IVO CAPITAL PARTNERS

IVO GLOBAL OPPORTUNITIES (EUR) - UCITS

FACTSHEET - AUGUST 2022

An opportunistic access to international corporate debt markets

Created in December 2019, the IVO Global Opportunities fund is a UCITS fund invested in stocks and bonds without any rating or currency constraints. The fund invests mainly, but not exclusively, in emerging countries. The investment strategy consists of building a portfolio that reflects the managers' expectations for all emerging country stocks, bond and currency markets. The strategy is totally discretionary and is mainly based on a stock selection approach (known as picking), while integrating a macro-economic dimension to refine the allocation of assets. The stock selection approach consists of choosing companies offering medium- or long-term earnings prospects, as well as growth potential. This selection is based on the fundamentals of the companies, especially the quality of their financial structure, their ability to generate cash flows, their competitive positioning in their markets, their future prospects and the quality of their management.

Fund performance review

In August, the fund recorded a positive performance of +1.3%, outperforming the CEMBI Broad Diversified HY index (+0.8% in EUR), which was mainly due to positive idiosyncratic developments.

In a context of rising US sovereign rates, the positive performance of the bond markets is explained by a compression of credit spreads by 51 bps (from 655 to 604 bps) as well as by the carry. After a major sell-off in June and July, in the US, the slowdown in inflation (+8.5% in July vs. 9.1% in June) and the resilience of the labor market, as well as the gradual reopening and fiscal stimulus in China, raised the possibility of avoiding a global recession. Despite these factors, the US 10-year yield rose by 55 bps, ending at 3.19%, as investors expected inflation to remain high in the near term. At the Jackson Hole symposium at the end of the month, Jerome Powell confirmed his commitment to maintaining a tight monetary policy, with price stability as the priority. Most investors expect the Fed to raise interest rates by another 75 bps in September, while expectations of monetary easing in 2023 appear to be in doubt. In the Eurozone, August inflation (+9.1%), which reached an all-time high, and a low unemployment rate have led to expectations of a 75bps rate hike by the ECB in September. In response to these fears about the global economy, emerging bond markets proved resilient compared to equity markets, with the S&P closing the month at -4.2%, but also to US High Yield (-1.9%).

The three countries that recorded a positive performance were Argentina, China, and Ukraine. After the sell-off following the resignation of the Minister of Economy Martin Guzman in July, the appointment of Sergio Massa to replace him reassured investors that Argentina (+8.8%) will respect its agreement with the IMF. In China (+7.3%), the authorities announced the release of up to 200 billion yuan ($29bn) in loans to developers to ensure the completion of stalled property projects. The Chinese government also announced 19 measures to help stabilize the economy, including increasing the quota of state-owned banks' financing tools by 300 billion yuan ($43 billion). In addition, six property developers have entered a state-guaranteed loan issuance program, which has sent a positive signal about the government's willingness to support the sector, and has benefited all developers. However, we have not increased our exposure to the sector, where volatility is still high and we believe that there is still a significant risk of default on a good number of issuers, particularly the most vulnerable. Finally, in Ukraine (+5.9%), issuers benefited from the slight rebound in the bond markets, while the military conflict with Russia continues. We maintained our exposure to Ukraine (4.1% of the portfolio), as we believe valuations are still attractive given the credit quality of companies. In Macau (-2.7%), although gaming revenue was slightly up in August compared to July, it was only 9% of pre-covid levels due to restrictive policies with China and visa restrictions. In Mexico (-1.9%), the unexpected default of one of the largest non-bank financials in the sector triggered a loss of investor confidence and a widespread sell-off across the sector. Finally, after several weeks of negotiations, the IMF granted a $2.9bn loan to Sri Lanka, conditional on a restructuring of its debt and the implementation of structural reforms.

This month, we have reduced or sold positions that resisted the sell-off well and where we see less upside potential, particularly in emerging Europe. Following the default of non-banking financier Unifin, we have added to some positions in the sector that have suffered from the general sell-off, and where we believe the risk/reward trade-off is attractive. One of the main contributors to performance this month was Argentine oil producer **YPF**, which reported even better than expected quarterly results and is expected to end the year at less than 1.5x net debt leverage.

Despite a slight rebound this month, concerns about the emerging high yield corporate asset class remain, due to the risk of recession, especially in Europe, exacerbated by the energy crisis linked to the Russian-Ukrainian conflict, but also to expectations of continued restrictive monetary policy to fight inflation. While central banks in developed countries are likely to maintain a restrictive monetary policy, we could see those in emerging countries, which are ahead of their rate hike cycle, start to become more accommodative from the end of the year. This is particularly the case in Latin America, where the economic slowdown and the advanced restrictive monetary cycle should allow inflation to slow down. In general, valuation levels are uncorrelated with the results of the companies in the universe, which are showing resilience. In this overall context of weak market sentiment, we believe we are well positioned, with an average accrued coupon of 10.7% and strong issuer credit profiles. In addition, our portfolio has exposure to commodity issuers that are still benefiting from high prices, as well as sectors such as airports that are taking advantage of the recovery in air traffic to deleverage. We also know that yield spreads on our asset class tend to react with a lag compared to others, especially in times of high volatility and low liquidity.

