VARIANZA

Cervino World Investments (I)

Date: 31/03/2025

MORNINGSTAR ★★★

Signatory of: PRI Principles for Responsible Investment

NAV	Total AUMs (Eur mm)
251,97	110

01 Investment Strategy

The fund's objective is to provide investors with long-term capital appreciation, similar to global equities over a long-term horizon but with significant less risk. Dynamic asset allocation with no predetermined benchmark. Cervino seeks to achieve a long-term return of Euribor + 6%. 40% to 100% exposure to Equities. No limitation regarding category, rating, or duration for Fixed Income. Security Selection based on value and contrarian approach. Search for low correlated assets and use of derivatives to control volatility. Article 8 fund, 5% Taxonomy Alignment. Promotes strategies to improve climate footprint, Human Rights and ESG improvers.

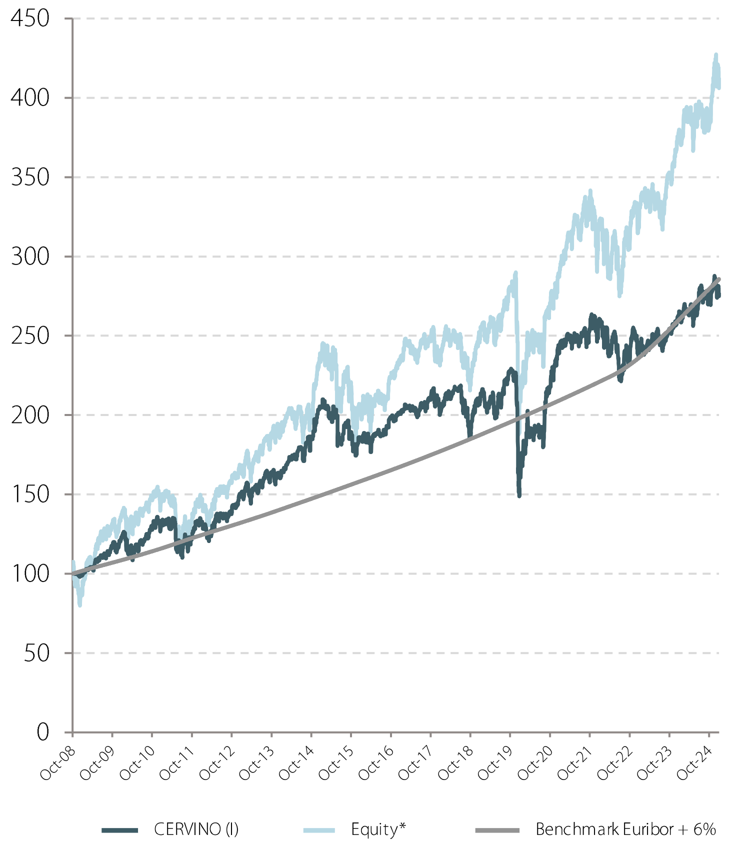
Portfolio Managers: Alberto Spagnolo, CFA. Founder and CEO of Varianza. He holds more than 28 years of experience in investment and wealth management. Previously, he held positions as CEO and CIO at Merrill Lynch Gestión SGIIC, partner at M&B Capital and PM at BBVA AM. Pelayo Gil-Turner. CIO. He holds 20 years of experience in asset management. Before he was CEO and CIO of Julius Baer Gestión SGIIC Spain and PM at Banco Urquijo

02 Returns

	CERVINO (I)**	Equities*	Benchmark Euribor + 6%
Cumulative since 31/12/2008	174,9%	306,0%	185,7%
Annualized since 31/12/2008	6,4%	9,0%	6,7%
Historical Returns			
2015	1,5%	8,2%	6,1%
2016	5,1%	2,6%	5,8%
2017	5,3%	10,2%	5,8%
2018	-9,9%	-10,6%	5,8%
2019	20,7%	26,0%	5,7%
2020	-4,2%	-3,3%	5,6%
2021	16,5%	25,1%	5,6%
2022	-8,3%	-9,5%	6,2%
2023	9,1%	15,8%	9,6%
2024	6,7%	8,6%	10,1%
2025 (31/03/2025)	1,3%	5,9%	2,2%
Last month	-3,6%	-4,0%	0,7%
Recent Available Data			
3 years annualized	2,4%	8,4%	8,9%
5 years annualized	10,7%	13,5%	7,6%
10 years annualized	3,0%	5,6%	6,7%

*MSCI Daily Net TR Europe Index

**Cervino's strategy begins on 10/22/2008 with Class I. The data shown in this document starts on 31/12/2008 to disclose full calendar years.



