

# ELLIPSIS EUROPEAN CONVERTIBLES FUND

**Annual  
report**  
MUTUAL FUNDS - MUTUAL FUNDS UNDER FRENCH LAW

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

YEAR ENDED: 29.12.2023

# statement of assets and liabilities

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<b>Portfolio management</b>	ELLIPSIS ASSET MANAGEMENT 112, avenue Kleber - 75116 Paris
<b>Depository and custodians</b>	SOCIÉTÉ GÉNÉRALE 75886 Paris Cedex 18
<b>Placing establishment</b>	SOCIÉTÉ GÉNÉRALE 75886 Paris Cedex 18
<b>Statutory auditor</b>	PRICEWATERHOUSECOOPERS AUDIT 63, rue de Villiers - 92200 Neuilly-sur-Seine Represented by M. Frédéric SELLAM
<b>Promoters</b>	ELLIPSIS ASSET MANAGEMENT

# Information about investments and management

## Procedures for determining and allocating distributable sums

Distributable sums are composed of:

- 1° The net income plus retained earnings, plus or minus the balance of the income equalisation account;
- 2° Realised gains, net of fees, minus realised losses, net of fees, recognised during the financial year, plus net realised gains of the same type recognised during previous financial years, which have not been distributed or accrued, plus or minus the balance of the capital gains equalisation account.

Unit classes I, J, P and Z: Capitalisation

Unit classes ID: Distribution

Unit class D: Accumulation and/or distribution. Possibility to pay interim dividends. Possibility to defer totally or partially the results.

## Investment objective

The investment objective is to outperform the ECI-Europe index hedged against the currency risk over a recommended investment period of five years by applying an active directional management approach to European convertible bonds.

## Benchmark

The performance of each unit class may be compared ex-post with that of the following benchmarks:

### • Units ICHF, JCHF and PCHF

Refinitiv Europe Focus hedged Convertible Bond Index CHF (code Bloomberg: UCBIFX34)

The Refinitiv Europe Focus hedged Convertible Bond Index CHF is representative of the European convertible bond market, weighted by capitalization and calculated coupons reinvested by Refinitiv Benchmark Services (UK) Limited, a company of the Thomson Reuters group.

It has systematic hedging against exchange rate risk against the Swiss franc, i.e. against the risk of variation in the currency of denomination of each constituent of the index against the Swiss franc.

### • Units IEUR, IDEUR, JEUR, PEUR, Z and D

Refinitiv Europe Focus hedged Convertible Bond Index EUR (code Bloomberg: UCBIFX21).

The Refinitiv Europe Focus hedged Convertible Bond Index EUR is representative of the European convertible bond market, weighted by capitalization and calculated with coupons reinvested by Refinitiv Benchmark Services (UK) Limited, a company of the Thomson Reuters group.

It has systematic hedging against exchange rate risk against the euro, i.e. against the risk of variation in the currency of denomination of each constituent of the index against the euro.

### • Units JUSD and PUSD

Refinitiv Europe Focus hedged Convertible Bond Index USD (code Bloomberg: UCBIFX10)

The Refinitiv Europe Focus hedged Convertible Bond Index USD is representative of the European convertible bond market, weighted by capitalization and calculated coupons reinvested by Refinitiv Benchmark Services (UK) Limited, a company of the Thomson Reuters group.

It has systematic hedging against exchange rate risk against the US dollar, i.e. against the risk of variation in the currency of denomination of each constituent of the index against the US dollar.

These indices are representative of the European convertible bond market based on minimum liquidity criteria and a balanced risk profile (share/bond). They are available at <https://www.refinitiv.com/en/financial-data/indices/convertible-indices>

The performance of each unit class may be compared a posteriori with that of its benchmark indicator.

The management of the fund is not constrained by these benchmark indicators, therefore the performance of the Fund may differ significantly from that of these reference indicators.

In accordance with Regulation (EU) 2016/1011 of the European Parliament and the Council of 8 June 2016, Refinitiv Benchmark Services (UK) Limited, the benchmark administrator of Refinitiv Europe Focus hedged Convertible Bond Index indicators is subject to the transitional provisions described in Article 51 of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 (hereinafter the "BMR Regulation") and is not currently registered on the register of administrators and benchmark indices maintained by the European Securities and Markets Authority (ESMA).

In accordance with the BMR Regulation, the management company has a procedure to monitor the benchmark indices uses describing the measures to implement in the event of substantial changes made to an index or if supply of the index is halted.

### Investment strategy

The investment strategy is based on discretionary management that favours stock picking based on an assessment of financial and extra-financial criteria.

- Firstly, qualitative analysis of credit risk aims to ensure the sustainable nature of the issuer's financial and business model. This analysis is based on an assessment of the credit quality, supplemented by a systematic assessment of the quality of governance (e.g. management integrity, independence of the Board of Directors, accounting and tax practices etc.), reputation risks and regulatory risks. As such, each criterion contributes to the qualitative assessment of credit risk without necessarily being disqualifying when taken individually. The aim is to avoid issuers that could be sanctioned by the market in the short or medium term for their default risk, governance practices, the impact of regulatory changes on their business model, or for a reputation issue (analysis of controversial issues). This first level of analysis may lead to the stock's exclusion.
- Secondly, a multicriteria 360° assessment, along 3 axes:
  - Fundamental analysis of the underlying share and its upside potential as well as analysis of the convertible bond issuer's credit, with integration of ESG criteria (see paragraph d.1 below).
  - Quantitative analysis based on assessment of the technical profile (convexity, yield on maturity, bond floor distance, equity/credit/volatility/rates sensitivity) and relative valuations and on analysis of the contractual clauses;
  - Analysis of information flows, of the balance between supply and demand and liquidity.

This 360° multi-criteria analysis leads to the selection of convertible bonds and the weighting of positions.

- Finally, the last stage of the portfolio construction aims to adjust exposure levels to equities, credit and fixed-income markets as well as to thematic and sector risks. They are managed in coherence with the macro-economic analysis developed within Ellipsis AM.

### Integration of ESG criteria into the investment strategy

The fund does not have a sustainable investment objective.

Under the European Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector, the fund falls into the category of products promoting environmental and/or social characteristics (so-called "Article 8").

The performance of the fund may be affected by environmental, social or governance events affecting the convertible issuers to which the fund is exposed. This sustainability risk may result in a decrease in the net asset value of the fund. It is taken into account in investment decisions through:

1/ Exclusion policies: these relate to sensitive sectors linked to the fight against climate change and protection of human rights, and are based on lists of excluded issuers established by the BNP Paribas Group. In addition, with regard to the coal sector, the FCP undertakes not to hold any issuers on exclusion list of the Swiss Association for Responsible Investment SVVK-ASIR: <https://svvk-asir.ch/fr/liste-d-exclusion> in its portfolio, unless it can justify this by an internal analysis of the environmental characteristics of the instrument or the issuer.

2/ A selective approach: this aims to favour companies with good ESG practices by systematically eliminating at least 50% of the lowest rated stocks in the investment universe represented by the benchmark. ESG ratings are established by the manager-analyst team, based on external extra-financial research and internal discretionary assessment. Controversy analysis is a central tool in the assessment of sustainability risk. The rating methodology addresses the 3 criteria: Environmental, Social and Governance.

3/ A "rating improvement" approach: the portfolio's average ESG rating must be better than that of its benchmark indicator. The ESG analysis covers more than 90% of convertible bonds held in the portfolio, all credit risk categories combined (investment grade, high yield).

This financial product promotes environmental and social characteristics. However, the underlying investments of this financial product do not take into account the European Union criteria for environmentally sustainable economic activities within the meaning of Regulation (EU) 2020/852 (hereinafter the "Taxonomy Regulation") and it is not currently in a position to make a commitment from its portfolio on a minimum of activities aligned with the Taxonomy Regulation. The percentage of assets aligned with the Taxonomy Regulation should be considered 0%. Therefore, the "do no material harm" principle does not apply to the underlying investments of this financial product.

This financial product promotes environmental and social characteristics. However, the underlying investments of this financial product do not take into account the European Union criteria for environmentally sustainable economic activities within the meaning of Regulation (EU) 2020/852 (hereinafter the "Taxonomy Regulation") and it is not currently in a position to make a commitment from its portfolio on a minimum of activities aligned with the Taxonomy Regulation. The percentage of assets aligned with the Taxonomy Regulation should be considered 0%. Therefore, the "do no material harm" principle does not apply to the underlying investments of this financial product.

The "Principal adverse impacts" (PAI) on sustainability factors within the meaning of Article 7 of the SFDR Regulation, are not currently taken into account in the investment decisions of the Fund due to the lack of available and reliable data in the current state of the market.

For more information, please visit: <https://www.ellipsis-am.com/esg>

The Fund is mainly invested in convertible bonds, exchangeable bonds and other similar securities whose principal market for the underlying stock is located in the European Economic Area, the United Kingdom or Switzerland.

Only convertible bonds denominated in the currency of a European Economic Area member state, pounds sterling (GBP), Swiss francs (CHF) or US dollars (USD) are eligible for the Fund.

The Fund is hedged against the currency risk corresponding to the risk of variation of the currency of each financial instrument relative to the reference currency of the Fund. Furthermore, each unit of the Fund is hedged against the currency risk corresponding to the risk of variation of the reference currency of the Fund relative to the currency in which the unit is denominated. As this currency risk hedging cannot be perfect, a residual currency risk may persist and represent up to 5% of the net asset value.

With a view to diversifying or improving the fund's technical profile, the fund may invest in so-called synthetic convertible bonds or exchangeable bonds issued by banks.

It may also allocate part of its assets to bonds, debt securities and monetary instruments up to 40% maximum of net assets as well as to use derivatives and instruments with embedded derivatives with a view to hedging the portfolio or rebuilding synthetic exposure to one or more risks in compliance with the management objective.

The Fund's assets are allocated between the major European markets without any geographic, sector or capitalisation bias or any rating restrictions. The levels of exposure to the equity, credit and fixed income markets are monitored in line with the analysis of the macroeconomic context developed at Ellipsis AM.

The portfolio's range of average sensitivity to underlying stocks lies between 10% and 90%. The portfolio's average modified duration is between 0 and +7.

The Fund may enter into temporary securities purchases and sales transactions to optimise its income.

#### **Assets used**

##### **• Convertible bonds and similar securities**

At least 60% of the Fund's net assets is permanently exposed to convertible bonds and similar securities of public or private issuers, whose principal market for the underlying stock is located in the European Economic Area, United Kingdom or Switzerland, without any rating restriction.

This exposure is implemented either by directly holding securities or by recreating the profile of a convertible bond by associating a bond with a derivative, in the event of the supply of this asset class being insufficiently balanced, and with a view to diversifying or improving the Fund's technical profile.

The instruments that can be used are, inter alia, the following:

- Convertible bonds
- Convertible bonds with warrants attached ("OCABSA");
- "OCEANE" bonds (convertible or exchangeable for new or existing shares);
- Bonds redeemable in shares (ORA, ORANE, ORABSA);
- Bonds exchangeable for shares;
- Bonds with warrants (OBSA, OBSAR).

##### **• Debt securities and money market instruments**

The Fund may expose up to 40% of its net assets to bonds, transferable debt securities and money market instruments of public or private issuers, without any rating restriction. These investments mainly serve to manage cash or diversify the portfolio.

In particular, the Fund may invest in the following securities and instruments:

- Fixed rate bonds
- Floating rate bonds

- Bonds convertible into or exchangeable for shares at the holder's option;
- French government bonds (OAT).
- Others: participation certificates, constant maturity treasuries, subordinated debt,
- Index-linked bonds (inflation, constant maturity swaps, etc.)
- Short and middle term negotiable securities,
- EMTN.

• Shares and equity securities

The Fund does not aim to hold equities directly except when they result from a conversion or exchange or where they are used to replicate the performance of a convertible bond.

• Units and shares of UCIs or investment funds

The Fund may invest up to 10% of its net assets in shares or units of the following UCIs or investment funds:

- French or foreign UCIs in accordance with Directive 2009/65/EC ;
- French or foreign UCIs in accordance with Directive 2011/61/EU or foreign investment funds meeting the four conditions set out in article R214-13 of the French Monetary and Financial Code.

These UCIs may be managed by the Management Company or one of its affiliates.

• Derivative instruments

The Fund may hold derivatives traded on regulated, organised or over-the-counter markets in order to:

- expose the portfolio to equity, interest rate or credit risk to reconstitute synthetic exposure to one or more risks in line with its investment objective, with a view to diversification;
- hedge the portfolio against currency, interest rate, credit or equity risk.

The derivatives that can be used are listed below:

- Interest rate futures and bond or equity futures;
- Options on futures and options on bonds or equities;
- Forward rate agreements and currency forwards;
- Interest rate swaps and currency swaps;
- Contracts for Difference (CFD on a specific issuer or index);
- Performance swaps (Total Return Swap on a specific issuer or index);
- Credit derivatives (Credit Default Swap on a specific issuer or index).

In pursuit of its investment objective, the Fund may use total return swaps (TRSs) for the purposes of hedging or exposure (long or short).

A TRS is an over-the-counter swap contract in which two parties exchange flows: from the seller's perspective, the asset's interest rate plus any increase in its value; from the buyer's perspective, a periodic premium plus any depreciation in the value of the asset.

The TRSs that the Fund can use are contracts on individual securities, baskets of individual securities, equity indices or bond indexes in which the Fund can invest in accordance with its investment objectives in exchange for a periodic payment indexed to a benchmark money market rate.

The maximum proportion of assets likely to be subject to TRS will not exceed 20% of the FCP's net assets. The expected proportion of assets under management that will be subject to such transactions may represent between 0% and 20% of net assets.

The TRS counterparty can determine neither the composition or management of the Fund's portfolio, nor the underlying asset of the TRS. Furthermore, the counterparty's approval is not required for any transaction pertaining to the Fund's portfolio.

• Derivative counterparty selection criteria:

These transactions are carried out with French or international counterparties, such as credit institutions or providers of investment services, whose registered offices are located in member countries of the OECD, Hong Kong or Singapore, and whose rating must not be lower than investment category (securities rated higher than or equal to BBB- or Baa3 by official rating agencies). These counterparties may also belong to a group to which the Management Company belongs.

There is an operational risk and counterparty risk associated with these transactions subject to the exchange of financial guarantees. Cash financial guarantees received by the UCITS may be reinvested in accordance with the provisions of the paragraph "Collateral Management Policy".

• Securities with embedded derivatives

The Fund may use instruments with embedded derivatives (e.g. certificates, structured medium-term negotiable securities and EMTNs, synthetic convertible bonds, callable or puttable bonds, subscription certificates, warrants, etc.) to expose the portfolio to equity, interest rate or credit risk in order to recreate synthetic exposure to one or more risks in line with its investment objective, for diversification purposes.

• Deposits

When investing its cash, the Fund may make deposits in accordance with the terms of article R214-14 of the French Monetary and Financial Code.



• Temporary purchases and sales of securities

The Fund may engage in the temporary purchase (reverse repurchase and borrowing) and sale (repurchase and lending) of securities.

- The Fund may engage in securities purchasing transactions up to 100% of its net assets. It is expected that 10% of assets under management will be involved in such transactions.
- The Fund may engage in the temporary sale of securities up to 50% of its net assets. It is expected that 0-20% of assets under management will be involved in such transactions.

These operations aim at selling or purchasing temporarily debt securities and money market instruments, as well as shares and equity securities, in an attempt to optimise the Fund's income.

Proceeds from the temporary purchase or sale of securities are payable in full to the Fund.

These transactions are carried out with French or international counterparties, such as credit institutions or providers of investment services, whose registered offices are located in member countries of the OECD, Hong Kong or Singapore, and whose rating must not be lower than investment category (securities rated higher than or equal to BBB- or Baa3 by official rating agencies). These counterparties may also belong to a group to which the Management Company belongs.

There is an operational risk and counterparty risk associated with these transactions subject to the exchange of financial guarantees. Cash financial guarantees received by the UCITS may be reinvested in accordance with the provisions of the paragraph "Collateral Management Policy".

• Cash borrowing

The Fund reserves the option of borrowing up to 10% of its net assets in cash.

### **Collateral Investment Policy**

Collateral denotes all the assets pledged as security for the purpose of derivatives transactions traded OTC or of effective portfolio management operations (temporary purchases and sales of securities).

To this end, collateral received in order to reduce counterparty risk must meet, inter alia, the liquidity, evaluation and issuer credit quality criteria as well as the correlation and diversification criteria reiterated in the regulations, particularly in AMF position 2013-06.

The types of eligible assets used include liquid assets, government bonds, private debt instruments, company shares or any other asset agreed between the parties when concluding the transaction, up to the limit authorised in the regulations. These assets are valued at market value on a daily basis pursuant to the provisions of the section entitled "Asset valuation and accounting rules" and are subject to daily variation margins. A discount policy has been drawn up by the management company and configured for each type of asset received depending on its market value. It is based on an extreme risk measure (VaR 95%) over an investment horizon in line with the point at which these positions will be closed. Assets received by the Fund are held by the custodian.

The management company reserves the right to reject any collateral assets it deems inappropriate based on internal criteria. A list of assets or types of assets to be rejected is kept up to date by the management company Ellipsis AM. Any additions or deletions of a security or asset category are validated by the risk committee.

Cash collateral paid by a counterparty must be reinvested in accordance with the prevailing regulations. The risks associated with cash reinvestments depend on the asset type and/or transaction type and may include counterparty risk, operational risk and liquidity risk.

### **Total exposure**

Total risk exposures resulting from securities commitments and positions may not exceed 200% of assets.

The strategy applied to the Fund does not aim to generate overexposure to the markets. However, the Fund may reach total exposure bordering on 110% of its net assets owing to the use of derivatives, securities with embedded derivatives and cash borrowing.

### **Risk profile**

Your money shall be invested mainly in financial instruments selected by the Management Company. These instruments shall be subject to the evolution and fluctuations of the market.

• Risk that investors may not recover the full amount of their initial investment

The Fund does not provide a capital guarantee. As such, there is a risk that Fund unitholders may not recover the full amount of their initial investment on maturity or at any other time. Potential investors should be aware that their subscriptions and the Fund's investments are subject to normal market fluctuations as well as other risks inherent in any investment in transferable securities. Accordingly, only investors with a sufficient knowledge and understanding of financial markets and who are able to bear the loss of their initial investment should invest in the Fund. There is no guarantee or certainty that the value of investments and deposits made by the Fund will rise or that the Fund's investment objectives will actually be achieved. The value of investments and subsequent returns may rise or fall sharply and, in the latter case, present a significant risk of Fund unitholders losing their initial investment.

• Risk relating to discretionary management

The discretionary management approach is based on expectations of changes in the different markets or strategies pursued by the Fund. There is a risk that the product may not be invested in the best performing markets or financial instruments at all times.

• Risk associated with an investment in convertible bonds

The value of convertible bonds depends on several factors: interest rate levels, changes in the price of underlying equities, changes in the price of the derivative embedded in the convertible bond. These various considerations may lead to a fall in the net asset value of the Fund.

• Credit risk

Credit risk represents the possibility of an issuer being downgraded or even defaulting, and the negative impact on the valuation or price of the affected security. When it materialises, credit risk has a direct negative impact on the net asset value of the Fund. The Fund's investment strategy may expose the Fund to a high credit risk, this is all the more the case as the Fund may be invested in speculative securities with a low or no rating. Falls in the price of these securities may be quicker and steeper than for investment grade securities, causing the net asset value to fall more quickly and more steeply.

• Interest rate risk

Interest rate risk relates to the possibility of bond yields rising. Such an eventuality would cause the price or valuation of bonds to fall, thereby decreasing the net asset value of the Fund.

