



**H2O**  
Asset Management

**French UCITS**  
**H2O VIVACE SP**  
**ANNUAL REPORT**  
on 30 June 2022

**Management company: H2O AM EUROPE**

**Custodian: CACEIS Bank**

**Auditors: KPMG AUDIT**

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Management company authorised by the French Financial Markets Authority under number GP-19000011  
Simplified joint stock company registered with the Paris RCS under number 843 082 538

[www.h2o-am.com](http://www.h2o-am.com)

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# 1. Management report

## a) Investment policy

### ■ Management policy

The chronicle of the events that resulted in the establishment of the **H2O Vivace SP** ("Side Pocket") fund on September 25, 2020 unfolded as follows.

First of all, subscription and redemption orders on the UCITS **H2O Vivace** were suspended from August 28, 2020. The fund nevertheless remained actively managed during the five weeks that followed, until its demerger as of September 25, 2020.

The private investments were then confined to the existing H2O Vivace fund, renamed **H2O Vivace SP**, and whose establishment date was set for September 25, 2020. The units of the **H2O Vivace SP** fund were allocated new ISIN codes.

The other positions were transferred to a new fund, called **H2O Vivace FCP**.

Over the period ranging from June 30, 2021 to June 30, 2022, the changes in the estimated values of the different units of the **H2O Vivace SP** fund are detailed below.

ISIN Code	Share Name	Ccy	Estimated Value 30/06/2021	Estimated Value 30/06/2022	Variation
FR0013535424	H2O VIVACE SP I	EUR	9,810.74	7,544.33	-23.10%
FR0013535432	H2O VIVACE SP HCHF R	CHF	1,693.70	1,302.65	-23.09%
FR0013535440	H2O VIVACE SP HCHF I	CHF	4,210.30	3,260.99	-22.55%
FR0013535457	H2O VIVACE SP HSGD R	SGD	8.62	6.72	-22.04%
FR0013535465	H2O VIVACE SP HUSD R	USD	1,853.97	1,444.39	-22.09%
FR0013535473	H2O VIVACE SP HUSD I	USD	5,119.76	4,016.79	-21.54%
FR0013535499	H2O VIVACE SP R	EUR	3,675.45	2,806.62	-23.64%
FR0013535507	H2O VIVACE SP N(C)	EUR	5.54	4.25	-23.29%
FR0013535515	H2O VIVACE SP Q	EUR	1,086.13	840.67	-22.60%

Source: H2O AM – data as of 30/06/22

*Past performance is not a reliable indicator of future returns*

**N.B.:** The above table provides the variations in estimated valuations for the different share classes from the H2O Vivace SP fund for the fiscal year 2021-22. The fund is in the process of being terminated and therefore has the sole management objective of liquidating its assets. It will remain suspended until its full extinction.

When it was established, H2O Vivace SP inherited two private securities issued by the Tenor Group (Civitas Properties Finance 4% 2022 & Chain 7.75% 2021, the latter saw its maturity postponed to 2023 in September 2021), a security outside of the Tenor Group (ADS Securities Funding 6.5% 2023, an Abu Dhabi-based financial institution), as well as cash. The three securities represented approximately 8.5% of the fund's assets on August 31, 2020 before the fund was segregated.

# 1. Management report

In November 2021, a Dutch court declared Tennor Holding BV insolvent. The company appealed this decision, which the Dutch court eventually cancelled in the second instance on December 21, 2021. The creditors did not make an appeal to the Supreme Court of the Netherlands.

Given the evolution of the assets in the H2O SP funds, given the non-payment of coupons on some issues, and given the Dutch court event, the estimated valuations of the SP funds, including H2O Vivace SP, were significantly lowered as of December 31, 2021 compared to the ones published on August 31, 2021. In fact, the drop is between -22% and -24%.

There was no cash reimbursement to unitholders over the period as no securities were disposed of.

# 1. Management report

## b) Information on the mutual fund

### ■ Principal movements in portfolio listing during the period

Securities	Movements ("Accounting currency")	
	Acquisitions	Cessions

### ■ Material changes during the period and expected in future

As of December 31, 2020, H2O VIVACE SP, previously managed by the management company H2O AM LLP, became managed by H2O AM EUROPE. As the main management center of H2O AM, H2O AM LLP remained at the heart of the financial management process. From then on, H2O AM EUROPE, the lead management company of the UCITS, delegated the financial management of H2O VIVACE SP to H2O AM LLP.

On September 1, 2021, as part of the reorganisation of the management teams following Brexit, the delegation of financial management to H2O AM LLP (London) ended. The liquidation of the H2O VIVACE SP fund is now implemented from Paris by a team composed of managers from H2O AM Europe previously in charge of global macro UCIs in London.

### ■ Index-tracking fund

This UCI is not an index-tracking fund.

### ■ Alternative fund of funds

This UCI is not an alternative fund of funds.

### ■ SFTR regulation in EUR

Over the course of the reporting period, the UCI was not involved in any transactions governed by the Securities Financing Transactions Regulation (SFTR).

### ■ Access to documentation

The UCI's legal documentation (KIID, prospectus, periodic reports etc.) is available from the asset management company, from its head office or the following email address: [info@h2o-am.com](mailto:info@h2o-am.com)

# 1. Management report

## ■ Efficient portfolio management techniques and financial derivative instruments (ESMA) in EUR

### a) Exposure through efficient portfolio management techniques and financial derivative instruments

- **Exposure through efficient portfolio management techniques: 0.00**
  - o Securities lending: 0.00
  - o Securities borrowing: 0.00
  - o Reverse repurchase agreements: 0.00
  - o Repurchase agreements: 0.00
- **Underlying exposure through financial derivative instruments : 602,673.09**
  - o Forward foreign exchange transactions: 602,673.09
  - o Futures: 0.00
  - o Options: 0.00
  - o Swaps: 0.00

### b) Identity of the counterparty(ies) to EPM techniques and financial derivative instruments

EPM techniques	Financial derivative instruments (*)
	NATIXIS

(\*) Except the listed derivatives.

# 1. Management report

## c) Type and amount of collateral received by the UCITS to reduce counterparty risk

Types of financial instruments	Amount portfolio currency
<b>EPM</b>	
. Term deposit	0.00
. Equities	0.00
. Bonds	0.00
. UCITS	0.00
. Cash (*)	0.00
<b>Total</b>	<b>0.00</b>
<b>Financial derivative instruments</b>	
. Term deposit	0.00
. Equities	0.00
. Bonds	0.00
. UCITS	0.00
. Cash	0.00
<b>Total</b>	<b>0.00</b>

(\*) The Cash account also integrates the liquidities resulting from repurchase transactions.

## d) Revenues and operational cost/fees from EPM

Revenues and operational cost/fees	Amount portfolio currency
. Revenues (*)	0.00
. Other revenues	0.00
<b>Total revenues</b>	<b>0.00</b>
. Direct operational fees	0.00
. Indirects operational fees	0.00
. Other fees	0.00
<b>Total fees</b>	<b>0.00</b>

(\*) Income received on loans and reverse repurchase agreements.

# 1. Management report

## c) Information about risks

### ■ Method for calculating total risk

Not applicable, fund in liquidation.

### ■ Exposure to securitisation

The UCI has no exposure to securitisation.

### ■ Risk management

As part of its risk management policy, the asset management company establishes a risk management policy and risk management procedures that are effective, appropriate and documented and that allow it to identify risks related to its activities, processes and systems.

For more information, please see the UCI's KIID and more specifically its "Risk and return profile" section, or its prospectus, which may be obtained on request from the asset management company.

### ■ Liquidity management

The portfolio management company has defined a liquidity management policy for its open-end UCIs, based on measurements and indicators that show illiquidity and the impact on portfolios in the event of forced sales following large-scale redemptions by investors. Measures are applied according to a frequency appropriate to the management type, according to various simulated redemption scenarios, and are compared with predefined alert thresholds. The liquidity of collateral is monitored weekly using identical parameters.

UCIs identified as sensitive because of the level of illiquidity identified or because of the impact of forced sales undergo additional analysis of their liabilities. The frequency of these tests changes according to the asset management techniques used and/or the markets in which the UCIs invest. As a minimum requirement, the results of these analyses are presented in governance committee meetings.

