Mandarine Improvers

Annual report

30 December 2022

MANDARINE

I. MANAGEMENT REPORT

1. IDENTIFICATION

Name:

Mandarine Improvers

Management objective:

The Fund aims to outperform the **EURO STOXX® Net Return EUR Index**, net of fees, over the recommended investment horizon by selecting companies in the eurozone via a stock-picking strategy.

This objective is associated with an extra-financial approach, integrating environmental, social and governance (ESG) criteria.

The Fund seeks to select issuers according to a ***Best-in-Universe*** approach.This ESG selection process consists of favouring the best rated companies in the investment universe from an extra-financial perspective, regardless of their sector of activity. The ***Best-in-Universe*** approach includes a ***Best-Effort*** approach that also aims to select companies that are initiating an ESG process and actively improving their ESG practices.

The Fund takes sustainability risks and ESG characteristics into account in its selection process.In this regard, the Fund promotes environmental or social characteristics within the meaning of Article 8 of the SFDR Regulation.The Fund is subject to a sustainability risk as defined in the risk profile of the prospectus.

Benchmark index:

The Fund's performance is compared to the performance of the **EURO STOXX® Net Return EUR** *(hereinafter referred to as the "**Index**").* This Index is one of the benchmarks for large, medium and small capitalisation issuers on eurozone markets.

Codes: SXXT; ISIN: EU0009658194; Reuters: STOXXER; Bloomberg ID: BBG000P5MZD4.

The Index is denominated in euros. The performance of the index Includes the dividends generated by the equities that comprise the benchmark.

Information according to Q&A ESMA 34-43-362 "Actively Managed Fund"

The Fund is actively managed.
However, the Fund's objective is not to reproduce the performance of this index in any manner.The Fund's investments are made on the basis of criteria that could result in significant variations compared to the performance of this index.Investments in companies are made on the basis of weightings that are not based on the relative weighting of each company in the index.

Information concerning the benchmark index used by the Fund is provided in accordance with the provisions of EU Regulation 2016/1011.

In accordance with Article 52 of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/45/EU and 2014/17/EU and Regulation (EU) No 596/2014 (hereinafter referred to as the ***Benchmark Regulation*** or ***BMR***), as the Management Company may refer to benchmark indices under the BMR regulation, it is considered a "User" of benchmark references:

- to ensure that the benchmark indices it uses within the European Union are supplied by administrators that are legally authorised or registered with the European Union as benchmark index Administrators, including the Administrator (Article 29); or to ensure that those originating from third countries respect the principle of equivalence and the regulatory requirements (Article 30-33);

- to establish a suitable monitoring procedure for benchmark indices allowing it to substitute a new index in the event that one or more of the benchmark indices, including that of the index provided by the Administrator, that it uses should be substantially modified or cease to be published (Article 28).

On the date of the latest update to this Prospectus, which is the date appearing on the first page, the Administrator has obtained a registration under Article 32 and is therefore listed in the publication of administrators and publication of benchmarks maintained by ESMA (hereinafter referred to as the "Benchmark Register – List of EU benchmark administrators and third country benchmarks").

In accordance with Article 28.2 of the BMR Regulation, the Management Company has a monitoring procedure for the benchmark indices used describing the measures to implement in the case of substantial modifications made to an index or in the event that this index is no longer available.

Information concerning the benchmark index used by the Fund is provided in accordance with the provisions of Regulation (EU) 2019/2088, the "Disclosure Regulation"

The attention of unitholders is drawn to the fact that the Index does not take into account environmental, social or governance issues.The index is not an *"EU Paris-Aligned and Climate Transition-Benchmark".*

Investment strategy:

The investment strategy of this Fund is to gain exposure to the European equity markets by selecting securities which, in the opinion of the Management Company at the time of investment, offer the best opportunities in terms of financial and non-financial performance.

Investment universe

The initial investment universe is made up of European issuers denominated in euros; this investment universe consists of European stocks with a market capitalization of over 1 billion euros, or about 500 securities.

The Fund will not invest outside the European Union or in emerging countries.

Extra-financial strategy

To accommodate the quest for performance with the development of socially responsible practices, some ESG criteria are integrated and taken into consideration according to a *Best-in-Universe* approach incorporating a *Best-Effort* dynamic.

The **Best-in-Universe** approach is a type of **ESG selection** that prioritises issuers with the best ratings from a **non-financial** point of view irrespective of their **field of activity**, by assuming sectoral biases, since the sectors which are generally considered more virtuous will have a higher level of representation.The ***Best-in-Universe*** approach focuses on the best rated companies in the investment universe at a particular time "t", even if it means neglecting certain sectors of activity whose ESG contribution is not considered relevant or which are subject to an exclusion by the management company. The ***Best-Effort*** approach consists of favouring, within the investment universe, issuers demonstrating an improvement in their ESG practices over time, allowing them to capture attractive growth prospects. The integration of the ***Best-Effort*** dynamic in a ***Best-in-Universe*** approach aims to capture not only the best rated issuers from an ESG point of view but also those showing an improvement or favourable prospects in their ESG practices and performance. Conversely, this makes it possible to exclude issuers which could be rated well from an ESG point of view but whose ESG dynamics are the most severely degraded to which a "controversy" penalty has been applied.

The ESG rating is calculated and administered using the internal "proprietary" extra-financial analysis tool "Mandarine-ESG view®".

The ESG stock selection process is based on the collection of extra-financial information on companies in the Fund's Investment Universe, from which Mandarine Gestion's ESG division carries out an extra-financial analysis, which results in each company receiving an ESG rating between -2 and +2.

The ESG score is made up of four equally weighted pillars taking into account the following indicators (not exhaustive):

- **Environment**: CO2 emissions, environmental policy, biodiversity policy, waste management, alignment with the 2 °C scenario, energy mix, etc.;
- **Social**: employee health and safety, training, job turnover rate, collective agreements, management of human rights in the value chain, etc.;
- **Governance**: composition of the Board of Directors, minority shareholders' rights, executive compensation, whistleblowers, corruption, etc.;
- **Stakeholders**: customer/employee satisfaction surveys, supplier audit, fiscal responsibility policy, etc.

This ESG analysis is based on the collection, cross-referencing and appropriation of qualitative and quantitative extra-financial information from multiple sources to allow for original hedging:
- the Extra-Financial Performance Report (EFPR) published by the companies in question;
- meetings with issuers, management and stakeholders (NGOs, trade unions, study reports, etc.);
- reports and analyses from brokers and extra-financial rating agencies such as Sustainalytics, Ethifinance, Trucost, Bloomberg, etc. The extra-financial data of the data suppliers is likely to be reworked by the ESG division following the aforementioned meetings.

The portion of ESG-rated issuers in the Fund's portfolio (excluding public debt and cash) will exceed 90% in the long term.

The evolution of this rating over time constitutes the "dynamic" part (***Best-Effort***) taking into account the improvement or deterioration of the good ESG practices of issuers.

The result of the implementation of this ESG strategy can be measured by excluding from the investment universe securities meeting one of the following criteria:

- issuers with an ESG rating below 0 and whose dynamics have deteriorated;
- issuers impacted by level 5 ESG controversies (on a scale of 1 to 5 according to Sustainalytics) and by human rights controversies higher than 7 (on a scale of 1 to 9) and validated by the ESG team;
- issuers showing the greatest deterioration in their extra-financial dynamics.

The ESG approach results in a selectivity rate (reduction of the initial Investment Universe as defined above) of at least 20%.

Extra-financial scores may go up or down over time. The are reviewed *at least* every 12 months, and depending on the frequency of updates from extra-financial rating agencies.Only part of the extra-financial ratings of the investment universe can be updated by the ESG team, based on meetings with companies. They may lead to investment or divestment decisions.

Exclusion

As part of our Socially Responsible Investment approach, the SRI exclusion policy is a complementary tool which ensures that no investment is made in activities having a proven negative impact on society or the environment. For example, companies in the coal sector (extraction and production of energy), tobacco sector or whose activities violate one of the principles of the United Nations Global Compact are excluded.

Methodological restrictions

The SRI analysis approach of companies implemented by the Management Company is based on a qualitative and quantitative analysis of the environmental, social and governance practices of these stakeholders. The approach put in place has limits and biases. Thus, several limits can be identified in connection with the Management Company's methodology but also more broadly with the quality of the information available (availability, reliability and representativeness of the data) given that the analyses are based on data provided by third parties, first and foremost the issuers themselves, suppliers of extra-financial data, and analysts. The results of the analyses therefore depend on the quality of this data, namely but not limited to: trust, credibility, reliability, accuracy, perception, relevance, data coverage, completeness and intelligibility of this information.

The ***Best-in-Universe*** approach is based on a subjective analysis of ESG criteria.Thus, the opinion of the Management Company on issuers may vary over time. With regard to the ***Best-Effort*** approach, which consists of selecting issuers which, in the opinion of the Management Company, are deploying or implementing a dynamic improvement in their ESG practices, it would not be possible to provide certainty as to the future progress of these issuers with regard to expectations. The results could thus prove to be insufficient compared to actual expectations.

The ESG policies (Transparency Code, Article 173 Report, Voting and Commitment Policy) and voting rights exercise reports are available on the Management Company's website in the “regulatory documents” section (www.mandarine-gestion.com).

Financial strategy

The Fund will select securities from all sectors and all capitalisations, with small cap securities being limited to 20% maximum of net assets. The Fund will select the securities by applying a qualitative and quantitative filter based on the following indicators (non-exhaustive list):

Quantitative analysis:

- EPS:
  - Review of EPS (earnings per share) for one year based on the past three months;
  - Percentage of analysts who revised their EPS forecasts upwards;
- See:
  - Review of CFs (cash flow) for one year based on the past three months;
  - Percentage of analysts who revised their CF forecasts upwards;
- DPS:
  - Review of DPS (dividend per share) for one year based on the past three months;
  - Percentage of analysts who revised their DPS forecasts upwards;
- Performance: Relative performance of the share over the past nine months

Stock selection through qualitative fundamental analysis:

- Quality of the business model;
- Financial solidity;
- Quality of management;
- Earnings per share;
- Dividend per share;
- Cash flow.

Through this financial filter, the Manager will select securities for which the financial outlook has been revised upwards by analysts (*financial momentum*).Stock selection will be made within each sector, based on the sector weighting determined by financial momentum.

Risk profile:

Your money will primarily be invested in financial instruments selected by the Management Company.These instruments will be exposed to market trends and risks.The list of risk factors set out below is not exhaustive.

The Fund is classified as a "eurozone equities" UCITS. As such, investors are primarily exposed to the following risks:

Capital risk:
Investors should be aware that the performance of the Fund may not be in line with its objectives and, because the Fund is not capital protected or guaranteed, investors may not recover the full amount of their invested capital.

Equity market risk:
More than 60% of the Fund is exposed to one or more equity markets that could experience substantial fluctuations. Equity risk corresponds to a decline on the equity markets. As the Fund is exposed to equities, the net asset value may decline significantly.If the equity markets fall, the value of the portfolio may decline.

Risks linked to investments in small and mid-cap securities:
Given its management orientation, the Fund may be exposed to small and mid-cap securities, which may carry liquidity risk owing to their specific characteristics.Due to the restricted nature of the market, the performance of such securities is more pronounced and may rise or fall sharply. This may result in an increase in the volatility of the net asset value.Investments in small-cap companies will remain incidental and will represent only a minor portion of investments.