• Equity risk

If the equities underlying convertible bonds and similar securities or equities held directly in the portfolio or the indices to which the portfolio is exposed were to fall, the net asset value may also fall.

• Volatility risk

This risk is linked to an asset's propensity to rise or fall sharply for specific reasons or due to general financial market trends. The greater this asset's propensity to move sharply over short periods of time, the more this asset is said to be volatile and therefore risky.

• Counterparty risk

Counterparty risk relates to the possible failure to pay a flow (or liability) by a counterparty with which positions have been exchanged and undertakings signed. This risk is tempered by the counterparty selection process implemented by Ellipsis AM. The significance of this risk for the holder of the Fund will depend on the level of allocation realised in the underlying strategies subjected to this type of risk.

• Risk associated with illiquid securities

The Fund may be invested in securities issued in small volumes. This means that liquidity may be limited, amplifying market rises and falls.

• Currency risk

The Fund is hedged against the currency risk corresponding to the risk of variation of the currency of each financial instrument relative to the reference currency of the Fund. Furthermore, each unit of the Fund is hedged against the currency risk corresponding to the risk of variation of the reference currency of the Fund relative to the currency in which the unit is denominated. However, up to 5% of the Fund's net assets may be exposed to a residual currency risk

Risk associated with financial instruments

The Fund is exposed to risks associated with derivative financial instruments, in particular:

- rises and falls in the price of financial instruments in line with changes in the price of their underlying,
- divergences between the price of financial instruments and the value of these instruments' underlying,
- the possibility that these instruments' liquidity may occasionally be reduced on the secondary market,
- a counterparty default risk (see counterparty risk).

The use of financial instruments may therefore lead to specific losses for the Fund, which would not have occurred if such strategies had not been applied.

• Operational risk

The Fund may incur the risk of loss resulting from inadequate internal processes, human error or failed systems of the Portfolio Management Company, or resulting from external events, as well as legal risk and documentation risk, and the risk resulting from trading procedures, and regulation and evaluation procedures implemented on behalf of the Fund.

• Potential conflicts of interest risk

Risk associated with over-the-counter transactions where the Fund's counterparty is an entity associated with a group to which the Management Company belongs and risk associated with potential conflicts between holders and clients. This risk is managed by a conflicts of interest management system, the main provisions of which are available at [www.ellipsis-am.com](http://www.ellipsis-am.com).



• Risks associated with the temporary purchase and sale of securities, total return swaps and collateral management

The temporary purchase and sale of securities and use of total return swaps may increase or decrease the Fund's net asset value. The risks associated with these transactions and with collateral management are credit risk, counterparty risk and liquidity risk, as defined above.

Operational and legal risks are extremely limited because of an appropriate operational process, the Fund's depositary having custody of collateral received, and this type of transaction being governed by framework agreements entered into with each counterparty.

Lastly, collateral reuse risk is very low because only cash collateral is reused, and that is in accordance with the Fund's rules.

**Capital guarantee or protection**

The Fund does not guarantee or protect the capital invested.

**Target investors and investor profile**

I and ID units: All investors, more specifically intended for institutional investors, funds of funds, pension funds, retirement funds or for investors dealing for their own account.

J units: All investors, more specifically intended for investors who subscribe through distributors or intermediaries :

- providing a service of investment advisory or of portfolio management within a discretionary mandate,
- exclusively remunerated by the investors.

P units: All investors

Z and D units: Reserved for entities of the Kepler Cheuvreux group, mutual funds and mandates managed by the management company and its employees

The Fund's risk profile means it will be of interest to investors seeking exposure to the European convertible bond market.

Minimum recommended investment period: more than five (5) years

The appropriate amount to be invested in the Fund depends on the investor's personal situation. To determine this amount, investors should take account of their personal wealth and/or assets, their cash requirements now and during the life of the Fund, and their degree of risk appetite or aversion. Investors are also advised to sufficiently diversify their investments to avoid being exposed only to the risks of this Fund.

Although this Fund's units are open to all subscribers, Ineligible Persons as well as certain Ineligible Intermediaries defined hereunder are not authorised to subscribe to or directly hold units in the Fund, nor to be registered with the Bank responsible for centralising subscription and redemption orders and for keeping the unit register, or with local transfer agents.

Ineligible Persons:

- Any "U.S. Person", as defined by U.S. Regulation S of the SEC (Part 230-17 CFR 230.903): the Fund is not, and will not be, registered under the U.S. Securities Act of 1933 or under the Investment Company Act of 1940. Any resale or disposal of units in the United States of America or to a "U.S. Person", as defined by U.S. Regulation S, may constitute a violation of U.S. law and requires the prior written consent of the Management Company. The unit offering has not been authorised or rejected by the SEC, the special commission of a U.S. State or any other U.S. regulatory authority, nor have the aforementioned authorities given an opinion on or recognised the merits of this offering, nor of the accuracy or adequacy of the documents relating to this offer. Any assertion in this respect is contrary to law;
- Any Specified U.S. Person within the meaning of the Foreign Account Tax Compliance Act (FATCA) of 2010, defined by the intergovernmental agreement signed between France and the United States on 14 November 2013;
- Any Reportable Person and Passive Non Financial Entity (NFE) with Controlling Persons who are Reportable Persons under Directive 2014/107/EU of 9 December 2014 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation (DAC), or any equivalent concept under the multilateral competent authority agreement on automatic exchange of financial account information signed by France on 29 October 2014 (CRS).

Ineligible Intermediaries:

- Financial institutions that are not Participating Financial Institutions under FATCA, as well as Passive Non-Financial Foreign Entities under FATCA;
- Financial institutions that are not Financial Institutions or equivalents under DAC/CRS.

The definitions of these concepts are available by clicking on the following links:

- Regulation S: <http://www.sec.gov/rules/final/33-7505.htm>
- FATCA: <https://www.legifrance.gouv.fr/jorf/id/JORFTEXT000030024817>
- DAC: <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014L0107&from=EN>
- CRS: <http://www.oecd.org/tax/exchange-of-tax-information/multilateral-competent-authority-agreement.pdf>

Investors wishing to acquire or subscribe to the Fund's units must, where necessary, certify in writing that they are not "U.S. Persons" as per Regulation S, Specified US Persons as per FATCA and/or Reportable Persons or equivalents as per DAC/CRS.

All unitholders must immediately inform the Management Company in the event of them becoming an Ineligible Person. Any unitholder that becomes an Ineligible Person will no longer be permitted to purchase new units. The Management Company

reserves the right to carry out a compulsory redemption of any units held directly or indirectly by an Ineligible Person or via an Ineligible Intermediary, or if the holding of units by any person is contrary to the law or to the Fund's best interests.

Unitholders are informed that, when appropriate, the Management Company, Registrar or any other intermediary account holder may have to communicate to any financial authority or equivalent body personal information about the unitholders, such as names, tax identification numbers, addresses, birth dates, account numbers as well as any financial information concerning the accounts in question (balances, values, amounts, gains, etc.).

The Fund's FATCA status, as defined by the intergovernmental agreement signed on 14 November 2013 between France and the United States, is that of a non-reporting financial institution deemed compliant (Annex II, II, B of the aforementioned agreement).

The Fund's DAC/CRS status is that of a non-reporting financial institution within the Investment Entity category, qualifying for the exempt collective investment vehicle regime.

Any national, be they a natural person or legal person/entity, referred to in Council Regulation (EU) 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine is prohibited from subscribing to this Fund's units.

## Tax Regime Information

Investors should be aware that the following information is only a general overview of the tax regime applicable to investors in a French fund according to current French legislation. Investors are therefore advised to assess their personal situation with their usual tax adviser.

### Taxation at Fund level

Due to their co-ownership structure, FCPs are ipso jure outside the scope of application of corporation tax in France; they therefore enjoy a certain level of transparency so that income received and earned by the Fund in the course of its investment activities is not taxable at this level.

Abroad (in the investment countries of the Fund), gains realised on the sale of foreign transferable securities and foreign income received by the Fund in connection with its investment activities may in some cases be taxable (generally in the form of withholding tax). Foreign taxes may, in limited cases, be reduced or eliminated if any tax treaties apply.

### Taxation at unitholder level

The tax regime applicable to amounts paid out by the Fund or to capital gains or losses realised or unrealised by the Fund depends on tax arrangements applicable to the investor's individual situation and/or the jurisdiction in which the Fund is invested. Investors are advised to assess their personal situation with their usual tax adviser.

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

- The NAV is published on the [www.ellipsis-am.com](http://www.ellipsis-am.com) website or is available on request from the management company.
- Fund information documents (prospectus/annual report/half-yearly report) are available in French on request from the management company Ellipsis Asset Management, 112 avenue Kleber, 75116 Paris, by e-mail: [client\\_service@ellipsis-am.com](mailto:client_service@ellipsis-am.com) or on the website [www.ellipsis-am.com](http://www.ellipsis-am.com).
- AMF approval date: December 15<sup>th</sup> 2010.
- Fund creation date: March 23<sup>rd</sup> 2010.

# activity report

This report covers the period from December 30, 2022 to December 29, 2023

Over the period under review, the I, J, P and I-D EUR units respectively posted a performance of 6.02%, 5.83%, 5.09% and 5.94%.

Over the period under review, the I, J and P CHF units respectively posted a performance of 4.05%, 3.85% and 3.13%.

Over the period under review, the D and Z EUR units respectively posted a performance of 6.59% and 6.73%.

Over the period under review, the P USD et J USD unit respectively posted a performance of 7.49% and 8.19%.

As of 23/11/2022, the Fund's benchmark(\*) has become Refinitiv Europe Focus Hedged Convertible Bond Index EUR for units in EUR, Refinitiv Europe Focus Hedged Convertible Bond Index CHF for units in CHF, and Refinitiv Europe Focus Hedged Convertible Bond Index USD for units in USD.

Thus, over the period under review, the benchmark indicator for the EUR, CHF and USD share classes respectively posted a performance of 5.37%, 3.42% and 7.51%.

\*Benchmark from 23/11/2022: EUR units = Refinitiv Europe Focus Hedged Convertible Bond Index EUR (ticker Bloomberg: UCBIFX21) / CHF units = Refinitiv Europe Focus Hedged Convertible Bond Index CHF (ticker Bloomberg: UCBIFX34) / USD units: Refinitiv Europe Focus Hedged Convertible Bond Index USD (ticker Bloomberg: UCBIFX10). From 01/04/2019 to 22/11/2022: ECI Europe Hedged EUR-H/CHF-H/USD-H according to the corresponding currency of the unit. Before 31/03/2019: ECI Europe.

## December 2022

Please note that following the merger of one of our European funds, the total AUM for the Ellipsis European Convertible Fund reached €383m on 30/12/2022. 2022 will be remembered as the year of the monetary reversal. After decades of falling inflation and rates, the pandemic, and the economic support measures it triggered, created an explosive situation between high demand and deteriorating supply conditions. The war in Ukraine and the lack of investment in the commodities sector further exacerbated these tensions. As a result, central banks had to adjust their policies causing the biggest annual decline ever recorded in bond markets. In the US, the inflation and policy-induced slowdown is proving to be controlled, with growth slightly below potential for this year. In Europe, public support measures have offset the shock of soaring energy prices, which will thus be transferred to the States and spread over several years. However, the trend is negative at the beginning of the year and the deterioration of financial conditions could lead to a slight recession in 2023. In China, the reversal of the 0-covid policy should improve economic conditions in the medium term and allow growth to continue at around 5% next year. The continued decline in inflation and the gradual easing of employment pressures should allow an optimistic central scenario to unfold. In the event of more persistent price pressures, central banks would be forced into a potentially sharp recession. In this context, equities decrease -3.38% (STOXX Europe 600) and corporate bonds are down -0.75% (ICE BofA Euro HY) and -1.78% (iBoxx Euro Non Financials BBB). Over the month, the fund declines by -0.84% compared to -0.82% for the Refinitiv Europe Focus hedged. The slight change of tone of the US central bank mid December drove a quick correction for the most sensitive stocks to rates. As such, Sika (-19bps) and Cellnex (-9bps) contributed negatively to the performance. The luxury goods sector also gave back part of November's gains (LVMH -7bps after +13bps in November). The weak performance was slightly offset by some credit spreads tightening in the travel sector (Lufthansa +7bps and WHSmith +2bps) and the real estate sector (LEG Immo +6bps). Puma (contribution +5bps, stock +16%) also performed well in December as its US competitor, Nike, published very solid results highlighting that global demand for athleisure products remains healthy. The fund has an equity sensitivity of +35.0% and a distance to the floor of +11.5%. Focus ESG: The sharp stock price decline of Tesla (-c.60% since mid-September) raises a few questions about the future of the electric vehicles. Are we sure batteries are the only path to decarbonizing transport? Is the technology cheap enough? Will our electric grid be ready? Are we ready to recycle those batteries profitably? Are the enabling policies viable? Whilst we would be tempted to answer 'yes' to all of them, it is worth looking around and see what could be the other options. For instance, Porsche recently (20/12/2022) mentioned they were working on a synthetic fuel called 'efuel' made from water and CO2 using renewable energy.

## January 2023

While a recession seemed inevitable last autumn, the chances of a soft landing seem more palpable today. In the US, the apparent easing of price inflation contrasts with the employment market data. However, recent developments reinforce market expectations of a pause in rate hikes by mid-year. China's decision to end its 0-Covid policy will restore its growth potential. The initial resurgence of the epidemic has been less economically damaging than feared and will allow China to reach herd immunity. In Europe, the energy situation has proved to be much less strained than expected at the start of the war in Ukraine. This resilience of the economies and the prospect of more accommodating central banks are helping to reduce the risk of recession, which historically appears to be unavoidable after inflationary surges. However, it is important not to be blinded by the rise in the

markets, which present this scenario as a virtual certainty, particularly with the high valuations of risky assets. In this context, disappointments, particularly on the inflation front, could have brutal market consequences. In this context, equities increases +6.74% (STOXX Europe 600) and corporate bonds are up +3.22% (ICE BofA Euro HY) and +2.26% (iBoxx Euro Non Financials BBB). Over the month, the fund improved by +4.24% compared to +4.27% for the Refinitiv Europe Focus hedged. This month the most positive contribution came from Cellnex (stock +18%, contribution +82bps) following takeout rumours from its US peer American Towers. Those rumours haven't been confirmed yet, still the market believes the probability of this deal happening is elevated. STMicroelectronics (+67bps) rebounded after their quarterly results highlighting a solid guidance for 2023, driven by price increase and manufacturing efficiency. Chinese exposed names also contributed positively especially the ones exposed to travel (Safran +26bps, Lufthansa +21bps, Amadeus +20bps, LVMH +20bps). The strong performance was partially offset by specific situations. Ubisoft (-18bps) continued to disappoint with a major profit warning amid recent games underperformance, new game delays and a non-cash R&D impairment. SOITEC (-10bps), whilst reporting quarterly results in line with market expectations, raised some concerns regarding the elevated level of inventories which could lead to a slowdown in future revenues. Separately, the primary market has been particularly active with new deals that brought two new players into the convertible universe (SPIE and Rheinmetall). The fund has an equity sensitivity of +44.8% and a distance to the floor of +14.2%. Focus ESG : In response to the US Inflation Reduction Act released over the summer, the EU Commission announced its intent to launch its own plan, a Green Deal Industrial Plan, at Davos. Whilst no formal announcement has been made yet, the leaks point to a diversion of existing pandemic funds into new tax breaks and subsidies for green industries, speed up permitting and subsidy auctions for renewable hydrogen. We do not expect any significant changes for renewables developer players who already have access to financing. In our view, the real beneficiaries of such plan would be the hydrogen and battery players.

## February 2023

In February, US economic activity and employment data surprised on the upside. However, January's realized inflation data confirmed that price pressures persisted (core CPI at 6.8%) with demand now seemingly driven by rising incomes rather than falling saving rates. The increase in interest rates so far has not been enough to slow down overall demand. Thus, the market is repositioning towards a scenario where central banks will be forced to tighten monetary policy further, with an increased risk of a subsequent recession.

Despite the concerns that recent data may raise, we maintain our belief that the monetary rebalancing can be achieved without a sharp decline in activity. Unlike previous periods of expansion end, private balance sheets do not require significant adjustments today and the financial sector does not exhibit alarming fragility. The equity markets have not been affected by this return of inflationary risk for the time being, unlike last year. With risk premia at very low levels, negative interest rate trends, earnings trends and monetary tightening ahead, we believe that this surprising configuration can only be explained by the belief that soft landing remains the central scenario. In this context, equities increases +1.88% (STOXX Europe 600) and corporate bonds are down -0.17% (ICE BofA Euro HY) and -1.45% (iBoxx Euro Non Financials BBB). Over the month, the fund declined by -0.52% compared to -0.57% for the Refinitiv Europe Focus hedged. This month performance was primarily driven by quarterly results. Whilst fourth quarter results came in line with expectations, Delivery Hero (-29bps) severely disappointed the market by not giving guidance for 2023 as visibility remains limited. Cellnex (-18bps after +82bps in January) lost some gains from last month as American Towers did not confirm the potential takeout rumours. Moreover, Idorsia (-5bps) was penalized by the unexpected negative trial outcome for clazosentan. The weak performance was partially offset by better than anticipated shareholder returns in the oil sector due to elevated commodity prices (BP +16bps) but also in the telecoms sector due to good cash management (KPN +7bps and Telekom Austria +4bps). Rheinmetall (+8bps) continued to benefit from increasing demand for defence procurement. Separately, the primary market has continued to be active with new deals that brought two new players into the convertible universe (Heineken and Balder). The fund has an equity sensitivity of +47.9% and a distance to the floor of +14.2%. Focus ESG: Following the Inflation Reduction Act (IRA), European politicians urged the commission to set up a similar program. The IRA law is very simple and mostly based on tax credits. The issue is that trying to replicate it would be unthinkable in Europe as taxes are still a national affair which rules out continent wide tax incentives. As a result, the EU plan will be based on subsidy schemes which can sometimes be very heavy in terms of bureaucracy (ie once an application is filed, it can take months, or years, before a decision is made). The plan with the "Green Deal Industrial Plan" is meant to simplify and streamline the approval of national green-finance tools in Brussels. For instance, it proposes an "administratively light" auction for green-hydrogen producers: winners will receive a premium, based on their bids, for each kilogram of the gas produced over ten years.

## March 2023

The month of March 2023 saw a flash crisis of confidence in the financial sector with the in extremis rescue of Silicon Valley Bank in the US and Credit Suisse in Europe. For the markets, the risk entailed by these events include: -a loss in confidence; - a mistrust between financial institutions which could precipitate a "credit crunch"; - the fear that these problems are a tip of the iceberg of what the rise in rates will induce. In reality, this was not the case and the market disruptions were quickly erased, thanks to targeted actions by the authorities. Central banks maintained their rate hike pace (+25bps for the Fed and +50bps for the ECB), which confirmed the specific nature of these problems. On the economic front, the upturn continues, as confirmed by the publication of the March PMI. We can therefore see that after a year of very high monetary rate hikes, the world economy is still not weakening. Hence the scenarios for the rest of the year are very open, between a soft landing, in which inflation falls without recession, and a hard landing caused by an event like the one experienced in March, which would be a collateral consequence of the rate hike.