The asset management company therefore relies on a liquidity control and monitoring system that ensures that investors are treated fairly. Any change to this policy during an accounting period that affects the UCI's documentation will be indicated in the "material changes" section of this document.

### ■ Treatment of non-liquid assets

Since the split on **25 September 2020**, the fund has consisted almost exclusively of illiquid private placements and is in liquidation. Its objective is now to manage its assets in an extinctive manner. The liquidation of the fund will be finalised as soon as all its illiquid assets are sold.



# 1. Management report

## d) Environmental, social and governance (ESG) criteria

The UCI does not take into account all three ESG criteria at the same time.

### SFDR :

Within the framework of the "SFDR" regulation (Regulation (EU) 2019/2088 of the European Parliament of November 27th, 2019 on the publication of information on sustainability in the financial services sector), this UCITS/IAF does not come under the Article 8, nor Article 9 of SFDR and, therefore, belongs to the category of funds covered by Article 6.

The main criteria taken into account in investment decisions are macroeconomic analysis, capital flows, and relative market valuation.

Consideration of sustainability risk (as defined in SFDR as an environmental, social, or governance event or circumstance that, should it occur, could have a material, adverse impact on the value of an investment ) is performed through systematic exclusions based on the regulations in place and the sectors and countries subject to international sanctions.

In addition, the investment firm, in the management of this UCITS/IAF:

- Excludes all actors involved in the production, use, storage, marketing, and transfer of anti-personnel mines and cluster bombs, in line with the Oslo and Ottawa conventions;
- Imposes additional control and approval from the Company's "Compliance" department for any investment linked to issuers based in countries identified as "high risk" in terms of combat against money laundering and terrorism financing (including in particular, but not exclusively, countries considered by the Financial Action Task Force (FATF) as exhibiting strategic deficiencies in their method for combating money laundering and terrorism financing, the European Union lists of high risk countries and non-cooperative jurisdictions for tax purposes, etc.).

The UCITS is currently unable to take into account the principal adverse impacts (or "PAI") of investment decisions on sustainability factors due to:

- A lack of availability of reliable data;
- The use of derivative financial instruments for which PAI aspects are not yet accounted for, nor defined.

### Taxonomy (Regulation [EU] 2020/852) :

This UCITS/IAF's underlying investments do not take into account EU criteria regarding environmentally sustainable economic activities.

# 1. Management report

## e) Energy Transition for Green Growth Act

The UCI does not prepare the report mentioned in Article 29 of the act.

## 2. Governance and compliance obligations

### ■ Procedure for selecting and assessing intermediaries and counterparties – Order execution

As part of the asset management company's compliance with its "best execution/best selection" obligation, the selection and monitoring of intermediaries are covered by a specific process.

The asset management company's policies regarding intermediary/counterparty selection and order execution are available on its website at <http://www.h2o-am.com> (in the "About" section).

### ■ Voting policy

Details of how the asset management company intends to exercise voting rights attached to shares held by UCIs in their portfolios can be viewed on its website at <http://www.h2o-am.com> (in the "About" section).

### ■ Remuneration policy

H2O AM applies a remuneration policy in line with the UCITS V and AIFM directives. These directives imply that asset management companies must establish and apply remuneration policies and practices that encourage healthy and effective risk management and do not encourage risk-taking that is inconsistent with the UCI's risk profile.

The remuneration policy is subject to supervision and approval by a remuneration committee consisting of members who do not have executive roles within H2O. The remuneration policy is validated once per year by the H2O remuneration committee. The committee was set up in 2012 to ensure that remuneration arrangements support both H2O's strategic targets as well as the recruitment, motivation and retention of staff members, while complying with rules established by regulatory and governance authorities.

As regards the remuneration policy, the asset management company distinguishes between two categories of staff within H2O, regardless of whether they have portfolio management roles, i.e. employees and partners.

- Employees are paid a fixed salary in line with UK market practices plus an annual bonus based on their individual performance and their contribution to the overall business;
- Partners are paid a fixed salary and an annual bonus. They are also entitled to dividends based on their equity stake in the company, depending on the company's profitability.

The remuneration of the asset management company's staff, including "identified staff members" (i.e. material risk-takers who may affect the risk profile of the asset management company or the portfolios it manages) is based on the following principles and criteria:

- A risk management approach and a remuneration structure that are healthy, effective and consistent with the interests of the asset management company, portfolios and investors, including solid policies and procedures regarding valuations, risk management, liquidity and regulations;
- Employee wages that are in line with market levels in view of their roles.

## 2. Governance and compliance obligations

The asset management company only grants discretionary bonuses after it has added together and received performance and management fees for the period concerned. Variable remuneration, including the deferred portion, is discretionary, and so may fall to zero if negative returns occur.

### Information about employees' remuneration

The asset management company has designated the following people as "identified staff members":

- a) management;
- b) portfolio management, client relations and business development staff members;
- c) persons responsible for the middle office, quantitative development, finance, legal and human resources;
- d) staff members with control functions; and
- e) any employee whose total remuneration places him/her in the same remuneration bracket as management and risk-takers (b, c and d).

Apart from the identified staff members above, the asset management company does not have any material risk-takers.

Above defined thresholds, H2O ensures that a substantial proportion of any component of variable remuneration received by identified staff members is deferred and consists of:

- a) units or shares in the UCITS where possible; or
- b) equivalent stakes in the portfolios concerned where possible; or
- c) share-based compensation relating to the portfolios concerned; or
- d) equivalent non-monetary instruments relating to the portfolios concerned by incentives, which are as effective as any of the instruments referred to in points a) to c).

Instruments are subject to an appropriate retention policy designed to align incentives for staff members with the long-term interests of:

- a) the portfolios they manage; and
- b) investors in those portfolios; and
- c) H2O.

The asset management company's staff members are remunerated solely by the asset management company itself and not by the portfolios they manage. H2O has ensured that all variable remuneration, including all deferred portions, is only paid or awarded if it is:

(1) Justified by the performance of:

- a) portfolios;
- b) the commercial unit; and
- c) the person concerned; and

(2) Sustainable given H2O's overall financial position.

## 2. Governance and compliance obligations

You will find below the figures relating to the remuneration:

€ equivalent

<b>H2O AM LLP / H2O AM Europe</b>	<b><u>2021</u></b>	<b><u>2020</u></b>
Wages and salaries	15,120,794	19,550,387
<i>o/w Fixed wages</i>	<i>10,341,816</i>	<i>11,571,383</i>
<i>o/w Bonus</i>	<i>4,778,978</i>	<i>7,979,005</i>
	-	
headcounts (including partners)	65	83

H2O takes the view that publishing the breakdown of remuneration between identified and non-identified staff members could breach the privacy of those belonging to the categories in question. Indeed, depending on the entity or entities in charge of managing the UCITS, each category could have only a few people.

As a result, H2O has decided not to provide additional information regarding the breakdown of remuneration by category in this publication.

## 3. Fees and Tax

### ■ Brokerage fees

The asset management company pays research costs directly.

### ■ Withholding taxes

The UCI is not affected by withholding taxes.

## 4. Auditor's Certification



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*This is a translation into English of the statutory auditors' report on the financial statements of the Fund issued in French and it is provided solely for the convenience of English speaking users.  
This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.  
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

## **Fonds Commun de Placement H2O VIVACE SP**

39, Avenue Pierre 1er de Serbie - 75008 Paris

### **Statutory auditor's report on the financial statements Year ended 30 June 2022 (free translation of a French language original)**

To shareholders,

#### **Disclaimer of opinion**

In compliance with the engagement entrusted to us by the board of directors of the Fund's management company, we were engaged to audit the accompanying financial statements of the "organisme de placement collectif" H2O VIVACE SP created as a "fonds commun de placement" for the year ended 30 June 2022.

We cannot express an opinion that the accompanying financial statements give, in accordance with French accounting principles a true and fair view of the assets and liabilities and of the financial position of the fund at the end of the period. Indeed, due to the significance of the matter described in the "Basis for Disclaimer of Opinion" section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

#### **Basis for Disclaimer of Opinion**

Due to the circumstances described in the notes to the annual accounts we are unable to assess the probative nature of the data used and the appropriateness of the method used to value these assets in the closing financial statements.





