LONGCHAMP
ASSET MANAGEMENT

LONGCHAMP ASSET MANAGEMENT

LONGCHAMP SOLFERINO CREDIT FUND

Annual report

INVESTMENT COMPANY WITH VARIABLE CAPITAL - SICAV UNDER FRENCH LAW

This translation is for information purpose only - Only the French version is binding

YEAR ENDED: 12.30.2022

contents

Distributor	LONGCHAMP ASSET MANAGEMENT 30, rue Galilée - 75116 Paris.
Investment Manager	LONGCHAMP ASSET MANAGEMENT 30, rue Galilée - 75116 Paris.
Custodian and Registrar	SOCIETE GENERALE SA 75886 Paris Cedex 18.
Centralizing agent	SOCIETE GENERALE SA 32, rue du Champ de Tir - 44000 Nantes.
Auditor	PRICEWATERHOUSECOOPERS AUDIT 63, rue de Villiers – 92200 Neuilly-sur-Seine. Represented by Mr. Monsieur Amaury Couplez

WARNING

Shares have not, and will not be, registered under the U.S. Securities Act of 1933, as amended or the securities laws of any State in the United States of America. Shares may not be offered, sold or transferred directly or indirectly in the United States of America to, or for the account or benefit of, any U.S. Person (as defined in Regulation S under the Securities Act of 1933), except if (i) shares' registration was completed or (ii) an exemption was applicable with the preceding approval of the Investment Manager.

The Fund is not, and will not be, registered in virtue of the 1940's U.S. Investment Company Act. Any redemption or shares' handover to the United States of America or to a U.S. Person may constitute an infringement of the American law and require the written preceding approval of the Investment Manager. Persons willing to acquire or subscribe shares will have to certify in writing that they are not U.S. Persons.

The Investment Manager has the ability to impose restrictions (i) to the shares' ownership by a U.S. Person and thereby proceed the forced purchase of the shares owned, or (ii) on the shares' transfer to a U.S. Person. This restriction ability also extends to any person (a) who appears to directly or indirectly breach the laws and regulations of any country or any governmental authority, or (b) who could cause harm to the Fund that it would not have endured in some other way, from the point of view of the Investment Manager. The offering of shares has not been authorized or rejected by the SEC, any specialized commission of an American State or any other American regulation authority, no more than the aforementioned authorities have made a decision or punished the merits of this offer, either the accuracy or the fact that the documents related to this offer are appropriate. Any statement in this regard is against the law.

Shareholders that would become a U.S. Person are required to immediately inform the Fund of their situation. Any shareholder becoming a U.S. Person will not have the ability to acquire new shares and may be required to give up shares at any moment in favor of a non U.S. person. The Investment Manager keeps the right to proceed the forced purchase of any share owned directly or indirectly, by a U.S. Person, or if the shares' ownership by any person is against the law or the interests of the Fund.

Information about investments and management

Procedures for determining and allocating distributable sums:

The net income for the fiscal year shall correspond to the interests, arrears, dividends, premiums and allotments, directors' fees and all other financial revenues generated by securities held in the Fund's portfolio, as well as any cash amount momentarily available, altogether subject to management fees and loan interests.

The amount available for distribution consists of:

1. Net income for the financial year, plus money carried forward and plus or minus balance of past accrued income;
2. Net capital gains, after fees, minus any net capital loss accrued during the current financial year, plus net capital gains of the same kind accrued during previous years that have not been subject to distribution or capitalization, impacted (positively or negatively) by the balance of capital gains' regularized account.

Share Classes I1C, I2C and R :

Amounts distributed are fully capitalized each year:

	Full Accumulation	Partial Accumulation / Distribution	Full Distribution
Net Income	X		
Net Realized Capital Gains or Losses	X		

Share classes I1D :

	Full Accumulation	Partial Distribution	Full Distribution
Net Income		X	
Net Realized Capital Gains or Losses		X	

Investment objective:

The objective of the Longchamp Solferino Credit Fund share R is to deliver an annualized performance net of fees higher than that of the €STR +8.5 bps +1.50% over a recommended investment period of 2 years minimum, through discretionary management on the bond markets.
The objective of the Longchamp Solferino Credit Fund share I is to deliver an annualized performance net of fees higher than that of the €STR +8.5 bps +2.00% over a recommended investment period of 2 years minimum, through discretionary management on the bond markets.

Benchmark:

The net annualized performance of the Sub-Fund can be compared to:

- Capitalized €STR (calculated on the basis of €STR +8.5 bps) +1.50% for the R shares
- Capitalized €STR (calculated on the basis of €STR +8.5 bps) +2.00% for the I1C, I2C and I1D shares

It is specified that the index administrator (EMMI) benefits from the exemption provided for in article 2.2 of the benchmark regulation, as a central bank index, and as such does not have to be registered on the ESMA register.

More information on the benchmark is available on the administrator's website: https://.emmi-benchmarks.eu

Investment strategy:

The Sub-Fund will comply with the investment rules enacted by the European Directive 2009/65/EC.

DESCRIPTION OF THE STRATEGIES

The investment strategy is focused on the European bond markets with a "Value" approach, that is to say an approach aiming to identify and invest in securities which the investment manager estimates are undervalued and presenting, based on its analysis, attractive characteristics in terms of yield and potential for capital gains. This bottom-up approach is also combined with macro analysis aimed at determining the portfolio's positioning over the course of the credit cycle and establishing a "top-down" view of the portfolio's risk level. The combination of these two "top-down" and "bottom-up" approaches gives the Investment Manager the flexibility to considerably reduce its credit exposure in the absence of conviction opportunities and to then allocate to defensive supports such as sovereign bonds.

The Sub-Fund seeks to achieve its investment objective primarily by investing in high yield (speculative grade) bonds, i.e. issued by sub-investment grade rated companies, with a flexible approach in its exposure, depending on the evolution of the credit market cycle. The Sub-Fund will therefore be able to increase its exposure to high yield bond securities during the early stages of the cycle. Conversely, the Sub-Fund may adopt a more defensive positioning during its later phases.

Consequently, the majority of the portfolio will have speculative grade ratings - sub-investment grade ratings, lower than BBB- (S&P) / Baa3 (Moody's) or ratings deemed equivalent by the Investment Manager. Issuing companies are domiciled mainly in Europe in the geographical sense (until 100% of the portfolio's high yield exposure). The Sub-Fund may be exposed to bonds from issuers located in emerging markets up to a limit of 30%.

The Sub-Fund focuses on identification and investment in all types of bonds (guaranteed, senior, subordinated, convertible, of all maturities including perpetual, with fixed or variable coupons) without any particular rating constraint, that Longchamp considers undervalued (“value approach”) compared to market level.

The Sub-Fund aims to be invested throughout the whole cycle in bonds offering returns that the Investment Manager estimates superior to securities with comparable risk. To this end, these bonds, having mainly an exposure to the European market, can belong to any sector or industry depending on opportunities and credit cycle progress.

The Sub-Fund will not take short positions, preferring either hedging derivatives (such as Credit Default Swaps) or defensive instruments, whose performance is historically inversely correlated with that of risky assets, such as long-term US treasury bills or gold.

The Investment Manager will seek to combine two sources of returns:

- Interest attributable to instruments in the portfolio
- Capital gains generated by a normalization of the yields on bonds in the portfoli

In general, the Sub-Fund will be exposed to the High Yield bond market (speculative-grade) as well as bank subordinated debt (Lower Tier2 and AT1), including Contingent Convertible bonds (“CoCo”) within the limit of 50% of net assets, with some positions in convertible bonds. Contingent Convertible bonds are hybrid product, straddling debt and equity. Issued as debt, they can be automatically converted into equities when the issuer faces difficulties. The bonds will therefore be converted into equities at a predetermined price, when trigger criteria (level of losses, degraded level of capital and equity ratios, etc.) will be activated.

Net long exposure to high yield bonds will typically range from 50% to 100%. However, keeping the objective of generating positive returns throughout the entire credit cycle, the portfolio may also have a more defensive position by reducing exposure to the instruments mentioned in the previous paragraph without duration limitations, by potentially allocating the entire portfolio to:

- money market
- and / or invest in government bonds from G20 countries, including long-term zero coupons
- and / or in precious metals such as gold through UCITS ETFs

The Sub-Fund may also invest in credit insurance products such as index CDS or single name CDS referencing a specific issuer. Using hedging instruments allows the Manager to hold the portfolio’s strategic investments even during periods of greater volatility or unfavorable to risky assets while continuing to collect interest.

The Sub-Fund may also, opportunistically and for a limited time, exceed 100% exposure, although it should be quickly offset by hedges reducing its exposure to 100% of net assets. The Sub-Fund maximum gross long exposure is limited to 150% of the net asset value.

The Sub-Fund may hedge currency, interest rate, equity and credit risks on organized or over-the-counter derivatives markets.

Bonds are identified by studying sectors, countries, regions or market segments issues, as well as specific companies facing an exogenous or endogenous shock resulting in a sharp drop of their bonds prices.

Subsequently, a study of the company’s balance sheet – debt coverage by the value of its assets – and of the issuer’s capacity and willingness to honour its debts, allows the Manager to decide to what extent the announcement’s effects and the resulting technical effects (change in ratings, participation in benchmarks or internal rules) generates the potential for capital gains for new entrants such as the Sub-Fund.

The analysis focuses both on relative value and fundamentals factors:

- A significant discount in relation to comparable instruments;
- An inconsistency in the risk assessment between different markets;
- A margin of safety with assets and equity or debts junior to this bond;
- Key stakeholders’ alignment with bond holders;
- An identification of a reduced number of stress sources, with potential and high probability of normalization.

In the financial sector, a good understanding of current prudential rules and their application by the regulator as well as the communications made by the latter are essential factors in decision-making.

When the issuer’s credit viability, its capacity to turn around the situation and an estimate of a normalized "fair spread" are established, the Sub- Fund will make an investment. Weighting in the portfolio will be determined by correlation with other existing positions and their relative attractiveness.

I shares will be denominated in euros and exposed to currency risk. This will be limited to 50%, the excess being hedged over time or its exposure limited using currency options.

Sensitivity to interest rates	Securities currency in which the Sub-Fund is invested	Currency risk borne	Geographical areas of securities issuers
Sensitivity target between 3 and 8	EUR USD GBP	50% maximum	Europe in the geographical sense: between 0% and 100% Rest of the world including emerging countries: maximum 50% (including 30% in emerging countries)

INVESTMENT STRATEGY - ASSETS

To achieve its investment objective, the Sub-Fund will invest in various asset classes.

EQUITIES

In general, the Sub-Fund is not intended to be invested in equities. However, it may invest in equities up to 10% of the net assets.

DEBT AND MONEY MARKET INSTRUMENTS

The Sub-Fund can invest in securities either from the public (such as sovereign debt) or private (such as corporate debt) segments of the bond market.

