

**Annual report including audited financial statements  
as at 31st December 2021**

# **LUCELEN**

Société d'Investissement à Capital Variable  
with multiple sub-funds  
Luxembourg

R.C.S. Luxembourg B236759

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No subscription can be received on the basis of this report. Subscriptions are only valid if made on the basis of the current prospectus and the Key Investor Information Document ("KIID"), supplemented by the latest annual report including audit financial statements and the most recent unaudited semi-annual report, if published thereafter.

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**LUCELEN**

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# LUCELEN

## Organisation

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<b>Registered Office</b>	14, Boulevard Royal L-2449 LUXEMBOURG
<b>Board of Directors</b>	
<b>Chairman</b>	Sebastien JIGUET-JIGLAIRAZ VICTORY ASSET MANAGEMENT S.A. 52, Rue de la Vallée L-2661 LUXEMBOURG
<b>Directors</b>	Philippe CERF 2b, Rue Marguerite Thomas Clément L-8098 STRASSEN  Jean DE COURREGES Independent Director 75, Rue de Strasbourg L-2561 LUXEMBOURG
<b>Management company</b>	VICTORY ASSET MANAGEMENT S.A. 52, Rue de la Vallée L-2661 LUXEMBOURG
<b>Board of Directors of the Management Company</b>	
<b>Chairman</b>	Eric SAUZEDDE VICTORY ASSET MANAGEMENT S.A. 52, Rue de la Vallée L-2661 LUXEMBOURG
<b>Directors</b>	S.A.R. Prince Guillaume de Luxembourg Administrateur de Sociétés 53, Rue des Prés L-5316 CONTERN  Philippe CERF 2b, Rue Marguerite Thomas Clément L-8098 STRASSEN
<b>Managers of the Management Company</b>	Pascal GRANDE Conducting Officer VICTORY ASSET MANAGEMENT S.A. 52, Rue de la Vallée L-2661 LUXEMBOURG  Sebastien JIGUET-JIGLAIRAZ Conducting Officer VICTORY ASSET MANAGEMENT S.A. 52, Rue de la Vallée L-2661 LUXEMBOURG

## LUCELEN

### Organisation (continued)

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David NAVARRO MOOK  
Conducting Officer  
VICTORY ASSET MANAGEMENT S.A.  
52, Rue de la Vallée  
L-2661 LUXEMBOURG

Eric SAUZEDDE  
Conducting Officer  
VICTORY ASSET MANAGEMENT S.A.  
52, Rue de la Vallée  
L-2661 LUXEMBOURG  
(until 17th March 2021)

Pascale NAMAN  
Conducting Officer  
VICTORY ASSET MANAGEMENT S.A.  
52, Rue de la Vallée  
L-2661 LUXEMBOURG  
(since 17th March 2021)

**Domiciliary,  
Central Administration,  
Depository and  
Primary Paying Agent**

BANQUE DE LUXEMBOURG  
Société Anonyme  
14, Boulevard Royal  
L-2449 LUXEMBOURG

**Central Administration Subcontractor**

EUROPEAN FUND ADMINISTRATION S.A.  
Société Anonyme  
2, Rue d'Alsace  
L-1122 LUXEMBOURG

**Independent Auditor**

ERNST & YOUNG S.A.  
Société Anonyme  
35E, Avenue John F. Kennedy  
L-1855 LUXEMBOURG

# LUCELEN

## Report on activities of the Board of Directors

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### Lucelen ("the Sicav") – Activity report – 2021

#### Management report

##### 2021 in a nutshell

2021 saw one of the strongest economic rebond on record thanks to a quick recovery from the disruptions of Covid 19.

France real GDP grew 7.0% in 2021 (the strongest economic growth since 1969). The United states real GDP grew 5.7% in 2021 (the strongest economic growth since 1984).

Inflation made it's come back in 2021 with a Consumer price index increase of 5.0% year over year in the Euro area in december 2021 and an increase of 7% in the united states in december 2021.

Interest rates were also on the rise in 2021 due the strong economic rebond and the inflation coming back. The yield on the United states 10 years sovereign bonds increased from 0.9% to 1.50% in 2021. The 10 years German sovereign bonds went from - 0.57% to - 0.14% during the same period.

##### Our investment strategy in 2021

We were globally cautious in 2021 and were surprised by the strength of the economic rebound. We also tought that the rise of interest rates and the increase of inflation would could derail the economic rebound and decrease the valuation of the some asset classes.

These were the main reasons of our cautious approach in 2021 and explain why Lucelen Flexible slightly underperformed it's peers. When taking into account a longer time period, Lucelen Flexible outperforms it's peers showing the resilience of the investment process.

##### Our outlook for 2022:

2022 will be the year where monetary policy (at least in the US) will become less accommodative. This may have an impact on asset prices and interest rates level.

We believe that 2022 will be a more challenging year than 2021 with potentially market shocks to be expected if inflation remains high, liquidity becomes scarcer, and the conflict in Ukraine does not find a quick resolution.

As the normalization of economic growth and inflation shows signs of persistence, we believe it is important to focus on quality stocks with strong pricing power.

On the bond side, we believe that keeping duration low is important as rates are on the rise.

### IMPACT OF THE COVID-19 CRISIS ON THE SICAV AND ITS OPERATION

In the context of the COVID-19 crisis, the Board did not identify any particular problems at the level of the Board itself, the Sicav or its main service providers. The Board continues to describe the context in which the Sicav is currently operating as "business as usual under different circumstances".

## LUCELEN

### Report on activities of the Board of Directors (continued)

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#### Lucelen Global Bonds

##### Investment objective :

To seek a return exceeding the euro money market rate through a diversified portfolio in fixed income and money market instruments.

##### Investment policy

The sub-fund will invest its net assets mainly in debt instruments including but not limited to variable rate securities, fixed interest securities, sovereign debt, corporate debt and money market instruments without any rating, sectorial or geographical restrictions.

##### Key data

2021 performance : + 0.14%

Assets under management as of 12/31/2021 : 62 016 412 euros

#### Lucelen Flexible

##### Investment objective :

Preserving invested capital while seeking a positive absolute return through a diversified and mixed portfolio.