**Fonds Commun de Placement**  
**H2O VIVACE SP**  
*Statutory auditor's report on the financial*  
*statements Year ended 30 June 2022*  
*(free translation of a French language original)*

**Justification of Assessments**

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you that we do not express other assessment than those described in the "Basis for Disclaimer of Opinion" section of our report.

**Verification of the Management Report of the Fund's management company**

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

The fair presentation and the consistency with the financial statements of the information given in the management report of the Fund's management company give rise to the same observations as those provided in the "Basis for Disclaimer of Opinion" section.

**Report on Other Legal and Regulatory Requirements**

Furthermore, we report to you that, according to the provisions of the prospectus, in order to gradually liquidate the funds, the investment rules for UCITS cannot be followed.

**Responsibilities of the Management Company for the Financial Statements**

The management company is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management 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 management company is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Fund or to cease operations.

The financial statements were approved by the management company.

**Statutory Auditor's Responsibilities for the Audit of the Financial Statements**

It is our responsibility to conduct an audit of the Financial Statements in accordance with professional standards applicable in France and to draw up a report on the annual accounts and to issue an auditors' report.

We are independent of the Fund's management company in accordance with the ethical requirements that are relevant to our audit of the financial statements over the period from 1<sup>st</sup> July 2021 to the date of issue of our report, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Paris La Défense, on the 30 October 2022

The statutory auditor  
French original signed by  
Isabelle Bousquie  
*Partner*

The auditor's report has been issued on the basis of the audit of the French version of the financial statements. The following financial statements in English are a free translation of the French version, under the responsibility of the management company.

## 5. Annual accounts

### a) Annual accounts

#### ■ BALANCE SHEET - ASSET ON 30/06/2022 IN EUR

	30/06/2022	30/06/2021
<b>FIXED ASSETS, NET</b>	<b>0.00</b>	<b>0.00</b>
<b>DEPOSITS</b>	<b>0.00</b>	<b>0.00</b>
<b>FINANCIAL INSTRUMENTS</b>	<b>5,454,488.30</b>	<b>13,561,621.11</b>
<b>Equities and similar securities</b>	<b>0.00</b>	<b>0.00</b>
Traded in a regulated market or equivalent	0.00	0.00
Not traded in a regulated market or equivalent	0.00	0.00
<b>Bonds and similar securities</b>	<b>5,454,488.30</b>	<b>13,561,621.11</b>
Traded in a regulated market or equivalent	5,454,488.20	10,798,892.31
Not traded in a regulated market or equivalent	0.10	2,762,728.80
<b>Credit instruments</b>	<b>0.00</b>	<b>0.00</b>
Traded in a regulated market or equivalent	0.00	0.00
Negotiable credit instruments (Notes)	0.00	0.00
Other credit instruments	0.00	0.00
Not traded in a regulated market or equivalent	0.00	0.00
<b>Collective investment undertakings</b>	<b>0.00</b>	<b>0.00</b>
General-purpose UCITS and alternative investment funds intended for non-professionals and equivalents in other countries	0.00	0.00
Other Funds intended for non-professionals and equivalents in other EU Member States	0.00	0.00
General-purpose professional funds and equivalents in other EU Member States and listed securitisation entities	0.00	0.00
Other professional investment funds and equivalents in other EU Member States and listed securitisation agencies	0.00	0.00
Other non-European entities	0.00	0.00
<b>Temporary transactions in securities</b>	<b>0.00</b>	<b>0.00</b>
Credits for securities held under sell-back deals	0.00	0.00
Receivables on securities lent	0.00	0.00
Borrowed securities	0.00	0.00
Securities given in pension	0.00	0.00
Other temporary transactions	0.00	0.00
<b>Hedges</b>	<b>0.00</b>	<b>0.00</b>
Hedges in a regulated market or equivalent	0.00	0.00
Other operations	0.00	0.00
<b>Other financial instruments</b>	<b>0.00</b>	<b>0.00</b>
<b>LIABILITIES</b>	<b>10,194,367.47</b>	<b>3,633,556.54</b>
Forward currency transactions	602,673.09	715,285.34
Other	9,591,694.38	2,918,271.20
<b>FINANCIAL ACCOUNTS</b>	<b>775,461.91</b>	<b>418,001.07</b>
Cash and cash equivalents	775,461.91	418,001.07
<b>TOTAL ASSETS</b>	<b>16,424,317.68</b>	<b>17,613,178.72</b>

## 5. Annual accounts

### ■ BALANCE SHEET - LIABILITIES ON 30/06/2022 IN EUR

	30/06/2022	30/06/2021
<b>SHAREHOLDERS' FUNDS</b>		
Capital	11,666,350.81	8,959,942.98
Allocation Report of distributed items (a)	0.00	0.00
Brought forward (a)	0.00	0.00
Allocation Report of distributed items on Net Income (a,b)	80,661.26	6,640,216.81
Result (a,b)	229,961.75	-157,100.70
<b>TOTAL NET SHAREHOLDERS' FUNDS *</b>	<b>11,976,973.82</b>	<b>15,443,059.09</b>
<i>* Net Assets</i>		
<b>FINANCIAL INSTRUMENTS</b>	<b>0.00</b>	<b>0.00</b>
Transactions involving transfer of financial instruments	0.00	0.00
Temporary transactions in securities	0.00	0.00
Sums owed for securities sold under buy-back deals	0.00	0.00
Sums owed for borrowed securities	0.00	0.00
Other temporary transactions	0.00	0.00
Hedges	0.00	0.00
Hedges in a regulated market or equivalent	0.00	0.00
Other hedges	0.00	0.00
<b>PAYABLES</b>	<b>4,447,343.86</b>	<b>2,169,754.98</b>
Forward currency transactions	583,189.93	708,190.89
Others	3,864,153.93	1,461,564.09
<b>FINANCIAL ACCOUNTS</b>	<b>0.00</b>	<b>364.65</b>
Short-term credit	0.00	364.65
Loans received	0.00	0.00
<b>TOTAL LIABILITIES</b>	<b>16,424,317.68</b>	<b>17,613,178.72</b>

(a) Including adjustment

(b) Decreased interim distribution paid during the business year

## 5. Annual accounts

### ■ OFF-BALANCE SHEET ON 30/06/2022 EN EUR

	30/06/2022	30/06/2021
<b>HEDGES</b>	0.00	0.00
Contracts in regulated markets or similar	0.00	0.00
OTC contracts	0.00	0.00
Other commitments	0.00	0.00
<b>OTHER OPERATIONS</b>	0.00	0.00
Contracts in regulated markets or similar	0.00	0.00
OTC contracts	0.00	0.00
Other commitments	0.00	0.00

## 5. Annual accounts

### ■ INCOME STATEMENT ON 30/06/2022 IN EUR

	30/06/2022	30/06/2021
<b>Revenues from financial operations</b>		
Revenues from deposits and financial accounts	0.00	604.98
Revenues from equities and similar securities	0.00	1,823.03
Revenues from bonds and similar securities	298,219.02	314,406.37
Revenues from credit instruments	0.00	0.00
Revenues from temporary acquisition and disposal of securities	0.00	11,844.12
Revenues from hedges	0.00	0.00
Other financial revenues	0.00	0.00
<b>TOTAL (1)</b>	<b>298,219.02</b>	<b>328,678.50</b>
<b>Charges on financial operations</b>		
Charges on temporary acquisition and disposal of securities	0.00	173,514.61
Charges on hedges	0.00	0.00
Charges on financial debts	3.71	52,449.74
Other financial charges	0.00	0.00
<b>TOTAL (2)</b>	<b>3.71</b>	<b>225,964.35</b>
<b>NET INCOME FROM FINANCIAL OPERATIONS (1 - 2)</b>	<b>298,215.31</b>	<b>102,714.15</b>
Other income (3)	0.00	0.00
Management fees and depreciation provisions (4)	68,253.56	254,407.18
<b>NET INCOME OF THE BUSINESS YEAR (L.214-17-1) (1 - 2 + 3 - 4)</b>	<b>229,961.75</b>	<b>-151,693.03</b>
Revenue adjustment (5)	0.00	-5,407.67
Interim Distribution on Net Income paid during the business year (6)	0.00	0.00
<b>NET PROFIT (1 - 2 + 3 - 4 + 5 - 6)</b>	<b>229,961.75</b>	<b>-157,100.70</b>

# 5. Annual accounts

## b) Annual financial statements – Notes

### 1. Significant events

#### Assets Side-pocketing

Given the valuation uncertainties of certain securities held by H2O VIVACE, it was decided on September 25, 2020 to proceed with the liquidation of the fund, in accordance with the regulations in force. Thus, the UCITS was renamed H2O VIVACE SP, and, since that date, it only holds “private” instruments. From now on, only acts of management intended to ensure its liquidation under the best conditions aimed at preserving the interests of unitholders are authorised. The number of fund units will remain unchanged until total liquidation (no issuance of new units and no redemption of existing units, which are amortised gradually). This side-pocketing procedure of "private" instruments from the H2O VIVACE SP (Side Pocket) fund has been implemented under the conditions provided for in Article L. 214-8-7 of the Monetary and Financial Code.

