

SUMMARY RISK INDICATOR



The risk indicator assumes you keep the product for 3 years in accordance with the recommended holding period.

INVESTMENT OBJECTIVE

Tikehau SubFin Fund invests in the entire European market of subordinated financials, and its investment strategy consists of actively and discretely managing a diversified portfolio composed mainly of subordinate debt instruments: Legacy Tier 1, Tier 2, Additional Tier 1/CoCo, etc.

KEY FIGURES – 03/28/2024

NAV : € 170.37
AuM : € 393m
Yield to maturity : 7.1%
Yield to worst¹ : 6.9%
Volatility (last 12 month rolling) : 4.1%
12 month rolling volatility computed from daily data

MAIN CHARACTERISTICS OF THE FUND

ISIN Code : LU1585264176
Bloomberg Ticker : TIKSFRCLX Equity
Fund's inception : 07/02/2011
Portfolio Manager(s) : Thibault Douard, Benjamin Pesquier
Legal form : Sicav Luxembourg
Morningstar's classification : EUR Subordinated Bond
Reference currency : EUR
Allocation of results : Accumulation
Custodian : CACEIS Bank Luxembourg

MAIN ADMINISTRATIVE FEATURES

Entry / Exit fees : Please refer to the Sub-Fund's prospectus and KID to obtain all the information regarding the terms and operation of the Sub-Fund.
Management fees : 1.50%
Performance fees : 10.00% of the annual performance net of management fees above the ICE BofAML 3-5 Year Euro Government Index over a reference period of five years, provided that this performance fee is greater than 0 during the reference period in question. The actual amount will vary depending on how well your investment performs.
Minimum of subscription : € 1,000.00
Liquidity : Daily
Subscription/Redemption : Daily before 12:00 pm (LUX)
NAV : Unknown
Payment delivery : D+2

PROSPECTUS BENCHMARK

Annualized performance greater than ICE BofAML 3-5 Year Euro Government Index + 150 basis points, gross of management fees, over a minimum investment period of 3 years. The Sub-Fund is actively managed and refers to a benchmark indicator exclusively as an ex-post performance indicator and, where relevant, for the purpose of calculating the performance fee.

PERFORMANCES

Past performance does not predict future results, displayed net of management fees in the Sub-Fund's reference currency (according to the currency of the State of residence of the investors, the returns may increase or decrease as a result of currency fluctuations). Historical performance displayed up to July 24th, 2017 relates to past performance of a UCITS merged into the Sub-Fund, with very similar investment strategy and risk profile. The achievement of the investment objective is not guaranteed.

RISKS

The main risks of the Sub-Fund are the risk of capital loss, counterparty risk, liquidity risk, sustainability risk and credit risk (the Sub-Fund can invest 100% of its assets in bonds with low credit quality, it therefore carries a very high credit risk). For a full and detailed description of all risks, please refer to the Sub-Fund's prospectus available on the Company's website. The materialisation of one of these risks could lead to a drop in the Sub-Fund's net asset value.

Please refer to the Sub-fund's prospectus to obtain all the information regarding the terms and operation of the Sub-fund.

¹ Source: TIM, calculated from estimated repayment dates to date.

Please refer to the fund's prospectus and KID, and if necessary, contact your usual advisor before making any final investment decision.

NEWSLETTER MARCH 2024

TIKEHAU SUBFIN FUND – A-ACC-EUR

MARKET OUTLOOK

Macro/Political outlook. March monetary policy meetings took place without any major surprises. In Europe, the ECB is leaving its key rates unchanged, but is revising its inflation forecasts downwards thanks to the lessened impact of energy prices. However, the Bank feels that it does not have sufficient data for an initial rate cut, particularly as it is concerned about the wage/price loop, stating that June will no doubt be more favourable. On the other side of the Atlantic, the Fed is also leaving rates unchanged, despite the upbeat tone of Jerome Powell, who believes that the recent slight upturn in inflation numbers is only temporary, confirming the projection of three rate cuts in 2024. In the end it was left to the Swiss National Bank to surprise us, cutting rates by 25bps, while the BoJ went against the trend with its first rate hike since 2016.