In this context, equities decreases -0.32% (STOXX Europe 600) and corporate bonds are down -0.36% (ICE BofA Euro HY) and up +1.44% (iBoxx Euro Non Financials BBB). Over the month, the fund declined by -0.20% compared to -0.45% for the Refinitiv Europe Focus hedged. Unsurprisingly, this month the only bank in the convertible universe was severely penalized (BNP -15bps, stock -17%) despite being among the best quality banks in Europe. The food delivery sector (Delivery Hero -37bps) and the real estate market (Balder -14bps, LEG Immobilien -3bps) also suffered as they remain highly dependent to the debt market. For specific reasons, Diasorin (-4bps) disappointed the market with its 2023 guidance 10-15% below expectations as covid related revenues were not fully offset by an increase in the core diagnostic business which read negatively for its peer Qiagen (-7bps). To face the lack of visibility, investors were keen to add high quality names such as Safran (+12bps), Kering (+5bps), LVMH (+4bps) and defensive names as well including the staples (Heineken +3bps, Campari +2bps, Pernod +2bps). ST Micro (+29bps) also contributed positively as its closest peer, Infineon, raised its outlook for 2023 based on resilient business dynamics. The fund has an equity sensitivity of +45.8% and a distance to the floor of +12.3%. Focus ESG: Following a study from 2020 highlighting that 53% of examined environmental claims in the EU were found to be vague, misleading or unfounded and 40% were unsubstantiated, the European Commission launches its much awaited law that aims to crack down on greenwashing. It requires companies who voluntarily make environmental claims for their products or operations to use scientific evidence and secure third-party verification to attach environmental claims or labels to their products and services. This will be a clear benefit for Bureau Veritas that just issued a new large convertible bond (€750m nominal) this month. Among other activities, Bureau Veritas help its clients to measure their environmental claims by making them traceable and reliable.

### April 2023

The market has stabilized in April, thanks to the determination of central banks to limit any contagion and to a context of positive publications, particularly in China, and corporate results. While the economy is still surprisingly resistant to rate hikes, signs of a slowdown are emerging. After the aggressive measures taken on SVB and Signature Bank, the situation of the US regional banks stabilised, until the stock market collapse of First Republic at the end of the month. Our analysis of the situation is that this crisis is not systemic but that the volatility of the regional banks' valuations will remain very high until the market has assessed all the risks. Finally, this crisis should have a recessionary effect on the US economy via the restriction of credit, but this effect replaces the one sought by the Fed's monetary policy. On the inflation front, the month brought rather reassuring news. In the US, overall price inflation fell below 5% whilst the Eurozone appears to be lagging behind, with core inflation only beginning to fall to 5.6% year-on-year. The market is becoming fairly optimistic about the decline in inflation, estimating the annual level to come at 2.2% in the US and 2.65% in the euro zone. In this context, equities increase +2.45% (STOXX Europe 600) and corporate bonds are up +0.45% (ICE BofA Euro HY) and +0.65% (iBoxx Euro Non Financials BBB). Over the month, the fund declined -0.53% (which includes a -50bps swing impact) compared to +0.27% for the Refinitiv Europe Focus hedged. The quarterly results reinforced the dispersion between defensive, large cap names and the rest. Indeed, the staples names reported solid results showing a robust rebound of the demand in China and good trends in Europe, despite a slowdown in consumption in North America (Heineken +6bps, L'Oréal +4bps, Campari +3bps, LVMH +2bps). The Telcos sector also contributed positively with KPN (+13bps) and Cellnex (+9bps). Following last month weak performance, Delivery Hero rebounded (stock +15%, contribution +11bps) after reporting results in line with expectations, with management still confident they will show positive Adj. EBITDA for 2023. These positive contributions were offset by 'end of the cycle fear' that weighted heavily on the semiconductor sector. Whilst both ST Micro (-67bps) and SOITEC (-9bps) posted good quarterly results, they flagged that pricing power could be less of a driver going forward and that visibility remains limited. Kering (-4bps) also disappointed as their main brand Gucci continues to struggle versus peers (+1% organic growth at Gucci vs +18% at LVMH and +23% at Hermes). The fund has an equity sensitivity of +44.1% and a distance to the floor of +11.8%. Focus ESG: The bankruptcy of the Silicon Valley Bank has put at the forefront the segments that rely the most on financing from regional banks. The US solar residential segment is one of them. Whilst the market became worried about some installers health, the US Department of Energy reacted and showed their support by offering a \$3.1bn guarantee in solar loan securitization (April 20th) to Sunnova, one of the solar installers who had a credit line with SVB. In our view, this move from the DOE, on top of tax credit given by the IRA, highlight how serious the US are about going green.

### May 2023

The economic data published in May continued to show a positive trend overall, while revealing very contrasting situations between business sectors and geographical regions. Renewed cyclical optimism came along with stability in equity indices, masking a sharp divergence between technology mega-caps and traditional stocks, and with an interest rates rise. In Europe, leading indicators fell, but remained in expansionary territory thanks to high activity in the services sector. The US economy continues to resist to rising interest rates and credit restrictions. Even the US property market, which has been suffering from a severe deterioration in home ownership conditions, is stabilising, both in terms of volume of housing starts and transaction prices. In China, after a brisk first quarter, the latest figures show a fairly rapid slowdown. The impetus given by the reopening of the economy to services demand does not seem to have spread to the economy as a whole, and uncertainty is resurfacing. Against this overall backdrop, the Fed could pause its raise hikes process. However, if it leaves rates unchanged, the Fed will certainly be highly sensitive to future data flows, due to the still too high level of inflation indicators, persistent tensions on the labour market and the strength of private demand. In this context, equities decrease -2.5% (STOXX Europe 600) and corporate bonds are up +0.67% (ICE BofA Euro HY) and +0.18% (iBoxx Euro Non Financials BBB). Over the month, the fund declined -1.02% compared to -1.32% for the Refinitiv Europe Focus hedged. The renewed cyclical optimism drove down the defensive names that

performed best since the beginning of the year. As such, the telcos (KPN -14bps, Deutsche Telekom -6bps, Cellnex -5bps), the staples (Heineken -10bps) and the blue chip names (Safran -9bps) suffered the most this month. The volatility in the Chinese consumption trends also negatively impacted the luxury goods players including LVMH (-5bps) and Kering (-5bps). The weak performance was partly offset by solid results at Amadeus (+9bps) driven by its Air IT and hospitality businesses and by Campari (4bps) who doesn't seem to suffer from the slowdown in US consumption thanks to a solid positioning in tequila and aperitifs. Separately, the very strong results of Nvidia with its exposure to artificial intelligence led to a rally in the semiconductor sector which benefitted to ST Micro (+5bps). The primary market was active in May with the 2029 Meyer Burger (3.75% coupon, 27.5% premium) and 2030 Swiss Prime (1.625% coupon, 10% premium) in the European convertible bonds universe. The fund has an equity sensitivity of +41.2% and a distance to the floor of +11.9%. Focus ESG: On May 14th, the US Treasury Department released the initial guidance on domestic content requirements under the Inflation Reduction Act, providing some clarity for clean tech OEMs investing in US manufacturing. If the manufacturing process complies with the requirements, the companies will be able to benefit from an enhanced tax credit of 10 percentage points (going from 30% to 40%). The main beneficiaries will be the companies that have already started to locate or build capacity in the US. Within the convertible bonds universe Meyer Burger will be one of them, as such as the micro-inverters players (Solaredge, Enphase).

## June 2023

After a better-than-expected first half, the overall economic situation remains mixed. In the US, despite rising interest rates, housing starts and sales prices are picking up. In this scenario, the strength of demand for services will have enabled the economy to get through the manufacturing slump. In Europe, monetary tightening is producing visible effects, with a fall in lending to the private sector. In China, activity continues to disappoint, with weak demand for services and a real estate sector still at half-mast. In response, China is gradually implementing monetary and budgetary support measures to achieve its 5% growth target. The counterpart to this solid activity in the first half was a slower-than-expected fall in inflation. It is worth noting, however, that housing costs and wage growth are finally slowing in the US, suggesting that the inflationary loop is loosening. In Europe, the fall in general inflation due to raw materials could create a virtuous circle, limiting the pressure of wage negotiations and accentuating the effect of monetary policy. This is how we can explain recent market trends, which are betting on a "soft landing", with the resolution of the regional banking crisis and the debt ceiling crisis, as well as the media success of artificial intelligence, also contributing to the prevailing optimism. In this context, equities increase +2.41% (STOXX Europe 600) and corporate bonds are up +0.53% (ICE BofA Euro HY) and down -0.49% (iBoxx Euro Non Financials BBB). Over the month, the fund improves +1.62% compared to +1.55% for the Refinitiv Europe Focus hedged. The semiconductor sector (ST Micro +33bps, SOITEC +16bps) continued its upward trajectory in June driven by reasonable valuations and a recession that keeps on being postponed. At the Paris Air Show, Safran (+18bps) announced it is still confident with its outlook and sees robust pricing. Separately Delivery Hero (+27bps) rebounded after Prosus announced it had raised its stake into the company from 25% to 29.9% implying DHER is core to its strategy. Ocado (+3bps) sharply rose on the back of a potential takeover from Amazon which was then denied. The leisure sector also contributed positively thanks to solid air traffic trends (Amadeus +7bps) and an upbeat investor day for Accor (+4bps). The performance was partially offset by several profit warnings (outside of the convertible universe) in the German chemical and industrial sectors which drove down Evonik (-3bps), Siemens (-2bps) and GEA Group (-2bps). Deutsche Telekom (-4bps) was penalized by the rumours of Amazon looking to offer mobile service in the US which would have led to tougher competition for T-Mobile US. These rumours haven't been confirmed. The fund has an equity sensitivity of +46.1% and a distance to the floor of +13.8%. Focus ESG: Whether it is in transport, industry or in energy, the semiconductors are key to decarbonizing the economy. Indeed, to convert a DC signal from a battery to an AC signal required for household electricity or to power vehicle's motors, an inverter is needed and inside each inverter is a semiconductor chip. As such, semis are an integral component for electric vehicles and a key enabler of the energy transition through grid connection, storage optimization, efficiency appliances such as heat pumps. Many of these semiconductors players use convertible bonds for financing including ST Micro, SOITEC in Europe and ON Semi in the US. The increasing need of semis for decarbonization could lead to a rerating of those names.

## July 2023

The publication of inflation figures for July was positive news. In the US, core inflation slowed to 4%. The UK, where price pressures are the strongest, also saw a decline in sequential terms. These developments, in a context where activity is slowing marginally, lend credence to the soft-landing scenario. Separately, leading indicators are pointing towards moderation overall, with manufacturing activity collapsing to its lowest level for three years. Service sector activity remains high and real household income is rising; hence we can expect a turnaround in this segment in the longer term, making the manufacturing slowdown looks like a mini-cycle. We have seen other positive surprises, such as the recovery in the US property market, with an increase in selling prices, in the volume of transactions and housing starts, despite high interest rates. In China, following the Politburo meeting, expectations of public support are taking shape. It is now reasonable to expect a combination of monetary action, cleaning up the balance sheets of certain local authorities, and support for property and consumption in certain sectors. To complete the picture, the central banks have adopted a more accommodative stance: the Fed may already have reached the peak of monetary rates. The ECB, for its part, has not announced a hike for its next meeting, leaving its decision open (in our view, only one or two further hikes are to be expected). In this context, equities increase +2.14% (STOXX Europe 600) and corporate bonds are up +1.10% (ICE BofA Euro HY) and +0.85% (iBoxx Euro Non Financials BBB). Over the month, the fund improves +1.03% compared to +1.00% for the Refinitiv Europe Focus hedged. The most important contribution this month came from the



semiconductor names (ST +35bps, SOITEC +12bps) as some data points indicated that semis inventories could soon reach normalized levels. Additionally, the deceleration in CPI led to a small rebound in real estate names (Fastighets +15bps, LEG Immobilien +5bps) as this could mean the end of the rate hiking cycle. Separately, Evonik (+13bps) rose after resetting expectations for the full year due to ongoing chemicals destocking; Volvo (+10bps) and Ubisoft (+7bps) both contributed positively this month after reporting quarterly results better than expected. The positive performance was partly offset by a slowdown in pricing power especially in the leisure segment (Amadeus -10bps, Lufthansa -4bps, Accor -1bp, WHSmith -1bp). Price increases have been one of the growth driver for airline companies over the last 18 months and it is starting to show some signs of tiredness. Simultaneously, volume growth is also slowing down as we are almost back to pre-covid capacity levels, at least outside of Asia. Heineken (-9bps) also disappointed with quarterly profits below estimates impacted by destocking in Vietnam and some trading down. The fund has an equity sensitivity of +41.1% and a distance to the floor of +13.4%. Focus ESG: We are hearing more and more often that hydrogen is becoming promising. Unlike 20 years ago, when the hype came from enthusiasm for cars fuelled by hydrogen, this time the focus is on emissions-intensive industries such as cement or long-haul transport, which are difficult to decarbonise by electrification alone. Governments are trying to help lift the industry into existence with generous subsidies as demonstrated by the IRA in the US. Whilst limited pure players are publicly listed on the stock exchange, two small players exist in the US and both have issued convertible bonds to further finance their investment into hydrogen (Bloom Energy and Plug Power).

### August 2023

August's economic activity data remain positive in the US, where the third quarter promises to be particularly strong. Europe, on the other hand, is stagnating. The PMIs are now in recessionary territory. Manufacturing activity is the hardest hit, with the level and volatility of energy prices creating a major disadvantage for European producers. The tourism sector is experiencing an upturn, but not enough to reverse the situation. The fall in Chinese demand is a further drag on Europe. The property crisis in China seems to be worsening, with another property developer flirting with default. The authorities seem to have accepted the idea that the fall in demand is structural, reflecting demographic and social trends. They are therefore concentrating on minimising the effects, which is disappointing for the markets. On the inflation front, the month brought some fairly positive news. Disinflation is continuing in the US. On the job market, we saw both robust job creation and a very significant fall in job vacancies, a sign that the rebalancing could take place without a major slowdown. Against this backdrop, we believe that the Fed's wait-and-see stance remains the most likely. The ECB, on the other hand, is less advanced in its monetary cycle, but is also weighing up the impact of a future slowdown in activity. It should be noted that China's difficulties are also having a positive impact on global inflation. In this context, equities decrease -2.54% (STOXX Europe 600) and corporate bonds are up +0.25% (ICE BofA Euro HY) and +0.14% (iBoxx Euro Non Financials BBB). Over the month, the fund declines -1.72% compared to -1.68% for the Refinitiv Europe Focus hedged. Despite better than expected quarterly results, ST Micro (-48bps) was penalized by a deceleration in its industrial and autos segment growth pointing to a slowing momentum. Weaker PMIs combined with a volatile Chinese economy drove down many industrial names (Evonik -9bps, Safran -7bps, Rheinmetall -6bps, Volvo -6bps, Pirelli -5bps). Separately, Swiss Re (-10bps) was penalized by higher casualty reserve despite profitability in line with expectations. This weak performance was partly offset by a credit tightening of the most bond like profiles. As such, the real estate (Fastighets +4bps, LEG Immo +3bps) and the food delivery names (Ocado +4bps et Just Eat +2bps) contributed positively following half year results that either indicated no imminent refinancing risk or an improving profitability. Prysmian (+5bps) also improved after winning large offshore wind projects in Germany. The fund has an equity sensitivity of +36.7% and a distance to the floor of +11.5%. Focus ESG: With the renewable energy generation becoming more and more crucial, offshore wind developers are changing drastically the turbines. They are getting bigger and bigger with wind blade now reaching 250m length such that the new turbine tower are almost as tall as the Eiffel tower. This doesn't come without engineering challenges. Some European companies flagged severe delays linked to engineering difficulties leading to significant profit warning. For these reasons, whilst we remain optimistic about the renewable energy expansion, we are cautious on offshore wind and favor solar farms.

### September 2023

The month of September was marked by a significant increase in interest rates in emerging economies. In Europe, the German rate rose by nearly 40 basis points (47 basis points during the month) to reach 2.84%, a record high since 2011. In the US, they stand at 4.57%, a level not seen since 2007. Several factors may have contributed to this reassessment. The high level of growth in the first half of the year has defied predictions. The reactions of the stock markets contradict this explanation, as major indices have dropped significantly over the month. Anticipation of higher budget deficits could also contribute to pressure on long-term rates, despite the postponement of the US shutdown at the cost of budget cuts. In our view, central bank speeches explain most of the rise in long-term rates. It's the indication that monetary rates would remain at this level for a long time that triggered the adjustment of long-term rates. The term premium (which estimates the gap between expected short-term rates and long-term rates) appears to have increased significantly. The idea, formulated by the ECB, is that structural rigidities have emerged on the supply side of the economy (such as oil), and it will be necessary to maintain higher monetary rates to contain inflation. Nevertheless, the rise in rates could create a new negative impulse on the economy, potentially destabilizing some leveraged actors, and imposing constraints on public finances. However, ultimately, it is the behavior of inflation that will determine the extent of the economic consequences. If disinflation is supported by structural factors, a moderate slowdown will suffice to reach central banks' targets, and the market will quickly anticipate a loosening of their policy, leading to a drop in long-term rates. In this

scenario, the current level of rates appears attractive in light of the long-term nominal growth that can be anticipated today. In this context, stocks fell by -1.64% (STOXX Europe 600), and corporate bonds were up by +0.31% for High Yield (ICE BofA Euro HY) and down by -0.96% for Investment Grade (iBoxx Euro Non-Financials BBB). Over the month, the fund declined by -1.53% compared to -1.59% for the Refinitiv Europe Focus hedged. The context of economic slowdown in Europe is confirmed by the weak manufacturing PMIs. The fund was particularly affected this month by the decline in industrial and service sectors (-32 basis points) (Rheinmetall -10 basis points) and the transport sector (-29 basis points) (Amadeus -15 basis points, IAG -7 basis points, Lufthansa -4 basis points). The semiconductor cycle was also negatively impacted by an inventory correction in China, as the recovery of activity is still not in sight (STM -42 basis points). Concerns about the economy also affected the discretionary consumer sector, which had shown better resistance until now (Delivery Hero -14 basis points, Ocado -12 basis points, LVMH -5 basis points). The healthcare sector lost 22 basis points, with Qiagen (21 basis points) suffering from a negative base effect due to Covid tests and an anti-corruption campaign affecting laboratories in China. The fund's positive performance comes from the fossil fuels and materials sector (+10 basis points), with the new issuance of ENI (+4 basis points). Ubisoft also gained 6 basis points due to progress made in the acquisition of Activision by Microsoft. As part of this acquisition, Ubisoft will regain exclusive streaming distribution rights to Activision's catalog, one of the most extensive video game catalogs in the world. Finally, the yield component of our fund contributed positively by 7 basis points. The fund has an asymmetric profile, with a +30.6% equity sensitivity and a +9.6% distance to the floor. ESG Focus: The rise in financing rates and construction costs strongly impacts the renewable energy sector. The S&P Global Clean Energy Index, composed of the 100 largest companies in solar, wind, and other renewables, has lost around 20% in the past two months, while fossil fuel companies are on the rise. The timing difference between obtaining long-term fixed-price contracts and executing them impacts their profitability. Furthermore, the arrival of cheap Chinese products in the European solar segment pushes local companies out of their market. There is no doubt that after investing heavily in the sector, Western governments will once again have to dig into their pockets to support the sector.