The Sub-Fund may invest up to 100% of the net assets in monetary instruments and bonds and may be exposed to an additional 50% in bonds through repos, securities lending or derivatives such as Total Return Swaps (TRS), which could lead to a gross exposure in bonds of 150% maximum.

Sovereign Debt

The Sub-Fund may invest in negotiable debt securities and sovereign bonds of G20 States, denominated in EUR or USD.

Corporate Debt

The Sub-Fund may invest or be exposed up to 150% of its net assets in corporate bonds with fixed or floating rate, denominated in EUR, USD or GBP.

The Sub-Fund may invest in any type of corporate bonds, for example guaranteed, senior, subordinated, convertible, of all maturities including perpetual, with fixed or variable coupons without specific rating constraints.

The Sub-Fund's exposure to bonds denominated in other currencies than the Euro will be limited to 50% of net assets.

Bonds may be rated speculative grade/sub-investment grade by the main rating agencies, i.e. below BBB- (S&P) / Baa3 (Moody’s) or ratings deemed equivalent by the Investment Manager. The Investment Manager has a proprietary process for credit risk assessment to select securities and assess issuers quality. It does not exclusively and mechanically use agencies’ ratings. The agencies’ ratings are one element among a set of criteria considered by the Investment Manager to assess bonds’ credit quality and money market instruments.

All bonds in the portfolio will have minimum issue amounts of $250 million or equivalents. The Sub-Fund's exposure to an issue will be limited to 10% of the issue total amount.

UCITS OR AIF FUNDS

The Sub-Fund may invest up to 10% of its net assets in units or shares of other UCITS Funds, AIFs and other investment funds like the following:

- Money market funds as specified by the MMF regulation, under French law or established in other EU member states, in order to manage the residual cash if necessary
- UCITS Funds / AIFs under French law or established in other EU member states or investment funds under foreign law meeting conditions set out in article R214-13 of the monetary and financial code such as UCITS ETF (Exchange Traded Funds) UCITS Funds and AIFs may or may not be managed by the Investment Manager or a related company.

DERIVATIVE INSTRUMENTS

To achieve its objective, the Sub-Fund may carry out transactions in financial futures instruments described below:

• The nature of intervention markets:

- Regulated
- Organized
- OTC

• The risks on which the investment manager wishes to intervene:

- Equity
- Rate
- Exchange rate
- Credit

- The nature of interventions, all the operations to be limited to the achievement of the objective:

- Hedging
- Exposure

- The nature of the instruments used:

- Futures
- Options, including puts on equity indices
- Swaps
- Forward exchange rate
- Credit derivatives
- Other: total return swap

- The strategy for using derivatives to achieve the objective:

- General hedging of the portfolio, of specific risks, securities, etc.
- Increase of market exposure and maximum leverage allowed and sought (see below)
- Other strategy: none

Leverage is calculated as the sum of the bonds market values to which the Sub-Fund is directly exposed and through financial futures instruments, i.e. total long exposure. The leverage level (gross exposure) will be limited to 150% of net assets. Forward financial instruments allow:

- To implement the Investment Strategy
- To hedge the portfolio against the risks related to credit, equity, bond, exchange rate and/or rate markets

The Fund may use forward financial instruments consisting of total return swaps (also known as total return swaps). These instruments are used to support the achievement of the investment objective. The Investment Manager may use such instruments in order to exchange the performance of the assets held with a money-market yield or a fixed rate as part of the leverage implementation. The assets that may be the subject to total return swaps are bonds mentioned in the Private Debt section above. The Investment Manager will use these futures opportunistically and for a limited time. The Investment Manager expects such operations, when implemented, will generally carry 25% of its assets but not exceed 50%.

The Fund may have as counterpart financial futures (including any total return swap) from any financial institution that meets the criteria set out in Article R214-19 of the Financial Money-Market Code and is selected by the Investment Manager in accordance with its order execution policy available on its website. In this context, the Investment Manager will enter into total return swap agreements with financial institutions based in the OECD Member State with a minimum long-term debt rating of BBB- on the Standard & Poor's scale (or equivalent to the Investment Manager).

No counterparty to such total return swap agreements has any discretionary power over the composition or management of the Sub-Fund's portfolio.

SECURITIES INCORPORATING DERIVATIVES

The Sub-Fund may use securities with derivatives up to 150% of its net assets depending on market opportunities. Integrated derivatives contribute directly to the Investment Strategy implementation.

- Markets in which the manager intends to be able to transact:

- Equite
- Rate
- Exchange rate
- Credit

- The transactions and all operations will be focused on achieving the investment objective:

- Managing exposure

- The nature of the instruments used: convertible bonds, subordinated bonds (including CoCo)
- The strategy of using embedded derivatives to achieve the investment objective: Purchase/Sale of instruments issued by financial institutions.

CAPITAL SECURITIES

The Sub-Fund may invest or be exposed to up to 50% of its assets in bank capital securities (AT1 category).

DEPOSITS

The Sub-Fund may make deposits with a maximum duration of 12 months, with one or more credit institutions and within the limit of 100% of the net assets.

CASH BORROWINGS

As part of its normal operation, the sub-fund may occasionally be in a debtor position and in this case may borrow cash up to a limit of 10% of its assets.

TEMPORARY ACQUISITIONS AND TRANSFERS OF SECURITIES

In order to obtain a leveraged exposure, the Sub-Fund may carry out, within the limit of 50% of its net assets, repurchase transactions, securities lending or derivatives such as total return swaps (TRS). In order to protect against counterparty default, these operations will rise securities and / or cash delivery as collateral.

The counterparties for OTC transactions will be major banks domiciled in OECD member countries.

CONTRACTS CONSTITUTING FINANCIAL GUARANTEES

When trading OTC derivative financial instruments, including total return swaps (TRS), and temporary acquisition and sale of securities, the Sub-Fund may receive financial assets considered as collateral and which purpose is to reduce its exposure to counterparty risk.

Collateral received will mainly consist of cash or financial securities for OTC derivative transactions.

Collateral will be composed of cash or bonds issued or guaranteed by OECD member states or their local authorities or by supranational institutions and broader communities, whether regional or global;

Any financial guarantee received as collateral will comply with the following principles:

- **Liquidity**: Any financial guarantee consisting of financials securities will be sufficiently liquid and therefore easily tradable on a regulated market at a transparent price
- **Transferability**: Financial guarantees will be transferable at any time
- **Assessment**: Financial guarantees received will be valued daily and at market price or according to a pricing model. A reasonable haircut policy may be applied to securities that would exhibit more significant volatility and according to credit risk
- **Issuers' credit risk**: Financial collateral received will be of higher rating only
- **Investment of collateral received in cash**: They are either invested in cash deposits with eligible entities or invested in government bonds with high ratings (credit rating complying with the criteria of "short-term money market" UCITS / AIFs) or invested in "short-term money market" UCITS / AIFs, or used for repo transactions with a credit institution
- **Correlation**: guarantees are issued by an entity independent from the counterparty
- **Diversification**: Exposure to a given issuer will not exceed 20% of Sub-Fund's net assets
- **Custody**: Financial guarantees received will be held with the Sub-Fund's Custodian or with its agents or third parties under its control or with any third-party custodian who is subject to prudential supervision and who has no connection with the provider of financial guarantees
- **Prohibition of reuse**: Non-cash financial guarantees will not be sold, reinvested or given as collateral

Risk profile:

The Sub-Fund's assets will be mainly invested in financial securities selected by the Delegated Investment Manager. Securities are subject to market conditions and fluctuations.

Holders of shares or units of the Sub-Fund will be exposed to the following risks:

- **Risk of capital loss**: Investors are aware that the Sub-Fund's performance may not be consistent with its objective. In case of adverse market conditions, the invested capital may not be returned as initially invested.
- **Risk associated with discretionary investment management**: This investment strategy is fully discretionary and is based on expectations regarding the performance of various markets and / or on the securities selected for an investment. There is a risk that the Sub-Fund may not be invested in the best-performing markets or securities at all times and that the discretionary selection of securities leads to a loss of capital.
- **Risk associated with investment in speculative securities**: These securities carry an increased risk of issuer default, are likely to undergo more marked and / or more frequent variations in valuation and are not always sufficiently liquid to be sold at all times at the best price. The value of the Sub-Fund's shares may therefore be reduced when the value of these securities held in the portfolio drops.
- **Risk associated with subordinated bonds and in particular AT1s**: The Sub-Fund uses subordinated bonds, which include AT1s (equity securities for financial institutions). These securities may present a liquidity risk, a risk of interest payment suspension (skip coupon), which may or may not be cumulative, and present a conversion risk or nominal amount reduction when the issuer equity are below a trigger threshold (in the case of AT1).

- **Risk associated with contingent convertible bonds**: Contingent convertible bonds exposes the Sub-Fund to the following risks:
  - Risk of contingency clauses triggering: if a capital threshold is crossed, these bonds are either exchanged for shares or undergo a capital reduction potentially to 0;
  - Risk of coupon cancellation: coupon payments on this type of instrument are entirely discretionary and may be cancelled by the issuer at any time, for any reason, and without time constraints;
  - Risk of subordination and loss of principal: unlike in typical capital structure, investors in this type of instrument may experience capital losses. Indeed subordinated creditors are reimbursed after ordinary creditors;
  - Risk of call for extension: these instruments are issued as perpetual instruments, callable at predetermined levels only with the

    competent authority's approval
  - Risk of valuation / yield: The potentially high yield of these securities can be considered as a complexity premium
- **Interest rate risk**: This relates to the risk of a change in interest rates. The impact of a change in interest rates is measured by the "modified duration". The portfolio may be more or less exposed to interest rate risk as indicated by the portfolio's modified duration. Should the Sub- Fund's modified duration be positive, the risk associated to a rise in interest rates may lead to lower bond prices and consequently to a decline of the Sub-Fund's net asset value. Should the Sub-Fund's modified duration be negative, the interest rate risk is associated to a decrease in interest rates leading to a positive appreciation of bond prices and thus de increase of the Sub-Fund's valuation.
- **Credit risk**: This risk is linked to the issuer's ability to repay its debts as well as to an issuer's rating deterioration. Declining financial conditions of an issuer which securities are held in the portfolio will have a negative impact on the Sub-Fund's net asset value.
- **Currency risk**: This risk relates to fluctuation in currencies which the Sub-Fund is exposed to. A decrease in the currency which the Sub- Fund is long may have a negative impact on the Sub-Fund's net asset value.
- **Equity risk**: The Sub-Fund may be exposed to the equity market through the securities invested but also through the use of UCITS / AIFs or investment funds or convertible bonds. In case of an equity markets decline, the net asset value may decrease.
- **Liquidity risk**: This risk relates to the difficulties that may occur of finding counterparties to buy or sell financial instruments at a reasonable price. In this case, the deterioration of prices due to lower liquidity could lead to a decrease of the Sub-Fund's net asset value. The occurrence of this risk could lead to a decrease of the Sub-Fund's net asset value.
- **Risk associated with the use of derivative instruments**: The use of derivatives may lead to slightly negative variations of the net asset value over the short-term in case of a contrarian exposure to equity markets evolution.
- **Counterparty risk**: Counterparty risk results from all OTC transactions with the same counterparty. Counterparty risk measures the risk of loss in the event of default by a counterparty unable to meet its contractual obligations before the transaction has been definitively settled in the form of a cash flow. In this case, the net asset value could decrease.
- **Sustainability risk**: The Sub-Fund does not take sustainability factors into account in the investment decision-making process, but remains exposed to sustainability risks. By "sustainability risk (s)" is meant an event or situation relating to the environment, social responsibility or governance which, if it occurs, could have a significant negative impact, actual or potential, on the value of investments made by the Sub-Fund. Further information is available in the section "Disclosure concerning integration of sustainability risks by the Sub-Fund".

