IXIOS SPECIAL SITUATIONS

Monthly report - 31/03/2025

Signatory of: PRI Principles for Responsible Investment

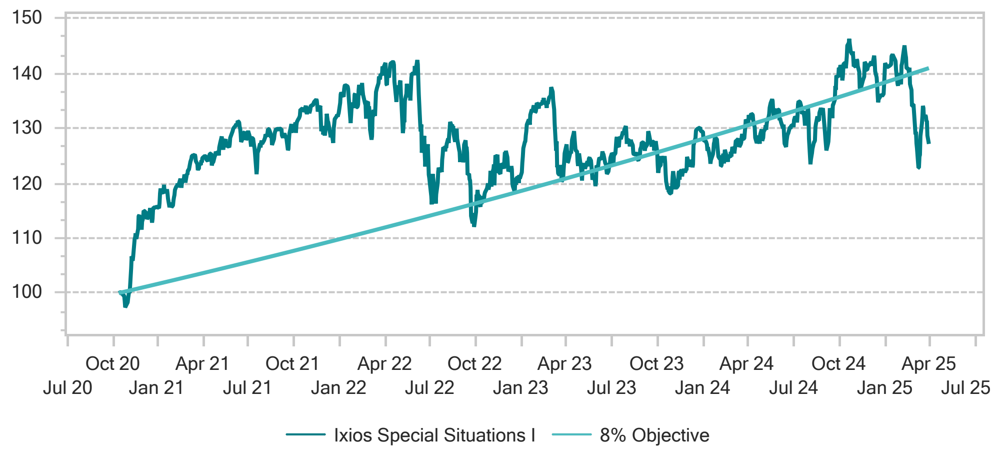
Soutenu par le fonds de place 2i Sélection Le fonds révélateur de talents

IXIOS Asset Management

INVESTMENT OBJECTIVE

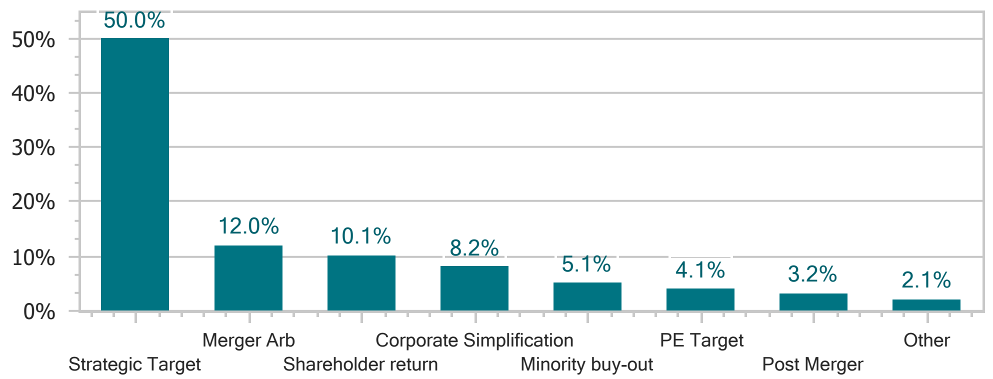
Ixios Special Situations Fund is an open-end fund registered in France. The Fund seeks capital appreciation over the medium to long-term. The Fund invest in equity securities of companies involved in, or are undergoing event driven situations, or corporate events. The Fund's objective is to seek, over 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.

Type of Event - Breakdown



RISK PROFILE SRI

Lower Risk Potentially lower return

1 2 3 **4** 5 6 7

Higher Risk Potentially higher return

SUB-FUND FACTS

Fund inception date: 15/10/2020
Recommended investment: > 5 years
Fund domicile: France
Management Company: Ixios AM
Custodian: Société Générale
SFDR Status: Article 8

SHARE-CLASSES FACTS

ISIN Codes & Bloomberg Tickers :
- I Class: FR0013514296 / IXRECIE FP
- P Class: FR0013514304 / IXRECPE FP

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

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

Performance Fees:
15% the bet performance over benchmark with 5 years underperformance offset

Performance Benchmark:
- 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.

MANAGEMENT TEAM COMMENTARY (1/2)

The Special Situation Fund posted a return of -5.39% in March vs MSCI World Net Total Return (EUR) at -8.12%. The market declined once more due to persistent worries about U.S. economic growth and inflation, compounded by uncertainty surrounding the Trump administration's tariff announcement scheduled for April 2nd. Throughout the month, fears about rising inflation intensified, as the Federal Reserve's favored gauge, the core PCE, exceeded expectations for February, reaching 2.8%. With the possibility of elevated tariffs on the horizon, the University of Michigan Consumer Survey reported long-term inflation expectations at their highest since February 1993. Meanwhile, corporate updates hinted at a weakening U.S. consumer following an extended period of resilience.

In March 2025, the Canadian Oil producer Veren entered into a transformative all-stock merger with Whitecap Resources, valued at approximately C$15 billion, including net debt. Under the terms, Veren shareholders received 1.05 Whitecap shares per Veren share at 39% premium, resulting in Veren investors owning about 52% of the combined entity. The merger creates Canada's seventh-largest oil and gas producer, with a production capacity of 370,000 boe/d and the largest landholder in Alberta's Montney and Duvernay shale regions. We owned Veren before the transaction and cut in half our exposure.