Interest-rate risk:
Given its management orientation, the Fund may be exposed to interest rate risk. Interest rate risk is represented by fluctuations in the yield curve.The interest rate markets move in the opposite direction of interest rates.This risk arises from the fact that, in general, the price of debt securities and bonds falls when interest rates rise.

Discretionary management risk:
The discretionary management style applied by the Fund is based on the selection of securities and on the expectations of the different markets.There is a risk that the Fund may not be invested in the best-performing securities at all times.As a result, the Fund's performance may be lower than the investment objective.Furthermore, the net asset value of the Fund may decline.Performance largely depends on the Fund Manager's ability to anticipate market movements.

Political risk:
This is any risk associated with a political or geopolitical situation, a decision or a lack of decision by the political authorities or national, transnational or supranational administrative authorities: nationalisation without sufficient compensation, embargoes, protectionist measures, exclusion of certain markets, discriminatory taxation, resulting in lasting damage to public order and economic stability: revolution, civil war, etc. When such intrinsically unpredictable events occur, there can be very significant financial consequences.

Sustainability risk:
An environmental, social or governance event or situation that, if it occurs, could have a material adverse effect – actual or potential – on the value of the investment. The occurrence of such an event or situation may also lead to a change in the Fund's investment strategy, including the exclusion of securities of certain issuers. More specifically, the negative effects of sustainability risks can affect issuers through a series of mechanisms, including: 1) lower revenues; 2) higher costs; 3) damage or impairment of the value of assets; 4) higher cost of capital; and 5) fines or regulatory risks. Due to the nature of sustainability risks and specific topics such as climate change, the likelihood of sustainability risks impacting financial product returns is likely to increase in the longer term.

Associated risks when taking into account sustainability risks:
Currently, there is no universally recognised framework or list of factors that must be considered to ensure that investments are sustainable, and the legal and regulatory framework governing sustainable finance is still under development.

The application of ESG criteria to the investment process in the context of taking into account sustainability risks may exclude securities of certain issuers for non-financial reasons, which may involve passing over certain market opportunities available to other funds that do not use ESG or sustainability criteria. The focus of the fund manager on issuers of securities that have sustainable features may affect the investment performance of a sustainable fund and lead to a return which, at times, will be lower than that of similar funds which do not have a sustainable approach or which apply non-financial criteria.The sustainable or non-financial characteristics used in a fund's investment policy may prevent it from buying certain securities which, in other circumstances, would offer advantages, and/or from selling securities because of their sustainable characteristics despite the harm that could thereby result.In the short term, a focus on securities from issuers with sustainable characteristics could positively or negatively affect the performance of the Fund's investments compared to similar funds without this focus.In the long term, this approach should have a favourable effect, but no guarantee is given in this regard.

The ESG information available, whether it comes from third-party data providers or the issuers themselves, may be incomplete, inaccurate, patchy, or unavailable, which can have a negative impact on a portfolio that relies on this data to assess the appropriate inclusion or exclusion of a security.In addition, it is possible that a security or a stock could be incorrectly valued.

The sustainable finance approach will have to evolve and develop over time, due to the refinement of investment decision-making processes aimed at taking ESG factors and risks into consideration, but also due to legal and regulatory developments.
No statement has been made and no warranty has been given regarding the impartiality, accuracy, completeness or coverage of the sustainable or extra-financial features.

However, it should be noted that, although sustainability risks are considered systematically, no single aspect (including extra-financial ratings) could prevent the Fund Manager from making an investment as investment decisions remain discretionary.

To a lesser extent, they are also exposed to the following risks:

Counterparty risk:
The Fund is exposed to the counterparty risk that results from the use of financial futures traded over-the-counter. Contracts for these financial instruments may be concluded with one or more credit institution(s) that is/are not able to honour their commitments under these instruments.Investors are reminded that this risk may result in a decrease in the Fund's net asset value.

Credit risk:
The credit risk means the risk that the issuer, whether public (government) or private (company), cannot follow through on their commitments. Credit risk is limited to debt securities and money-market instruments, which may not make up more than a maximum of 10% of net assets.Investors are reminded that this risk may result in a decrease in the fund's net asset value.

Exchange-rate risk:
The Fund may invest in instruments denominated in foreign currencies outside the eurozone. This carries a risk of the investment currencies dropping in comparison to the portfolio’s reference currency, the euro. If the value of a currency drops against the euro, the net asset value may also drop. The exchange-rate risk is limited to a maximum of 10% of the
Fund’s assets.

Recommended investment period:

Over five years

Allocation of profit:

Mutual fund capitalisation

Changes made in 2022:

Prospectus update – January 2022:

- Perf. fees calculation method ESMA format
- Name change: MANDARINE IMPROVERS
- Management objective
- Benchmark index
- Investment strategy
- Integration of extra-financial criteria into the investment strategy
- Installation of gates

Prospectus update – October 2022

- Change of custodian following the merger of BNP Paribas Securities Services Paris with BNP Paribas
- Compliance with the Taxonomy Regulation (Regulation EU 2020/582 on the establishment of a framework for promoting sustainable investment and amending Regulation (EU) 2019/2088 (the "Disclosure Regulation"))
- Clarification regarding the method for calculating the outperformance fee

Changes to be made in 2023:

At the time of writing this report, the Fund prospectus has been updated to include the following information:

- Regulatory update: compliance with European SFDR and Taxonomy regulations (SFDR annex)
- Consideration of the new nomenclature of "operating fees and other services" to replace the line "administrative costs external to the PMC".

Statutory auditor
Deloitte & Associés
Tour Majunga
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92908 Paris-La Défense cedex

2. PERFORMANCE

This annual report relates to the 2022 financial year that began on 1 January 2022 and closed on 30/12/2022.

Mandarine Improvers	F units	I units	R units
2022 performance	-13.81%	-13.64%	-14.75%
31/12/2021	€131.53	€1,824.66	€170.41
30/12/2022	€113.36	€1,575.82	€145.27

Performance benchmark **EURO STOXX® Net Return EUR** (dividends reinvested index): **-12.31%**

Past performance is not indicative of future results.

3. PEA ELIGIBILITY

As at 30/12/2022, the mutual fund is more than **99.79%** invested in securities eligible for equity savings plans (PEA in France).

4. ECONOMIC COMMENTARY

2022 was marked by a series of shocks.Firstly, the geopolitical shock of Russia's invasion of Ukraine during February and the war that followed and continues today.An inflation shock also hit the whole world.While inflation was considered temporary last year due to a strong recovery in consumption in a context of tension on logistics chains, it became clear at the beginning of the year that this was a more lasting phenomenon requiring determined intervention by the central banks.These tensions were exacerbated by soaring commodity prices, particularly energy prices, following the triggering of Russian military operations in Ukraine.As a result of this widespread price spike, the fixed interest rate markets were also highly turbulent.Indeed, this year, central banks have embarked on a cycle of tightening key rates on an almost unprecedented scale almost everywhere in the world (with the notable exception of China and Japan) and long-term rates also rose sharply under the combined effect of the rise in key rates and the sharp rise in inflation.However, despite this sharp rise in nominal rates, most real rates (i.e. restated for inflation) are now negative.Finally, a shock to confidence and growth, as the sharp erosion in household purchasing power coupled with the sharp economic slowdown caused by restrictive monetary policies poses the risk of a very sharp slowdown in global growth in 2023 and even a possible recession in Europe.

The year was therefore particularly difficult for risky assets.The bond markets suffered from the sharp rise in rates and posted sharp declines.Equity markets were also down significantly, with a sharp decline in valuations (the most expensive stocks that suffered the most in 2022) and a risk weighing on corporate earnings growth in 2022, which affected the market as a whole.In terms of style, value management significantly outperformed growth management and small- and mid-caps suffered in particular.From a sectoral perspective, the variations were significant: energy and raw materials benefited from the sharp rise in commodities and banks and insurance from the sharp rise in interest rates.Conversely, the other cyclical sectors (construction, industry, technology) suffered due to the risk of a marked decline in their margins and earnings and/or their high valuations.Real estate, generally a sector with a high level of debt, was also heavily affected by the sharp rise in rates.

5. MANAGEMENT COMMENTARY

First half-year 2022

The eurozone equity markets fell sharply during the first half of the year (-18.55% for the Eurostoxx TR), while our fund posted a drop of 19.6% (for the I unit).This environment of violent sector rotation does not permit our strategy of selecting eurozone securities benefiting from the best financial and non-financial dynamics.

During the period, we were subject to strong profit-taking on the technology part of the portfolio (ASM International, Dassault Systèmes and Alten), which suffered from the prospect of sharp rises in yields.

However, our stocks exposed to the rise in commodities contributed positively to performance this quarter (Shell or indirectly K+S), as did the banks (Bank of Ireland).

Second half-year 2022

Fears raised by the rises in interest rates concerning their impact on the economy are gradually fading and investors are preferring to focus on the first signs of a slowdown in inflation and therefore a more moderate pace of monetary tightening by central bankers.

The equity markets rebounded by nearly 8% in the second quarter and our fund posted performance that was almost in line with this.

Financial stocks were the best contributors to performance (Commerzbank, Muenchener Rueck and BBVA) as well as industrial stocks (Andritz, Verralia). On the other hand, our exposure to energy-related securities (GTT, Verbund, EDP Renovaeis) tended to underperform, given the very high volatility of gas prices.

6. OUTLOOK FOR 2023

The markets are currently making a bold scenario but are very characteristic of what can be a stock market reasoning, because they consider that the peak in inflation is behind us (on both sides of the Atlantic); they have in mind a false or clear view of what will happen (in amplitude and over time) to at least the short-term rates (there is less consensus, over the long-term rates); above all, they anticipate a short, light recession at the beginning of 2023… What are they doing?They are patiently anticipating the economic rebound that is to come and becoming less concerned.We validate this scenario subject to taking some management precautions, particularly in stock-picking, to cross the reporting periods of Q4 22 and Q1 23, which should be of poor quality.
Downside risk?a deeper-than-expected recession.Upside risk?The end of hostilities in Ukraine.

7. REPORT ON INTERMEDIARY FEES

In accordance with the provisions of Article 321-122 of the General Regulations of the French Financial Markets Authority (AMF), the report on intermediary fees has been made available to unitholders.This report can also be consulted on the management company's website: https://www.mandarine-gestion.com/FR/fr/documents-reglementaires

8. INFORMATION ON FINANCIAL INSTRUMENTS HELD IN THE PORTFOLIO AND ISSUED BY THE MANAGEMENT COMPANY

In accordance with the provisions of Article 321-131 of the General Regulation of the French Financial Markets Authority, AMF, we hereby inform you that during the period under review, Mandarine Improvers was not invested in UCITS managed by Mandarine Gestion.

9. INFORMATION ON THE VOTING POLICY

In accordance with the provisions of Article L533-22 of the Monetary and Financial Code, the shareholder engagement policy, the voting policy and the report on the conditions under which Mandarine Gestion exercised its voting rights are available on the management company's website: https://www.mandarine-gestion.com/FR/fr/demarche-responsable

10. INFORMATION ON THE SELECTION OF INTERMEDIARIES

Categorisation of the management company:

Mandarine Gestion has chosen to consider itself a “professional client” and is asking its intermediaries (brokers) to categorise it as such, thereby imposing a “best execution” obligation on them with regard to our company.

