

# PROTEA UCITS II

Société d'investissement à capital variable incorporated in Luxembourg (SICAV)

Annual report, including audited financial statements,  
as at December 31, 2022



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**No distribution notice has been filed in Germany for the below sub-funds pursuant to section 310 of the Investment Code; because of this, shares of these sub-funds may not be distributed publicly to investors falling within the scope of the German Investment Code:**

- **PROTEA UCITS II - GLOBAL OPPORTUNITIES**
- **PROTEA UCITS II - GLOBAL BALANCED**
- **PROTEA UCITS II - IW PRECIOUS METAL MINING EQUITIES (note 1)**
- **PROTEA UCITS II - GENESIS BOND FUND**
- **PROTEA UCITS II - MAGENTA MAM CONVICTIONS (note 1)**

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No subscription can be received on the basis of these financial statements. Subscriptions are only valid if made on the basis of the current prospectus accompanied by the latest annual report, including audited financial statements, and the most recent semi-annual report, if published thereafter.

# PROTEA UCITS II

## Table of contents

Organisation of the SICAV	5
General information	8
Distribution abroad	9
Management report	10
Report of the Réviseur d'Entreprises Agréé / Auditor's report	31
Financial statements	
Statement of net assets	34
Statement of operations and changes in net assets	38
Number of shares outstanding and net asset value per share	41
Sub-fund : PROTEA UCITS II - GLOBAL OPPORTUNITIES	
- Statement of investments and other net assets	42
- Geographical and industrial classification of investments	43
Sub-fund : PROTEA UCITS II - GLOBAL BALANCED	
- Statement of investments and other net assets	44
- Geographical and industrial classification of investments	47
Sub-fund : PROTEA UCITS II - IW PRECIOUS METAL MINING EQUITIES (note 1)	
- Statement of investments and other net assets	48
- Geographical and industrial classification of investments	50
Sub-fund : PROTEA UCITS II - VICTORY FAR EAST OPPORTUNITY	
- Statement of investments and other net assets	51
- Geographical and industrial classification of investments	53
Sub-fund : PROTEA UCITS II - GENESIS BOND FUND	
- Statement of investments and other net assets	54
- Geographical and industrial classification of investments	56
Sub-fund : PROTEA UCITS II - ECO ADVISORS ESG ABSOLUTE RETURN	
- Statement of investments and other net assets	57
- Geographical and industrial classification of investments	59
Sub-fund : PROTEA UCITS II - MILLENNIUM GLOBAL SYSTEMATIC CURRENCY FUND	
- Statement of investments and other net assets	60
- Geographical and industrial classification of investments	61

# PROTEA UCITS II

## Table of contents (continued)

Sub-fund : PROTEA UCITS II - MAGENTA MAM CONVICTIONS (note 1)	
- Statement of investments and other net assets	62
- Geographical and industrial classification of investments	64
Notes to the financial statements	65
Total Expense Ratio ("TER") (unaudited appendix)	81
Performance (unaudited appendix)	83
Other information to Shareholders (unaudited appendix)	84
Sustainable Finance Disclosure Regulation ("SFDR") (unaudited appendix)	88

# PROTEA UCITS II

## Organisation of the SICAV

Registered Office	15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg
Board of Directors of the SICAV	
Chairman	<p>Mr Rémy OBERMANN, Executive Vice President, Pictet Asset Services, 60, route des Acacias, CH-1211 Geneva 73, Switzerland (until September 6, 2022)</p> <p>Mr Jean-François PIERRARD, Executive Vice President, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg (Director of the Board of Directors of the SICAV then Chairman of the Board of Directors of the SICAV since September 6, 2022)</p>
Directors	<p>Mr Jean-François PIERRARD, Vice President, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg (Until September 6, 2022)</p> <p>Mr Rémy OBERMANN, Vice President, Pictet Asset Services, 60, route des Acacias, CH-1211 Geneva 73, Switzerland (Chairman of the Board of Directors of the SICAV then Director of the Board of Directors of the SICAV since September 6, 2022)</p> <p>Mrs Michèle BERGER, Independent director, 12, rue Guillaume Schneider, L-2522 Luxembourg, Grand-Duchy of Luxembourg</p>
Management Company	FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg
Board of Directors of the Management Company	
Chairman	Mr Marc BRIOL, Chief Executive Officer Pictet Asset Services, Banque Pictet & Cie SA, 60, route des Acacias, CH 1211 Geneva 73, Switzerland
Members	<p>Mr Dorian JACOB, Managing Director, Chief Executive Officer, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg</p> <p>Mr Geoffroy LINARD DE GUERTECHIN, Independent Director, 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg</p>
Conducting Officers of the Management Company	<p>Mr Dorian JACOB, Chief Executive Officer, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg</p> <p>Mr Abdellali KHOKHA, Conducting Officer in charge of Risk Management, Conducting Officer in charge of Compliance, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg</p>

# PROTEA UCITS II

## Organisation of the SICAV (continued)

Mr Pierre BERTRAND, Conducting Officer in charge of Fund Administration of Mainstream Funds and Valuation, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

Mr Frédéric BOCK, Conducting Officer in charge of Fund Administration of Alternative Funds, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

### Investment Managers

PROTEA UCITS II - GLOBAL OPPORTUNITIES:

- Banque Pictet & Cie SA, 60, route des Acacias, CH-1211 Geneva 73, Switzerland

PROTEA UCITS II - GLOBAL BALANCED:

- UBP Bancaire Privée, UBP SA, Seymour Mews House 26-37 Seymour Mews, London, W1H 6BN, United Kingdom (since May 12, 2022)
- ACPI Investments Limited, 37-43 Sackville Street, London W1S3EH, United Kingdom (until May 12, 2022)
- Banque Pictet & Cie SA, 60, route des Acacias, CH-1211 Geneva 73, Switzerland
- Stanhope Capital SAS, 9, avenue Marceau, 75116 Paris, France (until May 12, 2022)

PROTEA UCITS II - IW PRECIOUS METAL MINING EQUITIES:

- Apis Asset Management, 22, rue de l'Industrie, L-8399 Windhof, Grand-Duchy of Luxembourg

PROTEA UCITS II - VICTORY FAR EAST OPPORTUNITY:

- Hottinger A.G., Hottingerstrasse 21, Postfach, CH-8024 Zürich, Switzerland

PROTEA UCITS II - GENESIS BOND FUND:

- AZG Capital LLC, 355, Alhambra Circle, Suite 1550, Coral Gables 33134, State of Florida, United States of America

PROTEA UCITS II - ECO ADVISORS ESG ABSOLUTE RETURN:

- Ethical Capital Opportunity Advisors LTD, Redwood House, 65 Bristol Road, Keynsham BS31 2WB, United Kingdom

PROTEA UCITS II - MILLENNIUM GLOBAL SYSTEMATIC CURRENCY FUND

- Millennium Global Investments Limited, Cleveland House, 33 King Street, London, SW1Y 6RJ, United Kingdom

PROTEA UCITS II - MAGENTA MAM CONVICTIONS (note 1)

- Monaco Asset Management, 27, bd Princesse Charlotte, Villa Les Fleurs, 98000 Monaco, Principauté de Monaco

### Depositary Bank

Pictet & Cie (Europe) S.A., 15A, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

### Central Administration Agent

FundPartner Solutions (Europe) S.A., 15A, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg



# PROTEA UCITS II

## Organisation of the SICAV (continued)

<a href="#">Cabinet de révision agréé/Auditor</a>	Deloitte Audit, <i>Société à responsabilité limitée</i> , 20, boulevard de Kockelscheuer, L-1821 Luxembourg, Grand Duchy of Luxembourg
<a href="#">Legal Advisor</a>	Allen & Overy, <i>Société en commandite simple</i> , 5, avenue J.-F. Kennedy L-1855 Luxembourg, Grand-Duchy of Luxembourg
<a href="#">Counterparties on contract for difference (note 11)</a>	Goldman Sachs International London JP Morgan Securities PLC London
<a href="#">Counterparties on forward foreign exchange contracts (note 13)</a>	Pictet & Cie (Europe) S.A. Luxembourg UBS London

# PROTEA UCITS II

## General information

PROTEA UCITS II (the "SICAV") publishes an annual report, including audited financial statements, within 4 months after the end of the business year and an unaudited semi-annual report within 2 months after the end of the period to which it refers.

The annual report includes accounts of the SICAV and of each sub-fund.

All these reports are made available to the Shareholders at the registered office of the SICAV, the Depositary Bank, the distributor and other establishments appointed by the Depositary Bank.

The net asset value per Share of each sub-fund as well as the issue and redemption prices are made public at the offices of the Depositary Bank.

Any amendments to the Articles of Incorporation are published in the *Recueil électronique des sociétés et associations* ("RESA").

The financial year of the SICAV runs from January 1 to December 31.

A detailed schedule of changes in the statement of investments for all the sub-funds for the year ended December 31, 2022, is available free of charge upon request at the registered office of the SICAV and from the representative in each country in which the SICAV is authorised for distribution.

# PROTEA UCITS II

## Distribution abroad

### Offer in Switzerland

#### Representative

The representative in Switzerland is FundPartner Solutions (Suisse) SA (the "Representative"), 60, route des Acacias, CH-1211 Geneva 73, Switzerland.

#### Paying Agent

The paying agent in Switzerland is Banque Pictet & Cie SA with its registered office in 60, route des Acacias, CH-1211 Geneva 73, Switzerland.

#### Place of distribution of reference documents

The current prospectus, the key investor information documents, the articles of incorporation, the annual report including audited financial statements and unaudited semi-annual report of the SICAV, and a breakdown of the purchases and sales of the SICAV can be obtained free of charge from the registered office of the Representative in Switzerland.

### Distribution in Germany

#### Additional information for investors in Germany

No distribution notice has been filed in Germany for the sub-funds mentioned below, in accordance with section 310 of the Investment Code. Accordingly, the sub-funds' share classes may not be offered to investors falling within the scope of application of the consistency German Investment Code:

- PROTEA UCITS II - GLOBAL OPPORTUNITIES
- PROTEA UCITS II - GLOBAL BALANCED
- PROTEA UCITS II - IW PRECIOUS METAL MINING EQUITIES (note 1)
- PROTEA UCITS II - GENESIS BOND FUND
- PROTEA UCITS II - MAGENTA MAM CONVICTIONS (note 1)

# PROTEA UCITS II - GLOBAL OPPORTUNITIES

## Management report

This strategy invests primarily in investment grade corporate bonds denominated in dollars and euros. It may also invest, to a lesser extent, in government bonds, high yield bonds, credit instruments denominated in other currencies, as well as in emerging debt and investment funds compatible with the investment guidelines. Investments are selected and distributed according to geographical and sectoral criteria and on the basis of ratings. The strategy may use derivatives and structured products for hedging and duration management purposes. It is suitable for investors who wish to invest in global corporate debt over a three to five year horizon.

### 2022 Market review

Last year was a testing one for investors in 60/40 portfolios. For fixed income, 2022 was marked by negative total returns. The year may also have marked the end of an era of sustained low yields. As central banks sought to rein in inflation through aggressive rate hiking, one of the fastest rate hikes in modern history. Despite attempts at comebacks during the course of 2022, rapid, steep rate tightening across most of the western world in the face of an inflation surge meant that developed-market equity indexes posted annual losses. The drop in US indexes outstripped falls in Europe in local-currency terms. This was in part because market participants turned progressively away from the kind of tech-related "growth" style stocks that are more dominant in the US in the face of a substantial rise in bond yields. Sector wise, given the energy-supply concerns that kicked in early in the year, energy-related stocks fared best in 2022, whereas most other sectors on the S&P 500 reported negative performances. Stocks grouped in the communications services and consumer discretionary space did worsen while those in the defensive consumer staples, health care and utilities sectors held their ground better.