<u>DISCLOSURE CONCERNING INTEGRATION OF SUSTAINABILITY RISKS BY THE SUB-FUND</u>

For the purposes of this section, the following terms have the ascribes meanings:

"Sustainability risk (s)" means events or situations relating to the environment, social responsibility or governance which, if they occur, could have a significant negative impact, actual or potential, on the value of investments made by the Sub-Fund.

"SFDR Regulation" means Regulation (EU) 2019/2088 of the European Parliament and of the Council of November 27, 2019 on sustainability-related disclosures in the financial services sector.

Classification of the Sub-Fund according to SFDR

SFDR requires transparency with regard to the integration of evaluation of Sustainability Risks in investment decisions and their possible impact on the performance of financial products.

In addition, SFDR defines two categories of products: products which promote, among other characteristics, environmental or social characteristics, or a combination of these characteristics (so-called "Article 8" products) and products whose objective is sustainable investment (so-called "Article 9" products).

As of the date of this prospectus, the Investment Manager has not classified the Sub-Fund as a product subject to Article 8 or Article 9 of SFDR.

The Sub-Fund's investment objective does not systematically take into account sustainability risks; they are not an essential part of the investment strategy either. The Sub-Fund does not promote specific environmental, social and governance (ESG) characteristics and it does not aim for a specific objective in terms of sustainability or environmental impact. Due to the nature of the fund's investment objective, sustainability risks are not deemed to be relevant. Currently, they are not expected to have a significant impact on the fund's performance.

Taxonomy Regulation

Regulation (EU) 2020/852 on the establishment of a framework to promote sustainable investments (the “Taxonomy Regulation”) sets out the criteria for determining whether an economic activity is “sustainable” from an environmental point of view in the European Union. According to the Taxonomy Regulation, an activity can be considered "sustainable" if it contributes substantially to one of the 6 environmental objectives set by the Taxonomy Regulation, such as the mitigation and adaptation to climate change, the prevention and reduction of pollution or the protection and restoration of biodiversity and ecosystems.

In addition, to be considered sustainable, this economic activity must respect the principle of “not causing significant damage” to one of the other five objectives of the Taxonomy Regulation and must also respect basic social criteria (alignment with the OECD and United Nations guiding principles on Business and Human Rights).

In accordance with Article 7 of the Taxonomy Regulations, the Investment Manager draws the attention of investors to the fact that the Sub-Fund's investments do not take into account the European Union's criteria in terms of sustainable economic activities on the environmental plan.

Warranty or protection:

None.

Target investors and investor profile:

R - All investors, including insurance companies, shares being eligible for unit-linked life insurance contracts

I1C - Institutional Investors

I2C - Institutional Investors

I1D - Institutional Investors

The reasonable amount to invest in the Sub-Fund depends on each investor’s personal situation. To assess this amount, one is advised to consider his/her current personal wealth and financial needs (including those on a 1-day investment horizon) as well as his/her willingness to take on risks associated with an investment in the Sub-Fund or his/her preference for a more cautious investment. It is also highly recommended to diversify investments adequately to avoid being solely exposed to the Sub-Fund’s risks.

Recommended investment period

2 years and more.

Tax regime information:

According to fiscal transparency, tax administration considers that the shareholder directly owns a fraction of the financial instruments and cash held in the UCITS.

The SICAV is not subject to corporate tax.

Fiscal policy generally applicable is that of capital gains on investment securities as held in ones’ country of residence, according to any specific rule

to its specific situation (individual, corporate entity and other ...). Tax regime applicable to French residents is set by the French Tax Code. Depending on tax regime, capital gains and potential income from the holding of Sub-Fund’s shares may be subject to taxation.

Generally, the SICAV's shareholders are invited to contact their tax advisor or their usual account manager to determine the fiscal policy applicable to their situation. This analysis may be invoiced by their advisor and cannot - in any case - be supported by the SICAV or the Delegated Investment Manager.

For further information, the full prospectus is available on request from the management company.

- *The Sicav’s net asset value is available on request from the management company.*
- *The Sicav's complete prospectus and the latest annual and interim documents will be sent out within one week of receipt of a written request from unitholders which should be sent to:*
- *AMF approval date: March 1, 2013.*
- *Sicav creation date: August 22, 2019.*

management report of the directors board

The performance of the I1C stock (ISIN : FR0013442597) of the Longchamp Solferino Credit Fund during the year 2022 was -9.66%.

The performance of the I1D stock (ISIN : FR0013518131) of the Longchamp Solferino Credit Fund during the year 2022 was -9.66%

FUND PERFORMANCE & MARKET ENVIRONMENT

Fiscal year 2022 was marked by an exceptional combination of bear markets in both equities and bonds: the worst year on record for the benchmark pension fund portfolio US 60-40 (60% equities-40% Treasuries), and the worst performances since 2008 for most asset classes. The year was also marked by real developments: a war in Eastern Europe, a resulting energy shock, an inflationary shock accelerated by the conflict impacting energy and agri-food markets, leading central banks to adopt restrictive monetary policies for the first time in 15 years (between 4 and 8 rate hikes for the European Central Bank (ECB), Bank of England (BOE) and Fed), and finally constant tensions between the two dominant economies, the USA and China. The result is a picture of major changes in investment parameters:

- Let's start with the rise in rates: on the long end, which concerns our investments, the generic 10-year EUR swap rate rises from 0.3% to 3.2%, and the same 10-year USD swap rate from 1.58% to 3.84%. On the 5-year swap, the dominant maturity on the High Yield and AT1 markets, in EUR from 0% to 3% and from 1.37% to 4.02% in USD. Movements of exceptional scale, comparable to the 1994 bond shock, with the aggravating factor of a much lower starting point. The Gilt market, weakened by the Brexit and its independent currency for a small, narrow market, paid the price, during a period of exceptional volatility following political decisions, impacting pension funds to the point of provoking a targeted intervention by the Bank of England. We are now back to the absolute levels of rates prior to the 2008 crisis.
- These rate hikes are accompanied by curve inversion movements, with varying magnitudes and timing depending on the currency, with the United States leading the way.
- For most of the year, the monetary policy differential favoured the USD, which appreciated from 1.13 to 0.95 at the end of September. From November onwards, the trend reverses, as the ECB, followed by the Bank of Japan in December, suddenly adopt much more restrictive policies, causing the EUR to close the year at 1.07.
- In such an environment, credit risk has logically risen, with the itraxx Xover HY CDS index rising from 242 to 474bps and 670 at the end of September.

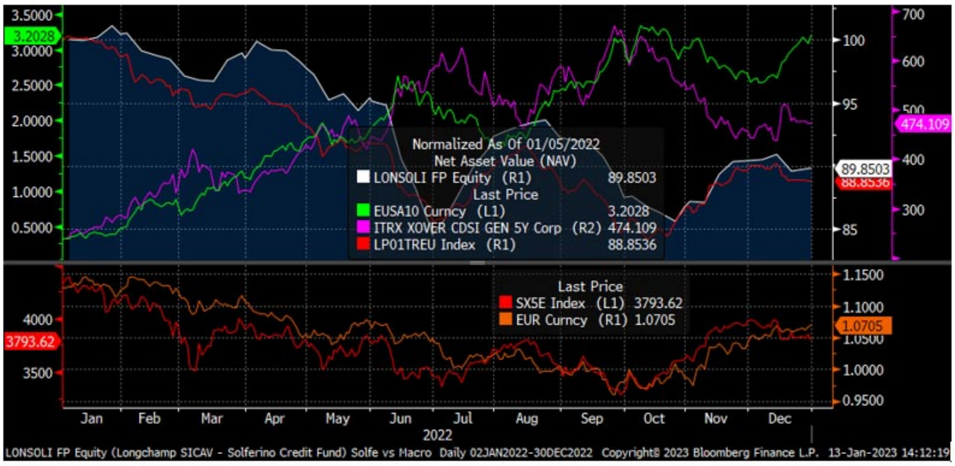
The fund ended the year with a NAV of 1026.27, giving a total performance of -9.66% for the year, down 11.12% on the High Water Mark of 1154.61 reached on 26/01/2022. By way of comparison, the Bloomberg pan-European HY index lost -11.13% (almost identical performance in the US with -11.19%). The performance of competing funds ranged from -12 to -17% for most, with two funds standing out and doing slightly better.

The year can be broken down into seven phases:

- During the first month, the market and the fund got off to a solid start, in an environment that was certainly constructive but offered little value, with rates remaining relatively stable at below 0.5% on the EUR 10yr swap, and moderate spreads (itraxx Crossover below 300bps).
- Capital markets were soon enveloped by the major development of the year, the Ukrainian conflict. First its anticipation in February, then its surprising outbreak, and finally its prolongation and mutation into an ongoing conflict, with implications for the disruption of international trade flows.
- This was followed by a steady rise in USD and especially EUR long rates until June, when the consequences of the conflict on commodity markets and production lines exacerbated the inflationary pressures already generated by the disruptions caused by the Covid crisis and the authorities' fiscal and monetary palliative measures. Until the end of April, the fund is protected by pay spreads on EUR 10-year swaps, which, combined with the high Energy portion of the portfolio, generate a strong outperformance compared to the High Yield index.
- As EUR 10yr swap rates approached 2% at the end of April, the decision was taken to stop rolling these hedges, which had become expensive and with a less clear outlook for future long-term rates. However, rates quickly reached 2.6% by mid-June. This period also saw an aggressive widening of spreads as the potential consequences of the crisis were priced in, and the itraxx Xover doubled from 285 to 568bps in mid-June. It was during this month of June that the fund's NAV gave back all its strong outperformance of the beginning of the year. This was largely due to a move away from high-yield bonds to corporate hybrids, which may be better-rated because they are issued by Investment Grade issuers, but are subject to greater interest-rate sensitivity.