03 Risk

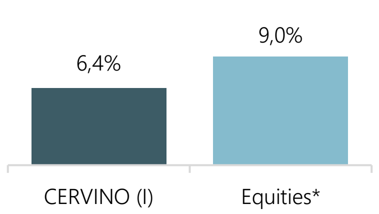
Risk adjusted return since 31/12/2008	CERVINO (I)	Equities*
Annual Return	6,4%	9,0%
Volatility	12,4%	17,0%
Sharpe Ratio	0,52	0,53

Best Returns	CERVINO (I)	Equities*
1 Month	19,1%	19,4%
6 Months	36,1%	51,0%
12 Months	62,9%	64,5%

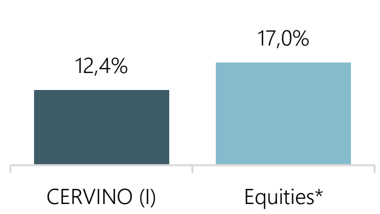
Worst Returns	CERVINO (I)	Equities*
1 Month	-33,9%	-35,0%
6 Month	-29,5%	-28,6%
12 Month	-28,8%	-24,3%

*MSCI Daily Net TR Europe Index

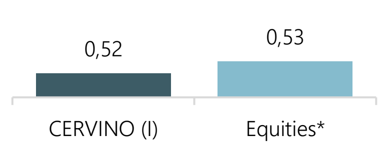
Annual Return



Volatility



Sharpe Ratio



04 Main Data

Institutional Share Class (I)	
ISIN	LU0907323314
Bloomberg ID	PACWIEP LX
Min. Investment	2.000.000 €
Mngmt Fee	0,55%
Success Fee	10% over annual profit if greater than Euribor + 6%

Retail Share Class (R)	
ISIN	LU1860979399
Bloomberg ID	PACWIRB LX
Min. Investment	10 €
Mngmt Fee	1,50%
Success Fee	Not applicable

Others	
Investment Manager	Varianza Gestión SGIIC SA
CNMV Registry	250
Custodian / TA	BNP Securities Services
Administrative Agent	BNP Fund Services
Auditor	Deloitte Luxembourg
SFDR	Article 8 + 5% Taxonomy

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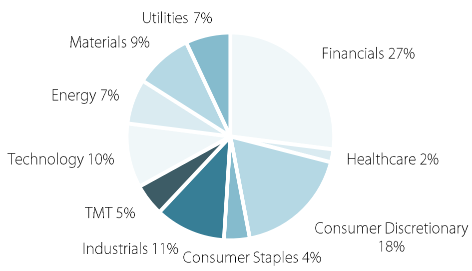
05 Asset Allocation

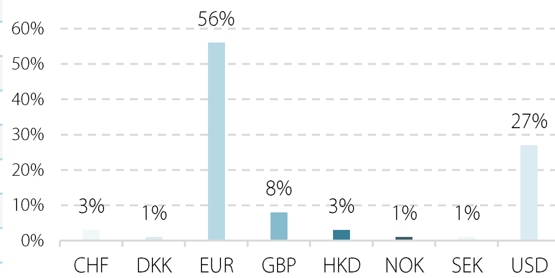
Asset Allocation	
Equities*	**79,4%**
North America	30,9%
Japan	-
Europe	41,7%
Emerging Markets	6,8%
Asia ex-Japan	-
Fixed Income	**12,8%**
Goverment	-
High Credit Quality	5,9%
High Yield	7,0%
Convertibles	-
Emerging	-
Inflation Linked	-
Alternative Investments	**-**
Real Estate	-
Cash and Equivalents	**6,1%**

*Net weight exposure including hedges

Sector



Currency*



Top equity holdings	
BERKSHIRE HAT...	5,1%
AGNICO EAGLE ...	3,8%
ISHARES MSCI ...	3,8%
VEOLIA ENVIRO...	3,1%
CISCO SYSTEMS...	2,6%