Mandarine Gestion has chosen to transmit its orders via a trading desk outsourced to Exoé (an ACPR-approved Intermediary, in the capacity of investment company providing the investment services of Reception/Transmission of Orders on behalf of third parties relating to the majority of financial instruments referred to in section C “Financial Instruments” of Annex I to Directive 2014/65/EU).

Grid showing the factors taken into account in order to meet the "best execution" obligation:

Financial product	Places of execution	Transmission or execution strategy	Factors retained
Shares and similar	Regulated markets (RM) Multilateral Trading Facilities (MTF) Systematic internalisation (SI)	Orders are transmitted to an intermediary from the list of selected intermediaries	• Price and probability of settlement • Probability of execution: liquidity: indication of interest making it possible to detect a counterflow on this order (block or facilitation) • Order cost: definition of the appropriate strategy to limit the impact of the transaction; • Execution venues to which the trader is connected and which would permit better execution in terms of rapidity of execution; • Direct access to the market on which the instrument is listed; • Good execution of the same value in previous transactions; • Fundamental monitoring (knowledge) of the value; • Compliance with the guidelines for the period;
ETFs (all underlyings)	RM MTF SI Market Maker	Orders are sent to: an intermediary on the list of selected intermediaries; or request for quotation (RFQ) from several authorised counterparties.	• Price and probability of settlement; • Probability of execution: natural liquidity or intervention by market makers; • Order cost: definition of the appropriate strategy to limit the impact of the transaction; • Platforms to which the trader is connected.
Rates and credit	MTF SI Market Maker	Request for quotation (RFQ) from several authorised counterparties.	• Price and probability of settlement; • Probability of execution: liquidity: strategies adopted by counterparties; • Quality of the intermediates selected for the product being processed; • Cost of the order: definition of the appropriate strategy to limit the impact of the transaction.
Futures	RM	Orders are transmitted to an intermediary from the list of selected intermediaries.	• Reputation of the service provider • Speed of execution; • Price and probability of settlement; • Compliance with guidelines for the period.

The list of brokers selected by the Management Company is drawn up at least annually; the purpose of the brokers' committee is to validate the quality of execution provided by the selected authorised entities and to select new execution service providers.

Details of the selection and execution policy are available on the management company's website at the following address: https://www.mandarine-gestion.com/FR/fr/documents-reglementaires

The list of the top five Execution Venues is available in RTS 28 format on the management company website at the following address: https://www.mandarine-gestion.com/FR/en/documents-reglementaires

In the context of managing the Fund, the Management Company used providers of research and analysis services to supplement the work of the managers and analysts in the best interest of the Fund.Costs relating to financial research were borne by the Fund.Research costs are included in the intermediation costs through a research account (RPA/CSA).

For more information: www.mandarine-gestion.com

11. GLOBAL RISK CALCULATION METHODOLOGY

Overall risk is calculated using the *“Commitment Approach”* method according to the methodology of the CESR/ 10-788 guide included in AMF instruction 2011-15.

12. USE OF EFFICIENT PORTFOLIO MANAGEMENT TECHNIQUES AND DERIVATIVES

The UCITS did not use effective portfolio management techniques in the sense of Directive 2009/65/EC during the financial year under review.

The UCITS did not use derivatives during the financial year under review.

13. USE OF EFFECTIVE PORTFOLIO MANAGEMENT TECHNIQUES

The UCITS did not use effective portfolio management techniques in the sense of Directive 2014/91/EU during the financial year under review.

14. REMUNERATION POLICY

The risk profile of UCIs and the characteristics of Mandarine Gestion as an AIF and UCITS manager justify proportionate implementation of the remuneration principles resulting from European Directives Nos 2011/61/EU (AIFM) and 2014/91/EU (UCITS).

Mandarine Gestion has remuneration policies and practices that are compatible with sound and effective risk management that does not promote or encourage risk taking that is excessive and incompatible with the risk profiles, regulations and regulatory documents of UCIs, namely the AIFs and UCITS in respect of which it acts as a management company.

These remuneration policies and practices are used in various categories of personnel, including the senior management, risk takers, persons exercising a position of control, and all employees receiving a total remuneration situated in the same tranche of remuneration as the risk takers and the senior management, and whose professional activities have a substantial effect on the risk profiles of managers and on the UCITS or AIFs that they manage.These remuneration policies and practices have been tailored to the size of the internal organisation as well as to the nature, scope and complexity of Mandarine Gestion activities.

The remuneration of Mandarine Gestion staff is broken down into the following components:

First, a fixed remuneration that is linked to the market salaries.Salary studies and benchmarking with competing companies are used to check that the fixed remuneration is in line with the market.This remuneration is accorded individually and specified in the employment contract of each employee.This fixed remuneration is essentially the measure of the collective agreement adhered to by the management company and is consistent with the noted levels of remuneration for asset management based on the positions occupied.This fixed remuneration may be reviewed.The main indicators for review relate to effectiveness in the performance of the tasks and assignments entrusted to the employee, and/or changes in the labour market or inflation.

Then there is a variable remuneration that supplements the amount of the fixed remuneration.Its quantum depends on the achievement of company objectives (VSTR “Vision, Strategy, Tactics, Results”) and individual objectives.Variable remuneration is not guaranteed, except in the case of a newly hired employee and exclusively for their first year of employment, without any tacit renewal. This is not general practice.The assignment of variable remuneration is, in all cases, conditional upon the financial situation of the management company and the participation of the employee in the development of the company.Mandarine Gestion may grant additional remuneration in the form of discretionary bonuses on the basis of criteria that are wholly unrelated to the performance of the UCIs being managed or to risk-taking.The assignment of variable remuneration is discretionary and is in no way based on any pre-established quantitative formula.

Finally, an incentive scheme and a profit-sharing agreement have been set up for a period of three years, renewable from one year to the next by tacit renewal.

Concerning other similar benefits: as at 30/12/2022 no benefits in kind (company car, fuel allowance or other) were being granted to the Management Company's staff.The remuneration policy will be updated should the Management Company give its employees a benefit in kind.However, the management company may reimburse employees for business costs to the nearest euro (taxi fares, meals, etc.) in the form of an expense account validated by the Deputy Managing Director.It may be the case that upon the departure of an employee from the company (contractual termination, dismissal), the employee could receive compensation under the conditions set out in the Labour Code and the collective agreement applicable to the Management Company.This compensation is not detailed here, since it arises from labour law and the collective bargaining agreement and is in no way related to the work undertaken by the employee.With a view to preserving the interests of its unitholders, the Management Company does not make a practice of remunerating its employees via a Carried Interest mechanism.The AIFs managed by the Management Company do not offer Carried Interest units to PMC managers and/or employees.This type of remuneration is therefore not included in this Mandarine Gestion remuneration policy.

Likewise, under Directive 2011/61/EU level I (Art. 13 and Annex II) of 8 June 2011, known as the AIFM directive, Delegated Regulation 231/2013 level II (Art. 107) of 19 December 2012, the ESMA Guidelines on AIF manager remuneration policies of 3 July 2013, under 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS), bearing on the functions of the custodian, remuneration policies and sanctions, the ESMA Guidelines of 14 October 2016 (ESMA/2016/575 – Guidelines on sound remuneration policies under the UCITS Directive) and under provisions such as those taken from national provisions transposing these directives and guidelines, as applicable across the French Republic, (notably including Art.L.533-22-2 CMF and Articles 319-10 and 319-11 RG AMF as well as AMF Position No 2013-11 on remuneration policies applicable to AIFMs and of the AMF guide entitled "UCITS V guide for management companies"), it appears that the total amount of gross remuneration of the staff of the management company, Mandarine Gestion, for the 2022 year, which began on 1 January 2022 and ended on 30/12/2022 amounted to €7,806,172, broken down into €4,660,342 in fixed compensation and €3,145,830 in variable compensation for said financial year; these amounts concern 51 beneficiaries, and variable compensation will be paid in the financial years following the financial year under review.

Regarding the personnel listed in Article 533-22-2 of the CMF, i.e. 30 persons among all staff, remuneration is broken down at the rate of €3,595,881 for the fixed part and €2,835,395 for the variable part.It should be noted that neither the UCI nor any of the UCIs for which the management company carries out management duties disbursed any remuneration to its managers as a percentage of the performance achieved by an investment fund (Carried Interests) during the financial year under review.

Secondly, this remuneration also has a bearing on the remuneration of employees involved in the management of AIFs and UCITS.

15. REPORT ON MAIN PORTFOLIO MOVEMENTS

Main purchases:

During the first half-year of 2022

BNP PARIBAS SA	€671,620.36
LINDE PLC	€473,491.0066

During the second half-year of 2022

STELLANTIS NV	€449,436.5155
HERMES INTERNATIONAL	€377,739.1512

Main sales:

During the first half-year of 2022

SHELL PLC-NEW	€-608,272.2121
BNP PARIBAS SA	€-467,871.1425

During the second half-year of 2022

BMW AG	-442,531.1223
SCHNEIDER ELECTRIC	-406,725.6426

16. SECURITIES FINANCING TRANSACTION REGULATION (SFTR)

During the financial year under review, the Fund did not perform any securities financing transaction operations covered by the SFTR, i.e. repurchase transactions, securities/commodities lending/borrowing, buy/sell back or sell/buy transactions, margin lending transactions and total return swaps (TRS).

Periodic information for financial products referred to in Article of Regulation (EU) 2019/2088

Name of the product: Mandarine Improvers

Legal entity identifier: 969500U7XSKLPZ2H1I83

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 either of these objectives 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. This regulation does not establish a list of socially sustainable economic activities. Sustainable investments with an environmental objective are not necessarily aligned with the taxonomy.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ Yes	☑ No
☐ It has made sustainable investments with an environmental objective	☑ It promoted Environmental and Social (E/S) characteristics and, while it did not have as its objective a sustainable investment, it will have a minimum proportion of 97.11% of sustainable investments
☐ In economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ With an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ In economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☑ With an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
☐ It made sustainable investments with a social objective	☑ With a social objective
	☐ It promoted E/S characteristics, but did not make any sustainable investments

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

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

The Fund continued to promote environmental and social characteristics (the "E/S Characteristics"), notably through the implementation, during the period under review, of a series of normative and sectoral exclusions:

- Any direct investment in companies involved in the manufacture, trade, stockpiling or services for anti-personnel mines, cluster bombs, in accordance with the Ottawa and Oslo Treaty;
- Companies producing, stockpiling or trading in chemical, biological and depleted uranium weapons;
- Companies that seriously and repeatedly violate one or more of the 10 principles of the UN Global Compact;
- The companies which are subject to the most serious controversies (severity level 5 on a scale of 1 to 5);
- Companies or sectors considered to be particularly exposed to sustainability risk
- Exclusion of 20% of the lowest rated issuers through a "Best-In-Universe" approach

(I) Monitoring the performance of a series of sustainability indicators;
(II) Compared to the previous period when applicable;

And Sustainable Investments:

(I) A commitment to respect a minimum proportion of sustainable investment in the portfolio during the financial year under review;
(II) The latter are subject to control of the absence of material harm to another sustainable investment objective;
(III) In particular, the analysis of the main negative impacts of such investments.

