LONVIA

Investment Company with Variable Capital (SICAV)

Annual Report and audited financial statements as at 31/12/23

R.C.S. Luxembourg B 247491

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Subscriptions are only valid if made on the basis of the current prospectus and the key investor information document ("KIID"), accompanied by the latest Annual report, including audited financial statements as well as by the latest Semi-annual report, if published after the latest Annual report, including audited financial statements.

Organisation and administration

Registered Office	5, Allée Scheffer L-2520 Luxembourg Grand Duchy of Luxembourg
Board of Directors	Mr. Jérôme Guittet Chairman (since 19 April 2023) Mr. Charles Muller Mr. Dorian Terral Mr. Cyrille Carrière
Management Company	Lonvia Capital 9, Avenue de l'Opéra, 75001 Paris France
President of the Management Company	Mr. Cyrille Carrière
Depositary, Domiciliary and Paying Agent, Administrative, Registrar and Transfer Agent	CACEIS Bank, Luxembourg Branch 5, Allée Scheffer L-2520 Luxembourg Grand Duchy of Luxembourg
Global Distributor	Lonvia Capital 9, Avenue de l'Opéra, 75001 Paris France
Independent Auditor	Ernst & Young S.A. 35E, Avenue J.F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg
Legal adviser as to matters of Luxembourg law	Arendt & Medernach SA 41A, Avenue J.F. Kennedy L-2082 Luxembourg Grand Duchy of Luxembourg

General information

The financial year of LONVIA (the "Fund") starts on 1 January and ends on 31 December of each year.

The financial statements are prepared in EUR, the Fund’s Reference Currency.

The Fund publishes Annual reports, including audited financial statements, within four months after the end of the financial year and Semi-annual reports, including unaudited financial statements within two months after the end of the reference period.

The Net Asset Value of each Sub-Fund, the issue and repurchase prices shall be made public after the calculation of the Net Asset Value at the Registered Office of the Fund.

The Net Asset Value of the Sub-Fund (“NAV”) is determined daily on each Bank Business Day (each “Valuation Day”) in Luxembourg and calculated on the Bank Business Day following the Valuation Day.

Copies of the articles of incorporation, the most recent Prospectus, the KIIDs and the latest financial reports may be consulted and obtained on request at the Registered Office of the Fund and at the Registered Office of the Management Company.

In case of any complaints, the Shareholders have the possibility to lodge their complaints at the registered office of the Management Company: Lonvia Capital, 9 Avenue de l’Opéra, 75001 Paris - France and/or directly with their local distributors and/or paying agents of the relevant country of distribution.

Report of the Board of Directors

Lonvia Avenir Mid-cap Euro

JANUARY

Continuing its rebound over the past three months, our selection of stocks started the year with a solid increase, driven notably by the positive performances of many stocks in the digital innovation and industrial automation fields, in the wake of the first robust full-year publications.
At the source of digital innovation, we noted the outstanding performance over the month by ASMI (semiconductor manufacturing equipment +30.8%) after publishing preliminary figures way above expectations, with sales up 47% driven by the improvement in its supply chain, enabling the group to assemble and deliver more equipment than planned, as well as order intake up 20% benefiting from structural demand for miniaturisation and the increasing complexity of chip manufacturing processes. In the same sector, we would also mention the gains made by Melexis (chips for the automotive sector, +20.4%) and Besi (equipment for manufacturing semiconductors, +15.4%).
In software, Atoss Software (work planning software, +16.7%) made gains over the month after publishing full-year results ahead of forecasts again, with sales up 17% including cloud solutions up 70% and an increase in mediumterm targets.
Another stock at the heart of our selections, Alten (outsourced R&D, +20.5%) benefited from preliminary figures showing robust organic growth of 15% driven by all regions and the automotive and aeronautics sectors especially. The company continued its growth strategy with further recruitments and acquisitions. These results confirmed the resilience of outsourced R&D services to accompany innovation and digitalisation needs in all sectors, especially the electrification of transport. In IT services, we noted the health performances by Nagarro (new generation IT services, +13.4%), which after revising its 2022 growth targets upwards, is forecasting 2023 sales growth of +20%, and Reply (new generation IT services, +11.1%).
Finally, having emerged stronger from the Covid crisis with, in particular, concessions in North American airports, Sixt, at the expense of a weakened competitor, (premium mobility services, 32.5%) ended the month with strong growth, driven by expectations of a revival in international tourism.

FEBRUARY

After a solid month in January, our fund ended February on a fresh increase, benefitting especially from positive performances by stocks in digital innovation and strong full-year publications.
We noted a clear rebound by QT Group (software for digital user interface design, +31%), whose software enables the efficient development of increasingly elaborate digital interfaces, which are multiplying in cars, medical equipment and consumer goods. The company ended the year with a recovery in organic sales growth to +31.5% over the last quarter and a 107% increase in EBIT, with management displaying its renewed confidence with guidance for 2023 sales growth of 20-30% and EBIT margin of 20-30%, thereby strengthening our conviction on the stock after its unexpected profit warning in Q2.
Also in digital innovation, Nemetschek (software for the AEC and media sectors, +10%) bounced back after reporting growth in earnings, although the company is still engaged in a transition towards a subscription model for its flagship software Bluebeam, which is very beneficial for the company’s future margins. This comes against a backdrop of resilient demand, thanks to the infrastructure and renovation markets as well as digitalisation needs in the construction industry, which are more than ever necessary to improve cost and construction time efficiency as well as the energy efficiency of buildings.
We would also mention the healthy performance by Sixt (premium mobility services, +13%), after the publication of excellent full-year results with sales growth of 34% and EBIT margin of more than 19% thanks to a beneficial price environment and a 10% increase in the vehicle fleet despite supply chain disruption for carmakers. The outlook remains attractive thanks to the recovery in international travel and further investments and market share gains in Europe and North America.
Finally, Nagarro(new generation IT services, -23%), despite another excellent publication with 43% sales growth, margin improvement and cash generation, as well as an attractive outlook, had a downturn followed the publication of a negative article in the German press and comments from rivals on the slowdown in demand.

MARCH

After two months of attractive gains, our selection of stocks showed good resilience in adverse equities markets, posting a slight increase over the month, still driven by solid performances by many stocks in the digital innovation and medtech fields.
In semiconductors, we noted healthy performances by several stocks, such as ASMI (semiconductors equipment, +15.1%). After a preliminary 2022 earnings publication that went down well in January, the group shared a very positive message at the definitive earnings presentation, demonstrating confidence in its ability to outperform its market in 2023. Indeed, the group benefited from its strong positioning in atomic scale materials deposit equipment destined for advanced semiconductors production and automotive components, both markets in which demand remains buoyant. Aixtron (semiconductors equipment, +7.4%) also published record 2022 earnings and a rise in new orders, especially in new tools. Above all, management highlighted an acceleration in new orders for equipment used in the epitaxy stage of Silicon Carbide wafers for the production of new generation power semiconductors. A first important threshold has also been crossed in MicroLED devices, a new screen technology, with delivery of the first devices destined for high-volume production.
In the software segment, Nemetschek (software for the AEC and media sectors, +10%) surprised positively by sharing very encouraging 2023/24/25 targets, underscoring management’s rising confidence in the success of the transition towards a subscription model beneficial to margins over the long-term.
In the medtech field, we noted the solid performance by Amplifon (distributor of hearing aids, +16.7%), which continued to grow rapidly and improve its margins in 2022), and reiterated its confidence concerning future growth in the hearing aids market thanks especially to price increases, acquisitions and further market share gains. In contrast, some medtech players remain penalised by the return to normal after the very robust trends witnessed in the sector over recent years, such as the global pandemic and vaccine development. For example, DiaSorin (diagnosis instruments and niche tests, -15%) expects a slowdown in 2023 sales growth due to the decline in Covid-related sales (around 18% of 2022 sales) offsetting still robust demand in the rest of its activities.

APRIL

After a strong first quarter, our selection of stocks was down slightly over the month. Many stocks in the digital and industry fields, as well as in software and equipment, made gains over the month following excellent Q1 publications testifying to further investments in the modernisation and digitalisation of our industries. In contrast, our fund suffered over the month from a downturn in the semiconductors sector, which is currently seeing

order intake return to normal after the boom noted during the Covid years, as also noted for medtech companies active in the diagnostics and vaccines field.
Among the positive contributors, we note SES Imagotag (digitalisation solutions for mass retail, +32.5%) driven by very good quarterly figures and the signing of a record and transforming contract for the company with Walmart to provide digital labels to 500 of the group’s stores and digital infrastructure to pilot them. Still in digital innovation, we can also mention Nemetschek (software for construction, +11.5%) which also reported very good quality Q1 figures, notably with sound momentum in the Design business, with software used by architects, in Europe, and further excellent execution of the transition towards a subscription-based model. QT Group (software for digital interface design, +16.3%) was also up sharply over the month after publishing excellent Q1 results with sales growth of 27%. Long-term growth prospects are excellent, with a number of multi-year contracts, including that recently signed with carmaker General Motors for the design of digital dashboards in its vehicles. As indicated, several semiconductors stocks were down over the month, following an excellent month in March in a context of publications showing still robust sales but a decline in order intake in 2023, as seen with Melexis (semiconductors for cars, -18.8%), Soitec (semiconductors materials -9.4%) and Asmi (production equipment, -11.8%). Despite this decline, Asmi remains one of our best performers of the year and we are confident in the group’s ability to continue its long-term momentum thanks to its technological expertise and its production equipment at the heart of chip complexification and miniaturisation needs.

MAY

After consolidating the previous month, our portfolio posted strong growth in May with positive performances from many of the stocks in our selection, particularly in technology, semiconductors and software.
The semiconductor sector was popular during the month, following Nvidia's announcement of a very sharp accelerating demand for its graphics processors, which are particularly well suited to the computing power. This in turn had a knock-on effect on the entire sector, particularly equipment manufacturers such as ASM International (+24.5%), Besi (+26.7%) and Aixtron (+14.4%).
This announcement came just a few days after we took part in the ITF2023 conference in Antwerp (organised by IMEC, the European Semiconductor R&D Centre), where leaders from the world's major semiconductor companies explained once again all the dynamics that are driving digital innovation, the multiplication of uses, and the emergence of new technologies, the very sharp acceleration in computing and data storage requirements generated by generated by AI, and, more broadly, the increasing digitalisation of all sectors of activity and the proliferation of connected equipment.
Also benefiting from the growth of the datacentre segment and its need for ever more efficient cooling solutions, Carel Industries posted a positive performance in the cooling segment. Carel Industries reported a positive performance (+9%), following on from its solid solid quarterly results, with further double-digit organic growth in sales of 11.3% in 1Q23, driven by the data centre and heat pump segments in both Europe and the US.
Also of note was the performance of Vaisala (world leader in environmental and industrial measurement, +12.7%), which reported good results for Q1 2023, marked by good sales growth and. an order book that remains healthy, particularly for its industrial measurement equipment used in data centres, pharmaceutical production processes and renewable energies.
By contrast, Adesso (software integration and development, -16.2%) and Carl Zeiss Meditec (diagnostics and eye surgery, -13.9%), following results that were considered mixed, with solid sales growth but lower margins at the start of the year, as companies invest in their growth strategies.

JUNE

After the strong growth of the previous month, our portfolio was stable in June in a market with no major trends. In the semicondutor sector, we note the good performance of Soitec (suppliers of materials for semiconductors, +18.3%), which held its investor day during which the group confirmed its short- and medium-term targets (2026).
In the longer term, management expects the Soitec addressable market to triple by 2030 through a continued increase in the value of Soitec products per smartphone, as well as expansion of the product portfolio to serve new markets such as automotive and industrial with innovative materials such as Silicon Carbide and the newly announced Gallium Nitride. Another positive point is that the Group has clarified the organisation of its management team, following the recent departure of its emblematic COO Bernard Aspar, with the addition to its management committee of the heads of its 3 product divisions, such as Bernard Sabonnadière, with whom we spoke in February, who is in charge of automotive and industrial applications and hence the deployment of its flagship SmartSic technology.
Another positive performer over the month was Wavestone (management consulting and transformation, +12.2%), whose publication of its annual results (to end March) confirmed the solid momentum of its sales, with organic growth of +14% in 4Q22/1Q23 and expectations of organic growth of +7% for its new financial year, the fruit of its targeted strategy of positioning itself in dynamic sectors and players undergoing transformation, particularly in the energy sector. The company is also expecting a further increase in its operating margin (15% vs.14.5%), which should benefit from the growth in its business thanks to a higher utilisation rate for its consultants, limited recruitment needs this year and wage pressure that is in the process of normalizing.
Among the negative contributions was that of SES-Imagotag (digitalization solutions for the retail sector, -40.3%), blamed for a short-seller. Although the allegations made in the report appeared flimsy and were easily refuted by the company, particularly those concerning alleged accounting irregularities, the effect of mistrust sought by the short-seller was achieved, and the share ended the month down.

JULY

The fund posted a slight increase in July.
During the period, we noted the good performance of all our companies in the semiconductor sector, in particular ASM International (semiconductor equipment supplier, +11.4%), Besi (semiconductor equipment supplier, +9.4%) and Soitec (supplier of advanced semiconductor substrates, +15.5%) which, despite a lackluster Q2, were supported by reassuring messages about a return to growth next year, driven by well- identified underlying trends, including the development of Artificial Intelligence, new manufacturing technologies and increasingly powerful chip packaging, the electrification of transport and industry. In this context, we highlight the case of Aixtron (semiconductor equipment supplier,+16.1%), which recorded 69% growth in Q2 and raised its annual targets, an activity driven by strong demand for its component production equipment of power for electric vehicles, industry and electrical networks.
Our software companies also performed very well over the month following strong quarterly results, as reflected in Atoss Software's flawless performance this year (work scheduling software, +6.5%), which posted an increase in sales and operating results of +32% and +60% during the quarter, and an increase in its annual targets. Also, in the field of management software, Esker (software for the back-office digitalization processes, +9%) continues to benefit from the strong demand for its digital solutions thanks to the growing digitalization of customer-supplier positions, fostered

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by new regulations such as mandatory electronic invoicing in Europe, which resulted in doubledigit growth in sales and order books in Q2, and an improved outlook for the rest of the year.
Finally, Wavestone (consultant, +7.8%) posted a strong performance following results indicating strong business momentum, with organic growth of +11% in the quarter, and the welcome announcement of the acquisition of Germany's Q_PERIOR, which marks the continuation of the successful development strategy in terms of geographies and competencies.
Among the negative contributions, Vaisala (environmental and industrial measurement solutions, -12.6%) reviewed its 2023 outlook downward due to some slowdown of the activity in its industrial measurement division.
Among the negative contributions, the fall of service companies such as Reply (IT services for software development and integration, -5.3%), Adesso (IT services for software development and integration, -14.2%) stands out, or even Alten (outsourced R&D services -8.3%) in a context of slowing demand after two years of strong growth.

AUGUST

After a buoyant start to the year, August saw a decline in our stock selection against a backdrop of falling valuations for growth stocks, particularly in Northern Europe, despite operating performances that remained positive for the most part.
An industrial niche player, Rational (automated and connected cooking appliances for the catering industry, +3.4%) continues to progress after solid quarterly results showing sales up +20%, with in particular a strong acceleration in North America to +50%, and a margin up +550bp to 25%, close to its historical highs.
Several software stocks also held up well, such as Atoss Software (work scheduling software, +1.6%) and Mensch und Maschine (industrial software, +2%), following on from last month's solid publications, or Adesso (IT software development and integration services, +8.9%), which rebounded after announcing strong sales growth of +33%, despite a lower operating margin due to numerous recruitments and salary increases.
On the other hand, the month also saw the return of a downward trend in the valuations of many growth stocks, notably among our holdings, despite good operating dynamics, such as the setbacks at Melexis (automotive semiconductors, -10.9%), after a solid publication, with better- than-expected growth in 2Q23 and forecasts for 3Q23, and higher expectations for the year, or Jenoptik (optoelectronic components, -8%) or Sixt (high-end car rental, -10.2%), both despite solid results.
Against this backdrop, even the slightest disappointments were punished, such as Carl Zeiss Meditec (eye diagnostics and surgery, -12.9%), which reported strong sales growth but lower margins than its record 2022 level, despite continuing to invest heavily in its development, or Revenio (ophthalmic diagnostic equipment, -26.7%) after announcing a significant drop in its growth expectations for the year, reflecting a sharp slowdown in sales over the quarter against a backdrop of rising interest rates and inflation, or Qt Group (software for digital interface design, - 21.9%) with growth in 2Q23 below expectations after an excellent 1Q23.

SEPTEMBER

After a bad month of August, our stock selection ended once again lower, in a volatile environment once again dominated by macroeconomic factors, in particular the rise in interest rates, which are very unfavorable for our long-term growth stocks. Although some stocks managed to escape the bearish movement, during the month we noticed downward pressure on our stocks in the semiconductor and software space, one of the most resilient since the beginning of the year.
Also, we highlight the negative evolution from Nemetschek (software for the construction and media sectors, -9.2%), Atoss Software (industrial software, -12.7%), CompuGroup (software for doctors, pharmacies, and hospitals, -14.3%) or the industrial niche player Rational (automated and connected kitchen appliances for catering, -14.7%). Several of our stocks in the semiconductor production equipment space also fell during the month amid questions about the expected recovery profile of production investments in 2024, and rumors of order postponements by TSMC, such as for example Be Semiconductor (-12.4%) and ASM Internacional (-10.7%). The latter, which remains one of our best contributors in the year, has increased its 2025 targets including the successful acquisition of LPE, which aims to develop the silicon carbide market, and its 2027 sales targets of between 4 and 5 billion euros, that is, it expects to almost double turnover in 2023.
Although the general economic context in Europe remains slow, recent weeks have been the occasion for numerous visits to our companies, especially in Sweden and Germany. Several of them, in sectors ranging from medical technology to industrial automation, which had been at the center of the needs during the Covid crisis, reported an acceleration of the effects of inventory liquidation starting in 2Q23, after the economic slowdown and the weakness of the Chinese recovery. Positively, they also indicated that they expected the end of these inventory normalization effects among their clients, which had increased in a context of strong demand and tensions in supply chains, suggesting a possible return to their structural long term growth trends by the end of 2023.

OCTOBER

Our stock selection finishes the month of October falling, in a market environment dominated by high volatility and a rise in interest rates to record levels that is especially unfavorable for growth companies, despite the quarterly publications quite positive.
Among the positive contributions, we find our software companies after excellent publications. Nemetschek (software for the AEC and media sectors, +21.6%) raised its annual targets following strong results, as the group continues its transition to its SaaS offering, in particular for its innovative Bluebeam construction software. In the same sector, Mensch und Maschine (industrial software, +7.5%), despite the slowdown in sales of Autodesk, which the company distributes in Europe, continues to record growth in its operating profit thanks to the good performance of sales of internally developed software and strict cost control. Finally, Atoss Software (human resources management software, +1.5%) continues its impeccable performance with sales growth of +31% and operating profit of +61%, benefiting from strong demand in a context of labor shortages and increasing digitalization of human resources processes.
In the semiconductor sector we highlight the good publications of BE Semiconductor (semiconductor equipment manufacturer, +4.6%) and ASM International (semiconductor equipment manufacturer, -2.3%). Despite the currently unfavorable environment, these equipment manufacturers are benefiting from continued investments in tools aimed at the production of advanced chips, as well as the first signs of a recovery in PC and Smartphone sales. On the contrary, players in the automotive ecosystem were penalized in a context of fear of a slowdown in sales of electric cars, such as Aixtron (semiconductor equipment manufacturer, -24.0%) or Inficon (measuring equipment, - 11.3%), or even Melexis (automotive semiconductors,-13.8%), despite its very good quarterly results.
We can also mention the continued compression of Alten's valuation multiples (outsourced R&D, -10.7%), while the company published at the end of the month organic growth slightly lower than that of recent quarters, but which is maintained at a very good level, or even Wavestone (consulting company, -13.4%) which confirmed its annual objective at the end of the month despite the general slowdown in its markets.

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Finally, several of our healthcare stocks were hurt by disappointing sector results, including Nexus (hospital software, -10.9%) and Equasens (healthcare software solutions, -11.2%). However, at the end of the month we saw more optimistic messages from biotech equipment companies, suggesting the beginning of a turning point after several quarters of post-Covid digestion.

NOVEMBER

Our selection of stocks rebounded strongly in November, in the wake of solid quarterly publications, attractive valuations including very negative scenarios for our most cyclical stocks, and falling long-term interest rates against a backdrop of moderating inflation. In semiconductors, ASMI (production equipment, +21.2%) and Besi (assembly equipment, +32%), whose technologies are key to the production of advanced chips, continued their momentum and ended the month at all-time highs. Benefiting from the development of new materials used in power components for electric vehicles and industry, Aixtron (production equipment, +26.3%) rebounded. Melexis (automotive semiconductors, +21.9%) is also doing better after a convincing investors' day concerning its long-term prospects, thanks to the strong growth expected in on-board sensors and semiconductors, accelerated by the transition to electrification of vehicles.
In software, while Nemetschek (software for the construction and media industries, +13.7%) continues its upward trend following its excellent quarterly results, EQS Group (compliance software, +65.3%) performed strongly following the launch of a takeover bid by PE firm Thomas Bravo. QT Group (software for digital interface design, +15.2%) and Nexus (software for hospitals, +16.4%) also rebounded in the industrial sector.
Nexus reported positive quarterly results, with growth accelerating to +17%, after +12% in the first half, and margins once again on the rise. Alten (outsourced R&D, +12.8%) and Reply (IT software development and integration services, +20.7%) also performed well, following satisfactory first-half results. Although organic growth slowed slightly, they were still solid in relation to what their share prices were incorporating after the declines of recent months. In climate technologies, Carel Industries (control solutions for temperature and humidity, +21.9%) saw its share price take off following better-than-expected results, showing solid organic growth and a record margin.