Top fixed income holdings	
ISPIM 4 1/8 PERP	2,4%
MCGLN 4 1/4 PERP	2,3%
ENQLN 9 10/27/27	1,6%
ALLY 4.7 PERP...	1,2%
ACAFP 4 3/4 PERP	1,1%

06 Portfolio Overview

Equities overview			
Positions	49	Ebit/EV	6,6
Currency	EUR	FCF Yield (%)	4,5
Average P/E	14,0	ROE 5y average (%)	13,3
Dividend Yield	3,0%	ROCE	12,9

Fixed Income overview			
Positions	11	Average Coupon (%)	5.7
Currency	EUR	Maturity (years)	19.2
Yield to worst (%)	9.0	Duration	2.1
Average Rating	B	Coupons (%)	6.0

VARIANZA Score*			
Total CERVINO	77,2%	Positions with score >50	88,1%

External Sustainability Ratings			
MSCI:	AA	Morningstar:	Average

*Commitment of internal ESG rating:Total Cervino > 50 and more than 50% of holdings having a Score >50: overall invested companies are above average vs their comparable universe

07 Monthly Summary

The NAV of CERVINO (I) went down by -3.6% during March (share class I). In 2025 the accumulated return is 1.3% which represents 174,9% since inception, and a CAGR of 6,4%.

March was a particularly challenging month for global equities, with the MSCI World index down 4.5%. U.S. markets led the declines, with the S&P 500 falling 5.7% and the Nasdaq dropping 9%, marking the worst quarterly performance since 2022. The only equity markets to finish the month in positive territory were emerging markets and China.

Post-election consensus positioning has broadly failed: investors had overweighted U.S. equities over Europe and emerging markets, expected rising yields, and positioned long USD versus short EUR. So far, the market has moved in the opposite direction. Unlike his first term in 2016, President Trump appears far less reactive to equity market drawdowns. In fact, his administration has endorsed a short-term correction which, in the words of Treasury Secretary Scott Bessent, would help "detox the economy." The government seems prepared to absorb the near-term cost of aggressive tariffs and federal spending cuts in order to rebalance the fiscal framework and pave the way for the second pillar of the Trump plan: tax cuts.

Europe has come back onto investors' radar, benefiting from a significant rotation out of U.S. assets. However, markets are still waiting for macroeconomic data to confirm that recently announced catalysts are translating into real improvement—a process that may take time.

In fixed income, the U.S. yield curve (3-month to 10-year) has re-inverted, and credit spreads have widened moderately, both signaling a rising risk of economic slowdown. The Federal Reserve remains on hold, monitoring whether the new tariff regime triggers a fresh wave of inflation. Meanwhile, the ECB, following six rate cuts, has also adopted a wait-and-see approach.

In the short term, the macro backdrop is becoming more complex: increased uncertainty, reduced monetary support, and fiscal stimulus that has been announced but not yet implemented. In our view, this is a temporary setback without structural implications for now.

On the portfolio side, more than 15 holdings ended the month in positive territory. Elia led gains (+36%) following the announcement of a capital increase that clarifies its funding strategy and supports its plans to accelerate investment in Germany's electricity transmission infrastructure—one of the key pillars of the country's newly approved €500 billion infrastructure plan. Other notable contributors included Piraeus Bank (+11%), Veolia (+10%), and Agnico Eagle Mines (+8% in the month, +39% YTD), supported by the sharp rally in gold. On the downside, 30 holdings posted declines greater than 5%, led by Novo Nordisk (-26%, where we added exposure on weakness), LVMH (-17%), and Brookfield (-17%).

In terms of portfolio activity, we took profits in Kinder Morgan (+63% over the past 12 months) and OMV (+22%). On the buy side, we added to positions in Inditex, Novo Nordisk, Assa Abloy, CRH, and Veolia following recent pullbacks. We also initiated a new position in Moderna. Despite limited near-term visibility on its pipeline, we believe the company's mRNA platform—particularly in personalized cancer therapies—offers compelling long-term upside that is not yet priced in. Additionally, we added Rexel, a leading distributor of electrical components, which we expect to benefit from both a cyclical recovery in construction and longer-term structural growth in energy-related services.