MANAGEMENT TEAM COMMENTARY (2/2)

The fund maintains a 15% exposure to the energy sector, with a diversified portfolio including Canadian oil producers, European natural gas producers, US-listed producers with exposure to Latam / Africa and Off Shore drilling companies. But the fund does not have any exposure to US shale companies because if oil price remains in the low 60s for a few weeks, we should see a significant drop in US production during the second semester. Many US shale producers have an oil breakeven point at 65 USD. The US production loss over 12 months, could in fact come close to a typical demand growth shortfall in a global recession (around to 1mbd). If OPEC+ decides to pause its production increase, it would then find it easy to keep the physical markets tight. The issue is that the oil markets might not be in a position where they can afford a significant US production loss in H2 triggered by low prices today with a usual lag of ~6 months. Despite near-term headwinds – driven by global demand uncertainties and macroeconomic concerns, including fears of higher tariffs – the oil market's fundamentals suggest undervaluation at current levels.

The recent Veren-Whitecap merger shows the consolidation trend we've anticipated, enhancing scale and operational efficiency for our portfolio. However, the broader sector has yet to see the wave of M&A activity we expect, which continues to weigh on smaller and mid-cap names like those in our holdings. From a market positioning perspective, speculative interest in oil remains near historic lows, with financial players heavily short, particularly in the front end of the curve. Looking ahead, we believe the oil market is poised for a rebound this year. Potential catalysts include a stabilization in global demand as central banks ease monetary policy, negotiated trade policies that mitigate tariff impacts, and increased stimulus from Asia and Europe. Such developments could trigger a sharp re-rating of energy equities that we owned in the portfolio.

In contrast to the challenges faced by our Oil & Gas holdings, the gold and precious metals sector provided a significant tailwind to broader market sentiment this month. Mining equities benefited from improved operating margins as production costs stabilized relative to rising metal prices. Our exposure to precious metals (20% of the NAV) in gold-related special situations brings diversification.

Assura, a UK-based healthcare property developer focused on primary care facilities, became the subject of competing acquisition interest. Primary Health Properties (PHP) proposed a share-and-cash offer, with the cash component valued at approximately 20% of the total deal. To facilitate negotiations, Assura's board extended PHP's Put Up or Shut Up (PUSU) deadline–under UK takeover rules, requiring a firm bid or withdrawal–to May 5, 2025. Concurrently, KKR and Stonepeak tabled a cash offer at a higher per-share value, which Assura's board deemed more attractive due to its premium and lower risk profile. We sold our position after the bump (+16% in absolute terms).

Vincent Valldecabres - Laurent Roussel

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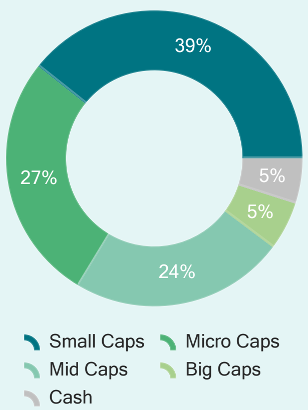
Ixios Special Situations Monthly Performances

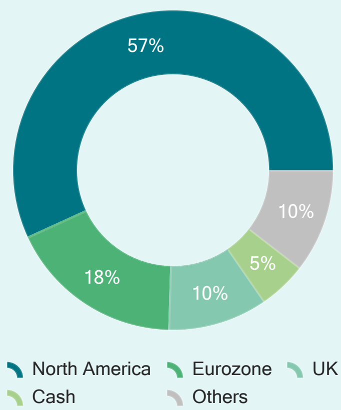
Year	I Class	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	ITD
2025	I Class	0.86%	-3.43%	-5.39%										-7.85%	27.15%
	8% Objective*	0.66%	0.59%	0.66%										1.92%	40.95%
2024	I Class	-1.99%	-1.60%	5.41%	-2.95%	4.46%	-2.10%	2.54%	-0.21%	4.25%	1.38%	0.12%	-2.43%	6.59%	37.98%
	8% Objective*	0.70%	0.61%	0.61%	0.68%	0.66%	0.59%	0.70%	0.63%	0.66%	0.66%	0.61%	0.68%	8.07%	38.30%
2023	I Class	10.06%	1.89%	-7.13%	-0.36%	-4.74%	4.32%	4.64%	-2.89%	0.80%	-6.77%	2.83%	5.77%	7.12%	29.46%
	8% Objective*	0.68%	0.59%	0.66%	0.59%	0.70%	0.63%	0.66%	0.66%	0.61%	0.68%	0.63%	0.61%	7.98%	27.98%
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*
Past performance is not an indication of future performance. It may vary over time. Reported performance is net of fees.

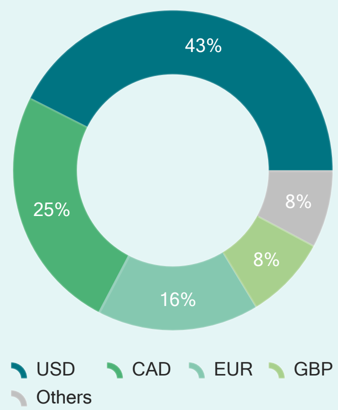
MARKET CAP BREAKDOWN



COUNTRY BREAKDOWN



CURRENCY BREAKDOWN



Micro < 300M€ <= Small < 1bn€ <= Mid < 2bn€ <= Big <10bn€ <= Large

RISKS INDICATORS

Risk Indicators	1 Year	Since Inception
Volatility - I	15.3%	15.5%
Sharpe Ratio	-0.22	0.36

Source: Ixios AM