A considerable drop in economic momentum-in part caused by the authorities' adherence to "zero-covid" policies that led to widespread lockdowns-and significant property-market stress meant a rocky year for Chinese equities, which brought broader Asian indexes down with them. However, signs of a faster-than-planned relaxation of covid rules and further important support for the property sector led to signs of a revival in Chinese assets by year's end. In contrast with Asia, US dollar strength through much of 2022 was counterbalanced by the significant advance in oil prices in 2023 as a whole to ensure Latin American indexes had a good year.

With inflation high and rates rising fast, traditionally "safe haven" government bonds failed to act as a safety net for investors in 2022-all the more so that central banks began to move away from bond buying, the centrepiece of their "quantitative easing" programmes. The positive correlation between the (ugly) performance of bonds and stocks was unusually long last year. Unusual too was the extent of yield curve inversion-traditionally considered as pre-announcing recession as well as easing inflation and future rate cuts. The easing of inflation concerns meant that bonds began to perform better in the latter part of the year. The positive correlation with equities stretched into the end of the year and bond volatility remained unusually high, but the attractive, virtually risk-free yields they offered meant that core government bonds were making a serious challenge for investors' attention as the year drew to a close. Yet the aggressive tone adopted by central banks in Europe and North America at the end of 2022 (meaning there are more rate hikes ahead meant that bond volatility remains the order of the day). The upturn in performance as the year went on was reflected in the corporate bond market. While investment-grade and noninvestment-grade credits alike saw losses over the year as a whole along with spread widening, comparative performances suggested that high-yield investors remained relatively sanguine about the risk of rising default rates as the prospect of a (hopefully mild) recession moved closer in developed markets.

*Past performance is not an indicator of current or future returns.*

# PROTEA UCITS II - GLOBAL OPPORTUNITIES

## Management report (continued)

The rise in real US yields meant that gold did not have a good year, although the relaxation in rates pressure in the latter part of 2022 limited the annual drop in spot prices. While oil prices rose moderately in 2022 overall, it was more mixed for other commodities, with increasing signs of a global slowdown weighing on copper prices, for example. Currency wise, consecutive rate rises together with the belief the US was better placed than other big western economies to withstand an energy shock meant that the US dollar index rose for most of the year. Among major currencies, the biggest loser from dollar strength was the Japanese yen, as the Bank of Japan remained an outlier among central banks by not raising rates and stayed wedded to yield-curve control-although right at the end of the year, the Bank of Japan loosened the yield cap. In Europe, the Swiss franc rose against the euro and lost comparatively little ground to the US dollar as the Swiss National Bank began to promote a strong franc as a means of protecting against imported inflation.

### Outlook 2023

Stubbornly high inflation together with geopolitical crisis and continued covid woes meant 2022 was a bruising year for many investors. Those who put their faith in portfolios split between bonds and equities - which normally move in opposite directions - had to watch both these asset classes go south. Will this year be any better? We think investors will need a certain amount of courage in the early months. On a macro level, these include the loss of economic momentum in Europe and the US (possibly leading to a mild recession) as well as further central bank rate hikes. On the micro level, quarterly earnings reports may well show corporations coming under increasing margin pressure. This could trigger further downward revisions in full-year earnings per share expectations.

Fixed-income markets - already in relative terms more volatile than equities - could remain erratic for a while until markets manage to gauge central banks' rate intentions. However, the chance of recession and our belief that the Fed will stabilise base rates as the year progresses means we like US Treasuries (for their safe-haven status). Given a heavy issuance schedule, we have a more jaundiced view of Bunds - particularly as the ECB moves toward quantitative tightening. We fear that difficult financing conditions and a deteriorating economic backdrop will challenge lower-rated credits particularly. We are somewhat more upbeat on their investment-grade peers, which offer attractive coupons without too much duration or credit risk

### Performance review

The 10-year US Treasury yield rose from 1.5% to above 4% at one stage, while the 10-year German Bund equivalent rose from below zero at the start of the year up towards 2.5%. Short-term yields rose even more steeply, the 2s10s spread hit its most negative level in more than 40 years. US and euro corporate bond yields also surged in 2022, with the average yield on the BAML US high-yield bonds reaching a peak of 10% in October. All of these negative factors were performance detractors.

# PROTEA UCITS II - GLOBAL OPPORTUNITIES

## Management report (continued)

At the beginning of year, the sub-fund increased its exposure to the Pictet - Global Fixed Income Opportunity sub-fund in order to be mainly invested in opportunistic credit funds with low duration. After Russian invasion of Ukraine, the sub-fund sold the Ashmore - Emerging Markets Short Duration fund and the Bluebay-Financial Capital fund to reduce the risk. Later in March, the Pictet-Global Fixed Income Opportunities fund (which took a long duration stance) has been reduced and some direct lines with attractive credit spreads in financial and real estate sectors have been added. In June, the sub-fund reduced the PWM - Credit Allocation sub-fund and in September it sold the Pictet - Absolute Return Fixed Income Fund. In the meantime a small exposure to 10Y-US Treasury has been added through futures as the rate had rallied during August and credit spreads started to become expensive.

February 2023

Established by Banque Pictet & Cie SA

Approved by the Board of Directors of the SICAV

# PROTEA UCITS II - GLOBAL BALANCED

## Management report

After a record year in 2021, 2022 is shaping up to be remembered as an "annus horribilis" with the end of the growth cycle. The first five months of the year were impacted by a series of shocks, mainly inflation-led and amplified by the war in Ukraine. All of these factors have caused a great deal of volatility, pushed up rates and triggered valuations to fall.

Those hoping that spring would bring a change in momentum were disappointed. The second quarter did not offer any relief to investors, sending the negative performance across a wide range of asset classes into double digits.

For the period, January 2022 until the 13th of May, end of the mandate, the portfolio declined by -21.73%. Equities were the main detractor to the portfolio's performance, contributing -25.02% to the overall performance. Currencies had an impact on performance, positively contributing (+3.71%). At the other end, Cash and Equivalents detracted portfolio performance by -0.42%.

As at December 31, 2021, equities accounted for 98.8% of the portfolio and the remaining 1.2% being in Cash. The portfolio suffered from negative allocation and selection effects.

Our selection of US, European and Asian equities was negative, with most Funds underperforming their respective benchmarks. For example, in the Europe our two managers BlackRock Continental European Flexible and Comgest Growth Europe underperformed the EuroStoxx 50. In the US, Polen Capital Focus US Growth and Edgewood US Select Growth Fund also underperformed their benchmark. On the other hand, thanks to their exposure to underlying energy investments, Dodge & Cox Worldwide US Stock Fund outperformed their benchmark.

In Asia, Allianz China A-Shares and Mirae Asset ESG Asia Great Consumer performance were behind their respective benchmarks.

The performance of our global manager was also disappointing with only iShares Agribusiness aligned with the MSCI AC World.

Moreover, the allocation effect was unfavourable as our opportunistic managers suffered from the forecast movement in interest rates and the return of cyclical/values rotations over the year. The geographic breakdown was more tilted in favour of Europe and less to the US when compared to the MSCI AC World index.

Within the equities bucket we made some adjustments in February by selling our position in Morgan Stanley Global Opportunity Fund. We also decided to sell the iShares Core MSCI EMU in favour of Eleva European Selection Fund.

During March, we decided to add more value and cyclical positions within the portfolio. We achieved this by trimming BlackRock Continental European, Comgest Growth Europe, Edgewood US Select Growth and Polen Capital US Growth and we added three strategies; Federated Hermes US SMID, Dodge & Cox Worldwide US Stock and Lyrical US Value Equity. We also decided to reduce our exposure to Fundsmith and to the iShares Core S&P 500 in favour of two new trackers: L&G Cyber Security and iShares Agribusiness.

# PROTEA UCITS II - GLOBAL BALANCED

## Management report (continued)

### Outlook

The first months of 2022 will certainly be remembered for a number of key factors:

- The change in the monetary cycle with the end of the "free money - no inflation" area
- A bear market for bonds and technology
- Hope for a new cycle for value stocks
- A commodity shock

Key macroeconomic risks related to the war in Ukraine, monetary policy tightening and Covid restrictions in China remained until the end of May, with no clear catalyst for a change in sentiment. Central banks continue to struggle with inflation as the driver of recession, arising in parallel to interest rate rises. Labour markets remain tight, but with negative real wage growth (nominal wages minus inflation), the pressure on consumers remains. Margins have started to come under pressure, particularly in consumer-oriented companies, and pricing power is likely to be a key factor in relative stock performance going forward.

While China supported global growth in the first half of 2020 as the western world was in shutdown, the country continues to struggle with the Omicron variant - unlike most other developed economies. Shanghai spent most of part of the year in a state of emergency, although some re-openings occurred accompanied by public announcements of a general but gradual reopening by the beginning of the summer. Outside Shanghai, further outbreaks forced Beijing and Tianjin to tighten restrictions. In parallel China's credit growth slowed as banks, worried about the deteriorating economic situation, cut back on loan issuance.

Except for energy, every MSCI AC World sector returned negative performance this year. Investors were able to find some (relative) shelter in value stocks, as growth companies continued to struggle due to valuation compression and several high-profile earnings warnings. As a result, and for the first time in over a decade, European equities outperformed most markets including the US.

While the focus from the press was on equity markets, bonds are in line for their worst year in decades, resulting in the 60/40 portfolio having its worst year both on an absolute basis and relative to long only equity portfolios.

Despite the economic slowdown, commodity prices remained elevated albeit volatile, fuelled by the shock in demand post covid and the shortage in supply triggered by the war in Ukraine.

April 2023

Established by Stanhope Capital SAS

Approved by the Board of Directors of the SICAV



# PROTEA UCITS II - GLOBAL BALANCED

## Management report (continued)

UBP acted as the investment manager during the period ending December 31, 2022. We managed the portfolio in accordance to the objectives of the sub-fund.

April 2023

Established by Union Bancaire Privée, UBP SA

Approved by the Board of Directors of the SICAV

# PROTEA UCITS II - GLOBAL BALANCED

## Management report (continued)

This strategy invests primarily in investment grade corporate bonds denominated in dollars and euros. It may also invest, to a lesser extent, in government bonds, high yield bonds, credit instruments denominated in other currencies, as well as in emerging debt and investment funds compatible with the investment guidelines. Investments are selected and distributed according to geographical and sectoral criteria and on the basis of ratings. The strategy may use derivatives and structured products for hedging and duration management purposes. It is suitable for investors who wish to invest in global corporate debt over a three to five year horizon.

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A considerable drop in economic momentum-in part caused by the authorities' adherence to "zero-covid" policies that led to widespread lockdowns-and significant property-market stress meant a rocky year for Chinese equities, which brought broader Asian indexes down with them. However, signs of a faster-than-planned relaxation of covid rules and further important support for the property sector led to signs of a revival in Chinese assets by year's end. In contrast with Asia, US dollar strength through much of 2022 was counterbalanced by the significant advance in oil prices in 2023 as a whole to ensure Latin American indexes had a good year.

With inflation high and rates rising fast, traditionally 'safe haven' government bonds failed to act as a safety net for investors in 2022-all the more so that central banks began to move away from bond buying, the centrepiece of their "quantitative easing" programmes. The positive correlation between the (ugly) performance of bonds and stocks was unusually long last year. Unusual too was the extent of yield curve inversion-traditionally considered as pre-announcing recession as well as easing inflation and future rate cuts. The easing of inflation concerns meant that bonds began to perform better in the latter part of the year. The positive correlation with equities stretched into the end of the year and bond volatility remained unusually high, but the attractive, virtually risk-free yields they offered meant that core government bonds were making a serious challenge for investors' attention as the year drew to a close. Yet the aggressive tone adopted by central banks in Europe and North America at the end of 2022 (meaning there are more rate hikes ahead meant that bond volatility remains the order of the day). The upturn in performance as the year went on was reflected in the corporate bond market. While investment-grade and noninvestment-grade credits alike saw losses over the year as a whole along with spread widening, comparative performances suggested that high-yield investors remained relatively sanguine about the risk of rising default rates as the prospect of a (hopefully mild) recession moved closer in developed markets.