DECEMBER

December was marked by a very strong performance which, following that of November, means that our stock selection ended 2023 on a very positive note, despite a year marked by significant volatility for our growth stocks against a backdrop of major interest rate movements.
In particular, the month saw a strong performance from our medical technology stocks, such as Sartorius Stedim (production equipment for biotechnology, +16.0%), whose meetings with the CEO in December confirmed the improving trend in order intake following the digestion of the Covid period. It should also be noted that Carl Zeiss Meditec (eye diagnostics and surgery, +20.1%) published better-than-expected 2024 targets and announced the acquisition of Dutch Ophthalmic Research Center, strengthening the Group's offering in equipment and devices used in retinal surgery.
In the services sector, Wavestone (management consulting and transformation, up 23.2%) reported excellent halfyear results, with organic growth of 12% and an operating margin up 0.8 points to 13.3%. In addition, the merger with Q Perior has now been completed, enabling Wavestone to become a truly European player in consulting and to target sales of €1 billion for the 2024/2025 financial year. Reply (IT software development and integration services, up 11.5%) turned in a solid performance, with management telling us at a recent meeting that they expect double-digit growth by 2024. In the growth niches, Rational (automated and connected cooking appliances for the catering industry, +19.1%) is continuing to rebound after confirming at its CMD that it would soon be launching a new category of food preparation equipment combining steam and microwaves, designed for the rapid preparation of large volumes while ensuring, like all the brand's products, high cooking quality and improved efficiency in the kitchen. This new category of equipment complements the current range, which includes the brand's famous iCombi ovens and iVario cooking centres.

Lonvia Avenir Mid-Cap Euro had €21.030 million of assets under management on 29 December 2023.
Lonvia Avenir Mid-Cap Euro Retail returned +7.74% in 2023 compared to +10.78% for its benchmark.
Lonvia Avenir Mid-Cap Euro Super Retail returned +9.14% in 2023 compared to +10.78% for its benchmark.
Lonvia Avenir Mid-Cap Euro Clean Share returned +8.92% in 2023 compared to +10.78% for its benchmark.
Lonvia Avenir Mid-Cap Euro Institutional returned +9.03% in 2023 compared to +10.78% for its benchmark.

Past performance is not a reliable indicator of future performance.

Lonvia Avenir Mid-Cap Europe

JANUARY

Continuing its rebound over the past three months, our selection of stocks started the year with a solid increase, driven notably by the positive performances of many stocks in the digital innovation and industrial automation fields, in the wake of the first robust full-year publications.
At the source of digital innovation, we noted the outstanding performance over the month by ASMI (semiconductor manufacturing equipment, +30.8%) after publishing preliminary figures way above expectations, with sales up 47% driven by the improvement in its supply chain, enabling the group to assemble and deliver more equipment than planned, as well as order intake up 20% benefiting from structural demand for miniaturisation and the increasing complexity of chip manufacturing processes. In the same sector, we would also mention the gains made by Melexis (chips for the automotive sector, +20.4%) and Besi (equipment for manufacturing semiconductors, +15.4%).
In software, Atoss Software (work planning software, +16.7%) made gains over the month after publishing full-year results ahead of forecasts again, with sales up 17% including cloud solutions up 70% and an increase in mediumterm targets.
In industrial automation, HMS Networks (equipment for machine communication, +12.1%) a key player in industry 4.0, had another strong performance after reporting Q4 2022 sales up 34%, benefiting from the normalisation underway in supply chains enabling it to increase production levels after several quarters of restrictions, and operating margin thanks to price increases. Interestingly, the normalisation in production time-frames did not prevent order intake from rising, testifying to the robust demand for the group’s products that are at the heart of industry modernisation and digitalisation needs. Note also the good performances by Swiss companies Interroll (conveyor, sorting and dynamic warehousing systems, +19.6%) and Kardex (intra-logistical solutions, +15.8%).
Another stock at the heart of our selections, Alten (outsourced R&D, +20.5%) benefited from preliminary figures showing robust organic growth of 15% driven by all regions and the automotive and aeronautics sectors especially. The company continued its growth strategy with further recruitments and acquisitions. These results confirmed the resilience of outsourced R&D services to accompany innovation and digitalisation needs in all sectors, especially the electrification of transport.

Report of the Board of Directors

FEBRUARY

After a solid month in January, our fund ended February on a fresh increase, benefiting especially from positive performances by stocks in digital innovation and strong full-year publications.
Among the positive contributors to performance, we noted another excellent publication from Fortnox (management software for SMEs, +22%), which provides a digital platform to automate the financial and administrative needs of Swedish SMEs. The company is continuing its unbridled growth with sales up 34% over the last quarter and a record EBIT margin of 41%, driven by the steady rise in the number of clients and its revenue per client, as well as the development of new innovative solutions.
We also noted the clear rebound by QT Group (software for digital user interface design, +31%), whose software enables the efficient development of increasingly elaborate digital interfaces, which are multiplying in cars, medical equipment and consumer goods. The company ended the year with a recovery in organic sales growth to +31.5% over the last quarter and a 107% increase in EBIT, with management displaying its renewed confidence in 2023 guidance for sales growth of 20-30% and EBIT margin of 20-30%, thereby strengthening our conviction on the stock after its unexpected profit warning in Q2.
In the medtech field, we noted the remarkable publication by Surgical Science (simulation and training software for robotised surgical operations, +21%) indicating organic sales growth of 20% with an acceleration in licence sales relative to recent quarters, following on from the launch of new surgery robots by clients. The company also reiterated its 2026 sales target of SEK1.5bn (or average annual growth of 17%) for EBIT margin of 40% vs. 23% in 2022.
Finally, note the negative contribution over the month from Chemometec (automated cell counting and analysis instruments, -23%) following the publication of lower than expected sales growth of +15%, after two years of very strong demand for cell counting instruments. However, medium-term growth prospects remain excellent, especially with the launch of new instruments to accompany the marketing of cell therapies and EBIT margin expected at almost 60%, thereby testifying to the quality of the economic model.

MARCH

After two months of attractive gains, our selection of stocks showed good resilience in adverse equities markets, posting a slight increase over the month, still driven by solid performances by many stocks in the digital innovation and medtech fields.
In semiconductors, we noted healthy performances by several stocks, such as ASMI (semiconductors equipment, +15.1%). After a preliminary 2022 earnings publication that went down well in January, the group shared a very positive message at the definitive earnings presentation, demonstrating confidence in its ability to outperform its market in 2023. Indeed, the group benefited from its strong positioning in atomic scale materials deposit equipment destined for advanced semiconductors production and automotive components, both markets in which demand remains buoyant. Aixtron (semiconductors equipment, +7.4%) also published record 2022 earnings and a rise in new orders, especially in new tools. Above all, management highlighted an acceleration in new orders for equipment used in the epitaxy stage of Silicon Carbide wafers for the production of new generation power semiconductors. A first important threshold has also been crossed in MicroLED devices, a new screen technology, with delivery of the first devices destined for high-volume production. In the same sector, we would also mention the gains made by Besi (semiconductors equipment, +9.2%) and Comet (semiconductors and X-ray technology, +21.9%).
In the software segment, Nemetschek (software for the AEC and media sectors, +10%) surprised positively by sharing very encouraging 2023/24/25 targets, underscoring management’s rising confidence in the success of the transition towards a subscription-based model beneficial to margins over the long-term.
In the medtech field, some players remain penalised by the ongoing return to normal after the very robust trends witnessed in the sector over recent years, such as the global pandemic and vaccine development. DiaSorin (diagnosis instruments and niche tests, -15%) expects a slowdown of 70% in Covid-related sales during 2023 (around -18% of 2022 sales) offsetting still robust demand in the rest of its activities.
Similarly, Biotage (analytical and medical chemistry equipment,-14.4%) is forecasting a return to normal in its production equipment segment (12% of 2022 sales), used for manufacturing of Covid-19 vaccines.

APRIL

After a strong first quarter, our selection of stocks was down slightly over the month. Many stocks in the digital and industry fields, as well as in software and equipment, made gains over the month following excellent Q1 publications testifying to further investments in the modernisation and digitalisation of our industries. In contrast, our fund suffered over the month from a downturn in the semiconductors sector, which is currently seeing order intake return to normal after the boom noted during the Covid years, as also noted for medtech companies active in the diagnostics and vaccines field.
Among the positive contributors, we note SES Imagotag (digitalisation solutions for mass retail, +32.5%) driven by very good quarterly figures and the signing of a record and transforming contract for the company with Walmart to provide digital labels to 500 of the group’s stores and digital infrastructure to pilot them. Still in digital innovation, we can also mention Nemetschek (software for construction, +11.5%) which also reported very good quality Q1 figures, notably with sound momentum in the Design business, with software used by architects, in Europe, and further excellent execution of the transition towards a subscription-based model. QT Group (software for digital interface design, +16.3%) was also up sharply over the month after publishing excellent Q1 results with sales growth of 27%. Long-term growth prospects are excellent, with a number of multi-year contracts, including that recently signed with carmaker General Motors for the design of digital dashboards in its vehicles. As indicated, several semiconductors stocks were down over the month, following an excellent month in March in a context of publications showing still robust sales but a decline in order intake in 2023, as seen with Melexis (semiconductors for cars, -18.8%), Comet (production equipment, -12.6%) and Asmi (production equipment, -11.8%). Despite this decline, Asmi remains one of our best performers of the year and we are confident in the group’s ability to continue its long-term momentum thanks to its technological expertise and its production equipment at the heart of chip complexification and miniaturisation needs.

MAY

After the consolidation of the previous month, our portfolio posted strong growth in May, with many of the stocks in our selection performing well, particularly in the technology sector, especially semiconductors and software.
Indeed, the seeding sector was particularly buoyant over the month following Nvidia's announcement of a sharp acceleration in demand for its graphics processors, which are particularly well-suited to the computing power demanded by AI. This led to a ricochet effect across the sector, particularly in equipment manufacturers such as ASM International (+24.5%) and Besi (+26.7%), Comet (+16%) and Aixtron (+14.4%).

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This announcement came just a few days after our participation in the ITF2023 conference in Antwerp (organized by IMEC, the European R&D center in the field of seedlings), where the leaders of the world's major semiconductor players re-explained all the dynamics driving digital innovation, the multiplication of uses, the very sharp acceleration in computing and data storage needs generated by AI, and more broadly the growing digitalization in all business sectors and the multiplication of connected equipment. Also benefiting from growth in the datacenter segment and their need for ever more efficient cooling solutions, we note the positive performances of Munters (+28.8%), following on from excellent quarterly results published at the end of April, and Carel Industries (+9%), following the publication of further double-digit organic sales growth in 1Q23, at +11.3%, driven by the datacenter and heat pump segments in both Europe and the USA.
At the crossroads of medical technology and digital innovation, Surgical Science (world leader in simulation software for robotic surgery, +19.2%) turned in an excellent performance following the publication of its quarterly results, marked by a doubling of license revenues thanks to the launch of new surgical robots by several of its customers, contributing to a sharp rise in margins. On the other hand, Adesso (software integration and development, -16.2%) and Carl Zeiss Meditec (eye diagnostics and surgery, -13.9%) were down over the month, following results that were considered mixed, with solid sales growth but lower margins at the start of the year as companies invest in their growth strategies.
Keywords Studio (services for the video game industry, -26.4%) is also down, attributed to market fears of a negative impact of AI on certain service lines, whereas management predicts beneficial effects on team efficiency, enabling, for example, a multiplication of content creation capacities.

JUNE

After the strong growth of the previous month, our portfolio posted a very slightly lower performance in June in a trendless market. In the semiconductor sector, we note the good performance of Soitec (suppliers of materials for semiconductors, +18.3%), which held its investor day during which the group confirmed its short- and medium-term targets (2026).
In the longer term, management expects its addressable market to triple by 2030 through a continued increase in the value of Soitec products per smartphone, as well as expansion of the product portfolio to serve new markets such as automotive and industrial with innovative materials such as Silicon Carbide and the newly announced Gallium Nitride. Another positive point is that, following the recent departure of its emblematic COO Bernard Aspar, the Group has clarified the organisation of its management team, with the addition to its management committee of the heads of its 3 product divisions, such as Bernard Sabonnadière, with whom we spoke in February, who is in charge of automotive and industry, and hence the deployment of its flagship SmartSic technology.
In the medical sector, Straumann (world leader in dentistry, +8.8%) also performed well in June. At an investor event, management shared reassuring messages about the dynamics of business in China, particularly demand for dental implants and invisible aligners in the country.
Ashtead (construction equipment rental, +11.4%) also performed well, reporting very good figures as the Group ended the financial year with rental revenues up 22%. In addition, the Group remains very confident for the current financial year, particularly in the US, the rental company's main market, which is expected to grow by between 13% and 16% over the next 12 months. This business should benefit from solid investment in infrastructure and industry, to support the need for relocation, modernisation and the roll-out of electrification in all areas (semiconductor plants, gigafactories, renewable energies).
Among the negative contributors was SES-Imagotag (digital solutions for the retail sector, down 40.3%), which was blamed for a short sale. Although the allegations made in the report appeared flimsy and were easily refuted by the company, particularly those concerning alleged accounting irregularities, the effect of mistrust sought by the short-seller was achieved, and the share ended the month down.

JULY

The fund posted a slight increase in July. During the period, we noted the good performance of all our companies in the semiconductor sector, in particular ASM International (semiconductor equipment supplier, +11.4%), Besi (semiconductor equipment supplier, +9.4%) and Soitec (supplier of advanced semiconductor substrates, +15.5%) which, despite a lackluster Q2, were supported by reassuring messages about a return to growth next year, driven by well-identified underlying trends, including the development of Artificial Intelligence, new manufacturing technologies and increasingly powerful chip packaging, the electrification of transport and industry. In this context, we highlight the case of Aixtron (semiconductor equipment supplier, +16.1%), which recorded 69% growth in Q2 and raised its annual targets, an activity driven by strong demand for its component production equipment of power for electric vehicles, industry and electrical networks.
Our software companies also performed very well over the month following strong quarterly results, as reflected in Atoss Software's flawless performance this year (work scheduling software, +6.5%), which posted an increase in sales and operating results of +32% and +60% during the quarter, and an increase in its annual targets. Also in management software, Fortnox (management software for small and medium-sized companies, +3.2%) once again posted excellent results in Q2, with sales growth and operating profit of +31% and +52% respectively. The company continues to improve its software platform with the continuous introduction of new functionalities to support the increasing digitization of its customers.
Supporting technological innovation at the heart of climate challenges, we also note progress at Munters (climate control and air quality solutions, +11.1%) following strong results, showing sustained demand from the data center segment for state-of-the-art cooling solutions that are increasingly efficient. which will also be key to responding to the strong growth in computing and data storage needs resulting from the rise of artificial intelligence.
In Industry 4.0, we can see the good performance of Kardex (intralogistics solutions, +10.8%), which posted strong sales growth and an upturn in order intake during the quarter thanks to continued automation and offshoring of industrial production in Europe and the United States.
Among the negative contributions, the fall of service companies such as Reply (IT services for software development and integration, -5.3%), Adesso (IT services for software development and integration, -14.2%) stands out, or even Alten (outsourced R&D services -8.3%) in a context of slowing demand after two years of strong growth. Finally, we also highlight the fall of several Swedish stocks such as Hexagon (industrial software and equipment, -21.9%), HMS Networks (machine communication modules, -18.1%) or Note (outsourced production, -20,1%), possibly penalized, beyond a general context of industrial slowdown, by a less favorable interest rate environment that continues to weigh on the valuations of Nordic stocks in particular.

AUGUST

After a buoyant start to the year, August saw a decline in our stock selection against a backdrop of falling valuations for growth stocks, particularly in Northern Europe, despite operating performances that remained positive for the most part.
Positive contributions included a solid performance from Genovis (innovative enzymes for biotechnology and gene therapy, +15.8%), with organic sales growth of +30% for its enzymes used to accelerate the development of tomorrow's drugs, products which are notably used in several next-generation messenger RNA projects.

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An industrial niche player, Rational (automated and connected cooking appliances for the catering industry, +3.4%) continues to progress after solid quarterly results showing sales up +20%, with in particular a strong acceleration in North America to +50%, and a margin up +550bp to 25%, close to its historical highs.
Several software stocks also held up well, such as Atoss software (work scheduling software, +1.6%) and Mensch und Maschine (industrial software, +2%), following on from last month's solid publications, or Adesso (IT software development and integration services, +8.9%), which rebounded after announcing strong sales growth of +33%, despite a lower operating margin due to numerous recruitments and salary increases.
On the other hand, the month also saw the return of a downward trend in the valuations of many growth stocks, notably among our Swedish and Finnish holdings, despite strong operational momentum, as illustrated by the declines of Fortnox (administration software for small and medium-sized businesses, -14.2%), Sdiptech (equipment for infrastructure operators, -16.1%) and Xvivo (solutions for organ preservation and evaluation, -10.6%), despite their very good publications the previous month, with organic growth for 2Q23 up by +31%, +15% and +46% respectively.
In this context, even the slightest disappointments were punished, such as Carl Zeiss Meditec (eye diagnostics and surgery, -12.9%), which reported strong sales growth but lower margins than its record 2022 level, even though the company continues to invest heavily in its development, Qt Group (software for digital interface design, -21.9%), with growth in 2Q23 below expectations after an excellent 1Q23, or Surgical Science (world leader in simulation software for robotic surgery, -35.1%), which may have suffered from a slowdown in sales of its educational solutions for hospitals, despite solid growth in license sales and a strong portfolio of new customers, as we saw during our recent visit to its development center in Stockholm.

SEPTEMBER

After a bad month of August, our stock selection ended once again lower, in a volatile environment once again dominated by macroeconomic factors, in particular the rise in interest rates, which are very unfavorable for our long-term growth stocks. Although some stocks managed to escape the bearish movement, during the month we noticed downward pressure on our stocks in the semiconductor and software space, one of the most resilient since the beginning of the year.
Among our positive contributions during the month, we highlight new advances from Munters (climate control and air quality solutions, +7.3%), a technological niche player at the heart of climate issues, whose growth will continue to benefit from its cooling solutions, intended for data centers and dehumidification of the air used in electric battery production factories, several of which are currently under construction in Europe.
Also, we highlight the negative evolution from Nemetschek (software for the construction and media sectors, -9.2%), Atoss Software (industrial software, -12.7%), CompuGroup (software for doctors, pharmacies, and hospitals, -14.3%) or the industrial niche player Rational (automated and connected kitchen appliances for catering,-14.7%).
Several of our stocks in the semiconductor production equipment space also fell during the month amid questions about the expected recovery profile of production investments in 2024, and rumors of order postponements by TSMC, such as for example Be Semiconductor (-12.4%) and ASM Internacional (-10.7%). The latter, which remains one of our best contributors in the year, has increased its 2025 targets including the successful acquisition of LPE, which aims to develop the silicon carbide market, and its 2027 sales targets of between 4,000 and 5,000 million euros, that is, it expects to almost double turnover in 2023.
Although the general economic context in Europe remains slow, recent weeks have been the occasion for numerous visits to our companies, especially in Sweden and Germany. Several of them, in sectors ranging from medical technology to industrial automation, which had been at the center of the needs during the Covid crisis, reported an acceleration of the effects of inventory liquidation starting in 2Q23, after the economic slowdown and the weakness of the Chinese recovery. Positively, they also indicated that they expected the end of these inventory normalization effects among their clients, which had increased in a context of strong demand and tensions in supply chains, suggesting a possible return to their structural long term growth trends by the end of 2023.

OCTOBER

Our stock selection finishes the month of October falling, in a market environment dominated by high volatility and a rise in interest rates to record levels that is especially unfavorable for growth companies, despite the quarterly publications quite positive.
Among the positive contributions, we find our software companies after excellent publications. Nemetschek (software for the AEC and media sectors, +21.6%) raised its annual targets following strong results, as the group continues its transition to its SaaS offering, in particular for its innovative Bluebeam construction software. In the same sector, Mensch und Maschine (industrial software, +7.5%), despite the slowdown in sales of Autodesk, which the company distributes in Europe, continues to record growth in its operating profit thanks to the good performance of sales of internally developed software and strict cost control. Finally, Atoss Software (human resources management software, +1.5%) continues its impeccable performance with sales growth of +31% and operating profit of +61%, benefiting from strong demand in a context of labor shortages and increasing digitalization of human resources processes. In the semiconductor sector we highlight the good publications of BE Semiconductor (semiconductor equipment manufacturer, +4.6%) and ASM International (semiconductor equipment manufacturer, -2.3%). Despite the currently unfavorable environment, these equipment manufacturers are benefiting from continued investments in tools aimed at the production of advanced chips, as well as the first signs of a recovery in PC and Smartphone sales. On the contrary, players in the automotive ecosystem were penalized in a context of fear of a slowdown in sales of electric cars, such as Aixtron (semiconductor equipment manufacturer, -24.0%) or Inficon (measuring equipment, - 11.3%) despite its very good quarterly results.
We can also mention the continued compression of the valuation multiples of Fortnox (SME management software, -26.4%) and Alten (outsourced R&D, -10.7%), while the companies published at the end of the month slightly lower organic growth, compared to the last quarters, but it remained at a very good level.
Finally, several of our healthcare stocks were hurt by disappointing sector results, including Nexus (hospital software, -10.9%) and Straumann (global dental leader, -8.1%). However, at the end of the month we saw more optimistic messages from biotech equipment companies, suggesting the beginning of a turning point after several quarters of post-Covid digestion.