- The summer offered a more mixed environment for macro factors, enabling the NAV to climb back, while once again outperforming the Bloomberg HY Europe index.
- From mid-August onwards, the hostile environment of rising rates and spreads resumed until October. This is when the fund's NAV hits its local low, as does the Bloomberg High Yield index. We realigned the portfolio, liquidating a number of Special Situations positions at a loss. Despite the crystallization of losses, in hindsight, this decision proved judicious in view of the poor performance of these assets that followed.
- Highs in spreads and rates were reached at the beginning of October. The end of the year turned out to be more buoyant, even if December closed on a lower note due to the violent renewed rise in EUR rates caused by the decisions of both the ECB and the BOJ. We ended the year at 3.20% on the EUR 10-year swap. The fund rebuilt a more modest outperformance on the index than those generated previously.

Plot of the fund's relative performance (white) against the Bloomberg High Yield Europe index (red), set in the context of interest-rate levels (10-year EUR swap in green) and CDS spreads (itraxx Xover in purple).



STRATEGY, PORTFOLIO MOVEMENTS & PERFORMANCE ATTRIBUTION

At the start of 2021, faced with low interest rates (0.3% on the 10-year EUR swap, for the record) and compressed spreads (itraxx Xover below 250bps), the allocation to Financials, with their high Beta, is low, while the allocation to Special Situations, at first glance more idiosyncratic and discounted, is high. The Telecom sector penalized performance despite its defensive characteristics, as it was built too early and penalized by rates, to which its quality and longer maturities make it more sensitive.

The High Yield portfolio, which makes up the bulk of the fund, held up very well (-1.5% or -46bps). Of particular note was the Energy sector, with names such as Enquest 7% 2023 (+23%) benefiting from positive TSOs. However, the bond resulting from the Enquest 11.625% 2027 refinancing is costing money despite its generous terms (-43bps). Another OST, on Aston Martin, where we succeeded in selling our PIK bonds back to the issuer at very attractive prices by optimizing the reverse Dutch auction system (+88bps). It should be noted that both Securities had long been widely telegraphed by their issuers in their financial communications. However, the surrounding anxiety prevented the market from properly integrating them. Both energy and Consumer Discretionary allocations fell as the year progressed, to the benefit of other sectors without any particular distinction, although financials stood out and energy rallied at the end of the year, when the fall in Brent crude oil prices led to a disenchantment of certain oil exploration stocks.

On the positive side, we should mention the Financials, with a 41bps positive contribution, notably the positions taken in the second half of the year on the AT1s of Intesa and Banque Postale, as well as Credit Suisse at the very end of the year, while those on Piraeus Bank and Banco Commercial Portugues had a negative impact, notably because they were taken earlier in the year and therefore at higher prices.

The fund's relatively modest outperformance compared to the indexes over the last two years can be explained by selection errors which were - in most cases gradually migrated - into the Special Sits pocket, given their investment profile (low price, below 70c, and high spread, between 1000 and 1200bps) and risk profile (generally CCC rating). In retrospect, it was a mistake to accumulate weakness in a bearish emerging markets environment, given the profile of the issuers and their holdings of valuable assets, which they were unfortunately unable to profit from. These positions were eventually eliminated as specific factors were identified and monitored, making a positive exit too difficult. These included Oi Brazil (-53% despite an exit at 3x year-end prices), which had been in the portfolio since 2020 and a name on which we had a very favorable track record up to that point. Diamond Sport was similar, but on a smaller scale. On the other hand, on Casino - whose Perps generated the worst performance with -62% and -170bps NAV on the 3.992%, we reorganized and continued to hold the position by seniorizing part of the position (exiting this 3.992% Perp to switch to the Notes Senior Unsecured 5.25% 2027 on good terms) while retaining the position on the Perpetual indexed to 10-year CMS, whose coupon has risen considerably with the rise in rates.

POSITIONING AND PROSPECTS FOR 2023

The fund ended the year with a fully invested position in a more diversified portfolio than usual, as value was prevalent throughout the bond markets and therefore widely distributed in terms of sectors or market segments. The portfolio has an average price of 77c, with only one position below 50c (Casino Perpetuals, quoted at 15c, due in particular to their subordination to unsecured, which were themselves at 51.3 at the end of the year, with a higher coupon). The portfolio's average characteristics are as follows: carry of 8.55%, yield-to-worst of 12.54%, average rating of B+/B1, duration just over 4 years.

In terms of segments, High Yield dominates with over 60%, Financials around 15% and residual Special Sits at 6%, mainly Casino, where again we plan to continue to gradually reduce in the event of appreciation. Corporate Hybrid Perps account for 13%, with the aim of approaching 20% as profits are taken on the rest of the portfolio. The sacrifice of yield in relation to the improvement in quality and, in particular, probability of default offers an excellent ratio. The aim is to continue improving portfolio quality in order to absorb any eventual market downturns following earnings announcements after a strong equity market rebound.

REGULATORY INFORMATION

Voting rights

Since this is an FCP, the units do not bear any voting rights as decisions are made by the portfolio management company; information on the FCP’s operating procedures is provided to unitholders either individually, in the press, or through periodic documents or by any other means as the case may be.

Intermediary selection procedure

The relationship between LONGCHAMP ASSET MANAGEMENT and financial intermediaries is managed through a formal set of procedures.

New relationships must first go through a vetting procedure in order to limit the risk of default when performing transactions in financial instruments traded on regulated or organised markets (money market and bond market instruments, interest rate derivatives, equities and equity derivatives).

The criteria that apply to this counterparty selecting procedure are as follows: the ability to offer competitive intermediation costs, high quality order execution, relevant research services for users, availability to discuss and justify diagnoses, ability to offer a range of products and services (whether broad or specialised) that meet LONGCHAMP ASSET MANAGEMENT's needs and finally the counterparty's ability to provided streamlined administrative processing of operations.

The weight applied to each criterion depends on the nature of the investment process concerned.

Overall risk of the UCITS

Method selected by the management company to measure the UCITS’ overall risk: The method chosen is the commitment method.

The Management Company's compensation policy

LONGCHAMP AM, the FCP's management company, has put a staff compensation policy in place that complies with European Directive 2014/91/EU (the so-called “UCITS 5 Directive”) and instructions from supervisory authorities.

This Policy is suited to the size of the Company and its business activities and is in line with the Company’s corporate investment strategy, its objectives, values and long term interests.

Specific provisions in this Policy apply to certain categories of identified persons, in particular senior executives, the management team, the sales and marketing manager and those persons in charge of internal audits.

Their variable compensation is determined by combining assessments of the staff member’s individual performance with the performance of the UCITS, funds and mandates managed by the operational unit to which the staff member belongs, in particular in light of the risks taken, and finally the overall results of SGP. This individual performance assessment takes account of both financial and non-financial criteria. The performance assessment is spread over a time period consistent with the holding duration recommended to holders of units in the UCITS managed. The manager's variable compensation may be linked to the FCP's outperformance fee.

Beyond a certain threshold, variable compensation is subject to restrictions: deferred payment over several years, possibility of holding some back in the long terms interests of the FCPs and the Company, payment of part of the compensation in financial instruments…

The Company has not set up a Compensation committee.

Amount of compensation paid by management to its staff

In 2022, the total amount of compensation (including fixed and variable, deferred and non-deferred) paid by the management company to all its staff (i.e. 10 beneficiaries as of 31 December 2022) amounted to 777,240.84 euros.

This amount breaks down as follows

- Total amount of fixed compensation paid by the management company to all its staff during the year: 522,251.94 euros, i.e. 67% of all compensation paid.

- Total amount of variable compensation, deferred and non-deferred, paid by the management company to all its staff during the year: 248,000 euros euros, 32% of all compensation paid. It is specified that all staff are eligible for the variable compensation system.
- Given the size of the management company, the breakdown by staff category is not communicated so as to protect the confidentiality of individual compensation.

No variable compensation exceeding the threshold at which restrictions in the payment method kick in, was paid to the "identified persons".

SFDR

Fund SFDR classification : Article 6

This UCITS has not promoted any sustainable investment: neither sustainable investment objective nor environmental characteristics or social or governance.

Its management strategy is exclusively linked to its financial performance measured by comparison with its reference indicator, market indicator.

Taxonomy

The investments underlying this financial product do not take into account the criteria of the European Union in terms of environmentally sustainable economic activities.

Transparency of securities financing transactions and the reuse of financial instruments under the SFTR regulation

(in the UCI's accounting currency)

Over the financial year under review, the Fund did not carry out securities financing transactions subject to SFTR regulation, such as repurchase transaction, securities or commodities lending, buy-sell back or sell-buy back transaction, margin lending transaction or total return swap (TRS).

efficient portfolio and derivative financial instrument management techniques

a) Exposure obtained through efficient portfolio and derivative financial instrument management techniques

• Exposure obtained through efficient management techniques:		-
- Securities Lending:	-	
- Securities borrowing:	-	
- Reverse repurchase agreements:	-	
- Repurchase agreements:	-	
• Underlying exposure achieved through derivative financial instruments:		**44,526,400.49**
- Currency futures:	-	
- Futures:	-	
- Options:	**44,526,400.49**	
- Swap:	-	

b) Identity of the counterparty(ies) of efficient portfolio and derivative financial instrument management techniques

Efficient management techniques	Derivative financial instruments (*)
-	GOLDMAN SACHS
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-

(*) Except for listed derivatives.

c) Financial guarantees received by the UCITS in order to mitigate counterparty risk

Instrument types	Amount in portfolio currency
Efficient management techniques	
- Term deposits	-
- Equities	-
- Bonds	-
- UCITS	-
- Cash (**)	-
Total	**-**
Derivative financial instruments	
- Term deposits	-
- Equities	-
- Bonds	-
- UCITS	-
- Cash (**)	-
Total	**-**

(**) The cash account also includes the cash from repurchase transactions.

d) Operating income and expenses related to efficient management techniques

Operating revenues and expenses	Amount in the portfolio currency
- Income (***)	-
- Other income	-
Total income	**-**
- Direct operating expenses	-
- Indirect operating expenses	-
- Other expenses	-
Total expenses	**-**

(***) Income received from repos and reverse repos.

