

H2O MODERATO FCP

Global Macro Absolute Return Fund

Management Report | March 2025

COMMUNICATION PUBLICITAIRE/MARKETING MATERIAL: Please refer to the KID/prospectus of the fund before making any final investment decisions

PRODUCT STRATEGY

H2O MODERATO FCP provides access to H2O's bonds, equities and currencies expertise, with a medium-high risk profile (PRIIPS SRI 5). Being an absolute return fund, the objective is to achieve capital appreciation in excess of its cash benchmark over its recommended investment horizon (3 years).

PRODUCT DESCRIPTION

Investment universe Bonds, equities and currencies
Investment horizon 3 years

Ex-Ante VaR (99%,20D) 10%

Reference index ESTER compounded daily
Legal framework Fonds Commun de Placement (FCP)
Inception date 01/10/2020
SFDR classification Article 6
Management Company H2O AM EUROPE

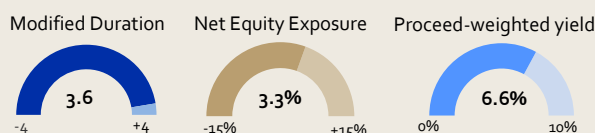
PRIIPS SRI*



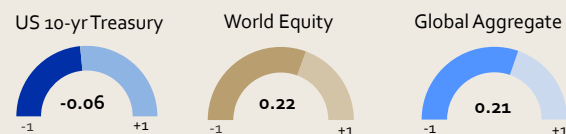
FINANCIAL CHARACTERISTICS

Share class H2O MODERATO FCP I
Investment currency EUR
ISIN Code FR0010929836
Bloomberg Code NH2MOIC
Objective ESTER compounded daily +2.00%
Fixed fee 0.50%
Performance fee 25% over the objective
Average Rating A
Fund AUM EUR 437,284,971
NAV per share EUR 119,077.48
as of 31 March 2025

CURRENT ALLOCATION



1 YEAR CORRELATION TO MARKETS



BALANCE SHEET ALLOCATION

	Long / Short	Net	Gross
Cash & money market		70.9%	
Mutual funds		1.1%	
Cash bonds (excluding repos)		28.0%	
Listed cash equities (ex. CFDs)			
Non-listed cash equities			
Total balance sheet		100%	
Bond futures	510% / -149%	360.6%	659%
Repos			
Equity futures	42% / -44%	-2.4%	85%
CFDs equities	6% / %	5.7%	7%
FX (ex funding currency)	141% / -141%		283%

MONTHLY SYNTHESIS

Fund Performance	Objective	Excess Return
▲ 2.09%	▲ 0.38%	▲ 1.70%

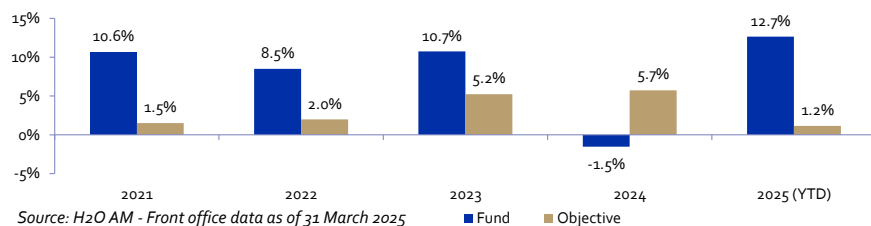
In March, uncertainty concerning US growth and inflation soared following the announcement by the Trump Administration of new tariffs on steel, aluminium and autos imports from Mexico, Canada and China. In this environment, the Federal Reserve decided to keep its benchmark rates unchanged while leaving the door open to future cuts so as to counter the downside risk to growth. Conversely, expectations of a much larger bond issuance to finance new government spending programmes in defence & infrastructure weighed on European sovereign bond returns. The ECB cut its leading rate a second time over the quarter.