NOVEMBER

Our selection of stocks rebounded strongly in November, in the wake of solid quarterly publications, attractive valuations including very negative scenarios for our most cyclical stocks, and falling long-term interest rates against a backdrop of moderating inflation. In semiconductors, ASMI (production equipment, +21.2%) and Besi (assembly equipment, +32%), whose technologies are key to the production of advanced chips, continued their momentum and ended the month at all-time highs. Benefiting from the development of new materials used in power components for electric vehicles and industry, Aixtron (production equipment, +26.3%) rebounded. Melexis (automotive semiconductors, +21.9%) is also doing better after

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a convincing investors' day concerning its long-term prospects, thanks to the strong growth expected in on-board sensors and semiconductors, accelerated by the transition to electrification of vehicles.
In the software sector, while Nemetschek (software for the construction and media industries, +13.7%) continued its upward trend following its excellent quarterly results, Fortnox (management software for SMEs, +30.5%) rebounded sharply from its decline of the previous month against a backdrop of slightly slower organic growth and strong downward pressure on Swedish stocks. Similarly, in the medical sector, Sweden's Surgical Science (simulation software for robotic surgery, +39%) ended the month strongly on the back of good licence sales figures and record margins, boosted by solid growth in the surgical robot market. Finally, November saw the launch of a takeover bid for EQS Group (compliance software, +65.3%) by PE firm Thomas Bravo.
Alten (outsourced R&D, +12.8%) and Reply (IT software development and integration services, +20.7%) also performed well, following satisfactory first-half results. Although organic growth slowed slightly, they were still solid in relation to what their share prices were incorporating after the declines of recent months.
In climate technologies, Carel Industries (control solutions for temperature and humidity, +21.9%) saw its share price take off following better-than-expected results, showing solid organic growth and a record margin. In industrial automation, there were positive contributions from HMS Networks (machine communication technology, +23.4%) and Kardex (intralogistics automation, +21.1%).
In medical technology, we note the positive performance of Xvivo Perfusion (organ preservation solutions pretransplant, +18.9%) and, following the more optimistic messages from biotechnology equipment companies at the end of October, Biotage (analytical and medical chemistry equipment, +18.9%) and Sartorius Stedim (production equipment for biotechnology, +16.9%).

DECEMBER

December was marked by a very strong performance which, following on from that of November, means that our stock selection ended 2023 on a very positive note, despite a year marked by significant volatility for our growth stocks against a backdrop of major interest rate movements.
The month saw a particularly strong performance from our medical technology stocks, notably Xvivo (pretransplant organ preservation solutions, +26.7%), this year's flagship stock in the selection, which ended the month at an annual high. We should also mention Straumann (world leader in dentistry, +15.1%), which reported continued good momentum towards the end of the year in the wake of Q3, particularly in China, or Sartorius Stedim (production equipment for biotechnology, +16.0%), whose meetings held in December with the CEO confirmed the improving trend in order intake following the digestion of the Covid period. It should also be noted that Carl Zeiss Meditec (eye diagnostics and surgery, +20.1%) published better-than-expected 2024 targets and announced the acquisition of Dutch Ophthalmic Research Center, strengthening the Group's offering in equipment and devices used in retinal surgery.
In Industry 4.0, HMS Networks (machine communication technology, +15.8%) performed well with the transforming acquisition of Red Lion, which significantly strengthens the portfolio in connectivity equipment, control panels and man-machine interfaces, while reinforcing the group's presence in the US.
In climate technologies, Munters (climate control and air quality solutions, +14.5%) continues to benefit from the success of its next-generation cooling solutions for data centres, which are key to meeting the fast-growing computing and data storage needs arising from the booming artificial intelligence industry, with the announcement of a major new order from a major US customer. Finally, we should also mention Rational (automated and connected cooking appliances for the catering industry, +19.1%), which confirmed at its CMD that it would soon be launching a new category of food preparation equipment combining steam and microwaves, designed for the rapid preparation of large volumes while ensuring, like all the brand's products, high cooking quality and improved efficiency in the kitchen. This new category of equipment complements the current range, which includes the brand's famous iCombi ovens and iVario cooking centres.

Lonvia Avenir Mid-Cap Europe had €286.821 million of assets under management on 29 December 2023.
Lonvia Avenir Mid-Cap Europe Retail returned +10.33% in 2023 compared to +13.52% for its benchmark.
Lonvia Avenir Mid-Cap Europe Clean Share returned +11.60% in 2023 compared to +13.52% for its benchmark.
Lonvia Avenir Mid-Cap Europe Institutional returned +11.71% in 2023 compared to +13.52% for its benchmark.
Lonvia Avenir Mid-Cap Europe Institutional WPF returned +11.32% in 2023 compared to +13.52% for its benchmark.

Past performance is not a reliable indicator of future performance.

Lonvia Avenir Small Cap Europe

JANUARY

Continuing its rebound over the past three months, our selection of stocks started the year with a solid increase, driven notably by the positive performances of many stocks in the digital innovation and industrial automation fields, in the wake of the first robust full-year publications.

In software, Atoss Software (work planning software, +16.7%) made gains over the month after publishing full-year results ahead of forecasts again, with sales up 17% including cloud solutions up 70% and an increase in mediumterm targets.
Another core stock in our selections, Wavestone (consulting services, +11.7%) reported quarterly sales up 6% in organic terms, showing an acceleration on the previous quarter. The order backlog was at a good level over four months, driven especially by very high order intake in December. Management is confident it can deliver its fullyear targets with organic growth of around 6% and operating margin of around 15%.
Finally, Lumibird (medical/industrial lasers and Lidar systems, +9.9%) was up sharply over the month in the wake of its Q4 sales publication, with organic growth of 22%, enabling it to offset a disappointing Q3 and end 2022 with organic growth of 12%. Management confirmed its 2023 targets for organic growth in sales of 8-10% with EBITDA margin of between 20% and 25%.

FEBRUARY

After a solid month in January, our fund ended February on a fresh increase, benefiting especially from positive performances by stocks in digital innovation and strong full-year publications. Among the positive contributors to performance, we noted another excellent publication from Fortnox (management software for SMEs, +21.8%), which provides a digital platform to automate the financial and administrative needs of Swedish SMEs. The company is continuing its unbridled growth with sales up 34% over the last quarter and a record EBIT margin of 41%, driven by the steady rise in the number of clients and revenue per client, as well as the development of new innovative solutions.

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We also noted the clear rebound by QT Group (software for digital user interface design, +30.9%), whose software enables the efficient development of increasingly elaborate digital interfaces, which are multiplying in cars, medical equipment and consumer goods. The company ended the year with a recovery in organic sales growth to +31.5% over the last quarter and a 107% increase in EBIT, with management displaying its renewed confidence in 2023 guidance for sales growth of 20-30% and EBIT margin of 20-30%, thereby strengthening our conviction on the stock after its unexpected profit warning in Q2.

In the medtech field, we noted the remarkable publication by Surgical Science (simulation and training software for robotised surgical operations, +21%) indicating organic sales growth of 20% with an acceleration in licence sales relative to recent quarters, following on from the launch of new surgery robots by clients. The company also reiterated its 2026 sales target of SEK1.5bn (or average annual growth of 17%) for EBIT margin of 40% vs. 23% in 2022.
Finally, note the negative contribution over the month from Chemometec (automated cell counting and analysis instruments, -23%) following the publication of lower than expected sales growth of +15%, after two years of very strong demand for cell counting instruments. However, medium-term growth prospects remain excellent, especially with the launch of new instruments to accompany the marketing of cell therapies and EBIT margin expected at almost 60%, thereby testifying to the quality of the economic model.

MARCH

With a smaller decline over the month than that on the equities markets, our selection of stocks showed a degree of resilience thanks to solid performances by a number of stocks.

In the medtech field, we would mention the strong performance by Genovis (enzymes for the development and production of biomedicines, +12%) following the announcement at the beginning of the year of a sub-licensing contract for its Xork enzyme with Astellas Pharma for development of a drug stemming from gene therapy. The drug could potentially generate €135 million in revenues over coming years, thereby providing reassuring news on the technology's potential. Medistim (cardiovascular surgery instruments, +32%) also reported excellent earnings, in terms of both sales growth and operating profit with a record margin of 28.7%.
In contrast, some health players remain penalised by the return to normal after the very robust trends witnessed in the sector over recent years, such as the global pandemic and vaccine development. We could mention the example of Biotage (analytical and medical chemistry equipment, 14.4%), which is forecasting a return to normal in its production equipment segment (12% of 2022 sales), used for manufacturing of Covid-19 vaccines. However, we note further R&D investments in the sector, especially in advanced therapies such as cell or gene therapies, which ought to underpin equipment demand in coming years.
In digital innovation, Esker (digitalisation of receivables/payables processes, -13.6%) provided a negative contribution despite the publication of good annual results and solid forecasts for 2023. For certain clients, management nevertheless noted the current extension in decision-making times, which could potentially create a degree of volatility in coming years. Furthermore, leverage on margins is set to be limited due to ongoing investments in its technology and its sales teams in order to accompany the strong digitalisation trend in the market.

APRIL

Our selection of stocks was down slightly over the month. Many stocks in the digital and medtech fields made gains over the month following excellent Q1 publications testifying to further investments in the modernisation and digitalisation of our industries. In contrast, a number of more industrial stocks disappointed.
Among the positive contributors, we noted QT Group (software for digital user interface design, +16.3%) which was up sharply over the month following the publication of excellent Q1 earnings, with growth in sales and EBIT of 27% and 40% respectively, driven by the surge in licences for its user interface design software that is present in a rising number of manufactured goods. Long-term growth prospects are excellent, with a number of multi-year contracts, including that recently signed with carmaker General Motors for the design of dashboards in its vehicles.
In the medtech segment, Xvivo (solutions for organ assessment and preservation, +24.7%) continued to climb over the month after reporting Q1 sales growth of 52% with significant margin widening to 18%. Initially proposed only for lung grafts, its solutions to preserve and assess organs are now available for kidneys and the company is also developing its future solutions for the heart and liver, which ought to considerably increase its addressable market in coming years and enable it to continue expanding.
Among the negative contributors, Lectra (cutting software and equipment, -18.8%) reported a Q1 2023 order backlog down 32%, in a decline that affected equally its three main markets, namely fashion, automotive and furnishings. Short-term visibility remains poor and management therefore decided to reduce its 2023 targets.
Despite this short-term volatility, we remain confident on long-term opportunities and the strength of its business model with more than 65% of recurring sales.

MAY

After the consolidation of the previous month, our portfolio posted modest growth in May, with many of our selected stocks performing well.
At the crossroads of medical technology and digital innovation, we can cite the excellent performance of Surgical Science (world leader in simulation software for robotic surgery, +19.2%) following the publication of its quarterly results, marked by a doubling of licensing revenues thanks to the launch of new surgical robots by several of its customers, contributing to a sharp rise in margins.
We also note the performance of Vaisala (world leader in environmental and industrial measurement, +12.7%), which reported good Q1 2023 results, marked by good sales growth and a still buoyant order book, notably for its industrial measurement equipment used in data centers, pharmaceutical production processes and renewable energies.
On the other hand, we note that Adesso (software integration and development, -16.2%) fell back over the month, after reporting mixed results, with solid sales growth but lower margins at the start of the year, at a time when the company is investing in its growth strategy.

JUNE

Our portfolio continues to grow, with a positive performance for the month of June in a trendless market.
Among the positive contributions to the fund's performance, we note Equasens (software solutions for healthcare institutions, +9.6%) which, after publishing solid results the previous month, continues to perform well.

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Management expects to see an acceleration in its historic organic annual growth rate (+7%), driven by price rises for its software solutions and by demand from healthcare establishments for digital solutions, which remains strong and has even been boosted by the Ségur plan, with an investment package of €2 billion to support the massive and coherent development of digital healthcare in France. In addition, growth through acquisition remains part of management's growth strategy, as demonstrated by the 3 recent acquisitions.
Another positive performer over the month was Wavestone (management consulting and transformation, +12.2%), whose publication of its annual results (to end March) confirmed the solid momentum of its sales, with organic growth of +14% in 4Q22/23 (1Q23) and expectations of organic growth for its new financial year of +7%, the fruit of its targeted strategy of positioning itself in dynamic sectors and players undergoing transformation, notably in the energy sector. The company also expects a further increase in its operating margin (15% vs. 14.5%), which should benefit from the growth in its business thanks to a higher utilisation rate for its consultants, limited recruitment needs this year and a wage pressure that is in the process of being normalised.
Among the negative contributions to the fund's performance, we note the falls in Biotage (analytical and medical chemistry equipment, -6.3%) and Chemometec (automated cell counting and analysis instruments, -3.2%), in the wake of Sartorius Stedim's profit warning, highlighting a slowdown in the bioprocess sector mainly due to destocking effects.

JULY

The fund posted a slight decrease in July.
Our software companies also performed very well over the month following strong quarterly results, as reflected in Atoss Software's flawless performance this year (work scheduling software, +6.5%), which posted an increase in sales and operating results of +32% and +60% during the quarter, and an increase in its annual targets. Also, in the field of management software, Esker (software for the digitization of back-office processes, +9%) continues to benefit from the strong demand for its digital solutions thanks to the growing digitization of customer-supplier positions, fostered by new regulations such as mandatory electronic invoicing in Europe, which resulted in doubledigit growth in sales and order books in Q2, and an improved outlook for the rest of the year.
Finally, Wavestone (consultant, +7.8%) posted a strong performance following results indicating strong business momentum, with organic growth of +11% in the quarter, and the welcome announcement of the acquisition of Germany's Q_PERIOR, which marks the continuation of the successful development strategy in terms of geographies and competencies.
Among the negative contributions, Vaisala (environmental and industrial measurement solutions, -12.6%) reviewed its 2023 outlook downward due to some slowdown of the activity in its industrial measurement division.
We must also highlight the negative evolution of Adesso (new generation IT services, -14.2%) and MIPS (protection system, particularly for bicycle helmets, -9.2%).

AUGUST

After a buoyant start to the year, August saw a decline in our stock selection against a backdrop of falling valuations for growth stocks, particularly in Northern Europe, despite operating performances that remained positive for the most part.
Positive contributions included a solid performance from Genovis (innovative enzymes for biotechnology and gene therapy, +15.8%), with organic sales growth of +30% for its enzymes used to accelerate the development of tomorrow's drugs, products which are notably used in several next-generation messenger RNA projects.
Several software stocks also held up well, such as Atoss Software (work scheduling software, +1.6%) and Mensch und Maschine (industrial software, +2%), following on from last month's solid publications, or Adesso (IT software development and integration services, +8.9%), which rebounded after announcing strong sales growth of +33%, despite a lower operating margin due to numerous recruitments and salary increases.
On the other hand, the month also saw the return of a downward trend in the valuations of many growth stocks, notably among our Swedish and Finnish holdings, despite strong operational momentum, as illustrated by the declines of Fortnox (administration software for small and medium-sized businesses, -14. 2%) and Xvivo (solutions for organ preservation and evaluation, -10.6%), despite their very good publications the previous month, with organic growth for 2Q23 up by +31%, +15% and +46% respectively. In this context, even the slightest disappointments were punished, such as Qt Group (software for digital interface design, -21.9%), with growth in 2Q23 below expectations after an excellent 1Q23, or Surgical Science (world leader in simulation software for robotic surgery, -35.1%), which may have suffered from a slowdown in sales of its educational solutions for hospitals, despite solid growth in license sales and a strong portfolio of new customers, as we saw during our recent visit to its development center in Stockholm.

SEPTEMBER

After a bad month of August, our stock selection ended once again lower, in a volatile environment once again dominated by macroeconomic factors, in particular the rise in interest rates, which are very unfavorable for our long-term growth stocks. Although some stocks managed to escape the bearish movement, during the month we noticed downward pressure on our stocks in the software space, one of the most resilient since the beginning of the year.
We highlight the negative evolution from Atoss Software (industrial software, -12.7%) or Esker (software for the digitalization of back-office processes, -21.3%), which lowered their annual margin forecasts after first half results penalized by inflation.
Among our negative contributions, Xilam (European leader in the production of animated series, -40.4%) published its half-year results with an operating margin of 10.5%, a marked decline despite the good growth of its turnover of 28%. The drop is mainly explained by the investment efforts made to enter the adult entertainment segment and the strategic shift towards greater provision of services. If this strategy has a short-term financial impact, in the long term the adult animation segment will allow the company to address a much larger market with better margins and the provision of services will allow a strong improvement in cash flow generation, improvement already visible from the first half of 2023.
Although the general economic context in Europe remains slow, recent weeks have been the occasion for numerous visits to our companies, especially in Sweden and Germany. Several of them, in sectors ranging from medical technology to industrial automation, which had been at the center of the needs during the Covid crisis, reported an acceleration of the effects of inventory liquidation starting in 2Q23, after the economic slowdown and the weakness of the Chinese recovery. Positively, they also indicated that they expected the end of these inventory normalization effects among their clients, which had increased in a context of strong demand and tensions in supply chains, suggesting a possible return to their structural long term growth trends by the end of 2023.

Report of the Board of Directors

OCTOBER

Our stock selection finishes the month of October falling, in a market environment dominated by high volatility and a rise in interest rates to record levels that is especially unfavorable for growth companies, despite the quarterly publications quite positive.
Among the positive contributions, we find our software companies after excellent publications. Mensch und Maschine (industrial software, +7.5%), despite the slowdown in sales of Autodesk, which the company distributes in Europe, continues to record growth in its operating profit thanks to the good performance of sales of internally developed software and strict cost control. Finally, Atoss Software (human resources management software, +1.5%) continues its impeccable performance with sales growth of +31% and operating profit of +61%, benefiting from strong demand in a context of labor shortages and increasing digitalization of human resources processes.
Among the negative contributions, Xilam (European leader in the production of animated series, -68.1%) announced the cancellation of two projects developed for American platforms. As a result, turnover in 2024 will trend downward and targets for 2026 will be nullified. MIPS (protection system especially for bicycle helmets, -27.9%) also disappointed the market with an organic sales drop of -33%, mainly explained by the sports division. Inventories levels are beginning to normalize at distributors, but there are still inventories to clean at helmet manufacturers. MIPS management continues to see a good start to its order book for the fourth quarter.

NOVEMBER

Our selection of stocks rebounded strongly in November, in the wake of solid quarterly publications, attractive valuations including very negative scenarios for our most cyclical stocks, and falling long-term interest rates against a backdrop of moderating inflation. In the software sector, Fortnox (management software for SMEs, +30.5%) rebounded sharply from its decline of the previous month, against a backdrop of slightly slower organic growth and strong downward pressure on Swedish stocks. QT Group (software for digital interface design, +15.2%) also rebounded. Finally, November saw the launch of a takeover bid for EQS Group (compliance software, +65.3%) by PE firm Thomas Bravo.
In medical technologies, we note the positive performance of Xvivo Perfusion (organ preservation solutions pretransplant, +18.9%) and, following on from the more optimistic messages from biotechnology equipment companies at the end of October, Biotage (analytical and medical chemistry equipment, +18.9%). Nexus (software for hospitals, +16.4%) published positive quarterly results, with growth accelerating to +17%, after +12% in the first half, and margins once again on the rise. Similarly, Sweden's Surgical Science (simulation software for robotic surgery, +39%) ended the quarter strongly up on the back of good licence sales figures and record margins, boosted by solid growth in the surgical robot market.

DECEMBER

December was marked by a very strong performance which, following on from that of November, enabled our stock selection to end 2023 on a positive note, in a difficult and volatile environment for our small-cap growth stocks against a backdrop of major interest rate movements.

In particular, the month saw a strong performance from our medical technology stocks, notably Xvivo (pretransplant organ preservation solutions, +26.7%), this year's flagship stock in the selection, which ended on an annual high, and Revenio (ophthalmic diagnostic solutions, +17.6%), after a positive CMD on the group's long-term growth prospects, and Genovis (innovative enzymes for biotechnology and gene therapy, +11.3%) after a 3Q showing continued strong organic sales growth of +25%.

In the services sector, Wavestone (management consulting and transformation, +23.2%) reported excellent halfyear results, with organic growth of +12% and an operating margin up 0.8 points to 13.3%. In addition, the merger with Q Perior has now been completed, enabling Wavestone to become a truly European player in consulting and to target sales of €1 billion for the 2024/2025 financial year.

Lumibird (medical/industrial lasers and Lidar systems, -6.9%), a rare negative performer over the month, fell back after the publication of a profit warning, due to the postponement of orders to 2024, without calling into question the company's prospects or the soundness of its strategy.

Lonvia Avenir Small-Cap Europe had €16.323 million of assets under management on 29 December 2023.
Lonvia Avenir Small-Cap Europe Retail returned -5.68% in 2023 compared to -0.32% for its benchmark.
Lonvia Avenir Small-Cap Europe Clean Share returned -4.59% in 2023 compared to -0.32% for its benchmark
Lonvia Avenir Small-Cap Europe Institutional returned -4.50% in 2023 compared to -0.32% for its benchmark.

Past performance is not a reliable indicator of future performance.