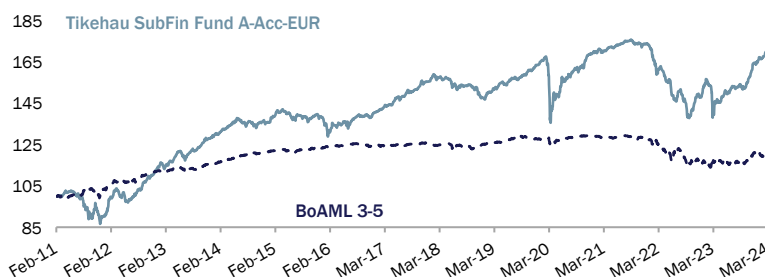
Market performance. The markets continued on an upward trajectory in March, with the S&P 500 reaching a new record, up 2.4% over the month (in USD) and, on 28/03/2024, up 10.6% since the start of the year, the Eurostoxx 50 up 4.0% over the month (in EUR) and the Nikkei up 1.3% (in JPY). The credit market is stabilising somewhat, with the German 10-year closing at 2.32% (down 9bps in March) and the US 10-year closing at 4.22% (down 3bps). Credit markets are benefiting from this favourable environment: the European IG index (ER00) rose by 1.11% in March, the High Yield European Index (HECO) by 0.39% (underperformance due to certain idiosyncratic situations such as Altice/SFR), the Tier 2 EBSL index by 1.36% and the CoCo index by 2.05% (in USD).

Other news. Publication of 2023 results are coming to an end, with Greek banks confirming their rebound and Irish banks confirming their solidity. It should be noted that the ECB has authorised a dividend payment from Greek banks for the first time since 2008, and from Monte dei Paschi for the first time since 2012, a clear illustration that the sector as a whole is returning to normal. Consolidations are once again in the air, with Nationwide taking over Virgin Money's UK operations and Ageas offering to buy Direct Line.

Primary market and fund. The primary market was active in March, with almost €8bn of subordinated debt issued, including AT1 issues from Société Générale (8.5% coupon) and Fineco (7.5%), Tier 2 issues from Sondrio, KBC, Sabadell, HSBC and National Bank of Greece, among others. Finally, ASR and NN Group are following AXA's lead, issuing RT1s (with coupons of 6.625% and 6.375% respectively). We continue to be highly selective, having only participated in the Tier 1 issue of Portuguese bank Montepio this month. The fund's main aggregates remain stable, with AT1s/RT1s making up between 60 and 65% of the fund, an embedded yield to worst of around 7%, for an average BB+ rating and a duration of 2.5 years.

Source: Bloomberg, Tikehau IM, data at 28/03/2024.

NET ASSET VALUE EVOLUTION



PERFORMANCES

Past performance does not predict future returns

ANNUAL PERFORMANCES	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Tikehau SubFin Fund A-Acc-EUR	+11.4%	-15.0%	+2.8%	+3.5%	+10.8%	-5.2%	+10.6%	+1.7%	+1.8%	+5.4%
BoAML 3-5	+5.1%	-9.9%	-1.2%	+1.3%	+1.9%	+0.1%	+0.0%	+1.5%	+1.4%	+5.6%

ROLLING PERFORMANCE	1 month	3 months	6 months	YTD	1 year	18 months	3 years	5 years	10 years	Inception
	+1.7%	+3.6%	+11.3%	+3.6%	+18.7%	+22.7%	+0.2%	+11.9%	+28.3%	+70.4%

Source : Tikehau Investment Management, data as of 03/28/2024.