##### Investment policy

The sub-fund will invest, without any sectorial, geographical or rating restrictions mainly in:

- equities and/or equity-linked securities;
- debt instruments and convertible bonds;
- money market instruments

The subfund is actively managed

## LUCELEN

### Report on activities of the Board of Directors (continued)

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#### Key data

2021 performance for the A share class:	+ 3.23%
2021 performance for the AB share class :	+ 2.90%
2021 performance for the I share class :	+ 3.49%
2021 performance for the IB share class:	+ 3.68%

Assets under management as of 12/31/2021 : 94 246 090 euros

Luxembourg, 1st March 2022

The Board of Directors

Note: The information in this report represents historical data and is not an indication of future results.



## Independent auditor's report

To the Shareholders of  
Lucelen  
14, Boulevard Royal  
L-2449 Luxembourg

### Opinion

We have audited the financial statements of Lucelen (the "SICAV") and of each of its sub-funds, which comprise the statement of net assets and the statement of investments and other net assets as at 31<sup>st</sup> December 2021, and the statement of operations and other changes in net assets for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the SICAV and of each of its sub-funds as at 31<sup>st</sup> December 2021 and of the results of their operations and changes in their net assets for the for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

### Basis for Opinion

We conducted our audit in accordance with the Law of 23<sup>rd</sup> July 2016 on the audit profession (the "Law of 23<sup>rd</sup> July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the Law of 23<sup>rd</sup> July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "responsibilities of the *réviseur d'entreprises agréé*" for the audit of the financial statements" section of our report. We are also independent of the SICAV in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other information

The Board of Directors of the SICAV is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our report of the *réviseur d'entreprises agréé* thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

### **Responsibilities of the Board of Directors of the SICAV for the financial statements**

The Board of Directors of the SICAV is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the SICAV determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the SICAV is responsible for assessing the SICAV's and each of its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the SICAV either intends to liquidate the SICAV or any of its sub-funds or to cease operations, or has no realistic alternative but to do so.

### **Responsibilities of the “réviseur d'entreprises agréé” for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the “*réviseur d'entreprises agréé*” that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23<sup>rd</sup> July 2016 and with ISAs as adopted for Luxembourg by the CSSF 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 part of an audit in accordance with the Law of 23<sup>rd</sup> July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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.
- Obtain 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 SICAV's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the SICAV.

- Conclude on the appropriateness of the Board of Directors of the SICAV 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 SICAV's or any of its sub-funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the SICAV or any of its sub-funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst & Young  
Société anonyme  
Cabinet de révision agréé



Nicolas Bannier

Luxembourg, 26<sup>th</sup> April 2022

# LUCELEN

## Combined statement of net assets (in EUR) as at 31st December 2021

### Assets

Securities portfolio at market value	153,459,138.18
Cash at banks	2,719,765.36
Formation expenses, net	29,167.86
Receivable cash collateral paid	1,045,000.00
Income receivable on portfolio	<u>764,623.89</u>
Total assets	<u>158,017,695.29</u>

### Liabilities

Unrealised loss on forward foreign exchange contracts	1,015,749.21
Expenses payable	<u>739,444.84</u>
Total liabilities	<u>1,755,194.05</u>
Net assets at the end of the year	<u><u>156,262,501.24</u></u>

The accompanying notes are an integral part of these financial statements.

## LUCELEN

### Combined statement of operations and other changes in net assets (in EUR) from 1st January 2021 to 31st December 2021

<b><u>Income</u></b>	
Dividends, net	194,438.27
Interest on bonds and other debt securities, net	1,528,564.98
Bank interest	151.56
Other commissions received	582.09
Other income	34,243.10
Total income	1,757,980.00
<b><u>Expenses</u></b>	
Management fees	1,231,613.45
Performance fees	310,510.28
Depository fees	94,207.11
Banking charges and other fees	7,383.61
Transaction fees	178,174.14
Central administration costs	123,504.38
Professional fees	20,007.99
Other administration costs	28,219.28
Subscription duty ("taxe d'abonnement")	65,295.06
Bank interest paid	58,106.53
Other expenses	45,425.66
Total expenses	2,162,447.49
Net investment loss	-404,467.49
<b><u>Net realised gain/(loss)</u></b>	
- on securities portfolio	5,155,741.09
- on futures contracts	-496,630.86
- on forward foreign exchange contracts	-318,074.83
- on foreign exchange	-157,737.56
Realised result	3,778,830.35
<b><u>Net variation of the unrealised gain/(loss)</u></b>	
- on securities portfolio	608,634.11
- on forward foreign exchange contracts	-1,535,755.52
Result of operations	2,851,708.94
Subscriptions	49,601,353.22
Redemptions	-13,103,361.04
Total changes in net assets	39,349,701.12
Total net assets at the beginning of the year	116,912,800.12
Total net assets at the end of the year	156,262,501.24

The accompanying notes are an integral part of these financial statements.

## LUCELEN - GLOBAL BONDS

### Statement of net assets (in EUR)

as at 31st December 2021

#### Assets

Securities portfolio at market value	59,204,524.97
Cash at banks	2,467,628.01
Formation expenses, net	12,544.06
Income receivable on portfolio	415,232.93
Total assets	<u>62,099,929.97</u>

#### Liabilities

Expenses payable	<u>83,518.28</u>
Total liabilities	<u>83,518.28</u>
Net assets at the end of the year	<u>62,016,411.69</u>

#### Breakdown of net assets per share class

Share class	Number of shares	Currency of share class	NAV per share in currency of share class	Net assets per share class (in EUR)
A	61,287.829	EUR	1,011.89	<u>62,016,411.69</u>
				<u>62,016,411.69</u>

The accompanying notes are an integral part of these financial statements.

## LUCELEN - GLOBAL BONDS

### Statement of operations and other changes in net assets (in EUR)

from 1st January 2021 to 31st December 2021

#### **Income**

Interest on bonds and other debt securities, net	743,203.13
Other commissions received	122.86
Total income	743,325.99

#### **Expenses**

Management fees	152,813.43
Depository fees	40,589.01
Banking charges and other fees	2,684.32
Transaction fees	2,550.93
Central administration costs	42,197.41
Professional fees	9,070.99
Other administration costs	7,557.64
Subscription duty ("taxe d'abonnement")	24,853.60
Bank interest paid	35,337.42
Other expenses	14,972.92
Total expenses	332,627.67

Net investment income	410,698.32
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#### **Net realised gain/(loss)**

- on securities portfolio	-62,511.60
- on foreign exchange	3,300.97
Realised result	351,487.69

#### **Net variation of the unrealised gain/(loss)**

- on securities portfolio	-364,767.98
Result of operations	-13,280.29

Subscriptions	29,767,752.22
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Redemptions	-5,765,723.32
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Total changes in net assets	23,988,748.61
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Total net assets at the beginning of the year	38,027,663.08
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Total net assets at the end of the year	62,016,411.69
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The accompanying notes are an integral part of these financial statements.