Ernst & Young
Société anonyme
35E, Avenue John F. Kennedy
L-1855 Luxembourg

B.P. 780
L-2017 Luxembourg

Tel : +352 42 124 1
www.ey.com/luxembourg

R.C.S. Luxembourg B 47 771
TVA LU 16063074

Independent auditor's report

To the Shareholders of
Lonvia
5, Allée Scheffer
L-2520 Luxembourg

Opinion

We have audited the financial statements of Lonvia (the "Fund") and of each of its sub-funds, which comprise the statement of net assets and the securities portfolio as at 31 December 2023, and the statement of operations and changes in net assets for the year then ended 31 December 2023, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund and of each of its sub-funds as at 31 December 2023, and of the results of their operations and changes in their net assets for the year then ended 31 December 2023 in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for Opinion

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

Other information

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

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

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

Responsibilities of the Board of Directors of the Fund

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

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

Responsibilities of the "réviseur d'entreprises agréé" for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Building a better working world

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund.
- Conclude on the appropriateness of the Board of Directors of the Fund's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's or any of its sub-funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Fund or any of its sub-funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Ernst & Young
Société anonyme
Cabinet de révision agréé

Nadia Faber

Luxembourg, 29 April 2024

LONVIA

Combined financial statements

Combined statement of net assets as at 31/12/23

	Note	*Expressed in EUR*
Assets		**326,446,900.35**
Securities portfolio at market value	2.2	315,328,285.63
Cost price		*315,481,248.79*
Cash at banks and liquidities		10,092,872.99
Receivable for investments sold		54,628.18
Receivable on subscriptions		929,789.31
Dividends receivable on securities portfolio		41,324.24
Liabilities		**2,272,217.21**
Payable on investments purchased		702,191.69
Payable on redemptions		559,010.89
Accrued management fees	3	936,304.84
Other liabilities		74,709.79
Net asset value		**324,174,683.14**

Combined statement of operations and changes in net assets for the year ended 31/12/23

	Note	Expressed in EUR
Income		**3,088,058.99**
Dividends on securities portfolio, net		2,947,865.25
Bank interests on cash accounts		139,420.66
Other income		773.08
Expenses		**4,737,973.41**
Management and Management Company fees	3	4,184,561.64
Administration fees		85,312.27
Legal fees		11,842.00
Transaction fees	2.8	369,085.68
Directors fees		10,000.00
Subscription tax ("Taxe d'abonnement")	6	63,856.44
Other expenses		13,315.38
Net income / (loss) from investments		**-1,649,914.42**
Net realised profit / (loss) on:		
- sales of investment securities	2.2,2.3	-37,276,516.01
- foreign exchange	2.4	-1,356,060.87
Net realised profit / (loss)		**-40,282,491.30**
Movement in net unrealised appreciation / (depreciation) on:		
- investments	2.2	67,356,179.01
Net increase / (decrease) in net assets as a result of operations		**27,073,687.71**
Subscriptions of capitalisation shares		102,505,188.76
Redemptions of capitalisation shares		-109,054,582.85
Net increase / (decrease) in net assets		**20,524,293.62**
Net assets at the beginning of the year		**303,650,389.52**
Net assets at the end of the year		**324,174,683.14**

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

LONVIA - LONVIA AVENIR MID-CAP EUROPE

LONVIA - LONVIA AVENIR MID-CAP EUROPE

Statement of net assets as at 31/12/23

	Note	*Expressed in EUR*
Assets		**288,880,513.73**
Securities portfolio at market value	2.2	279,269,859.90
Cost price		*274,246,918.58*
Cash at banks and liquidities		8,754,871.71
Receivable for investments sold		54,628.18
Receivable on subscriptions		759,829.70
Dividends receivable on securities portfolio		41,324.24
Liabilities		**2,059,546.25**
Payable on investments purchased		702,191.69
Payable on redemptions		473,021.62
Accrued management fees	3	819,112.70
Other liabilities		65,220.24
Net asset value		**286,820,967.48**

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

Statement of operations and changes in net assets from 01/01/23 to 31/12/23

	Note	Expressed in EUR
Income		**2,575,402.12**
Dividends on securities portfolio, net		2,457,303.89
Bank interests on cash accounts		117,355.05
Other income		743.18
Expenses		**3,975,282.04**
Management and Management Company fees	3	3,529,984.95
Administration fees		58,139.23
Legal fees		4,457.00
Transaction fees	2.8	312,814.61
Directors fees		8,353.43
Subscription tax ("Taxe d'abonnement")	6	50,007.13
Other expenses		11,525.69
Net income / (loss) from investments		**-1,399,879.92**
Net realised profit / (loss) on:		
- sales of investment securities	2.2,2.3	-29,859,859.33
- foreign exchange	2.4	-898,789.80
Net realised profit / (loss)		**-32,158,529.05**
Movement in net unrealised appreciation / (depreciation) on:		
- investments	2.2	59,944,574.67
Net increase / (decrease) in net assets as a result of operations		**27,786,045.62**
Subscriptions of capitalisation shares		89,577,935.81
Redemptions of capitalisation shares		-80,997,842.93
Net increase / (decrease) in net assets		**36,366,138.50**
Net assets at the beginning of the year		**250,454,828.98**
Net assets at the end of the year		**286,820,967.48**

Statistics

		31/12/23	31/12/22	31/12/21
Total Net Assets	**EUR**	**286,820,967.48**	**250,454,828.98**	**241,388,653.43**
Class CS				
Number of shares		166,974.62	282,201.08	310,034.61
Net asset value per share	EUR	99.98	89.59	145.10
Class I				
Number of shares		137,076.87	131,624.50	82,352.84
Net asset value per share	EUR	1,027.00	919.36	1,487.58
Class IWPF				
Number of shares		85,896.06	73,612.43	23,665.99
Net asset value per share	EUR	1,039.63	933.93	1,516.47
Class R				
Number of shares		408,756.19	398,725.17	261,197.70
Net asset value per share	EUR	97.98	88.81	145.51

Changes in number of shares outstanding from 01/01/23 to 31/12/23

	Shares outstanding as at 01/01/23	Shares issued	Shares redeemed	Shares outstanding as at 31/12/23
Class CS	282,201.08	41,831.01	157,057.47	166,974.62
Class I	131,624.50	54,670.09	49,217.72	137,076.87
Class IWPF	73,612.43	17,811.65	5,528.02	85,896.06
Class R	398,725.17	175,272.23	165,241.21	408,756.19

Securities portfolio as at 31/12/23

Denomination	Currency	Quantity/ Notional	Market value (in EUR)	% of net assets
Transferable securities admitted to an official stock exchange listing and/or dealt in on another regulated market			**273,544,189.03**	**95.37**
Shares			**273,544,189.03**	**95.37**
Belgium			**4,511,856.25**	**1.57**
MELEXIS NV	EUR	49,445	4,511,856.25	1.57
Bermuda			**1,406,365.10**	**0.49**
AUTOSTORE HLDG --- REGISTERED SHS REG S	NOK	789,655	1,406,365.10	0.49
Denmark			**2,145,345.33**	**0.75**
CHEMOMETEC A/S	DKK	41,218	2,145,345.33	0.75
Finland			**8,612,740.35**	**3.00**
ADMICOM REGISTERED SHS	EUR	67,221	2,947,640.85	1.03
QT GROUP PLC	EUR	87,831	5,665,099.50	1.98
France			**28,930,696.50**	**10.09**
ALTEN SA	EUR	57,828	7,783,648.80	2.71
ESKER SA	EUR	15,600	2,489,760.00	0.87
ID LOGISTICS	EUR	9,682	2,962,692.00	1.03
MEDIAN TECHNOLOGIES	EUR	51,336	243,846.00	0.09
SARTORIUS STEDIM BIOTECH	EUR	17,602	4,215,679.00	1.47
SES IMAGOTAG SA	EUR	26,406	3,585,934.80	1.25
SOITEC SA RGPT	EUR	34,744	5,621,579.20	1.96
WAVESTONE SA	EUR	34,541	2,027,556.70	0.71
Germany			**65,814,338.92**	**22.95**
ADESSO	EUR	33,576	3,606,062.40	1.26
AIXTRON AG	EUR	192,947	7,459,331.02	2.60
ATOSS SOFTWARE	EUR	34,331	7,175,179.00	2.50
CARL ZEISS MEDITEC AG	EUR	59,274	5,858,642.16	2.04
COMPUGROUP MED - REG SHS	EUR	133,002	5,040,775.80	1.76
JENOPTIK - REG SHS	EUR	151,932	4,320,946.08	1.51
MENSCH UND MASCHINE SOFTWARE AG	EUR	97,676	5,372,180.00	1.87
NEMETSCHEK	EUR	109,077	8,560,362.96	2.98
NEXUS AG	EUR	98,459	5,730,313.80	2.00
RATIONAL NAMEN	EUR	10,431	7,296,484.50	2.54
SIXT AKTIENGESELLSCHAFT	EUR	53,301	5,394,061.20	1.88
Italy			**19,916,057.82**	**6.94**
AMPLIFON SPA	EUR	120,348	3,771,706.32	1.32
CAREL INDUSTR --- REGISTERED SHS	EUR	342,590	8,496,232.00	2.96
REPLY SPA	EUR	64,001	7,648,119.50	2.67
Netherlands			**22,443,473.95**	**7.82**
ASM INTERNATIONAL NV	EUR	28,403	13,347,989.85	4.65
BESI - REG SHS	EUR	66,658	9,095,484.10	3.17
Norway			**3,748,040.33**	**1.31**
SMARTCRAFT ASA	NOK	1,860,504	3,748,040.33	1.31
Sweden			**65,210,475.71**	**22.74**
BIOTAGE	SEK	319,645	3,838,898.41	1.34
BONESUPPORT --- REGISTERED SHS	SEK	146,515	2,476,903.03	0.86
FORTNOX AB	SEK	1,340,710	7,259,645.08	2.53
GENOVIS AB	SEK	740,687	3,566,209.14	1.24
HEXAGON - REG SHS -B-	SEK	477,474	5,187,557.18	1.81
HMS NETWORKS - REGISTERED	SEK	173,631	7,757,831.52	2.70
INDUTRADE AB	SEK	181,748	4,274,118.70	1.49
LIME TECHNOLOG	SEK	68,584	1,826,647.74	0.64
MUNTERS GRP REGISTERED -B-	SEK	549,010	8,063,160.57	2.81

Securities portfolio as at 31/12/23

Denomination	Currency	Quantity/ Notional	Market value (in EUR)	% of net assets
NOTE AB	SEK	226,328	3,019,062.03	1.05
SDIPTECH -B-	SEK	245,447	5,948,493.20	2.07
SURGICAL SCIENCE SWEDEN AB	SEK	394,926	6,474,196.72	2.26
XVIVO PERFUSION	SEK	186,423	5,517,752.39	1.92
Switzerland			**33,909,862.42**	**11.82**
COMET HLDG REG SHS	CHF	11,490	3,277,560.50	1.14
INFICON HOLDING AG	CHF	4,507	5,846,447.24	2.04
INTERROLL-HOLDING NOM.	CHF	876	2,515,779.28	0.88
KARDEX HOLDING AG	CHF	29,007	6,801,684.41	2.37
LEM HOLDING SANOM	CHF	1,407	3,140,287.19	1.09
STRAUMANN HOLDING LTD	CHF	53,810	7,848,376.90	2.74
TECAN GROUP NAM.AKT	CHF	10,318	3,811,123.16	1.33
TRIFORK HOLDING --- REGISTERED SHS	DKK	47,468	668,603.74	0.23
United Kingdom			**16,894,936.35**	**5.89**
ASHTEAD GROUP	GBP	91,171	5,746,650.53	2.00
CERILLION PLC	GBP	261,882	4,850,506.15	1.69
HALMA PLC	GBP	176,682	4,656,877.13	1.62
KEYWORDS	GBP	85,555	1,640,902.54	0.57
Undertakings for Collective Investment			**5,725,670.87**	**2.00**
Shares/Units in investment funds			**5,725,670.87**	**2.00**
Luxembourg			**5,725,670.87**	**2.00**
LONV AVENIR MID-CAP EURO INSTITUTIONAL	EUR	2,073	2,106,757.47	0.73
LONVIA SICAV - LONVIA AVENIR SMALL CAP EUROPE - INSTITUTIONAL- CAP	EUR	3,936	3,618,913.40	1.26
Total securities portfolio			**279,269,859.90**	**97.37**

LONVIA - LONVIA AVENIR MID-CAP EURO

Statement of net assets as at 31/12/23

	Note	Expressed in EUR
Assets		**21,148,277.86**
Securities portfolio at market value	2.2	20,815,707.68
Cost price		*20,665,212.02*
Cash at banks and liquidities		323,769.74
Receivable on subscriptions		8,800.44
Liabilities		**117,901.76**
Payable on redemptions		50,481.22
Accrued management fees	3	62,465.38
Other liabilities		4,955.16
Net asset value		**21,030,376.10**

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

Statement of operations and changes in net assets from 01/01/23 to 31/12/23

	Note	Expressed in EUR
Income		**296,404.76**
Dividends on securities portfolio, net		288,965.62
Bank interests on cash accounts		7,418.80
Other income		20.34
Expenses		**381,883.88**
Management and Management Company fees	3	324,475.83
Administration fees		11,314.33
Legal fees		3,954.00
Transaction fees	2.8	32,860.26
Directors fees		793.36
Subscription tax ("Taxe d'abonnement")	6	7,545.81
Other expenses		940.29
Net income / (loss) from investments		**-85,479.12**
Net realised profit / (loss) on:		
- sales of investment securities	2.2,2.3	-2,491,699.07
- foreign exchange	2.4	32,317.81
Net realised profit / (loss)		**-2,544,860.38**
Movement in net unrealised appreciation / (depreciation) on:		
- investments	2.2	3,744,029.68
Net increase / (decrease) in net assets as a result of operations		**1,199,169.30**
Subscriptions of capitalisation shares		5,665,461.07
Redemptions of capitalisation shares		-10,665,924.50
Net increase / (decrease) in net assets		**-3,801,294.13**
Net assets at the beginning of the year		**24,831,670.23**
Net assets at the end of the year		**21,030,376.10**

LONVIA - LONVIA AVENIR MID-CAP EURO

Statistics

		31/12/23	31/12/22	31/12/21
Total Net Assets	**EUR**	**21,030,376.10**	**24,831,670.23**	**32,798,975.25**
Class CS				
Number of shares		62,860.89	85,512.44	84,495.13
Net asset value per share	EUR	99.12	91.01	143.59
Class I				
Number of shares		10,635.55	10,314.56	6,196.33
Net asset value per share	EUR	1,016.46	932.34	1,469.64
Class IWPF				
Number of shares		-	781.00	1,102.61
Net asset value per share	EUR	-	943.09	1,491.04
Class R				
Number of shares		41,310.49	74,668.30	69,308.81
Net asset value per share	EUR	96.55	89.62	142.96
Class SR				
Number of shares		4.55	50.00	50.00
Net asset value per share	EUR	97.57	89.41	143.07

Changes in number of shares outstanding from 01/01/23 to 31/12/23

	Shares outstanding as at 01/01/23	Shares issued	Shares redeemed	Shares outstanding as at 31/12/23
Class CS	85,512.44	6,246.68	28,898.24	62,860.89
Class I	10,314.56	2,721.87	2,400.87	10,635.55
Class IWPF	781.00	0.00	781.00	0.00
Class R	74,668.30	25,424.35	58,782.16	41,310.49
Class SR	50.00	4.55	50.00	4.55

Securities portfolio as at 31/12/23

Denomination	Currency	Quantity/ Notional	Market value (in EUR)	% of net assets
Transferable securities admitted to an official stock exchange listing and/or dealt in on another regulated market			**20,510,978.31**	**97.53**
Shares			**20,510,978.31**	**97.53**
Belgium			**973,639.93**	**4.63**
MELEXIS NV	EUR	6,729	614,021.25	2.92
X-FAB SILICON F - REGISTERED	EUR	35,326	359,618.68	1.71
Finland			**1,652,631.25**	**7.86**
ADMICOM REGISTERED SHS	EUR	7,983	350,054.55	1.66
QT GROUP PLC	EUR	9,804	632,358.00	3.01
TALENOM PLC	EUR	19,588	121,445.60	0.58
VAISALA OY -A-	EUR	13,823	548,773.10	2.61
France			**5,055,382.09**	**24.04**
ALTEN SA	EUR	5,858	788,486.80	3.75
EQUASENS --- ACT	EUR	6,570	401,427.00	1.91
ESKER SA	EUR	1,583	252,646.80	1.20
ID LOGISTICS	EUR	2,133	652,698.00	3.10
LUMIBIRD SA	EUR	18,028	219,581.04	1.04
MEDIAN TECHNOLOGIES	EUR	9,943	47,229.25	0.22
MERSEN	EUR	6,990	246,048.00	1.17
ROBERTET	EUR	163	135,290.00	0.64
SARTORIUS STEDIM BIOTECH	EUR	1,422	340,569.00	1.62
SES IMAGOTAG SA	EUR	3,980	540,484.00	2.57
SOITEC SA RGPT	EUR	3,658	591,864.40	2.81
WAVESTONE SA	EUR	14,294	839,057.80	3.99
Germany			**7,415,700.86**	**35.26**
ADESSO	EUR	3,039	326,388.60	1.55
AIXTRON AG	EUR	18,159	702,026.94	3.34
ATOSS SOFTWARE	EUR	2,862	598,158.00	2.84
CARL ZEISS MEDITEC AG	EUR	5,250	518,910.00	2.47
COMPUGROUP MED - REG SHS	EUR	10,771	408,220.90	1.94
ECKERT ET ZIEGLER STRAHLEN UND MEDIZIN	EUR	2,582	106,636.60	0.51
JENOPTIK - REG SHS	EUR	16,321	464,169.24	2.21
JUNGHEINRICH VORZ.STIMMRECHTSLOS	EUR	15,390	511,255.80	2.43
MENSCH UND MASCHINE SOFTWARE AG	EUR	10,703	588,665.00	2.80
NEMETSCHEK	EUR	13,671	1,072,900.08	5.10
NEXUS AG	EUR	11,388	662,781.60	3.15
RATIONAL NAMEN	EUR	1,003	701,598.50	3.34
SARTORIUS VORZ.OHNE STIMMRECHT.	EUR	747	248,900.40	1.18
SIXT AKTIENGESELLSCHAFT	EUR	4,991	505,089.20	2.40
Italy			**3,598,374.13**	**17.11**
AMPLIFON SPA	EUR	16,744	524,756.96	2.50
BRUNELLO CUCINELLI	EUR	7,369	652,893.40	3.10
CAREL INDUSTR --- REGISTERED SHS	EUR	32,290	800,792.00	3.81
DIASORIN	EUR	3,481	324,568.44	1.54
REPLY SPA	EUR	7,790	930,905.00	4.43
TECHNOGYM SPA (ITA)	EUR	40,205	364,458.33	1.73
Netherlands			**1,815,250.05**	**8.63**
ASM INTERNATIONAL NV	EUR	2,158	1,014,152.10	4.82
BESI - REG SHS	EUR	5,871	801,097.95	3.81
Undertakings for Collective Investment			**304,729.37**	**1.45**
Shares/Units in investment funds			**304,729.37**	**1.45**

LONVIA - LONVIA AVENIR MID-CAP EURO

Securities portfolio as at 31/12/23

Denomination	Currency	Quantity/ Notional	Market value (in EUR)	% of net assets
Luxembourg			**304,729.37**	**1.45**
LONVIA SICAV - LONVIA AVENIR SMALL CAP EUROPE - INSTITUTIONAL- CAP	EUR	331	304,729.37	1.45
Total securities portfolio			**20,815,707.68**	**98.98**

LONVIA - LONVIA AVENIR SMALL CAP EUROPE

Statement of net assets as at 31/12/23

	Note	Expressed in EUR
Assets		**16,418,108.76**
Securities portfolio at market value	2.2	15,242,718.05
Cost price		*20,569,118.19*
Cash at banks and liquidities		1,014,231.54
Receivable on subscriptions		161,159.17
Liabilities		**94,769.20**
Payable on redemptions		35,508.05
Accrued management fees	3	54,726.76
Other liabilities		4,534.39
Net asset value		**16,323,339.56**

Statement of operations and changes in net assets from 01/01/23 to 31/12/23

	Note	*Expressed in EUR*
Income		**216,252.11**
Dividends on securities portfolio, net		201,595.74
Bank interests on cash accounts		14,646.81
Other income		9.56
Expenses		**380,807.49**
Management and Management Company fees	3	330,100.86
Administration fees		15,858.71
Legal fees		3,431.00
Transaction fees	2.8	23,410.81
Directors fees		853.21
Subscription tax ("Taxe d'abonnement")	6	6,303.50
Other expenses		849.40
Net income / (loss) from investments		**-164,555.38**
Net realised profit / (loss) on:		
- sales of investment securities	2.2,2.3	-4,924,957.61
- foreign exchange	2.4	-489,588.88
Net realised profit / (loss)		**-5,579,101.87**
Movement in net unrealised appreciation / (depreciation) on:		
- investments	2.2	3,667,574.66
Net increase / (decrease) in net assets as a result of operations		**-1,911,527.21**
Subscriptions of capitalisation shares		7,261,791.88
Redemptions of capitalisation shares		-17,390,815.42
Net increase / (decrease) in net assets		**-12,040,550.75**
Net assets at the beginning of the year		**28,363,890.31**
Net assets at the end of the year		**16,323,339.56**

LONVIA - LONVIA AVENIR SMALL CAP EUROPE

Statistics

		31/12/23	31/12/22	31/12/21
Total Net Assets	**EUR**	**16,323,339.56**	**28,363,890.31**	**47,551,835.27**
Class CS				
Number of shares		26,797.35	62,465.59	57,999.49
Net asset value per share	EUR	88.70	92.97	154.36
Class I				
Number of shares		9,264.08	15,005.12	14,613.92
Net asset value per share	EUR	919.43	962.80	1,596.88
Class R				
Number of shares		61,783.12	87,038.67	97,546.36
Net asset value per share	EUR	87.87	93.17	156.46

Changes in number of shares outstanding from 01/01/23 to 31/12/23

	Shares outstanding as at 01/01/23	Shares issued	Shares redeemed	Shares outstanding as at 31/12/23
Class CS	62,465.59	11,288.73	46,956.97	26,797.35
Class I	15,005.12	4,370.29	10,111.33	9,264.08
Class R	87,038.67	22,234.17	47,489.72	61,783.12

LONVIA - LONVIA AVENIR SMALL CAP EUROPE

Securities portfolio as at 31/12/23

Denomination	Currency	Quantity/ Notional	Market value (in EUR)	% of net assets
Transferable securities admitted to an official stock exchange listing and/or dealt in on another regulated market			**15,242,718.05**	**93.38**
Shares			**15,242,541.46**	**93.38**
Austria			**47,975.00**	**0.29**
FABASOFT AG	EUR	2,525	47,975.00	0.29
Denmark			**545,846.80**	**3.34**
CHEMOMETEC A/S	DKK	9,147	476,089.90	2.92
NAPATECH A/S	NOK	59,738	69,756.90	0.43
Finland			**2,489,412.32**	**15.25**
ADMICOM REGISTERED SHS	EUR	3,691	161,850.35	0.99
KEMPOWER OYJ PREFERENTIAL SHARE	EUR	3,519	111,904.20	0.69
OPTOMED OY REGISTERED SHS A	EUR	9,510	35,329.65	0.22
QT GROUP PLC	EUR	11,971	772,129.50	4.73
REVENIO GROUP CORP	EUR	22,407	608,574.12	3.73
TALENOM PLC	EUR	27,551	170,816.20	1.05
VAISALA OY -A-	EUR	15,839	628,808.30	3.85
France			**2,996,228.25**	**18.36**
EQUASENS --- ACT	EUR	10,407	635,867.70	3.90
ESKER SA	EUR	3,339	532,904.40	3.26
LECTRA SYSTEMES	EUR	19,437	607,406.25	3.72
LUMIBIRD SA	EUR	45,385	552,789.30	3.39
MEDIAN TECHNOLOGIES	EUR	18,590	88,302.50	0.54
WAVESTONE SA	EUR	9,863	578,958.10	3.55
Germany			**3,834,762.43**	**23.49**
ADESSO	EUR	3,242	348,190.80	2.13
ATOSS SOFTWARE	EUR	3,372	704,748.00	4.32
DATAGROUP AG	EUR	8,997	516,427.80	3.16
ECKERT ET ZIEGLER STRAHLEN UND MEDIZIN	EUR	10,885	449,550.50	2.75
LPKF LASER AND ELECTRONICS SE	EUR	10,525	104,671.13	0.64
MENSCH UND MASCHINE SOFTWARE AG	EUR	12,720	699,600.00	4.29
NEXUS AG	EUR	17,381	1,011,574.20	6.20
Norway			**939,410.00**	**5.76**
MEDI-STIM	NOK	22,441	428,076.30	2.62
OMDA AS	NOK	29,011	95,681.86	0.59
SMARTCRAFT ASA	NOK	206,327	415,651.84	2.55
Sweden			**4,309,352.56**	**26.40**
BIOGAIA AB	SEK	47,997	436,316.77	2.67
BIOTAGE	SEK	50,899	611,290.93	3.74
BONESUPPORT --- REGISTERED SHS	SEK	5,831	98,575.72	0.60
FASADGRUPPEN GROUP AB	SEK	22,230	140,378.98	0.86
FORTNOX AB	SEK	79,887	432,570.25	2.65
GENOVIS AB	SEK	120,173	578,600.75	3.54
LIME TECHNOLOG	SEK	3,578	95,295.49	0.58
MENTICE REGISTERED SH	SEK	18,647	80,400.27	0.49
MIPS AB	SEK	12,687	415,397.40	2.54
SEDANA MED	SEK	75,060	156,154.47	0.96
SURGICAL SCIENCE SWEDEN AB	SEK	33,546	549,934.43	3.37
XVIVO PERFUSION	SEK	24,138	714,437.10	4.38
Switzerland			**79,554.10**	**0.49**
TRIFORK HOLDING --- REGISTERED SHS	DKK	5,648	79,554.10	0.49
Rights			**176.59**	**0.00**

Securities portfolio as at 31/12/23

Denomination		Currency	Quantity/ Notional	Market value (in EUR)	% of net assets
France				**176.59**	**0.00**
XILAM ANIMATION	09/01/24 RIGHT	EUR	5,678	176.59	0.00
Total securities portfolio				**15,242,718.05**	**93.38**

LONVIA

Notes to the financial statements

Notes to the financial statements

1 - General information

LONVIA (the “Fund”) is a public limited company (société anonyme) incorporated on September 24, 2020 under the laws of Luxembourg as an investment company with variable share capital (société d'investissement à capital variable). The Fund is subject to Part I of the Luxembourg law of December 17, 2010 relating to undertakings for collective investment, as amended or supplemented from time to time.