MAIN PERFORMANCE DRIVERS

Month to date	Positive contributors	Year to date
1.6%	Sector Arbitrage Equity	Emerging country currencies 4.3%
1.0%	G4 yield curve strategies	Sector Arbitrage Equity 3.2%
1.0%	Intra-bloc currency allocation	Country Arbitrage Equity 1.6%

Month to date	Negative contributors	Year to date
-2.0%	Inter-bloc currency allocation	Exposure to US dollar -0.7%
-0.3%	Exposure to G4 govies	Inter-bloc currency allocation -0.3%
-0.3%	Exposure to US dollar	Corporate bond 0.0%

CALENDAR PERFORMANCES



PERFORMANCE & RISK

	Year to date	1 year annualised	3 years annualised	Inception annualised
Fund Performance	12.66%	12.15%	10.34%	13.18%
Objective	1.16%	5.44%	4.58%	3.55%
Excess Return	11.36%	6.36%	5.51%	9.30%
Fund Volatility	7.88%	10.82%	11.8%	14.02%
Fund Sharpe Ratio	1.61	1.12	0.88	0.94
Fund Sortino Ratio	2.25	1.66	1.25	1.28

	Max Drawdown (%)	Max Drawdown (Period)	Recovery Period	% Winning Months	% Losing Months
Since Inception	-25.7%	10/02/22-07/03/22	214 days	61%	39%

PERFORMANCE ATTRIBUTION

	Month to date	Year to date
Sovereign Bonds	0.93%	2.12%
Currencies	-0.29%	4.78%
Corporate Credit	-0.08%	-0.09%
Equities	1.87%	6.23%
Others	0.00%	0.28%
Fixed Fees	-0.04%	-0.12%
Performance Fees	-0.51%	-1.29%
Net outperformance versus index	1.88%	11.90%
ESTER compounded daily	0.21%	0.67%
Total net Absolute performance	2.09%	12.66%

Charts and statistics are representative of the EUR I Share Class. Returns are net of fees from the inception to 31 March 2025. Past performance is not a reliable indicator of future performance. Source: H2O AM - Front office data.
*PRIIPs SRI is a risk scale from the KID (Key Information Document). This indicator may change over time. The main risks are listed on the last page and are available in the KID on our website : <https://www.h2o-am.com/>

REFERENCE SHARE CLASS DETAILED TRACK RECORD : H2O MODERATO FCP I (FR0010929836)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2020										1.14%	16.48%	0.44%	18.32%
2021	-2.49%	8.11%	3.82%	-0.55%	3.08%	-0.62%	-1.33%	0.70%	2.41%	0.07%	-4.51%	2.03%	10.63%
2022	7.83%	-9.46%	1.62%	-2.11%	7.10%	-8.01%	-2.67%	3.63%	-4.21%	4.03%	8.04%	4.43%	8.51%
2023	4.12%	0.70%	-0.08%	-0.19%	0.06%	2.49%	2.48%	-1.79%	1.24%	0.01%	1.42%	-0.07%	10.74%
2024	-2.27%	-2.00%	3.29%	-0.27%	0.45%	-2.21%	3.56%	-0.31%	4.39%	-4.59%	0.17%	-1.34%	-1.52%
2025	5.79%	4.31%	2.09%										12.66%

SHARE CLASSES PERFORMANCES

Share Class	ISIN	NAV per share	MTD Perf	YTD Perf	ITD Perf Ann.	ITD Vol Ann.	2024	2023	2022	2021	2020
R	FR0013393295	120.50	1.99%	12.66%	10.97%	13.97%	-3.21%	8.98%	6.79%	6.95%	
I	FR0010929836	119,077.48	2.09%	12.66%	13.18%	14.02%	-1.52%	10.74%	8.51%	10.63%	
HCHF I	FR0011973643	69,472.70	1.91%	11.78%	11.76%	14.07%	-4.40%	8.85%	8.48%	10.40%	
N	FR0013185196	128.93	2.04%	12.66%	12.04%	14.21%	-2.34%	9.88%	6.81%	9.51%	
HCHF R	FR0013393311	116.68	1.79%	11.92%	9.70%	14.02%	-5.44%	7.21%	6.66%	6.44%	
HUSD I(C)	FR0013055217	77,230.18	2.26%	13.18%	14.43%	14.29%	0.18%	10.72%	11.03%	10.68%	
HUSD R	FR0013393303	127.53	2.12%	12.95%	12.32%	14.44%	-1.59%	8.89%	9.64%	7.47%	