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# PROTEA UCITS II - GLOBAL BALANCED

## Management report (continued)

The rise in real US yields meant that gold did not have a good year, although the relaxation in rates pressure in the latter part of 2022 limited the annual drop in spot prices. While oil prices rose moderately in 2022 overall, it was more mixed for other commodities, with increasing signs of a global slowdown weighing on copper prices, for example. Currency wise, consecutive rate rises together with the belief the US was better placed than other big western economies to withstand an energy shock meant that the US dollar index rose for most of the year. Among major currencies, the biggest loser from dollar strength was the Japanese yen, as the Bank of Japan remained an outlier among central banks by not raising rates and stayed wedded to yield-curve control-although right at the end of the year, the Bank of Japan loosened the yield cap. In Europe, the Swiss franc rose against the euro and lost comparatively little ground to the US dollar as the Swiss National Bank began to promote a strong franc as a means of protecting against imported inflation.

### Outlook 2023

Stubbornly high inflation together with geopolitical crisis and continued covid woes meant 2022 was a bruising year for many investors. Those who put their faith in portfolios split between bonds and equities - which normally move in opposite directions - had to watch both these asset classes go south. Will this year be any better? We think investors will need a certain amount of courage in the early months. On a macro level, these include the loss of economic momentum in Europe and the US (possibly leading to a mild recession) as well as further central bank rate hikes. On the micro level, quarterly earnings reports may well show corporations coming under increasing margin pressure. This could trigger further downward revisions in full-year earnings per share expectations.

Fixed-income markets - already in relative terms more volatile than equities - could remain erratic for a while until markets manage to gauge central banks' rate intentions. However, the chance of recession and our belief that the Fed will stabilise base rates as the year progresses means we like US Treasuries (for their safe-haven status). Given a heavy issuance schedule, we have a more jaundiced view of Bunds - particularly as the ECB moves toward quantitative tightening. We fear that difficult financing conditions and a deteriorating economic backdrop will challenge lower-rated credits particularly. We are somewhat more upbeat on their investment-grade peers, which offer attractive coupons without too much duration or credit risk

### Performance review

The 10-year US Treasury yield rose from 1.5% to above 4% at one stage, while the 10-year Bund equivalent rose from below zero at the start of the year up towards 2.5%. Short-term yields rose even more steeply, the 2s10s spread hit its most negative level in more than 40 years. US and euro corporate bond yields also surged in 2022, with the average yield on the BAML US high-yield bonds reaching a peak of 10% in October. All of these negative factors were performance detractors.

At the beginning of year, the sub-fund increased its exposure to the Pictet - Global Fixed Income Opportunity fund in order to be mainly invested in opportunistic credit funds with low duration. After Russian invasion of Ukraine, the sub-fund sold the Ashmore - Emerging Markets Short Duration fund and the Bluebay - Financial Capital fund to reduce the risk. Later in March, the Pictet - Global Fixed Income Opportunities fund (which took a long duration stance) has been reduced and some direct lines with attractive credit spreads in financial and real estate sectors have been added. In June, the sub-fund reduced the PWM - Credit Allocation sub-fund and in September it sold the Pictet - Absolute Return Fixed Income Fund. In the meantime a small exposure to 10Y-US Treasury has been added through futures as the rate had rallied during August and credit spreads started to become expensive.

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# PROTEA UCITS II - GLOBAL BALANCED

Management report (continued)

February 2023

Established by Banque Pictet & Cie SA

Approved by the Board of Directors of the SICAV

*Past performance is not an indicator of current or future returns.*

# PROTEA UCITS II - IW PRECIOUS METAL MINING EQUITIES (note 1)

## Management report

PROTEA UCITS II - IW PRECIOUS METAL MINING EQUITIES fell -8.8% during the year. In the meantime, the composite index with 80% GDX US and 20% GDXJ US fell -11.6% whereas gold spot was almost flat -0.3%

For once, the global equity markets delivered a negative performance, ending the year with a (gross) return of -19.5% (MSCI World). In the meantime 2022 has been again a challenging year for the precious metals sector. The two years of Covid (not yet finished especially in China), the inflation and the war should have been a positive environment for gold and related mining value. The interaction between heightened inflation and rising interest rates remains the most influential factor for the precious metals sector at present. Inflation has historically been positive for real assets.

Unfortunately Gold mining related values faced headwinds.

2022 was a year of two distinct phases for gold, driven by the interplay between inflation, interest rates, and rising geopolitical risk. After gold revisited its all-time highs at the start of the year, prompted by safe-haven demand following Russia's invasion of Ukraine, the metal faced a sharp sell-off during the second quarter caused by a combination of US rate hikes and a surging US dollar. This period saw the gold price erase much of its recent gains by mid-2022, yet the autumn and winter months saw precious metals sector stage a strong recovery, driven by signs that the US rate hike cycle is nearing completion, inflation is tempering (yet remains high) and the US dollar has peaked. Overall, we consider that the most significant driver for gold remains real US interest rates. Given that 2022 saw the steepest US interest rate hiking program in recent history, bringing borrowing costs to levels not seen for 13 years, gold's performance was quite encouraging, ending the year roughly flat, compared to many other major asset classes which saw heavy losses during the year.

With the headwinds of rising US rates and US dollar strength now fading, we believe the precious metals sector is now at a turning point amid a range of catalysts for recovery in 2023. Central bankers, led by the US Fed, which stuck to their conviction on rate hikes during 2022, now face the threat of slowing economic growth and possible deep recession as tighter monetary conditions bite in the real economy. A dovish shift by central banks seems a strong possibility in the year ahead, as policymakers re-focus on growth. Yet inflation is far from vanquished.

We consider that inflation rates will remain elevated for a protracted period, given many of the core drivers of higher prices have not dissipated. The persistently tight labour market, particularly in the US, will continue to drive wage pressure, while higher borrowing costs will keep the pressure on businesses to raise prices to protect margins. Furthermore, as discussed in the previous section, the redrawing of supply chains, including onshoring and reshoring, alongside strategic competition, are inherently inflationary. All of these factors, compounded by the ongoing impact of geopolitical turbulence on energy and commodity prices, indicate inflation will prove resilient, remaining above central bankers' targets for some time. With interest rates already raised sharply and balance sheet reduction underway, the US Fed and other major central banks have limited tools to bring inflation back to 2% without risking a lengthy, deep recession. Should nominal rates be cut in 2023 in an effort to support flagging growth, while inflation remains high, precious metals will face supportive economic conditions as real interest rates decline. Looking at the longer-term trends for gold and gold equities on the charts below, we consider the catalysts mentioned above may mark the start of a significant upcycle. Gold appears poised to build on its recent outperformance of general equity markets, while gold equities, which de-rated versus gold for much of the last decade, are positioned for a period of outperformance against the physical metal.

*Past performance is not an indicator of current or future returns.*

# PROTEA UCITS II - IW PRECIOUS METAL MINING EQUITIES (note 1)

## Management report (continued)

The sub-fund is positioned for the recovery of gold and silver equities, which we believe is just getting started. The portfolio remains focused on those gold and silver producers that have strong ESG performance, fundamental value, quality assets, robust margins, and pay shareholder returns.

In any case, the events of 2022 have highlighted the benefits of physical gold as a decentralized monetary asset, which cannot be restricted or manipulated. We anticipate that the trend of strong physical demand will continue to support the gold market in 2023.

February 2023

Established by Apis Asset Management

Approved by the Board of Directors of the SICAV

# PROTEA UCITS II - VICTORY FAR EAST OPPORTUNITY

## Management report

2022 was no doubt a "volatile" year. Investors saw war in Ukraine, energy prices spike, USD surge, China go from closed to open, and the return of inflation. From aggressive central bank rate hikes to deteriorating geopolitics and world trade, it felt like a pivotal year where the global economy fundamentally changed.

China dominated news by locking down entire cities for 1-2 months over the summer. During the 20<sup>th</sup> Congress in Oct, President Xi sought a well-publicized desire for third term, breaking tradition of previous two leaders. Using a combination of moves in congruence with covid lockdowns, common prosperity and anti-corruption, he weeded out challenge factions, culminating in consolidation of power taking all seven Politburo seats. China then surprised markets by suddenly pivoting away from zero-covid, opening up the economy and travel, lifting optimism across the region. With just over 2.5% GDP growth in 2022, China is under pressure to grow its economy. The true test for the leadership will be its ability to repair the relationship between government and business. There have been too many sudden policy changes in the past 18 months, forcing investors to be parked on the side-lines in a "wait and see" mood.

Singapore's market was slightly up in 2022. As one of the first cities in Asia to open, it generated strong business, talent and capital inflow. While its stock market is not an important one, its importance as a money centre is increasingly significant. Indonesia was also a slightly up in 2022 as rising energy and resource prices drove gains. Korea had a difficult year because semiconductors prices fell and extended lockdowns affected consumer sectors.

Though the sub-fund does not invest in India, the country has been one of the bright spots in Asia over the past two years, taking market share away from China and ASEAN. Global offshoring, digitalization, investment in manufacturing and energy transition are revving up India's economic growth, led by a competent BJP government.

The sub-fund underperformed in 2022 as our overweight exposure to consumer, technology, and healthcare suffered. When our core positions fell so quickly in first quarter, we felt there was value and chose to hold rather than sell. We also failed to increase exposure to energy and resources quickly, which was the best performing sector. As mid to long term investors, the knee-jerk moves of markets on rates and covid news added to our underperformance. Of the 12 months, we underperformed two months, outperformed seven months, and more or less tied for three months. The two months of underperformance were dramatic as we lost -7% vs -3% benchmark in January (because of negative internet regulatory news) and gained 6.63% vs 15.38% benchmark in November (because we could not fully invest on rumors of China's pivot), thus wiping out other months of positive alpha.

As we look forward to 2023, there is certainly optimism in the region. Light is at the end of the tunnel as all Asian countries have opened and returning back to normal business. From a global view, the Fed's ability to engineer a soft landing seems increasingly possible. However, we think data will give continue to give investors mixed signals on inflation, labor, GDP and geopolitics. If the worst of covid and inflation are behind us, we are hopeful of calmer markets.

March 2023

Established by JCE Hottinger A.G.

Approved by the Board of Directors of the SICAV

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# PROTEA UCITS II - GENESIS BOND FUND

## Management report

The PROTEA UCITS II - GENESIS BOND FUND was down -6.69% in 2022, net of expenses. For the same time frame, the EMBI+ ("Emerging Market Bond Index Plus") was down -15.26% and the Bloomberg Barclays Emerging Markets LatAm Index was down -13.17%. The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities

AG GENESIS BOND FUND PERFORMANCE*													
YEAR	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	YTD
2022	-1.49%	-1.84%	-0.33%	-2.41%	-0.49%	-3.34%	1.19%	0.79%	-4.47%	0.01%	3.93%	1.85%	-6.69%
2021	-0.78%	-1.04%	-0.55%	0.74%	0.74%	0.64%	-0.10%	0.44%	-1.14%	-0.84%	-1.24%	1.42%	-1.76%
2020	0.57%	-1.05%	-15.61%	3.60%	6.17%	2.52%	3.40%	1.52%	-1.15%	-0.27%	2.71%	1.59%	2.26%
2019	3.63%	0.87%	0.25%	-0.69%	0.33%	3.29%	1.03%	-6.07%	0.64%	0.60%	-0.06%	2.91%	6.56%
2018	-0.31%	-1.08%	-0.01%	-0.90%	-1.99%	-1.26%	2.15%	-2.96%	1.94%	-0.49%	-0.52%	0.26%	-5.16%
2017	1.49%	1.44%	0.63%	1.43%	0.24%	0.03%	0.86%	1.24%	0.29%	0.36%	0.14%	0.09%	8.54%
2016	-1.17%	1.80%	4.90%	2.45%	0.06%	2.47%	2.19%	1.62%	-0.20%	-0.23%	-3.14%	1.00%	12.13%
2015	-3.53%	0.45%	0.08%	3.11%	0.17%	-1.52%	-0.62%	-3.25%	-3.58%	1.46%	-1.17%	-1.97%	-10.10%
2014	0.06%	1.83%	0.71%	0.64%	1.35%	0.34%	-0.34%	0.83%	-1.01%	0.53%	-2.82%	-2.57%	-0.57%
2013	0.16%	-0.06%	0.18%	0.18%	-1.90%	-3.86%	0.55%	-2.13%	1.53%	2.23%	-0.54%	0.27%	-3.49%
2012	2.10%	1.64%	0.21%	0.58%	-1.71%	1.21%	1.59%	0.76%	1.18%	0.91%	-0.10%	0.63%	9.31%
2011	0.03%	0.18%	1.06%	0.65%	0.59%	0.05%	1.00%	-0.76%	-3.14%	3.44%	-0.55%	0.50%	2.96%
2010											-0.94%	-0.31%	-1.25%

\* Investment performance provided is net of fees and other expenses.