annual accounts

BALANCE SHEET assets

	12.30.2022	12.31.2021
Currency	EUR	EUR
Net assets	**-**	**-**
Deposits	**-**	**-**
Financial instruments	**65,624,449.98**	**59,958,225.85**
• Equities and similar securities		
Traded on a regulated or similar market	-	-
Not traded on a regulated or similar market	-	-
• Bonds and similar securities		
Traded on a regulated or similar market	64,419,944.92	59,870,623.70
Not traded on a regulated or similar market	-	-
• Debt securities		
Traded on a regulated or similar market		
Negotiable debt securities	-	-
Other debt securities	-	-
Not traded on a regulated or similar market	-	-
• Mutual Funds		
UCITS and general purpose AIF for non-professionals and equivalents in other countries	-	-
Other funds for non-professionals and equivalents in other European Union Member States	-	-
Professional general purpose funds and equivalents in other European Union Member States and listed securitization bodies	-	-
Other Professional Investment Funds and equivalents in other European Union Member States and unlisted securitization bodies	-	-
Other non-European organisations	-	-
• Temporary purchases and sales of securities		
Receivables representing financial repurchase agreements	-	-
Receivables representing financial securities lendings	-	-
Borrowed financial securities	-	-
Repurchase financial agreements	-	-
Other temporary purchases and sales	-	-
• Financial contracts		
Transactions on a regulated or similar market	-	-
Other transactions	1,204,505.06	87,602.15
• Other financial instruments	-	-
Receivables	**-**	**20,734,687.50**
Foreign exchange forward contracts	-	20,000,000.00
Other	-	734,687.50
Financial accounts	**36,168.96**	**757,974.55**
Cash and cash equivalents	36,168.96	757,974.55
Other assets	**-**	**-**
Total assets	**65,660,618.94**	**81,450,887.90**

BALANCE SHEET liabilities

	12.30.2022	12.31.2021
Currency	EUR	EUR
Equity		
• Capital	64,295,489.25	53,988,410.55
• Previous undistributed net capital gains and losses	1,343,933.31	328,001.27
• Retained earnings	160,475.56	-
• Net capital gains and losses for the financial year	-4,760,209.19	4,834,682.56
• Result	4,270,263.84	720,138.18
Total equity *(amount representing net assets)*	**65,309,952.77**	**59,871,232.56**
Financial instruments	**283,303.26**	**42,938.02**
• DISPOSALS OF FINANCIAL INSTRUMENTS	-	-
• TEMPORARY PURCHASES AND SALES OF FINANCIAL SECURITIES		
Debts representing financial repurchase agreements	-	-
Debts representing financial securities borrowings	-	-
Other temporary purchases and sales	-	-
• FINANCIAL CONTRACTS		
Transactions on a regulated or similar market	-	-
Other transactions	283,303.26	42,938.02
Debts	**67,357.47**	**20,739,948.89**
Foreign exchange forward contracts	-	20,011,231.54
Other	67,357.47	728,717.35
Financial accounts	**5.44**	**796,768.43**
Cash credit	5.44	796,768.43
Borrowings	-	-
Total liabilities	**65,660,618.94**	**81,450,887.90**

OFF-balance sheet

	12.30.2022	12.31.2021
Currency	EUR	EUR
Hedging		
• Commitments on regulated or similar markets		
- Futures market (Futures)	-	-
- Options market (Options)	-	-
- Credit derivatives	-	-
- Swaps	-	-
- Contracts for Differences (CFD)	-	-
• OTC commitments		
- Futures market (Futures)	-	-
- Options market (Options)	44,526,400.49	9,492,346.41
- Credit derivatives	-	-
- Swaps	-	-
- Contracts for Differences (CFD)	-	-
• Other commitments		
- Futures market (Futures)	-	-
- Options market (Options)	-	-
- Credit derivatives	-	-
- Swaps	-	-
- Contracts for Differences (CFD)	-	-
Other transactions		
• Commitments on regulated or similar markets		
- Futures market (Futures)	-	-
- Options market (Options)	-	-
- Credit derivatives	-	-
- Swaps	-	-
- Contracts for Differences (CFD)	-	-
• OTC commitments		
- Futures market (Futures)	-	-
- Options market (Options)	-	-
- Credit derivatives	-	-
- Swaps	-	-
- Contracts for Differences (CFD)	-	-
• Other commitments		
- Futures market (Futures)	-	-
- Options market (Options)	-	-
- Credit derivatives	-	-
- Swaps	-	-
- Contracts for Differences (CFD)	-	-

INCOME statement

	12.30.2022	12.31.2021
Currency	EUR	EUR
Income from financial transactions		
• Income from deposits and financial accounts	10,589.02	270.86
• Income from equities and similar securities	-	-
• Income from bonds and similar securities	4,761,559.82	2,105,834.41
• Income from debt securities	-	-
• Income from temporary purchases and disposals of financial securities	-	-
• Income from financial contracts	-	-
• Other financial income	-	-
Total (I)	**4,772,148.84**	**2,106,105.27**
Expenses on financial transactions		
• Expenses on temporary purchases and disposals of financial securities	-	-
• Expenses on financial contracts	-	-
• Expenses on financial debt	-29,367.81	-50,559.34
• Other financial expenses	-	-
Total (II)	**-29,367.81**	**-50,559.34**
Profit/loss on financial transactions (I - II)	**4,742,781.03**	**2,055,545.93**
Other income (III)	-	-
Management fees and depreciation expense (IV)	-784,465.26	-1,369,659.79
Net income for the period (L.214-9-17-1) (I - II + III - IV)	**3,958,315.77**	**685,886.14**
Income adjustments for the period (V)	311,948.07	34,252.04
Interim payments in terms of the period (VI)	-	-
Income (I - II + III - IV +/- V - VI):	**4,270,263.84**	**720,138.18**

appendices

1 accounting rules and methods

The financial statements are presented in the form provided by the regulation ANC No. 2014-01, amended.

Covid-19 and impact on the annual accounts:

The accounts have been drawn up by the management company on the basis of the information available in an evolving context of crisis linked to Covid-19.

Rules of assets accounting and valuation

The organization has complied with regulation no. 2003 – 02 of October 2, 2003 of the Accounting Regulation Committee.

Valuation rules : financial instruments and securities traded on a French or foreign regulated market

The portfolio is valued at each net asset value day and at the end of the financial year according to the following rules :

Listed financial instruments

• Financial instruments and securities traded on a regulated French or foreign market: closing price on the valuation day (source: Bloomberg).

• Securities whose price has not been recorded on the valuation day are valued at the last officially published price or their probable trading value under the responsibility of the Investment Manager. The supporting documents are communicated to the External Auditor during his audits.

• Currencies: Foreign securities are converted to Euro equivalent at the currency rate published at 16:00 in London on the valuation day.

• Fixed-rate and variable-rate bonds and fixed income products are valued daily at their market value on the basis of valuation prices from data providers considered eligible by the Investment Manager and Classified in order of priority according to the type of instrument. They are valued clean in price.

• Treasury bills with annual interest (BTAN), Treasury bonds with fixed rate and pre-discounted interest (BTF) and Short-term marketable securities :

- BTANs, BTFs and T-bills excluding French issuances with a maturity of less than three months on issue, on the date of acquisition, or whose remaining time is lower than three months on the net asset value determination date, are valued using the simplifying method (linearization). In the presence of a large variation in the markets, the linear method is discarded and the instruments are valued according to the method applicable to BTAN, BTF and T-bills, excluding French issuances with a maturity of more than three months (see below).
- BTANS, BTFS and T-bills excluding french issuances with a maturity of more than three months on issue, on the date of acquisition, or whose remaining time is greater than three months on the net asset value determination date, are valued at their market value (sources: BGN, Bloomberg).

UCI'S

Units or shares of UCITS are valued at the last published official net asset value. Collective investment entities valued in a time that is incompatible with the determination of the net asset value of the Fund are valued on the basis of estimates under the control and responsibility of the Investment Manager.

Debt securities and similar exchange traded products

Securities that are not subject to significant transactions are valued using an actuarial method and the rate used is identical to equivalent securities issued, affected, if necessary, by a spread representative of intrinsic characteristics of the issuer. Should information on the modified duration be insufficient or unavailable, securities with a residual term equal to 3 months are valued using the latest rate, and for those acquired within 3 months, interest are linearized.

• Negotiable Debt Securities (NDSs) with maturity lower than three months :

NDSs with a maturity lower than three months at the time of issue, on the date of acquisition, or whose remaining time is less than three months on the net asset value determination date, are valued according to the simplifying method (linearization).

In some cases (credit event for example), the simplifying method is discarded and the NDS is valued at the market price according to the method applied for NDSs with maturity greater than three months (see below).

• Negotiable Debt Securities (NDSs) with maturities greater than three months :

They are valued by applying an actuarial method, the discount rate used to be that of issues of equivalent securities, which may be affected by a difference representative of the intrinsic characteristics of the security issuer (market spread of the issuer).

The market interest rates used are: For the Euro, €STR swap curve, the discount rate is a rate interposed (linearly interpolated) between the two nearest listed periods with respect to the maturity of the security.

Temporary acquisitions and sales of securities

Loans/Debt :

- Securities lending: lent securities are valued at the securities market value: debt representing the securities lent is valued using the terms of the debt contract.
- Securities borrowing: debt representing the securities borrowed is valued according to the contractual terms. Pensions:
- Reverse repurchase agreements: debt representing securities received under repurchase agreements is valued according to the contractual terms.
- Repurchase agreements: securities sold under repurchase agreements are valued at the securities market value; debt representing securities sold under repurchase agreements is valued according to the contractual terms.

Futures instruments and derivatives

Futures or options negotiated on organized markets are computed on the basis of their last compensation. Futures or options negotiated over-the- counter are valued at the last price given by the counterparty of the financial instrument. The Investment Manager performs an independent control of this valuation. Should the Investment Manager identify any discrepancy between the price communicated by the counterparty and a fairly estimated market price, the Investment Manager may take the responsibility to independently value the asset with its own means.

Financial forwards not traded on a regulated market are valued under the responsibility of the Investment at their probable average trading value, that is to say in the middle of the range or at the "mid price".

- Contracts for difference (CFD): CFDs are valued at their market value based on the underlying securities closing prices on the valuation date. The market value of the corresponding lines mentions the difference between the market value and the exercise price of the underlying securities.
- Forex Forwards: they are valued on the basis of a calculation taking into account:

- The nominal value of the instrument,
- The strike price of the instrument,
- Discounting factors for the remaining period,
- The spot rate at market value,
- The forward exchange rate for the remaining term, defined as the product of the spot exchange rate and the ratio of discount factors in each currency calculated using the appropriate rate curves.

• OTC derivatives within the management of the synthetic exposure strategy (excluding CDS, FX Forwards and CFD):

- Rate swaps for maturities lower than three months: Swaps with a maturity lower than three months from the swap starting date or from the NAV calculation date are valued on a linear basis. In the event that the swap is not backed on a specific asset and in the presence of a large variation in interest rates, the linear method is discarded, and the swap is valued according appendices

to the method reserved for rate swaps with maturity greater than three months (see below).

- Total return swaps (all maturities) and Rate swaps with maturity greater than three months :

- Rate swaps against FED FUNDS or SONIA: They are valued using the reversal cost method. For each NAV calculation, the interest rate and/or currency swap contracts are valued at their market value according to the price calculated by discounting the future cash flows (principal and interest) at the interest and/or exchange rates. Discounting is done by using a yield curve: zero- coupon. When the residual maturity of the swap becomes lower than three months, the linearization method is applied.

- Total return swap and interest rate swaps against an €STR, EURIBOR or SOFR benchmark : They are valued at their market value based on prices calculated by the counterparties, in the middle of the range ("mid-price") under the control and responsibility of the Investment Manager.