### 2. Accounting rules and methods

The annual accounts are presented as provided by the ANC Regulation 2014-01 modified.

General accounting principles apply:

- fair picture, comparability,
- regularity, trustworthiness,
- prudence,
- consistency of methods employed from one accounting period to another.

The accounting method used to record income from fixed-income securities is that of interest received.

Acquisitions and disposals of securities are recorded excluding costs.

The reference currency for portfolio accounting is euros.

The duration of the accounting period is 12 months.

#### Transition to liquidation management and abandon of the going concern principle

As the fund is being liquidated, the going concern principle has been abandoned since the creation of the UCITS side pocket, on September 25, 2020.

# 5. Annual accounts

## Asset valuation rules

### General principles

Financial instruments are recorded in financial statements according to the historical cost method and recorded in the balance sheet at their current value which is determined by the last known market value or, in the absence of existing market, by any external means or by using financial models. .

The differences between the current values used when calculating the net asset value and the historical costs of the transferable securities when they entered the portfolio are recorded in “estimation differences” accounts. Securities that are not denominated in the currency of the portfolio are valued in accordance with the principle outlined below, then converted into the currency of the portfolio according to the exchange rate on the day of the valuation.

### *Deposits:*

Deposits with a residual life of less than or equal to 3 months are valued according to the linear method.

### *Equities, bonds and other securities traded in a regulated market or equivalent:*

For the computation of the Net Asset Value, shares and other securities traded on a regulated or similar market are valued on the basis of the last stock market price of the day.

Bonds and similar securities are valued at the closing price communicated by various financial service providers. Accrued interest on bonds and similar securities is calculated up to the date of the Net Asset Value.

Bonds are valued on the basis of a Bloomberg composite rating retrieved at 5:00 p.m. (Paris time) in accordance with the WMR rate for the currency on the valuation date.

### *Equities, bonds and other securities not traded in a regulated market or equivalent:*

Transferable securities for which the price has not been recorded on the valuation date or has been adjusted are valued by the Management Company at their probable trading value.

In the case of transferable securities that are not listed or those for which a price is not listed on the valuation date, as well as other items on the balance sheet, the Management Company adjusts its valuation on the basis of variations that seem probable in view of current events.

Foreign securities are converted into the equivalent value in euros in accordance with the WMR rate on the valuation date.

## 5. Annual accounts

### ***Negotiable debt securities:***

Debt instruments that are not subject to significant transactions are valued on an actuarial basis based on a reference rate defined below, plus, where applicable, a difference representative of the intrinsic characteristics of the issuer :

- Debt instruments with a maturity of less than or equal to 1 year: Interbank offered rate in euros (Euribor);
- Debt instruments with a maturity of more than 1 year: Normalised annual interests treasury bonds (French BTAN) rate or fungible treasury bonds (French OAT) rate of close maturity for the longest maturities;
- Debt instruments with a residual life of less than or equal to 3 months may be valued according to the linear method;
- BTANs are valued at the market rate communicated daily by the Bank of France.

### ***UCIs held:***

UCI units or shares will be valued at the last known Net Asset Value.

### ***Temporary purchases and sales of securities:***

Securities received under repurchase agreements are recorded as assets under “Debt representing securities received under repos” for the amount provided in the contract, plus accrued interest to be received.

Securities given under repurchase agreements are recorded in the buying portfolio at their current value. The debt representing securities given under repurchase agreements is recorded in the selling portfolio at the value fixed in the contract plus accrued interest to be paid.

The securities lent are valued at their current value and are recorded as assets under the heading “Debt representing loaned securities” at the current value plus accrued interest to be received.

The securities borrowed are recorded as assets under the heading “securities borrowed” for the amount provided for in the contract, and as liabilities under the heading “Debts representing borrowed securities” for the amount provided in the contract plus accrued interest to be paid.

### ***Forward financial instruments:***

#### ***Forward financial instruments traded on a regulated or similar market:***

Forward financial instruments negotiated on regulated markets are valued at the daily clearing price.

#### ***Foreign Exchange Forwards:***

They are valued at the exchange rate on the day of valuation, taking into account the amortization of the deferment /offset.



## 5. Annual accounts

### ***Forward financial instruments not traded on a regulated or similar market:***

#### ***Swaps:***

Interest rate and/or currency swap contracts are valued at their market value based on the price calculated by discounting future interest flows at market interest and/or exchange rates. This price is corrected for the counterparty risk.

Index swaps are valued on an actuarial basis based on a reference rate provided by the counterparty.

The other swaps are valued at their market value or at an estimated value according to the methods adopted by the management company.

#### ***Off-balance sheet commitments:***

Fixed forward contracts are carried at their market value in off-balance sheet commitments at the price used in the portfolio. Conditional forward transactions are translated in underlying equivalent.

Commitments on swap contracts are presented at their nominal value, or in the absence of nominal value, for an equivalent amount.

#### **Asset valuation rules on the closing date of the Side-Pocket**

The above-listed principles pertaining to the assets valuation are no longer applicable to the illiquid assets since the side-pocketing. The asset management company estimated the present value of the illiquid assets by way of the following method, and based on all information available as of June 30, 2022.

In December 2020, H2O appointed a financial advisor. Jointly with the company's legal advisor, they counsel H2O on the disposal policy of the Tennor group assets.

In May 2021, following the very marginal completion of the sale contract with Evergreen Funding which provided for the gradual sale of illiquid assets between June 2020 and June 2021, and after having assessed the risks, deadlines, and prices of the various solutions, the restructuring of assets, with a view to streamlining the funds' exposure to the Tennor group, has been retained. This restructuring resulted in a firm commitment to restructure via a new issuance the positions held until now on the balance sheet (excluding ADS and La Perla and Avatera shares).

However, at the end of December 2021, taking into account the evolution of the assets held within the side-pocket funds, the very partial execution of this restructuring, and the decision of a court recalled below, the estimated valuations have been reviewed.

As a reminder, a Dutch court declared Tennor Holding BV, of which the fund is one of the creditors, insolvent in November 2021. Tennor Holding BV then appealed against this decision and the court cancelled in second instance the declaration of default from the Tennor Group in December 2021.

However, it is worth reminding that the valuation uncertainty that led to the fund's side-pocketing remains. The information of financial nature obtained by the management company on the closing date is not such as to warrant the revision of estimates made at the end of 2021. Only the liquidation will allow for an exact valuation.

## 5. Annual accounts

At the end of June 2022, the management company valued the assets as follows:

1. The firm commitment to restructure the positions held on the balance sheet is valued according to its estimated recovery value and new commitments signed by the Tennor group (restructuring of positions held on the balance sheet, excluding ADS<sup>1</sup> bonds and Avatera shares, and repayment schedule, etc.).
2. The positions held on the balance sheet (excluding ADS and Avatera), once the restructuring has been carried out, will be held as collateral. Therefore, their valuation has no impact on the valuation of H2O Vivace SP. However, in the accounting statements, these lines are valued and the total amount is included in the debt in order to neutralise the impact on net assets (amounts included in the Debts line of the detailed inventory). The valuation of the positions held on the balance sheet was determined using their recovery value. We estimate the latter based on information obtained on the structure of the companies, their valuation according to different methods (DCF, multiples, etc.) and any collateral attached to them.

