	These securities do not have priority in the event of liquidation, they do not have a maturity date, their coupon is optional and cannot be accumulated. They are the riskiest debt securities and therefore offer some of the highest returns.
Legacy bonds	Hybrid debt that was eligible as regulatory capital under Basel 1 or Basel 2 and that is not eligible under Basel 3.
Contingent convertible (Coco)	Securities that can be converted into shares under certain circumstances, usually when a solvency ratio threshold has been crossed.
ITR (Implied Temperature Raise)	Also known as 2° alignment metric, is a forward-looking measure that attempts to estimate a global temperature associated with the greenhouse gas emissions of entities in a portfolio or investment strategy.
ESG	Refers to the Environmental, Social and Governance (ESG) criteria that enable an analysis of a company's non-financial performance.
Energy transition	Refers to the transition from the current energy production system, mainly based on fossil fuels, to an energy mix based largely on renewable or low carbon energies.

Source : Axiom Alternative Investments | [1] Analysis calculated on the scope of interest rate instruments; all derivatives excluded except single-name CDS| [2] Excluding Government bonds | [3] Fixed income securities only

Our ESG and climate approach

Methodology

Our selection of holdings takes into account the following ESG criteria:

- **Exclusion policy :** determines the exclusions we make due to proven controversies, and sectoral or thematic restrictions.
- **ACRS - Axiom Climate Readiness Score :** Our proprietary tool devised to analyze the climate readiness and impact of issuers.
- **ESG database:** ESG performance analysis of the companies and their rating.

Our climate approach

The fund takes into account the climate performance of banks and insurers in the following aspects

Corporate Engagement

Determines the degree of priority given to climate change by the company's top management, its climate strategy and objectives, and the degree of transparency

Climate Risk and Opportunities

Evaluates the processes implemented and tools used to identify, measure and mitigate exposure to climate-related risks, as well as its approach to seizing the opportunities of the energy transition.

Climate Contribution

Assesses the share of the issuer's investments and/or loans in companies or financial instruments that contribute to the transition. In the case of banks, the implied temperature increase of the corporate loan portfolio is calculated.

ESG Key metrics

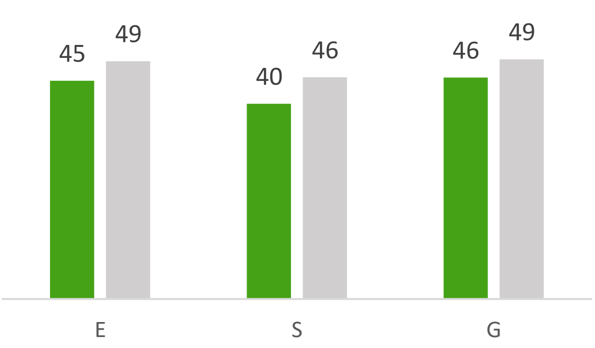
Axiom Obligataire | Investment universe

Key metrics

	AXIOM OBLIGATAIRE		*Universe*	
	Average	**Issuer coverage**	*Average*	*Issuer coverage*
ACRS	**41%**	**34**	*42%*	*76*
°C	**2.7**	**52**	*2.8*	*96*
ESG	**43**	**64**	*48*	*628*

The ACRS, implied temperature (°C) and ESG scores represent 38%, 58% and 71% of the fund's assets respectively (index & derivatives excluded).

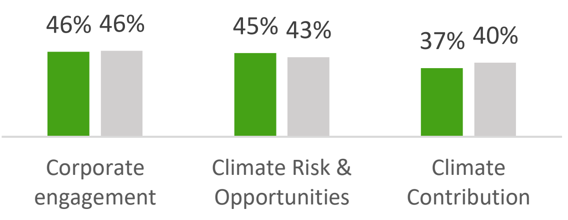
ESG average ratings



Top 5 holdings by ACRS

	ACRS	ESG	ITR
DE VOLKSBANK NV	63%	n/a	2.4
LB BADEN-WUERTTEMBERG	56%	39	2.6
COMMERZBANK AG	53%	54	2.7
NATWEST GROUP PLC	52%	51	2.8
HAMBURG COMMERCIAL BANK	49%	n/a	2.4

ACRS by pillars



More information on our climate approach is available upon request.

Source: Axiom Alternative Investments based on data from S&P Market Intelligence, Iceberg datalab, internal research | The estimates presented here cannot be compared to other ESG or climate funds as they are based on a proprietary methodology developed by Axiom Alternative Investments. Our methodology relies on third-party data from ESG/Climate data providers that may contain inaccurate or incomplete data. In the event of insufficient data, these providers may resort to estimates and approximations using internal methodologies that may be subjective. As we rely on this data for our investment decisions, such uncertainty can negatively impact portfolio performance.

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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 realization 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.