## Market Review

2022 was the worst year on record for long duration instruments. After spending most of 2021 dismissing the increasing inflation as transitory and likely to reverse relatively fast once policies aimed at helping economies recover from the impacts of Covid, the Federal Reserve Bank ("Fed") was finally forced to pivot to a hawkish stance and start increasing interest rates much faster and earlier than initially expected.

While markets already anticipated that inflation and rates would pose challenges, the war in Ukraine caught global markets by surprise and further exacerbated supply chain disruptions and inflationary pressures coming from commodities, especially energy and agriculture ones.

The Bloomberg US Treasury Total Return index dropped -12.46% in 2022, its worst annual performance on record. Some would point out to the period in the 70's and early 80's when a much more aggressive amount of interest rate hikes was needed in order to bring inflation under control as a period when bonds would have been more likely to show negative performance. However, at that time, indices were composed of bonds with much shorter duration and the starting level of rates was already very high, allowing carry and reinvestment at higher rates to compensate the impact of increasing interest rates. With a starting point of overnight rates at 0% and the US 10-year rate at a mere 1.5%, long only strategies focused on bonds had a challenging year.

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# PROTEA UCITS II - GENESIS BOND FUND

## Management report (continued)

The very negative market environment on rates spilled over to equity investments, with increasing interest rates and inflation putting pressure on high growth companies and weaker balance sheets. Interestingly, Investment Grade suffered more than High Yield. The iShares iBoxx Investment Grade Corporate Bond ETF dropped -17.93% in 2022, while the iShares iBoxx High Yield Corporate Bond ETF dropped -10.99%. The higher duration in Investment Grade benchmarks relative to High Yield and industry concentration in commodity linked and industrial businesses in the latter, helped this surprising outcome. A long period of very low rates leading to 2022 also helped High Yield companies refinance themselves at very low fixed rates, giving a large portion of them enough time to weather a potential economic downturn in 2023 without default rates spiking significantly and forcing High Yield spreads to widen much more than Investment Grade.

Corporate bonds in the Latin American region relatively benefitted from these trends. The region is heavily weighted towards High Yield bonds from commodity linked companies and generally lower duration than other markets. Nevertheless, USD issued bonds still had mostly negative results in 2022 given that the dominating factor was increasing USD rates. The Bloomberg Emerging Markets Latin American Total Return index dropped -13.17%

Looking forward, the outlook for global fixed income investments improved greatly, since these instruments now have a much more meaningful carry that even in case of continued volatility in rates, performance should remain positive. On the other hand, the Latin American region saw a succession of countries' governments turning to the left, with less market friendly policies that started to destabilize markets. Brazil and Peru seem to currently be areas of most concern, with continued challenges to government institutions coupled with policies that challenge economic, electoral and legal stability in these countries. This does not mean that the other countries in the region were safe from political turbulence, with Chile and Colombia having episodes of turbulence of their own and Mexico being a relative outperformer mostly due to the proximity to the United States and increasing foreign investment interest on the back of the acceleration in the nearshoring of supply chains caused by current geopolitical conflicts. This is likely to warrant the continuation of a very conservative strategy, with limited duration, diversification and high cash buffers.

### Portfolio Review

The sub-fund had a very challenging 2022, as the war in Ukraine exacerbated inflationary pressures and forced the Fed to initiate a much more aggressive policy of increasing interest rates at the same time that the quantitative tightening process started. For this reason, we increased the cash allocation of the sub-fund during the year and started investing in US treasuries as interest rates started to show an attractive short-term carry. This strategy allowed the sub-fund to outperform several peers with similar Latin American hard currency bond focus.

Although generally benefitting from its Latin American focus and understanding that the main factor that affected performance was exposure to USD rates, the sub-fund had some bonds that faced challenges during 2022. Axtel 6 3/8% due in 2024 came under significant pressure when their holding company spun off the business from the holding company after having attempts to sell the business. The highly competitive sector with lack of support from the parent initiated a steep drop in the price of the bond, which took a long time to be corrected after the company could show markets that it was able to generate sufficient free cash flow to keep it a going concern and even get to the point of retiring some debt with open market repurchases of its own bonds with steep discounts. On the other hand, our allocation to subordinated bank debt of many Latin American issuers has generally outperformed, with the higher carry of those positions helping compensate the impact of duration.

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# PROTEA UCITS II - GENESIS BOND FUND

## Management report (continued)

The political scenario in the region generally took a turn for the worse. This has closed the door for any potential re-risking of the sub-fund's portfolio, prompting us to start 2023 with a very conservative allocation in terms of cash and even adding treasury inflation protected securities as a risk diversifier and hedge in case US inflation surprises to the upside again. We need to be patient to wait for credit spreads in the region to widen again and properly reflect the added risks to the stability of the region before considering re-risking the portfolio

February 2023

Established by André Leão and the Azimut Genesis Investment Committee

Approved by the Board of Directors of the SICAV

# PROTEA UCITS II - ECO ADVISORS ESG ABSOLUTE RETURN

## Management report

Over the calendar year 2021, the GBP F class gained 3.0%, the EUR F class gained +1.6% and the USD F class gained +3.5% in their respective currencies.

Rising interest rates, inflation, the war in Ukraine, the ongoing Covid situation in China and the resulting energy crisis all took their toll over the year. Despite the Q4 recovery, 2022 marked the worst year for balanced 60/40 portfolios since 1937. Nonetheless, this is the fourth calendar year end where the sub-fund has delivered a positive return.

As in previous years, the sub-fund's correlation to both equities and bonds has been negligible. Our focus on portfolio construction and risk management combined with ESG alpha has helped navigate what has been a very challenging environment for equity and bond investors, particularly those focused on ESG.

On a gross sector basis in 2022, Healthcare (+130bps) and Consumer Discretionary (+231bps) contributed, whilst IT (-100bps) and Utilities (-80bps) detracted. Regionally, North America (+430bps) and Japan contributed, whilst Western Europe (-140bps) detracted. The long book detracted ca. -1010bps, whilst the short book contributed ca. -1277bps. From a factor perspective, ESG stock selection was the primary driver of the positive returns over the full year (ca. +440bps), with residual beta and country exposures detracting slightly.

2022 has seen a dramatic shift in both the macroeconomic, equity market and interest rate Environment. We see an emerging regime where S pillar factors such as labour management and supply chain risk are becoming increasingly important drivers for companies in the new regime of tight labour markets, increased government intervention in the economy, and de-globalisation. We also believe that we have started to see a trend in elevated volatility incorporate earnings as the impact of rising input costs, labour issues and higher interest rates challenge profit margins. The ability of companies to control these factors will be far more difficult in this new regime. Companies who previously avoided investing in areas such as supply chain risk management or human capital development will be left at a disadvantage relative to "S pillar" leaders. At the macroeconomic level, the phrase 'blue collar boom, white collar recession' perhaps best encapsulates some of the trends we are beginning to see.

The change to a regime where both inflation and interest rates are higher and the fruits of economic growth are rebalanced more to labour has profound consequences for investors. We believe such an environment should be fruitful for short selling, as there are many businesses whose operating and financing models may be ill equipped for the new regime, and we believe focussing on S&G pillars is a particularly good way to identify those Companies.

Growth stocks have also been challenged in the new environment as many business models have faltered in the face of higher interest rates, more challenging financing conditions and increased valuation discipline from investors. However, despite a challenging period, one subset of the 'growth' complex that still has strong underlying fundamentals is Green technology. The underlying fundamental necessity of climate change mitigation is very much intact. This provides a long term tailwind for growth opportunities, despite cyclical setbacks.

Most of the equity price dynamic in 2022 can be attributed to moves in bond and risk free rates, combined with a renewed focus on valuation discipline. We believe that 2023 will see returns driven more by corporate earnings performance. Declining activity data combined with higher costs seem to be pressuring the earnings outlook in many cyclical areas, however, China related reopening leaves upside risk. From a portfolio positioning perspective, aside from our core focus on ESG, we continue to carefully manage significant net style, valuation biases or macro exposures, although we do see the sub-fund's current residual net long exposure to companies with high earnings stability as suitable for the current environment.

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# PROTEA UCITS II - ECO ADVISORS ESG ABSOLUTE RETURN

## Management report (continued)

2022 has been a severe reminder that fixed income & 60/40 allocations cannot alone serve as defensive pillars in a balanced portfolio. With inflation at higher levels and longer dated yields inverted, the continuation of the current macro backdrop might suggest forward real returns on longer dated fixed income are not assured.

As we pass our fourth calendar year end, we are pleased that the strategy has proved itself as a robust diversifier in some highly turbulent periods, especially for ESG investors. Capital preservation & risk management have been at the forefront of our approach, particularly given the volatility regime shifts post-Covid which injected a high degree of uncertainty into our risk management framework. As our risk management models adapt to the new risk & volatility regime, we envisage increasing gross exposure levels in H1 2023 in order to enhance the alpha capture opportunities presented by ESG selection, both on the long and especially on the short side.

Despite challenging market conditions at various times over the period, the overall portfolio risk profile stayed within our desired parameters, with the sub-fund volatility realising 3.8% and beta to the MSCI AC World Index realising 0.00 over the period.

At the core of the investment process is the integration of sustainability risks and opportunities into the research, analysis and investment decision-making processes. The Compartment is managed to promote, among other characteristics, a combination of environmental and social characteristics (as provided under article 8 of SFDR). ESG factors (such as product carbon footprint, carbon emissions, waste management, supply chain labour standards, staff management practices and health & safety practices) are used as the primary investment selection criteria and in order to implement the long/short strategy. Companies considered as ESG best in class or which have shown material improvements in ESG performance will appear on the long side and the Investment Manager will take short positions on the companies that have shown material deterioration in ESG performance or are the weakest ESG performers.

The Investment Manager also incorporates and evaluates governance factors in the investment decision-making process (such as board composition, Pay practices, Accounting transparency as well as Business Ethics and Tax Transparency). Throughout the year, in monthly factsheets and quarterly newsletters, the sub-fund has reported sustainability metrics to its investors in order to demonstrate its alignment with such sustainability and ESG metrics.

January 2023

Established by Ethical Capital Opportunity Advisors LTD

Approved by the Board of Directors of the SICAV

# PROTEA UCITS II - MILLENNIUM GLOBAL SYSTEMATIC CURRENCY FUND

## Management report

The Millennium Global Systematic Currency Fund (the "sub-fund") was inceptioned on September 15, 2021. It seeks to achieve capital growth over the medium term by a systematic approach based on the Investment Manager's proprietary quantitative model.