Valuation of securities received as collateral from the second part of the restructuring (recovery as debt and without impact on the NAV) in EUR.			
Securities	As of 31/08/2021	From 31/12/2021	Comments
CHAIN FINANCE BV 7.75% 11-05-21	2,762,729	0	Tennor Collateral – Junior FSSSN
CIVITAS PROPERTIES FINANCE B V 4.0% 24-11-22	6,825,000	945,000	Estimated value based on previous comparable transactions

3. Securities not included in the restructuring are valued using their recovery value, estimated from information obtained on the companies, their valuation according to different methods (DCF, multiples, etc.), and any collateral associated to them.

As of June 30, 2022, the late payment of coupons due on all securities with the exception of ADS led the management company to no longer take into account their accrued coupons in the valuation and to constitute a provision for the expected amount of all matured unpaid coupons (EUR 2 812 000 for matured unpaid coupons).

Securities	Amount	% of net assets
CHAIN FINANCE BV 7.75% 11-05-21	806,000	6.73%
CIVITAS PROPERTIES FINANCE B V 4.0% 24-11-22	600,000	5.01%
CHAIN FINANCE BV 7.75% 11-05-21	806,000	6.73%
CIVITAS PROPERTIES FINANCE B V 4.0% 24-11-22	600,000	5.01%

<sup>1</sup> ADS does not belong to the Tennor group.

# 5. Annual accounts

## **Management fees**

The management fees are calculated at each valuation on the net assets.

These costs are charged to the profit and loss account of the UCI.

Management fees are paid in full to the management company, which bears all the operating costs of the UCIs.

Management fees do not include transaction fees.

The rate applied on the basis of net assets is:

- 1.45% including tax on the R(C), HCHF-R(C), HSGD-R(C), and HUSD-R(C) share classes.
- 0.75% including tax on the I(C), HCHF-I(C) and HUSD-I(C) share classes.
- 0.83% including tax on the N(C) share class.
- 0.10% including tax on the Q(C) share class.

## **Performance fee**

None.

## **Allocation of distributable amounts**

### ***Definition of distributable amounts***

Distributable sums consist of:

### ***Income:***

Net income is equal to the amount of interest, arrears, premiums and bonuses, dividends, attendance fees and all other income from the securities comprising the portfolio, plus income from temporary cash holdings, minus management fees and borrowing costs.

To which it is added retained earnings, plus or minus the balance of the income adjustment account.

### ***Capital gains and losses:***

Realised capital gains, net of fees, less realised capital losses, net of fees, recorded during the financial year, plus net capital gains of the same nature recorded in previous financial years that were not distributed or capitalised, plus or minus the balance of the capital gains adjustment account.

## 5. Annual accounts

*Methods for allocating distributable amounts:*

<i>Unit(s)</i>	<i>Allocation of net income</i>	<i>Allocation of net capital gains or losses realized</i>
Unit H2O VIVACE SP HCHF-I(C)	Capitalisation	Capitalisation
Unit H2O VIVACE SP HCHF-R(C)	Capitalisation	Capitalisation
Unit H2O VIVACE SP HSGD-R(C)	Capitalisation	Capitalisation
Unit H2O VIVACE SP HUSD-I(C)	Capitalisation	Capitalisation
Unit H2O VIVACE SP HUSD-R(C)	Capitalisation	Capitalisation
Unit H2O VIVACE SP I(C)	Capitalisation	Capitalisation
Unit H2O VIVACE SP N(C)	Capitalisation	Capitalisation
Unit H2O VIVACE SP Q(C)	Capitalisation	Capitalisation
Unit H2O VIVACE SP R(C)	Capitalisation	Capitalisation

## 5. Annual accounts

### ■ 2. CHANGES IN NET ASSET ON 30/06/2022 IN EUR

	30/06/2022	30/06/2021
<b>NET ASSETS IN START OF PERIOD</b>	<b>15,443,059.09</b>	<b>136,981,448.10</b>
Subscriptions (including subscription fees received by the fund)	0.00	850,204.87
Redemptions (net of redemption fees received by the fund)	0.00	-2,083,215.63
Capital gains realised on deposits and financial instruments	0.00	8,512,153.48
Capital losses realised on deposits and financial instruments	0.00	-7,824,380.94
Capital gains realised on hedges	85,802.89	60,510,892.92
Capital losses realised on hedges	-23,188.80	-51,037,036.65
Dealing costs	0.00	-363,538.48
Exchange gains/losses	489,648.82	2,769,711.78
Changes in difference on estimation (deposits and financial instruments)	-8,570,733.11	2,701,902.95
<i>Difference on estimation, period N</i>	-9,086,065.04	-515,331.93
<i>Difference on estimation, period N-1</i>	515,331.93	3,217,234.88
Changes in difference on estimation (hedges)	0.00	-3,938,364.48
<i>Difference on estimation, period N</i>	0.00	0.00
<i>Difference on estimation, period N-1</i>	0.00	-3,938,364.48
Net Capital gains and losses Accumulated from Previous business year	0.00	0.00
Distribution on Net Capital Gains and Losses from previous business year	0.00	0.00
Net profit for the period, before adjustment prepayments	229,961.75	-151,693.03
Allocation Report of distributed items on Net Income	0.00	0.00
Interim Distribution on Net Income paid during the business year	0.00	0.00
Other items	4,322,423.18 (**)	-131,485,025.80 (*)
<b>NET ASSETS IN END OF PERIOD</b>	<b>11,976,973.82</b>	<b>15,443,059.09</b>

(\*) N-1: Demerger entries for H2O VIVACE FCP as of 25/09/2020. Other items also include the provision for coupon depreciation. These are demerger and provision entries and the difference between the valuation of positions held on the balance sheet (excluding ADS) and that of positions once restructured (restructuring valued at par).

(\*\*) N: Provisions made to value the firm commitment to restructure the positions held on the balance sheet and to compensate the value of the securities once restructured: + 4,322,423.18€.

## 5. Annual accounts

### ■ 3. ADDITIONAL INFORMATION

#### ■ 3.1. BREAKDOWN OF FINANCIAL INSTRUMENTS BY LEGAL OR COMMERCIAL TYPE

	Amount	%
<b>ASSETS</b>		
<b>BONDS AND SIMILAR SECURITIES</b>		
Obligations et valeurs assimilées non négociées sur un marché réglementé ou assimilé	0.10	0.00
Fixed-rate bonds traded on a regulated or similar market	5,454,488.20	45.54
<b>TOTAL BONDS AND SIMILAR SECURITIES</b>	<b>5,454,488.30</b>	<b>45.54</b>
<b>CREDIT INSTRUMENTS</b>		
<b>TOTAL CREDIT INSTRUMENTS</b>	<b>0.00</b>	<b>0.00</b>
<b>LIABILITIES</b>		
<b>TRANSACTIONS INVOLVING TRANSFER OF FINANCIAL INSTRUMENTS</b>		
<b>TOTAL TRANSACTIONS INVOLVING TRANSFER OF FINANCIAL INSTRUMENTS</b>	<b>0.00</b>	<b>0.00</b>
<b>OFF-BALANCE SHEET</b>		
<b>HEDGES</b>		
<b>TOTAL HEDGES</b>	<b>0.00</b>	<b>0.00</b>
<b>OTHER OPERATIONS</b>		
<b>TOTAL OTHER OPERATIONS</b>	<b>0.00</b>	<b>0.00</b>

#### ■ 3.2. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS, BY TYPE

	Fixed rate	%	Variable rate	%	Rate subject to review	%	Other	%
<b>ASSETS</b>								
Deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bonds and similar securities	5,454,488.30	45.54	0.00	0.00	0.00	0.00	0.00	0.00
Credit instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Temporary transactions in securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Financial accounts	0.00	0.00	0.00	0.00	0.00	0.00	775,461.91	6.47
<b>LIABILITIES</b>								
Temporary transactions in securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Financial accounts	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>OFF-BALANCE SHEET</b>								
Hedges	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Others operations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

## 5. Annual accounts

### ■ 3.3. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS, BY TIME TO MATURITY(\*)

	< 3 months	%	]3 months - 1 year]	%	]1 - 3 years]	%	]3 - 5 years]	%	> 5 years	%
<b>ASSETS</b>										
Deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bonds and similar securities	0.10	0.00	5,454,488.20	45.54	0.00	0.00	0.00	0.00	0.00	0.00
Credit instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Temporary transactions in securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Financial accounts	775,461.91	6.47	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>LIABILITIES</b>										
Temporary transactions in securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Financial accounts	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>OFF-BALANCE SHEET</b>										
Hedges	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Others operations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

(\*) All hedges are shown in terms of time to maturity of the underlying securities.