The promotion of E/S characteristics was also reflected in:
Analysis of sustainability indicators:

- **What was the performance of sustainability indicators?**

Indicators	Description	Performance of the indicator
Synthetic Indicator of Sustainability Risk (SRI)	Based on specifically risk-oriented ESG data, the aim of the SRI is to establish an overall level of risk for each investment in the portfolio in question. This sustainability risk monitoring indicator is based on external data from a non-financial information provider "Sustainalytics". This is a "sustainability" risk measurement rating that is broken down into five parts: • Company risk exposure, which is mainly a function of the risks associated with its sector of activity; • The portion of risk exposure that may be taken on by the company; • The portion of risk exposure taken on by the company; • The portion of unhedged risk that can be taken on by the company; And finally the portion of unhedged risk that cannot be taken on by the company.	3
Diversity of the Board	The data used is provided by companies in their annual reports and is weighted according to the weight of each company in the fund. Board members are considered independent in light of the recommendations of the AFEP-MEDEF Governance Code. An independent director is a member who is free of interest, i.e. who does not perform any management functions of the company or its group and is free of special interests (shareholder, employee, other, etc.)	46.8%
Diversity Men/Women	Percentage of women in the workforce	36.98%
Carbon footprint	Expressed in Mt CO2e/€M invested it corresponds to the weighted average of greenhouse gas emissions corresponding to the direct activities of companies (Scope 1) and those related to the consumption of electricity, heat or steam required to manufacture products (Scope 2) and those related to first line suppliers with which the companies have a direct relationship (part of upstream scope 3). The carbon footprint calculation reflects CO2 emissions at a given point in time. Greenhouse gas emissions data is provided by Trucost.	211.48

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

Not applicable

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

The EU taxonomy identifies six environmental objectives: climate change mitigation, adaptation to climate change, sustainable use and protection of water and marine resources, transition to a circular economy (including waste prevention and recycling), pollution prevention and control, and protection and restoration of biodiversity and ecosystems, and identifies economic activities considered environmentally sustainable for investment purposes. The alignment of companies' activities with the objectives of the EU taxonomy is identified and assessed provided that data is available and of adequate quality.

The Fund selects sustainable investments, i.e. carrying out economic activities that contribute substantially to a sustainable social or environmental objective (particularly the European taxonomy), while not significantly undermining other sustainable objectives and meeting a minimum standard of governance.

To qualify as a sustainable investment, the Fund benefits from a non-financial rating of issuers in its investment universe. The construction of this rating is based on the proprietary ESG-View system, which is based on four pillars: Environment (E), Social (S), Governance (G) and Stakeholders (SH). The analysis of the extra-financial indicators that make up the pillars results in a score ("**ESG-View Score**") for each pillar, ranging from -2 to +2.
Sustainable investment is subject to a regulatory definition, according to the provisions of the SFDR regulation. It corresponds to an investment in an economic activity:
Contributing significantly to an environmental (taxonomy or not) or social objective,
Provided that these investments do not cause material harm to any of these objectives (Do Not Significantly Harm or DNSH),
and that the companies in which investments are made apply good governance practices.
In addition to the constraints related to the promotion of E and S characteristics, economic activities qualifying as sustainable investments must verify points 1 to 3 above, as follows:

1. **Significant contribution**: The issuer's ESG-View Score must be strictly above average, i.e. 0 for a score between -2 and +2, on the E or S pillar, in order to be considered as contributing significantly to an E or S objective.
2. **No significant harm**:
   a. The absence of significant detriment to other sustainable objectives is verified by requiring an ESG-View Score above -1 on both pillars E and S for a score between -2 and +2. The ESG-View Score includes indicators relating to the main negative impacts on each of the E and S pillars, enabling the management company to ensure that the economic activity being invested in complies with the DNSH principle.
   b. For issuers passing this first filter, all 14 indicators relating to the Principal Adverse Impact (PAI) defined by the regulation are analysed, as well as those (at least two) of the 26 optional indicators that are relevant. Thresholds are defined for each of these indicators and crossing a threshold is considered as an alert, leading to the need for a specific analysis by an ESG analyst, which will lead to the acceptance or refusal of the issuer's sustainable investment status.
3. **Good governance**: Finally, the eligible issuer will have to achieve an ESG-View Governance Score above -1 to ensure that it applies certain minimum standards.

Based on this definition, 97.11% of net assets are sustainable:

- 91.1% contribute to an environmental objective
- 84.34% contribute to a social objective

According to the above definition, an issuer can respond to a contribution to a sustainable investment objective, both social and environmental. Thus, the addition of the two percentages of contribution may be greater than the percentage of total sustainable investment.

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

The **main negative impacts** are the most significant negative impacts of investment decisions on sustainability factors related to environmental, social and personnel issues, respect for human rights and the fight against corruption and corruption.

- **How have the indicators concerning adverse impacts on sustainability factors been taken into account?**

As mentioned above, the characterisation of sustainable investing is based in particular on the analysis of the absence of material harm to other sustainable investment objectives is integrated into the determination of sustainable investment objectives.

Firstly, the rating system incorporates a minimum rating on all E and S pillars made up of sustainability indicators in the environmental and social categories. It is also supplemented by a mandatory minimum rating focused on a series of indicators that make up the pillar of good governance.

Once this rating filter is passed, each issuer is analysed against the Principal adverse Impacts ("PAIs") as described in the section below *"How has this financial product addressed the principal adverse Impacts on sustainability factors".*

The "do no significant harm" principle applies only to investments qualifying as sustainable.

- **Were sustainable investments aligned with OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights? Detailed description:**

Alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights is tested and ensured through the process of identifying sustainable investments.

The EU Taxonomy establishes a principle of "do not cause significant harm" under which investments aligned with the taxonomy should not cause significant harm to the objectives of the EU taxonomy and be accompanied by specific Union criteria.

The "do no significant harm" principle only applies to investments underlying the financial product that take into account the European Union's criteria for environmentally sustainable economic activities.The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

- **How did this financial product consider principal negative impacts on sustainability factors?**

During the year under review, PAIs were taken into account for each investment in order to qualify it as sustainable.

PAIs are specific indicators designed to ensure that issuers meeting a sustainable investment objective do not undermine another sustainable investment objective. The indicators below are analysed on the basis of sector thresholds.

Greenhouse gas (GHG) emissions	1. Greenhouse gas emissions; 2. Carbon footprint; 3. Greenhouse gas emission intensity of invested companies; 4. Exposure to companies operating in the fossil fuel sector; 5. Share of non-renewable energy consumption and production; 6. Energy consumption intensity by high climate impact sectors;
Biodiversity	7. Activity with a negative impact on biodiversity-sensitive areas
Water	8. Activity with a negative impact on water
Waste	9. Ratio of hazardous waste
Social and employee issues	10. Violation of the principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises; 11. Lack of control and compliance related to point 10. ; 12. Unadjusted gender pay gap; 13. Gender balance on the board of directors; 14. Exposure to controversial weapons.

In the event of an alert on one of the PAIs indicators concerning a security, an additional qualitative analysis is carried out by the ESG teams, independently of the management teams. If the analysis confirms a significant achievement of sustainable investment objectives or in the absence of analysis within a reasonable timeframe, the instrument is considered non-sustainable.

The list includes investments that make up **the largest proportionof investmentsof the financial product during the reporting period, namely:**

What were the main investments in this financial product?

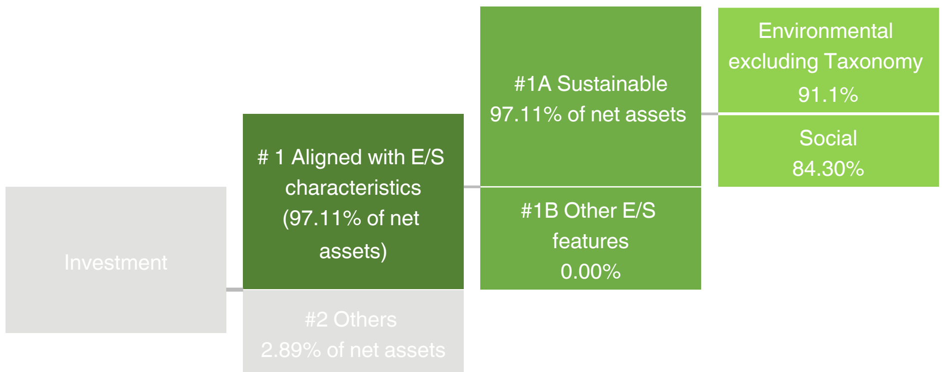
Investments the most significant	Sector	% of assets	Country
LVMH	Consumer durables & clothing	3.00%	FRANCE
STMicroelectronics	Semiconductors & semiconductor equipment	2.63%	SWITZERLAND
Cap Gemini SA	Software and services	2.48%	FRANCE
COMMERZBANK AG	Banks	2.48%	GERMANY
Banco Sabadell	Banks	2.35%	SPAIN
Deutsche Telekom AG	Telecommunication services	2.26%	GERMANY
ESSILORLUXOTTICA	Consumer durables & clothing	2.24%	FRANCE

Asset allocation the proportion of investments in specific assets.

What was the proportion of sustainability-related investments?

- **What was the asset allocation?**

To comply with the EU Taxonomy, the criteria for**fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. With regard to**nuclear energy**, the criteria include comprehensive rules on nuclear safety and waste management.



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

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

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

Enabling activities directly enable other activities to make a substantial contribution to an environmental

- **In which economic sectors were the investments made?**

Investments were made in the following economic sectors:

- Capital goods
- Banks
- Consumer durables & clothing

objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and, among others, have greenhouse gas emissions levels corresponding to best performance.

- Energy
- Insurance
- Software and services
- Utilities
- Professional and commercial services

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

- **Did the financial product invest in gas and/or nuclear energy related activities complying with the EU Taxonomy** [1]

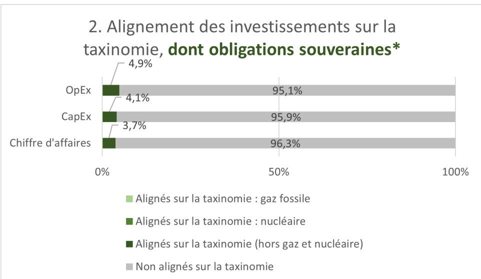
☐ Yes

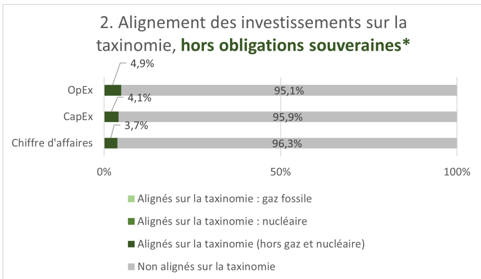
☐ In fossil gas ☐ In nuclear energy

☑ No

Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy alignment of sovereign bonds*, the first graph shows the taxonomy alignment with respect to all investments in the financial product, including sovereign bonds, while the second graph represents the taxonomy alignment only with respect to investments in the financial product other than sovereign bonds.





**For the purposes of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

Enabling activities **directly** enable other activities to make a substantial contribution to an environmental objective.
Transitional activities are activities for which low-carbon alternatives are not yet available and, among others, have greenhouse gas emissions levels corresponding to best performance.

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

At the Fund's closing date, the share of investments made in transitional and enabling activities was 10.30% of the portfolio broken down as follows:

- 4.90% in transitional activities;
- 5.30% in enabling activities.

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

Not applicable

1 Fossil gas and/or nuclear-related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The symbol represents sustainable investments with an environmental objective that do not take into account criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.