• OTC derivative products separate from the synthetic exposure management (excluding CDS, FX Forwards and CFD): Forward contracts are valued at their market value based on mid-price calculated by the counterparties, under the control and responsibility of the Investment Manager.

Accounting method

All securities in the portfolio are computed at historical cost, excluding expenses.

Financial securities, futures and options held in the portfolio denominated in foreign currencies are converted into the accounting currency based on the exchange rate provided in Paris on the Net Asset Value Calculation Date.

Methods for evaluating off-balance sheet commitments

Off-balance sheet commitments are evaluated at their commitment value.

The commitment value for futures contracts is equal to the price (in the currency of the UCIT) multiplied by the number of contracts multiplied by the nominal amount.

The commitment value for options contracts is equal to the price of the underlying security (in the currency of the UCIT) multiplied by the number of contracts multiplied by the delta multiplied by the nominal amount of the underlying security.

The commitment value for swap contracts is equal to the nominal amount of the contract (in the currency of the UCIT).

Operating and management costs

The following fees cover all fees charged directly to the Sub-Fund, except for transaction fees. Transaction fees include intermediation fees (brokerage fees, stock market taxes, etc.) and the transaction fee charged by the custodian.

For further details on the fees charged to the Sub-Fund, please refer to the Key Investor Information Document.

Fees Payable to the Fund	Basis	Maximum Fee
Management fees and administrative fees to third parties (CAC, custodian, distribution, lawyers)	Net Assets	**Share Class R:** 1.50% TTC **Share Class I1C, I2C, I1D**: 1.00% TTC **Share Class R**: Maximum 0.25% TTC **Share Class I1C, I2C, I1D**: Maximum 0.25% TTC
Transaction Fees	Payable upon each transaction, based on the transactions' gross amount	Investment Manager: None Custodian: fixed amount per transaction and per asset (instruments and financial contracts) - ESES zone [1] : 6 euros - Mature markets zone 1[2] : 10 euros - Mature markets zone 2[3] : 18 euros

Fees Payable to the Fund	Basis	Maximum Fee
Performance Fees	Net Assets	**Share Class R:** 10% all taxes included of the annual outperformance net of fees of the Sub-Fund relative to the €STR capitalized +8.5 bps +1.5%, with High Water Mark **Share Classes I1C, I2C, I1D:** 10% all taxes included of the annual outperformance net of fees of the Sub-Fund relative to the €STR capitalized +8.5 bps +2%, with High Water Mark

[1] *ESES area: France, Belgium, Netherlands*

[2] *Mature markets zone 1: Germany, Denmark, Spain, United States, Finland, Italy, Norway, United Kingdom, Sweden e*

[3] *Mature Markets Zone 2: Australia, Austria, Canada, Hong Kong, Ireland, Japan, Switzerland, South Africa e*

As a reminder, shareholders will not be automatically informed nor benefit from the ability to redeem their shares with no redemption fee should the External Administrative Fees increase by less than 10 basis points p.a.

PERFORMANCE FEE FOR R SHARE CLASS

Performance Fee is calculated using the relative high-water mark (rHWM) methodology, which may be made available to shareholders upon request.

Calculation Period

The calculation period ("Calculation Period") corresponds to the Sub-Fund's financial year, which is the same as a calendar year.

Performance Fee is calculated over a 12-month period, typically starting on the last dealing day of a year when Performance Fees were paid to the Investment Manager until the last dealing day of the following year.

As an exception, the first Calculation Period will begin with the constitution of the Sub-Fund and will end on 31 December 2020. As such, any performance fee for the first calculation period will be acquired for the first time by the Investment Manager on the 31 December 2020.

Reference Asset

The Reference Asset (the "Reference Asset") is used as a basis for calculating Performance Fees.

The net asset of the Sub-Fund is compared to the Reference Asset to determine whether Performance Fees shall be applicable.

The Reference Asset records a performance equal to that of the Benchmark (€STR capitalized +8.5 bps +2%) over the Calculation Period and records the same variations related to subscriptions / redemptions as the Sub-Fund. In the case of a performance fee, the value of the Reference Asset is aligned with the value of the net assets of the Sub-Fund.

High-Water Mark Relative (rHWM)

The Investment Manager is entitled to receive a performance fee ("Performance Fee") only if, over a given Calculation Period, the Sub-Fund outperforms the Reference Asset.

Methodology for Calculating Performance Fees

Calculated according to the indexed method, Performance Fees are provisioned starting on each Calculation Period's first dealing day and at each net asset value date as follows:

· In case the share class I outperforms the Reference Asset, at the end of a Calculation Period, the Investment Manager will be entitled to Performance Fee. Performance is calculated at each net asset value.

· In case the share class I underperforms the Reference Asset between two net asset values, the portion of the variable management fees is readjusted by a reversal of provisions up to the existing allocation. Provision reversals are capped at the level of previous allocations.

In the event of redemptions, the share of the provision of Performance Fee corresponding to the number of shares redeemed is definitively acquired by the Investment Manager. These will be collected at the end of the year.

Performance fees will only be collected at the end of the calculation period if, over the calculation period, net performance of the share class I is higher than that of the reference asset and if the end-of-year net asset value is greater than the last closing net asset value on which an outperformance fee was actually charged. Redemptions occurring over the financial year will give rise to an advance payment for their share of performance fees. These fees will be charged directly to the income statement of the Sub-Fund.

As such:

· If, over a given Calculation Period, the I share class performance net of fees is higher than that of its Reference Asset and should the rHWM condition be met, the Investment Manager will be entitled to receive a Performance Fee in relations to I share class of 10% (inclusive of tax) of the difference between the I share class performance net of fees and the Reference Asset as described previously

· If, over a given Calculation Period, the I share class performance net of fees is lower than that of its Reference Asset or if the rHWM condition was not met, the Investment Manager will be entitled to receive a 0% Performance Fee

Research costs

Research-related fees within the meaning of Article 314-21 of the AMF General Regulations may be charged to the Subfund, where these fees are not paid from the Management Company's own resources. No fees were collected in 2022.

Accounting currency

Euro.

Indication of accounting changes subject to special information to shareholders

- Changes made: None.
- Changes to occur: None.

Details of other changes which must be specifically notified to shareholders

(not certified by the statutory auditor)

- Changes made: None.
- Changes to occur: None.

Details and justification of changes in valuation and implementation procedures

None.

Details of the type of errors that have been corrected during the period

None.

Details of the rights and conditions attached to each share category

The net income for the fiscal year shall correspond to the interests, arrears, dividends, premiums and allotments, directors' fees and all other financial revenues generated by securities held in the Fund's portfolio, as well as any cash amount momentarily available, altogether subject to management fees and loan interests.

The amount available for distribution consists of:

1. Net income for the financial year, plus money carried forward and plus or minus balance of past accrued income;
2. Net capital gains, after fees, minus any net capital loss accrued during the current financial year, plus net capital gains of the same kind accrued during previous years that have not been subject to distribution or capitalization, impacted (positively or negatively) by the balance of capital gains' regularized account.

Share Classes I1C, I2C and R :

Amounts distributed are fully capitalized each year:

	Full Accumulation
Net Income	X
Net Realized Capital Gains or Losses	X

Share classes I1D :

	Partial Distribution
Net Income	X
Net Realized Capital Gains or Losses	X

2 changes net assets

	12.30.2022	12.31.2021
Currency	EUR	EUR
Net assets at the beginning of the period	**59,871,232.56**	**53,145,523.01**
Subscriptions (including the subscription fee allocated to the UCIT)	11,797,731.12	9,196,499.28
Redemptions (with deduction of the redemption fee allocated to the UCIT)	-424,928.97	-8,315,220.06
Capital gains on deposits and financial instruments	7,289,559.41	9,742,415.60
Capital losses on deposits and financial instruments	-16,176,905.68	-3,601,317.53
Capital gains on financial contracts	4,733,964.75	570,351.81
Capital losses on financial contracts	-3,361,257.19	-1,668,470.28
Transaction fees	-70.00	-4,893.21
Foreign exchange differences	921,011.75	1,384,196.72
Changes in the estimate difference in deposits and financial instruments:	-3,780,519.63	-812,250.30
- Estimate difference – period N	*-1,848,894.96*	*1,931,624.67*
- Estimate difference – period N-1	*1,931,624.67*	*2,743,874.97*
Changes in the estimate difference in financial contracts:	481,818.88	-184,194.90
- Estimate difference – period N	*297,623.98*	*-184,194.90*
- Estimate difference – period N-1	*-184,194.90*	-
Distribution over the previous year net capital gains and losses	-	-267,293.72
Prior period distribution	-	-
Net income for the period before adjustment accounts	3,958,315.77	685,886.14
Deposit(s) paid(s) during the year net capital gains and losses	-	-
Interim payment(s) during the period	-	-
Other items	-	-
Net assets at the end of the period	**65,309,952.77**	**59,871,232.56**

3 additional information

3.1. Financial instruments: breakdown by legal or economic type of instrument

3.1.1. Breakdown of the "Bonds and similar securities" item by type of instrument

	Traded on a regulated or similar market	Not traded on a regulated or similar market
Indexed bonds	-	-
Convertible bonds	1,764,273.87	-
Fixed-rate bonds	43,027,988.86	-
Variable-rate bonds	19,627,682.19	-
Zero-coupon bonds	-	-
Investments	-	-
Other instruments	-	-

3.1.2. Breakdown of the "Debt securities" item by legal or economic type of instrument

	Traded on a regulated or similar market	Not traded on a regulated or similar market
Treasury Bonds	-	-
Short-term debt securities (NEU CP) issued by non-financial issuers	-	-
Short-term debt securities (NEU CP) issued by bank issuers	-	-
Medium-term debt securities NEU MTN	-	-
Other instruments	-	-

3.1.3. Breakdown of the "Disposals of financial instruments" item by type of instrument

	Disposals of repurchase agreements	Disposals of borrowed securities	Disposals of acquired repurchase agreements	Short sales
Equities	-	-	-	-
Bonds	-	-	-	-
Debt securities	-	-	-	-
Other instruments	-	-	-	-

3.1.4. Breakdown of the off-balance sheet sections by market type (in particular rates, securities)

	Rates	Equities	Foreign Exchange	Other
Hedging				
Commitments on regulated or similar markets	-	-	-	-
OTC commitments	21,107,959.32	9,127,025.31	14,291,415.86	-
Other commitments	-	-	-	-
Other transactions				
Commitments on regulated or similar markets	-	-	-	-
OTC commitments	-	-	-	-
Other commitments	-	-	-	-

3.2. Breakdown by rate type for asset, liability and off-balance sheets items

	Fixed rate	Variable rates	Rollover rate	Other
Assets				
Deposits	-	-	-	-
Bonds and similar securities	43,798,410.51	-	20,621,534.41	-
Debt securities	-	-	-	-
Temporary purchases and sales of financial securities	-	-	-	-
Financial accounts	-	-	-	36,168.96
Liabilities				
Temporary purchases and sales of financial securities	-	-	-	-
Financial accounts	-	-	-	5.44
Off-balance sheet				
Hedging	21,107,959.32	-	-	-
Other transactions	-	-	-	-

3.3. Breakdown by residual maturity for asset, liability and off-balance sheets items

	0 - 3 months	3 months - 1 year	1 - 3 years	3 - 5 years	> 5 years
Assets					
Deposits	-	-	-	-	-
Bonds and similar securities	877,920.00	-	5,315,395.93	20,062,642.03	38,163,986.96
Debt securities	-	-	-	-	-
Temporary purchases and sales of financial securities	-	-	-	-	-
Financial accounts	36,168.96	-	-	-	-
Liabilities					
Temporary purchases and sales of financial securities	-	-	-	-	-
Financial accounts	5.44	-	-	-	-
Off-balance sheet					
Hedging	21,107,959.32	-	-	-	-
Other transactions	-	-	-	-	-

3.4. Breakdown by listing currency or evaluation for asset, liability and off-balance sheets items

This breakdown is provided for the main listing and evaluation currencies, except for the currency in which the books are kept.