### October 2023

The month's economic data were mixed geographically. In the US, the publication of Q3 GDP (up by an annualised 4.7%) confirmed the positive indications. Given the level of income generated, we can expect both household and business demand to remain high, which will maintain positive momentum for the economy until 2024. In Europe, the negative signs are mounting. PMIs are still falling, demand is weakening across all sectors and consumer confidence remains stable at very low levels. The region is suffering from high energy costs and restrictive credit conditions. Faced with growing recessionary pressures stemming from the property crisis, China has announced an increase in the budget deficit from 0.80% to 3.80%, as well as authorising bond issues to finance emergency projects. The scale of these measures appears small, but they are in line with the gradual approach characteristic of Chinese policies. On the inflation front, the data published in October indicated a pause in the downward trend. This does not seem to be worrying the Fed and the ECB, who have kept their monetary stance unchanged (rates unchanged but maintained for a long time). It is quite likely that global activity will gradually slow towards potential growth. We remain convinced that this slowdown will not come to a sudden halt, given the low level of household debt. In this context, equities decrease -3.62% (STOXX Europe 600) and corporate bonds are down -0.25% (ICE BofA Euro HY) and up +0.36% (iBoxx Euro Non Financials BBB). Over the month, the fund declines -1.88% compared to -2.02% for the Refinitiv Europe Focus hedged. Whilst ST Micro (-51bps) reported good quarterly results, the stock was heavily penalized by the decelerating growth of Electric vehicles flagged by carmakers during the month. Worldline (-18bps) surprised the market with a profit warning based on slowing consumption trends and regulation impact driving shares down -60% intraday. Whilst we do not see an impact on the credit in the short term, this event could bring changes in the management team. Separately, some indicators started to show the end of the pandemic travel rebound which read negatively for the sector (Amadeus -8bps, Safran -7bps, Accor -4bps, Lufthansa -2bps). In this geopolitical context, the best performing sector was unsurprisingly the commodities one benefitting from higher oil prices (ENI +8bps, TotalEnergies +2bps). For specific reasons, Nexi (+7bps) rose on takeover rumours (still unconfirmed) and Swiss Re (+7bps) gained on expectations for a solid result season. The fund has an equity sensitivity of +30.5% and a distance to the floor of +7.7%. ESG Focus: This third quarter of 2023 brought to light another segment that, whilst benefitting from solid ESG tailwinds, is not immune to rising cost of capital : the Electric Vehicles. With greater price competition, slower volume ramp up, rising labour costs, supply chain disruption and other execution issues, carmakers profitability have been challenged. Some of them have had to reduce or even to put on hold their investment as they need to rethink entirely their EV strategy. Quite a few EVs players are present in the CB universe but most of them benefit from a solid credit profile such as Tesla, Ford, Mercedes and Li Auto.

### November 2023

November clearly reinforced the scenario of a soft landing from the inflationary episode. On the one hand, with activity likely to decline in Q4, the publication of European PMIs gives hope that the low point has been reached, auguring better days in 2024. In the US, the current slowdown seems to be taking place very gradually. Consumption remains robust and construction is rebounding, while mortgage rates are very high. Asian indicators also give cause for optimism, despite the real estate slump. On the other hand, inflation receded in November in Europe and the US, while China remains in deflation. Markets are now betting that the peak of the inflationary crisis is behind us, and that there will be a central bank pivot in 2024. Is this optimism excessive? Expectations that money-market rates will be cut as early as Q2 seem too rapid, against a backdrop of robust activity. In our view, we should be counting on fewer rate cuts, but on the return of the Fed put in the event of a weakening economy. Finally, it should be noted

that the general upturn in the markets is reducing yield prospects and increasing inflationary pressures, notably through the wealth effect. Expectations of rapid rate cuts are therefore likely to be belied if markets continue to rise. With implied volatilities on the options markets at record lows, it seems to us that this is a good time to increase the exposure to assets with embedded optionality. In this context, equities increase +6.62% (STOXX Europe 600) and corporate bonds are up +2.86% (ICE BofA Euro HY) and +2.35% (iBoxx Euro Non Financials BBB). Over the month, the fund improves +4.12% compared to +4.10% for the Refinitiv Europe Focus hedged. After reaching a trough in October ST Micro rebounded (+88bps, -51bps in October) as the market turned more optimistic in the consumer business that is starting to recover. Confident early 2024 outlooks from airline companies, that were much better than expected, read positively for all the leisure sector (Safran +39bps, Amadeus +20bps, IAG +4bps, Accor +3bps). The drop in yields also drove to a solid rally of real estate names (Fastighets Balder +31bps, Shaftesbury +8bps). The robust performance was partially offset by Sanofi (-5bps) as the market is awaiting for the R&D day early December that will give more granularity on the upcoming products. TotalEnergies (-3bps) was penalized by the delay of the OPEC meeting that led to more volatile oil prices over the month. End of November was busy for primary deals with close to €2bn of issuance in Europe including repeat issuers (Schneider 2030, RAG/Evonik 2030, Ubisoft 2031) and a new one, Bechtle 2030. Most of these deals came at an attractive pricing and we believe this trend should continue into 2024. The fund has an equity sensitivity of +35.0% and a distance to the floor of +10.0%. ESG Focus: Mid November, the UK Supreme Court has delivered a landmark ruling for Deliveroo, with huge implications for the rest of the gig economy. As Deliveroo riders do not fall under the classification of "workers" under UK law, the UK Supreme court rules out they can't be represented by unions for collective pay negotiation power. The gig economy that now represents a growing share of the working population raise new challenges on how the law should apply for the independent workers. Whilst they can't have the same benefits than the one qualified as workers, some European countries are acting in their favour so that they get at least social security and pension benefits.

### December 2023

December brought to a resounding close a year marked by resilient growth despite powerful headwinds and rapidly falling inflation. The disinflation process should not encounter too many obstacles in 2024: -oil prices seem to be under control; -restoring production chains will produce disinflationary effects; -monetary aggregates are contracting and -the rebalancing of the labour market will limit wage growth. In these conditions, the market is betting on a very rapid cut in key rates in 2024, which could create a fragile situation in the event of disappointing inflation figures later on. In terms of growth, the global economy will continue to benefit in 2024 from the resilience shown in 2023. The fall in inflation should also boost real household income and support consumption. However, several factors are likely to act as a brake, slowing growth to below potential: - public budgets are likely to tighten gradually; - manufacturing activity continues to be weak; - bank lending conditions remain restrictive; and - disinflation will limit companies' pricing power and hence their margins. Nevertheless, if the economic situation were to deteriorate, central banks could use their "put", i.e. ease their policy. The context at the end of the year therefore reinforces the soft landing hypothesis and reduces the likelihood of the two alternative scenarios: the hypothesis of a resurgence of inflation, which would lead to a tightening of monetary policy; or a sudden weakening of the economy caused by the delayed effects of higher interest rates. In this context, equities increase +3.83% (STOXX Europe 600) and corporate bonds are up +2.88% (ICE BofA Euro HY) and +2.82% (iBoxx Euro Non Financials BBB). Over the month, the fund improves +2.51% compared to +1.94% for the Refinitiv Europe Focus hedged. The hope of central banks potentially cutting rates as soon as mid 2024 led to a solid rebound in the real estate sector (Fastighets Balder +17bps, Nexity +9bps and Shaftesbury +4bps) as lower rates could help financing and facilitate real estate transactions. The travel sector (Safran +13bps, IAG +10bps, Accor +5bps) was also a key beneficiary of the reinforced soft landing scenario which would be positive for consumers in 2024. Separately, Cellnex (+22bps) announced the sale of its Irish business and could also sell its Austrian units in order to reach the investment grade status. Prysmian (+17bps, underlying equity +17%) gained on a confident message from the management who held investor meetings mentioning a solid grid business and a normalization of the pricing. The performance was partially offset by Swiss Re (-10bps) who was penalized by releasing mixed targets at its investor day held early December; and Ubisoft (-5bps) as the critics for the Avatar game were not as good as expected which could weigh on sales. The fund has an equity sensitivity of +31.9% and a distance to the floor of +7.7%. ESG Focus: Following a weak 2022, ESG fund flows have continued to deteriorate throughout 2023 despite a rebound in Q4 performance. Part of this move can be attributed to the higher interest rate environment that have penalized the deployment of green initiatives that require financing. Another explanation is that the regulatory complexity and the lack of consistency has continued to increase with new regulations, frameworks and amendments to existing ones. This has become a hurdle to attract new ESG funds. This may prompt regulators to finally focus on simplicity and capacity. On the other hand, falling interest rates may come to the rescue by driving outperformance for ESG darlings.

## REGULATORY INFORMATION

### Information on overall risk

The fund uses the commitment approach to calculate the overall risk linked to financial contracts.

### Information concerning the use of OTC instruments

During the reference period, in accordance with its investment policy, the fund entered into transactions in over-the-counter derivative instruments with BNP Paribas, CACIB, Goldman Sachs et Société Générale as counterparties. These over-the-counter derivative instruments were used to hedge the fund against credit and foreign-exchange risk.

At the closing date, assets pledged as collateral with the fund to reduce counterparty risk represent an amount of 3 110 000 €.

Assets potentially received as collateral consist of cash.

### Information on effective portfolio management techniques

Over the period covered, the fund did not use the temporary purchase and sale of securities in order to generate income from cash and optimise revenues. The exposure is nil for the fund. At the end of the period, the amount committed by the fund is zero €.

External operational costs incurred by the fund are nil. The counterparty to these transactions is Exane SA.

### Information regarding environmental, social and governance criteria

ESG criteria are factored in by the UCITS' investment strategy. They can be found on [www.ellipsis-am.com](http://www.ellipsis-am.com).

### Method used to adjust the net asset value related to partial swing pricing

The Fund can undergo a decline of its net asset value ("NAV") due to subscription/ redemption orders carried out by investors, at a value which does not reflect the costs of adjustment associated with the operations of investment or disinvestment of the portfolio. In order to reduce the impact of this dilution and to protect the interests of the existing unit holders, the Fund sets up a mechanism of partial swing pricing. This mechanism, supervised by a swing pricing policy, allows the management company to ensure to make bear the costs of adjustment to the investors who ask for the subscription or the redemption of the Fund units, while protecting the unit holders who remain within the Fund.

If, on a day of calculation of the NAV, the total net amount of the subscription/ redemption orders carried out by investors on all the unit classes of the Fund exceeds a pre-established threshold, determined on the basis of objective criteria by the management company in percentage of the net assets of the Fund, the NAV can be adjusted upwards or downwards, in order to take into account the attributable costs of adjustment respectively to the net subscription/ redemption orders. The NAV of every unit class is separately calculated but any adjustment has, in percentage, an identical impact on all the set of NAVs of the unit classes of the Fund. Parameters of costs and threshold are determined by the management company and revised periodically, this period which cannot exceed 6 months. These costs are estimated by the management company on the basis of transaction fees, bid-ask spreads, as well as possible taxes applicable to the Fund.

As far as this adjustment is bound to the net balance of the subscriptions/ redemptions within the Fund, it is not possible to predict with accuracy if it will be made application of the swing pricing at some point in the future. Consequently, it is not either possible to predict with accuracy the frequency at which the management company will have to make such adjustments, which could not exceed 2% of the NAV. Investors are informed that the volatility of the NAV of the Fund is likely not to reflect only that of the securities held in the portfolio because of the application of the swing pricing.

## ESG Commentary + Taxonomy - Article 8

### Integration of ESG criteria into the investment strategy

The fund does not have a sustainable investment objective.

Under the European Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector, the fund falls into the category of products promoting environmental and/or social characteristics (so-called "Article 8").

The performance of the fund may be affected by environmental, social or governance events affecting the convertible issuers to which the fund is exposed. This sustainability risk may result in a decrease in the net asset value of the fund. It is taken into account in investment decisions through:

1/ Exclusion policies: these relate to sensitive sectors linked to the fight against climate change and protection of human rights and are based on lists of excluded issuers established by the BNP Paribas Group. In addition, regarding the coal sector, the FCP undertakes not to hold any issuers of the exclusion list of the Swiss Association for Responsible Investments SVVK-ASIR: <https://svvk-asir.ch/fr/liste-d-exclusion> in its portfolio, unless it can justify this by an internal analysis of the environmental characteristics of the instrument or the issuer.

2/ A selective approach: this aims to favour companies with good ESG practices by systematically eliminating at least 50% among minimum 15% of the lowest rated stocks in the investment universe represented by the benchmark. ESG ratings are established by the manager-analyst team, based on external extra-financial research and internal discretionary assessment. Controversy



analysis is a central tool in the assessment of sustainability risk. The rating methodology addresses the 3 criteria: Environmental, Social and Governance.

3/ A "rating improvement" approach: the portfolio's average ESG rating must be better than the rating of its benchmark indicator. The ESG analysis covers more than 90% of convertible bonds held in the portfolio, all credit risk categories combined (investment grade, high yield).

This financial product promotes environmental and social characteristics. However, the underlying investments of this financial product do not take into account the European Union criteria for environmentally sustainable economic activities within the meaning of Regulation (EU) 2020/852 (hereinafter the "Taxonomy Regulation") and it is not currently in a position to make a commitment from its portfolio on a minimum of activities aligned with the Taxonomy Regulation. The percentage of assets aligned with the Taxonomy Regulation should be considered 0%. Therefore, the "do no material harm" principle does not apply to the underlying investments of this financial product.

The "Principal adverse impacts" (PAI) on sustainability factors within the meaning of Article 7 of the SFDR Regulation, are not currently taken into account in the investment decisions of the fund due to the lack of available and reliable data in the current state of the market.

For more information, please visit: <https://www.ellipsis-am.com/esg>

The fund is mainly invested in convertible bonds, exchangeable bonds and assimilated securities in all regions, including in emerging markets, denominated in euros or other foreign currencies.

The fund is hedged against exchange rate risk, which corresponds to the risk of a variation in the denomination currency for each financial instrument relative to the reference currency of the fund. In addition, each unit in the fund is hedged against exchange rate risk which corresponds to the risk of a variation in the reference currency of the fund relative to denomination currency of the unit. This exchange rate hedging cannot be perfect such that a residual exchange rate risk may nevertheless remain and represent up to 5% of net assets.

With a view to diversifying or improving the fund's technical profile, the fund may invest in so-called synthetic convertible bonds or exchangeable bonds issued by banks.

It may also allocate part of its assets to bonds, debt securities and monetary instruments up to 40% maximum of net assets as well as to use derivatives and instruments with embedded derivatives with a view to hedging the portfolio or rebuilding synthetic exposure to one or more risks in compliance with the management objective.

Allocation is made with no geographical, sectoral or size predominance among the main global markets and with no rating restrictions.

The portfolio's average sensitivity to underlying shares stands at between 10% and 90% and can move between 30% and 70% of the fund's net assets in normal market conditions. The fund's average sensitivity to rates stands at between 0 and +7.

The fund may enter into temporary purchases and sales of securities transactions in order to optimise its revenues.

### Information on the selection of intermediaries

Information on the selection of intermediaries is available on the website:

[http://www.ellipsis-am.com/publication/ComplianceDoc/Fr\\_Politique-meilleure-execution.pdf](http://www.ellipsis-am.com/publication/ComplianceDoc/Fr_Politique-meilleure-execution.pdf)

### Transparency of securities financing transactions and reuse of financial instruments (Securities Financing Transactions Regulation) (in the accounting currency of the UCI)

During the financial year, the Fund did not carry out any securities financing transactions subject to SFTR regulations, i.e. repurchase agreements, securities or commodities lending/borrowing transactions, purchase/resale or sale/purchase transactions, margin lending transactions and total return swaps (TRS).

### Main portfolio movements during the year

Securities	Acquisitions	Disposals
RHEINMETALL RHMGR 2 1/4 02/07/30	-30,745,846	28,739,812
RHEINMETALL RHMGR 1 7/8 02/07/28	-27,616,825	23,649,584
SIKA AG SIKASW 0.15 06/05/25	-	22,285,692
CELLNEX TELECOM CLNXSM 1 1/2 01/16/26	-	20,268,375
FEMSA FEMSA 2 5/8 02/24/26	-19,501,915	19,287,058
MERRILL LYNCH BV BAC 0 01/30/26	-19,449,427	
ENI SPA ENIIM 2.95 09/14/30	-18,516,611	-

### Compensation policy

In accordance with the provisions of Directives 2011/61/EU and 2014/91/EU that amend Directive 2009/65/EC, and with the provisions of Articles 319-10 and 321-125 of the AMF General Regulation, the Management Company has implemented a remuneration policy for the categories of employees whose professional activities have a significant impact on the risk profile of the Management Company or the UCI that it manages. These categories of employees include members of the Management Board, the Head of Internal Control and Compliance, risk controllers, the fund managers, the sales team members, and managers of support functions, and, in general, all employees whose professional activities have a significant impact on the risk profile of Ellipsis AM or the investment funds that it manages, and whose overall remuneration is in the same category as that of the Management Board and risk takers.

The Remuneration Committee is organised in accordance with internal regulations, in compliance with the principles set out in Directives 2011/61/EU and 2014/91/EU that amend Directive 2009/65/EC. The Management Company's remuneration policy was developed to promote the proper management of risks, particularly sustainability risk, and to discourage risk-taking above the level of risk that it can handle, taking into account the investment profiles of the funds managed and by implementing measures to prevent conflicts of interest.

The remuneration policy is reviewed every year. The Management Company's remuneration policy, which describes the method of calculating remuneration and benefits, is available free-of-charge on request from the registered office of the Management Company and on the company website [www.ellipsis-am.com](http://www.ellipsis-am.com).

2023 financial year (in K)	All employees
Fixed remuneration	2,602
Variable remuneration	1,009
Average number of staff	23.9
Total	3,610

2023 financial year (in K)	Total	Other staff identified	Managers and other persons with a direct impact on the risk profile
Fixed remuneration + Variable remuneration	3,610	356	3,254



Template periodic disclosure for financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, paragraphs 1, of Regulation (EU) 2020/852

Product name: **ELLIPSIS EUROPEAN CONVERTIBLE FUND**

Legal entity identifier: **969500DEKQHM09GPQM16**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

## Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?	
Yes	No
<input checked="" type="radio"/> <input type="radio"/>	<input type="radio"/> <input checked="" type="radio"/> X
<input type="checkbox"/> It made <b>sustainable investments with an environmental objective</b> : ____% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul>	<input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of ____% of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul>
<input type="checkbox"/> It made <b>sustainable investments with a social objective</b> : ____%	<input checked="" type="checkbox"/> X It promoted E/S characteristics, but <b>did not make any sustainable investments</b>

To what extent were the environmental and/or social characteristics promoted by this financial product met?



**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

### How did the sustainability indicators perform?

No breach of ESG indicators were detected during the reference period: the fund met its ESG commitments over the period.

The governance criterion is a priority and discriminating filter in the fund's management process. There were no governance-related controversies in the portfolio during the reference period.



- **Overall coverage rate for extra-financial analysis**

Minimum: 90.00%

Result for the reference period: 98.74%

- **ESG - Exclusion of the lowest rated securities**

Minimum: 50.00%

Result for the reference period: 56.48%

- **ESG - Improvement of rating**

Result for the reference period: 1.77

NB : the figures shown for results are an average over the reference period (01/01/2023 – 31/12/2023).

- **...and compared to previous periods?**

Indicators are stable compared with those referring to the last financial year.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

N/A

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

N/A

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

*The EU Taxonomy sets out a “do not **significant harm**” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The “do no **significant harm**” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### How did this financial product consider principal adverse impacts on sustainability factors?

The "Principle Adverse Impacts" (PAI) on sustainability factors, within the meaning of Article 7 of the SFDR, are not currently factored into the fund's investment decisions due to the lack of available and reliable data in the current market conditions.