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

The Fund's environmental definition of sustainable investment is based on a series of environmental criteria and indicators that do not exclusively take into account the criteria specific to the European Taxonomy.
This is due in particular to the fact that the sufficiently reliable data regarding the alignment with the taxonomy is scarce and data coverage remains too low to rely on a reliable definition of the taxonomy-aligned investment in this fund.

At the Fund's closing date, the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy was 87.4%.

What was the share of socially sustainable investments?

At the Fund's closing date, the share of socially sustainable investments was 84.30%.

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

During the reference period, the "Other" category included the following investments, up to a maximum of 20% of net assets:

- in entities that have not been assessed due to the absence of available or contradictory information, up to a maximum of 10%; or
- Cash, any UCIs including MMFs for cash management purposes

The Fund did not use derivative financial instruments during the reporting period.

Minimum environmental or social guarantees include the implementation of exclusions to restrict investments in companies and issuers that have significant exposure to certain activities likely to harm the environment or society in the broad sense:

- Any direct investment in companies involved in the manufacture, trade, stockpiling or services for anti-personnel mines, cluster bombs, in accordance with the Ottawa and Oslo Treaty;
- Companies producing, stockpiling or trading in chemical, biological and depleted uranium weapons;
- Companies that seriously and repeatedly violate one or more of the 10 principles of the UN Global Compact;
- The companies which are subject to the most serious controversies (severity level 5 on a scale of 1 to 5);
- Companies or sectors considered to be particularly exposed to sustainability risk
- In addition, the Fund incorporates an ESG dynamic rating concept in its investment process. The "other" category that is not classified as sustainable investment can be made up of companies with positive environmental and social dynamics, with practices that are improving over time. The "Environment" pillar takes into account, among others, the way in which waste management, the reduction of greenhouse gas emissions and the prevention of environmental risks are addressed; the "Social" pillar examines aspects relating to the prevention of accidents at work, training, respect for employees' rights, respect for human rights in the outsourcing chain (supply chain) and social dialogue, etc.

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

The Management Company's shareholder engagement also made it possible to respect the environmental and social characteristics promoted by the Fund during the reference period.

Number of General Meetings (GMs) voted on	42
Voting participation rate at GMs (%)	78
Approval rate for resolutions (%)	89
Percentage of GMs that were the subject of a negative vote (%)	74

External resolutions filed	0
"Say on Climate"[2]	0
Ongoing commitments	8
Targeted commitments	1

2 Resolution to the agenda of general meetings, which may be tabled by the company itself or by its shareholders, in order to have shareholders vote each year on the climate policy of listed companies and therefore ensure an ongoing dialogue on environmental issues

MANDARINE IMPROVERS

Fonds Commun de Placement (mutual fund)

Management company:
Mandarine Gestion

40, avenue George V
75008 Paris

Statutory Auditor’s report on the annual financial statements

Financial year ending 30 December 2022

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MANDARINE IMPROVERS

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Management company:
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40, avenue George V
75008 Paris

Statutory Auditor’s report on the annual financial statements

Financial year ending 30 December 2022

To the unitholders of the MANDARINE IMPROVERS mutual fund,

Audit opinion

While carrying out the duties entrusted to us by the management company, we have audited the annual financial statements of the MANDARINE IMPROVERS collective investment undertaking established in the form of a mutual fund (fonds commun de placement, FCP) for the financial year ending 30 December 2022, as appended to this report.

We certify that the annual financial statements are, in conformity with French accounting rules and principles, accurate and consistent and give a true and fair view of the financial performance of the previous financial year and the assets of the mutual fund at the end of that financial year.

Justification of the audit opinion on the annual financial statements

Auditing standards

We conducted our audit in accordance with the standards of professional practice applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The responsibilities incumbent upon us as a result of these norms are laid out in the section of this report entitled “Responsibility of the statutory auditor concerning the audit of the annual financial statements”.

Independence

We carried out our auditing duties in compliance with the rules of independence provided for by the Commercial Code and by the code of ethics of the profession of statutory auditor, over the period running from 1 January 2022 to the date of issue of our report.

Justification of our assessments

Pursuant to the provisions of Articles L.823-9 and R.823-7 of the Commercial Code concerning the justification of our assessments, we hereby inform you that in our professional opinion, the most important assessments that we made related to the adequacy of the accounting principles applied, with particular regard to the financial instruments in the portfolio and the overall presentation of the financial statements, regarding the accounting principles of undertakings of collective investment with variable capital.

The assessments made are a part of our process of auditing the annual financial statements, taken in their entirety, and the formulation of our opinion expressed above. We do not express any opinion on elements of these annual financial statements taken in isolation.

Specific checks

We also carried out, in accordance with professional standards applicable in France, the specific verifications required by the legal and regulatory texts.

We have no comment to make on the genuineness and consistency of the information in the management report established by the management company, in relation to the annual financial statements.

The management company's responsibilities relating to the annual financial statements

The management company is required to generate annual financial statements that give a true account in accordance with French rules and principles of accounting, as well as to implement any internal controls that it deems necessary in order to generate annual financial statements that are free from material misstatements, regardless of whether these are due to fraud or error.

When preparing the annual financial statements, the management company is responsible for assessing the mutual fund's ability to continue its operational business, for presenting in these financial statements, where applicable, the necessary information relating to the continuity of operations and to apply the operational business accounting policy, unless the mutual fund is to be liquidated or cease its activity.

The annual financial statements were written up by the management company.

Responsibilities of the statutory auditor relating to the audit of the annual financial statements

We are required to write up a report on the annual financial statements. We aim to obtain reasonable assurance that the annual financial statements taken as a whole do not contain material misstatements. Reasonable assurance means a high level of assurance without in any way guaranteeing that an audit conducted in accordance with the standards of professional conduct can systematically detect all material misstatements. Misstatements may result from fraud or error and are viewed as material if it can reasonably be assumed that taken individually or jointly they could influence any economic decisions made by users on the basis of these annual financial statements.

As stated in Article L823-10-1 of the Commercial Code, our accounts certification assignment does not consist in guaranteeing the viability or the quality of the management of your mutual fund.

In the context of an audit carried out in accordance with the standards of applicable professional practice in France, the statutory auditor exercises their professional judgement throughout the audit. In addition:

- they identify and evaluate the risks of material misstatements in the annual financial statements resulting from fraud or error, define and implement audit procedures in response to these risks and obtain such audit evidence as they deem sufficient and adequate as a basis for their opinion. The risk of failing to detect material misstatements is greater in the case of fraud than with errors, since fraud may involve collusion, falsification, intentional omission of information, misleading declarations or the bypassing of internal controls;

- they gain an understanding of the internal control system that is relevant to the audit in order to lay down audit procedures that are appropriate under the circumstances rather than with a view to giving an opinion on the efficacy of the internal control system;

- they assess the adequacy of the selected accounting methods and whether the accounting estimates made by the management company are reasonable; likewise, the information pertaining to these estimates, provided in the annual financial statements;

- they assess how suitably the management company applied the accounting convention of continuity of operation and, according to the information gathered, whether there is any significant uncertainty connected to events or circumstances that might endanger the mutual fund's capacity for continued operation. This assessment is based on evidence gathered up to the date of this report, while bearing in mind that subsequent circumstances or events could also call the continuity of the operation into question. Should they determine that significant uncertainty exists, they draw the attention of those reading the report to the information provided in the annual financial statements regarding this uncertainty or, if such information is not provided and/or pertinent, they issue certification with reservations or a refusal to issue said certification;

- they assess the overall presentation of the annual financial statements and evaluate whether the annual financial statements reflect the operations and underlying events so as to give a true image thereof.

Paris La Défense, 27 April 2023

The Statutory Auditor

Deloitte & Associés

Olivier GALIENNE

MANDARINE IMPROVERS

Balance sheet assets

	Financial year 30/12/2022	Financial year 31/12/2021
Net fixed assets	**-**	**-**
Deposits	**-**	**-**
Financial instruments	**17,439,283.52**	**23,280,733.82**
Equities and similar securities	**17,439,283.52**	**23,280,733.82**
Traded on a regulated or similar market	17,439,283.52	23,280,733.82
Not traded on a regulated or similar market	-	-
Bonds and similar securities	**-**	**-**
Traded on a regulated or similar market	-	-
Not traded on a regulated or similar market	-	-
Debt securities	**-**	**-**
Traded on a regulated or similar market – Negotiable debt securities	-	-
Traded on a regulated or similar market – Other debt securities	-	-
Not traded on a regulated or similar market	-	-
Securities of undertakings for collective investment	**-**	**-**
General purpose UCITS and AIFs for non-professionals and equivalents in other Member States of the European Union	-	-
Other funds for non-professionals and equivalents in other Member States of the European Union	-	-
General purpose professional funds and equivalents in other Member States of the European Union and listed securitisation agencies	-	-
Other professional investment funds and equivalent in other European Union member countries and unlisted securitisation vehicles	-	-
Other non-European agencies	-	-
Temporary securities transactions	**-**	**-**
Receivables representing securities under repurchase agreements	-	-
Receivables representing loaned securities	-	-
Securities borrowed	-	-
Securities transferred under repurchase agreements	-	-
Other temporary transactions	-	-
Financial futures instruments	**-**	**-**
Transactions on a regulated or similar market	-	-
Other transactions	-	-
Other assets: Loans	**-**	**-**
Other financial instruments	**-**	**-**
Receivables	**-**	**-**
Forward exchange transactions	-	-
Other	-	-
Financial accounts	**69,003.05**	**491,855.28**
Cash	69,003.05	491,855.28
TOTAL ASSETS	**17,508,286.57**	**23,772,589.10**

MANDARINE IMPROVERS

Balance sheet liabilities

	Financial year 30/12/2022	Financial year 31/12/2021
Equity capital	**-**	**-**
Capital	**17,942,117.95**	**17,945,753.19**
Prior undistributed net gains and losses (a)	**-**	**-**
Retained earnings (a)	**-**	**-**
Net gains and losses for the financial year (a,b)	**-595,694.29**	**5,730,481.71**
Income in the financial year (a,b)	**129,311.08**	**-144,475.95**
Total equity capital (= Amount representing net assets)	**17,475,734.74**	**23,531,758.95**
Financial instruments	**-**	**-**
Sale transactions on financial instruments	**-**	**-**
Temporary securities transactions	**-**	**-**
Payables representing securities transferred under repurchase agreements	-	-
Payables representing borrowed securities	-	-
Other temporary transactions	-	-
Financial futures instruments	**-**	**-**
Transactions on a regulated or similar market	-	-
Other transactions	-	-
Debts	**32,551.83**	**240,830.15**
Forward exchange transactions	-	**-**
Other	32,551.83	240,830.15
Financial accounts	**-**	**-**
Current bank overdrafts	-	**-**
Loans	-	**-**
TOTAL LIABILITIES	**17,508,286.57**	**23,772,589.10**

(a) Including adjustment accounts.
(b) Less interim payments made during the financial year.