By main currency	USD	CAD	-	Other currencies
Assets				
Deposits	-	-	-	-
Equities and similar securities	-	-	-	-
Bonds and similar securities	26,194,158.24	-	-	-
Debt securities	-	-	-	-
Collective investment undertakings	-	-	-	-
Temporary purchases and sales of financial securities	-	-	-	-
Receivables	-	-	-	-
Financial accounts	3,554.96	-	-	-
Other assets	-	-	-	-
Liabilities				
Disposal operations on financial instruments	-	-	-	-
Temporary purchases and sales of financial securities	-	-	-	-
Debts	-	-	-	-
Financial accounts	-	5.44	-	-
Off-balance sheet				
Hedging	21,107,959.32	-	-	-
Other transactions	-	-	-	-

3.5. Receivables and Debts: breakdown by type

Details on elements comprising the "other receivables" and "other debts" items, particulary the breakdown of foreign exchange forward contracts by type of operation (purchase/sale).

Receivables	
Foreign exchange forward contracts:	**-**
Forward currency purchases	-
Total amount traded for forward currency sales	-
Other Receivables:	
-	-
-	-
-	-
-	-
Other transactions	-
Debts	
Foreign exchange forward contracts:	**67,357.47**
Forward currency sales	-
Total amount traded for forward currency purchases	-
Other Debts:	
Provisioned fees	67,357.47
-	-
-	-
-	-
Other transactions	-

3.6. Equity

		Subscriptions		Redemptions
Number of shares issued / redeemed during the period:	Number of shares	Amount	Number of shares	Amount
R share / FR0013442605	-	-	-	-
I1C share / FR0013442597	11,327.58	11,797,731.12	394.284	424,928.97
I2C share / FR0013518123	-	-	-	-
I1D share / FR0013518131	-	-	-	-
Subscription / redemption fee:		Amount		Amount
R share / FR0013442605		-		-
I1C share / FR0013442597		-		-
I2C share / FR0013518123		-		-
I1D share / FR0013518131		-		-
Retrocessions:		Amount		Amount
R share / FR0013442605		-		-
I1C share / FR0013442597		-		-
I2C share / FR0013518123		-		-
I1D share / FR0013518131		-		-
Commissions allocated to the UCIT:		Amount		Amount
R share / FR0013442605		-		-
I1C share / FR0013442597		-		-
I2C share / FR0013518123		-		-
I1D share / FR0013518131		-		-

3.7. Management fees

Operating and management fees (fixed charges) as a % of the average net assets	%
Share class:	
R share / FR0013442605	**-**
I1C share / FR0013442597	**1.25**
I2C share / FR0013518123	**-**
I1D share / FR0013518131	**1.25**

Outperformance fee (variable charges): amount of fees for the period	Amount
Share class:	
R share / FR0013442605	**-**
I1C share / FR0013442597	**-**
I2C share / FR0013518123	**-**
I1D share / FR0013518131	**-**
- Breakdown by "target" UCIT:	
- UCIT 1	-
- UCIT 2	-
- UCIT 3	-
- UCIT 4	-

3.8. Commitments received and granted

3.8.1. Description of the guarantees received by the UCIT with mention of capital guarantees .... **none**
3.8.2. Description of other commitments received and/or granted .... **none**

3.9. Other information

3.9.1. Current value of financial instruments pertaining to a temporary acquisition:

- Financial instruments as repurchase agreements (delivered)	-
- Other temporary purchases and sales	-

3.9.2. Current value of financial instruments comprising guarantee deposits:
Financial instruments received as a guarantee and not written to the balance sheet:

- equities	-
- bonds	-
- debt securities	-
- other financial instruments	-

Financial instruments granted as a guarantee and maintained in their original item:

- equities	-
- bonds	-
- debt securities	-
- other financial instruments	-

3.9.3. Financial instruments held as a portfolio issued by the entities related to the management company (funds) or financial managers (Mutual Funds) and UCITS managed by these entities:

- UCITS	-
- other financial instruments	-

3.10. Income allocation table *(In the accounting currency of the UCIT)*

Interim payments in terms of the period

Date	Share Class	Total amount	Unit amount	Total tax credit
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-

	12.30.2022	12.31.2021
Income allocation	EUR	EUR
Sums remaining to be allocated		
Retained earnings	160,475.56	-
Result	4,270,263.84	720,138.18
Total	**4,430,739.40**	**720,138.18**

R share / FR0013442605	12.30.2022	12.31.2021
Currency	EUR	EUR
Allocation		
Distribution	-	-
Retained earnings for the period	-	-
Capitalisation	-	-
Total	**-**	**-**
Information concerning the shares conferring distribution rights		
Number of shares	-	-
Unit distribution	-	-
Tax credits	**-**	**-**

I1C share / FR0013442597	12.30.2022	12.31.2021
Currency	EUR	EUR
Allocation		
Distribution	-	-
Retained earnings for the period	-	-
Capitalisation	3,542,770.77	559,662.62
Total	**3,542,770.77**	**559,662.62**
Information concerning the shares conferring distribution rights		
Number of shares	-	-
Unit distribution	-	-
Tax credits	**-**	**-**

I2C share / FR0013518123	12.30.2022	12.31.2021
Currency	EUR	EUR
Allocation		
Distribution	-	-
Retained earnings for the period	-	-
Capitalisation	-	-
Total	**-**	**-**
Information concerning the shares conferring distribution rights		
Number of shares	-	-
Unit distribution	-	-
Tax credits	**-**	**-**

I1D share / FR0013518131	12.30.2022	12.31.2021
Currency	EUR	EUR
Allocation		
Distribution	-	-
Retained earnings for the period	887,968.63	160,475.56
Capitalisation	-	-
Total	**887,968.63**	**160,475.56**
Information concerning the shares conferring distribution rights		
Number of shares	-	-
Unit distribution	-	-
Tax credits	**-**	**-**

3.11. Allocation table of amounts available for distribution relating to net capital gains and losses

(in the accounting currency of the UCITS)

Payments on net capital gains and losses for the financial year

Date	Total amount	Unit amount
-	-	-
-	-	-
-	-	-
-	-	-

Allocation of net capital gains and losses	12.30.2022 EUR	12.31.2021 EUR
Amounts remaining to be allocated		
Previous undistributed net capital gains and losses	1,343,933.31	328,001.27
Net capital gains and losses for the financial year	-4,760,209.19	4,834,682.56
Payments on net capital gains and losses for the financial year	-	-
Total	**-3,416,275.88**	**5,162,683.83**

R share / FR0013442605	12.30.2022	12.31.2021
Currency	EUR	EUR
Allocation		
Distribution	-	-
Undistributed net capital gains and losses	-	-
Capitalisation	-	-
Total	**-**	**-**
Information concerning shares conferring distribution rights		
Number of shares	-	-
Unit distribution	-	-

I1C share / FR0013442597	12.30.2022	12.31.2021
Currency	EUR	EUR
Allocation		
Distribution	-	-
Undistributed net capital gains and losses	-	-
Capitalisation	-3,949,280.65	3,818,750.52
Total	**-3,949,280.65**	**3,818,750.52**
Information concerning shares conferring distribution rights		
Number of shares	-	-
Unit distribution	-	-

I2C share / FR0013518123	12.30.2022	12.31.2021
Currency	EUR	EUR
Allocation		
Distribution	-	-
Undistributed net capital gains and losses	-	-
Capitalisation	-	-
Total	**-**	**-**
Information concerning shares conferring distribution rights		
Number of shares	-	-
Unit distribution	-	-

I1D share / FR0013518131	12.30.2022	12.31.2021
Currency	EUR	EUR
Allocation		
Distribution	-	-
Undistributed net capital gains and losses	533,004.77	1,343,933.31
Capitalisation	-	-
Total	**533,004.77**	**1,343,933.31**
Information concerning shares conferring distribution rights		
Number of shares	-	-
Unit distribution	-	-

3.12. Table of results and other characteristic elements of the SICAV over the last 5 periods

UCIT creation date: *August 22, 2019.*

Currency EUR	**12.30.2022**	12.31.2021	12.31.2020	-	-
Net assets	**65,309,952.77**	59,871,232.56	-	-	-

R share / FR0013442605 SHARE currency: -

	12.30.2022	12.31.2021	12.31.2020	-	-
Number of outstanding shares	**-**	-	-	-	-
Net asset value	**-**	-	-	-	-
Unit distribution net capital gains and losses (including interim payments)	**-**	-	-	-	-
Unit distribution (including interim payments)*	**-**	-	-	-	-
Unit tax credit transferred to share holders (individuals) (1)	**-**	-	-	-	-
Unit capitalisation*	**-**	-	-	-	-

** The amounts of the unit distribution, the unit capitalization and the tax credits are indicated in the accounting currency of the UCITS. The unit capitalization is the sum of earnings and higher net capital losses and the number of units outstanding. This calculation method has been applied since 1 January 2013.*
(1) In application of the Tax Instruction of 4 March 1993 of the General Tax Directorate, the unitary tax credit is determined on the day the dividend is clipped by dividing the total amount of the tax credits amongst the outstanding units on that date.