KEY FIGURES

KEY FIGURES	LU2061939489
Inception Date	December 16, 2019
NAV as of 31-08-2022	112,27
Fund Net Assets	27,2M€

RETURN

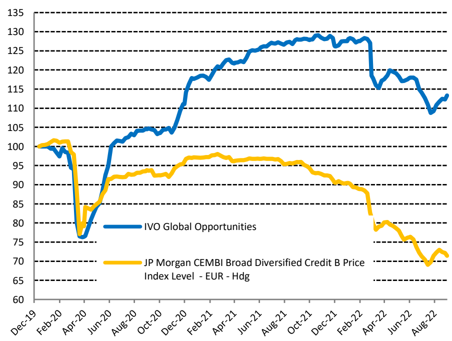
RETURN	Bonds part	Fund
Yield to maturity* (EUR)	+23,2%	+19,7%
Yield to worst* (EUR)	+22,3%	+18,9%
Adjusted yield** (EUR)	+16,0%	+12,9%

*hedging costs included : Bloomberg 1Y EURUSD Forward

FUND PERFORMANCES & RISK

Performance MTD	+1,3%
Performance YTD	-12,4%
Performance ITD	+12,3%
Annual volatility	+8,1%

NAV EVOLUTION



FUND CHARACTERISTICS

ISIN Code : LU2061939489
Bloomberg Ticker : IVOGORE LX
Fund Currency : EUR
Inception Date : December 13th 2019
Structure : Luxembourg Sicav
Fund Category : Capitalisation UCITS
Liquidity : Weekly - Valuation: Daily
Investment Horizon : At least 5 years
Investment Manager : IVO Capital Partners
Custodian : Société Générale
Auditor : Deloitte
Article 8 SFDR

OPERATING PROCEDURES

Minimum investment : 1 000€
Annual Management Fee : 2%
Performance Fee : 15% above 5% per calendar year
Subscription Fee : up to 4%
High Water Mark : Yes

MONTHLY PERFORMANCES

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	YTD
2022	-0,2%	-7,9%	+0,6%	-0,2%	-0,2%	-4,6%	-1,6%	+1,3%	-	-	-	-	**-12,4%**
2021	-0,5%	+2,7%	+0,9%	+1,2%	+1,8%	+1,4%	-0,4%	+1,1%	-0,2%	+0,5%	-1,8%	+1,5%	**+8,6%**
2020	-2,5%	-3,0%	-19,2%	+10,3%	+12,8%	+6,7%	+1,6%	+1,5%	-1,0%	+0,1%	+7,2%	+6,2%	**+18,1%**
2019	-	-	-	-	-	-	-	-	-	-	-	-0,0%	**-0,0%**

BY PERIOD

1 month	+1,3%
3 months	-4,9%
6 months	-4,7%
12 months	-12,3%

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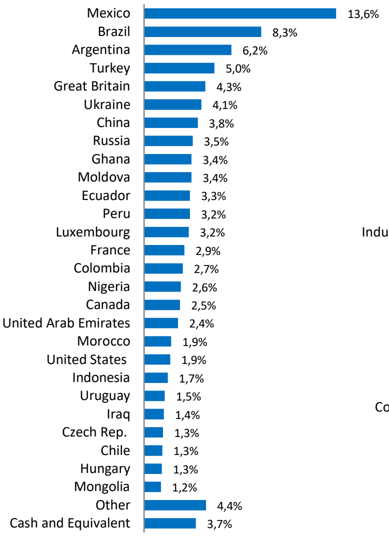
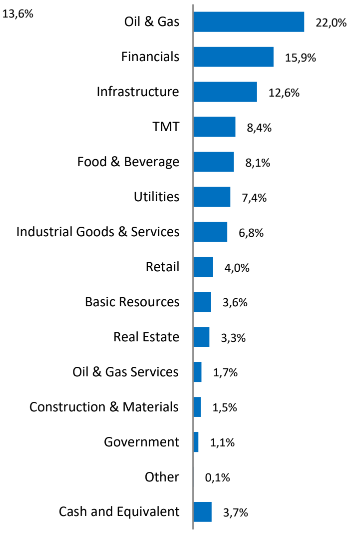
PORTFOLIO - AUGUST 2022