### ■ 3.4. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS, BY LISTING OR EVALUATION CURRENCY (OUT EUR)

	Currency 1 USD		Currency 2 CHF		Currency 3 SGD		Currency N Other currencies	
	Amount	%	Amount	%	Amount	%	Amount	%
<b>ASSETS</b>								
Deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equities and similar securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bonds and similar securities	4,509,488.20	37.65	0.00	0.00	0.00	0.00	0.00	0.00
Credit instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Mutual fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Temporary transactions in securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Receivables	318,325.26	2.66	237,249.62	1.98	47,098.21	0.39	0.00	0.00
Financial accounts	155,435.46	1.30	6.33	0.00	0.00	0.00	0.00	0.00
<b>LIABILITIES</b>								
Transactions involving transfer of financial instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Temporary transactions in securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Debts	5,971.03	0.05	5,285.20	0.04	1,119.14	0.01	0.00	0.00
Financial accounts	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>OFF-BALANCE SHEET</b>								
Hedges	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Others operations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

## 5. Annual accounts

### ■ 3.5. RECEIVABLES AND PAYABLES: BREAKDOWN BY ITEMS

	Type of debit/credit	30/06/2022
<b>RECEIVABLES</b>		
	Forward foreign exchange purchase	602,673.09
	Coupons and dividends in cash	2,812,000.00
	Other receivables	6,779,694.38
<b>TOTAL RECEIVABLES</b>		<b>10,194,367.47</b>
<b>PAYABLES</b>		
	Forward foreign exchange sale	583,189.93
	Fixed management fees	107,153.93
	Other payables	3,757,000.00
<b>TOTAL PAYABLES</b>		<b>4,447,343.86</b>
<b>TOTAL PAYABLES AND RECEIVABLES</b>		<b>5,747,023.61</b>



## 5. Annual accounts

### ■ 3.6. SHAREHOLDERS' FUNDS

#### • 3.6.1. Number of units issued or redeemed

	Units	Value
<b>Unit H2O VIVACE SP HCHF-I(C)</b>		
Units subscribed during the period	0.00	0.00
Units redeemed during the period	0.00	0.00
Net Subscriptions/Redemptions	0.00	0.00
Units in circulation at the end of the period	20.5630	
<b>Unit H2O VIVACE SP HCHF-R(C)</b>		
Units subscribed during the period	0.00	0.00
Units redeemed during the period	0.00	0.00
Net Subscriptions/Redemptions	0.00	0.00
Units in circulation at the end of the period	136.7586	
<b>Unit H2O VIVACE SP HSGD-R(C)</b>		
Units subscribed during the period	0.00	0.00
Units redeemed during the period	0.00	0.00
Net Subscriptions/Redemptions	0.00	0.00
Units in circulation at the end of the period	10,615.5362	
<b>Unit H2O VIVACE SP HUSD-I(C)</b>		
Units subscribed during the period	0.00	0.00
Units redeemed during the period	0.00	0.00
Net Subscriptions/Redemptions	0.00	0.00
Units in circulation at the end of the period	53.0178	
<b>Unit H2O VIVACE SP HUSD-R(C)</b>		
Units subscribed during the period	0.00	0.00
Units redeemed during the period	0.00	0.00
Net Subscriptions/Redemptions	0.00	0.00
Units in circulation at the end of the period	92.8063	
<b>Unit H2O VIVACE SP I(C)</b>		
Units subscribed during the period	0.00	0.00
Units redeemed during the period	0.00	0.00
Net Subscriptions/Redemptions	0.00	0.00
Units in circulation at the end of the period	337.0157	
<b>Unit H2O VIVACE SP N(C)</b>		
Units subscribed during the period	0.00	0.00
Units redeemed during the period	0.00	0.00
Net Subscriptions/Redemptions	0.00	0.00
Units in circulation at the end of the period	2,469.9637	

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### • 3.6.1. Number of units issued or redeemed

	Units	Value
<b>Unit H2O VIVACE SP Q(C)</b>		
Units subscribed during the period	0.00	0.00
Units redeemed during the period	0.00	0.00
Net Subscriptions/Redemptions	0.00	0.00
Units in circulation at the end of the period	8,128.0000	
<b>Unit H2O VIVACE SP R(C)</b>		
Units subscribed during the period	0.00	0.00
Units redeemed during the period	0.00	0.00
Net Subscriptions/Redemptions	0.00	0.00
Units in circulation at the end of the period	700.0945	

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### • 3.6.2. Subscription and/or redemption fees

	Value
<b>Unit H2O VIVACE SP HCHF-I(C)</b>	
Total acquired subscription and/or redemption fees	0.00
Acquired subscription fees	0.00
Acquired redemption fees	0.00
<b>Unit H2O VIVACE SP HCHF-R(C)</b>	
Total acquired subscription and/or redemption fees	0.00
Acquired subscription fees	0.00
Acquired redemption fees	0.00
<b>Unit H2O VIVACE SP HSGD-R(C)</b>	
Total acquired subscription and/or redemption fees	0.00
Acquired subscription fees	0.00
Acquired redemption fees	0.00
<b>Unit H2O VIVACE SP HUSD-I(C)</b>	
Total acquired subscription and/or redemption fees	0.00
Acquired subscription fees	0.00
Acquired redemption fees	0.00
<b>Unit H2O VIVACE SP HUSD-R(C)</b>	
Total acquired subscription and/or redemption fees	0.00
Acquired subscription fees	0.00
Acquired redemption fees	0.00
<b>Unit H2O VIVACE SP I(C)</b>	
Total acquired subscription and/or redemption fees	0.00
Acquired subscription fees	0.00
Acquired redemption fees	0.00
<b>Unit H2O VIVACE SP N(C)</b>	
Total acquired subscription and/or redemption fees	0.00
Acquired subscription fees	0.00
Acquired redemption fees	0.00
<b>Unit H2O VIVACE SP Q(C)</b>	
Total acquired subscription and/or redemption fees	0.00
Acquired subscription fees	0.00
Acquired redemption fees	0.00
<b>Unit H2O VIVACE SP R(C)</b>	
Total acquired subscription and/or redemption fees	0.00
Acquired subscription fees	0.00
Acquired redemption fees	0.00

## 5. Annual accounts

### ■ 3.7. MANAGEMENT FEES

	30/06/2022
<b>Units H2O VIVACE SP HCHF-I(C)</b>	
Guarantee commission	0,00
Fixed management fees	526.43
Percentage set for fixed management fees	0.79
Trailer fees	0,00
<b>Units H2O VIVACE SP HCHF-R(C)</b>	
Guarantee commission	0,00
Fixed management fees	2,646.66
Percentage set for fixed management fees	1.49
Trailer fees	0,00
<b>Units H2O VIVACE SP HSGD-R(C)</b>	
Guarantee commission	0,00
Fixed management fees	718.39
Percentage set for fixed management fees	1.49
Trailer fees	0,00
<b>Units H2O VIVACE SP HUSD-I(C)</b>	
Guarantee commission	0,00
Fixed management fees	1,539.35
Percentage set for fixed management fees	0.79
Trailer fees	0,00
<b>Units H2O VIVACE SP HUSD-R(C)</b>	
Guarantee commission	0,00
Fixed management fees	1,833.60
Percentage set for fixed management fees	1.49
Trailer fees	0,00
<b>Units H2O VIVACE SP I(C)</b>	
Guarantee commission	0,00
Fixed management fees	20,714.54
Percentage set for fixed management fees	0.79
Trailer fees	0,00
<b>Units H2O VIVACE SP N(C)</b>	
Guarantee commission	0,00
Fixed management fees	94.39
Percentage set for fixed management fees	0.87
Trailer fees	0,00

## 5. Annual accounts

### ■ 3.7. MANAGEMENT FEES

	30/06/2022
<b>Units H2O VIVACE SP Q(C)</b>	
Guarantee commission	0,00
Fixed management fees	9,874.59
Percentage set for fixed management fees	0.14
Trailer fees	0,00
<b>Units H2O VIVACE SP R(C)</b>	
Guarantee commission	0,00
Fixed management fees	30,305.61
Percentage set for fixed management fees	1.49
Trailer fees	0,00

### ■ 3.8. COMMITMENTS RECEIVED AND GIVEN

#### • 3.8.1. Guarantees received by the UCIT:

None.