The approach is designed in a way to capture major movements of the currencies markets and to provide positive outcomes in all environments. Investment decisions are made based on signals initiated by the above-mentioned model. For clarity purposes, the Compartment does not follow an automated trading system approach. Prior to execution of the trades implied by the systematic model output, the Investment Manager will validate the signals generated by the model, ensuring that the proposed trades are as intended and compliant with the investment policy as well as the regulatory restrictions.

In 2022, market conditions have been challenging for our systematic strategy due to a number of adverse developments:

1) In February and March, the performance of our strategy was negatively affected by the escalation of the Russia-Ukraine conflict, with markets registering a substantial deterioration in market sentiment. Our strategy positioned for a flight-to-safety appreciation of safe-haven currencies (the US dollar, the Japanese yen and the Swiss franc) against peripheral/commodity-related currencies. However peripheral currencies, in particular commodity currencies, significantly outperformed core currencies in this period, supported by the large increases in commodity prices due to supply-chain disruption caused by the Ukraine-Russia conflict.

2) From second quarter onwards, inflation around the world substantially accelerated, catching market participants and policy makers by surprise. As a result, the market narrative around inflation shifted from being largely perceived as a transitory phenomenon to become a more pernicious and persistent one. This triggered a very sharp rise in global yields, a sell-off in global equity and a very large (upwards) repricing of future monetary policy trajectories around the world, as most central banks rushed to increase interest rates to bring inflation expectations under control.

3) Market uncertainty increased substantially and across several aspects, including the inflation dynamics, the degree and pace of monetary policy tightening required to bring inflation dynamics under control, and adverse growth implications of aggressive monetary policy tightening.

As a result of this increased market uncertainty, our strategy in second quarter and third quarter registered a high portfolio turnover (with a small long USD bias), due to the very high market volatility around data releases, in particular inflation data.

From November onwards, our strategy turned decisively short USD position across the board as US inflation data turned more benign and markets started to price the end of the tightening cycle in the US.

Throughout the period, the sub-fund registered an average annualised Value at Risk of 13.44% (computered with a 95% confidence level). As of December 31, 2022, the sub-fund exhibited an annualised Value at Risk of 10.46%.

In terms of market liquidity risk, all positions are in liquidity instruments (FX spot, OTC FX Forwards or OTC FX options, futures and exchange traded options).

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# PROTEA UCITS II - MILLENNIUM GLOBAL SYSTEMATIC CURRENCY FUND

## Management report (continued)

The Head of Risk is responsible for risk management and produces internal risk reports on a daily basis. The risk management function is operationally independent of other business functions including portfolio management and operations.

At portfolio level, risk is monitored on a regular basis by a parametric value at risk (VaR) model, which measures the amount of risk taken under 'normal' market conditions, taking into account the diversification across all currency exposures.

The sub-fund leverage is monitored on a daily basis, with the computations of both the gross method as well as the commitment method. On December 31, 2022, the sub-fund has the leverage of 60.77% based on the commitment method and 150.57% based on the gross method.

In the period from January 1, 2022 to December 31, 2022, the sub-fund generated a gross return of -17.46%, there was no performance fee recorded during the period.

March 2023

Established by Millennium Global Investments Limited

Approved by the Board of Directors of the SICAV

# PROTEA UCITS II - MAGENTA MAM CONVICTIONS

## (note 1)

### Management report

#### Performance Summary

PROTEA UCITS II - MAGENTA MAM CONVICTIONS ended 2022 with a performance of -1.81% (NAV/share on EUR class: 98.19). The sub-fund only launched in Q3 2022 and has been ramping up investments very cautiously throughout the rest of the year. As such relative performance analysis is irrelevant at this stage.

#### Sub-fund Activity

PROTEA UCITS II - MAGENTA MAM CONVICTIONS start operating with EUR 6m in assets. Considering the challenging macro-economic conditions, the investments were implemented very gradually. The sub-fund ended the year 2022 with 5.2% in equities, 21% in bonds, 3% in commodities and 71% in cash. We committed to continue deploying the assets of the sub-fund in 2023 in order to substantially lower the cash position.

#### Outlook for financial markets

**Recession risk superseding inflation risk.** Recession risks should top the headlines over the coming months. The Federal Reserve ("Fed") is haunted by the specter of the 1970s and afraid of history repeating itself. Here is why the pivot narrative should fail to gain traction for at least a couple quarters. Wage inflation remains elevated while median inflation and sticky factors have yet to roll over. In other words, expect policy to remain unchanged until both sentiment and payrolls capitulate thus further exacerbating deep recession risks (e.g., hard landing). Unless inflation stays high, labor markets remain imbalanced, and wage growth fails to slow down, central banks will be forced to act eventually. This is when the investment landscape turns more attractive for investors, notably in the back end of the year. A US Yield Curve steepening (i.e., 30-2 Year) is a key trade for 2023.

**Wider credit spreads ahead.** Consensus remains constructive on credit on the back of resilient (backward looking) fundamentals, citing robust EBITDA against flat debt levels. Compressing margins will be a key driver in widening credit spreads later this year. Whether in the US or Europe, spreads continue to fail to reflect recession risk - making credit still relatively expensive. Staying cautious for the quarter ahead but turning more constructive and ready to build an allocation to credit should spreads widen closer to 400bps on investment grade. Remaining long of Emerging Markets Local Currency bonds.

**A progressive dollar weakness.** After peaking in 2022, the dollar should continue to progressively weaken this year. Moderation in global inflation measures against bearish consensus expectations support risk-sensitive currencies for the back end of the year. Any weakness in the dollar until then should however be moderated given relatively high interest rates, falling breakeven rates, and limited growth outside of the US (ex-China). Peak inflation and Fed terminal rate expectations marked the dollar top. Bottoming global growth expectations and a decline in real yields in the coming quarters will accelerate the dollar decline.

# PROTEA UCITS II - MAGENTA MAM CONVICTIONS

## (note 1)

### Management report (continued)

**Negative earnings growth risk for equities.** Rates and inflation peaking is a warning sign for profitability, an underappreciated reality that can no longer be ignored. Developed market monetary policies are at/heading into restrictive territories and should remain there most of the year. Leading macroeconomic indicators continue to weaken. Bottom-up consensus is anchored near all-time highs on forward earnings estimates. Elevated and rising inventories with healthier supply chains reflect a deteriorating demand backdrop, particularly for goods. In our base case, earnings should decline 5-10% YoY for the S&P 500. Applying a 16.0x multiple (long-term mean), we see a market trough around 3,000 (-21%) over the coming quarters but risks remain skewed to the downside (e.g., not being bearish enough). Precious metal (i.e., gold) miners will be a key allocation. In the back end of the year, when the macro environment warrants it, we will look to tactically deploy capital into distressed high growth equities.

**Commodities supported by broad-based supply-demand tightness.** Under-investments are amplifying supply constrains over the long-run, inventories are running low, and capacity remains tight while producers remain generally unresponsive. New tailwinds are emerging: the dollar should progressively weaken, and China's economy is reopening. The transition to a greener economy and reshoring of supply chains provides long-term price support in a supply-constrained environment. We maintain our bullish stance on commodities, but see precious metals (e.g., gold, silver, platinum) outperforming.

March 2023

Established by the Investment Manager

Approved by the Board of Directors of the SICAV



## Report of the Réviseur d'Entreprises Agréé / Auditor's report

To the Shareholders of

PROTEA UCITS II

Société d'Investissement à Capital Variable incorporated in Luxembourg

15, avenue J.F. Kennedy, L-1855 Luxembourg

### Opinion

We have audited the financial statements of PROTEA UCITS II (the "SICAV") and of each of its sub-funds, which comprise the statement of net assets and the statement of investments and other net assets as at December 31, 2022 and the statement of operations and changes in net assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the SICAV and of each of its sub-funds as at December 31, 2022, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

### Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (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 SICAV in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other information

The Board of Directors of the SICAV is responsible for the other information. The other information comprises the information stated 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.

## Report of the Réviseur d'Entreprises Agréé / Auditor's report (continued)

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

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

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

In preparing the financial statements, the Board of Directors of the SICAV is responsible for assessing the SICAV's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the SICAV either intends to liquidate the SICAV or 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**

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

Report of the Réviseur d'Entreprises Agréé / Auditor's report (continued)

- 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.

For Deloitte Audit, *Cabinet de révision agréé*

Nicolas Hennebert, *Réviseur d'Entreprises Agréé*

Partner

April 26, 2023

# PROTEA UCITS II

## Statement of net assets as at December 31, 2022

	COMBINED	PROTEA UCITS II - GLOBAL OPPORTUNITIES	PROTEA UCITS II - GLOBAL BALANCED
	EUR	EUR	EUR
<b>ASSETS</b>			
Investments in securities at acquisition cost (note 2.f)	316,962,229.13	17,462,461.58	67,440,626.47
Net unrealised gain/loss on investments	-3,741,304.31	-1,728,398.97	-2,033,241.38
Investments in securities at market value (note 2.d)	313,220,924.82	15,734,062.61	65,407,385.09
Cash at banks (notes 2.d, 2.i)	58,965,810.67	19,254.08	110,280.18
Bank deposits (note 2.d)	81,384,542.56	0.00	0.00
Interest and dividend receivable, net	146,791.27	7,011.37	3,244.13
Formation expenses (note 2.j)	6,607.73	0.00	0.00
Net unrealised gain on forward foreign exchange contracts (notes 2.g, 13)	3,399,918.66	0.00	0.00
	457,124,595.71	15,760,328.06	65,520,909.40
<b>LIABILITIES</b>			
Management and distribution fees payable (note 4)	401,207.31	15,663.02	76,279.60
Performance fees payable (note 8)	20,078.93	0.00	0.00
"Taxe d'abonnement" payable (note 5)	34,658.41	46.52	1,294.71
Net unrealised loss on forward foreign exchange contracts (notes 2.g, 13)	112,917.41	0.00	42,546.08
Other fees payable (note 10)	374,531.89	45,871.60	34,370.77
	943,393.95	61,581.14	154,491.16
<b>TOTAL NET ASSETS AS AT DECEMBER 31, 2022</b>	<b>456,181,201.76</b>	<b>15,698,746.92</b>	<b>65,366,418.24</b>
<b>TOTAL NET ASSETS AS AT DECEMBER 31, 2021</b>	<b>483,824,782.54</b>	<b>17,739,639.17</b>	<b>76,420,793.85</b>
<b>TOTAL NET ASSETS AS AT DECEMBER 31, 2020</b>	<b>304,148,695.38</b>	<b>16,921,017.51</b>	<b>67,870,367.57</b>

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

# PROTEA UCITS II

## Statement of net assets as at December 31, 2022 (continued)

PROTEA UCITS II - IW PRECIOUS METAL MINING EQUITIES (note 1)	PROTEA UCITS II - VICTORY FAR EAST OPPORTUNITY	PROTEA UCITS II - GENESIS BOND FUND	PROTEA UCITS II - ECO ADVISORS ESG ABSOLUTE RETURN	PROTEA UCITS II - MILLENNIUM GLOBAL SYSTEMATIC CURRENCY FUND
EUR	USD	USD	EUR	USD
28,017,616.47	22,179,000.89	10,197,209.32	82,756,644.33	91,821,096.14
-2,931,810.59	583,237.02	-908,638.69	2,569,650.95	714,947.88
25,085,805.88	22,762,237.91	9,288,570.63	85,326,295.28	92,536,044.02
781,554.14	2,852,395.10	25,026.66	34,457,505.64	22,216,033.47
0.00	1,506,483.59	270,000.00	78,720,000.00	0.00
0.00	153.12	135,672.55	3,467.16	0.00
0.00	0.00	0.00	6,055.64	589.22
0.00	0.00	0.00	3,373,000.17	0.00
25,867,360.02	27,121,269.72	9,719,269.84	201,886,323.89	114,752,666.71
16,563.39	79,984.03	12,307.32	109,525.23	72,465.45
0.00	0.00	0.00	20,078.93	0.00
666.96	3,409.98	1,221.06	25,454.66	2,887.14
0.00	0.00	0.00	0.00	75,103.82
36,399.64	35,231.35	15,573.62	124,605.49	63,934.05
53,629.99	118,625.36	29,102.00	279,664.31	214,390.46
<b>25,813,730.03</b>	<b>27,002,644.36</b>	<b>9,690,167.84</b>	<b>201,606,659.58</b>	<b>114,538,276.25</b>
<b>29,345,953.58</b>	<b>43,231,363.70</b>	<b>11,750,348.82</b>	<b>182,094,641.66</b>	<b>147,694,293.91</b>
<b>37,319,659.35</b>	<b>49,623,879.87</b>	<b>12,285,000.69</b>	<b>131,439,894.32</b>	-