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Off-balance sheet

	Financial year 30/12/2022	Financial year 31/12/2021
Hedging transactions		
Positions on regulated or similar markets		
Over-the-counter positions		
Other positions		
Other transactions		
Positions on regulated or similar markets		
Over-the-counter positions		
Other positions		

Profit and loss account

	Financial year 30/12/2022	Financial year 31/12/2021
Income from financial transactions	**-**	**-**
Profit on equities and similar securities	598,363.23	676,651.60
Profit on bonds and similar securities	-	-
Profit on debt securities	-	-
Profit on temporary purchase and sale of securities	-	-
Profit on financial futures	-	-
Income from deposits and financial accounts	-	-
Loan income	-	-
Other financial income	-	-
TOTAL I	**598,363.23**	**676,651.60**
Expenses from financial transactions	**-**	**-**
Charges on temporary purchase and sale of securities	-	-
Charges on financial futures	-	-
Charges on financial debts	-1,143.84	-1,879.50
Other financial expenses	-	-
TOTAL II	**-1,143.84**	**-1,879.50**
Profit or loss on financial operations (I + II)	**597,219.39**	**674,772.10**
Other profit (III)	**-**	**-**
Management fees and depreciation and amortisation (IV)	**-405,006.19**	**-749,416.61**
Net profit or loss for the financial year (I + II + III + IV)	**192,213.20**	**-74.644.51**
Adjustment of income for the year (V)	**-62,902.12**	**-69,831.44**
Payments on account on profit or loss paid during the financial year (VI)	**-**	**-**
Profit or loss (I + II + III + IV + V + VI)	**129,311.08**	**-144,475.95**

Accounting principles

The annual financial statements are presented in the form provided for in ANC Regulation No. 2014-01 of 14 January 2014, as amended.

The accounting currency is the euro.

All transferable securities in the portfolio are recorded at acquisition cost, excluding any fees.

Futures and options held in the portfolio denominated in foreign currencies are converted to the accounting currency based on exchange rates in Paris on the valuation day.

The portfolio is valued at each net asset value calculation and at the end of the accounting period, according to the following methods:

Transferable securities

Listed securities: at stock market value – including accrued coupons (at the daily closing price)
However, transferable securities whose price is not established on the valuation day or listed by the contributors and whose price has been adjusted, and securities that are not traded on a regulated market, are valued under the responsibility of the management company (or board of directors for a Sicav) at their probable trading value. Prices are adjusted by the management company based on its knowledge of the issuers and/or markets.

UCIs: at the last known net asset value, failing that at the last estimated value. The net asset values of the securities of foreign undertakings for collective investment that are valued on a monthly basis are confirmed by the fund administrators. The valuations are updated weekly on the basis of estimates notified by the administrators of these UCIs and validated by the fund manager.

ETF: at their last published net asset value or, if such value is unavailable, at their last estimated value.

Negotiable debt securities and similar securities that are not subject to significant transactions are valued using the actuarial method at a rate applicable to issues of equivalent securities, and where applicable assigned a variance representative of the intrinsic characteristics of the issuer. In the absence of sensitivity, securities with a residual duration of three months are valued at the last rate until maturity and for those acquired at less than three months, the interest is calculated on a straight-line basis.

Financial futures and options

Futures: the day's settlement price.
The off-balance sheet valuation is calculated based on the nominal value, the settlement price and, where applicable, the exchange rate.

Options: daily closing price, or, in its absence, the last known price.
OTC options: these options are measured at their market value, based on prices provided by counterparties. These measurements are subject to review by the management company.
The off-balance sheet valuation is calculated based on the underlying equivalent, as a function of the delta and the price of the underlying, and where applicable the exchange rate.

Forward exchange contracts: revaluation of foreign currency commitments at the daily rate, taking into account the premium/discount calculated according to the term of the contract.

Term deposits are recorded and valued at nominal value, even when they have a maturity of more than three months. Accrued interest is added to this amount. However, certain contracts have specific terms in the case of early repayment requests, in order to reflect the impact of the increase in the counterparty's financing curve. Accrued interest can therefore be reduced by this impact, without being negative. The term deposits are therefore valued at least at their nominal value.

Interest rate swaps:
- for swaps with a maturity of less than three months, interest is treated on a straight-line basis
- swaps with a maturity of over three months are revalued at market value

Synthetic products (combination of a security and a swap) are accounted for together. The interest on these swaps receivable from these products is valued on a straight-line basis.

Asset swaps and synthetic products are valued on the basis of their market value. Asset swaps are valued based on the valuation of the covered securities from which the effect of the variation of credit spreads is deducted. This effect is valued based on the average of the spreads notified by 4 counterparties approached monthly, adjusted by a margin which depends on the issuer's rating.
The off-balance sheet swaps commitment corresponds to the nominal amount.

Structured swaps (swaps with an option component): these swaps are measured at their market value, based on the prices provided by the counterparties. These measurements are subject to review by the management company.
The off-balance sheet commitment relating to these swaps corresponds to the nominal value.

Financial management fees

- 2.20% maximum rate for R units (incl. tax)
- 1.10% maximum rate for F units (incl. tax)
- 0.90% maximum rate for I units (incl. tax)
- 0.60% maximum rate for M units (incl. tax)

The allocation is calculated on the basis of the net assets. These costs (excluding transaction costs) will be directly recognised on the Fund’s profit and loss account.

These expenses cover all the expenses charged to the UCITS, with the exception of transaction costs. Transaction costs include intermediary costs (brokerage, stock-exchange taxes, etc.) and any transaction fee that may be charged, in particular by the depositary and the management company.

Administrative fees external to the management company

- 0.10% maximum rate of net assets for R, F, I and M units (incl. tax).

Research costs

None

Outperformance fee

15% of the outperformance above the EURO STOXX® Net Return EUR

The outperformance fee is a variable fee. From 1 January 2022, the outperformance fee will be calculated as follows:

the outperformance fee corresponds to a variable charge and is contingent on the Fund achieving a positive performance over the financial year and outperforming its benchmark over the observation period.

<u>Calculation method</u>
The amount of the outperformance fee is calculated based on a comparison between the performance of the Fund and that of a notional UCI that achieves the performance of its benchmark and has the same subscription and redemption pattern as the actual Fund.
The outperformance generated by the Fund on a given date is defined as the difference between the net assets of the Fund and the assets of the notional fund on the same date.

<u>Provisioning</u>
Each time the net asset value (NAV) is established, the outperformance fee is subject to a provision (of 15% of the outperformance) if the Fund's performance exceeds that of the notional UCI over the observation period, or to a reversal of the provision limited to the existing allocation in case of underperformance.

<u>Catching up on underperformance and reference period</u>
The reference period is the period during which the performance is measured and compared to that of the benchmark index and at the end of which it is possible to reset the compensation mechanism for the underperformance (or negative performance) passed.

This period is fixed at five years.

<u>Condition of positivity</u>
A provision cannot be made and a fee can only be collected if the fund's performance is strictly positive over the year (NAV greater than the NAV at the start of the financial year).

<u>Crystallisation</u>
The crystallisation period, i.e. the frequency with which the accrued outperformance fee, if any, must be paid to the management company, is twelve months.

The initial crystallisation period will end on the last day of the financial year ending on 31 December 2022.

<u>Observation period</u>
The initial observation period will start with a duration of 12 months starting at the beginning of 2022.

At the end of a crystallisation period, one of the following three situations may arise:

- The Fund underperformed over the observation period. In this case, no provision is taken, and the observation period is extended by one year, up to a maximum of five years (reference period).

- The Fund posted an outperformance over the observation period but underperformed negatively over the year. In this case, no provision is taken, but a new observation period of twelve months shall begin.

- The Fund posted an outperformance over the observation period and a positive absolute performance over the year. In this case, the management company shall receive the provisioned fee (crystallisation) and a new observation period of twelve months shall begin.

In the event of redemptions during the period, the portion of the provision set aside corresponding to the number of shares redeemed will be definitively acquired and deducted by the Investment Manager.

Commission-sharing of management fees

None

Interest accounting method

Accrued interest.

Allocation of profit and loss

Capitalisation of units: "I", "M", "R" and "F"

Allocation of capital gains realised

Capitalisation of units: "I", "M", "R" and "F"

Changes affecting the fund

20/12/2022: Full redemption of M units

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Changes in net assets

	Financial year 30/12/2022	Financial year 31/12/2021
Net assets at the beginning of the financial year	**23,531,758.95**	**30,536,898.72**
Subscriptions (including subscription fees paid to the UCI)	**1,339,281.75**	**4,313,269.51**
Redemptions (after deduction of redemption fees paid to the UCI)	**-3,914,330.86**	**-19,065,449.14**
Capital gains realised on deposits and financial instruments	**1,781,561.87**	**8,709,768.65**
Capital losses realised on deposits and financial instruments	**-2,353,731.99**	**-728,533.34**
Capital gains realised on financial futures	**-**	**-**
Capital losses realised on financial futures	**-**	**-**
Transaction fees	**-129,517.74**	**-212,328.35**
Exchange-rate differences	**0.01**	**31.97**
Variances of the valuation differences on deposits and financial instruments:	**-2,971,500.45**	**52,745.44**
Valuation differential for financial year N	1,046,536.83	4,018,037.28
Valuation differential for financial year N-1	-4,018,037.28	-3,965,291.84
Variances of the valuation differences from financial futures:	**-**	**-**
Valuation differential for financial year N	-	-
Valuation differential for financial year N-1	-	-
Distribution over the previous financial year and net capital gains and losses	**-**	**-**
Distribution from the previous financial year on profit or loss	**-**	**-**
Net income for the financial year before accruals and deferred income	**192,213.20**	**-74.644.51**
Prepayments made during the financial year on net capital gains and losses	**-**	**-**
Prepayments made during the financial year on profit or loss	**-**	**-**
Other items	**-**	**-**
Net assets at the end of the financial year	**17,475,734.74**	**23,531,758.95**

Additional information 1

	Financial year 30/12/2022
Commitments received or given	
Commitments received or given (capital guarantee or other commitments) (*)	-
Current value of financial instruments in the portfolio representing collateral	
Financial instruments received in surety and not recorded on the balance sheet	-
Financial instruments given in surety and maintained under their original item	-
Financial instruments in the portfolio issued by the provider or its affiliates	
Deposits	-
Shares	-
Interest-bearing securities	-
UCI	-
Temporary purchases and sales of securities	-
Swaps (in nominal)	-
Present value of financial instruments borrowed	
Securities acquired under repurchase agreements	-
Securities lent	-
Securities borrowed	-

(*) For guaranteed UCIs, the information is given in the accounting principles.

Additional information 2

Issues and redemptions during the financial year	Financial year 30/12/2022 Number of securities
Category of class I (Currency: EUR)	
Number of securities issued	-
Number of securities redeemed	1,879.0000
Category of class R (Currency: EUR)	
Number of securities issued	8,434.8776
Number of securities redeemed	5,618.4749
Category of class F (Currency: EUR)	
Number of securities issued	298.9701
Number of securities redeemed	45.0000
Category of class M (Currency: EUR)	
Number of securities issued	-
Number of securities redeemed	100.0000

Subscription and/or redemption fees	Amount (EUR)
Subscription fees paid to the UCI	-
Redemption fees paid to the UCI	-
Subscription fees received and retroceded	-
Redemption fees received and retroceded	-

Management fees	Amount (EUR)	% of average net assets
Category of class I (Currency: EUR)		
Operating and management fees (*)	33,949.80	0.90
Outperformance fees	-	-
Other fees	-	-
Category of class R (Currency: EUR)		
Operating and management fees (*)	370,109.88	2.19
Outperformance fees	0.01	-
Other fees	-	-
Category of class F (Currency: EUR)		
Operating and management fees (*)	282.67	1.10
Outperformance fees	-	-
Other fees	-	-
Category of class M (Currency: EUR)		
Operating and management fees (*)	663.82	0.60
Outperformance fees	0.01	-
Other fees	-	-
Commission-sharing of management fees (all units together)	-	

(*) For UCIs whose financial period is not equal to 12 months, the percentage of average net assets corresponds to the annualised average rate.

