

PERFORMANCE AS OF 05/07/2023

NAV: 104 590.10 €

Past performance does not predict future returns. Markets may evolve very differently in the future. However, they can help you assess how the fund has been managed in the past. Performance net of fees, dividends and coupons reinvested.

Aggregate performance

	3 months	YTD
Fund - Share I EUR	9.27%	10.04%
€STR capitalised + 5%	1.54%	4.03%

Annualised performance

	1 year	3 years	launch
Fund - Share I EUR	4.59%	-	4.59%
€STR capitalised + 5%	6.89%	-	6.89%

ADVERTISING COMMUNICATION

REPORTING CONVERTIBLE BOND FUNDS

July 2023

AUM(MIn €): 65.93

Fact sheet

Management approach

A discretionary directional international convertible bond fund that invests primarily in securities identified as being exposed to a disruptive theme, and participating in a structural change in practices, particularly economic, social or environmental.

Benchmark indicator

€STR capitalised + 5%

Recommended investment period
5 years

SFDR classification

Article 8 (funds promoting environmental or social characteristics)

Fund managers

Sébastien CARON
Nicolas SCHRAMECK
Pénélope DUGAS
Cyril BATKIN

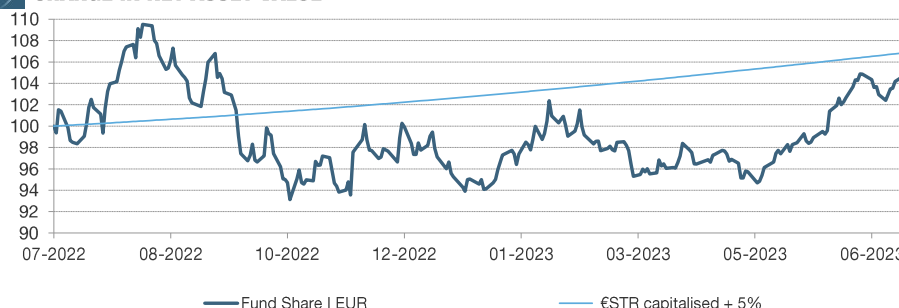
SRI risk indicator



Codes

Isin FR0014009MK9
Bloomberg ELLDIIE

CHANGE IN NET ASSET VALUE



FUND MANAGER COMMENTS

On 5 July 2023, Ellipsis Disruption Convertible Fund celebrates its first year. One year after its launch, the fund has achieved a performance of 4.6%. Its performance from the beginning of the year to 30 June was 9.6%.

As at 5 July 2023, the fund held 44 positions, 60% in US issuers and 20% in European issuers, with an average rating of BB+. To date, the fund has been exposed to 4 major disruptive themes: mainly the Cloud and decarbonisation, with an increasing share of these 2 themes over 1 year, digitalisation and finally healthcare.

After a better-than-expected first half, the global economic situation remains mixed. In the US, despite the rise in interest rates, we are seeing a recovery in housing starts and sales prices. In this scenario, the strength of demand for services will have enabled the economy to get through the manufacturing slump. In Europe, monetary tightening is producing visible effects, with a fall in lending to the private sector. In China, economic activity continues to disappoint, with weak demand for services and a property sector still at half-mast. In response, China is gradually introducing monetary and budgetary support measures to achieve its 5% growth target. The downside of this solid activity in the 1st half was a slower than expected fall in inflation. It is worth noting, however, that housing costs and wage growth are finally slowing in the US, which suggests that the inflationary loop is loosening. In Europe, the fall in general inflation linked to commodities could create a virtuous circle, by limiting the pressure of wage negotiations and accentuating the effect of monetary policy.

In this environment, equities rose by 14.51% (MSCI World Hedged EUR) and corporate bonds by 6.94% (Barclays Global Euro HY) and 0.97% (Barclays Global Credit Hedged Euro BBB).

At the end of June, the semiconductor sector (ST Micro +33bps, SOITEC +16bps) continued its upward trajectory over the month, buoyed by reasonable valuations and a recession that continues to be put off. At the Paris Air Show, Safran (+18bps) announced that it remained confident in its outlook and saw robust prices. Meanwhile, Delivery Hero (+27bps) bounced back after Prosus announced that it had increased its stake in the company from 25% to 29.9%, implying that DHER is at the heart of its strategy. Ocado (+3bps) rose sharply following a potential takeover by Amazon, which was later denied. The leisure sector also contributed positively thanks to strong air traffic trends (Amadeus +7bps) and a positive investor day for Accor (+4bps). Performance was partly offset by several profit warnings (outside the convertible universe) in the German chemicals and industrial sectors, which pushed down Evonik (-3bps), Siemens (-2bps) and GEA Group (-2bps). Deutsche Telekom (-4bps) was weighed down by rumours that Amazon was looking to offer mobile phone services in the United States, leading to stiffer competition for T-Mobile US. These rumours have not been confirmed.