The Fund’s registered office is at 5, Allée Scheffer, L-2520 Luxembourg.

The Articles were published in the *Recueil Electronique des Sociétés et Associations* on October 6, 2020. The Fund is registered with the Luxembourg Trade and Companies Register under number B 247491.

As at December 31, 2023, the following Sub-Funds are available to investors:

LONVIA AVENIR MID-CAP EUROPE
LONVIA AVENIR MID-CAP EURO
LONVIA AVENIR SMALL CAP EUROPE.

The Fund may issue the following Share Classes available as accumulating Class:
- Class R: Retail
- Class SR: Super Retail (only for LONVIA AVENIR MID-CAP EURO)
- Class CS: Clean Share
- Class I : Institutional
- Class IWPF : Institutional WPF (only for LONVIA AVENIR MID-CAP EUROPE and LONVIA AVENIR MID-CAP EURO)

2 - Principal accounting policies

2.1 - Presentation of the financial statements

The financial statements are prepared and presented in accordance with generally accepted accounting principles and legal reporting requirements in Luxembourg for investment funds.
The reference currency of the Fund is the EUR.
The combined financial statements of the Company are expressed in EUR and are presented for information purposes only. The figures show the combined numbers of all Sub-Funds. They are equal to the sum of the corresponding items in the financial statements of each Sub-Fund in EUR.

2.2 - Portfolio valuation

The value of the assets is determined as follows:
1. the value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued, and not yet received shall be deemed to be the full amount thereof, unless, however, the same is unlikely to be paid or received in full, in which case the value thereof shall be determined after making such discount as the Fund may consider appropriate in such case to reflect the fair value thereof;

2. the value of securities which are quoted or dealt in on any stock exchange shall be based on the last closing prices on the stock exchange which can reasonably considered the principal market of such securities, and each security traded on any other regulated market shall be valued in a manner as similar as possible to that provided for quoted securities;

3. for non-quoted securities or securities not traded or dealt in on any stock exchange or other regulated market, as well as quoted or non-quoted securities on such other market for which no valuation price is available, or securities for which the quoted prices are not representative of the fair market value, the value thereof shall be determined prudently and in good faith using any valuation method approved by the Board of Directors of the Fund;

4. shares or units in investment funds are valued at their last available net asset value;

5. Money Market Instruments may be valued using an amortisation method whereby instruments are valued at their acquisition cost as adjusted for amortization of premium or accrual of discount on a constant basis until maturity, regardless of the impact of fluctuating interest rates on the market value of the instruments. The amortisation method will only be used if it is not expected to result in a material discrepancy between the market value of the instruments and their value calculated according to the amortisation method.
Whenever a foreign exchange rate is needed in order to determine the Net Asset Value of a Class, the applicable foreign exchange rate on the respective Valuation Day will be used.
In addition, appropriate provisions will be made to account for the charges and fees charged to the Sub-Funds and Classes as well as accrued income on investments.
In the event that it is impossible or incorrect to carry out a valuation in accordance with the above rules owing to particular circumstances, such as hidden credit risk, the Board of Directors is entitled to use other generally recognised valuation principles, which can be examined by an auditor,

Notes to the financial statements

2 - Principal accounting policies

2.2 - Portfolio valuation

in order to reach a proper valuation of each Sub-Fund's total assets.
In the context of the management of the investment portfolio, each Sub-Fund may use instruments with a view to hedging against exchange-rate fluctuations. These instruments include sales of forward foreign-exchange contracts, sales of currency futures, purchases of put options on currencies as well as sales of call options on currencies. Furthermore, the Fund may for each Sub-Fund enter into currency swaps in the context of OTC transactions dealing with leading institutions specialised in this type of transaction.

2.3 - Net realised profits or losses on sales of investments

The net realised profits and loss on sales of investment securities are determined on the basis of the average cost of the securities sold and are recorded in the Statement of Operations and Changes in Net Assets.

2.4 - Foreign currency translation

The market value of securities portfolio and of other assets and liabilities expressed in currencies other than the reference currency are converted into that currency at the exchange rates prevailing at the financial year-end. The acquisition cost of securities portfolio, and transactions expressed in currencies other than the reference currency are converted into that currency at the exchange rates prevailing at the respective acquisition or transaction date. Foreign exchange profits and losses are recorded in the statement of operations and changes in net assets.

The exchange rates used as at December 31, 2023 for the calculation of the Net Asset Value are as follows:

1 EUR	=	0.9297	CHF	1 EUR	=	7.45455	DKK	1 EUR	=	0.86655	GBP
1 EUR	=	11.2185	NOK	1 EUR	=	11.1325	SEK				

2.5 - Combined financial statements

The combined financial statements of the SICAV are expressed in EUR and are equal to the sum of the corresponding captions in the financial statements of each sub-fund with no elimination of cross-investments. If cross-investments were eliminated, the recalculated combined net asset value would amount to EUR 318,144,282.90.

These cross-investments amount to EUR 6,030,400.24 and are detailed as follows:

Sub-funds	Cross investment	Amount (in EUR)
LONVIA - LONVIA AVENIR MID-CAP EUROPE	Lonv Avenir Mid-Cap Euro Institutional	2,106,757.47
LONVIA - LONVIA AVENIR MID-CAP EUROPE	Lonvia Sicav - Lonvia Avenir Small Cap Europe -Institutional-Cap	3,618,913.40
LONVIA - LONVIA AVENIR MID-CAP EURO	Lonvia Sicav - Lonvia Avenir Small Cap Europe -Institutional-Cap	304,729.37
		6,030,400.24

2.6 - Dividend and interest income

Dividend income is recorded as of the ex-dividend date and net of withholding tax. Interest income is recorded on an accrual basis and net of withholding tax.

2.7 - Formation expenses

Each Sub-Fund shall amortise its own expenses of establishment over a period of five (5) years as of the date of its creation. The expenses of first establishment will be exclusively charged to the Sub-Funds opened at the incorporation of the Company and shall be amortised over a period not exceeding five (5) years.

2.8 - Transaction fees

The transaction fees represent the costs incurred by the Sub-Fund in connection with purchases and sales of investments.
They include brokerage fees as well as bank commissions, depositary fees and other transaction fees, and are included in the Statement of Operations and Change in Net Assets.

Notes to the financial statements

3 - Management fees

The Management Company is entitled to receive from each Class of Shares of the Sub-Fund management fees as follow:
LONVIA AVENIR MID-CAP EUROPE
• 2.20% p.a. for Class of Share Retail
• 1.05% p.a. for Class of Share Clean Share
• 0.95% p.a. for Class of Share Institutional
• 1.30% p.a. for Class of Share Institutional WPF

LONVIA AVENIR MID-CAP EURO
• 2.10% p.a. for Class of Share Retail
• 2.40% p.a. for Class of Share Super Retail
• 1.00% p.a. for Class of Share Clean Share
• 0.90% p.a. for Class of Share Institutional
• 1.20% p.a. for Class of Share Institutional WPF

LONVIA AVENIR SMALL CAP EUROPE
• 2.25% p.a. for Class of Share Retail
• 1.10% p.a. for Class of Share Clean Share
• 1.00% p.a. for Class of Share Institutional

4 - Performance fees

The Management Company may be entitled to receive a Performance Fee with respect to certain Sub-Funds or Share Classes, which may impact the return of the investors' investment in such Sub-Fund or Share Class. The payment and size of the Performance Fee depends on the performance of the Sub-Fund or Share Class over a specified time period in excess of the applicable benchmark as set out below. The crystallization period for the calculation and payment of the performance fee shall be a full calendar year, except (i) for the year during which the Share Class is launched, where the crystallization period shall be understood as being the period starting as of the launch date of the Share Class and the immediately following 31st of December, (ii) if a Sub-Fund of Share Class is closed or subject to a merger in the course of a crystallisation period and (iii) where Shares are redeemed on a date other than that on which a Performance Fee is paid while accruals have been made for the Performance Fee (the "Crystallisation Period"). In respect of exceptions (ii) and (iii), the Performance Fee will be crystallised at the date of the event triggering the end of the Crystallisation Period and the Performance fee will be paid, even if a Performance Fee is no longer payable at year end.
The Management Company may be entitled to receive a Performance Fee with respect to certain Sub-Funds or Share Classes, which may impact the return of the investors' investment in such Sub-Fund or Share Class. The payment and size of the Performance Fee depends on the performance of the Sub-Fund or Share Class over a specified time period in excess of the applicable benchmark as set out below. The crystallization period for the calculation and payment of the performance fee shall be a full calendar year, except (i) for the year during which the Share Class is launched, where the crystallization period shall be understood as being the period starting as of the launch date of the Share Class and the immediately following 31st of December, (ii) if a Sub-Fund of Share Class is closed or subject to a merger in the course of a crystallisation period and (iii) where Shares are redeemed on a date other than that on which a Performance Fee is paid while accruals have been made for the Performance Fee (the "Crystallisation Period"). In respect of exceptions (ii) and (iii), the Performance Fee will be crystallised at the date of the event triggering the end of the Crystallisation Period and the Performance fee will be paid, even if a performance Fee is no longer payable at year end.

The Performance Fee is calculated as follows:

1) In case of a positive spread (the "Positive Performance") between (i) the performance of the Net Asset Value of the Sub-Fund over a given Crystallisation Period against the Net Asset Value calculated on the first Valuation Day of that Crystallisation Period (the "Performance") and (ii) the performance of the benchmark over that same Crystallisation Period (the "Benchmark Performance"), the Performance Fee shall be calculated on the basis of such Positive Performance, it being understood that a Performance Fee may be paid even if the Performance is negative over the Crystallisation Period;

2) In case of a spread of zero between the Performance and the Benchmark Performance (the "Nil Performance") during a Crystallisation Period, no Performance Fee will be due for such Crystallisation Period;

3) In case of a negative spread between the Performance and the Benchmark Performance (the "Negative Performance") during a Crystallisation Period, no Performance Fee shall be due in respect to such Reference Period and 100% of the Negative Performance shall be carried forward (the "Negative Bonus") to the following Crystallisation Period (the "Subsequent Crystallisation Period").

a. If there is a Positive Performance during the Subsequent Crystallisation Period, such Positive Performance shall be netted out with the Negative Bonus (expressed as a negative number). The Performance Fee shall be calculated on the balance resulting from the netting of the Positive Performance with the Negative Bonus (the "Balance"). If such Balance is negative, it will constitute a new Negative Bonus which shall be carried forward to the following Crystallisation Period(s) as long as such Negative Bonus has not been compensated by the subsequent Positive Performance(s) incurred by the Sub-Fund in the following Crystallisation Period(s). If the Balance is positive, the provision in point 1. above applies mutatis mutandis.

Notes to the financial statements

4 - Performance fees

b. If there is a Negative Performance during the Subsequent Crystallisation Period, 100% of such Negative Performance shall be added to the Negative Bonus and such increased Negative Bonus will be carried forward as long as such increased Negative Bonus has not been fully compensated by the subsequent Positive Performance(s) incurred by the Sub-Fund in the following Crystallisation Period(s).

c. For the avoidance of doubt, no Performance Fee will be payable in any given year as long as the Negative Bonus has not been fully recovered by subsequent Positive Performance(s). Any underperformance of a Sub-Fund compared to the relevant Benchmark must be clawed back before a performance Fee is payable. For this purpose, the length of the reference period is five (5) years.
The Performance Fee is calculated and accrued at each Valuation Day on the basis of the Net Asset Value after deducting all fees and expenses, including the Management Fee (but not the Performance Fee) and adjusting for subscriptions and redemptions during the Crystallisation Period so these will not affect the calculation of the Performance Fee. In the event of redemption of Shares, the Positive Performance (in respect of the Performance Fee) linked to redemptions shall be subject to a specific provision, separate from the provision passed in respect of the Performance Fee on the Net Asset Value per Share. The provisions linked to redemptions are defined as a pro rata of the Positive Performance on the Net Asset Value per Share. The purpose of this provision is to crystallize the Positive Performance provisions relating to redemptions. These provisions linked to redemptions shall definitively belong to the Management Company. This may still result in the Management Company receiving a Performance Fee where there is a Nil Performance or a Negative Performance at year-end.
There will be no cap on the Performance Fee. The Performance Fee is paid out of the assets of the Fund and allocated to the relevant Sub-Funds and Share Classes above within thirty (30) calendar days from each year-end.

	Retail	**Super Retail**	**Clean Share**	**Institutional**	**Institutional WPF**
Performance fee	20.00% of the Positive Performance over the Benchmark	20.00% of the Positive Performance over the Benchmark	20.00% of the Positive Performance over the Benchmark	10.00% of the Positive Performance over the Benchmark	N/A

LONVIA - LONVIA AVENIR MID-CAP EUROPE : MSCI EUROPE SMID Cap Index (NR, EUR) (the “Benchmark”).

LONVIA - LONVIA AVENIR MID-CAP EURO : MSCI EMU SMID Cap Index (NR, EUR) (the “Benchmark”).

LONVIA - LONVIA AVENIR SMALL CAP EUROPE : MSCI Europe Micro Cap Index (NR, EUR) (the “Benchmark”).

During the year under review, no performance fees were charged to the Fund.

5 - Depositary fees

CACEIS Bank, Luxembourg Branch is acting as depositary of the Fund (the “Depositary”) in accordance with a depositary agreement dated 24 September 2020 as amended from time to time (the "Depositary Agreement") and the relevant provisions of the Law and UCITS Rules.
The Depositary will be entitled to an annual fee equal to a percentage of the average Net Asset Value of each Sub-Fund consistent with market practice in Luxembourg, subject to a minimum flat fee of EUR 15,533 per Sub-Fund and a maximum rate expected to range from 0.01% to 0.07% per annum. The Depositary fee will accrue on each Valuation Day and will be payable monthly in arrears out of the assets of the Fund and allocated to each Sub-Fund above. The Depositary will also be entitled to transaction fees charged on the basis of the investments made by each Sub-Fund consistent with market practice in Luxembourg.
Under a central administration services agreement dated as of 24 September 2020 (the "Central Administration Services Agreement"), the Management Company has appointed CACEIS Bank, Luxembourg Branch to serve as (i) administrative agent (the "Administrative Agent") and as (ii) registrar and transfer agent of the Fund (the "Registrar and Transfer Agent").
The Administrator will be entitled to an annual fee equal to a percentage of the average Net Asset Value of each Sub-Fund, subject to a minimum flat fee expected to range from EUR 29,533 to EUR 36,133 per Sub-Fund and a maximum annual rate expected to range from 0.01% to 0.1% per annum. The Administrator fee will accrue on each Valuation Day and will be payable monthly in arrears out of the assets of the Fund and allocated to each Sub-Fund above.

6 - Subscription tax *("Taxe d'abonnement")*

Under current law and practice, the Fund is not liable for any Luxembourg income or net wealth tax nor are distributions, redemptions or payments made by the Fund to its shareholders under the Shares and distribution of liquidation proceeds subject to any Luxembourg withholding tax.
The Fund is subject to a subscription tax (taxe d’abonnement) of 0.05% per annum, such tax being payable quarterly and calculated on the aggregate net assets of the Fund valued at the end of the relevant calendar quarter. However, a reduced tax rate of 0.01% per annum is applicable where a Sub-Fund invests exclusively in money market instruments or deposits with credit institutions, or where the Class of Shares of the Sub-Fund are reserved to one or more institutional investors.

Notes to the financial statements

7 - Changes in the composition of securities portfolio

The most recent annual or semi-annual report and the statement of composition of the portfolio may be consulted and obtained at the registered office of the Fund and at the registered office of the Management Company.

8 - Subsequent events

On March 1, 2024 there will be the launch of the new sub-funds LONVIA GLOBAL TECH and LONVIA GLOBAL INNOVATION

9 - SFDR (Sustainable Finance Disclosure Regulation)

The information on the environmental/social characteristics for funds disclosing under Article 8 of SFDR, or information on sustainable investments for funds disclosing under Article 9 of SFDR, respectively, is made available in the annex to the annual report.

Additional unaudited information

Remuneration policy

LONVIA CAPITAL has implemented a remuneration policy that complies with the requirements of the AIFM and UCITS V Directives and the ESMA Guidelines. This remuneration policy is consistent and promotes sound and efficient risk management and does not encourage risk-taking that would be incompatible with the risk profiles, regulations and constitutive documents of the UCIs it manages. This policy is also consistent with the interests of the UCIs and its investors.

LONVIA CAPITAL staff may be remunerated on a fixed and variable basis. Nevertheless, the variable portion remains marginal in the total remuneration paid to persons identified as risk-takers or equivalent within the meaning of these regulations. Furthermore, given the growing importance of non-financial issues, LONVIA CAPITAL has decided to make each member of its team responsible for taking ESG dimensions into account. Each member of staff, particularly within the management team, is encouraged to contribute to the Responsible Investment Strategy, according to the specific nature of their role. This involvement is taken into account in the annual appraisal of employees and in the definition of their variable remuneration.

All employees benefit from profit-sharing and incentive schemes. All employees are also shareholders in LONVIA CAPITAL. The increase in capital is gradual and depends on each individual's contribution to the company. In this way, the interests of LONVIA CAPITAL's shareholders and employees are aligned: the aim is to achieve the best possible long-term performance and to ensure the company's long-term future.

All members of the company have a direct interest in the success of all the funds and in the company's results, in order to avoid any ill-considered risk-taking.

The complete remuneration policy for LONVIA CAPITAL employees and the total amount of remuneration paid for the financial year, broken down according to regulatory criteria, are available free of charge on written request to your fund manager: LONVIA CAPITAL, 9 Avenue de l'Opéra, 75001 Paris. There have been no material changes to the adopted remuneration policy.

Category of employee/ Type of remuneration	Number of employee as of 30/12/2023	Fixed compensation	Total variable compensation by category
Manager and other persons having a direct impact on the risk profile or equivalent remuneration equivalent	2	Between 45k€ & 200k€	216k
Non-managerial management, RCCI, Key managers	1	Between 45k€ & 200k€	10K
Other non-underwriting staff (including 2 in Spain)	6	Between 45k€ & 200k€	41K

Additional unaudited information

Global Risk Exposure

The global exposure of the Sub-Funds is calculated and monitored under the commitment approach. The global exposure of the Sub-Fund may not exceed its Net Asset Value.

Additional unaudited information

Securities Financing Transactions Regulation (SFTR) Disclosures

At the date of the report, the Fund does not use any instruments falling into the scope of SFTR.