I1C share / FR0013442597 SHARE currency: EUR

	12.30.2022	12.31.2021	12.31.2020	-	-
Number of outstanding shares	**52,796.812**	41,863.516	44,934.664	-	-
Net asset value	**1,026.27**	1,135.97	1,017.04	-	-
Unit distribution net capital gains and losses (including interim payments)	**-**	-	-	-	-
Unit distribution (including interim payments)*	**-**	-	-	-	-
Unit tax credit transferred to share holders (individuals) (1)	**-**	-	-	-	-
Unit capitalisation*	**-7.69**	104.58	37.04	-	-

** The amounts of the unit distribution, the unit capitalization and the tax credits are indicated in the accounting currency of the UCITS. The unit capitalization is the sum of earnings and higher net capital losses and the number of units outstanding. This calculation method has been applied since 1 January 2013.*
(1) In application of the Tax Instruction of 4 March 1993 of the General Tax Directorate, the unitary tax credit is determined on the day the dividend is clipped by dividing the total amount of the tax credits amongst the outstanding units on that date.

I2C share / FR0013518123 SHARE currency: -

	12.30.2022	12.31.2021	12.31.2020	-	-
Number of outstanding shares	**-**	-	-	-	-
Net asset value	**-**	-	-	-	-
Unit distribution net capital gains and losses (including interim payments)	**-**	-	-	-	-
Unit distribution (including interim payments)*	**-**	-	-	-	-
Unit tax credit transferred to share holders (individuals) (1)	**-**	-	-	-	-
Unit capitalisation*	**-**	-	-	-	-

** The amounts of the unit distribution, the unit capitalization and the tax credits are indicated in the accounting currency of the UCITS. The unit capitalization is the sum of earnings and higher net capital losses and the number of units outstanding. This calculation method has been applied since 1 January 2013.*
(1) In application of the Tax Instruction of 4 March 1993 of the General Tax Directorate, the unitary tax credit is determined on the day the dividend is clipped by dividing the total amount of the tax credits amongst the outstanding units on that date.

I1D share / FR0013518131 SHARE currency: EUR

	12.30.2022	12.31.2021	12.31.2020	-	-
Number of outstanding shares	**10,221.747**	10,221.747	6,682.343	-	-
Net asset value	**1,088.46**	1,204.81	1,114.11	-	-
Unit distribution net capital gains and losses (including interim payments)	**-**	-	40.00	-	-
Unit distribution (including interim payments)*	**-**	-	-	-	-
Unit tax credit transferred to share holders (individuals) (1)	**-**	-	-	-	-
Unit capitalisation*	**-**	-	-0.98	-	-

** The amounts of the unit distribution, the unit capitalization and the tax credits are indicated in the accounting currency of the UCITS. The unit capitalization is the sum of earnings and higher net capital losses and the number of units outstanding. This calculation method has been applied since 1 January 2013.*
(1) In application of the Tax Instruction of 4 March 1993 of the General Tax Directorate, the unitary tax credit is determined on the day the dividend is clipped by dividing the total amount of the tax credits amongst the outstanding units on that date.

4 inventory at 12.30.2022

Asset Code	Asset Description	Holding Status	Nominal	Market Value - FCY	Quotation Ccy	% TNA
Valeurs mobilieres						
Obligation						
XS2282606578	ABERTIS FINANCE BV VAR PERP	PROPRE	1 500 000,00	1 189 804,93	EUR	1,82
FR001400DU47	AIR FRANCE KLM VAR CV PERPETUAL	PROPRE	1 000 000,00	993 852,22	EUR	1,52
XS1577952440	ALTICE FINCO SA 4.75% 15/01/2028	PROPRE	2 000 000,00	1 543 873,33	EUR	2,36
XS2138128314	ALTICE FRANCE HOLDING SA 8% 15/05/2027	PROPRE	4 000 000,00	3 009 186,67	EUR	4,61
US04625HAG48	ASTON MARTIN CAPITAL HOL 10.5% 30/11/2025	PROPRE	2 000 000,00	1 797 306,08	USD	2,75
PTBCPFOM0043	BANCO COMERC PORTUGUES PERPETUAL	PROPRE	2 000 000,00	1 789 393,91	EUR	2,74
USF1067PAD80	BNP PARIBAS VAR PERPTUAL	PROPRE	2 000 000,00	1 981 397,80	USD	3,03
FR0011606169	CASINO GUICHARD TF/TV PERP	PROPRE	1 000 000,00	224 637,64	EUR	0,34
XS2328426445	CASINO GUICHARD 5.25% 15/04/2027	PROPRE	4 000 000,00	2 097 420,00	EUR	3,21
FR0010154385	CASINO TF/TV TSS PERP	PROPRE	5 000 000,00	904 045,83	EUR	1,38
USH3698DCP71	CREDIT SUISSE GROUP AG VAR PERPETUAL	PROPRE	3 000 000,00	2 103 220,51	USD	3,22
XS0989394589	CREDIT SUISSE TF/TV PERPETUEL	PROPRE	2 000 000,00	1 647 465,47	USD	2,52
XS2326497802	DOUGLAS GMBH 6% 08/04/2026	PROPRE	3 000 000,00	2 559 680,44	EUR	3,92
FR0013534336	ELECTRICITE DE FRANCE SA VAR PERPETUAL	PROPRE	3 400 000,00	2 511 754,19	EUR	3,85
FR001400EFQ6	ELECTRICITE FRANCESA VAR PERPETUAL	PROPRE	2 000 000,00	2 008 486,85	EUR	3,08
USG315APAG37	ENQUEST PLC 11.625% 01/11/2027	PROPRE	3 000 000,00	2 715 324,40	USD	4,16
USG4066TAA00	GRAN TIERRA ENERGY INTL 6.25% 15/02/2025	PROPRE	1 500 000,00	1 266 756,52	USD	1,94
US500255AX28	KOHLS CORP 3.375% 01/05/2031	PROPRE	2 500 000,00	1 667 641,34	USD	2,55
FR0014005O90	LA BANQUE POSTALE VAR PERPETUAL	PROPRE	2 000 000,00	1 444 532,82	EUR	2,21
XS2059777594	LHMC FINCO 2 SARL 7.25% PIK 02/10/2025	PROPRE	2 500 000,00	2 251 333,33	EUR	3,45
XS2369684050	MCLAREN FINANCE PLC 7.5% 01/08/2026	PROPRE	3 500 000,00	2 663 907,12	USD	4,08
XS2355515516	NOBEL BIDCO BV 3.125% 15/06/2028	PROPRE	2 500 000,00	1 711 552,95	EUR	2,62
XS1361301457	ONORATO ARMATORI SPA DEF 15/02/2023	PROPRE	1 500 000,00	877 920,00	EUR	1,34
US71654QDD16	PETROLEOS MEXICANOS 7.69% 23/01/2050	PROPRE	6 000 000,00	4 100 531,29	USD	6,28
US81254UAK25	SEASPAN CORP 5.5% 01/08/2029	PROPRE	3 500 000,00	2 600 199,49	USD	3,98

Asset Code	Asset Description	Holding Status	Nominal	Market Value - FCY	Quotation Ccy	% TNA
XS1813504666	SIGMA HOLDCO BV 5.75% 15/05/2026	PROPRE	2 500 000,00	1 833 591,67	EUR	2,81
USF8500RAC63	SOCIETE GENERALE VAR PERPTUAL	PROPRE	1 000 000,00	972 554,92	USD	1,49
XS2067265392	SUMMER BC HOLDCO A SARL 9.25% 31/10/2027	PROPRE	2 500 000,00	1 753 285,10	EUR	2,68
XS2293060658	TELEFONICA EUROPE BV VAR PERPETUAL	PROPRE	1 700 000,00	1 307 100,47	EUR	2,00
XS2432131188	TOTALENERGIES SE VAR PERP	PROPRE	2 000 000,00	1 543 286,85	EUR	2,36
DE000A3E5KG2	TUI AG CV 5.0% 16/04/2028	PROPRE	1 000 000,00	770 421,65	EUR	1,18
USG91237AB60	TULLOW OIL PLC 10.25% 15/05/2026	PROPRE	3 500 000,00	2 677 853,30	USD	4,10
XS2010029317	UNITED GROUP BV 4.0% 15/11/2027	PROPRE	1 000 000,00	752 393,33	EUR	1,15
XS2010027881	UNITED GROUP BV 4.625% 15/08/2028	PROPRE	2 000 000,00	1 516 538,33	EUR	2,32
XS2434783911	UNITED GROUP BV 5.25% 01/02/2030	PROPRE	1 000 000,00	746 836,67	EUR	1,14
XS2287912450	VERISURE MIDHOLDING AB 5.25% 15/02/2029	PROPRE	3 500 000,00	2 884 857,50	EUR	4,42
Total Obligation				***64 419 944,92***		***98,64***
Total Valeurs mobilieres				***64 419 944,92***		***98,64***
Options						
Change (Livraison du sous-jacent)						
XDDR2302C801	XDDR/202302/C/1.08	PROPRE	25 000 000,00	265 271,75	EUR	0,41
Total Change (Livraison du sous-jacent)				***265 271,75***		***0,41***
Indices (Livraison du sous-jacent)						
OVXX2301CR01	OVXX/202301/C/26.	PROPRE	50 000,00	30 630,00	EUR	0,05
OVXX2301CR02	OVXX/202301/C/36.	PROPRE	-50 000,00	-7 805,00	EUR	-0,01
SX5Y2301PT02	SX5Y/202301/P/3500.	PROPRE	-3 800,00	-25 474,82	EUR	-0,04
SX5Y2301PT01	SX5Y/202301/P/3800.	PROPRE	3 800,00	264 875,58	EUR	0,41
Total Indices (Livraison du sous-jacent)				***262 225,76***		***0,40***
Valeurs mobilieres						
IHY2302PQ01	IHY/202302/P/103.	PROPRE	-250 000,00	-250 023,44	USD	-0,38
IHY2302PQ02	IHY/202302/P/107.	PROPRE	250 000,00	643 727,73	USD	0,99
Total Valeurs mobilieres				***393 704,29***		***0,60***
Total Options				***921 201,80***		***1,41***
Liquidites						
BANQUE OU ATTENTE						
	BANQUE CAD SGP	PROPRE	-7,85	-5,44	CAD	-0,00
	BANQUE EUR SGP	PROPRE	32 614,00	32 614,00	EUR	0,05

Asset Code	Asset Description	Holding Status	Nominal	Market Value - FCY	Quotation Ccy	% TNA
	BANQUE USD SGP	PROPRE	3 791,72	3 554,96	USD	0,01
Total BANQUE OU ATTENTE				***36 163,52***		***0,06***
FRAIS DE GESTION						
	PRCOMGESTADM	PROPRE	-11 176,53	-11 176,53	EUR	-0,02
	PRCOMGESTADM	PROPRE	-2 294,97	-2 294,97	EUR	-0,00
	PRCOMGESTFIN	PROPRE	-44 706,10	-44 706,10	EUR	-0,07
	PRCOMGESTFIN	PROPRE	-9 179,87	-9 179,87	EUR	-0,01
Total FRAIS DE GESTION				***-67 357,47***		***-0,10***
Total Liquidites				***-31 193,95***		***-0,05***
Total LONGCHAMP SOLFERINO CREDIT FUND				**65 309 952,77**		**100,00**