### What were the top investments of this financial product?

The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is: 01/01/2023 to 31/12/2023

#### LARGEST INVESTMENTS (top 15)

Safran SA  
 STMicroelectronics NV  
 America Movil SAB de CV  
 Cellnex Telecom SA  
 Qiagen NV  
 Rheinmetall AG  
 Delivery Hero SE  
 Edenred  
 Amadeus IT Group SA  
 Deutsche Post AG  
 Prysmian SPA  
 Zalando SE  
 Ubisoft Entertainment SA  
 Fomento Economico Mexicano SAB de CV  
 Just Eat Takeaway NV

#### UNDERLYING

Safran  
 STMicroelectronics  
 Koninklijke KPN NV  
 Cellnex Telecom  
 Qiagen NV  
 Rheinmetall  
 Delivery Hero SE  
 Edenred  
 Amadeus IT Group SA  
 Deutsche Post  
 Prysmian  
 Zalando SE  
 Ubisoft  
 Heineken Holding A  
 Just Eat Takeaway

#### SECTOR

Industrial Goods and Services  
 Technology  
 Telecommunications  
 Telecommunications  
 Health Care  
 Industrial Goods and Services  
 Consumer Products and Services  
 Consumer Products and Services  
 Technology  
 Industrial Goods and Services  
 Industrial Goods and Services  
 Retail  
 Consumer Products and Services  
 Food, Beverage and Tobacco  
 Technology

#### % OF ASSETS

5.84%  
 5.64%  
 5.12%  
 4.02%  
 3.95%  
 3.68%  
 2.93%  
 2.72%  
 2.53%  
 2.15%  
 1.99%  
 1.94%  
 1.81%  
 1.76%  
 1.74%

#### COUNTRY

FRANCE  
 NETHERLANDS  
 NETHERLANDS  
 SPAIN  
 NETHERLANDS  
 GERMANY  
 GERMANY  
 FRANCE  
 SPAIN  
 GERMANY  
 ITALY  
 GERMANY  
 FRANCE  
 NETHERLANDS  
 NETHERLANDS



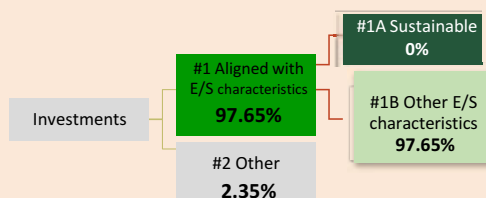
**Asset allocation**  
describes the  
share of  
investments in  
specific assets.

## What was the proportion of sustainability-related investments?

### What was the asset allocation?

On average over the reference period, 97.65% of the fund's securities and instruments have been aligned with the environmental or social characteristics promoted, respecting the binding ESG commitments of the investment strategy.

This proportion corresponds to the overall coverage rate for extra-financial analysis and is calculated in relation to the AUM. It takes into account all instruments with a rating or, for long derivatives, whose underlying has a rating. Specifically, it concerns the investments in convertible bonds, equities and long TRS (Total Return Swap).



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The Subcategory **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

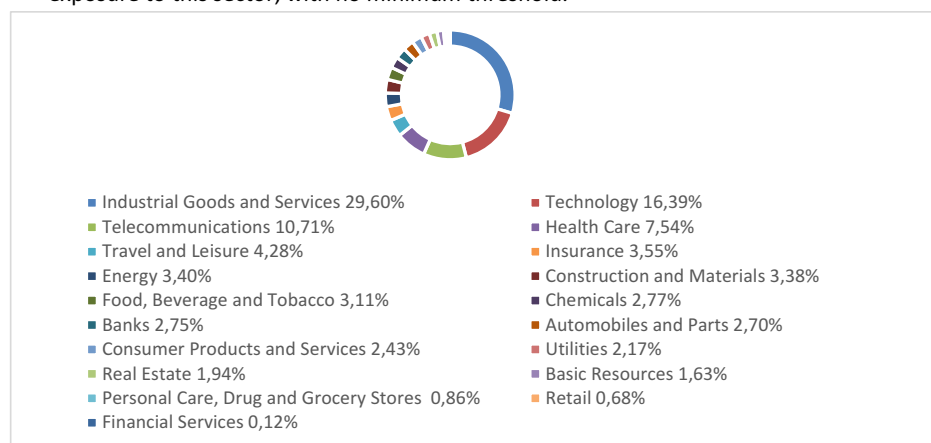
Note when for financial products referred to in Article 6 of Regulation (EU) 2020/852

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

### In which economic sectors were the investments made?

The average exposure of the portfolio to the fossil fuel energy sector over the reference period was 8.27%. The calculation methodology takes into account any security with exposure to this sector, with no minimum threshold.



### To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

The fund is not currently able to commit to a minimum share of activities aligned with the Taxonomy Regulation for its portfolio. The underlying investments of this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities within the meaning of Regulation (EU) 2020/852 (the "Taxonomy Regulation"). The percentage of assets aligned with the Taxonomy Regulation should be considered to be 0%. Therefore, the principle of "do no significant harm" does not apply to the fund's underlying investments.

### What was the share of investments made in transitional and enabling activities?

N/A

### How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

N/A

Note for financial products referred to in Article 6 of Regulation (EU) 2020/852 that invest in environmental economic activities that are not environmentally sustainable economic activities

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



**What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

N/A



**What was the share of socially sustainable investments?**

N/A



**What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?**

On average over the reference period, 2.35% of the fund's securities and instruments are not aligned with the environmental or social characteristics promoted. This proportion corresponds to instruments which are not included in the overall coverage rate for extra-financial analysis, and short derivatives, even whose underlying is rated. Specifically, it concerns investments in cash (money market funds and ETFs) and index derivatives and short TRS (Total Return Swap).



**What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

ESG ratings are established by the portfolio management team and analysts, based on external non-financial research and an internal discretionary evaluation. The analysis of controversies is a central tool in the assessment of sustainability risk. The rating methodology focuses on three criteria: environmental, social, and governance. For example, AMS-OSRAM is an issuer whose rating was reviewed by the fund management team during the reference period.

According to Ellipsis AM's internal analysis: After having followed AMS-OSRAM for several years, we believe that its governance should be downgraded due to its poor financial communication (multiple profit warnings, opacity regarding the concentration of customers which seems very significant) and management change (CFO and CEO have less than one year of experience within the company, with a CEO who has no experience in the semiconductor sector). Sustainalytics assigns a rating of 21 to AMS-OSRAM to date. This rating is better than the average of our indices (around 23), which we do not find justifiable. Therefore, we decide to downgrade this rating by 10 points to 31 to account for the poor governance.



The selective approach aims to favor companies with good ESG practices by systematically eliminating at least 50% of the securities from the bottom 15% of the investment universe represented by the reference index.

The portfolio is invested in the global universe of convertibles, which in recent years has been characterized by the issuance of green convertibles, which allow raising funds for projects such as renewable energy. We have also witnessed the emergence of social convertible bonds, known as "sustainability linked convertibles" (convertible bonds linked to sustainable development). Among the convertible bonds that met these criteria, we have retained values such as Voltaia and Edenred in our portfolio.



#### How did this financial product perform compared to the reference benchmark?

N/A, the fund does not use an ESG benchmark.

*Note for financial products where an index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product*

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

# auditor's report



## STATUTORY AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS For the year ended 29 December 2023

**ELLIPSIS EUROPEAN CONVERTIBLE FUND**  
OPCVM CONSTITUEE SOUS FORME DE FONDS COMMUN DE PLACEMENT  
Governed by the French Monetary and Financial Code (*Code monétaire et financier*)

Management company  
ELLIPSIS ASSET MANAGEMENT  
112 Avenue Kleber  
75116 PARIS

### Opinion

In compliance with the assignment entrusted to us by the management company, we conducted an audit of the accompanying financial statements of ELLIPSIS EUROPEAN CONVERTIBLE FUND for the year ended 29 December 2023.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the fund at 29 December 2023 and of the results of its operations for the year then ended, in accordance with French accounting principles.

### Basis of our opinion

#### *Audit standards*

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. Our responsibilities under these standards are described in the section "*Statutory Auditor's responsibilities for the audit of the financial statements*" in this report.

#### *Independence*

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*code de déontologie*) for statutory auditors, from 31/12/2022 and up to the date of this report.

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T: +33 (0) 1 56 57 58 59, F: +33 (0) 1 56 57 58 60, [www.pwc.fr](http://www.pwc.fr)

Société d'expertise comptable inscrite au tableau de l'ordre de Paris - Ile de France. Société de commissariat aux comptes membre de la compagnie régionale de Versailles. Société par Actions Simplifiée au capital de 2 510 460 €. Registered office: 63 rue de Villiers 92200 Neuilly-sur-Seine. RCS Nanterre 672 006 483. TVA n° FR 76 672 006 483. Siret 672 006 483 00362. Code APE 6920 Z. Bureaux : Bordeaux, Grenoble, Lille, Lyon, Marseille, Metz, Nantes, Nice, Paris, Poitiers, Rennes, Rouen, Strasbourg, Toulouse.



## ELLIPSIS EUROPEAN CONVERTIBLE FUND

### Justification of our assessments

In accordance with the requirements of articles L.821-53 and R.821-180 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the following assessments that, in our professional judgement, were the most significant for the audit of the financial statements.

These assessments were made in the context of our audit of the financial statements, taken as a whole, and of the opinion we formed which is expressed above. We do not provide an opinion on individual items in the financial statements.

#### 1. Financial securities portfolio issued by high credit risk companies

Financial Portfolio securities issued by high credit risk companies with low or non-existent rating are valued according to the methods described in the note to the financial statements related to accounting rules and methods. These financial instruments are valued using quoted prices or contributed by financial service providers. We have been informed of the procedures implemented to supply the prices and we tested the consistency of prices provided with an external database. Based on the elements leading to the determination of the valuations used, we assessed the approach implemented by the management company.

#### 2. Other financial instruments in portfolio :

The assessments we made related in particular to the accounting principles followed and significant estimates adopted.

These assessments were made as part of our audit of the financial statements, taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

### Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report prepared by the management company.

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**ELLIPSIS EUROPEAN CONVERTIBLE FUND**

**Responsibilities of the management company for the financial statements**

It is the management company's responsibility to prepare the fund's financial statements presenting a true and fair view in accordance with French accounting principles and to implement the internal control that it deems appropriate for the preparation of financial statements that do not contain material misstatements, whether due to fraud or error.

In preparing the financial statements, the management company is responsible for assessing the fund's ability to continue as a going concern, disclosing in the financial statements, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the fund or to cease operations.

These financial statements have been prepared by the management company.

**Statutory auditor's responsibilities for the audit of the financial statements**

***Audit purpose and approach***

It is our responsibility to prepare a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements, taken as a whole, are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As indicated in article L.821-55 of the French Commercial Code, our statutory audit of the financial statements is not to guarantee the viability or the quality of your management.

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**ELLIPSIS EUROPEAN CONVERTIBLE FUND**

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor uses professional judgement throughout the entire audit.  
He also:

- identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;
- concludes on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the fund's ability to continue as a going concern. Such conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluates the overall presentation of the financial statements and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Neuilly sur Seine, date of e-signature

*Document authenticated by e-signature*  
The Statutory Auditor  
PricewaterhouseCoopers Audit  
Frédéric SELLAM

# annual accounts



# BALANCE SHEET assets

	29.12.2023	30.12.2022
Currency	EUR	EUR
<b>Net assets</b>	-	-
<b>Deposits</b>	-	-
<b>Financial instruments</b>	<b>281,878,733.94</b>	<b>356,130,636.88</b>
• <b>EQUITIES AND SIMILAR SECURITIES</b>		
Traded on a regulated or similar market	-	-
Not traded on a regulated or similar market	-	-
• <b>BONDS AND SIMILAR SECURITIES</b>		
Traded on a regulated or similar market	260,069,977.63	336,498,897.50
Not traded on a regulated or similar market	-	-
• <b>DEBT SECURITIES</b>		
Traded on a regulated or similar market		
<i>Negotiable debt securities</i>	-	-
<i>Other debt securities</i>	-	-
Not traded on a regulated or similar market	-	-
• <b>MUTUAL FUNDS</b>		
UCITS and general purpose AIF for non-professionals and equivalents in other countries	18,199,943.11	17,929,120.60
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	-	-
• <b>TEMPORARY PURCHASES AND SALES OF SECURITIES</b>		
Receivables representing financial repurchase agreements	-	-
Receivables representing financial securities lendings	-	-
Borrowed financial securities	-	-
Repurchase financial agreements	-	-
Other temporary purchases and sales	-	-
• <b>FINANCIAL CONTRACTS</b>		
Transactions on a regulated or similar market	3,454,246.00	1,702,618.78
Other transactions	154,567.20	-
• <b>OTHER FINANCIAL INSTRUMENTS</b>	-	-
<b>Receivables</b>	<b>101,709,322.61</b>	<b>131,519,475.92</b>
Foreign exchange forward contracts	98,560,381.12	127,520,295.97
Other	3,148,941.49	3,999,179.95
<b>Financial accounts</b>	<b>8,570,220.66</b>	<b>26,052,192.11</b>
Cash and cash equivalents	8,570,220.66	26,052,192.11
<b>Other assets</b>	-	-
<b>Total assets</b>	<b>392,158,277.21</b>	<b>513,702,304.91</b>

# BALANCE SHEET liabilities

	29.12.2023	30.12.2022
Currency	EUR	EUR
<b>Equity</b>		
• Capital	291,855,084.39	421,780,403.64
• Previous undistributed net capital gains and losses	441,117.31	466,051.92
• Retained earnings	77,725.85	43,687.86
• Net capital gains and losses for the financial year	-1,399,526.67	-37,785,343.40
• Result	-738,792.28	-1,248,203.26
<b>Total equity</b> <i>(amount representing net assets)</i>	<b>290,235,608.60</b>	<b>383,256,596.76</b>
<b>Financial instruments</b>	<b>392,493.27</b>	<b>502,988.77</b>
• 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	97,565.00	49,580.00
Other transactions	294,928.27	453,408.77
<b>Debts</b>	<b>101,530,175.31</b>	<b>129,942,709.20</b>
Foreign exchange forward contracts	97,623,672.33	126,653,971.91
Other	3,906,502.98	3,288,737.29
<b>Financial accounts</b>	<b>0.03</b>	<b>10.18</b>
Cash credit	0.03	10.18
Borrowings	-	-
<b>Total liabilities</b>	<b>392,158,277.21</b>	<b>513,702,304.91</b>

# OFF-balance sheet

	29.12.2023	30.12.2022
Currency	EUR	EUR
<b>Hedging</b>		
• Commitments on regulated or similar markets		
- Futures market (Futures)	119,950.00	-
- Options market (Options)	1,621,256.00	-
- 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)	-	-
<b>Other transactions</b>		
• Commitments on regulated or similar markets		
- Futures market (Futures)	-	2,841,470.00
- Options market (Options)	18,559,646.15	8,059,705.84
- Credit derivatives	-	-
- Swaps	-	-
- Contracts for Differences (CFD)	-	-
• OTC commitments		
- Futures market (Futures)	-	-
- Options market (Options)	-	-
- Credit derivatives	-	8,500,000.00
- Swaps	-	-
- Contracts for Differences (CFD)	17,407,608.08	17,566,401.63
• Other commitments		
- Futures market (Futures)	-	-
- Options market (Options)	-	-
- Credit derivatives	-	-
- Swaps	-	-
- Contracts for Differences (CFD)	-	-

# INCOME statement

	29.12.2023	30.12.2022
Currency	EUR	EUR
<b>Income from financial transactions</b>		
• Income from deposits and financial accounts	349,590.87	38,081.69
• Income from equities and similar securities	-	-
• Income from bonds and similar securities	1,719,790.32	1,438,881.02
• Income from debt securities	-	-
• Income from temporary purchases and disposals of financial securities	-	-
• Income from financial contracts	179,374.27	-
• Other financial income	-	-
<b>Total (I)</b>	<b>2,248,755.46</b>	<b>1,476,962.71</b>
<b>Expenses on financial transactions</b>		
• Expenses on temporary purchases and disposals of financial securities	-	-
• Expenses on financial contracts	-512,003.28	-
• Expenses on financial debt	-45,471.93	-179,367.25
• Other financial expenses	-	-
<b>Total (II)</b>	<b>-559,475.21</b>	<b>-179,367.25</b>
<b>Profit/loss on financial transactions (I - II)</b>	<b>1,689,280.25</b>	<b>1,297,595.46</b>
Other income (III)	-	-
Management fees and depreciation expense (IV)	-2,619,346.51	-2,204,213.38
<b>Net income for the period (L.214-9-17-1) (I - II + III - IV)</b>	<b>-930,066.26</b>	<b>-906,617.92</b>
Income adjustments for the period (V)	191,273.98	-341,585.34
Interim payments in terms of the period (VI)	-	-
<b>Income (I - II + III - IV +/- V - VI):</b>	<b>-738,792.28</b>	<b>-1,248,203.26</b>

# 1 accounting rules and methods

The annual financial statements are presented in the format laid down by ANC (French accounting standards authority) Regulation 2014-01, as amended.

## ASSET VALUATION AND ACCOUNTING RULES

### Method of valuing financial instruments

#### Exchange rates

The exchange rate used to value the assets in the Fund's accounting currency is supplied by a specialist data provider.

#### Financial instruments and transferable securities traded on a regulated or organised market

Equities and exchange traded funds (ETFs): equities and ETFs are valued based on the NAV date closing prices published by the markets in question. For multi-venue securities (those admitted and listed on several marketplaces), the Management Company ensures that the accounting manager uses the most liquid venue. If the venue configured by the accounting manager is not adequate, the Management Company reserves the right to request configuration of the most representative venue.

Bonds and convertible bonds: bond prices are retrieved by a specialist data provider or benchmark calculation agent and calculated using external contributors' prices on the NAV date.

Negotiable debt securities and money market instruments: these are supplied by a specialist data provider using external contributors' prices on the NAV date. Instruments with a residual life of 3 months or less may be valued using the straight-line method, provided they have no particular sensitivity.

#### Units or shares of CIS

Units and shares of undertakings for collective investment are measured at the NAV date net asset value. In the absence of a definitive net asset value within the time frames compatible with the Fund's valuation, the Fund is valued at the most recent known NAV. In the specific case of funds of funds, only the valuation date NAV is used.

#### Temporary purchases and sales of securities

Temporary sales of securities: loaned and repurchased securities are removed from their original item and the corresponding receivable is recorded at market value on the asset side of the balance sheet. Interest on the transaction is recognised on a straight-line basis using the reference rate.

Temporary purchases of securities: borrowed and reverse repurchased securities are measured at market value. The debt representing the redelivery obligation is also valued at the securities' market value. Interest on the transaction is recognised on a straight-line basis using the reference rate.

#### Futures or options traded on a regulated French and foreign market

These instruments are valued at their NAV date settlement price on the various futures markets.

#### Futures or options traded over the counter

These instruments are valued using models that have been validated by the Management Company and use market data supplied by specialist data providers.

- CFDs on equities, ETFs, bonds or convertible bonds: CFDs are valued at the difference between the NAV date closing price and the purchase price of the underlying asset, adjusted for the borrowing cost.
- Index TRSs: these are valued at the difference between the performance of the total return leg and that of the monetary leg corresponding to accrued interest.
- Options traded over the counter: options are valued using an internal model in accordance with the Black & Scholes formula and by modelling forward curves and volatility ranges.

- Currency forwards: Currency forwards are valued at the difference between the negotiated forward exchange rate and a theoretical forward exchange rate using NAV date market data (interpolated interest rate and spot exchange rate of the currency pair).
- CDSs: valued based on the ISDA algorithm using spread and rate data.

#### **Assets pledged as collateral**

Collateral denotes all the assets pledged as security as part of transactions involving futures traded OTC or as part of effective portfolio management operations (temporary purchases and sales of securities).

The types of eligible assets used include liquid assets, government bonds, private debt instruments, company shares or any other asset agreed between the parties when concluding the transaction, up to the limit authorised in the regulations. These assets are valued daily at market price, in accordance with the provisions of the section "Asset valuation and recognition rules".

#### **Alternative practical methods**

In the absence of the financial data needed to value a financial instrument, or in the event that the retrieved price of a financial instrument is not representative of market conditions, particularly in the absence of significant transactions, the Management Company may value the financial instrument at its probable trading value. These valuations and their justifications are provided to the Statutory Auditor when it carries out its work.