Breakdown by type of receivable and payable

	Financial year 30/12/2022
Breakdown by type of receivable	**-**
Tax credit to be recovered	-
Deposit - euros	-
Deposit - other currencies	-
Cash collateral	-
Valuation of currency futures purchases	-
Countervalue of futures sales	-
Other debtors	-
Interest receivable	-
TOTAL RECEIVABLES	**-**
Breakdown by type of payable	**-**
Deposit - euros	-
Deposit - other currencies	-
Cash collateral	-
Provision for borrowing expenses	-
Valuation of currency futures sales	-
Countervalue of futures purchases	-
Fees and expenses not yet paid	32,551.83
Other creditors	-
Provision for market liquidity risk	-
TOTAL PAYABLES	**32,551.83**

Breakdown by legal and economic nature of instrument

	Financial year 30/12/2022
Assets	
Bonds and similar securities	**-**
Indexed bonds	-
Convertible bonds	-
Participation notes	-
Other bonds and similar debt securities	-
Debt securities	**-**
Traded on a regulated or similar market	-
Treasury bonds	-
Others negotiable debt securities	-
Other Debt securities	-
Not traded on a regulated or similar market	-
Other assets: Loans	**-**
Liabilities	
Sale transactions on financial instruments	**-**
Shares	-
Bonds	-
Other	-
Off-balance sheet	
Hedging transactions	
Rate	-
Shares	-
Other	-
Other transactions	
Rate	-
Shares	-
Other	-

Breakdown by type of rate for assets, liabilities and off-balance sheet items

	Fixed rate	Variable rate	Adjustable rate	Other
Assets				
Deposits	-	-	-	-
Bonds and similar securities	-	-	-	-
Debt securities	-	-	-	-
Temporary securities transactions	-	-	-	-
Other assets: Loans	-	-	-	-
Financial accounts	-	-	-	69,003.05
Liabilities				
Temporary securities transactions	-	-	-	-
Financial accounts	-	-	-	-
Off-balance sheet				
Hedging transactions	-	-	-	-
Other transactions	-	-	-	-

Breakdown by residual maturity for assets, liabilities and off-balance sheet items

	[0 - 3 months]	[3 months - 1 year]	[1 - 3 years]	[3-5 years]	> 5 years
Assets					
Deposits	-	-	-	-	-
Bonds and similar securities	-	-	-	-	-
Debt securities	-	-	-	-	-
Temporary securities transactions	-	-	-	-	-
Other assets: Loans	-	-	-	-	-
Financial accounts	69,003.05	-	-	-	-
Liabilities					
Temporary securities transactions	-	-	-	-	-
Financial accounts	-	-	-	-	-
Off-balance sheet					
Hedging transactions	-	-	-	-	-
Other transactions	-	-	-	-	-

Breakdown by listing currency for assets, liabilities and off-balance sheet items

	Currency
Assets	**None**
Deposits	-
Equities and similar securities	-
Bonds and similar securities	-
Debt securities	-
UCI securities	-
Temporary securities transactions	-
Other assets: Loans	-
Other financial instruments	-
Receivables	-
Financial accounts	-
Liabilities	**None**
Sale transactions on financial instruments	-
Temporary securities transactions	-
Debts	-
Financial accounts	-
Off-balance sheet	**None**
Hedging transactions	-
Other transactions	-

As at 30 December 2022, the portfolio holds only financial instruments denominated in the accounting currency.

Allocation of profit and loss

Category of class I (Currency: EUR)

Allocation table for distributable amounts related to profit or loss

	Financial year 30/12/2022	Financial year 31/12/2021
Amounts remaining to be allocated		
Balance carried forward	-	-
Result	17,121.80	2,048.24
Total	**17,121.80**	**2,048.24**
Allocation		
Distribution	-	-
Balance carried forward for the financial year	-	-
Capitalisation	17,121.80	2,048.24
Total	**17,121.80**	**2,048.24**
Information relating to securities with distribution rights		
Number of securities	-	-
Unit distribution	-	-
Tax credits and tax assets related to distribution of income		
Total amount of tax credits:		
originating in financial year	-	-
originating in financial year N-1	-	-
originating in financial year N-2	-	-
originating in financial year N-3	-	-
originating in financial year N-4	-	-

Allocation table: amounts related to net capital gains and losses

	Financial year 30/12/2022	Financial year 31/12/2021
Amounts remaining to be allocated		
Prior undistributed net gains and losses	-	-
Net gains and losses for the financial year	-29,314.00	1,074,893.17
Adjustments paid for the net gains and losses for the financial year	-	-
Total	**-29,314.00**	**1,074,893.17**
Allocation		
Distribution	-	-
Undistributed net gains and losses	-	-
Capitalisation	-29,314.00	1,074,893.17
Total	**-29,314.00**	**1,074,893.17**
Information relating to securities with distribution rights		
Number of securities	-	-
Unit distribution	-	-

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Category of class R (Currency: EUR)

Allocation table for distributable amounts related to profit or loss

	Financial year 30/12/2022	Financial year 31/12/2021
Amounts remaining to be allocated		
Balance carried forward	-	-
Result	111,518.61	-146,642.11
Total	**111,518.61**	**-146,642.11**
Allocation		
Distribution	-	-
Balance carried forward for the financial year	-	-
Capitalisation	111,518.61	-146,642.11
Total	**111,518.61**	**-146,642.11**
Information relating to securities with distribution rights		
Number of securities	-	-
Unit distribution	-	-
Tax credits and tax assets related to distribution of income		
Total amount of tax credits:		
originating in financial year	-	-
originating in financial year N-1	-	-
originating in financial year N-2	-	-
originating in financial year N-3	-	-
originating in financial year N-4	-	-

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Allocation table: amounts related to net capital gains and losses

	Financial year 30/12/2022	Financial year 31/12/2021
Amounts remaining to be allocated		
Prior undistributed net gains and losses	-	-
Net gains and losses for the financial year	-565,101.68	4,621,375.10
Adjustments paid for the net gains and losses for the financial year	-	-
Total	**-565,101.68**	**4,621,375.10**
Allocation		
Distribution	-	-
Undistributed net gains and losses	-	-
Capitalisation	-565,101.68	4,621,375.10
Total	**-565,101.68**	**4,621,375.10**
Information relating to securities with distribution rights		
Number of securities	-	-
Unit distribution	-	-

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Category of class F (Currency: EUR)

Allocation table for distributable amounts related to profit or loss

	Financial year 30/12/2022	Financial year 31/12/2021
Amounts remaining to be allocated		
Balance carried forward	-	-
Result	670.67	-11.04
Total	**670.67**	**-11.04**
Allocation		
Distribution	-	-
Balance carried forward for the financial year	-	-
Capitalisation	670.67	-11.04
Total	**670.67**	**-11.04**
Information relating to securities with distribution rights		
Number of securities	-	-
Unit distribution	-	-
Tax credits and tax assets related to distribution of income		
Total amount of tax credits:		
originating in financial year	-	-
originating in financial year N-1	-	-
originating in financial year N-2	-	-
originating in financial year N-3	-	-
originating in financial year N-4	-	-

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Allocation table: amounts related to net capital gains and losses

	Financial year 30/12/2022	Financial year 31/12/2021
Amounts remaining to be allocated		
Prior undistributed net gains and losses	-	-
Net gains and losses for the financial year	-1,278.61	2,526.25
Adjustments paid for the net gains and losses for the financial year	-	-
Total	**-1,278.61**	**2,526.25**
Allocation		
Distribution	-	-
Undistributed net gains and losses	-	-
Capitalisation	-1,278.61	2,526.25
Total	**-1,278.61**	**2,526.25**
Information relating to securities with distribution rights		
Number of securities	-	-
Unit distribution	-	-

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Category of class M (Currency: EUR)

Allocation table for distributable amounts related to profit or loss

	Financial year 31/12/2021
Amounts remaining to be allocated	
Balance carried forward	-
Result	128.96
Total	**128.96**
Allocation	
Distribution	-
Balance carried forward for the financial year	-
Capitalisation	128.96
Total	**128.96**
Information relating to securities with distribution rights	
Number of securities	-
Unit distribution	-
Tax credits and tax assets related to distribution of income	
Total amount of tax credits:	
originating in financial year	-
originating in financial year N-1	-
originating in financial year N-2	-
originating in financial year N-3	-
originating in financial year N-4	-

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Allocation table: amounts related to net capital gains and losses

	Financial year 31/12/2021
Amounts remaining to be allocated	
Prior undistributed net gains and losses	-
Net gains and losses for the financial year	31,687.19
Adjustments paid for the net gains and losses for the financial year	-
Total	**31,687.19**
Allocation	
Distribution	-
Undistributed net gains and losses	-
Capitalisation	31,687.19
Total	**31,687.19**
Information relating to securities with distribution rights	
Number of securities	-
Unit distribution	-

Table of results and other characteristic items over the past five financial years

Category of class I (Currency: EUR)

	31/12/2018	31/12/2019	31/12/2020	31/12/2021	30/12/2022
Net asset value (in EUR)					
C units	1,180.87	1,390.77	1,385.44	1,824.66	**1,575.82**
Net assets (in EUR thousands)	17,308.36	5,238.08	3,365.25	4,432.10	**866.70**
Number of securities					
C units	14,657.2900	3,766.2900	2,429.0000	2,429.0000	**550.0000**

Payment date	31/12/2018	31/12/2019	31/12/2020	31/12/2021	30/12/2022
Unit distribution on net gains and losses (including interim payments) (in EUR)	-	-	-	-	**-**
Unit distribution from income (including interim payments) (in EUR)	-	-	-	-	**-**
Unit tax credit (*) individuals (in EUR)	-	-	-	-	**-**
Unit capitalisation on net gains and losses (in EUR)					
C units	-138.32	-32.24	-40.24	442.52	**-53.29**
Accumulation per unit on income (in EUR)					
C units	21.60	23.47	11.33	0.84	**31.13**

(*) "The unit tax credit is determined on the date of payment under tax instruction 04/03/93 (Ints.4 K-1-93). The notional amounts, calculated according to the rules applicable to individuals, are presented here as a guide. "Instruction 4 J-2-99 of 8/11/99 also states that the beneficiaries of tax credits other than individuals are themselves responsible for calculating the amount of tax credits to which they are entitled".

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Category of class R (Currency: EUR)

	31/12/2018	31/12/2019	31/12/2020	31/12/2021	30/12/2022
Net asset value (in EUR)					
C units	114.19	132.75	130.53	170.41	**145.27**
Net assets (in EUR thousands)	33,765.60	39,260.17	27,068.03	18,958.62	**16,571.27**
Number of securities					
C units	295,681.4056	295,728.8345	207,356.0489	111,248.9003	**114,065.3030**

Payment date	31/12/2018	31/12/2019	31/12/2020	31/12/2021	30/12/2022
Unit distribution on net gains and losses (including interim payments) (in EUR)	-	-	-	-	**-**
Unit distribution from income (including interim payments) (in EUR)	-	-	-	-	**-**
Unit tax credit (*) individuals (in EUR)	-	-	-	-	**-**
Unit capitalisation on net gains and losses (in EUR)					
C units	-13.42	-3.12	-3.82	41.54	**-4.95**
Accumulation per unit on income (in EUR)					
C units	0.48	0.65	-0.44	-1.31	**0.97**

(*) "The unit tax credit is determined on the date of payment under tax instruction 04/03/93 (Ints.4 K-1-93). The notional amounts, calculated according to the rules applicable to individuals, are presented here as a guide. "Instruction 4 J-2-99 of 8/11/99 also states that the beneficiaries of tax credits other than individuals are themselves responsible for calculating the amount of tax credits to which they are entitled".