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

# PROTEA UCITS II

## Statement of net assets as at December 31, 2022 (continued)

PROTEA UCITS II -  
MAGENTA MAM  
CONVICTIONS (note 1)

EUR

<b>ASSETS</b>	
Investments in securities at acquisition cost (note 2.f)	4,913,581.54
Net unrealised gain/loss on investments	17,495.83
Investments in securities at market value (note 2.d)	4,931,077.37
Cash at banks (notes 2.d, 2.i)	84,967.77
Bank deposits (note 2.d)	1,000,000.00
Interest and dividend receivable, net	5,801.68
Formation expenses (note 2.j)	0.00
Net unrealised gain on forward foreign exchange contracts (notes 2.g, 13)	26,918.49
	6,048,765.31
<b>LIABILITIES</b>	
Management and distribution fees payable (note 4)	28,801.04
Performance fees payable (note 8)	0.00
"Taxe d'abonnement" payable (note 5)	151.12
Net unrealised loss on forward foreign exchange contracts (notes 2.g, 13)	0.00
Other fees payable (note 10)	25,775.39
	54,727.55
<b>TOTAL NET ASSETS AS AT DECEMBER 31, 2022</b>	<b>5,994,037.76</b>
<b>TOTAL NET ASSETS AS AT DECEMBER 31, 2021</b>	<b>-</b>
<b>TOTAL NET ASSETS AS AT DECEMBER 31, 2020</b>	<b>-</b>

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

# PROTEA UCITS II

# PROTEA UCITS II

## Statement of operations and changes in net assets for the year/period ended December 31, 2022

	COMBINED	PROTEA UCITS II - GLOBAL OPPORTUNITIES	PROTEA UCITS II - GLOBAL BALANCED
	EUR	EUR	EUR
<b>NET ASSETS AT THE BEGINNING OF THE YEAR/PERIOD</b>	<b>483,824,782.54</b>	<b>17,739,639.17</b>	<b>76,420,793.85</b>
<b>INCOME</b>			
Dividends, net (note 2.j)	2,803,346.04	2,438.00	501,194.33
Interest on bonds, net (note 2.j)	1,888,564.65	25,536.76	12,972.14
Bank interest	386,418.93	513.52	0.00
	5,078,329.62	28,488.28	514,166.47
<b>EXPENSES</b>			
Amortization of formation expenses (note 2.k)	7,303.13	0.00	0.00
Management and distribution fees (note 4)	2,712,844.28	65,075.72	346,768.21
Performance fees (note 8)	20,078.93	0.00	0.00
Depository fees, bank charges and interest (note 6)	711,517.49	9,362.48	29,858.37
Professional fees, audit fees and other expenses (note 7)	1,103,097.58	35,413.14	72,253.65
Central Administration Agent fees (note 6)	478,606.91	8,400.10	66,510.11
"Taxe d'abonnement" (note 5)	139,000.62	155.58	5,248.05
Transaction fees (note 2.l)	475,848.86	1,644.93	82,042.53
	5,648,297.80	120,051.95	602,680.92
<b>NET INVESTMENT INCOME/LOSS</b>	<b>-569,968.18</b>	<b>-91,563.67</b>	<b>-88,514.45</b>
Net realised gain/loss on sales of investments (note 2.e)	688,405.25	-261,451.48	610,325.51
Net realised gain/loss on pool - pooling effect (note 1)	21,910,444.20	0.00	0.00
Net realised gain/loss on foreign exchange	233,440.86	-1,195.07	1,275,152.27
Net realised gain/loss on options contracts	307,258.25	0.00	310,507.25
Net realised loss on forward foreign exchange contracts	-39,419,649.96	0.00	-1,469,194.37
Net realised gain/loss on futures contracts (note 2.h)	-8,712,998.57	-11,462.47	-5,738.98
<b>NET REALISED GAIN/LOSS</b>	<b>-25,563,068.15</b>	<b>-365,672.69</b>	<b>632,537.23</b>
<b>Change in net unrealised appreciation/depreciation:</b>			
- on investments	-27,377,490.82	-1,675,219.56	-11,665,400.73
- on forward foreign exchange contracts	2,051,147.88	0.00	-21,512.11
<b>INCREASE/DECREASE IN NET ASSETS AS A RESULT OF OPERATIONS</b>	<b>-50,889,411.09</b>	<b>-2,040,892.25</b>	<b>-11,054,375.61</b>
Subscription of shares	61,870,822.97	0.00	0.00
Redemption of shares	-43,495,381.11	0.00	0.00
Revaluation difference*	-6,810,701.32	0.00	0.00
Revaluation difference on the net assets at the beginning of the year**	11,681,089.77		
<b>NET ASSETS AT THE END OF THE YEAR/PERIOD</b>	<b>456,181,201.76</b>	<b>15,698,746.92</b>	<b>65,366,418.24</b>

\* The difference mentioned above is the result of fluctuations in the exchange rates used to convert the different items related to share classes denominated in a currency other than the currency of the sub-funds into the currency of the related sub-funds between December 31, 2021 and December 31, 2022.

\*\* The difference mentioned above results from the conversion of the net assets at the beginning of the year (for the sub-funds denominated in currencies other than Euro) at exchange rates applicable on December 31, 2021 and exchange rates applicable on December 31, 2022.

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



# PROTEA UCITS II

## Statement of operations and changes in net assets for the year/period ended December 31, 2022 (continued)

PROTEA UCITS II - IW PRECIOUS METAL MINING EQUITIES (note 1)	PROTEA UCITS II - VICTORY FAR EAST OPPORTUNITY	PROTEA UCITS II - GENESIS BOND FUND	PROTEA UCITS II - ECO ADVISORS ESG ABSOLUTE RETURN	PROTEA UCITS II - MILLENNIUM GLOBAL SYSTEMATIC CURRENCY FUND
EUR	USD	USD	EUR	USD
<b>29,345,953.58</b>	<b>43,231,363.70</b>	<b>11,750,348.82</b>	<b>182,094,641.66</b>	<b>147,694,293.91</b>
407,856.96	874,111.08	0.00	1,072,643.72	0.00
0.00	0.00	508,895.92	19,245.09	1,440,470.28
0.00	55,151.39	7,906.56	137,288.19	201,025.87
407,856.96	929,262.47	516,802.48	1,229,177.00	1,641,496.15
3,361.07	0.00	0.00	3,942.06	0.00
204,095.90	386,249.13	151,098.98	1,240,551.60	316,877.38
0.00	0.00	0.00	20,078.93	0.00
29,354.83	32,698.16	11,196.04	528,367.20	64,978.58
97,599.42	215,523.35	65,008.05	382,438.92	227,865.26
59,025.08	38,253.80	15,803.79	209,261.49	82,388.30
2,760.73	15,163.98	4,859.86	99,430.53	13,075.90
36,276.19	194,827.25	874.73	125,797.78	44,401.25
432,473.22	882,715.67	248,841.45	2,609,868.51	749,586.67
<b>-24,616.26</b>	<b>46,546.80</b>	<b>267,961.03</b>	<b>-1,380,691.51</b>	<b>891,909.48</b>
-386,447.73	-6,014,388.20	27,589.14	2,043,335.70	4,603,956.03
0.00	0.00	-5,838.85	21,763,897.60	162,240.76
8,381.88	-89,793.95	0.00	-14,851.92	-1,007,261.30
0.00	0.00	0.00	0.00	0.00
-7,837.87	-4,852.59	0.00	-7,284,907.49	-32,713,483.52
0.00	0.00	0.00	-8,695,895.49	104.99
<b>-410,519.98</b>	<b>-6,062,487.94</b>	<b>289,711.32</b>	<b>6,430,886.89</b>	<b>-28,062,533.56</b>
-2,327,926.22	-5,526,525.01	-1,062,893.85	-6,219,341.31	712,902.65
0.00	0.00	0.00	3,620,441.80	-1,680,599.41
<b>-2,738,446.20</b>	<b>-11,589,012.95</b>	<b>-773,182.53</b>	<b>3,831,987.38</b>	<b>-29,030,230.32</b>
600,000.05	2,458,829.53	0.00	52,634,468.63	0.00
-1,393,777.40	-7,098,535.92	-1,286,998.45	-34,009,547.11	0.00
0.00	0.00	0.00	-2,944,890.98	-4,125,787.34
<b>25,813,730.03</b>	<b>27,002,644.36</b>	<b>9,690,167.84</b>	<b>201,606,659.58</b>	<b>114,538,276.25</b>

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

# PROTEA UCITS II

## Statement of operations and changes in net assets for the year/period ended December 31, 2022 (continued)

PROTEA UCITS II -  
MAGENTA MAM  
CONVICTIONS (note 1)

EUR

<b>NET ASSETS AT THE BEGINNING OF THE YEAR/PERIOD</b>	-
<b>INCOME</b>	
Dividends, net (note 2.j)	182.05
Interest on bonds, net (note 2.j)	4,279.29
Bank interest	1,174.03
	5,635.37
<b>EXPENSES</b>	
Amortization of formation expenses (note 2.k)	0.00
Management and distribution fees (note 4)	55,954.41
Performance fees (note 8)	0.00
Depository fees, bank charges and interest (note 6)	12,562.20
Professional fees, audit fees and other expenses (note 7)	39,031.24
Central Administration Agent fees (note 6)	7,562.06
"Taxe d'abonnement" (note 5)	391.69
Transaction fees (note 2.l)	5,113.75
	120,615.35
<b>NET INVESTMENT INCOME/LOSS</b>	<b>-114,979.98</b>
Net realised gain/loss on sales of investments (note 2.e)	-21,650.39
Net realised gain/loss on pool - pooling effect (note 1)	0.00
Net realised gain/loss on foreign exchange	-6,119.46
Net realised gain/loss on options contracts	-3,249.00
Net realised loss on forward foreign exchange contracts	-1,044.82
Net realised gain/loss on futures contracts (note 2.h)	0.00
<b>NET REALISED GAIN/LOSS</b>	<b>-147,043.65</b>
<b>Change in net unrealised appreciation/depreciation:</b>	
- on investments	16,618.06
- on forward foreign exchange contracts	26,918.49
<b>INCREASE/DECREASE IN NET ASSETS AS A RESULT OF OPERATIONS</b>	<b>-103,507.10</b>
Subscription of shares	6,332,462.25
Redemption of shares	-234,917.39
Revaluation difference*	0.00
<b>NET ASSETS AT THE END OF THE YEAR/PERIOD</b>	<b>5,994,037.76</b>

\* The difference mentioned above is the result of fluctuations in the exchange rates used to convert the different items related to share classes denominated in a currency other than the currency of the sub-funds into the currency of the related sub-funds between December 31, 2021 and December 31, 2022.