#### **Main market data providers**

The main specialist data providers used for valuations are Bloomberg and Reuters. The Management Company is liable to change this list.

#### **Method used to record trading costs**

Securities purchased are recorded at their acquisition price including fees, and securities sold are recorded at their sale price including fees.

#### **Method used to calculate distributable income**

Income is recorded on a cash basis.

Income consists of:

- income from transferable securities,
- dividends and interest received at the currency rate for transferable securities,
- proceeds from cash deposits, loans, repurchase agreements and other investments,
- flows paid on swaps: if the flows on a swap are of a different nature, the investment objective will determine whether the flows are recorded as capital or income,
- the balance received on a swap contract with asymmetric terms: when a settlement received is intended to rebalance the flows exchanged, the investment objective will determine whether the flows are recorded as capital or income.

The following are deducted from this income:

- management fees,
- financial costs and charges on securities lending and borrowing transactions and other investments,
- flows paid on swaps: if the flows on a swap are of a different nature, the investment objective will determine whether the flows are recorded as capital or income,
- the balance paid on a swap contract with asymmetric terms: when a settlement paid is intended to rebalance the flows exchanged, the investment objective will determine whether the flows are recorded as capital or income.

#### **Method used to adjust the net asset value related to partial swing pricing**

The Fund can undergo a decline of its net asset value ("NAV") due to subscription / redemption orders carried out by investors, at a value which does not reflect the costs of adjustment associated with the operations of investment or disinvestment of the portfolio. In order to reduce the impact of this dilution and to protect the interests of the existing unit holders, the Fund sets up a mechanism of partial swing pricing. This mechanism, supervised by a swing pricing policy, allows the management company to ensure to make bear the costs of adjustment to the investors who ask for the subscription or the redemption of the Fund units, while protecting the unit holders who remain within the Fund.



If, one day of calculation of the NAV, the total net amount of the subscription / redemption orders carried out by investors on all the unit classes of the Fund exceeds a pre-established threshold, determined on the basis of objective criteria by the management company in percentage of the net assets of the Fund, the NAV can be adjusted upwards or downwards, in order to take into account the attributable costs of adjustment respectively to the net subscription / redemption orders. The NAV of every unit class is separately calculated but any adjustment has, in percentage, an identical impact on all the set of NAVs of the unit classes of the Fund. Parameters of costs and threshold are determined by the management company and revised periodically, this period which cannot exceed 6 months. These costs are estimated by the management company on the basis of transaction fees, bid-ask spreads, as well as possible taxes applicable to the Fund.

As far as this adjustment is bound to the net balance of the subscriptions / redemptions within the Fund, it is not possible to predict with accuracy if it will be made application of the swing pricing at some point in the future. Consequently, it is not either possible to predict with accuracy the frequency at which the management company will have to make such adjustments, which could not exceed 2% of the NAV. Investors are informed that the volatility of the NAV of the Fund is likely not to reflect only that of the securities held in the portfolio because of the application of the swing pricing.

### 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).

The commitment value for CFDs is equal to the quantities multiplied by the nominal multiplied by the price of the underlying and possibly divided by the currency.

### Fund management and administration fees

Management and administration fees include all fees charged directly to the Fund except transaction costs. Transaction costs include intermediary fees (brokerage, stock market taxes, etc.) as well as transaction fees, if any, that may be charged by the depositary and the Management Company in particular.

For more information on the fees actually invoiced to the Fund, please refer to the Key Investor Information Document.

Fees charged to the UCIT	Basis	Rate
Financial management fees (maximum annual rate inclusive of tax) Provisions will be made for these fees on each NAV calculation day, recorded on the Fund income statement and debited quarterly.	Net assets	P units: maximum 1.7% inclusive of tax J units: maximum 1% inclusive of tax I and ID units: maximum 0.8% inclusive of tax Z units: maximum 0.15% inclusive of tax D units: maximum 0.15% inclusive of tax
Administrative fees external to the Management Company (statutory auditor, depositary, valuation agent, account holder, technical distribution fees, lawyers, benchmark license fees, etc.)	Net assets	Borne entirely by the management company
Maximum indirect fees (management fees and charges)	Net assets	Not significant

Fees charged to the UCIT	Basis	Rate
Transaction fees	Fixed fee payable on each transaction	From 0 to 50€ maximum including taxes perceived by the depositary From 0 to 50€ maximum including taxes perceived by the Management Company
Performance fees	Net assets	I, ID, J, P units: 15% incl. tax of the annual outperformance compared to the benchmark indicator once the underperformance of the last 5 years has all been offset. D units: 15% incl. tax of the annual outperformance compared to the benchmark indicator, capped to an annual maximum of 0,15% of the net assets once the underperformance of the last 5 years has all been offset. Z units: none

Financial research fees may also be charged to the Fund.

The fees referred to below may be excluded from the five blocks of fees mentioned above:

- contributions owed for the management of the Fund in accordance with section II, paragraph 3 d) of article 621-5-3 of the French Monetary and Financial Code;
- one-off and non-recurring taxes, charges, fees and government duties (relating to the Fund);
- one-off and non-recurring costs associated with debt recovery or a procedure to assert a right (e.g. share class procedure);

Information relating to these fees is also set out ex post in the Fund's annual report.

#### **Details of the performance fee**

Variable management fees will be levied for the benefit of the Management Company as follows:

- I, ID, J, and P units: 15% including tax of the annual performance net of fees, excluding provisions for variable management fees above the benchmark indicator of each of the I, ID, J, and P units;
- D unit: 15% including tax of the annual performance net of fees, excluding provisions for variable management fees above the reference indicator of the unit, capped at an annual maximum of 0.15% of the assets net;
- The provision for variable management fees is adjusted on the occasion of each calculation of the net asset value, on the basis of 15% including tax of the positive outperformance of the unit compared to its benchmark indicator and within the limit of 0, 15% of the net assets for the D unit. Provisions for variable management fees will only be applied when the performance of the fund is higher than that of its index and simply on the positive difference in performance. In the event of an underperformance of the UCITS compared to the benchmark indicator, this provision is readjusted through reversals of provisions. Reversals of provisions are capped at the level of the allocations;
- The outperformance of a unit will be calculated for the first time from the day on which this unit is launched;
- The crystallization of variable management fees by the management company will be carried out annually, based on the last net asset value of the financial year; these variable management fees will be deducted annually by the management company after the end of the financial year
- In the event of redemption of units, if there is a provision for variable management fees, the portion proportional to the redeemed units is crystallized and acquired by the management company; the variable management fees thus crystallized during a financial year may be charged by the management company at the end of each quarter;
- Investors' attention is drawn to the fact that the variable management fees are acquired by the Management Company even if the end-of-year net asset value is lower than the closing net asset value of the previous year of the fund;

- Any underperformance of the fund compared to the benchmark is compensated for before outperformance fees become due. To this end, the duration of the performance reference period is set at 5;
- For units launched during the financial year, the first performance calculation period will run from the launch date of the unit until the end of the next financial year;
- The outperformance commission is calculated over a period of at least 12 months.

The methodology applied for the calculation of outperformance fees is based on the reference asset calculation method which makes it possible to simulate a reference asset subject to the same subscription / redemption and distribution conditions, if applicable, as the original fund, while benefiting from the performance of the chosen index. This fictitious asset is then compared with the performance of the real assets of the sub-fund. The difference between the two assets therefore gives the outperformance of the unit compared to its benchmark indicator.

#### **Accounting currency**

Euro.

#### **Indication of accounting changes subject to special information to unitholders**

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

#### **Details of other changes which must be specifically notified to unitholders (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 unit category**

Distributable sums are composed of:

- 1° The net income plus retained earnings, plus or minus the balance of the income equalisation account;
- 2° Realised gains, net of fees, minus realised losses, net of fees, recognised during the financial year, plus net realised gains of the same type recognised during previous financial years, which have not been distributed or accrued, plus or minus the balance of the capital gains equalisation account.

Unit classes I, J, P and Z: Capitalisation

Unit classes ID: Distribution

Unit class D: Accumulation and/or distribution. Possibility to pay interim dividends. Possibility to defer totally or partially the results..

# 2changes net assets

	29.12.2023	30.12.2022
Currency	EUR	EUR
<b>Net assets at the beginning of the period</b>	<b>383,256,596.76</b>	<b>336,332,703.28</b>
Subscriptions (including the subscription fee allocated to the UCIT)	3,078,157.84	192,876,694.12
Redemptions (with deduction of the redemption fee allocated to the UCIT)	-117,045,242.59	-92,407,522.04
Capital gains on deposits and financial instruments	15,062,337.68	6,945,000.51
Capital losses on deposits and financial instruments	-18,745,319.61	-36,022,601.18
Capital gains on financial contracts	7,448,634.51	7,079,025.42
Capital losses on financial contracts	-8,680,090.19	-4,679,473.14
Transaction fees	-306,801.64	-214,946.72
Foreign exchange differences	-2,216.76	217,447.91
Changes in the estimate difference in deposits and financial instruments:	27,423,651.35	-25,305,920.96
- Estimate difference – period N	11,714,991.63	-15,708,659.72
- Estimate difference – period N-1	-15,708,659.72	9,597,261.24
Changes in the estimate difference in financial contracts:	-324,032.49	-657,939.46
- Estimate difference – period N	-895,370.03	-571,337.54
- Estimate difference – period N-1	-571,337.54	86,601.92
Distribution over the previous year net capital gains and losses	-	-
Prior period distribution	-	-1,731.00
Net income for the period before adjustment accounts	-930,066.26	-906,617.92
Deposit(s) paid(s) during the year net capital gains and losses	-	-
Interim payment(s) during the period	-	-
Other items*	-	2,477.94
<b>Net assets at the end of the period</b>	<b>290,235,608.60</b>	<b>383 256 596,76</b>

\*Compensation, merger

# 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	260,069,977.63	-
Fixed-rate bonds	-	-
Variable-rate bonds	-	-
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
<b>Hedging</b>				
Commitments on regulated or similar markets	-	1,741,206.00	-	-
OTC commitments	-	-	-	-
Other commitments	-	-	-	-
<b>Other transactions</b>				
Commitments on regulated or similar markets	-	18,559,646.15	-	-
OTC commitments	5,256,251.00	12,151,357.08	-	-
Other commitments	-	-	-	-

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

	Fixed rate	Variable rates	Rollover rate	Other
<b>Assets</b>				
Deposits	-	-	-	-
Bonds and similar securities	260,069,977.63	-	-	-
Debt securities	-	-	-	-
Temporary purchases and sales of financial securities	-	-	-	-
Financial accounts	-	-	-	8,570,220.66
<b>Liabilities</b>				
Temporary purchases and sales of financial securities	-	-	-	-
Financial accounts	-	-	-	0.03
<b>Off-balance sheet</b>				
Hedging	-	-	-	-
Other transactions	5,256,251.00	-	-	-

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
<b>Assets</b>					
Deposits	-	-	-	-	-
Bonds and similar securities	202,163.50	27,315,547.08	106,790,202.73	69,415,368.97	56,346,695.35
Debt securities	-	-	-	-	-
Temporary purchases and sales of financial securities	-	-	-	-	-
Financial accounts	8,570,220.66	-	-	-	-
<b>Liabilities</b>					
Temporary purchases and sales of financial securities	-	-	-	-	-
Financial accounts	0.03	-	-	-	-
<b>Off-balance sheet</b>					
Hedging	-	-	-	-	-
Other transactions	5,256,251.00	-	-	-	-



### 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	CHF	GBP	Other currencies
<b>Assets</b>				
Deposits	-	-	-	-
Equities and similar securities	-	-	-	-
Bonds and similar securities	38,517,602.26	8,953,598.43	4,294,485.77	-
Debt securities	-	-	-	-
Collective investment undertakings	-	-	-	-
Temporary purchases and sales of financial securities	-	-	-	-
Receivables	731,298.15	29,236,945.36	8,247,428.58	-
Financial accounts	6,332.48	8,123.73	27,439.52	12.20
Other assets	-	-	-	-
<b>Liabilities</b>				
Disposal operations on financial instruments	-	-	-	-
Temporary purchases and sales of financial securities	-	-	-	-
Debts	38,827,826.10	8,963,494.22	12,532,944.69	-
Financial accounts	-	-	-	0.03
<b>Off-balance sheet</b>				
Hedging	-	-	-	-
Other transactions	-	-	1,430,235.64	-

### 3.5. Receivables and Debts: breakdown by type

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

<b>Receivables</b>	<b>101,709,322.61</b>
Foreign exchange forward contracts:	
Forward currency purchases	38,213,941.97
Total amount traded for forward currency sales	60,346,439.15
Other Receivables:	
Guarantee deposits (paid)	3,118,790.97
Interest on CFDs	28,730.12
Remuneration receivable on CFDs	1,420.40
-	-
Other transactions	-
<b>Debts</b>	<b>101,530,175.31</b>
Foreign exchange forward contracts:	
Forward currency sales	60,321,382.42
Total amount traded for forward currency purchases	37,302,289.91
Other Debts:	
Deferred settlement purchases	3,084,935.60
Provisioned expenses	615,733.26
Redemption payable	129,826.30
Research fees	60,768.35
Turnover fees	8,450.00
Brokerage fees	6,397.20
Interest on cash collateral	392.27

### 3.6. Equity

Number of units issued / redeemed during the period:	Subscriptions		Redemptions	
	Number of units	Amount	Number of units	Amount
D units / FR0050000944	6,678.1	591,050.19	13,597.1	1,200,418.22
I EUR units / FR0010868802	0.403	503,781.24	85.837	107,383,524.44
I CHF units / FR0011042167	-	-	-	-
I-DEUR units / FR00140068E0	-	-	-	-
J EUR units / FR0010868919	-	-	331.335	4,179,544.95
J CHF units / FR0011042142	-	-	9.3	105,045.66
J USD units / FR0012696755	-	-	-	-
P EUR units / FR0010868901	1,696.077	1,968,314.56	2,980.139	3,466,254.20
P USD units / FR0011024199	-	-	243	274,125.72
P CHF units / FR0011042159	15.38	15,011.85	443.31	436,329.40
Z units / FR0011758341	-	-	-	-
Subscription / redemption fee:		Amount		Amount
D units / FR0050000944		-		-
I EUR units / FR0010868802		-		-
I CHF units / FR0011042167		-		-
I-DEUR units / FR00140068E0		-		-
J EUR units / FR0010868919		-		-
J CHF units / FR0011042142		-		-
J USD units / FR0012696755		-		-
P EUR units / FR0010868901		-		-
P USD units / FR0011024199		-		-
P CHF units / FR0011042159		-		-
Z units / FR0011758341		-		-
Retrocessions:		Amount		Amount
D units / FR0050000944		-		-
I EUR units / FR0010868802		-		-
I CHF units / FR0011042167		-		-
I-DEUR units / FR00140068E0		-		-
J EUR units / FR0010868919		-		-
J CHF units / FR0011042142		-		-
J USD units / FR0012696755		-		-
P EUR units / FR0010868901		-		-
P USD units / FR0011024199		-		-
P CHF units / FR0011042159		-		-
Z units / FR0011758341		-		-
Commissions allocated to the UCIT:		Amount		Amount
D units / FR0050000944		-		-
I EUR units / FR0010868802		-		-
I CHF units / FR0011042167		-		-
I-DEUR units / FR00140068E0		-		-
J EUR units / FR0010868919		-		-
J CHF units / FR0011042142		-		-
J USD units / FR0012696755		-		-
P EUR units / FR0010868901		-		-
P USD units / FR0011024199		-		-
P CHF units / FR0011042159		-		-
Z units / FR0011758341		-		-

**3.7. Management fees**

Operating and management fees (fixed charges) as a % of the average net assets	%
Unit class:	
D units / FR0050000944	0.15
I EUR units / FR0010868802	0.80
I CHF units / FR0011042167	0.80
I-DEUR units / FR00140068E0	0.80
J EUR units / FR0010868919	1.00
J CHF units / FR0011042142	1.00
J USD units / FR0012696755	1.00
P EUR units / FR0010868901	1.70
P USD units / FR0011024199	1.70
P CHF units / FR0011042159	1.70
Z units / FR0011758341	0.15
Outperformance fee (variable charges): amount of fees for the period	Amount
Unit class:	
D units / FR0050000944	15,113.99
I EUR units / FR0010868802	35,750.91
I CHF units / FR0011042167	-
I-DEUR units / FR00140068E0	2,582.86
J EUR units / FR0010868919	-
J CHF units / FR0011042142	-
J USD units / FR0012696755	14.11
P EUR units / FR0010868901	-
P USD units / FR0011024199	-
P CHF units / FR0011042159	-
Z units / FR0011758341	-
Retrocession of management fees:	
- Amount of fees retroceded to the UCIT	-
- 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 .....	<b>none</b>
3.8.2. Description of other commitments received and/or granted	
Cash collateral paid to BARCLAYS .....	<b>390,000.00</b>
Cash collateral paid to BNP PARIBAS.....	<b>2 330,000.00</b>
Cash collateral paid to SOCIETE GENERALE .....	<b>390,000.00</b>

**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	<b>18,199,943.11</b>
- other financial instruments	-

[illegible]

	29.12.2023	30.12.2022
<b>Income allocation</b>	EUR	EUR
<b>Sums remaining to be allocated</b>		
Retained earnings	77,725.85	43,687.86
Result	-738,792.28	-1,248,203.26
<b>Total</b>	<b>-661,066.43</b>	<b>-1,204,515.40</b>

D units / FR0050000944	29.12.2023	30.12.2022
Currency	EUR	EUR
<b>Allocation</b>		
Distribution	-	-
Retained earnings for the period	105,837.37	82,119.43
Capitalisation	-	-
<b>Total</b>	<b>105,837.37</b>	<b>82,119.43</b>
<b>Information concerning the units conferring distribution rights</b>		
Number of units	-	-
Unit distribution	-	-
<b>Tax credits</b>	-	-

I EUR units / FR0010868802	29.12.2023	30.12.2022
Currency	EUR	EUR
<b>Allocation</b>		
Distribution	-	-
Retained earnings for the period	-	-
Capitalisation	-581,959.89	-1,022,770.47
<b>Total</b>	<b>-581,959.89</b>	<b>-1,022,770.47</b>
<b>Information concerning the units conferring distribution rights</b>		
Number of units	-	-
Unit distribution	-	-
<b>Tax credits</b>	-	-



I CHF units / FR0011042167	29.12.2023	30.12.2022
Currency	EUR	EUR
<b>Allocation</b>		
Distribution	-	-
Retained earnings for the period	-	-
Capitalisation	-61,800.78	-75,853.79
<b>Total</b>	<b>-61,800.78</b>	<b>-75,853.79</b>
<b>Information concerning the units conferring distribution rights</b>		
Number of units	-	-
Unit distribution	-	-
<b>Tax credits</b>	-	-

I-DEUR units / FR00140068E0	29.12.2023	30.12.2022
Currency	EUR	EUR
<b>Allocation</b>		
Distribution	-	-
Retained earnings for the period	-	-
Capitalisation	-9,197.25	-8,513.54
<b>Total</b>	<b>-9,197.25</b>	<b>-8,513.54</b>
<b>Information concerning the units conferring distribution rights</b>		
Number of units	-	-
Unit distribution	-	-
<b>Tax credits</b>	-	-

J EUR units / FR0010868919	29.12.2023	30.12.2022
Currency	EUR	EUR
<b>Allocation</b>		
Distribution	-	-
Retained earnings for the period	-	-
Capitalisation	-58,968.53	-89,325.91
<b>Total</b>	<b>-58,968.53</b>	<b>-89,325.91</b>
<b>Information concerning the units conferring distribution rights</b>		
Number of units	-	-
Unit distribution	-	-
<b>Tax credits</b>	-	-