Category of class F (Currency: EUR)

	31/12/2018	31/12/2019	31/12/2020	31/12/2021	30/12/2022
Net asset value (in EUR)					
C units	85.45	100.44	100.04	131.53	**113.36**
Net assets (in EUR thousands)	1,576.09	741.62	4.50	10.41	**37.76**
Number of securities					
C units	18,443.1050	7,383.0404	45.0000	79.1087	**333.0788**

Payment date	31/12/2018	31/12/2019	31/12/2020	31/12/2021	30/12/2022
Unit distribution on net gains and losses (including interim payments) (in EUR)	-	-	-	-	**-**
Unit distribution from income (including interim payments) (in EUR)	-	-	-	-	**-**
Unit tax credit (*) individuals (in EUR)	-	-	-	-	**-**
Unit capitalisation on net gains and losses (in EUR)					
C units	-10.00	-2.33	-2.90	31.93	**-3.83**
Accumulation per unit on income (in EUR)					
C units	1.41	1.51	0.64	-0.13	**2.01**

(*) “The unit tax credit is determined on the date of payment under tax instruction 04/03/93 (Ints.4 K-1-93). The notional amounts, calculated according to the rules applicable to individuals, are presented here as a guide. “Instruction 4 J-2-99 of 8/11/99 also states that the beneficiaries of tax credits other than individuals are themselves responsible for calculating the amount of tax credits to which they are entitled”.

MANDARINE IMPROVERS

Category of class M (Currency: EUR)

	31/12/2018	31/12/2019	31/12/2020	31/12/2021
Net asset value (in EUR)				
C units	839.79	992.04	991.21	1,306.33
Net assets (in EUR thousands)	83.98	99.20	99.12	130.63
Number of securities				
C units	100.0000	100.0000	100.0000	100.0000

Payment date	31/12/2018	31/12/2019	31/12/2020	31/12/2021
Unit distribution on net gains and losses (including interim payments) (in EUR)	-	-	-	-
Unit distribution from income (including interim payments) (in EUR)	-	-	-	-
Unit tax credit (*) individuals (in EUR)	-	-	-	-
Unit capitalisation on net gains and losses (in EUR)				
C units	-98.28	-22.91	-28.72	316.87
Accumulation per unit on income (in EUR)				
C units	19.25	19.46	10.74	1.28

(*) "The unit tax credit is determined on the date of payment under tax instruction 04/03/93 (Ints.4 K-1-93). The notional amounts, calculated according to the rules applicable to individuals, are presented here as a guide. "Instruction 4 J-2-99 of 8/11/99 also states that the beneficiaries of tax credits other than individuals are themselves responsible for calculating the amount of tax credits to which they are entitled".

Inventory of financial instruments at 30 December 2022

Asset elements and denomination of securities	Quantity	Market price	Listing currency	Current value	Rounded % of net assets
Equities and similar securities				**17,439,283.52**	**99.79**
Traded on a regulated or similar market				**17,439,283.52**	**99.79**
ALD SA	24,630.00	10.76	EUR	265,018.80	1.52
ALLIANZ SE-REG	1,223.00	200.90	EUR	245,700.70	1.41
ALSTOM	13,553.00	22.82	EUR	309,279.46	1.77
ALTEN SA	2,987.00	116.80	EUR	348,881.60	2.00
ANDRITZ AG	6,911.00	53.55	EUR	370,084.05	2.12
ARCADIS NV	7,164.00	36.70	EUR	262,918.80	1.50
ASR NEDERLAND NV	5,985.00	44.35	EUR	265,434.75	1.52
BANCO BILBAO VIZCAYA ARGENTA	56,807.00	5.63	EUR	320,050.64	1.83
BANCO DE SABADELL SA	467,247.00	0.88	EUR	411,551.16	2.35
BANKINTER SA	55,219.00	6.27	EUR	346,112.69	1.98
BARCO N.V.	16,835.00	23.08	EUR	388,551.80	2.22
BENETEAU	20,757.00	14.14	EUR	293,503.98	1.68
CAPGEMINI SE	2,780.00	155.95	EUR	433,541.00	2.48
COMMERZBANK AG	49,021.00	8.84	EUR	433,149.56	2.48
DASSAULT SYSTEMES SE	9,984.00	33.49	EUR	334,414.08	1.91
DEUTSCHE TELEKOM AG-REG	21,151.00	18.64	EUR	394,212.34	2.26
DIETEREN GROUP	1,480.00	179.20	EUR	265,216.00	1.52
EDP RENOVAVEIS SA	10,439.00	20.58	EUR	214,834.62	1.23
EIFFAGE	1,896.00	91.92	EUR	174,280.32	1.00
ELIS SA -W/I	27,763.00	13.82	EUR	383,684.66	2.20
ENGIE	19,633.00	13.39	EUR	262,846.60	1.50
ENI SPA	24,706.00	13.29	EUR	328,243.92	1.88
ESSILORLUXOTTICA	2,312.00	169.20	EUR	391,190.40	2.24
FINECOBANK SPA	23,272.00	15.52	EUR	361,181.44	2.07
GAZTRANSPORT ET TECHNIGA SA	3,745.00	99.80	EUR	373,751.00	2.14
GLANBIA PLC	24,945.00	11.92	EUR	297,344.40	1.70
HEINEKEN NV	4,422.00	87.88	EUR	388,605.36	2.22
HELLENIC TELECOMMUN ORGANIZA	17,971.00	14.59	EUR	262,196.89	1.50
HERMES INTERNATIONAL	238.00	1,445.00	EUR	343,910.00	1.97
IMCD NV	2,239.00	133.15	EUR	298,122.85	1.71
KEMIRA OYJ	16,491.00	14.33	EUR	236,316.03	1.35
KONINKLIJKE AHOLD DELHAIZE N	11,082.00	26.84	EUR	297,440.88	1.70
LA FRANCAISE DES JEUX SAEM	8,269.00	37.58	EUR	310,749.02	1.78

Inventory of financial instruments at 30 December 2022

Asset elements and denomination of securities	Quantity	Market price	Listing currency	Current value	Rounded % of net assets
L'OREAL	1,054.00	333.60	EUR	351,614.40	2.01
LVMH MOET HENNESSY LOUIS VUI	772.00	679.90	EUR	524,882.80	3.00
MERCEDES-BENZ GROUP AG	5,657.00	61.40	EUR	347,339.80	1.99
MERCK KGAA	1,975.00	180.90	EUR	357,277.50	2.04
MUENCHENER RUECKVER AG-REG	1,248.00	304.00	EUR	379,392.00	2.17
NEOEN SA	6,700.00	37.61	EUR	251,987.00	1.44
OCI NV	5,106.00	33.42	EUR	170,642.52	0.98
OMV AG	7,487.00	48.10	EUR	360,124.70	2.06
POSTE ITALIANE SPA	33,313.00	9.13	EUR	304,014.44	1.74
PRYSMIAN SPA	9,720.00	34.66	EUR	336,895.20	1.93
REMY COINTREAU	1,110.00	157.60	EUR	174,936.00	1.00
REXEL SA	17,312.00	18.44	EUR	319,233.28	1.83
RHEINMETALL AG	643.00	186.05	EUR	119,630.15	0.68
SAFRAN SA	2,622.00	116.92	EUR	306,564.24	1.75
SANOFI	4,245.00	89.84	EUR	381,370.80	2.18
SOLVAY SA	3,260.00	94.46	EUR	307,939.60	1.76
SPIE SA - W/I	7,225.00	24.36	EUR	176,001.00	1.01
STMICROELECTRONICS NV	13,944.00	32.99	EUR	460,082.28	2.63
VALLOUREC SA	14,850.00	12.27	EUR	182,209.50	1.04
VERALLIA	12,055.00	31.68	EUR	381,902.40	2.19
VERBUND AG	3,907.00	78.65	EUR	307,285.55	1.76
WOLTERS KLUWER	3,331.00	97.76	EUR	325,638.56	1.86
Receivables				-	-
Debts				**-32,551.83**	**-0.19**
Deposits				-	-
Other financial accounts				**69,003.05**	**0.39**
TOTAL NET ASSETS			**EUR**	**17,475,734.74**	**100.00**

ADDITIONAL INFORMATION FOR INVESTORS IN GERMANY

Non audited document

Right to publicly market shares in Germany

Mandarine Gestion has notified the Bundesanstalt für Finanzdienstleistungsaufsicht ("BaFin") of its intention to publicly market units of the Fund in Germany. Since completion of the notification process Mandarine Gestion has the right to publicly market units of Mandarine Improvers (hereafter "the Fund") in Germany.

Subscriptions, repurchase and redemption orders can be addressed to the investor's respective entity in Germany maintaining their custody accounts which will in turn forw ard the requests for processing to the Administrator of the Company or will request the redemption on its own name for the account of the investor.

Payments relating to the units of the UCITS will also be made through the respective entity in Germany maintaining the client's custody account which will credit the payments to the investor's account.

Investors with their place of residence in Germany may request that all payments (redemption proceeds, any distributions and other payments) be forwarded to the investors through the respective entity in Germany maintaining the client's custody account which will credit the payments to the investor's account.

The Prospectus, the Key Information Documents, the management regulations as well as the annual and semi-annual reports of the Fund are available free of charge in hardcopy at the registered office of Mandarine Gestion, 40 Avenue George V, 75008 Paris – France and asking at contact@mandarine-gestion.com.

The subscription and redemption prices are also available at the registered office of Mandarine Gestion, 40 Avenue George V, 75008 Paris – France and on the website mandarine-gestion.com.

The handling of information and access to procedures and arrangements referred to in Article 15 of Directive 2009/65/EC relating to investors' exercise of their rights can be obtained from Arthur Clouard-Even by mailing contact@mandarine-gestion.com

The information and documents required pursuant to Chapter IX of Directive 2009/65/EC available to investors can be obtained from Arthur Clouard-Even by mailing contact@mandarine-gestion.com

No units of EU UCITS will be issued as printed individual certificates.

Publications

The latest documents, issue, sale, repurchase or redemption price of the units is available at the registered office of the Fund, on the website http://www.mandarine- gestion.com.

Any announcements to investors in the Federal Republic of Germany will be published on the website http://www.mandarine-gestion.com.

In addition, communications to investors in the Federal Republic of Germany will be made available by means of a durable medium (section 167 of the Investment Code) in the following cases:

- suspension of the redemption of the units,
- termination of the management of the fund or its liquidation,
- any amendments to the company rules which are inconstant with the previous investment principles, which affect material investor rights or which relate to remuneration and reimbursement of expenses that may be paid or made out of the asset pool,
- merger of the fund with one or more other funds and
- the change of the fund into a feeder fund or the modification of a master fund.