## LUCELEN - GLOBAL BONDS

Statistical information (in EUR)  
as at 31st December 2021

<b>Total net assets</b>	<b>Currency</b>	<b>31.12.2020</b>	<b>31.12.2021</b>
	EUR	38,027,663.08	62,016,411.69

  

<b>Net asset value per share class</b>	<b>Currency</b>	<b>31.12.2020</b>	<b>31.12.2021</b>
A	EUR	1,010.46	1,011.89

  

<b>Number of shares</b>	<b>outstanding at the beginning of the year</b>	<b>issued</b>	<b>redeemed</b>	<b>outstanding at the end of the year</b>
A	37,633.829	29,336.000	-5,682.000	61,287.829



## LUCELEN - GLOBAL BONDS

### Statement of investments and other net assets (in EUR) as at 31st December 2021

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets *
<b>Investments in securities</b>					
<b>Transferable securities admitted to an official stock exchange listing</b>					
<b>Bonds</b>					
EUR	1,500,000	Accor SA Step-up Sen 19/04.02.26	1,593,850.00	1,566,352.50	2.53
EUR	800,000	Air France KLM 1.875% Sen 20/16.01.25	766,560.00	742,708.00	1.20
EUR	1,500,000	Airbus Finance BV 2.375% EMTN Reg S Sen 14/02.04.24	1,581,393.00	1,573,042.50	2.54
EUR	311,000	Akuo Energy 4.25% Sen 17/08.12.23	315,820.50	319,163.75	0.51
EUR	1,500,000	Altria Group Inc 2.2% Sen 19/15.06.27	1,619,654.00	1,598,175.00	2.58
EUR	800,000	ArcelorMittal SA 2.25% EMTN Sen Reg S 19/17.01.24	839,488.00	831,432.00	1.34
EUR	600,000	Barclays Plc 1.875% EMTN Reg S Sen 16/08.12.23	639,198.00	623,154.00	1.00
EUR	1,000,000	Bayer Capital Corp BV 1.5% Sen Reg S 18/26.06.26	1,056,570.00	1,049,330.00	1.69
EUR	1,000,000	BNP Paribas SA FRN EMTN Sen Reg S 18/19.01.23	990,212.00	1,005,215.00	1.62
EUR	1,500,000	BPCE SA FRN EMTN Sen 18/23.03.23	1,509,764.00	1,508,205.00	2.43
EUR	600,000	British Telecomm Plc 1.125% EMTN Ser 20162 Sen 16/10.03.23	619,187.40	608,517.00	0.98
EUR	1,000,000	Cie de Saint-Gobain SA 1.375% EMTN Sen Reg S 17/14.06.27	1,070,927.40	1,061,120.00	1.71
EUR	800,000	Danone 2.6% EMTN Ser 106 Sen 13/28.06.23	846,256.00	833,864.00	1.34
EUR	1,000,000	Dufry One BV 2.5% Sen Reg S 17/15.10.24	988,090.00	988,410.00	1.59
EUR	1,000,000	Essity AB 2.5% EMTN Ser 16 Sen Reg S 13/09.06.23	1,080,204.00	1,038,580.00	1.67
EUR	1,000,000	Faurecia SE 2.625% Sen Reg S 18/15.06.25	970,040.00	1,015,045.00	1.64
EUR	1,000,000	FCE Bank Plc 1.134% EMTN Reg S Ser MU 15/10.02.22	947,818.00	1,002,190.00	1.62
EUR	800,000	Fiat Chrysler Fin Europe SA 4.75% EMTN Sen 14/15.07.22	885,462.00	821,380.00	1.32
EUR	5,000,000	France 0% 21/25.11.31	4,947,250.00	4,904,825.00	7.91
EUR	1,000,000	Fresenius SE & Co KGaA 4% Reg S Sen 14/01.02.24	1,145,588.00	1,083,350.00	1.75
EUR	6,000,000	Italia 0% Ser 5Y 21/01.04.26	5,990,300.00	5,911,140.00	9.53
EUR	1,000,000	Kering 1.5% EMTN Ser 24 Sen Reg S 17/05.04.27	1,059,200.00	1,069,705.00	1.73
EUR	800,000	Kinopolis Group NV 2.75% EMTN Ser 7YR Sen Reg S 19/18.12.26	803,240.00	772,000.00	1.24
EUR	1,500,000	La Banque Postale 1.375% EMTN Sen 19/24.04.29	1,598,625.00	1,576,327.50	2.54
EUR	800,000	Lagardere SA 1.625% 17/21.06.24	803,915.00	816,340.00	1.32
EUR	1,000,000	Leonardo SpA 4.875% EMTN Ser 2 05/24.03.25	1,150,721.14	1,126,070.00	1.82
EUR	1,000,000	Loxam 3.5% Reg S Sen 16/03.05.23	903,897.60	1,000,910.00	1.61
EUR	1,000,000	Mc Donald's Corp 1% MTN Sen 16/15.11.23	1,030,974.80	1,022,485.00	1.65
EUR	1,500,000	Mondelez Intl Inc 1.625% Sen 15/08.03.27	1,621,060.00	1,597,567.50	2.58
EUR	300,000	Mota-Engil SGPS SA 4.5% Sen 18/28.11.22	305,700.00	301,353.00	0.49
EUR	1,000,000	Neste Corporation 1.5% Sen Reg S 17/07.06.24	1,034,452.00	1,028,525.00	1.66
EUR	1,500,000	NetFlix Inc 3.625% Sen Reg S 17/15.05.27	1,641,304.00	1,725,345.00	2.78
EUR	1,000,000	Nokia Oyj 2% EMTN Sen Reg S 17/15.03.24	1,033,270.00	1,033,180.00	1.67
EUR	500,000	NV Bekaert SA 2.75% 19/25.10.26	544,295.83	531,322.50	0.86
EUR	800,000	Orpea SA 2.625% EMTN Sen 18/10.03.25	848,660.00	835,368.00	1.35
EUR	800,000	RCI Banque SA FRN EMTN Sen 18/12.01.23	797,676.60	801,720.00	1.29
EUR	800,000	Rolls-Royce Plc 0.875% EMTN Sen Reg S 18/09.05.24	777,930.00	791,224.00	1.28
EUR	1,500,000	Société Générale SA FRN Sen Reg S 17/22.05.24	1,521,285.00	1,519,837.50	2.45
EUR	1,000,000	Stellantis NV 2% EMTN Sen 17/23.03.24	1,045,906.00	1,041,460.00	1.68
EUR	1,000,000	UBISOFT Entertainment SA 1.289% Sen 18/30.01.23	1,018,308.40	1,009,275.00	1.63
			49,944,053.67	49,685,213.75	80.13
USD	1,500,000	Boeing Co 4.508% Sen 20/01.05.23	1,371,467.49	1,376,238.12	2.22
USD	1,000,000	US 0.375% T-Note Ser BH-2023 21/31.10.23	864,868.38	874,662.60	1.41
USD	2,000,000	US 0.75% T-Notes Ser AC-2026 21/31.08.26	1,694,071.28	1,720,770.50	2.77
			3,930,407.15	3,971,671.22	6.40
<b>Total bonds</b>			<b>53,874,460.82</b>	<b>53,656,884.97</b>	<b>86.53</b>