RISK INDICATORS & ACTUARIAL DATA

Number of issuers : **84**
Currency Risk : **hedged**
Modified duration¹ : **2.5**
Spread Duration^{1 & 2} : **2.8**
Average coupon³ : **6.9%**
Average rating⁴ : **BB+**

¹ Source: TIM, calculated from estimated repayment dates to date.

² Indicator measuring the impact of the issuers' spreads variation on performance

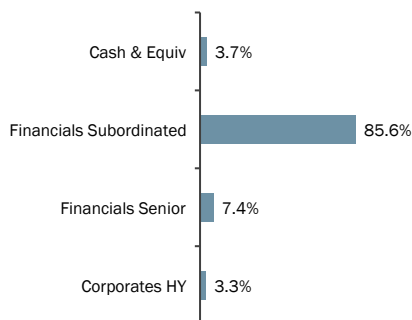
³ Figure calculated on the portfolio, ex-cash

⁴ Figure calculated on the portfolio, cash included

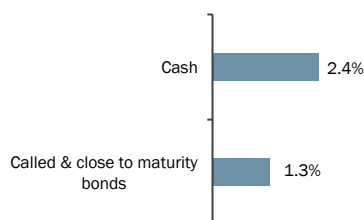
TOP 10 ISSUERS

BARCLAYS	4.5%
COMMERZBANK AG	2.9%
BANCO COMERCIAL PORTUGUES	2.8%
CAIXABANK	2.8%
BNP PARIBAS	2.7%
INTESA SANPAOLO	2.6%
DEUTSCHE BANK	2.6%
AIB GROUP	2.3%
ABANCA	2.1%
BANCO DE CREDITO SOCIAL	2.1%

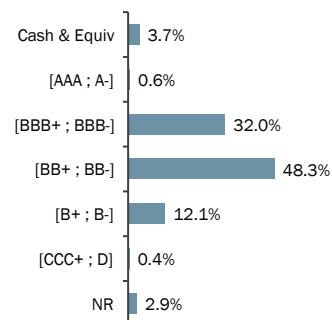
BREAKDOWN BY ISSUERS TYPE



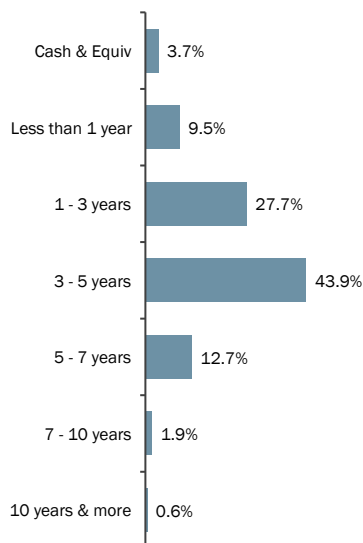
BREAKDOWN CASH & SHORT TERM INVESTMENTS



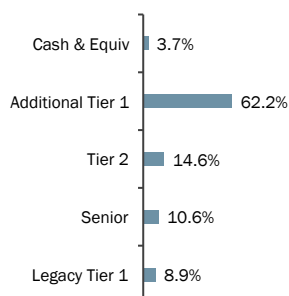
BREAKDOWN BY RATINGS - ISSUANCES



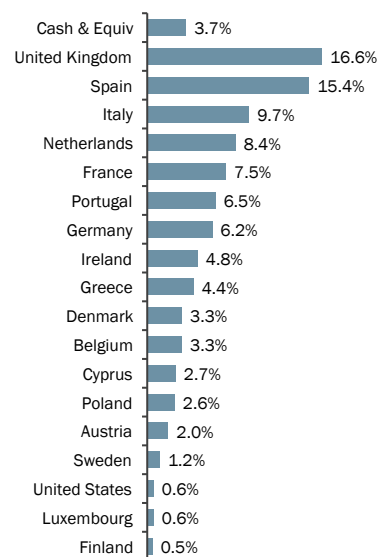
BREAKDOWN BY MATURITIES



BREAKDOWN BY INSTRUMENT TYPE



BREAKDOWN BY COUNTRY



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