Additional unaudited information

Note in relation to the LONVIA funds eligibility for PEA and PEA-PME plans

The proportions of investments in securities or rights eligible for the PEA and PEA-PME on December 31, 2023 :

- Lonvia Avenir Mid Cap Euro : 98.9% PEA
- Lonvia Avenir Mid Cap Europe : 79.2% PEA
- Lonvia Avenir Small-Cap Europe : 86.9% PEA-PME

Additional unaudited information

SFDR (Sustainable Finance Disclosure Regulation)

Lonvia Avenir Mid-cap Euro

Starting from 1 January 2022, the Sustainable Finance Disclosure Regulation ("SFDR") requires detailed disclosures in the periodic reports of ESG-focused products.
The Sub-Fund reaches its sustainable investment objective by investing in companies with business models considered sustainable and value-creating from a long-term investment perspective, with strong development potential through their positioning in growth markets and strategies such as product innovation, investment in human capital, the conquest of new customers and international deployment.
According to Article 9 of SFDR, the Sub-Fund has a sustainable investment objective. Thus, prior making any new investments, Portfolio Managers follow an ESG process based on a risk-impact analysis, consisting in a qualitative analysis of the social utility function of each company through a risk analysis and the direct impact of their corporate purpose through 4 pillars (Climate & Environment, Empowerment, Innovative technologies, and Healthcare & well-being), and identifies the SDGs that the companies in portfolio meet. Besides the direct impact of the company activity, the management team quantifies the environmental impact of each target company and seeks to promote climate change mitigation in its investment process.
Monthly evaluation of the carbon and environmental footprint of the Sub-Fund is produced and provided through data obtained thanks to a specialized provider S&PTrucost. The Sub-fund is committed to having a better carbon and environmental footprint than its benchmark.
As of 31 December 2023, Lonvia Avenir Mid-cap Euro Sub-Fund held 41 securities.

- The average Carbon Footprint of the Sub-Fund was 49.98.
- The average Environmental Footprint of the Sub-Fund was 0.4%.

Lonvia Avenir Mid-cap Europe

Starting from 1 January 2022, the Sustainable Finance Disclosure Regulation ("SFDR") requires detailed disclosures in the periodic reports of ESG-focused products.
The Sub-Fund reaches its sustainable investment objective by investing in companies with business models considered sustainable and value-creating from a long-term investment perspective, with strong development potential through their positioning in growth markets and strategies such as product innovation, investment in human capital, the conquest of new customers and international deployment.
According to Article 9 of SFDR, the Sub-Fund has a sustainable investment objective. Thus, prior making any new investments, Portfolio Managers follow an ESG process based on a risk-impact analysis, consisting in a qualitative analysis of the social utility function of each company through a risk analysis and the direct impact of their corporate purpose through 4 pillars (Climate & Environment, Empowerment, Innovative technologies, and Healthcare & well-being), and identifies the SDGs that the companies in portfolio meet. Besides the direct impact of the company activity, the management team quantifies the environmental impact of each target company and seeks to promote climate change mitigation in its investment process.
Monthly evaluation of the carbon and environmental footprint of the Sub-Fund is produced and provided through data obtained thanks to a specialized provider S&PTrucost. The Sub-fund is committed to having a better carbon and environmental footprint than its benchmark.
As of 31 December 2023, Lonvia Avenir Mid-cap Europe Sub-Fund held 57 securities.

- The average Carbon Footprint of the Sub-Fund was 53.25.
- The average Environmental Footprint of the Sub-Fund was 0.7%.

Lonvia Avenir Small Cap Europe

Starting from 1 January 2022, the Sustainable Finance Disclosure Regulation ("SFDR") requires detailed disclosures in the periodic reports of ESG-focused products.
The Sub-Fund reaches its sustainable investment objective by investing in companies with business models considered sustainable and value-creating from a long-term investment perspective, with strong development potential through their positioning in growth markets and strategies such as product innovation, investment in human capital, the conquest of new customers and international deployment.
According to Article 9 of SFDR, the Sub-Fund has a sustainable investment objective. Thus, prior making any new investments, Portfolio Managers follow an ESG process based on a risk-impact analysis, consisting in a qualitative analysis of the social utility function of each company through a risk analysis and the direct impact of their corporate purpose through 4 pillars (Climate & Environment, Empowerment, Innovative technologies, and Healthcare & well-being), and identifies the SDGs that the companies in portfolio meet. Besides the direct impact of the company activity, the management team quantifies the environmental impact of each target company and seeks to promote climate change mitigation in its investment process.
Monthly evaluation of the carbon and environmental footprint of the Sub-Fund is produced and provided through data obtained thanks to a specialized provider S&PTrucost. The Sub-fund is committed to having a better carbon and environmental footprint than its benchmark.
As of 31 December 2023, Lonvia Avenir Small Cap Europe Sub-Fund held 40 securities.

- The average Carbon Footprint of the Sub-Fund was 39.79.
- The average Environmental Footprint of the Sub-Fund was 0.4%.

Periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

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

Product Name : Mid-Cap Europe
Legal Entity Identifier : 2549 001S5897Y7TF0R 20

Sustainable investment objective

Did this financial product have a sustainable investment objective?

☒ **Yes**	☐ **No**
☒ It made **sustainable investments with an environmental objective:** 29.9%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% 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: 67.5%**	☐ with a social objective
	☐ It promoted E/S characteristics, **but did not make any sustainable investments**

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with anenvironmental objective might bealigned with theTaxonomy or not.

To what extent was the sustainable investment objective of this financial product met?

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

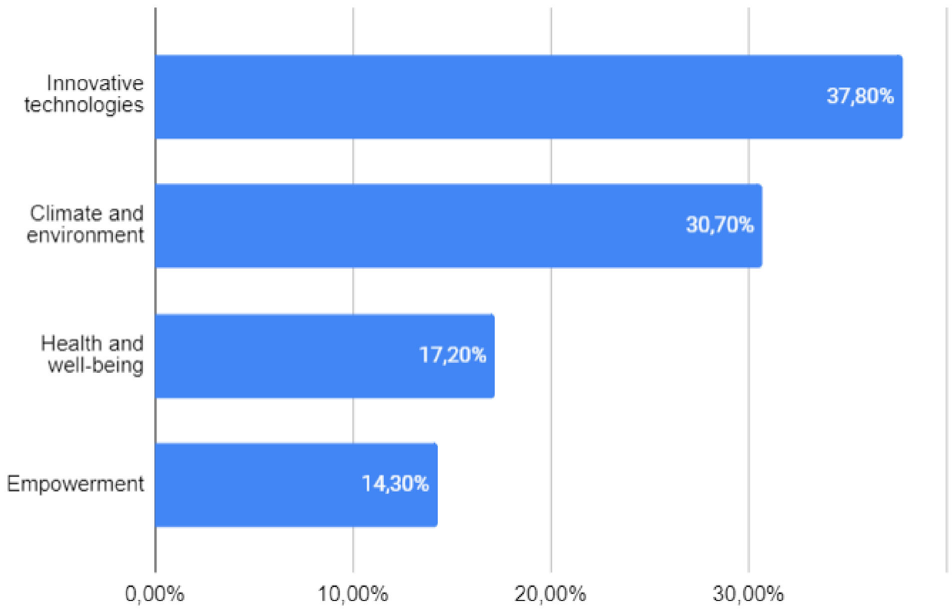
The sustainable investment objective of Lonvia Avenir Mid-Cap Europe (the "Sub-Fund") is to contribute to providing solutions to sustainable development objectives by assessing the positive social and environmental impacts of European companies.
Thus, the Sub-Fund has invested in companies whose business model considers the creation of long-term value with a strong development potential thanks to their positioning on growing markets and to strategies such as product innovation, investment in human capital, the search for new customers and international deployment, in consideration of the United Nation Sustainable Development Goals ("SGDs").

In order to do so, the Sub-Fund measures the companies' positive contribution to different themes (the "Impact Themes"):

- The "Climate and Environment" theme, linked to the SDGs 7, 11, 12, 13, 14, and 15;
- The "Innovative Technologies" and "Health & Well-Being" themes, linked to SDGs 9, 2, 3, 6 and 7;
- The "Empowerment" theme, linked to SDGs 1, 4, 5, 8, 10, 11, 16 and 17.

To qualify as sustainable investments (pass or fail), for the purpose of this Sub-Fund, a company must generate at least 50% of its revenues with products and services contributing to one or more of the Impact Themes.

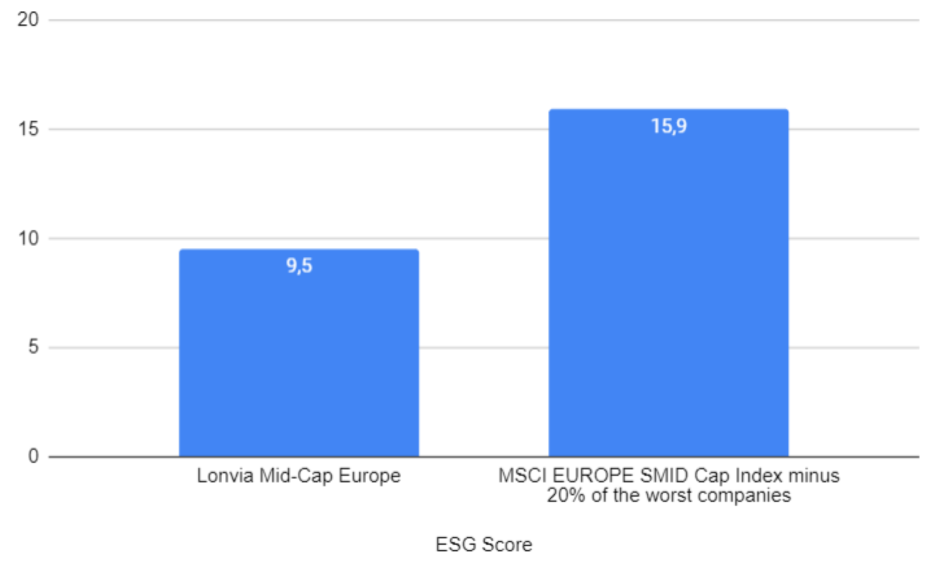
Throughout the reference period, the fund invested only in companies with positive impacts on at least one impact theme. The breakdown of investments by theme as of 31/12/2023 is as follows:



No ESG reference benchmark has been designated to achieve the sustainable objective promoted by the Fund.

How did the sustainability indicators perform?

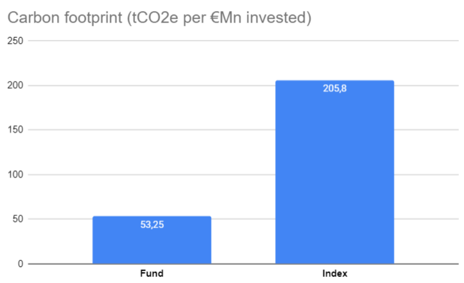
The Sub-Fund's strategy is based on a "Best-in-universe" approach, requiring the selection of companies that (i) meet environmental, social and governance (ESG) responsibility criteria measured by an "ESG risk score" and (ii) are attractive in terms of their contribution to impact themes and the SDGs.
The Sub-Fund was committed to outperforming the ESG score of the index "MSCI EUROPE SMID Cap Index" minus 20% of the worst companies which has been achieved throughout the reference period:

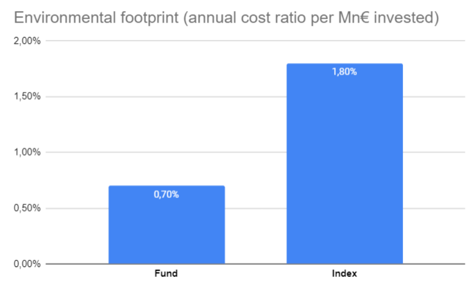


Moreover, the contribution to impact themes was measured thanks to a qualitative analysis as well as the following indicators:

Impact Themes	Indicators
Climate and Environment	Environmental footprint
	Carbon footprint
Innovative Technologies **Health & Well-Being**	Percentage of investment in research and development and the Capex to support innovation
Empowerment	Women on board
	Independence of the board
	Signatories of the UN Global Compact
	Number of jobs created

The Sub-Fund has met its commitment to having a better carbon and environmental footprint than its index “MSCI EUROPE SMID Cap Index” (the “Benchmark”) as shown in the graph below:





The following table summarises the performance of all other sustainability indicators of the Sub-Fund over the reference period compared to its index:

Lonvia Avenir Mid Cap Europe	Fund	Index	Fund coverage	Index coverage
Carbon footprint (tCO2e per €Mn invested)	53,25	205,8	92,90%	96,00%
Environmental footprint (annual cost ratio per Mn€ invested)	0,70%	1,80%	92,90%	96,00%
Net job creation (3-year average)	9,90%	2,90%	57,30%	56,60%
R&D expenses and CapEx as a percentage of sales	12,20%	10,00%	62,80%	48,80%
Independent directors on the Board of Directors	69,90%	69,00%	62,50%	74,60%
Women on the Board of Directors	33,20%	35,60%	68,00%	78,50%
Companies signatory to the UN Global Compact	47,70%	52,10%	80,40%	75,70%

... and compared to previous periods?

Not applicable.

How did the sustainable investments not cause significant harm to any sustainable investment objective?

The Management Company ensures that the Sub-Fund's investments did not cause harm to any of the sustainability objective(s) according to the "do not significantly harm" (the "DNSH") principle, through a negative and positive screening approach, further including the consideration of the principal adverse impacts (the "PAI") described in the below sections.
In addition, the Management Company has incorporated two types of exclusions, normative and sectorial, in its investment decisions as further defined in the below sections.

How were the indicators for adverse impacts on sustainability factors taken into account?

The Management Company considers and mitigates the adverse impacts of its investments on society and environment through a combination of ESG analysis, portfolio management decisions, engagement, and the exclusion of issuers in breach of the abovementioned international norms.
See the question *"How did this financial product consider principal adverse impacts on sustainability factors?"* for more information about adverse impacts.

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

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The Sub-Fund's sustainable investments were aligned with the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

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

With respect to Table 1 of the Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022, the Sub-Fund took into account the following PAI in portfolio management decisions and engagement activities:

Principal Adverse Impacts	
Indicator	**How was the PAI taken into account?**
Carbon footprint	Objective of outperforming the index and used in the ESG proprietary methodology
Emissions to water	Indicator used and monitored in the ESG proprietary methodology
Hazardous waste and radioactive waste ratio	Indicator used and monitored in the ESG proprietary methodology
Board gender diversity	Indicator used and monitored in the ESG proprietary methodology
Board independence	Indicator used and monitored in the ESG proprietary methodology
Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).	Exclusion Policy
The lack of processes and compliance mechanisms to monitor compliance with the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises	Indicator used and monitored in the ESG proprietary methodology
Violation of the UN Global Compact principles and the OECD Guidelines for Multinationals	Exclusion Policy

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

What were the top investments of this financial product?

The top investments of this financial product as of 31/12/2023 was as follow:

Largest Investments	Sector	% Assets	Country
ASM INTERNATIONAL NV	Information Technology	4.64	Germany
BE SEMICONDUCTOR INDUSTRIES	Information Technology	3.16	Netherlands
NEMETSCHEK AG	Information Technology	2.97	Germany
CAREL INDUSTRIES SPA	Industrials	2.95	Italy
MUNTERS GROUP AB	Industrials	2.80	Sweden
STRAUMANN HOLDING AG-REG	Health Care	2.73	Switzerland
ALTEN SA	Information Technology	2.70	France
HMS NETWORKS AB	Information Technology	2.69	Sweden
REPLY SPA	Information Technology	2.66	Italy
AIXTRON SE	Information Technology	2.59	Germany
RATIONAL AG	Industrials	2.53	Germany
FORTNOX AB	Information Technology	2.52	Sweden
ATOSS SOFTWARE AG	Information Technology	2.49	Germany
KARDEX HOLDING AG-REG	Industrials	2.36	Germany

Largest Investments	Sector	% Assets	Country
SURGICAL SCIENCE SWEDEN AB	Health Care	2.25	Sweden

What was the proportion of sustainability-related investments?

As of 31/12/2023, 97,34% of the Sub Fund assets were sustainability-related investments. Throughout the reference period, the Management Company ensured that the fund's share of sustainable investments has not deviated significantly from this value and was in line with its commitments.

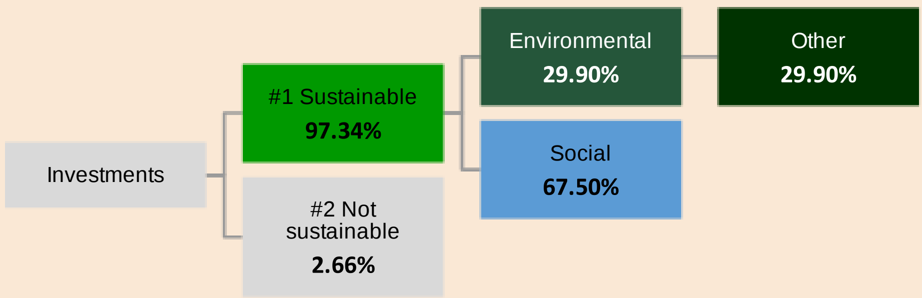
Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

As of 31/12/2023, the Sub Fund invested **97,34%** of its assets in sustainabality-related investments of which:

- **29,90%** were environmentally sustainable investments (**30,70%** of net assets)
- **67,50%** were socially sustainable investments (**69,30%** of net assets)

Throughout the reference period, the Management Company ensured that the fund's assets allocation has not deviated significantly from these values and was in line with its commitments.

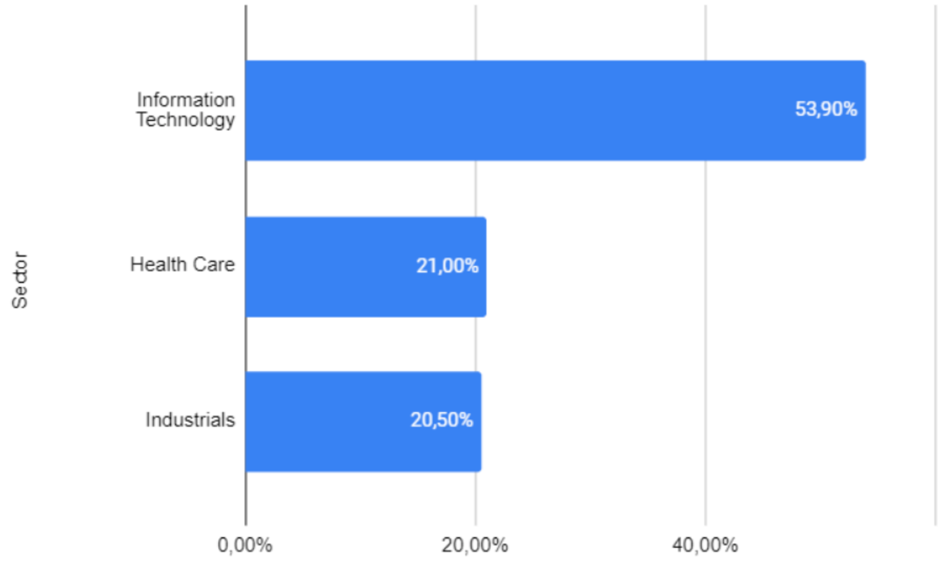


#1 Sustainable covers sustainable investments with environmental or social objectives.

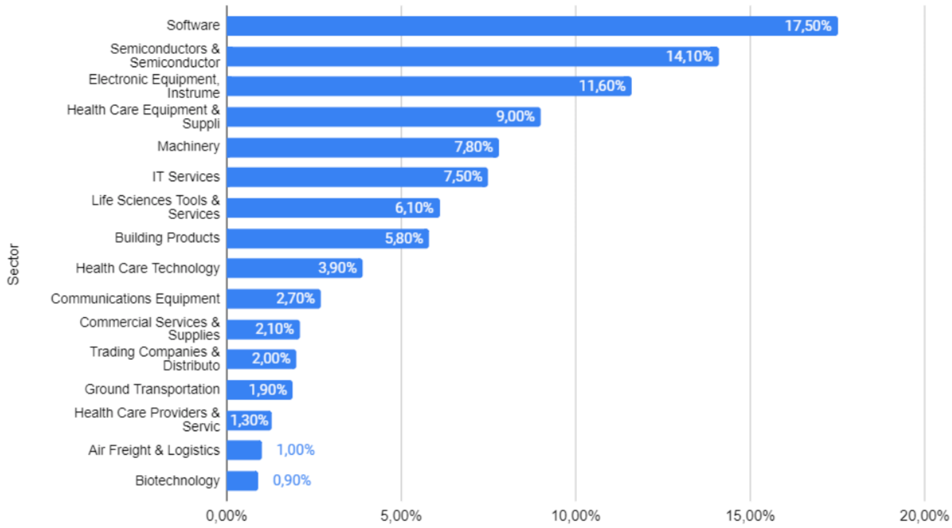
#2 Not sustainable includesinvestments which do not qualify as sustainable investments.

In which economic sectors were the investments made?

The Sub-Fund invested in the following economic sectors:



The Sub-Fund invested in the following economic sub-sectors:



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. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other

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

The Sub Fund did not make sustainable investment with an environmental objective aligned with the EU Taxonomy.

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

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

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 any EU Taxonomy objectives - 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.

activities to make a substantial contribution to an environmental objective.

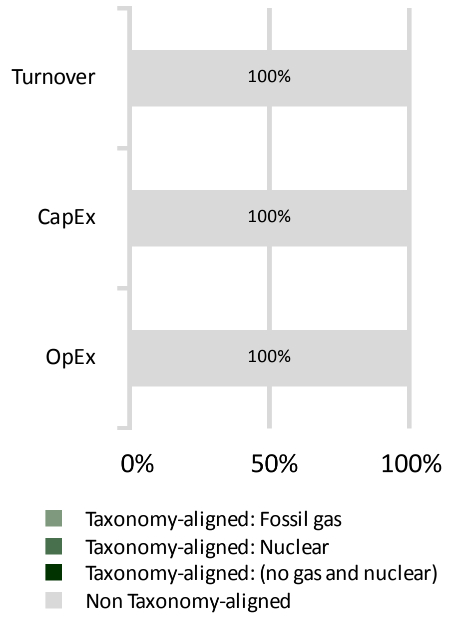
Transitional activities are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

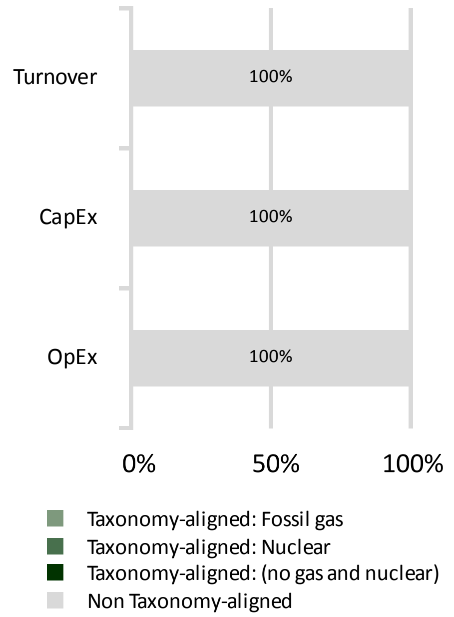
- **Turnover** reflecting the share of revenue from green activities of investee companies,
- **Capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **Operational expenditure** (OpEx) reflecting green operational activities 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 in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

1. Taxonomy alignment of investments **including sovereign bonds***



2. Taxonomy alignment of investments **excluding sovereign bonds***



This graph represents 100% of the total investments

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

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

0%

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

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally

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

All sustainable investments with an environmental objective were made in activities that were not aligned with the EU Taxonomy, representing **29,90%** of the Sub Fund's net assets as of 31/12/2023.