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

# PROTEA UCITS II

## Number of shares outstanding and net asset value per share

Sub-fund Share class	Currency	Number of shares outstanding	Net asset value per share	Net asset value per share	Net asset value per share
		31.12.2022	31.12.2022	31.12.2021	31.12.2020
PROTEA UCITS II - GLOBAL OPPORTUNITIES					
A restricted special	EUR	123,500.00	127.12	143.64	137.01
PROTEA UCITS II - GLOBAL BALANCED					
A restricted	EUR	545,910.33	119.74	139.99	124.33
PROTEA UCITS II - IW PRECIOUS METAL MINING EQUITIES (note 1)					
S1-EUR-Cap	EUR	159,321.86	161.36	176.96	194.21
P2-EUR-Cap	EUR	742.97	142.63	158.08	175.28
PROTEA UCITS II - VICTORY FAR EAST OPPORTUNITY					
A	USD	47,495.92	155.91	218.62	245.31
B	USD	126,294.57	155.17	215.97	240.44
PROTEA UCITS II - GENESIS BOND FUND					
P-Acc-USD	USD	8,766.14	1,105.41	1,184.68	1,205.93
PROTEA UCITS II - ECO ADVISORS ESG ABSOLUTE RETURN					
F-Acc-EUR	EUR	1,117,675.88	109.08	107.32	104.72
F-Acc-GBP	GBP	323,800.29	112.44	109.11	105.88
F-Acc-USD	USD	28,348.43	108.79	105.11	101.86
M-Acc-EUR	EUR	118,800.42	101.50	100.17	98.03
M-Acc-GBP	GBP	21,386.25	103.36	100.60	97.91
M-Acc-CHF	CHF	38,415.01	101.80	100.92	99.09
M-Acc-USD	USD	3,769.00	105.43	102.17	99.31
P-Acc-EUR	EUR	79,716.28	105.80	104.41	102.26
P-Acc-GBP	GBP	70,128.86	106.87	103.94	-
PROTEA UCITS II - MILLENNIUM GLOBAL SYSTEMATIC CURRENCY FUND					
A-CHF	CHF	1,000,000.00	77.76	97.54	-
A-EUR	EUR	356,695.00	80.09	100.20	-
PROTEA UCITS II - MAGENTA MAM CONVICTIONS (note 1)					
A-EUR	EUR	61,043.00	98.19	-	-

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

# PROTEA UCITS II - GLOBAL OPPORTUNITIES

## Statement of investments and other net assets as at December 31, 2022 (expressed in EUR)

Description	Currency	Quantity/Nominal	Market value (note 2)	% of net assets	
<b>I. TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET</b>					
<b>BONDS</b>					
<i>LUXEMBOURG</i>					
3.75%	SUB. CPI PROPERTY GROUP 21/PERP	EUR	235,000.00	124,739.03	0.79
5.25%	SUB. BIL 19/PERP -JR-S	EUR	265,000.00	234,774.13	1.50
			<b>359,513.16</b>	<b>2.29</b>	
<i>SWEDEN</i>					
1.00%	SAMHALLSBYGGNADSBOLAGET (FR/RAT) 20/27 -SR-S	EUR	370,000.00	258,445.85	1.65
			<b>258,445.85</b>	<b>1.65</b>	
<b>TOTAL I.</b>			<b>617,959.01</b>	<b>3.94</b>	
<b>II. UNITS OF INVESTMENT FUNDS</b>					
<i>LUXEMBOURG</i>					
	PICTET - ABSOLUTE RETURN FIXED INCOME HI EUR	EUR	26,360.00	2,690,828.80	17.14
	PICTET - EMERGING CORPORATE BONDS HI EUR	EUR	3,350.00	276,207.50	1.76
	PICTET - GLOBAL FIXED INCOME OPPORTUNITIES HI EUR	EUR	22,860.00	2,142,439.20	13.65
	PICTET - STRATEGIC CREDIT HI EUR	EUR	33,410.00	3,069,042.60	19.54
	PWM FUNDS - CREDIT ALLOCATION HEDGED EUR	EUR	28,000.00	2,760,240.00	17.58
	PWM FUNDS - GLOBAL CORPORATE DEFENSIVE HD EUR -ACC.-	EUR	33,180.00	2,980,891.20	18.99
			<b>13,919,649.30</b>	<b>88.66</b>	
<i>SWITZERLAND</i>					
	PICTET CH - SHORT-TERM MONEY MARKET EUR I DY	EUR	1,270.00	1,196,454.30	7.62
			<b>1,196,454.30</b>	<b>7.62</b>	
<b>TOTAL II.</b>			<b>15,116,103.60</b>	<b>96.28</b>	
<b>TOTAL INVESTMENTS</b>			<b>15,734,062.61</b>	<b>100.22</b>	
	CASH AT BANKS		19,254.08	0.12	
	OTHER NET LIABILITIES		-54,569.77	-0.34	
<b>TOTAL NET ASSETS</b>			<b>15,698,746.92</b>	<b>100.00</b>	

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

# PROTEA UCITS II - GLOBAL OPPORTUNITIES

## Geographical and industrial classification of investments as at December 31, 2022

### Geographical classification

(in % of net assets)	
Luxembourg	90.95
Switzerland	7.62
Sweden	1.65
	<b>100.22</b>

### Industrial classification

(in % of net assets)	
Units of investment funds	96.28
Bonds issued by companies	3.94
	<b>100.22</b>

# PROTEA UCITS II - GLOBAL BALANCED

## Statement of investments and other net assets as at December 31, 2022 (expressed in EUR)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<b>I. TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET</b>				
<b>SHARES</b>				
<i>BELGIUM</i>				
ANHEUSER-BUSCH INBEV	EUR	35,520.00	1,998,710.40	3.06
			1,998,710.40	3.06
<i>FRANCE</i>				
SANOFI	EUR	14,970.00	1,344,904.80	2.06
SODEXO	EUR	14,760.00	1,320,724.80	2.02
VINCI	EUR	14,800.00	1,380,692.00	2.11
			4,046,321.60	6.19
<i>GERMANY</i>				
BAYER REG.	EUR	30,430.00	1,470,529.75	2.25
PORSCHE AUTOMOBILE HOLDING PFD	EUR	16,963.00	869,184.12	1.33
			2,339,713.87	3.58
<i>NETHERLANDS</i>				
ASML HOLDING	EUR	1,580.00	796,004.00	1.22
			796,004.00	1.22
<i>SWITZERLAND</i>				
HBM HEALTHCARE INVESTMENTS	CHF	3,153.00	641,827.19	0.98
			641,827.19	0.98
<i>UNITED KINGDOM</i>				
CAPITAL & COUNTIES PROPERTIES	GBP	450,000.00	540,163.63	0.83
PERSIMMON	GBP	41,900.00	574,735.23	0.88
			1,114,898.86	1.71
<i>UNITED STATES</i>				
ACTIVISION BLIZZARD	USD	14,060.00	1,008,472.87	1.54
ALPHABET 'A'	USD	9,960.00	823,397.08	1.26
GODADDY 'A'	USD	16,221.00	1,137,179.53	1.74
JOHNSON & JOHNSON	USD	7,350.00	1,216,563.23	1.86
META PLATFORMS 'A'	USD	6,100.00	687,818.02	1.05
ORACLE	USD	18,230.00	1,396,223.70	2.14
PAYPAL HOLDINGS	USD	9,500.00	633,956.24	0.97
QUALCOMM	USD	8,640.00	890,027.00	1.36
			7,793,637.67	11.92
<b>TOTAL SHARES</b>			<b>18,731,113.59</b>	<b>28.66</b>

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

# PROTEA UCITS II - GLOBAL BALANCED

## Statement of investments and other net assets as at December 31, 2022 (expressed in EUR) (continued)

Description	Currency	Quantity/Nominal	Market value (note 2)	% of net assets
<b>BONDS</b>				
<i>LUXEMBOURG</i>				
3.75% SUB. CPI PROPERTY GROUP 21/PERP	EUR	120,000.00	63,696.53	0.10
5.25% SUB. BIL 19/PERP -JR-S	EUR	135,000.00	119,601.91	0.18
			183,298.44	0.28
<i>SWEDEN</i>				
1.00% SAMHALLSBYGGNADSBOLAGET (FR/RAT) 20/27 -SR-S	EUR	190,000.00	132,715.44	0.20
			132,715.44	0.20
<b>TOTAL BONDS</b>			<b>316,013.88</b>	<b>0.48</b>
<b>TOTAL I.</b>			<b>19,047,127.47</b>	<b>29.14</b>
<b>II. UNITS OF INVESTMENT FUNDS</b>				
<i>FRANCE</i>				
LYXOR MSCI WORLD UCITS ETF - MONTHLY HEDGED EUR	EUR	849,000.00	7,705,524.00	11.79
			7,705,524.00	11.79
<i>IRELAND</i>				
E.I. STURDZA - STRATEGIC EUROPEAN SILVER STAR B EUR	EUR	3,080.00	5,055,419.60	7.73
INVESCO MARKETS III - EQQQ NASDAQ 100 ETF	EUR	5,760.00	1,429,947.56	2.19
ISHARES III - CORE MSCI JAPAN IMI USD	GBP	26,600.00	1,065,183.27	1.63
ISHARES III - CORE MSCI WORLD USD ETF	USD	114,800.00	7,872,765.94	12.03
VANGUARD FUNDS - VANGUARD S&P 500 ETF	USD	22,760.00	1,547,162.38	2.37
			16,970,478.75	25.95
<i>LUXEMBOURG</i>				
2XIDEAS SCV-GLOBAL MID CAP LIBRARY I USD	USD	55,050.00	6,872,156.73	10.51
PICTET - ABSOLUTE RETURN FIXED INCOME HI EUR	EUR	13,450.00	1,372,976.00	2.10
PICTET - EMERGING CORPORATE BONDS HI EUR	EUR	2,280.00	187,986.00	0.29
PICTET - GLOBAL FIXED INCOME OPPORTUNITIES HI EUR	EUR	11,670.00	1,093,712.40	1.67
PICTET - STRATEGIC CREDIT HI EUR	EUR	17,060.00	1,567,131.60	2.40
PWM FUNDS - CREDIT ALLOCATION HEDGED EUR	EUR	14,300.00	1,409,694.00	2.16
PWM FUNDS - GLOBAL CORPORATE DEFENSIVE HD EUR -ACC.-	EUR	16,950.00	1,522,788.00	2.33
			14,026,444.73	21.46
<i>SWITZERLAND</i>				
PICTET CH - SHORT-TERM MONEY MARKET EUR I DY	EUR	6,748.00	6,357,223.32	9.73
PICTET CH - SHORT-TERM MONEY MARKET USD I DY	USD	1,318.00	1,300,586.82	1.99
			7,657,810.14	11.72
<b>TOTAL II.</b>			<b>46,360,257.62</b>	<b>70.92</b>

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

# PROTEA UCITS II - GLOBAL BALANCED

## Statement of investments and other net assets as at December 31, 2022 (expressed in EUR) (continued)

Description	Market value (note 2)	% of net assets
<b>TOTAL INVESTMENTS</b>	<b>65,407,385.09</b>	<b>100.06</b>
CASH AT BANKS	110,280.18	0.17
OTHER NET LIABILITIES	-151,247.03	-0.23
<b>TOTAL NET ASSETS</b>	<b>65,366,418.24</b>	<b>100.00</b>

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



# PROTEA UCITS II - GLOBAL BALANCED

## Geographical and industrial classification of investments as at December 31, 2022

### Geographical classification

(in % of net assets)	
Ireland	25.95
Luxembourg	21.74
France	17.98
Switzerland	12.70
United States	11.92
Germany	3.58
Belgium	3.06
United Kingdom	1.71
Netherlands	1.22
Sweden	0.20
	<b>100.06</b>