\* Minor differences may arise due to rounding in the calculation of percentages.

The accompanying notes are an integral part of these financial statements.

## LUCELEN - GLOBAL BONDS

### Statement of investments and other net assets (in EUR) (continued) as at 31st December 2021

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets *
<b><u>Open-ended investment funds</u></b>					
<b>Investment funds (UCITS)</b>					
EUR	21,000	BNP Paribas Fds Enhanced Bond 6 M I Cap	2,418,570.00	2,406,810.00	3.88
EUR	11,000	JPMorgan Inv Fds Global High Yield Bond C EUR (Hedged) Cap	2,876,880.00	3,140,830.00	5.06
<b>Total investment funds (UCITS)</b>			<u>5,295,450.00</u>	<u>5,547,640.00</u>	<u>8.94</u>
Total investments in securities			<u>59,169,910.82</u>	<u>59,204,524.97</u>	<u>95.47</u>
Cash at banks				2,467,628.01	3.98
Other net assets/(liabilities)				344,258.71	0.55
Total				<u><u>62,016,411.69</u></u>	<u><u>100.00</u></u>

\* Minor differences may arise due to rounding in the calculation of percentages.

The accompanying notes are an integral part of these financial statements.

## LUCELEN - GLOBAL BONDS

### Industrial and geographical classification of investments as at 31st December 2021

#### Industrial classification

(in percentage of net assets)

Countries and governments	21.62 %
Financials	20.38 %
Cyclical consumer goods	13.11 %
Industrials	9.58 %
Investment funds	8.94 %
Non-cyclical consumer goods	8.17 %
Technologies	6.08 %
Healthcare	3.10 %
Energy	2.17 %
Raw materials	1.34 %
Telecommunications services	0.98 %
Total	<u>95.47 %</u>

#### Geographical classification

(by domicile of the issuer)  
(in percentage of net assets)

France	34.81 %
United States of America	15.99 %
Luxembourg	11.60 %
Italy	11.35 %
The Netherlands	7.50 %
United Kingdom	4.88 %
Finland	3.33 %
Belgium	2.10 %
Germany	1.75 %
Sweden	1.67 %
Portugal	0.49 %
Total	<u>95.47 %</u>

## LUCELEN - FLEXIBLE

### Statement of net assets (in EUR) as at 31st December 2021

#### Assets

Securities portfolio at market value	94,254,613.21
Cash at banks	252,137.35
Formation expenses, net	16,623.80
Receivable cash collateral paid	1,045,000.00
Income receivable on portfolio	349,390.96
Total assets	95,917,765.32

#### Liabilities

Unrealised loss on forward foreign exchange contracts	1,015,749.21
Expenses payable	655,926.56
Total liabilities	1,671,675.77
Net assets at the end of the year	94,246,089.55

#### Breakdown of net assets per share class

Share class	Number of shares	Currency of share class	NAV per share in currency of share class	Net assets per share class (in EUR)
A	53,974.141	EUR	1,551.65	83,748,764.40
AB	3,985.066	EUR	1,123.46	4,477,049.65
I	3,321.009	EUR	1,133.58	3,764,639.56
IB	1,980.630	EUR	1,138.85	2,255,635.94
				94,246,089.55

The accompanying notes are an integral part of these financial statements.

## LUCELEN - FLEXIBLE

### Statement of operations and other changes in net assets (in EUR)

from 1st January 2021 to 31st December 2021

<b><u>Income</u></b>	
Dividends, net	194,438.27
Interest on bonds and other debt securities, net	785,361.85
Bank interest	151.56
Other commissions received	459.23
Other income	34,243.10
Total income	1,014,654.01
<b><u>Expenses</u></b>	
Management fees	1,078,800.02
Performance fees	310,510.28
Depository fees	53,618.10
Banking charges and other fees	4,699.29
Transaction fees	175,623.21
Central administration costs	81,306.97
Professional fees	10,937.00
Other administration costs	20,661.64
Subscription duty ("taxe d'abonnement")	40,441.46
Bank interest paid	22,769.11
Other expenses	30,452.74
Total expenses	1,829,819.82
Net investment loss	-815,165.81
<b><u>Net realised gain/(loss)</u></b>	
- on securities portfolio	5,218,252.69
- on futures contracts	-496,630.86
- on forward foreign exchange contracts	-318,074.83
- on foreign exchange	-161,038.53
Realised result	3,427,342.66
<b><u>Net variation of the unrealised gain/(loss)</u></b>	
- on securities portfolio	973,402.09
- on forward foreign exchange contracts	-1,535,755.52
Result of operations	2,864,989.23
Subscriptions	19,833,601.00
Redemptions	-7,337,637.72
Total changes in net assets	15,360,952.51
Total net assets at the beginning of the year	78,885,137.04
Total net assets at the end of the year	94,246,089.55

The accompanying notes are an integral part of these financial statements.