SHARE CLASSES INFORMATION

Share Class	ISIN	Bloomberg Code	Inception Date	Management Fees*	Performance Fees*	Hurdle
R	FR0013393295	H2MOESR FP Equity	01/10/2020	1.40%	25%	1.10%
I	FR0010929836	NH2MOIC FP Equity	01/10/2020	0.50%	25%	2.00%
HCHF I	FR0011973643	H2MOHCI FP Equity	01/10/2020	0.50%	25%	2.00%
N	FR0013185196	H2OMONC FP Equity	01/10/2020	0.60%	25%	1.90%
HCHF R	FR0013393311	H2HMFHS FP Equity	01/10/2020	1.40%	25%	1.10%
HUSD I(C)	FR0013055217	NH2HUIC FP Equity	01/10/2020	0.50%	25%	2.00%
HUSD R	FR0013393303	H2OHUSR FP Equity	01/10/2020	1.40%	25%	1.10%

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Past performance is not a reliable indicator of future performance. Track record of all share classes are available upon request. Investors should consider the investment objectives, risks, charges and expenses of the funds before investing. *Charges are fully explained within the KID, available on our website <https://www.h2o-am.com/>. Investments are to be made solely on the terms of the relevant prospectus, and no reliance should be placed on this document. Please refer to the legal documents for full terms and conditions. The information provided in this document does not guarantee the accuracy, adequacy or completeness of such information. The Prospectus, KIDs, as well as the annual and semi annual reports are available on the H2O website: <https://www.h2o-am.com/>.

GLOSSARY

Ex-Ante Value-at-Risk (99%, 20D)

Maximum potential loss that a portfolio may incur over a given time horizon, with a given probability under markets following a normal distribution. Ex: if the VaR(99%; 20d) = 10% over the next 20 days, there is a 99% chance that the portfolio will not lose more than 10% of its value.

Volatility

Term used to describe the extent to which the price of a fund varies within a specific timeframe. It serves as a measure of risk and is determined by calculating the standard deviation, which is the square root of the variance. The variance is obtained by averaging the differences between each value and the mean, which are then squared. Higher volatility indicates higher risk.

PRIIPs SRI

Guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. The risk indicator assumes you keep the product for its recommended investment horizon. The actual risk can vary significantly if you exit before maturity and you may get back less.

Modified Duration

Risk attached to a given change in the interest rate. For example, for a modified duration of +1 and a 1% increase of the interest rate, the portfolio's value would drop by 1%. Inversely, for a modified duration of -1% and a 1% rate increase, the portfolio's value would increase by 1%.

Proceed-Weighted Yield

1 year performance in unchanged market conditions.

Sharpe Ratio

Excess return divided by the standard deviation of this return. It thus shows the marginal return per unit of risk.

Maximum Drawdown

Maximum loss since inception

Sortino Ratio

Excess return divided by the negative standard deviation of this return.

MAIN RISKS OF THE FUND

The Fund is exposed to specific risks, including: the risk of capital loss, discretionary management, credit, interest rate, counterparty, volatility, exchange rates as well as arbitrage, overexposure and investment in emerging markets. The capital invested is not guaranteed. For a more complete description of risks, please refer to the prospectus or to any other legal documentation of the Fund which is available on our website: www.h2o-am.com

CONTACT

If you need more information or have any question, please write to our client services team: clientservices@h2o-am.com

LEGAL NOTICE

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We are committed to respecting the confidentiality of the personal data - H2O AM Data protection and Privacy policy is available on our website: www.h2o-am.com

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