At 05/07/2023, the fund had an equity sensitivity of +46.3% and a floor distance of +26.7%.

ESG focus: Whether in transport, industry or energy, semiconductors are the key to decarbonising the economy. In fact, to convert a DC signal from a battery into an AC signal needed for domestic electricity or to power vehicle engines, an inverter is needed, and inside each inverter is a semiconductor chip. Semiconductors are therefore an integral part of electric vehicles, and a key element in the energy transition through grid connection, optimised storage and high-efficiency appliances such as heat pumps. Many of these semiconductor players are using convertible bonds to raise finance, including ST Micro, SOITEC in Europe and ON Semi in the US. The growing need for semiconductors for decarbonisation could lead to a revaluation of these names.

July 2023

Data at 7/5/2023

TECHNICAL FEATURES

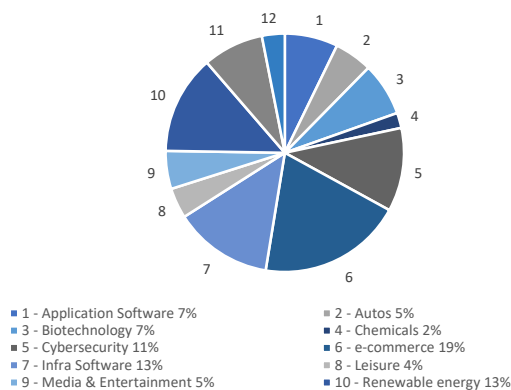
Average rating	Fund	BB+	Equity Sensitivity	47.3%
Yield		-4.5%	Convexity (equities +20%)	9.5%
Running Yield		0.8%	Convexity (equities -20%)	-9.0%
Rate Sensitivity		1.3		
Average spread		302		
Spread sensitivity		1.7		
Distance to bond floor		26.7%		
Annualised Net Premium		21.3		

RISK ANALYSIS

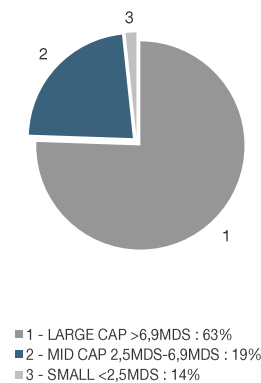
	6 months		1 year		launch	
	Fund	Index	Fund	Index	Fund	Index
Annualised Volatility	11.2%	0.3%	15.4%	0.3%	15.4%	0.3%
VaR 95% (1 month)	-5.1%	0.1%	-6.7%	0.1%	-6.7%	0.1%
Max DrawDown	-7.5%	0.0%	-15.0%	0.0%	-15.0%	0.0%
Sharpe Ratio	-	-	nég.	10.00	nég.	10.00

Data at 6/30/2023

SECTOR BREAKDOWN



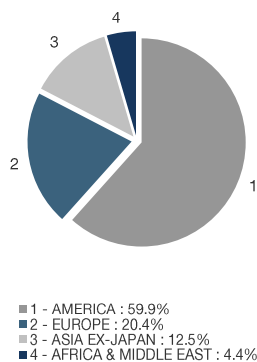
BREAKDOWN BY CAPITALISATION



TOP 5 INVESTMENTS

	Weight	
Sea LTD 2.375% \$ 01/12/25	5.63%	ASIA E-COMMERCE
Microsoft Corp 0% \$ 20/25	5.16%	UK BANKS
Match Group 2% \$ 19/30 (144A)	4.11%	USA TECHNOLOGY
Exact Sciences 0.375% \$ 19/27	4.08%	USA HEALTH CARE
Datadog 0.125% \$ 20/25	3.97%	USA TECHNOLOGY

BREAKDOWN BY AREA



PRACTICAL INFORMATION

Characteristics

Underlying
Global convertible bonds
Reference currency
EUR
Launch date of the fund
7/5/2022
Launch date of the share
7/5/2022
Income distribution
Capitalisation
Depository - Accountant - Valuator
Société Générale SA
Auditor
PricewaterhouseCoopers Audit
Countries of registration
France - Italy - Luxembourg - Spain - Switzerland

Terms and fees

NAV Frequency
Daily ⁽¹⁾
Minimum initial subscription
EUR 1 000 000
Initial NAV
EUR 100 000
Subscription / Redemption cut off
17h00 D- / 17h00 D-
Non retained fees subscription
0.00%
Transaction fees
Fee excl.taxes, payable on each transaction
(Ellipsis AM: <EUR100 / Depository: <EUR100)
Management fees
Max 1.00%
Outperformance fees
15% inclusive of tax of the annual outperformance
net of fees of the fund vs benchmark, once the
underperformance of the last 5 years has been
compensated.



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(1) Except French bank holidays and/or TARGET closing days.