#### • 3.8.2. Other commitments received and/or given:

None.

## 5. Annual accounts

### ■ 3.9. FUTURE DETAILS

#### • 3.9.1. Stock market values of temporarily acquired securities

	30/06/2022
Securities held under sell-back deals	0.00
Borrowed securities	0.00

#### • 3.9.2. Stock market values of pledged securities

	30/06/2022
Financial instruments pledged but not reclassified	0.00
Financial instruments received as pledges but not recognized in the Balance Sheet	0.00

#### • 3.9.3. Financial instruments held, issued and/or administered by the GROUPE

	ISIN code	Name of security	30/06/2022
Equities			0.00
Bonds			0.00
Notes			0.00
UCITS			0.00
Hedges			0.00
<b>Total group financial instruments</b>			<b>0.00</b>

## 5. Annual accounts

### ■ 3.10. TABLE OF ALLOCATION OF THE DISTRIBUTABLE SUMS

#### • Table of allocation of the distributable share of the sums concerned to profit (loss)

	30/06/2022	30/06/2021
<b>Sums not yet allocated</b>		
Brought forward	0.00	0.00
Profit (loss)	229,961.75	-157,100.70
<b>Total</b>	<b>229,961.75</b>	<b>-157,100.70</b>

	30/06/2022	30/06/2021
<b>Unit H2O VIVACE SP HCHF-I(C)</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Brought forward	0.00	0.00
Capitalized	1,062.02	-1,490.59
<b>Total</b>	<b>1,062.02</b>	<b>-1,490.59</b>

	30/06/2022	30/06/2021
<b>Unit H2O VIVACE SP HCHF-R(C)</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Brought forward	0.00	0.00
Capitalized	1,586.23	-7,711.69
<b>Total</b>	<b>1,586.23</b>	<b>-7,711.69</b>

	30/06/2022	30/06/2021
<b>Unit H2O VIVACE SP HSGD-R(C)</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Brought forward	0.00	0.00
Capitalized	445.29	-2,138.34
<b>Total</b>	<b>445.29</b>	<b>-2,138.34</b>

## 5. Annual accounts

	30/06/2022	30/06/2021
<b>Unit H2O VIVACE SP HUSD-I(C)</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Brought forward	0.00	0.00
Capitalized	3,167.99	-4,186.55
<b>Total</b>	<b>3,167.99</b>	<b>-4,186.55</b>

	30/06/2022	30/06/2021
<b>Unit H2O VIVACE SP HUSD-R(C)</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Brought forward	0.00	0.00
Capitalized	1,138.28	-5,166.21
<b>Total</b>	<b>1,138.28</b>	<b>-5,166.21</b>

	30/06/2022	30/06/2021
<b>Unit H2O VIVACE SP I(C)</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Brought forward	0.00	0.00
Capitalized	42,875.24	-66,503.44
<b>Total</b>	<b>42,875.24</b>	<b>-66,503.44</b>

	30/06/2022	30/06/2021
<b>Unit H2O VIVACE SP N(C)</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Brought forward	0.00	0.00
Capitalized	168.73	-311.47
<b>Total</b>	<b>168.73</b>	<b>-311.47</b>



## 5. Annual accounts

	30/06/2022	30/06/2021
<b>Unit H2O VIVACE SP Q(C)</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Brought forward	0.00	0.00
Capitalized	160,527.50	26,902.21
<b>Total</b>	<b>160,527.50</b>	<b>26,902.21</b>

	30/06/2022	30/06/2021
<b>Unit H2O VIVACE SP R(C)</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Brought forward	0.00	0.00
Capitalized	18,990.47	-96,494.62
<b>Total</b>	<b>18,990.47</b>	<b>-96,494.62</b>

## 5. Annual accounts

### • Table of allocation of the distributable share of the sums concerned to capital gains and losses

	30/06/2022	30/06/2021
<b>Sums not yet allocated</b>		
Net Capital gains and losses Accumulated from Previous business year	0.00	0.00
Net Capital gains and losses of the business year	80,661.26	6,640,216.81
Allocation Report of distributed items on Net Capital Gains and Losses	0.00	0.00
<b>Total</b>	<b>80,661.26</b>	<b>6,640,216.81</b>

	30/06/2022	30/06/2021
<b>Unit H2O VIVACE SP HCHF-I(C)</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Net capital gains and losses accumulated per share	0.00	0.00
Capitalized	3,150.70	28,560.86
<b>Total</b>	<b>3,150.70</b>	<b>28,560.86</b>

	30/06/2022	30/06/2021
<b>Unit H2O VIVACE SP HCHF-R(C)</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Net capital gains and losses accumulated per share	0.00	0.00
Capitalized	8,430.87	76,915.20
<b>Total</b>	<b>8,430.87</b>	<b>76,915.20</b>

	30/06/2022	30/06/2021
<b>Unit H2O VIVACE SP HSGD-R(C)</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Net capital gains and losses accumulated per share	0.00	0.00
Capitalized	5,057.06	8,408.80
<b>Total</b>	<b>5,057.06</b>	<b>8,408.80</b>

## 5. Annual accounts

	30/06/2022	30/06/2021
<b>Unit H2O VIVACE SP HUSD-I(C)</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Net capital gains and losses accumulated per share	0.00	0.00
Capitalized	28,013.49	-9,170.73
<b>Total</b>	<b>28,013.49</b>	<b>-9,170.73</b>

	30/06/2022	30/06/2021
<b>Unit H2O VIVACE SP HUSD-R(C)</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Net capital gains and losses accumulated per share	0.00	0.00
Capitalized	17,715.15	-5,827.83
<b>Total</b>	<b>17,715.15</b>	<b>-5,827.83</b>

	30/06/2022	30/06/2021
<b>Unit H2O VIVACE SP I(C)</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Net capital gains and losses accumulated per share	0.00	0.00
Capitalized	4,103.25	1,473,320.49
<b>Total</b>	<b>4,103.25</b>	<b>1,473,320.49</b>

	30/06/2022	30/06/2021
<b>Unit H2O VIVACE SP N(C)</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Net capital gains and losses accumulated per share	0.00	0.00
Capitalized	16.98	6,104.46
<b>Total</b>	<b>16.98</b>	<b>6,104.46</b>

## 5. Annual accounts

	30/06/2022	30/06/2021
<b>Unit H2O VIVACE SP Q(C)</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Net capital gains and losses accumulated per share	0.00	0.00
Capitalized	10,991.69	3,907,876.15
<b>Total</b>	<b>10,991.69</b>	<b>3,907,876.15</b>

	30/06/2022	30/06/2021
<b>Unit H2O VIVACE SP R(C)</b>		
<b>Allocation</b>		
Distribution	0.00	0.00
Net capital gains and losses accumulated per share	0.00	0.00
Capitalized	3,182.07	1,154,029.41
<b>Total</b>	<b>3,182.07</b>	<b>1,154,029.41</b>