J CHF units / FR0011042142	29.12.2023	30.12.2022
Currency	EUR	EUR
<b>Allocation</b>		
Distribution	-	-
Retained earnings for the period	-	-
Capitalisation	-8,000.10	-9,504.52
<b>Total</b>	<b>-8,000.10</b>	<b>-9,504.52</b>
<b>Information concerning the units conferring distribution rights</b>		
Number of units	-	-
Unit distribution	-	-
<b>Tax credits</b>	-	-
J USD units / FR0012696755	29.12.2023	30.12.2022
Currency	EUR	EUR
<b>Allocation</b>		
Distribution	-	-
Retained earnings for the period	-	-
Capitalisation	-204.86	-53.79
<b>Total</b>	<b>-204.86</b>	<b>-53.79</b>
<b>Information concerning the units conferring distribution rights</b>		
Number of units	-	-
Unit distribution	-	-
<b>Tax credits</b>	-	-
P EUR units / FR0010868901	29.12.2023	30.12.2022
Currency	EUR	EUR
<b>Allocation</b>		
Distribution	-	-
Retained earnings for the period	-	-
Capitalisation	-49,276.79	-71,234.31
<b>Total</b>	<b>-49,276.79</b>	<b>-71,234.31</b>
<b>Information concerning the units conferring distribution rights</b>		
Number of units	-	-
Unit distribution	-	-
<b>Tax credits</b>	-	-

P USD units / FR0011024199	29.12.2023	30.12.2022
Currency	EUR	EUR
<b>Allocation</b>		
Distribution	-	-
Retained earnings for the period	-	-
Capitalisation	-4,889.81	-8,612.94
<b>Total</b>	<b>-4,889.81</b>	<b>-8,612.94</b>
<b>Information concerning the units conferring distribution rights</b>		
Number of units	-	-
Unit distribution	-	-
<b>Tax credits</b>	-	-
P CHF units / FR0011042159	29.12.2023	30.12.2022
Currency	EUR	EUR
<b>Allocation</b>		
Distribution	-	-
Retained earnings for the period	-	-
Capitalisation	-9,533.02	-15,037.48
<b>Total</b>	<b>-9,533.02</b>	<b>-15,037.48</b>
<b>Information concerning the units conferring distribution rights</b>		
Number of units	-	-
Unit distribution	-	-
<b>Tax credits</b>	-	-
PART Z / FR0011758341	29.12.2023	30.12.2022
Currency	EUR	EUR
<b>Allocation</b>		
Distribution	-	-
Retained earnings for the period	-	-
Capitalisation	16,927.23	14,271.92
<b>Total</b>	<b>16,927.23</b>	<b>14,271.92</b>
<b>Information concerning the units conferring distribution rights</b>		
Number of units	-	-
Unit distribution	-	-
<b>Tax credits</b>	-	-



	29.12.2023	30.12.2022
<b>Allocation of net capital gains and losses</b>	EUR	EUR
<b>Amounts remaining to be allocated</b>		
Previous undistributed net capital gains and losses	441,117.30	466,051.92
Net capital gains and losses for the financial year	-1,399,526.67	-37,785,343.40
Payments on net capital gains and losses for the financial year	-	-
<b>Total</b>	<b>-958,409.37</b>	<b>-37,319,291.48</b>

D units / FR0050000944	29.12.2023	30.12.2022
Currency	EUR	EUR
<b>Allocation</b>		
Distribution	-	-
Undistributed net capital gains and losses	441,114.51	466,049.13
Capitalisation	-53,399.90	-1,140,287.41
<b>Total</b>	<b>387,714.61</b>	<b>-674,238.28</b>
<b>Information concerning units conferring distribution rights</b>		
Number of units	-	-
Unit distribution	-	-

I EUR units / FR0010868802	29.12.2023	30.12.2022
Currency	EUR	EUR
<b>Allocation</b>		
Distribution	-	-
Undistributed net capital gains and losses	-	-
Capitalisation	-1,085,097.86	-32,479,122.94
<b>Total</b>	<b>-1,085,097.86</b>	<b>-32,479,122.94</b>
<b>Information concerning units conferring distribution rights</b>		
Number of units	-	-
Unit distribution	-	-

I CHF units / FR0011042167	29.12.2023	30.12.2022
Currency	EUR	EUR
<b>Allocation</b>		
Distribution	-	-
Undistributed net capital gains and losses	-	-
Capitalisation	-107,653.28	-1,032,680.63
<b>Total</b>	<b>-107,653.28</b>	<b>-1,032,680.63</b>
<b>Information concerning units conferring distribution rights</b>		
Number of units	-	-
Unit distribution	-	-

I-DEUR units / FR00140068E0	29.12.2023	30.12.2022
Currency	EUR	EUR
<b>Allocation</b>		
Distribution	-	-
Undistributed net capital gains and losses	2.79	2.79
Capitalisation	-13,150.00	-264,003.66
<b>Total</b>	<b>-13,147.21</b>	<b>-264,000.87</b>
<b>Information concerning units conferring distribution rights</b>		
Number of units	-	-
Unit distribution	-	-

J EUR units / FR0010868919	29.12.2023	30.12.2022
Currency	EUR	EUR
<b>Allocation</b>		
Distribution	-	-
Undistributed net capital gains and losses	-	-
Capitalisation	-65,520.59	-1,732,178.03
<b>Total</b>	<b>-65,520.59</b>	<b>-1,732,178.03</b>
<b>Information concerning units conferring distribution rights</b>		
Number of units	-	-
Unit distribution	-	-



J CHF units / FR0011042142	29.12.2023	30.12.2022
Currency	EUR	EUR
<b>Allocation</b>		
Distribution	-	-
Undistributed net capital gains and losses	-	-
Capitalisation	-8,261.03	-81,069.03
<b>Total</b>	<b>-8,261.03</b>	<b>-81,069.03</b>
<b>Information concerning units conferring distribution rights</b>		
Number of units	-	-
Unit distribution	-	-

J USD units / FR0012696755	29.12.2023	30.12.2022
Currency	EUR	EUR
<b>Allocation</b>		
Distribution	-	-
Undistributed net capital gains and losses	-	-
Capitalisation	-1,431.77	-3,491.98
<b>Total</b>	<b>-1,431.77</b>	<b>-3,491.98</b>
<b>Information concerning units conferring distribution rights</b>		
Number of units	-	-
Unit distribution	-	-

P EUR units / FR0010868901	29.12.2023	30.12.2022
Currency	EUR	EUR
<b>Allocation</b>		
Distribution	-	-
Undistributed net capital gains and losses	-	-
Capitalisation	-21,795.94	-584,315.36
<b>Total</b>	<b>-21,795.94</b>	<b>-584,315.36</b>
<b>Information concerning units conferring distribution rights</b>		
Number of units	-	-
Unit distribution	-	-

P USD units / FR0011024199	29.12.2023	30.12.2022
Currency	EUR	EUR
<b>Allocation</b>		
Distribution	-	-
Undistributed net capital gains and losses	-	-
Capitalisation	-18,813.94	5,249.42
<b>Total</b>	<b>-18,813.94</b>	<b>5,249.42</b>
<b>Information concerning units conferring distribution rights</b>		
Number of units	-	-
Unit distribution	-	-

P CHF units / FR0011042159	29.12.2023	30.12.2022
Currency	EUR	EUR
<b>Allocation</b>		
Distribution	-	-
Undistributed net capital gains and losses	-	-
Capitalisation	-3,500.73	-50,000.49
<b>Total</b>	<b>-3,500.73</b>	<b>-50,000.49</b>
<b>Information concerning units conferring distribution rights</b>		
Number of units	-	-
Unit distribution	-	-

PART Z / FR0011758341	29.12.2023	30.12.2022
Currency	EUR	EUR
<b>Allocation</b>		
Distribution	-	-
Undistributed net capital gains and losses	-	-
Capitalisation	-20,901.63	-423,443.80
<b>Total</b>	<b>-20,901.63</b>	<b>-423,443.80</b>
<b>Information concerning units conferring distribution rights</b>		
Number of units	-	-
Unit distribution	-	-

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

UCIT creation date: March 23<sup>rd</sup> 2010.

Currency

EUR	29.12.2023	30.12.2022	31.12.2021	31.12.2020	31.12.2019
<b>Net assets</b>	<b>290,235,608.60</b>	383,256,596.76	336,332,703.28	337,736,167.84	271,144,421.88

D units / FR0050000944

UNIT currency: EUR

	29.12.2023	30.12.2022	31.12.2021	31.12.2020	31.12.2019
<b>Number of outstanding units</b>	<b>122,403</b>	129,322	141,618	167,444.379	-
<b>Net asset value</b>	<b>91.5</b>	85.84	101.17	101.66	-
<b>Unit distribution net capital gains and losses (including interim payments)</b>	-	-	-	-	-
<b>Unit distribution (including interim payments)*</b>	-	-	-	-	-
<b>Unit tax credit transferred to unit holders (individuals) <sup>(1)</sup></b>	-	-	-	-	-
<b>Unit capitalisation*</b>	<b>-0.43</b>	-8.81	-	-0.24	-

\* 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.

<sup>(1)</sup> 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.

I EUR units / FR0010868802

UNIT currency: EUR

	29.12.2023	30.12.2022	31.12.2021	31.12.2020	31.12.2019
<b>Number of outstanding units</b>	<b>174.388</b>	259.822	169.809	160.130	151.867
<b>Net asset value</b>	<b>1,286,962.38</b>	1,213,876.38	1,439,807.46	1,456,465.96	1,342,578.31
<b>Unit distribution net capital gains and losses (including interim payments)</b>	-	-	-	-	-
<b>Unit distribution (including interim payments)*</b>	-	-	-	-	-
<b>Unit tax credit transferred to unit holders (individuals) <sup>(1)</sup></b>	-	-	-	-	-
<b>Unit capitalisation*</b>	<b>-9,559.47</b>	-128,941.71	46,681.92	1,177.25	12,850.23

\* 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.

<sup>(1)</sup> 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.

# ELLIPSIS EUROPEAN CONVERTIBLES FUND

I CHF units / FR0011042167

UNIT currency: CHF

	29.12.2023	30.12.2022	31.12.2021	31.12.2020	31.12.2019
Number of outstanding units	27.299	27.299	19.621	19.561	-
Net asset value	897,461.02	862,543.37	1,027,615.26	1,042,256.81	-
Unit distribution net capital gains and losses (including interim payments)	-	-	-	-	-
Unit distribution (including interim payments)*	-	-	-	-	-
Unit tax credit transferred to unit holders (individuals) <sup>(1)</sup>	-	-	-	-	-
Unit capitalisation*	-6,207.33	-40,607.14	58,874.14	-12,712.80	-

\* 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.

<sup>(1)</sup> 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.

I-DEUR units / FR00140068E0

UNIT currency: EUR

	29.12.2023	30.12.2022	31.12.2021	31.12.2020	31.12.2019
Number of outstanding units	300	300	300	-	-
Net asset value	9,054.15	8,546.82	10,144.97	-	-
Unit distribution net capital gains and losses (including interim payments)	-	-	5.77	-	-
Unit distribution (including interim payments)*	-	-	-	-	-
Unit tax credit transferred to unit holders (individuals) <sup>(1)</sup>	-	-	-	-	-
Unit capitalisation*	-74.49	-908.39	-3.14	-	-

\* 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.

<sup>(1)</sup> 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.

# ELLIPSIS EUROPEAN CONVERTIBLES FUND

J EUR units / FR0010868919

UNIT currency: EUR

	29.12.2023	30.12.2022	31.12.2021	31.12.2020	31.12.2019
<b>Number of outstanding units</b>	<b>1,037.778</b>	1,369.113	1,975.734	2,294.374	2,789.761
<b>Net asset value</b>	<b>12,990.85</b>	12,275.58	14,589.55	14,790.00	12,452.73
<b>Unit distribution net capital gains and losses (including interim payments)</b>	-	-	-	-	-
<b>Unit distribution (including interim payments)*</b>	-	-	-	-	-
<b>Unit tax credit transferred to unit holders (individuals) <sup>(1)</sup></b>	-	-	-	-	-
<b>Unit capitalisation*</b>	<b>-119.95</b>	-1,330.42	430.52	-12.40	-178.48

\* 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.

<sup>(1)</sup> 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.

J CHF units / FR0011042142

UNIT currency: CHF

	29.12.2023	30.12.2022	31.12.2021	31.12.2020	31.12.2019
<b>Number of outstanding units</b>	<b>156.752</b>	166.052	103.58	458.114	492.114
<b>Net asset value</b>	<b>11,239.6</b>	10,823.07	12,920.08	13,130.18	12,155.16
<b>Unit distribution net capital gains and losses (including interim payments)</b>	-	-	-	-	-
<b>Unit distribution (including interim payments)*</b>	-	-	-	-	-
<b>Unit tax credit transferred to unit holders (individuals) <sup>(1)</sup></b>	-	-	-	-	-
<b>Unit capitalisation*</b>	<b>-103.73</b>	-545.45	571.72	127.96	302.38

\* 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.

<sup>(1)</sup> 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.

# ELLIPSIS EUROPEAN CONVERTIBLES FUND

J USD units / FR0012696755

UNIT currency: USD

	29.12.2023	30.12.2022	31.12.2021	31.12.2020	31.12.2019
Number of outstanding units	4,401	4,401	-	-	-
Net asset value	10,861.40	10,038.91	-	-	-
Unit distribution net capital gains and losses (including interim payments)	-	-	-	-	-
Unit distribution (including interim payments)*	-	-	-	-	-
Unit tax credit transferred to unit holders (individuals) <sup>(1)</sup>	-	-	-	-	-
Unit capitalisation*	-371.87	-805.67	-	-	-

\* 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.

<sup>(1)</sup> 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.

P EUR units / FR0010868901

UNIT currency: EUR

	29.12.2023	30.12.2022	31.12.2021	31.12.2020	31.12.2019
Number of outstanding units	3,674.012	4,958.074	6,422.102	9,212.467	9,955.517
Net asset value	1,198.25	1,140.2	1,364.63	1,393.09	1,295.45
Unit distribution net capital gains and losses (including interim payments)	-	-	-	-	-
Unit distribution (including interim payments)*	-	-	-	-	-
Unit tax credit transferred to unit holders (individuals) <sup>(1)</sup>	-	-	-	-	-
Unit capitalisation*	-19.34	-132.21	30.79	-10.28	1.23

\* 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.

<sup>(1)</sup> 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.

# ELLIPSIS EUROPEAN CONVERTIBLES FUND

P USD units / FR0011024199

UNIT currency: USD

	29.12.2023	30.12.2022	31.12.2021	31.12.2020	31.12.2019
Number of outstanding units	373.856	616.856	968.856	971.856	1,334.356
Net asset value	1,278.63	1,189.58	1,391.47	1,407.94	1,287.11
Unit distribution net capital gains and losses (including interim payments)	-	-	-	-	-
Unit distribution (including interim payments)*	-	-	-	-	-
Unit tax credit transferred to unit holders (individuals) <sup>(1)</sup>	-	-	-	-	-
Unit capitalisation*	-63.40	-5.45	268.84	-85.66	60.83

\* 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.

<sup>(1)</sup> 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.

P CHF units / FR0011042159

UNIT currency: CHF

	29.12.2023	30.12.2022	31.12.2021	31.12.2020	31.12.2019
Number of outstanding units	843.906	1,271.836	2,216.399	2,146.560	2,310
Net asset value	971.02	941.57	1,132.06	1,158.52	1,080.05
Unit distribution net capital gains and losses (including interim payments)	-	-	-	-	-
Unit distribution (including interim payments)*	-	-	-	-	-
Unit tax credit transferred to unit holders (individuals) <sup>(1)</sup>	-	-	-	-	-
Unit capitalisation*	-15.44	-51.13	69.38	5.00	20.88

\* 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.

<sup>(1)</sup> 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.



PART Z / FR0011758341

UNIT currency: DEVISE 10

	29.12.2023	30.12.2022	31.12.2021	31.12.2020	31.12.2019
<b>Number of outstanding units</b>	<b>384.17</b>	384.17	990.17	1,014.170	977.17
<b>Net asset value</b>	<b>11,453.55</b>	10,731.57	12,646.82	12,712.07	11,639.25
<b>Unit distribution net capital gains and losses (including interim payments)</b>	-	-	-	-	-
<b>Unit distribution (including interim payments)*</b>	-	-	-	-	-
<b>Unit tax credit transferred to unit holders (individuals) <sup>(1)</sup></b>	-	-	-	-	-
<b>Unit capitalisation*</b>	<b>-10.34</b>	-1,065.08	478.94	89.61	185.63

\* 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.