BREAKDOWN BY REGIONS



BREAKDOWN BY SECTORS



BOND PORTFOLIO DATA

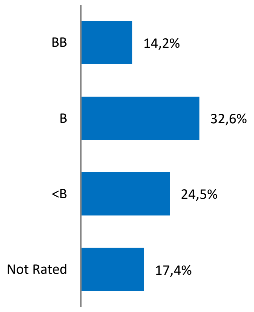
Equities exposure	**7,6%**
Yield to Maturity* (EUR)	23,2%
Yield to Worst* (EUR)	22,3%
Adjusted Yield** (EUR)	16,0%
USD Exposure	3,2%
Average Running Coupon	10,7%
Number of Issuers	107
Average Maturity	4,5
Rate sensitivity	2,9%
Adjusted Duration**	3,0
Average Rating	B
Average Issued Amount ($ million)	567
Average Percentage Holding	0,2%

*hedging costs included : Bloomberg 1Y EURUSD Forward

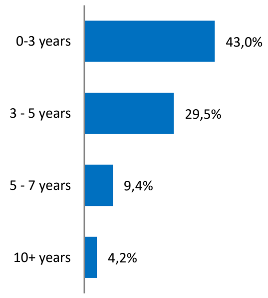
BONDS METRICS (Weighted Average)

Revenue ($ billions)	3,9
EBITDA ($ billions)	1,8
Leverage	2,7x

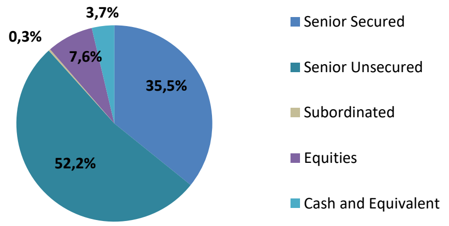
BREAKDOWN BY RATING



BREAKDOWN BY DURATION

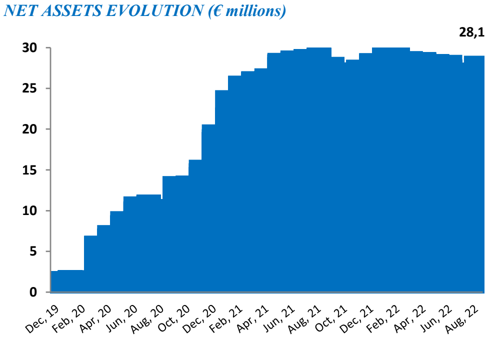


SENIORITY RANK DISTRIBUTION



10 MAIN ISSUERS		COUNTRY	SECTOR	WEIGHT
GRUPO KALTEX SA DE CV 2022	$	Mexico	Retail	3,7%
LIMAK ISKENDERUN 2036	$	Turkey	Infrastructure	3,5%
ARAGVI FINANCE INTL 2026	$	Moldova	Food & Beverage	3,5%
INTL AIRPORT FINANCE SA 2033	$	Ecuador	Infrastructure	3,4%
PERU LNG SRL 2030	$	Peru	Infrastructure	2,6%
FINANCIERA INDEPENDENCIA 2024	$	Mexico	Financials	2,6%
ELEVING GROUP SA 2026	€	Luxembourg	Financials	2,2%
SHAMARAN PETROLEUM CORP 2023	$	Canada	Oil & Gas	2,1%
INTL PERSONAL FINANCE PL 2025	€	Great Britain	Financials	2,1%
GRUPO IDESA SA DE CV 2026	$	Mexico	Industrial Goods & Services	2,0%
10 largest positions				**27,7%**

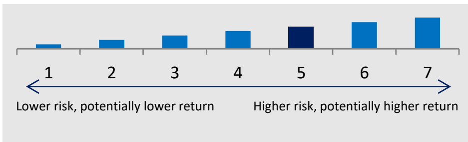
NET ASSETS EVOLUTION (€ millions)



RISK INFORMATION

- The value of your investments and any income from them may fall or rise and you may not get back the full amount you invested.
- The value of debt securities may change significantly depending on the economic and interest rate conditions, as well as the credit worthiness of the issuer. These risks are typically higher in emerging market andbelow investment grade debt securities.
- In addition, emerging markets may be subject to increased risks, including less developed custody and settlement practices, higher volatility and lower liquidity than non emerging market securities.
- Movements in currency exchange rates can adversely affect the return of your investment. The currency hedging that may be used to minimise the effect of currency fluctuations may not always be successful. Investors may have exposure to currencies other than the currency of their Share Class.
- Find further detailed risk information in the Prospectus' Appendix "facteur de risque".

RISK / REWARD PROFILE



The lowest category does not mean risk-free

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* Data adjusted by IVO CP exclude irrelevant yields and take into account the portfolio managers' expectations regarding the most likely redemption date (could be at maturity date, at the next call or put, at another call date or tender). These expectations do not always match the worst-case scenario, reflecting the lowest possible yield, but can also lead us to exclude yields that are too high and unrealistic. False hypothesis can either overestimate or underestimate the yield and duration or sensitivity of the portfolio.
Past performance is no guarantee of future results.