## LUCELEN - FLEXIBLE

Statistical information (in EUR)  
as at 31st December 2021

Total net assets	Currency	31.12.2020	31.12.2021
	EUR	78,885,137.04	94,246,089.55

Net asset value per share class	Currency	31.12.2020	31.12.2021
A	EUR	1,503.15	1,551.65
AB	EUR	1,091.78	1,123.46
I	EUR	1,095.31	1,133.58
IB	EUR	1,098.42	1,138.85

Number of shares	outstanding at the beginning of the year	issued	redeemed	outstanding at the end of the year
A	46,604.218	10,919.576	-3,549.653	53,974.141
AB	4,281.770	547.295	-843.999	3,985.066
I	3,307.866	954.000	-940.857	3,321.009
IB	486.303	1,498.807	-4.480	1,980.630

## LUCELEN - FLEXIBLE

### Statement of investments and other net assets (in EUR) as at 31st December 2021

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets *
<b>Investments in securities</b>					
<b>Transferable securities admitted to an official stock exchange listing</b>					
<b>Shares</b>					
CHF	19,000	Nestlé SA Reg	1,829,862.27	2,338,580.25	2.48
EUR	9,000	Air Liquide SA	1,296,618.44	1,379,880.00	1.46
EUR	13,000	Airbus SE	1,324,234.60	1,460,680.00	1.55
EUR	3,600	ASML Holding NV	2,213,801.70	2,544,120.00	2.70
EUR	35,000	Cie de Saint-Gobain SA	2,042,831.00	2,165,450.00	2.30
EUR	1,600	Hermes Intl SA	1,842,277.20	2,457,600.00	2.61
EUR	150,000	ING Groep NV	1,852,080.00	1,836,300.00	1.95
EUR	15,000	McPhy Energy SA	358,867.50	324,600.00	0.34
EUR	9,000	Pernod-Ricard SA	1,855,953.50	1,903,500.00	2.02
EUR	15,500	Puma SE	1,417,136.33	1,666,250.00	1.77
EUR	30,000	Totalenergies SE	1,313,412.00	1,338,900.00	1.42
			15,517,212.27	17,077,280.00	18.12
SEK	60,000	Svenska Cellulosa SCA AB B	680,646.16	936,937.30	0.99
USD	6,000	Adobe Inc Reg	3,107,933.63	2,992,927.52	3.18
USD	1,300	Amazon.com Inc	4,006,880.53	3,813,020.76	4.05
USD	6,000	Intuitive Surgical Inc	1,527,595.83	1,896,375.79	2.01
USD	12,000	JPMorgan Chase & Co	1,616,981.80	1,671,534.13	1.77
USD	15,000	Marathon Digital Holdings Inc	951,704.26	433,585.50	0.46
USD	11,000	Meta Platforms Inc A	3,158,427.85	3,254,618.23	3.45
USD	13,500	Microsoft Corp	3,079,398.51	3,993,947.92	4.24
USD	13,500	NVIDIA Corp	2,944,799.83	3,492,685.61	3.71
USD	10,000	PayPal Holdings Inc	1,828,220.38	1,658,867.00	1.76
USD	5,000	United Health Group Inc	1,780,662.50	2,208,567.91	2.34
USD	15,000	Unity Software Inc Reg	1,977,506.38	1,886,743.49	2.00
USD	15,000	Walmart Inc Reg	1,888,503.46	1,909,174.88	2.03
			27,868,614.96	29,212,048.74	31.00
<b>Total shares</b>			<b>45,896,335.66</b>	<b>49,564,846.29</b>	<b>52.59</b>
<b>Bonds</b>					
EUR	1,500,000	Accor SA Step-up Sen 19/04.02.26	1,589,745.00	1,566,352.50	1.66
EUR	800,000	Air France KLM 1.875% Sen 20/16.01.25	769,520.00	742,708.00	0.79
EUR	1,200,000	Airbus Finance BV 2.375% EMTN Reg S Sen 14/02.04.24	1,256,128.00	1,258,434.00	1.34
EUR	550,000	Akuo Energy 4.25% Sen 17/08.12.23	569,250.00	564,437.50	0.60
EUR	700,000	Altria Group Inc 2.2% Sen 19/15.06.27	743,921.50	745,815.00	0.79
EUR	800,000	ArcelorMittal SA 2.25% EMTN Sen Reg S 19/17.01.24	839,184.00	831,432.00	0.88
EUR	1,000,000	Bayer Capital Corp BV 1.5% Sen Reg S 18/26.06.26	1,048,800.00	1,049,330.00	1.11
EUR	1,000,000	BPCE SA FRN EMTN Sen 18/23.03.23	1,006,399.00	1,005,470.00	1.07
EUR	800,000	British Telecom Plc 1.125% EMTN Ser 20162 Sen 16/10.03.23	826,708.00	811,356.00	0.86
EUR	500,000	Cie de Saint-Gobain SA 0.875% EMTN Sen Reg S 18/21.09.23	515,260.00	509,812.50	0.54
EUR	700,000	Cie de Saint-Gobain SA 1.375% EMTN Sen Reg S 17/14.06.27	749,584.50	742,784.00	0.79
EUR	1,000,000	Dufry One BV 2.5% Sen Reg S 17/15.10.24	972,000.00	988,410.00	1.05
EUR	1,200,000	Faurecia SE 2.625% Sen Reg S 18/15.06.25	1,105,278.50	1,218,054.00	1.29
EUR	1,200,000	FCE Bank Plc 1.134% EMTN Reg S Ser MU 15/10.02.22	1,080,800.00	1,202,628.00	1.28
EUR	1,000,000	Fiat Chrysler Fin Europe SA 4.75% EMTN Sen 14/15.07.22	1,094,828.00	1,026,725.00	1.09
EUR	5,000,000	Italia 0% Ser 5Y 21/01.04.26	4,971,525.00	4,925,950.00	5.23
EUR	1,000,000	Kering 1.5% EMTN Ser 24 Sen Reg S 17/05.04.27	1,020,620.00	1,069,705.00	1.14
EUR	1,000,000	Kinopolis Group NV 2.75% EMTN Ser 7YR Sen Reg S 19/18.12.26	992,885.50	965,000.00	1.02
EUR	1,500,000	La Banque Postale 1.375% EMTN Sen 19/24.04.29	1,593,801.30	1,576,327.50	1.67
EUR	500,000	Lagardere SA 1.625% 17/21.06.24	503,100.00	510,212.50	0.54
EUR	800,000	Leonardo SpA 4.875% EMTN Ser 2 05/24.03.25	921,051.14	900,856.00	0.96
EUR	1,000,000	Loxam 3.5% Reg S Sen 16/03.05.23	906,977.60	1,000,910.00	1.06
EUR	1,200,000	Mondelez Intl Inc 1.625% Sen 15/08.03.27	1,297,272.00	1,278,054.00	1.36

\* Minor differences may arise due to rounding in the calculation of percentages.