<sup>(1)</sup> 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 29.12.2023

Asset Code	Asset Description	Holding Status	Nominal	Market Value - FCY	Quotation Ccy	% TNA
<b>Securities</b>						
<b>Share</b>						
DE0005158703	BECHTLE	LIGCFD	-87.00	26.97	EUR	0.00
ES017754201G	INTERNATIONAL CONSOLIDATED AIRLINES GROUP SA	LIGCFD	-800,000.00	41,522.97	GBP	0.01
FR0000121972	SCHNEIDER ELECTRIC SA	LIGCFD	-18,490.00	-11,833.60	EUR	-0.00
FR0000054470	UBISOFT ENTERTAINMENT	LIGCFD	-107,482.00	87,060.42	EUR	0.03
<b>Total Share</b>				<b>116,776.76</b>		<b>0.04</b>
<b>Bond</b>						
FR0013521085	ACCOR SA 0.7% CV DIRTY 07/12/2027	OWN	109,302.00	5,250,950.06	EUR	1.81
XS2154448059	AMADEUS IT GROUP SA 1.5% CV 09/04/2025	OWN	4,800,000.00	5,946,934.03	EUR	2.05
XS2308171383	AMERICA MOVIL BV 0% CV 02/03/2024	LIGCFD	5,200,000.00	25,956.84	EUR	0.01
XS2308171383	AMERICA MOVIL BV 0% CV 02/03/2024	OWN	200,000.00	202,163.50	EUR	0.07
DE000A382293	BECHTLE AG 2% CV 08/12/2030	OWN	1,400,000.00	1,487,039.07	EUR	0.51
FR0014008OH3	BNP PARIBAS 0% CV 13/05/2025	OWN	4,800,000.00	5,806,080.00	EUR	2.00
XS2257580857	CELLNEX TELECOM SA CV 0.75% 20/11/2031	OWN	10,300,000.00	8,613,263.14	EUR	2.97
DE000A3H2WP2	DELIVERY HERO AG CONV 0.875% 15/07/2025	OWN	11,700,000.00	10,615,874.18	EUR	3.66
DE000A3H2UK7	DEUTSCHE LUFTHANSA AG 2% CV 17/11/2025	OWN	2,000,000.00	2,156,188.24	EUR	0.74
DE000A2G87D4	DEUTSCHE POST AG CV 0.05% 30/6/2025	OWN	5,000,000.00	4,899,909.94	EUR	1.69
XS2339426004	DIAIM 0% CONVERTIBLE BOND 05/05/28	OWN	2,500,000.00	2,064,812.50	EUR	0.71
CH1105195684	DUFREY ONE BV CV 0.75% 30/03/2026	OWN	8,800,000.00	8,953,598.43	CHF	3.08
FR0013444395	EDENRED CV 0% 06/09/2024	OWN	71,294.00	4,332,090.79	EUR	1.49
FR0014003YP6	EDENRED 0% CV 14/6/2028	OWN	53,100.00	3,493,147.92	EUR	1.20
FR001400AFJ9	ELIS SA CV 2.25% 22/09/2029	OWN	3,300,000.00	4,280,015.74	EUR	1.47
XS1592282740	ELM BV FOR SWISS REIN CO 3.25% CV 13/06/2024	OWN	4,400,000.00	4,724,508.23	USD	1.63
FR0014002JO2	FNAC DARTY SA CV 0.25% 23/03/2027	OWN	15,504.00	1,086,710.24	EUR	0.37
XS1799614232	GLENCORE FUNDING LLC 0% CONV 27/03/2025	OWN	3,200,000.00	3,194,670.77	USD	1.10
XS1965536656	GN STORE NORD 0% CONV 21/05/2024	OWN	7,600,000.00	7,446,606.92	EUR	2.57
DE000A289DA3	HELLOFRESH SE 0.75% 13/05/2025	OWN	1,700,000.00	1,597,356.52	EUR	0.55

# ELLIPSIS EUROPEAN CONVERTIBLES FUND

Asset Code	Asset Description	Holding Status	Nominal	Market Value - FCY	Quotation Ccy	% TNA
XS2343113101	INTL CONSOLIDATED AIRLIN CV 1.125% 18/05/2028	OWN	7,400,000.00	6,596,037.61	EUR	2.27
XS2270378149	IWG GROUP 0.5% 09/12/2027	OWN	1,700,000.00	1,709,705.07	GBP	0.59
XS2431434971	JPMORGAN CHASE FINANCIAL CV 0% 14/01/2025	OWN	2,200,000.00	2,214,740.00	EUR	0.76
XS2470870366	JPMORGAN CHASE FINANCIAL 0% CV 29/04/2025	OWN	2,000,000.00	2,222,210.00	EUR	0.77
XS2296019891	JUST EAT TAKEAWAY 0% CONV 09/08/2025	OWN	8,900,000.00	8,068,005.75	EUR	2.78
XS2305842903	NEXI SPA 0% CV 24/02/2028	OWN	5,100,000.00	4,434,220.50	EUR	1.53
XS2161819722	NEXI SPA 1.75% CONV 24/4/2027	OWN	2,700,000.00	2,520,053.39	EUR	0.87
FR0013321429	NEXITY SA CV 0.25% 02/03/2025 DIRTY	OWN	88,610.00	5,580,155.38	EUR	1.92
DE000A351MA2	NORDEX SE CV 4.25% 14/04/2030	OWN	2,900,000.00	2,913,226.14	EUR	1.00
XS2294704007	PRYSMIAN SPA 0% CV 02/02/206	OWN	6,500,000.00	7,200,391.25	EUR	2.48
XS1908221507	QGEN NV CV 1% 13/11/2024	OWN	11,600,000.00	10,812,341.14	USD	3.73
DE000A352B25	RAG STIFTUNG CV 2.25% 28/11/2030	OWN	4,400,000.00	4,598,100.21	EUR	1.58
DE000A30VPN9	RAG STIFTUNG 1.875% CV 16/11/2029	OWN	4,000,000.00	4,124,790.11	EUR	1.42
DE000A30V8S3	RHEINMETALL AG CV 1.85% 07/02/2028	OWN	4,100,000.00	4,604,456.61	EUR	1.59
DE000A30V8T1	RHEINMETALL AG 2.25% CONV 07/02/2030	OWN	2,400,000.00	2,766,828.13	EUR	0.95
FR0014003Z32	SAFRAN SA 0% CONV 01/04/2028	OWN	39,106.00	7,330,439.25	EUR	2.53
FR0013513041	SAFRAN SA 0.875% CV 15/05/2027	OWN	30,000.00	4,921,402.50	EUR	1.70
XS2677538493	SAIPEM SPA CV 2.87% 11/09/2029	OWN	8,300,000.00	8,962,761.81	EUR	3.09
FR0014000OG2	SCHNEIDER ELECTRIC SE CV 0% 15/06/2026	OWN	17,921.00	3,495,060.95	EUR	1.20
FR001400M9F9	SCHNEIDER ELECTRIC SE CV 1.97% 27/11/2030	OWN	10,900,000.00	11,783,188.55	EUR	4.06
XS2262952679	SHAFTESBURY CAPITAL PLCP 2% CONV 30/03/2026	OWN	2,400,000.00	2,584,780.70	GBP	0.89
FR0014000105	SOITEC 0% 01/10/25	OWN	16,379.00	3,099,428.96	EUR	1.07
FR001400F2K3	SPIE SA 2% CV 17/01/2028	OWN	1,900,000.00	1,997,607.22	EUR	0.69
XS2211997239	STMICROELECTRON NV CV 0% 04/08/2027	OWN	15,200,000.00	16,709,154.94	USD	5.76
XS2211997155	STMICROELECTRONICS NV 0% CV 04/08/2025	OWN	2,800,000.00	3,076,927.18	USD	1.06
DE000A3E5KG2	TUI AG CV 5.0% 16/04/2028	OWN	2,800,000.00	2,766,672.58	EUR	0.95
FR001400DV38	UBISOFT ENTERTAINMENT SA CV 2.375% 15/11/2028	OWN	4,000,000.00	3,929,998.58	EUR	1.35
FR001400MA32	UBISOFT ENTERTAINMENT SA CV 2.875% 05/12/2031	OWN	7,300,000.00	6,817,482.45	EUR	2.35
FR00140001X1	VOLTALIA SA 1% CV 13/01/2025	OWN	88,613.00	2,660,162.26	EUR	0.92
FR0013526803	WORLDLINE SA FRANCE 0% CV 30/07/2025	OWN	68,500.00	7,510,888.00	EUR	2.59

Asset Code	Asset Description	Holding Status	Nominal	Market Value - FCY	Quotation Ccy	% TNA
FR0013439304	WORLDLINE SA 0% CONV 30/07/2026	OWN	45,000.00	4,046,895.00	EUR	1.39
DE000A3E4589	ZALANDO SE 0.05% CV 06/08/2025	OWN	12,800,000.00	11,859,945.19	EUR	4.09
<b>Total Bond</b>				<b>260,095,934.47</b>		<b>89.62</b>
<b>UCITS</b>						
FR001400DCP7	ELLIPSIS CREDIT ROAD 2028 PART Z	OWN	122.00	1,404,804.38	EUR	0.48
FR0011758309	ELLIPSIS HIGH YIELD Z	OWN	932.213	12,879,445.49	EUR	4.44
FR0013198025	ELLIPSIS OPTIMAL SOLUTIONS - LIQUID ALTERNATIVE FCP	OWN	303.00	3,915,693.24	EUR	1.35
<b>Total UCITS</b>				<b>18,199,943.11</b>		<b>6.27</b>
SGMDESEH	SGMDESEH INDEX	LIGCFD	-54,129.00	-283,094.67	EUR	-0.10
<b>Total Securities</b>				<b>278,129,559.67</b>		<b>95.83</b>
<b>Options</b>						
<b>Securities</b>						
BV12409CT01	BV1/202409/C/22.	OWN	900.00	169,200.00	EUR	0.06
BV12406CU01	BV1/202406/C/24.	OWN	631.00	46,063.00	EUR	0.02
DHE2412CT01	DHE/202412/C/36.	OWN	1,149.00	350,445.00	EUR	0.12
HNK2612CR01	HNK/202612/C/88.	OWN	500.00	773,500.00	EUR	0.27
LOR2412CT01	LOR/202412/C/400.	OWN	42.00	317,184.00	EUR	0.11
ML12412CT01	ML1/202412/C/30.	OWN	304.00	127,072.00	EUR	0.04
MOH2402CP01	MOH/202402/C/770.	OWN	-65.00	-97,500.00	EUR	-0.03
MOH2406CU04	MOH/202406/C/750.	OWN	65.00	295,685.00	EUR	0.10
MOH2409CT01	MOH/202409/C/680.	OWN	30.00	301,050.00	EUR	0.10
MTX12403CO01	MTX1/202403/C/240.	OWN	63.00	1,512.00	EUR	0.00
SIE2409CT01	SIE/202409/C/160.	OWN	157.00	306,935.00	EUR	0.11
SND2412CT02	SND/202412/C/160.	OWN	22.00	69,740.00	EUR	0.02
SNW2506CT01	SNW/202506/C/96.	OWN	665.00	391,685.00	EUR	0.13
VVD2412CT02	VVD/202412/C/28.	OWN	1,090.00	304,110.00	EUR	0.10
<b>Total Securities</b>				<b>3,356,681.00</b>		<b>1.16</b>
<b>Total Options</b>				<b>3,356,681.00</b>		<b>1.16</b>

Asset Code	Asset Description	Holding Status	Nominal	Market Value - FCY	Quotation Ccy	% TNA
<b>Cash</b>						
<b>MARGIN CALLS</b>						
	APPEL MARGE EUR	OWN	65.00	65.00	EUR	0.00
<b>Total MARGIN CALLS</b>				<b>65.00</b>		<b>0.00</b>
<b>OTHERS</b>						
	DEBITEUR DIV EUR	OWN	-5,993.50	-5,993.50	EUR	-0.00
	DEBITEUR DIV GBP	OWN	-350.00	-403.70	GBP	-0.00
	PROV COM MVTS EUR	OWN	-58,303.54	-58,303.54	EUR	-0.02
	PROV COM MVTS EUR	OWN	-8,450.00	-8,450.00	EUR	-0.00
	PROV COM MVTS USD	OWN	-2,723.24	-2,464.81	USD	-0.00
	PROVINTCREDCPTREMCFD	OWN	27,000.00	27,000.00	EUR	0.01
	PROVINTCREDCPTREMCFD	OWN	1,500.00	1,730.12	GBP	0.00
	REMUNERATION SUR CFD	OWN	4,589,056.62	0.00	EUR	0.00
	REMUNERATION SUR CFD	OWN	349,571.77	0.00	EUR	0.00
	REMUNERATION SUR CFD	OWN	1,276,000.00	0.00	GBP	0.00
	RGLT DIFF. CFD EUR	OWN	1,420.40	1,420.40	EUR	0.00
<b>Total OTHERS</b>				<b>-45,465.03</b>		<b>-0.02</b>
<b>BANK OR HOLDING</b>						
	ACH DIFF OP DE CAPI	OWN	-129,826.30	-129,826.30	EUR	-0.04
	ACH DIFF TITRES EUR	OWN	-3,084,935.60	-3,084,935.60	EUR	-1.06
	BANQUE CHF SGP	OWN	7,552.71	8,123.73	CHF	0.00
	BANQUE DKK SGP	OWN	-0.23	-0.03	DKK	-0.00
	BANQUE EUR SGP	OWN	8,528,312.73	8,528,312.73	EUR	2.94
	BANQUE GBP SGP	OWN	23,789.79	27,439.52	GBP	0.01
	BANQUE SEK SGP	OWN	135.84	12.20	SEK	0.00
	BANQUE USD SGP	OWN	6,996.44	6,332.48	USD	0.00
<b>Total BANK OR HOLDING</b>				<b>5,355,458.73</b>		<b>1.85</b>
<b>GUARANTEE DEPOSIT</b>						
	COLLATÉRAL ESP RECU	OWN	0.00	-392.27	EUR	-0.00
	COLLATÉRAL ESP VERSÉ	OWN	390,000.00	391,582.65	EUR	0.13
	COLLATÉRAL ESP VERSÉ	OWN	2,330,000.00	2,336,066.65	EUR	0.80

Asset Code	Asset Description	Holding Status	Nominal	Market Value - FCY	Quotation Ccy	% TNA
	COLLATÉRAL ESP VERSÉ	OWN	390,000.00	391,141.67	EUR	0.13
<b>Total GUARANTEE DEPOSIT</b>				<b>3,118,398.70</b>		<b>1.07</b>
<b>MANAGEMENT FEES</b>						
	PRCOMGESTFIN	OWN	-4,100.84	-4,100.84	EUR	-0.00
	PRCOMGESTFIN	OWN	-441,930.95	-441,930.95	EUR	-0.15
	PRCOMGESTFIN	OWN	-5,236.46	-5,236.46	EUR	-0.00
	PRCOMGESTFIN	OWN	-49,616.67	-49,616.67	EUR	-0.02
	PRCOMGESTFIN	OWN	-33,014.62	-33,014.62	EUR	-0.01
	PRCOMGESTFIN	OWN	-4,484.97	-4,484.97	EUR	-0.00
	PRCOMGESTFIN	OWN	-106.81	-106.81	EUR	-0.00
	PRCOMGESTFIN	OWN	-16,873.18	-16,873.18	EUR	-0.01
	PRCOMGESTFIN	OWN	-3,530.41	-3,530.41	EUR	-0.00
	PRCOMGESTFIN	OWN	-1,816.07	-1,816.07	EUR	-0.00
	PRCOMGESTFIN	OWN	-1,588.00	-1,588.00	EUR	-0.00
	PRCOMVARIABLE	OWN	-15,023.87	-15,023.87	EUR	-0.01
	PRCOMVARIABLE	OWN	-35,755.33	-35,755.33	EUR	-0.01
	PRCOMVARIABLE	OWN	-2,582.90	-2,582.90	EUR	-0.00
	PRCOMVARIABLE	OWN	-15.56	-14.08	USD	-0.00
	PRCOMVARIABLEACQU	OWN	-58.10	-58.10	EUR	-0.00
<b>Total MANAGEMENT FEES</b>				<b>-615,733.26</b>		<b>-0.21</b>
<b>Total Cash</b>				<b>7,812,724.14</b>		<b>2.69</b>
<b>Futures</b>						
<b>Indices (Delivery of underlyer)</b>						
SXO150324	STOXX EUROP 0324	OWN	-5.00	-65.00	EUR	-0.00
<b>Total Indices (Delivery of underlyer)</b>				<b>-65.00</b>		<b>-0.00</b>
<b>Total Futures</b>				<b>-65.00</b>		<b>-0.00</b>
<b>Forward exchange</b>						
<b>Forward exchange</b>						
	OACT 240229 CHF/EUR	RECEIVED	1,717,090.00	1,854,129.18	CHF	0.64
	OACT 240229 CHF/EUR	PAID	-1,790,152.38	-1,790,152.38	EUR	-0.62
	OACT 240229 CHF/EUR	RECEIVED	800,000.00	863,847.17	CHF	0.30
	OACT 240229 CHF/EUR	PAID	-834,040.10	-834,040.10	EUR	-0.29
	OACT 240229 CHF/EUR	RECEIVED	23,872,650.00	25,777,901.51	CHF	8.88

# ELLIPSIS EUROPEAN CONVERTIBLES FUND

Asset Code	Asset Description	Holding Status	Nominal	Market Value - FCY	Quotation Ccy	% TNA
	OACT 240229 CHF/EUR	PAID	-24,888,434.11	-24,888,434.11	EUR	-8.58
	OACT 240229 CHF/EUR	RECEIVED	348,900.00	376,745.35	CHF	0.13
	OACT 240229 CHF/EUR	PAID	-371,041.37	-371,041.37	EUR	-0.13
	OACT 240229 CHF/EUR	RECEIVED	25,000.00	26,995.22	CHF	0.01
	OACT 240229 CHF/EUR	PAID	-26,586.51	-26,586.51	EUR	-0.01
	OACT 240229 CHF/EUR	RECEIVED	10,600.00	11,445.98	CHF	0.00
	OACT 240229 CHF/EUR	PAID	-11,272.68	-11,272.68	EUR	-0.00
	OACT 240229 CHF/EUR	RECEIVED	275,222.00	297,187.18	CHF	0.10
	OACT 240229 CHF/EUR	PAID	-293,630.77	-293,630.77	EUR	-0.10
	OACT 240229 CHF/EUR	RECEIVED	18,289.00	19,748.63	CHF	0.01
	OACT 240229 CHF/EUR	PAID	-19,512.30	-19,512.30	EUR	-0.01
	OACT 240229 CHF/EUR	RECEIVED	8,284.00	8,945.14	CHF	0.00
	OACT 240229 CHF/EUR	PAID	-8,838.09	-8,838.09	EUR	-0.00
	OACT 240229 GBP/EUR	RECEIVED	3,160,000.00	3,636,623.47	GBP	1.25
	OACT 240229 GBP/EUR	PAID	-3,683,056.23	-3,683,056.23	EUR	-1.27
	OACT 240229 GBP/EUR	RECEIVED	780,000.00	897,647.56	GBP	0.31
	OACT 240229 GBP/EUR	PAID	-905,966.91	-905,966.91	EUR	-0.31
	OACT 240229 GBP/EUR	RECEIVED	2,230,000.00	2,566,351.37	GBP	0.88
	OACT 240229 GBP/EUR	PAID	-2,584,105.99	-2,584,105.99	EUR	-0.89
	OACT 240229 GBP/EUR	RECEIVED	995,000.00	1,145,076.06	GBP	0.39
	OACT 240229 GBP/EUR	PAID	-1,147,639.89	-1,147,639.89	EUR	-0.40
	OACT 240229 USD/EUR	RECEIVED	46,400.00	41,894.28	USD	0.01
	OACT 240229 USD/EUR	PAID	-42,206.03	-42,206.03	EUR	-0.01
	OACT 240229 USD/EUR	RECEIVED	464,120.00	419,051.19	USD	0.14
	OACT 240229 USD/EUR	PAID	-422,169.48	-422,169.48	EUR	-0.15
	OACT 240229 USD/EUR	RECEIVED	750.00	677.17	USD	0.00
	OACT 240229 USD/EUR	PAID	-693.32	-693.32	EUR	-0.00
	OACT 240229 USD/EUR	RECEIVED	7,400.00	6,681.42	USD	0.00
	OACT 240229 USD/EUR	PAID	-6,840.71	-6,840.71	EUR	-0.00
	OACT 240229 USD/EUR	RECEIVED	285,000.00	257,324.81	USD	0.09



# ELLIPSIS EUROPEAN CONVERTIBLES FUND

Asset Code	Asset Description	Holding Status	Nominal	Market Value - FCY	Quotation Ccy	% TNA
	OACT 240229 USD/EUR	PAID	-260,463.50	-260,463.50	EUR	-0.09
	OACT 240229 USD/EUR	RECEIVED	5,710.00	5,155.53	USD	0.00
	OACT 240229 USD/EUR	PAID	-5,128.49	-5,128.49	EUR	-0.00
	OACT 240229 USD/EUR	RECEIVED	569.00	513.75	USD	0.00
	OACT 240229 USD/EUR	PAID	-511.05	-511.05	EUR	-0.00
	OVCT 240229 CHF/EUR	RECEIVED	5,635,497.56	5,635,497.56	EUR	1.94
	OVCT 240229 CHF/EUR	PAID	-5,401,000.00	-5,832,048.22	CHF	-2.01
	OVCT 240229 CHF/EUR	RECEIVED	3,083,137.44	3,083,137.44	EUR	1.06
	OVCT 240229 CHF/EUR	PAID	-2,900,000.00	-3,131,446.00	CHF	-1.08
	OVCT 240229 GBP/EUR	RECEIVED	12,510,929.83	12,510,929.83	EUR	4.31
	OVCT 240229 GBP/EUR	PAID	-10,890,000.00	-12,532,540.99	GBP	-4.32
	OVCT 240229 USD/EUR	RECEIVED	39,116,874.32	39,116,874.32	EUR	13.48
	OVCT 240229 USD/EUR	PAID	-43,001,000.00	-38,825,347.21	USD	-13.38
<b>Total Forward exchange</b>				<b>936,708.79</b>		<b>0.32</b>
<b>Total Forward exchange</b>				<b>936,708.79</b>		<b>0.32</b>
<b>Total ELLIPSIS EUROPEAN CONVERTIBLES FUND</b>				<b>290,235,608.60</b>		<b>100.00</b>