What was the share of socially sustainable investments?

sustainable economic activities under the EU Taxonomy.

The share of socially sustainable investments was **67,50%** of the Sub Fund's net assets as of 31/12/2023.

What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

The part of "not sustainable" investments represented 2,66% of the Sub Fund's net assets as of 31/12/2023. It includes bank deposits at sight, such as cash held in current accounts with a bank accessible at any time, as well as hedging and derivatives instruments.
There were no minimum environmental or social safeguards associated with these investments.

What actions have been taken to attain the sustainable investment objective during the reference period?

In order to attain the sustainable investment objective, the management team met with representatives of some companies selected in the Sub Fund. This dialogue is a key element of the Sub Fund ESG strategy and is part of the monitoring of companies or in response to an increase in certain concerns.
The dialogue with companies also enabled to learn more about the companies and to refine the ESG ratings carried out, as well as to promote better practices among the companies. The objective of the engagement approach with companies is three levels:

- Improve transparency
- ESG Operational Performance
- Sustainability strategy

During the reference period, the management team participated in 100% of the voting proposals (924 in total), of which 83,9% (775) were FOR votes and 16,1% (147) were AGAINST votes.

Example of AGAINST votes	
BE SEMICONDUCTOR INDUSTRIES	Remuneration Policy
FORTNOX AB	Strategic Transactions
ATOSS SOFTWARE AG	Corporate Governance

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

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.

The Sub Fund doesn't have any ESG specific benchmark.

How did the reference benchmark differ from a broad market index?

N/A

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?

N/A

How did this financial product perform compared with the reference benchmark?

N/A

How did this financial product perform compared with the broad market index?

N/A

Periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product Name : Mid-Cap Euro
Legal Entity Identifier : 2549 000PE8KSIIKM6V 98

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

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with anenvironmental objective might bealigned with theTaxonomy or not.

Sustainable investment objective

Did this financial product have a sustainable investment objective?

☒ **Yes**	☐ **No**
☒ It made **sustainable investments with an environmental objective:** 26.6%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% 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: 72.3%**	☐ with a social objective
	☐ It promoted E/S characteristics, **but did not make any sustainable investments**

To what extent was the sustainable investment objective of this financial product met?

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

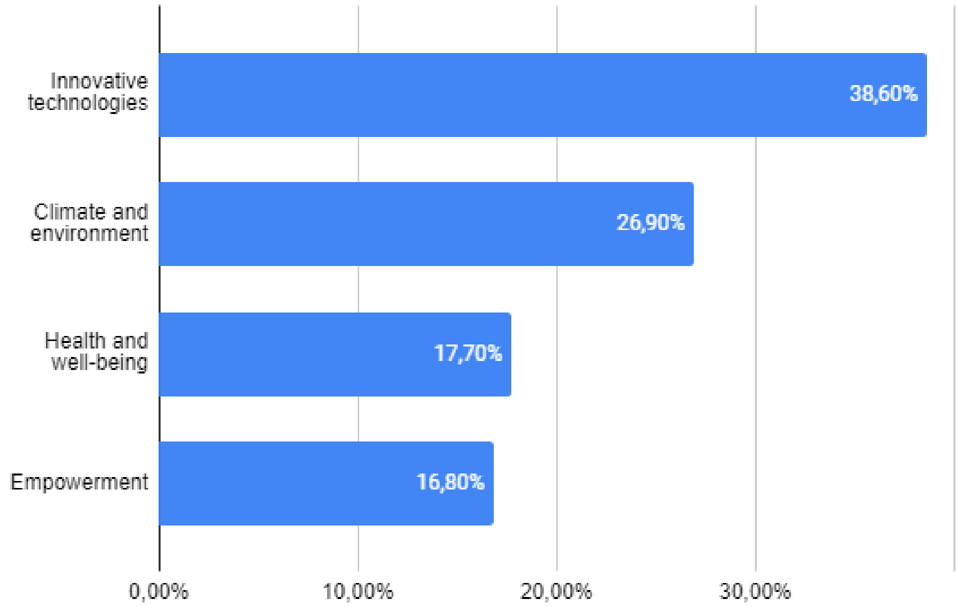
The sustainable investment objective of Lonvia Avenir Mid-Cap Euro (the "Sub-Fund") is to contribute to providing solutions to sustainable development objectives by assessing the positive social and environmental impacts of European companies.
Thus, the Sub-Fund has invested in companies whose business model considers the creation of long-term value with a strong development potential thanks to their positioning on growing markets and to strategies such as product innovation, investment in human capital, the search for new customers and international deployment, in consideration of the United Nation Sustainable Development Goals ("SGDs").

In order to do so, the Sub-Fund measures the companies' positive contribution to different themes (the "Impact Themes"):

- The "Climate and Environment" theme, linked to the SDGs 7, 11, 12, 13, 14, and 15;
- The "Innovative Technologies" and "Health & Well-Being" themes, linked to SDGs 9, 2, 3, 6 and 7;
- The "Empowerment" theme, linked to SDGs 1, 4, 5, 8, 10, 11, 16 and 17.

To qualify as sustainable investments (pass or fail), for the purpose of this Sub-Fund, a company must generate at least 50% of its revenues with products and services contributing to one or more of the Impact Themes.

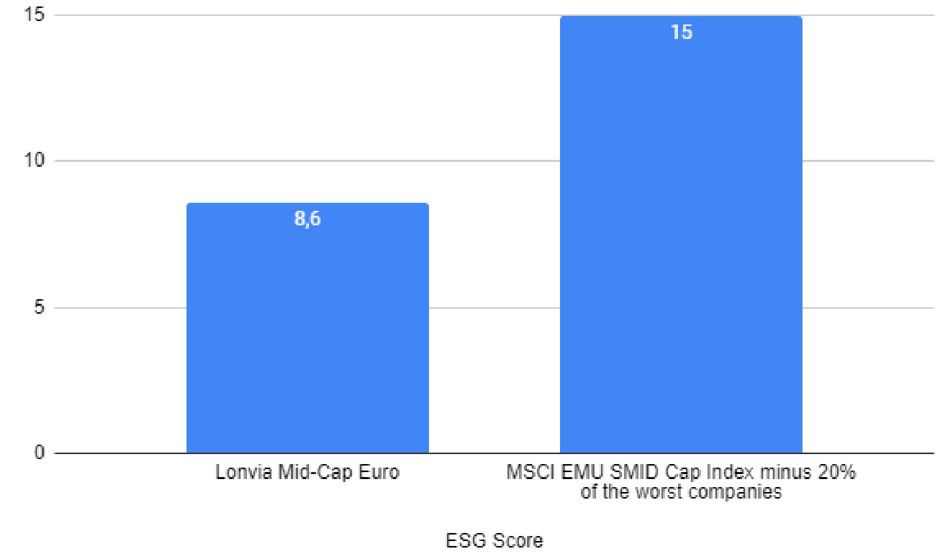
Throughout the reference period, the fund invested only in companies with positive impacts on at least one impact theme. The breakdown of investments by theme as of 31/12/2023 is as follows:



No ESG reference benchmark has been designated to achieve the sustainable objective promoted by the Fund.

How did the sustainability indicators perform?

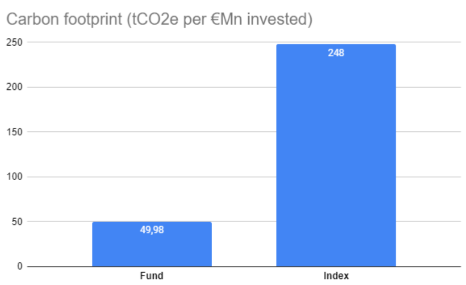
The Sub-Fund's strategy is based on a "Best-in-universe" approach, requiring the selection of companies that (i) meet environmental, social and governance (ESG) responsibility criteria measured by an "ESG risk score" and (ii) are attractive in terms of their contribution to impact themes and the SDGs.
The Sub-Fund was committed to outperforming the ESG score of the index "MSCI EMU SMID Cap Index" minus 20% of the worst companies which has been achieved throughout the reference period:

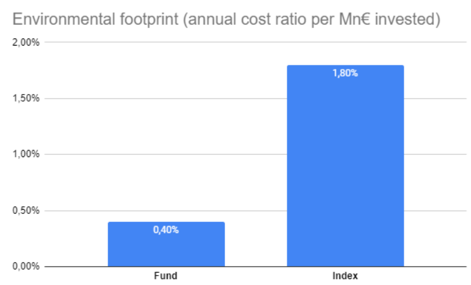


Moreover, the contribution to impact themes was measured thanks to a qualitative analysis as well as the following indicators:

Impact Themes	Indicators
Climate and Environment	Environmental footprint
	Carbon footprint
Innovative Technologies Health & Well-Being	Percentage of investment in research and development and the Capex to support innovation
Empowerment	Women on board
	Independence of the board
	Signatories of the UN Global Compact
	Number of jobs created

The Sub-Fund has met its commitment to having a better carbon and environmental footprint than its index "MSCI EMU SMID Cap Index" (the "Benchmark") as shown in the graph below:





The following table summarises the performance of all other sustainability indicators of the Sub-Fund over the reference period compared to its index:

Lonvia Avenir Mid Cap Euro	Fund	Index	Fund coverage	Index coverage
Carbon footprint (tCO2e per €Mn invested)	49,98	248	97,70%	97,60%
Environmental footprint (annual cost ratio per Mn€ invested)	0,40%	1,80%	97,70%	97,60%
Net job creation (3-year average)	9,50%	3,10%	58,00%	59,20%
R&D expenses and CapEx as a percentage of sales	13,40%	11,30%	58,20%	48,80%
Independent directors on the Board of Directors	62,30%	65,40%	73,60%	77,40%
Women on the Board of Directors	35,90%	36,90%	75,60%	80,70%
Companies signatory to the UN Global Compact	41,70%	60,60%	92,70%	77,50%

… and compared to previous periods?

Not applicable.

How did the sustainable investments not cause significant harm to any sustainable investment objective?

The Management Company ensures that the Sub-Fund's investments did not cause harm to any of the sustainability objective(s) according to the "do not significantly harm" (the "DNSH") principle, through a negative and positive screening approach, further including the consideration of the principal adverse impacts (the "PAI") described in the below sections.
In addition, the Management Company has incorporated two types of exclusions, normative and sectorial, in its investment decisions as further defined in the below sections.

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

How were the indicators for adverse impacts on sustainability factors taken into account?

The Management Company considers and mitigates the adverse impacts of its investments on society and environment through a combination of ESG analysis, portfolio management decisions, engagement, and the exclusion of issuers in breach of the abovementioned international norms.
See the question *"How did this financial product consider principal adverse impacts on sustainability factors?"* for more information about adverse impacts.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The Sub-Fund's sustainable investments were aligned with the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

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

With respect to Table 1 of the Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022, the Sub-Fund took into account the following PAI in portfolio management decisions and engagement activities:

Principal Adverse Impacts	
Indicator	**How was the PAI taken into account?**
Carbon footprint	Objective of outperforming the index and used in the ESG proprietary methodology
Emissions to water	Indicator used and monitored in the ESG proprietary methodology
Hazardous waste and radioactive waste ratio	Indicator used and monitored in the ESG proprietary methodology
Board gender diversity	Indicator used and monitored in the ESG proprietary methodology
Board independence	Indicator used and monitored in the ESG proprietary methodology
Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).	Exclusion Policy
The lack of processes and compliance mechanisms to monitor compliance with the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises	Indicator used and monitored in the ESG proprietary methodology
Violation of the UN Global Compact principles and the OECD Guidelines for Multinationals	Exclusion Policy

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: The period of the top investments of this financial product was from 01/01/2023 to 31/12/2023.

What were the top investments of this financial product?

Largest Investments	Sector	% Assets	Country
NEMETSCHEK AG	Information Technology	5.10	Germany
ASM INTERNATIONAL NV	Information Technology	4.82	Netherlands
REPLY SPA	Information Technology	4.43	Italy
WAVESTONE	Information Technology	3.99	France
BE SEMICONDUCTOR INDUSTRIES	Information Technology	3.81	Netherlands
CAREL INDUSTRIES SPA	Industrials	3.81	Italy
ALTEN SA	Information Technology	3.75	France
AIXTRON SE	Information Technology	3.34	Germany
RATIONAL AG	Industrials	3.34	Germany
NEXUS AG	Health Care	3.15	Germany
BRUNELLO CUCINELLI SPA	Consumer Discretionary	3.10	Italy
ID LOGISTICS GROUP	Industrials	3.10	France
QT GROUP OYJ	Information Technology	3.01	Finland
MELEXIS (BRUXELLES)	Information Technology	2.92	Belgium

Largest Investments	Sector	% Assets	Country
ATOSS SOFTWARE AG	Information Technology	2.84	Germany

What was the proportion of sustainability-related investments?

As of 31/12/2023, 98,95% of the Sub Fund assets were sustainability-related investments. Throughout the reference period, the Management Company ensured that the fund's share of sustainable investments has not deviated significantly from this value and was in line with its commitments.

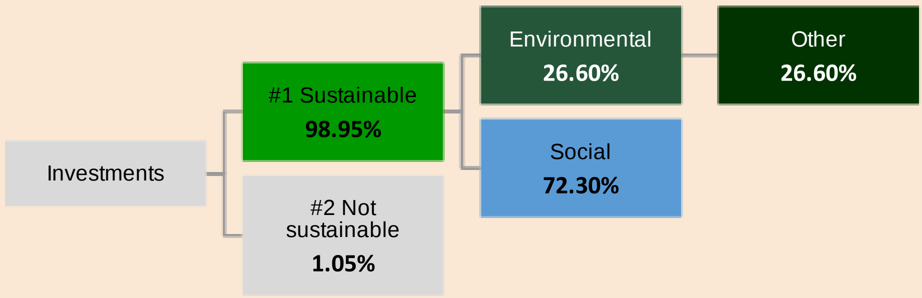
Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

As of 31/12/2023, the Sub Fund invested **98,95%** of its assets in sustainabality-related investments of which:

- **26,60%** were environmentally sustainable investments (**26,90%** of net assets)
- **72,30%** were socially sustainable investments (**73,10%** of net assets)

Throughout the reference period, the Management Company ensured that the fund's assets allocation has not deviated significantly from these values and was in line with its commitments.

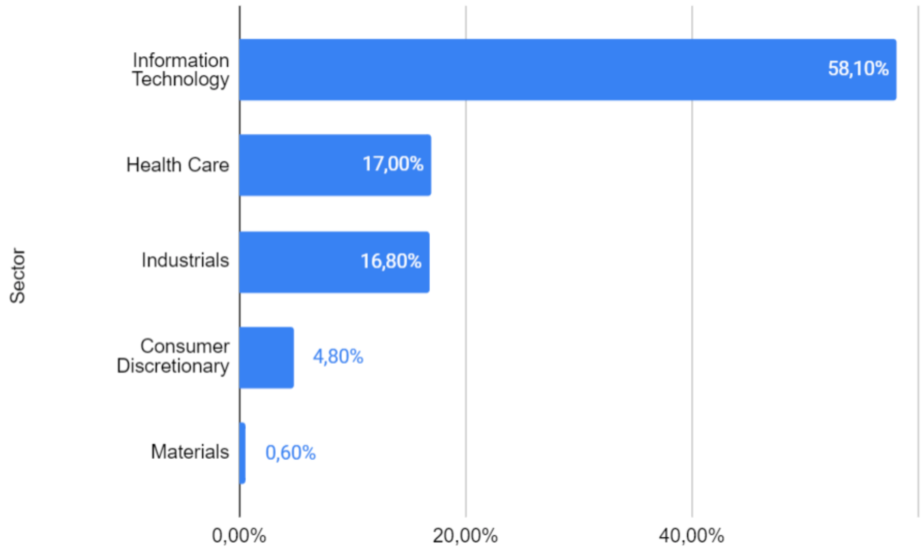


#1 Sustainable covers sustainable investments with environmental or social objectives.

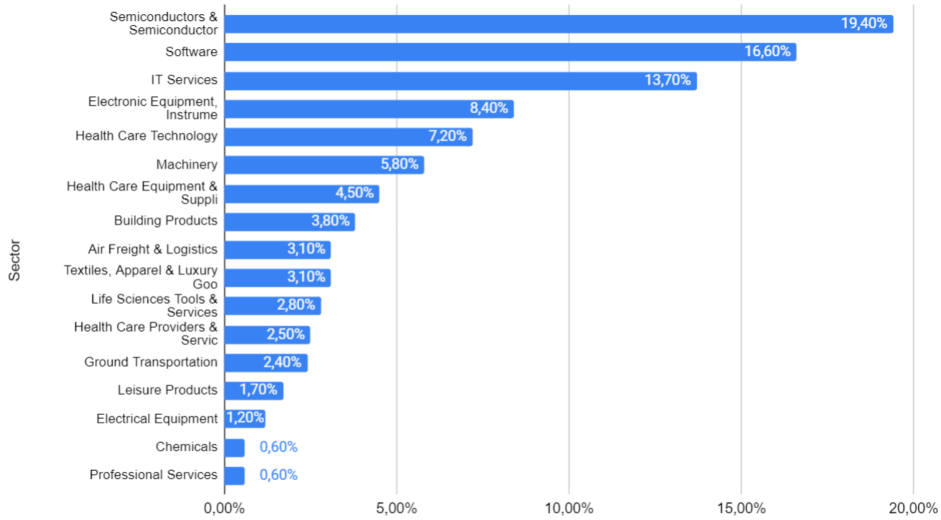
#2 Not sustainable includesinvestments which do not qualify as sustainable investments.

In which economic sectors were the investments made?

The Sub-Fund invested in the following economic sectors:



The Sub-Fund invested in the following economic sub-sectors:



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. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other

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

The Sub Fund did not make sustainable investment with an environmental objective aligned with the EU Taxonomy.

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

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

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 any EU Taxonomy objectives - 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.

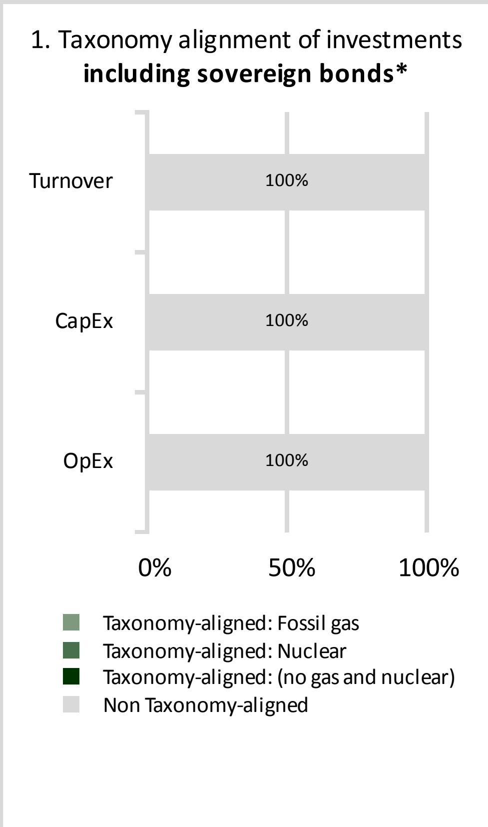
activities to make a substantial contribution to an environmental objective.

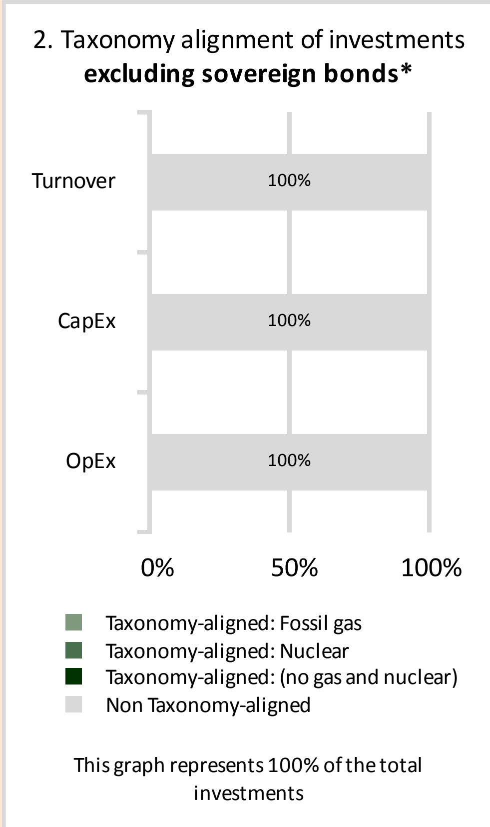
Transitional activities are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

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 in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





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

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

Not applicable.

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

Not applicable.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally

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

All sustainable investments with an environmental objective were made in activities that were not aligned with the EU Taxonomy, representing **26,60%** of the Sub Fund's net assets as of 31/12/2023.

What was the share of socially sustainable investments?

sustainable economic activities under the EU Taxonomy.

The share of socially sustainable investments was **72,30%** of the Sub Fund's net assets as of 31/12/2023.

What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

The part of "not sustainable" investments represented 1,05% of the Sub Fund's net assets as of 31/12/2023. It includes bank deposits at sight, such as cash held in current accounts with a bank accessible at any time, as well as hedging and derivatives instruments.
There were no minimum environmental or social safeguards associated with these investments.