The accompanying notes are an integral part of these financial statements.

## LUCELEN - FLEXIBLE

### Statement of investments and other net assets (in EUR) (continued) as at 31st December 2021

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets *
EUR	600,000	Mota-Engil SGPS SA 4.5% Sen 18/28.11.22	601,488.00	602,706.00	0.64
EUR	1,000,000	Neste Corporation 1.5% Sen Reg S 17/07.06.24	1,037,679.50	1,028,525.00	1.09
EUR	1,200,000	NetFlix Inc 3.625% Sen Reg S 17/15.05.27	1,253,331.50	1,380,276.00	1.46
EUR	1,000,000	Nokia Oyj 2% EMTN Sen Reg S 17/15.03.24	1,032,000.00	1,033,180.00	1.10
EUR	500,000	NV Bekaert SA 2.75% 19/25.10.26	544,295.83	531,322.50	0.56
EUR	1,200,000	Orpea SA 2.625% EMTN Sen 18/10.03.25	1,244,678.50	1,253,052.00	1.33
EUR	700,000	RCI Banque SA FRN EMTN Sen 18/12.01.23	691,365.50	701,505.00	0.74
EUR	800,000	Rolls-Royce Plc 0.875% EMTN Sen Reg S 18/09.05.24	773,000.00	791,224.00	0.84
EUR	1,500,000	Société Générale SA FRN Sen Reg S 17/22.05.24	1,521,180.00	1,519,837.50	1.61
EUR	800,000	Stellantis NV 2% EMTN Sen 17/23.03.24	841,990.00	833,168.00	0.88
EUR	700,000	UBISOFT Entertainment SA 1.289% Sen 18/30.01.23	713,842.50	706,492.50	0.75
			36,629,490.37	36,872,052.00	39.12
USD	1,200,000	Boeing Co 4.508% Sen 20/01.05.23	1,109,895.18	1,100,990.50	1.17
<b>Total bonds</b>			<b>37,739,385.55</b>	<b>37,973,042.50</b>	<b>40.29</b>
<b><u>Transferable securities dealt in on another regulated market</u></b>					
<b>Bonds</b>					
USD	1,000,000	Royal Caribbean Cruises Ltd 9.125% Sen 144A 20/15.06.23	925,977.70	938,045.39	1.00
<b>Total bonds</b>			<b>925,977.70</b>	<b>938,045.39</b>	<b>1.00</b>
<b><u>Open-ended investment funds</u></b>					
<b>Investment funds (UCITS)</b>					
EUR	7	Amundi 12 M I Cap	746,981.48	745,789.03	0.79
EUR	19,000	BNP Paribas Fds Enhanced Bond 6 M I Cap	2,188,230.00	2,177,590.00	2.31
EUR	10,000	JPMorgan Inv Fds Global High Yield Bond C EUR (Hedged) Cap	2,846,800.00	2,855,300.00	3.03
<b>Total investment funds (UCITS)</b>			<b>5,782,011.48</b>	<b>5,778,679.03</b>	<b>6.13</b>
Total investments in securities			90,343,710.39	94,254,613.21	100.01
Cash at banks				252,137.35	0.27
Other net assets/(liabilities)				-260,661.01	-0.28
<b>Total</b>				<b>94,246,089.55</b>	<b>100.00</b>

\* Minor differences may arise due to rounding in the calculation of percentages.

The accompanying notes are an integral part of these financial statements.



## LUCELEN - FLEXIBLE

### Industrial and geographical classification of investments as at 31st December 2021

#### Industrial classification

(in percentage of net assets)

Technologies	24.81 %
Cyclical consumer goods	17.05 %
Financials	14.65 %
Industrials	10.48 %
Non-cyclical consumer goods	8.68 %
Investment funds	6.13 %
Healthcare	5.68 %
Countries and governments	5.23 %
Raw materials	3.33 %
Energy	3.11 %
Telecommunications services	0.86 %
Total	<u>100.01 %</u>

#### Geographical classification

(by domicile of the issuer)  
(in percentage of net assets)

United States of America	36.78 %
France	26.52 %
The Netherlands	10.58 %
Luxembourg	7.31 %
Italy	6.19 %
United Kingdom	2.98 %
Switzerland	2.48 %
Finland	2.19 %
Germany	1.77 %
Belgium	1.58 %
Sweden	0.99 %
Portugal	0.64 %
Total	<u>100.01 %</u>

## **LUCELEN**

### **Notes to the financial statements**

as at 31st December 2021

#### **Note 1 - General information**

LUCELEN (the "SICAV") is an Investment Company with Variable Capital with multiple Sub-Funds incorporated under Luxembourg law, subject to Part I of the amended Law of 17th December 2010 on Undertakings for Collective Investment.

The SICAV has been incorporated for an unlimited duration as of 1st August 2019 with an initial share capital of EUR 30,000.00 represented by 30 Class A shares of the Sub-Fund LUCELEN - GLOBAL BONDS. The articles of incorporation were published on 13th August 2019.

The financial year end is 31st December of each year.

The following documents are made available to the public at the registered office of the SICAV and at the registered office of the Management Company:

- The Prospectus of the SICAV, including the articles of incorporation and the fact sheets,
- the KIID document of the SICAV, (also published on [www.vam.lu](http://www.vam.lu)),
- the financial reports of the SICAV.

Complaints received by the SICAV will be handled in accordance with the complaints handling policy of the SICAV, available upon request at the registered office of the SICAV or at the registered office of the Management Company.

#### **Note 2 - Principal accounting methods**

##### **a) Presentation of the financial statements**

The financial statements of the SICAV are prepared and presented in accordance with Luxembourg legal and regulatory requirements concerning undertakings for collective investment and with generally accepted accounting principles in Luxembourg. The financial statements of the SICAV have been prepared on a going-concern basis.

##### **b) Valuation of assets**

- 1) The value of cash on hand or on deposit, bills and notes due on demand, accounts receivable, prepaid expenses, dividends, and interest declared or due but not yet received consists of the nominal value of these assets, unless it is unlikely that this value will be received, in which event, the value shall be determined by deducting an amount which the Company deems adequate to reflect the real value of these assets.
- 2) The value of all transferable securities, money-market instruments and financial derivative instruments that are listed on a stock exchange or traded on another regulated market that operates regularly, and is recognised and open to the public, is determined based on the most recent available price.
- 3) In the case of Company investments that are listed on a stock exchange or traded on another regulated market that operates regularly, is recognised and open to the public and traded by market makers outside the stock exchange on which the investments are listed or of the market on which they are traded, the board of directors may determine the main market for the investments in question that will be then evaluated at the last available price on that market.