## 5. Annual accounts

### ■ 3.11. TABLE OF PROFIT (LOSS) AND OTHER TYPICAL FEATURES OF THE FUND OVER THE PAST FIVE FINANCIAL PERIODS

	29/06/2018	28/06/2019	30/06/2020	30/06/2021	30/06/2022
<b>Global Net Assets in EUR</b>	<b>521,614,755.20</b>	<b>332,117,289.48</b>	<b>136,981,448.10</b>	<b>15,443,059.09</b>	<b>11,976,973.82</b>
<b>Unit H2O VIVACE SP HCHF-I(C) in CHF</b>					
Net assets in CHF	14,591,707.80	2,110,439.55	759,847.28	86,576.59	67,055.75
Number of shares/units	199.6977	28.6580	20.5630	20.5630	20.5630
NAV per share/unit in CHF	73,068.98	73,642.24	36,952.16	4,210.30	3,260.99
Net Capital Gains and Losses Accumulated per share in EUR	-1,022.65	10,119.85	-30,651.04	1,388.94	153.22
Net income Accumulated on the result in EUR	-565.02	1,387.92	1,339.08	-72.48	51.64
<b>Unit H2O VIVACE SP HCHF-R(C) in CHF</b>					
Net assets in CHF	6,247,342.97	5,640,576.58	2,061,656.88	231,629.04	178,148.68
Number of shares/units	209.0586	188.1837	137.7586	136.7586	136.7586
NAV per share/unit in CHF	29,883.21	29,973.77	14,965.72	1,693.70	1,302.65
Net Capital Gains and Losses Accumulated per share in EUR	-309.67	4,126.22	-12,418.57	562.41	61.64
Net income Accumulated on the result in EUR	-987.39	440.42	403.41	-56.38	11.59
<b>Unit H2O VIVACE SP HAUD-I(C) in AUD</b>					
Net assets in AUD	21,338,244.43	86,303,682.16	0.00	0.00	0.00
Number of shares/units	195,000.0000	760,848.4483	0.00	0.00	0.00
NAV per share/unit in AUD	109.42	113.43	0.00	0.00	0.00
Net Capital Gains and Losses Accumulated per share in EUR	-8.52	7.35	0.00	0.00	0.00
Net income Accumulated on the result in EUR	-0.97	1.87	0.00	0.00	0.00

## 5. Annual accounts

### ■ 3.11. TABLE OF PROFIT (LOSS) AND OTHER TYPICAL FEATURES OF THE FUND OVER THE PAST FIVE FINANCIAL PERIODS

	29/06/2018	28/06/2019	30/06/2020	30/06/2021	30/06/2022
<b>Unit H2O VIVACE SP HSGD-R(C) in SGD</b>					
Net assets in SGD	5,820,998.86	1,717,099.19	708,136.81	91,562.70	71,382.58
Number of shares/units	38,753.1333	11,136.1237	9,329.3626	10,615.5362	10,615.5362
NAV per share/unit in SGD	150.20	154.19	75.90	8.62	6.72
Net Capital Gains and Losses Accumulated per share in EUR	4.97	16.32	-46.47	0.79	0.47
Net income Accumulated on the result in EUR	-2.58	1.70	1.11	-0.20	0.04
<b>Unit H2O VIVACE SP HUSD-I(C) in USD</b>					
Net assets in USD	44,577,458.20	15,189,985.38	2,448,547.19	271,438.58	212,961.80
Number of shares/units	539.6476	175.9338	55.0178	53.0178	53.0178
NAV per share/unit in USD	82,604.75	86,339.21	44,504.63	5,119.76	4,016.79
Net Capital Gains and Losses Accumulated per share in EUR	2,280.05	12,429.77	-35,086.76	-172.97	528.37
Net income Accumulated on the result in EUR	-522.64	1,535.70	1,465.11	-78.96	59.75
<b>Unit H2O VIVACE SP HUSD-R(C) in USD</b>					
Net assets in USD	9,409,653.65	5,169,440.03	1,429,029.90	172,060.24	134,049.41
Number of shares/units	309.1985	163.3020	88.0743	92.8063	92.8063
NAV per share/unit in USD	30,432.40	31,655.70	16,225.27	1,853.97	1,444.39
Net Capital Gains and Losses Accumulated per share in EUR	852.75	4,567.45	-12,789.02	-62.79	190.88
Net income Accumulated on the result in EUR	-354.14	434.89	376.37	-55.66	12.26

## 5. Annual accounts

### ■ 3.11. TABLE OF PROFIT (LOSS) AND OTHER TYPICAL FEATURES OF THE FUND OVER THE PAST FIVE FINANCIAL PERIODS

	29/06/2018	28/06/2019	30/06/2020	30/06/2021	30/06/2022
<b>Unit H2O VIVACE SP I(C) in EUR</b>					
Net assets	263,396,708.10	192,666,146.85	30,373,609.99	3,306,375.53	2,542,559.85
Number of shares/units	1,528.8495	1,111.6149	351.8589	337.0157	337.0157
NAV per share/unit	172,284.26	173,320.94	86,323.26	9,810.74	7,544.33
Net Capital Gains and Losses Accumulated per share	6,562.51	18,941.25	-82,926.84	4,371.66	12.17
Net income Accumulated on the result	-1,683.89	3,863.52	2,802.12	-197.33	127.22
<b>Unit H2O VIVACE SP N(C) in EUR</b>					
Net assets	1,382,607.51	295,124.14	137,678.98	13,686.77	10,516.52
Number of shares/units	14,016.8016	2,974.5339	2,819.9637	2,469.9637	2,469.9637
NAV per share/unit	98.63	99.21	48.82	5.54	4.25
Net Capital Gains and Losses Accumulated per share	-7.47	10.88	-47.07	2.47	0.00
Net income Accumulated on the result	-0.51	2.61	1.11	-0.12	0.06
<b>Unit H2O VIVACE SP Q(C) in EUR</b>					
Net assets	0.00	0.00	77,130,791.49	8,828,134.73	6,833,023.02
Number of shares/units	0.00	0.00	8,128.0000	8,128.0000	8,128.0000
NAV per share/unit	0.00	0.00	9,489.51	1,086.13	840.67
Net Capital Gains and Losses Accumulated per share	0.00	0.00	-8,752.45	480.79	1.35
Net income Accumulated on the result	0.00	0.00	525.07	3.30	19.74

## 5. Annual accounts

### ■ 3.11. TABLE OF PROFIT (LOSS) AND OTHER TYPICAL FEATURES OF THE FUND OVER THE PAST FIVE FINANCIAL PERIODS

	29/06/2018	28/06/2019	30/06/2020	30/06/2021	30/06/2022
<b>Unit H2O VIVACE SP R(C) in EUR</b>					
Net assets	175,460,981.46	60,000,943.03	22,783,839.12	2,573,166.36	1,964,903.40
Number of shares/units	2,669.1307	911.6113	699.7722	700.0945	700.0945
NAV per share/unit	65,737.12	65,818.55	32,558.93	3,675.45	2,806.62
Net Capital Gains and Losses Accumulated per share	2,582.64	7,206.25	-31,269.47	1,648.39	4.54
Net income Accumulated on the result	-1,041.94	1,158.58	624.06	-137.83	27.12



## 5. Annual accounts

### ■ 3.12. PORTFOLIO LISTING OF FINANCIAL INSTRUMENTS IN EUR

Name of security	Currency	Quantity or Nominal	Market value	% Net Assets
<b>Bonds and similar securities</b>				
<b>Bonds and similar securities not negotiated on a regulated or assimilated market</b>				
<b>NETHERLANDS</b>				
CHAIN FINANCE BV 7.75% 11-05-21	EUR	10,400,000	0.10	0.00
<b>TOTAL NETHERLANDS</b>			<b>0.10</b>	<b>0.00</b>
<b>TOTAL Bonds and similar securities not negotiated on a regulated or assimilated market</b>			<b>0.10</b>	<b>0.00</b>
<b>Listed bonds and similar securities</b>				
<b>CAYMAN ISLANDS</b>				
ADS SECURITIES FUNDING LIMITED 6.5% 18-06-23	USD	5,000,000	4,509,488.20	37.65
<b>TOTAL CAYMAN ISLANDS</b>			<b>4,509,488.20</b>	<b>37.65</b>
<b>NETHERLANDS</b>				
CIVITAS PROPERTIES FINANCE B V 4.0% 24-11-22	EUR	15,000,000	945,000.00	7.89
<b>TOTAL NETHERLANDS</b>			<b>945,000.00</b>	<b>7.89</b>
<b>TOTAL Listed bonds and similar securities</b>			<b>5,454,488.20</b>	<b>45.54</b>
<b>TOTAL Bonds and similar securities</b>			<b>5,454,488.30</b>	<b>45.54</b>
Receivables			<b>10,194,367.47</b>	<b>85.12</b>
Payables			<b>-4,447,343.86</b>	<b>-37.13</b>
Financial accounts			<b>775,461.91</b>	<b>6.47</b>
<b>Net assets</b>			<b>11,976,973.82</b>	<b>100.00</b>



**H2O**  
Asset Management

**H2O AM EUROPE**

Management company authorised by the French Financial Markets Authority under number GP-19000011  
Simplified joint stock company registered with the Paris RCS under number 843 082 538  
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