What actions have been taken to attain the sustainable investment objective during the reference period?

In order to attain the sustainable investment objective, the management team met with representatives of some companies selected in the Sub Fund. This dialogue is a key element of the Sub Fund ESG strategy and is part of the monitoring of companies or in response to an increase in certain concerns.
The dialogue with companies also enabled to learn more about the companies and to refine the ESG ratings carried out, as well as to promote better practices among the companies. The objective of the engagement approach with companies is three levels:

- Improve transparency
- ESG Operational Performance
- Sustainability strategy

During the reference period, the management team participated in 100% of the voting proposals (650 in total), of which 76,9% (500) were FOR votes and 23,1% (149) were AGAINST votes.

Example of AGAINST votes	
NEMETSCHEK AG	Remuneration policy
WAVESTONE	Corporate Governance
ID LOGISTICS GROUP	Director Election

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

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.

The Sub Fund doesn't have any ESG specific benchmark.

How did the reference benchmark differ from a broad market index?

N/A

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?

N/A

How did this financial product perform compared with the reference benchmark?

N/A

How did this financial product perform compared with the broad market index?

N/A

Periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

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

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with anenvironmental objective might bealigned with theTaxonomy or not.

Product Name : Small Cap Europe
Legal Entity Identifier : 2549 006GKI2ZUKASVB 60

Sustainable investment objective

Did this financial product have a sustainable investment objective?

● ● ☒ **Yes**	● ○ ☐ **No**
☒ It made **sustainable investments with an environmental objective:** 27.2%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% 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: 66.2%**	☐ with a social objective
	☐ It promoted E/S characteristics, **but did not make any sustainable investments**

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

To what extent was the sustainable investment objective of this financial product met?

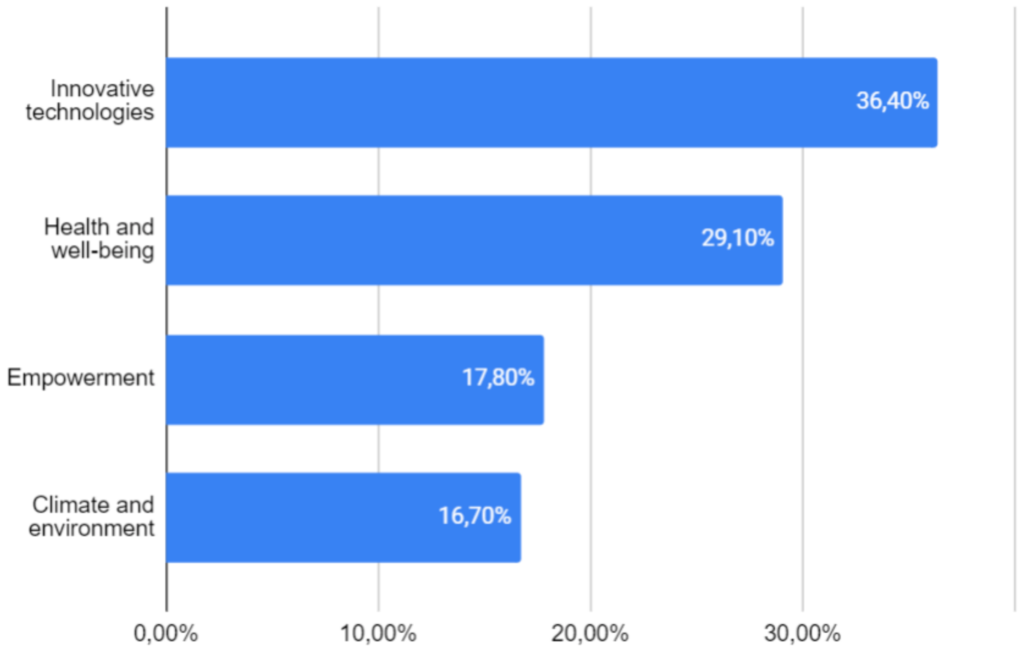
The sustainable investment objective of Lonvia Avenir Small Cap Europe (the "Sub-Fund") is to contribute to providing solutions to sustainable development objectives by assessing the positive social and environmental impacts of European companies.
Thus, the Sub-Fund has invested in companies whose business model considers the creation of long-term value with a strong development potential thanks to their positioning on growing markets and to strategies such as product innovation, investment in human capital, the search for new customers and international deployment, in consideration of the United Nation Sustainable Development Goals ("SGDs").

In order to do so, the Sub-Fund measures the companies' positive contribution to different themes (the "Impact Themes"):

- The "Climate and Environment" theme, linked to the SDGs 7, 11, 12, 13, 14, and 15;
- The "Innovative Technologies" and "Health & Well-Being" themes, linked to SDGs 9, 2, 3, 6 and 7;
- The "Empowerment" theme, linked to SDGs 1, 4, 5, 8, 10, 11, 16 and 17.

To qualify as sustainable investments (pass or fail), for the purpose of this Sub-Fund, a company must generate at least 50% of its revenues with products and services contributing to one or more of the Impact Themes.

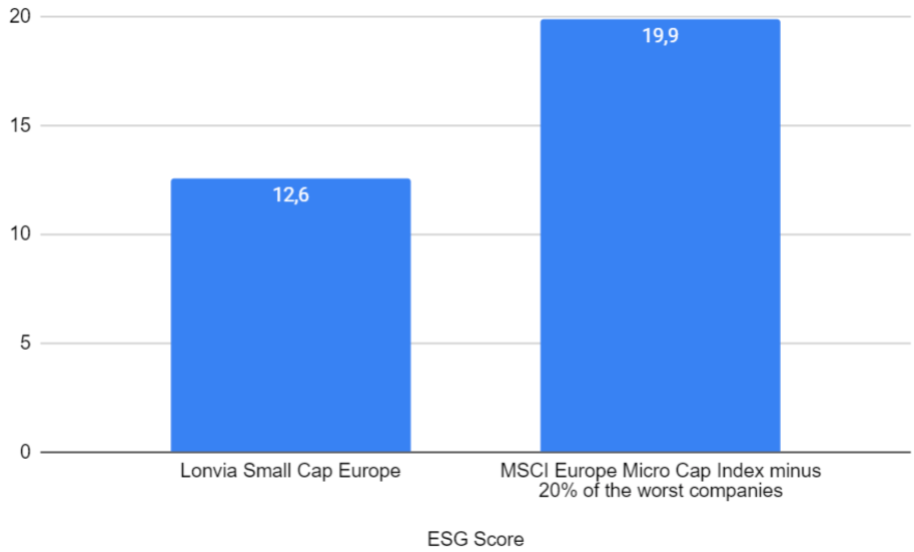
Throughout the reference period, the fund invested only in companies with positive impacts on at least one impact theme. The breakdown of investments by theme as of 31/12/2023 is as follows:



No ESG reference benchmark has been designated to achieve the sustainable objective promoted by the Fund.

How did the sustainability indicators perform?

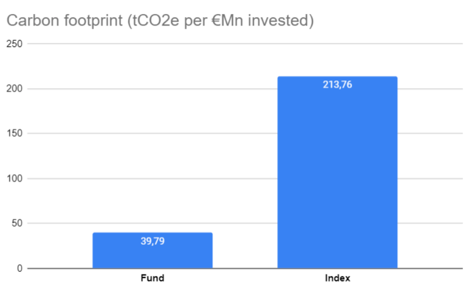
The Sub-Fund's strategy is based on a "Best-in-universe" approach, requiring the selection of companies that (i) meet environmental, social and governance (ESG) responsibility criteria measured by an "ESG risk score" and (ii) are attractive in terms of their contribution to impact themes and the SDGs.
The Sub-Fund was committed to outperforming the ESG score of the index "MSCI Europe Micro Cap Index" minus 20% of the worst companies which has been achieved throughout the reference period:

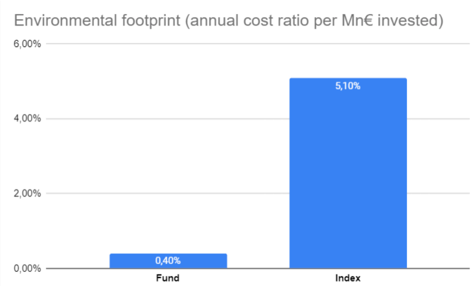


Moreover, the contribution to impact themes was measured thanks to a qualitative analysis as well as the following indicators:

Impact Themes	Indicators
Climate and Environment	Environmental footprint
	Carbon footprint
Innovative Technologies Health & Well-Being	Percentage of investment in research and development and the Capex to support innovation
Empowerment	Women on board
	Independence of the board
	Signatories of the UN Global Compact
	Number of jobs created

The Sub-Fund has met its commitment to having a better carbon and environmental footprint than its index "MSCI Europe Micro Cap Index" (the "Benchmark") as shown in the graph below:





The following table summarises the performance of all other sustainability indicators of the Sub-Fund over the reference period compared to its index:

Lonvia Avenir small Cap Europe	Fund	Index	Fund coverage	Index coverage
Carbon footprint (tCO2e per €Mn invested)	39,79	213,76	95,40%	44,20%
Environmental footprint (annual cost ratio per Mn€ invested)	0,40%	5,10%	95,40%	44,20%
Net job creation (3-year average)	12,80%	7,00%	47,60%	27,00%
R&D expenses and CapEx as a percentage of sales	9,00%	12,70%	50,50%	24,00%
Independent directors on the Board of Directors	77,90%	64,50%	50,20%	22,60%
Women on the Board of Directors	26,00%	28,10%	57,10%	24,80%
Companies signatory to the UN Global Compact	28,70%	19,80%	77,70%	25,30%

… and compared to previous periods?

Not applicable.

How did the sustainable investments not cause significant harm to any sustainable investment objective?

The Management Company ensures that the Sub-Fund's investments did not cause harm to any of the sustainability objective(s) according to the "do not significantly harm" (the "DNSH") principle, through a negative and positive screening approach, further including the consideration of the principal adverse impacts (the "PAI") described in the below sections.
In addition, the Management Company has incorporated two types of exclusions, normative and sectorial, in its investment decisions as further defined in the below sections.

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

How were the indicators for adverse impacts on sustainability factors taken into account?

The Management Company considers and mitigates the adverse impacts of its investments on society and environment through a combination of ESG analysis, portfolio management decisions, engagement, and the exclusion of issuers in breach of the abovementioned international norms.
See the question *"How did this financial product consider principal adverse impacts on sustainability factors?"* for more information about adverse impacts.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The Sub-Fund's sustainable investments were aligned with the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

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

With respect to Table 1 of the Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022, the Sub-Fund took into account the following PAI in portfolio management decisions and engagement activities:

Principal Adverse Impacts	
Indicator	**How was the PAI taken into account?**
Carbon footprint	Objective of outperforming the index and used in the ESG proprietary methodology
Emissions to water	Indicator used and monitored in the ESG proprietary methodology
Hazardous waste and radioactive waste ratio	Indicator used and monitored in the ESG proprietary methodology
Board gender diversity	Indicator used and monitored in the ESG proprietary methodology
Board independence	Indicator used and monitored in the ESG proprietary methodology
Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).	Exclusion Policy
The lack of processes and compliance mechanisms to monitor compliance with the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises	Indicator used and monitored in the ESG proprietary methodology
Violation of the UN Global Compact principles and the OECD Guidelines for Multinationals	Exclusion Policy

What were the top investments of this financial product?

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

The top investments of the financial product as of 31/12/2023 were as listed below:

Largest Investments	Sector	% Assets	Country
NEXUS AG	Health Care	6.20	Germany
QT GROUP OYJ	Information Technology	4.73	Finland
XVIVO PERFUSION AB	Health Care	4.38	Sweden
ATOSS SOFTWARE AG	Information Technology	4.32	Germany
MENSCH UND MASCHINE SOFTWARE	Information Technology	4.29	Germany
EQUASENS	Health Care	3.90	France
VAISALA OYJ- A SHS	Information Technology	3.86	Finland
BIOTAGE AB	Health Care	3.75	Sweden
REVENIO GROUP OYJ	Health Care	3.73	Sweden
LECTRA	Information Technology	3.72	France
WAVESTONE	Information Technology	3.55	France
GENOVIS AB	Health Care	3.44	Sweden
LUMIBIRD	Information Technology	3.39	France
SURGICAL SCIENCE SWEDEN AB	Health Care	3.37	Sweden

Largest Investments	Sector	% Assets	Country
ESKER SA	Information Technology	3.27	France

What was the proportion of sustainability-related investments?

As of 31/12/2023, 93,34% of the Sub Fund assets were sustainability-related investments. Throughout the reference period, the Management Company ensured that the fund's share of sustainable investments has not deviated significantly from this value and was in line with its commitments.

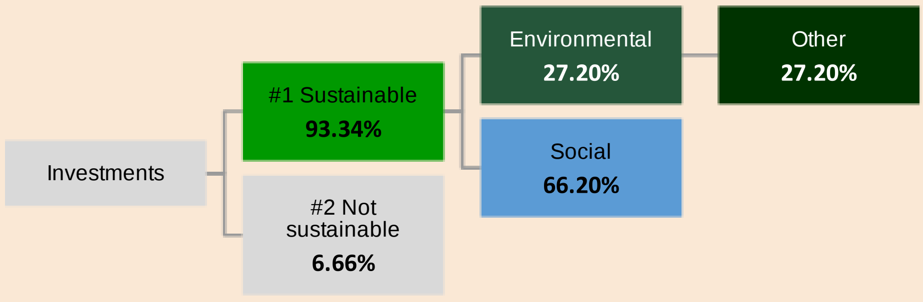
Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

As of 31/12/2023, the Sub Fund invested **93,34%** of its assets in sustainabality-related investments of which:

- **27,20%** were environmentally sustainable investments (**29,10%** of net assets)
- **66,20%** were socially sustainable investments (**70,90%** of net assets)

Throughout the reference period, the Management Company ensured that the fund's assets allocation has not deviated significantly from these values and was in line with its commitments.

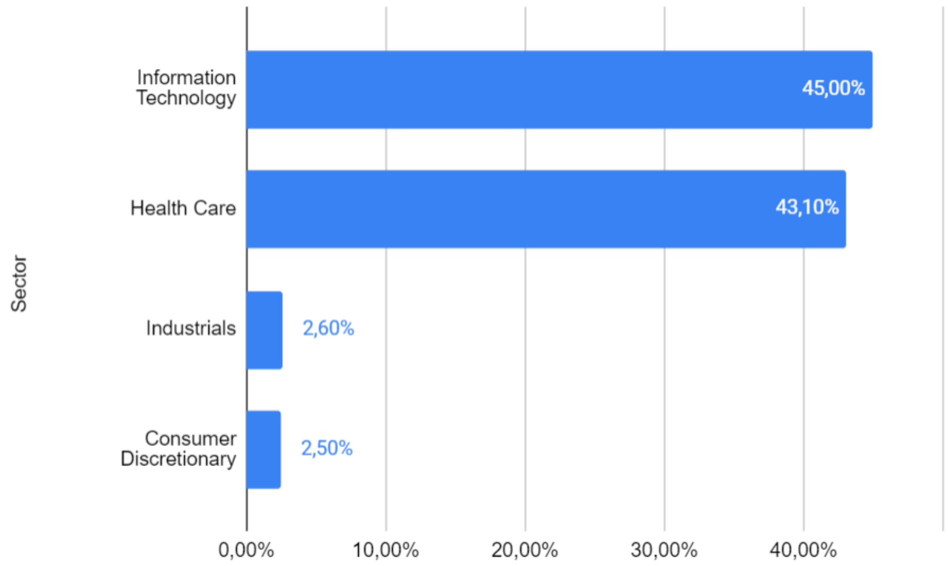


#1 Sustainable covers sustainable investments with environmental or social objectives.

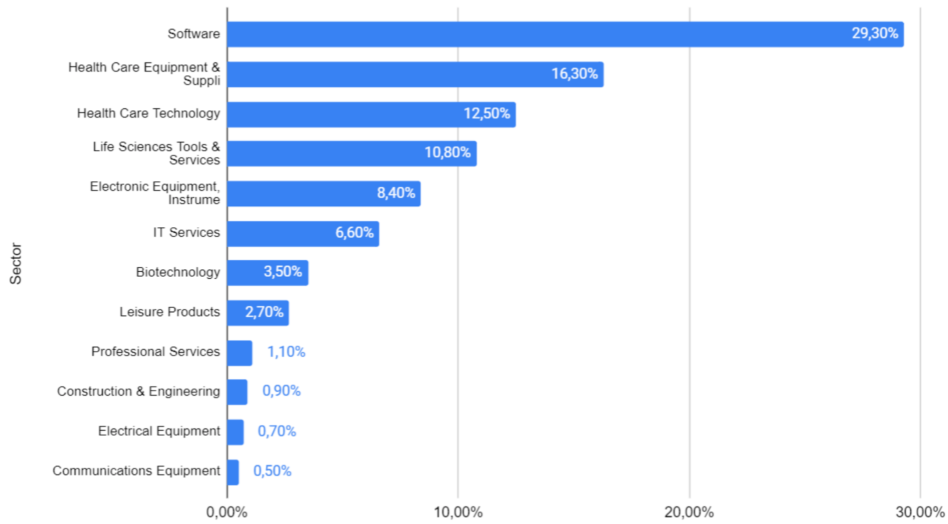
#2 Not sustainable includesinvestments which do not qualify as sustainable investments.

In which economic sectors were the investments made?

The Sub-Fund invested in the following economic sectors:



The Sub-Fund invested in the following economic sub-sectors:



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. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other

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

The Sub Fund did not make sustainable investment with an environmental objective aligned with the EU Taxonomy.

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

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

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 any EU Taxonomy objectives - 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.

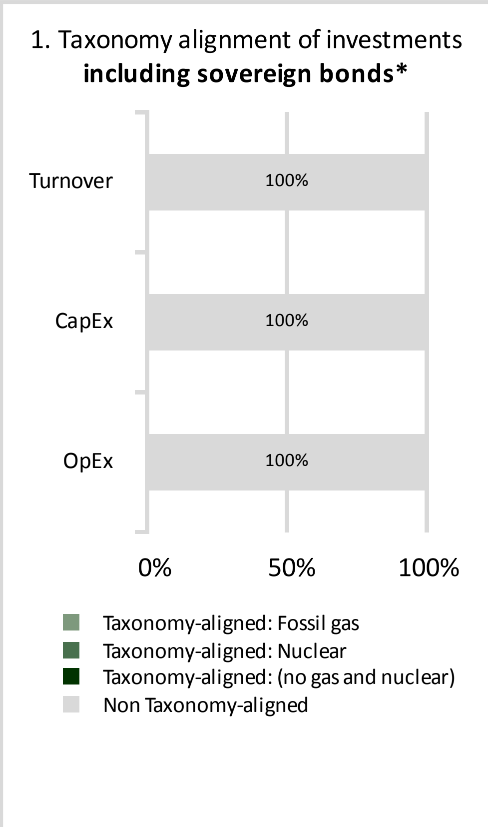
activities to make a substantial contribution to an environmental objective.

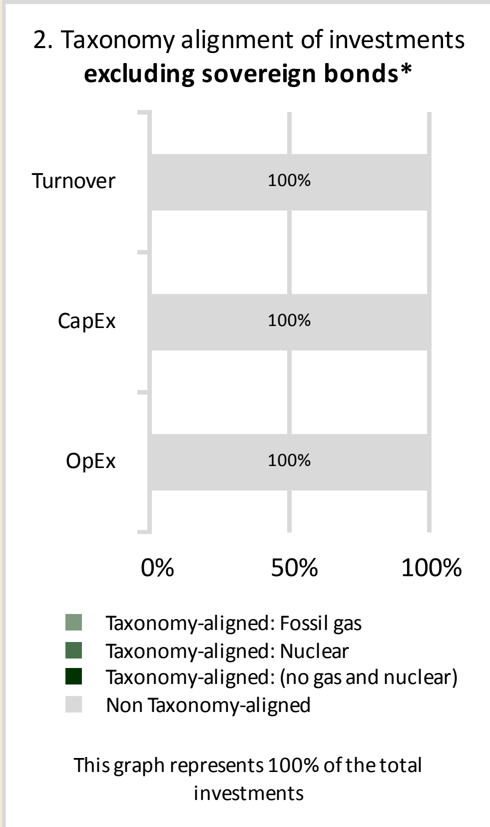
Transitional activities are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

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 in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





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

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

0%

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

Not applicable.

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

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally

All sustainable investments with an environmental objective were made in activities that were not aligned with the EU Taxonomy, representing **27,20%** of the Sub Fund's net assets as of 31/12/2023.

What was the share of socially sustainable investments?

sustainable economic activities under the EU Taxonomy.

The share of socially sustainable investments was **66,20%** of the Sub Fund's net assets as of 31/12/2023.

What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

The part of "not sustainable" investments represented **6,66%** of the Sub Fund's net assets as of 31/12/2023. It includes bank deposits at sight, such as cash held in current accounts with a bank accessible at any time, as well as hedging and derivatives instruments.
There were no minimum environmental or social safeguards associated with these investments.

What actions have been taken to attain the sustainable investment objective during the reference period?

In order to attain the sustainable investment objective, the management team met with representatives of some companies selected in the Sub Fund. This dialogue is a key element of the Sub Fund ESG strategy and is part of the monitoring of companies or in response to an increase in certain concerns.
The dialogue with companies also enabled to learn more about the companies and to refine the ESG ratings carried out, as well as to promote better practices among the companies. The objective of the engagement approach with companies is three levels:

- Improve transparency
- ESG Operational Performance
- Sustainability strategy

During the reference period, the management team participated in 100% of the voting proposals (657 in total), of which 80,9% (532) were FOR votes and 19,1% (123) were AGAINST votes.

Example of AGAINST votes	
NEXUS AG	Corporate Governance
Genovis AB	Strategic Transactions
Esker SA	Strategic Transactions

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

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.

The Sub Fund doesn't have any ESG specific benchmark.

- ***How did the reference benchmark differ from a broad market index?***

  N/A

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?***

  N/A

- ***How did this financial product perform compared with the reference benchmark?***

  N/A

How did this financial product perform compared with the broad market index?

N/A