## LUCELEN

### Notes to the financial statements (continued)

as at 31st December 2021

- 4) The financial derivative instruments that are not listed on an official stock exchange or traded on any another regulated operating market that is recognised and open to the public, shall be valued in accordance with market practices as may be described in greater detail in the Prospectus.
- 5) Liquid assets and money market instruments may be valued at nominal value plus any interest or on an amortised cost basis. All other assets, where practice allows, may be valued in the same manner.
- 6) The value of securities representative of an open-ended undertaking for collective investment shall be determined according to the last official net asset value per unit or according to the last estimated net asset value if it is more recent than the official net asset value, and provided that the Company is assured that the valuation method used for this estimate is consistent with that used for the calculation of the official net asset value.
- 7) To the extent that:
  - any transferable securities, money market instruments and/or financial derivative instruments held in the portfolio on the Valuation Day are not listed or traded on a stock exchange or other regulated market that operates regularly and is recognised and open to the public or,
  - for transferable securities, money market instruments and/or financial derivative instruments listed and traded on a stock exchange or on other market but for which the price determined pursuant to sub-paragraphs b) is not, in the opinion of the board of directors, representative of the real value of these transferable securities, money market instruments and/or financial derivative instruments or,
  - for financial derivative instruments traded over-the-counter and/or securities representing undertakings for collective investment, the price determined in accordance with sub-paragraphs d) or f) is not, in the opinion of the board of directors, representative of the real value of these financial derivative instruments or securities representing undertakings for collective investment,the board of directors estimates the probable realisation value prudently and in good faith.
- 8) Securities expressed in a currency other than that of the respective Sub-Funds shall be converted at the last known price. If such prices are not available, the currency exchange rate will be determined in good faith.

#### c) Acquisition cost of securities in the portfolio

The acquisition cost of the securities held by each Sub-Fund that are denominated in currencies other than the reference currency of the Sub-Fund is converted into this currency at the exchange rate prevailing on the date of purchase.

#### d) Net realised gain/(loss) on securities portfolio

The realised gains and losses on securities portfolio are calculated on the basis of the average acquisition cost and are disclosed net in the statement of operations and other changes in net assets.

#### e) Investment income

Dividend income is recorded at the ex-date, net of any withholding tax.

Interest income accrued and payable are recorded, net of any withholding tax.

## LUCELEN

### Notes to the financial statements (continued)

as at 31st December 2021

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f) Valuation of forward foreign exchange contracts

Open forward foreign exchange contracts are valued at forward market rates for the remaining period from valuation date to the maturity of the contracts. Net unrealised gains or losses of open contracts are disclosed in the statement of net assets. Net variation of unrealised gains or losses and net realised gains or losses are disclosed in the statement of operations and other changes in net assets.

g) Valuation of futures contracts

Open futures contracts are valued at the last settlement or close price on the stock exchanges or regulated markets. Net unrealised gains or losses of open contracts are disclosed in the statement of net assets. Net variation of unrealised gains or losses and net realised gains or losses are disclosed in the statement of operations and other changes in net assets.

h) Formation expenses

If the launch of a Sub-Fund occurs after the launch date of the SICAV, the formation expenses related to the launch of the new Sub-Fund is charged to such Sub-Fund alone and may be amortised over a maximum of five years with effect as from the Sub-Fund's launch date.

i) Conversion of foreign currencies

Cash at banks, other net assets and the market value of the securities in portfolio expressed in currencies other than the reference currency of the Sub-Fund are converted into this currency at the exchange rate prevailing on the date of the report. Income and expenses expressed in currencies other than the reference currency of the Sub-Fund are converted into this currency at the exchange rate prevailing on the date of the transaction.

j) Combined financial statements

The combined financial statements of the SICAV are expressed in EUR and are equal to the sum of the corresponding items in the financial statements of each Sub-Fund.

k) Transaction fees

Transaction costs disclosed under the item "Transaction fees" in the expenses of the statement of operations and other changes in net assets are mainly composed of broker fees incurred by the SICAV and of fees relating to transactions paid to the depositary as well as of transaction fees on financial instruments and derivatives.

## LUCELEN

### Notes to the financial statements (continued)

as at 31st December 2021

#### Note 3 - Management fees

The Management Company receives an annual remuneration calculated on the average net asset of the Sub-Fund in question as follows:

<b>Sub-Fund</b>	<b>Share class</b>	<b>Management fee</b>
LUCELEN - GLOBAL BONDS	A	Up to 1.00%
LUCELEN - FLEXIBLE	A	Up to 1.25%
LUCELEN - FLEXIBLE	AB	Up to 1.60%
LUCELEN - FLEXIBLE	I	Up to 1.00%
LUCELEN - FLEXIBLE	IB	Up to 0.80%

#### Note 4 - Management fee retrocession

Management fee retrocessions received by the SICAV and related to its investments in UCITS or other UCIs are disclosed under the item "Other commissions received" in the statement of operations and other changes in net assets.

#### Note 5 - Performance fee

For the Sub-Fund LUCELEN - FLEXIBLE:

For all classes of shares, the Management Company is entitled, when applicable, to a performance fee calculated as follows.

For each financial year during which the performance of the Sub-Fund exceeds the capitalised EONIA (ticker: EONCAPL7) over the corresponding financial year + 2% p.a. (the "Hurdle Rate"), a performance fee of 10% based on the difference between the NAV per share at the end of the current financial year and the NAV per share at the end of the previous financial year expressed in percentage, will be charged.

The performance fee is accrued on each Valuation Day. If the NAV per share decreases during the calculation period, the accruals set aside for the performance fee shall be reduced accordingly. If these accruals are reduced to zero, no performance fee will be charged.

The performance fee is payable only when a) the Performance exceeds the Hurdle Rate and b) the Final NAV per share is greater than the highest historical Final NAV per share on the basis of which a performance fee has been paid ("High-Water Mark" principle); in such cases, the performance fee applies to the difference between the Final NAV per share and that of the highest between the Hurdle NAV and the High-Water Mark. If a performance fee is accrued at the end of the financial year, the performance fee will be paid to the Management Company the month following the end of the financial year.

At the date of the financial statements, a performance fee for an amount of EUR 310,510.28 has been accounted.

No performance fee is charged for the Sub-Fund LUCELEN - GLOBAL BONDS.

#### Note 6 - Central administration costs

The item "Central administration costs" disclosed in the statement of operations and other changes in net assets is mainly composed of administrative agent and domiciliation fees.

## LUCELEN

### Notes to the financial statements (continued)

as at 31st December 2021

#### Note 7 - Depositary fees

BANQUE DE LUXEMBOURG has been appointed as Depositary Agent of the Company.

The Company pays to the Depositary with respect to each Sub-Fund an annual fee payable on a quarterly basis and calculated over the average Net Asset Value of the relevant Sub-Fund with respect to the relevant quarter.

The remuneration for depositary services are included under the item "Depositary fees" disclosed in the statement of operations and other changes in net assets.

#### Note 8 - Director fee

The remuneration of the Directors of the SICAV are included under the item "Other expenses" disclosed in the statement of operations and other changes in net assets and are allocated as follows:

Reference period	Total amount
From 1st January 2021 to 31st December 2021	EUR 35,000.00

#### Note 9 - Subscription duty ("taxe d'abonnement")

The SICAV is governed by Luxembourg law.

Pursuant to the legislation and regulations in force, the SICAV is subject to an annual subscription duty of 0.05% which is payable quarterly and calculated on the basis of the net assets of each Sub-Fund on the last day of each quarter.

According to article 175 a) of the law of 2010, the amount of net assets invested in undertakings for collective investment already subject to the subscription duty are exempt from this duty.

The share classes intended exclusively for institutional investors within the meaning of article 174(2) of the Law of 2010 are subject to a reduced subscription tax of 0.01%.

#### Note 10 - Changes in investments

The statement of the changes in investments for the reporting period is available free of charge at the Depositary and the Primary Paying Agent of the SICAV.

#### Note 11 - Forward foreign exchange contracts

As at 31st December 2021, the following Sub-Fund is committed in the following forward foreign exchange contracts with BANQUE DE LUXEMBOURG:

##### LUCELEN - FLEXIBLE

Currency	Purchases	Currency	Sales	Maturity	Unrealised result (in EUR)
EUR	16,217,469.78	USD	20,000,000.00	28.02.2022	-1,357,869.69
USD	20,000,000.00	EUR	17,232,896.57	28.02.2022	341,321.83
EUR	1,752,968.21	USD	2,000,000.00	21.06.2022	798.65
					<u>-1,015,749.21</u>

## LUCELEN

### Notes to the financial statements (continued)

as at 31st December 2021

In accordance with the EMIR provisions bound to mitigate the counterparty risk for financial counterparties executing over-the-counter financial derivative instruments (e.g. foreign exchange forward and foreign exchange swap transactions), the over-the-counter financial derivative instruments executed by the SICAV with BANQUE DE LUXEMBOURG (e.g. foreign exchange forward and foreign exchange swap transactions) are subject to daily variation margining. Depending on the valuation of the over-the-counter financial derivative instruments, variation margins are either paid or received by the SICAV. Variation margins are paid or received in cash in the currency of the Sub-Fund and are subject to a minimum threshold and a minimum transfer amount.

If the unrealised result for the SICAV on the over-the-counter financial derivative instruments executed by the SICAV with BANQUE DE LUXEMBOURG is positive, the Sub-Fund shall receive variation margins, subject to application of a minimum threshold and a minimum transfer amount. The variation margins received by the Sub-Fund is recorded under the caption "Cash at banks" in the Statement of net assets. At the same time, as variation margins received are repayable, the variation margins received from and repayable to BANQUE DE LUXEMBOURG are recorded in the caption "Redeemable cash collateral received".

If the unrealised result for the SICAV on the over-the-counter financial derivative instruments executed by the SICAV with BANQUE DE LUXEMBOURG is negative, the Sub-Fund shall pay variation margins, subject to application of a minimum threshold and a minimum transfer amount. The variation margins paid by the Sub-Fund is recorded as a liability under the caption "Cash at banks" in the Statement of net assets. At the same time, as variation margins paid are repayable, the variation margins paid to and to be received from BANQUE DE LUXEMBOURG are recorded in the caption "Receivable cash collateral paid".

#### **Note 12 - Sustainability-related disclosures**

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

We invite our clients and investors to consult the prospectus of our funds for more details on Victory Asset management's position on the matter.

#### **Note 13 - Subsequent event**

There are no significant subsequent event to report.

In February 2022, the Russian government started a war against Ukraine, resulting in a humanitarian crisis and disruption to energy and commodity markets. The United States of America, European Union, Switzerland and United Kingdom imposed a series of sanctions against the Russian government, various companies, and certain individuals.

Lucelen sicav complies with all sanctions applicable to our business activities.

Given the importance of Russian/Ukrainian supply to a number of key commodities including oil, natural gas, coal, grain, aluminium and nickel, volatilities in all of these have spiked. Applicable Sanctions are also significantly impacting traditional commodity trade flows. Over time, global commodity trade flows will need to adapt to some or all of Russian/ Ukrainian supply being unavailable, whether due to infrastructure damage, sanctions or ethical concerns.

Lucelen sicav had no direct trading exposure to Russia/Ukraine in the near past.

## **LUCELEN**

### **Additional information (unaudited)**

as at 31st December 2021

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#### **1 - Risk management**

As required by Circular CSSF 11/512, the Management Company of the SICAV ("VAM") needs to determine the global risk exposure of the SICAV by applying either the commitment approach or the VaR ("Value at Risk") approach.

In terms of risk management, the Management Company of the SICAV decided to adopt the commitment approach as a method of determining the global exposure.

#### **2 - Remuneration**

Total compensation for VAM employees broken down between senior managers, and staff members with the number of employees:

The total compensation for the 2021 financial year was € 1,768,472.

Including € 817,787 for senior management.

The Management Company of the SICAV employs 10 people including senior management.

Variable part in amount (euros)

The variable part was € 437,000 for the 2021 financial year.

Details related to the remuneration policy adopted by VAM can be consulted on its website: [www.vam.lu](http://www.vam.lu).

#### **3 - Information concerning the transparency of securities financing transactions and of reuse of cash collateral (regulation EU 2015/2365, hereafter "SFTR")**

During the reporting period, the SICAV did not engage in transactions which are subject to the publication requirements of SFTR. Accordingly, no information concerning the transparency of securities financing transactions and of reuse of cash collateral should be reported.