### Industrial classification

(in % of net assets)	
Units of investment funds	70.92
Internet, software and IT services	5.59
Pharmaceuticals and cosmetics	3.92
Tobacco and alcohol	3.06
Construction and building materials	2.99
Chemicals	2.25
Computer and office equipment	2.14
Holding and finance companies	2.02
Communications	1.36
Automobiles	1.33
Electronics and electrical equipment	1.22
Biotechnology	0.98
Miscellaneous	0.97
Real Estate Shares	0.83
Bonds issued by companies	0.48
	<b>100.06</b>

# PROTEA UCITS II - IW PRECIOUS METAL MINING EQUITIES (note 1)

## Statement of investments and other net assets as at December 31, 2022 (expressed in EUR)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<b>I. TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET</b>				
<b>SHARES</b>				
<i>AUSTRALIA</i>				
BELLEVUE GOLD	AUD	158,000.00	113,447.45	0.44
NEWCREST MINING	AUD	98,500.00	1,291,829.30	5.00
NORTHERN STAR RESOURCES	AUD	159,400.00	1,105,025.44	4.28
PERSEUS MINING	AUD	368,000.00	493,389.02	1.91
REGIS RESOURCES	AUD	908,000.00	1,188,535.82	4.60
RESOLUTE MINING	AUD	5,600,000.00	711,667.66	2.76
ST BARBARA	AUD	2,000,000.00	984,897.21	3.82
			5,888,791.90	22.81
<i>CANADA</i>				
AGNICO EAGLE MINES	CAD	23,200.00	1,128,819.47	4.37
ARTEMIS GOLD	CAD	37,000.00	112,325.13	0.44
B2GOLD CORP	USD	218,000.00	725,123.94	2.81
BARRICK GOLD	USD	66,000.00	1,062,431.16	4.12
CENTERRA GOLD	CAD	127,600.00	618,556.49	2.40
EQUINOX GOLD	CAD	182,000.00	557,552.53	2.16
FIRST MAJESTIC SILVER CORP	CAD	54,500.00	425,888.84	1.65
IAMGOLD CORP	USD	418,000.00	1,010,484.58	3.91
K92 MINING	CAD	49,300.00	261,488.72	1.01
KINROSS GOLD CORP	CAD	325,600.00	1,242,894.16	4.81
OCEANAGOLD	CAD	625,000.00	1,115,091.22	4.32
OSISKO MINING	CAD	100,000.00	242,035.30	0.94
PAN AMERICAN SILVER	CAD	78,000.00	1,192,058.45	4.62
PURE GOLD MINING	CAD	31,000.00	321.56	0.00
SSR MINING	CAD	17,800.00	261,350.12	1.01
WHEATON PRECIOUS METALS	CAD	20,500.00	750,658.01	2.91
			10,707,079.68	41.48
<i>JERSEY</i>				
CENTAMIN NPV	GBP	430,000.00	547,174.21	2.12
POLYMETAL INTERNATIONAL *	GBP	23,100.00	63,918.52	0.25
			611,092.73	2.37
<i>MEXICO</i>				
FRESNILLO	GBP	119,000.00	1,209,540.49	4.69
			1,209,540.49	4.69
<i>RUSSIA</i>				
POLYUS PJSC *	USD	3,600.00	0.00	0.00
			0.00	0.00

\* Refer to note 15

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

# PROTEA UCITS II - IW PRECIOUS METAL MINING EQUITIES (note 1)

## Statement of investments and other net assets as at December 31, 2022 (expressed in EUR) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<i>SOUTH AFRICA</i>				
ANGLO AMERICAN PLATINUM	ZAR	5,500.00	431,561.53	1.67
ANGLOGOLD ASHANTI ADR -SPONS.-	USD	76,900.00	1,399,294.96	5.41
HARMONY GOLD MINING ADR -SPONS.-	USD	358,000.00	1,140,500.94	4.42
IMPALA PLATINIUM HOLDINGS	ZAR	43,100.00	505,875.88	1.96
			<b>3,477,233.31</b>	<b>13.46</b>
<i>UNITED KINGDOM</i>				
ENDEAVOUR MINING	CAD	33,300.00	667,349.42	2.59
			<b>667,349.42</b>	<b>2.59</b>
<i>UNITED STATES</i>				
COEUR MINING	USD	333,000.00	1,048,376.35	4.06
HECLA MINING	USD	192,300.00	1,001,815.58	3.88
NEWMONT CORP	USD	8,700.00	384,764.47	1.49
			<b>2,434,956.40</b>	<b>9.43</b>
<b>TOTAL I.</b>			<b>24,996,043.93</b>	<b>96.83</b>
<b>II. UNITS OF INVESTMENT FUNDS</b>				
<i>GUERNSEY</i>				
BAKER STEEL RESOURCES TRUST GBP	GBP	171,084.00	89,761.95	0.35
			<b>89,761.95</b>	<b>0.35</b>
<b>TOTAL II.</b>			<b>89,761.95</b>	<b>0.35</b>
<b>TOTAL INVESTMENTS</b>			<b>25,085,805.88</b>	<b>97.18</b>
CASH AT BANKS			781,554.14	3.03
OTHER NET LIABILITIES			-53,629.99	-0.21
<b>TOTAL NET ASSETS</b>			<b>25,813,730.03</b>	<b>100.00</b>

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

# PROTEA UCITS II - IW PRECIOUS METAL MINING EQUITIES (note 1)

## Geographical and industrial classification of investments as at December 31, 2022

### Geographical classification

(in % of net assets)

Canada	41.48
Australia	22.81
South Africa	13.46
United States	9.43
Mexico	4.69
United Kingdom	2.59
Jersey	2.37
Guernsey	0.35
Russia	0.00
	<b>97.18</b>

### Industrial classification

(in % of net assets)

Precious metals and stones	77.70
Metals and minings	12.02
Mining and steelworks	7.11
Units of investment funds	0.35
	<b>97.18</b>

# PROTEA UCITS II - VICTORY FAR EAST OPPORTUNITY

## Statement of investments and other net assets as at December 31, 2022 (expressed in USD)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<b>TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET</b>				
<b>SHARES</b>				
<i>AUSTRALIA</i>				
BHP GROUP	AUD	18,000.00	558,141.41	2.07
RIO TINTO	AUD	9,300.00	735,689.41	2.72
WOODSIDE ENERGY - ADR SPONS -	USD	26,000.00	622,180.00	2.30
WOODSIDE ENERGY GROUP	AUD	3,252.00	78,318.71	0.29
			1,994,329.53	7.38
<i>CAYMAN ISLANDS</i>				
ALIBABA GROUP HOLDING	HKD	80,000.00	884,996.58	3.28
ANTA SPORTS PRODUCTS	HKD	33,000.00	432,994.20	1.60
CHINA MENGNIU DAIRY	HKD	78,000.00	354,152.55	1.31
COUNTRY GARDEN HOLDINGS	HKD	700,000.00	239,718.64	0.89
COUNTRY GARDEN SERVICES HOLDINGS	HKD	180,000.00	448,808.70	1.66
JD.COM 'A' -S-	HKD	39,857.00	1,125,678.64	4.17
KUAISHOU TECHNOLOGY 'B' 144A/S	HKD	49,000.00	446,532.08	1.65
LI NING	HKD	60,000.00	521,378.42	1.93
MEITUAN 'B' 144A/S	HKD	20,000.00	448,141.75	1.66
TENCENT HOLDINGS	HKD	32,000.00	1,370,846.88	5.09
WUXI BIOLOGICS	HKD	40,000.00	307,055.34	1.14
YIHAI INTERNATIONAL HOLDINGS	HKD	106,000.00	375,238.55	1.39
			6,955,542.33	25.77
<i>CHINA</i>				
CHINA SHENHUA ENERGY 'H'	HKD	280,000.00	809,836.00	3.00
CHINA VANKE 'H'	HKD	260,000.00	526,893.62	1.95
CONTEMPORARY AMPEREX TECHNOLOGY 'A'	CNY	12,902.00	730,164.85	2.70
KANZHUN -ADR SPONS.-	USD	25,000.00	517,750.00	1.92
SHENZHEN MINDRAY BIO-MEDICAL 'A'	CNY	30,000.00	1,363,560.95	5.05
			3,948,205.42	14.62
<i>GERMANY</i>				
BIONTECH -ADR SPONS.-	USD	5,000.00	765,550.00	2.84
			765,550.00	2.84
<i>HONG KONG</i>				
AIA GROUP REG. -S-	HKD	120,000.00	1,335,960.06	4.95
CNOOC	HKD	800,000.00	1,024,030.83	3.79
CSPC PHARMACEUTICAL GROUP	HKD	800,000.00	841,388.06	3.12
			3,201,378.95	11.86
<i>INDONESIA</i>				
PT ADARO ENERGY	IDR	1,000,000.00	244,098.73	0.90
			244,098.73	0.90

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

# PROTEA UCITS II - VICTORY FAR EAST OPPORTUNITY

## Statement of investments and other net assets as at December 31, 2022 (expressed in USD) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<i>SOUTH KOREA</i>				
AMOREPACIFIC CORP	KRW	2,000.00	218,553.02	0.81
KAKAO	KRW	10,000.00	422,006.02	1.56
LG HOUSEHOLD & HEALTHCARE	KRW	400.00	229,520.41	0.85
SAMSUNG ELECTRONICS	KRW	18,000.00	791,082.47	2.93
			1,661,161.92	6.15
<i>TAIWAN</i>				
TAIWAN SEMICONDUCTOR ADR -SPONS.-	USD	12,000.00	912,000.00	3.38
			912,000.00	3.38
<i>THAILAND</i>				
AIRPORTS OF THAILAND -FGN-	THB	300,000.00	660,459.01	2.45
AIRPORTS OF THAILAND -NVDR-	THB	400,000.00	880,612.02	3.26
			1,541,071.03	5.71
<i>UNITED STATES</i>				
CHENIERE ENERGY	USD	5,000.00	749,300.00	2.77
CHEVRON	USD	1,500.00	267,480.00	0.99
EXXON MOBIL	USD	2,500.00	273,000.00	1.01
OCCIDENTAL PETROLEUM	USD	4,000.00	249,120.00	0.92
			1,538,900.00	5.69
<b>TOTAL INVESTMENTS</b>			<b>22,762,237.91</b>	<b>84.30</b>
CASH AT BANKS			2,852,395.10	10.56
BANK DEPOSITS			1,506,483.59	5.58
OTHER NET LIABILITIES			-118,472.24	-0.44
<b>TOTAL NET ASSETS</b>			<b>27,002,644.36</b>	<b>100.00</b>

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

# PROTEA UCITS II - VICTORY FAR EAST OPPORTUNITY

## Geographical and industrial classification of investments as at December 31, 2022

### Geographical classification

(in % of net assets)	
Cayman Islands	25.77
China	14.62
Hong Kong	11.86
Australia	7.38
South Korea	6.15
Thailand	5.71
United States	5.69
Taiwan	3.38
Germany	2.84
Indonesia	0.90
	<b>84.30</b>

### Industrial classification

(in % of net assets)	
Internet, software and IT services	16.05
Pharmaceuticals and cosmetics	9.83
Oil	9.15
Electronics and electrical equipment	6.31
Aeronautics and astronautics	5.71
Mining and steelworks	5.07
Insurance	4.95
Real Estate Shares	4.50
Biotechnology	3.98
Utilities	3.28
Oil and gas	2.92
Stainless steel	2.72
Construction of machines and appliances	2.70
Retail and supermarkets	1.93
Textiles and clothing	1.60
Gastronomy	1.39
Food and soft drinks	1.31
Public utilities	0.90
	<b>84.30</b>

# PROTEA UCITS II - GENESIS BOND FUND

## Statement of investments and other net assets as at December 31, 2022 (expressed in USD)

Description	Currency	Nominal	Market value (note 2)	% of net assets	
<b>I. TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET</b>					
<b>BONDS</b>					
<i>AUSTRIA</i>					
5.00%	SUZANO AUSTRIA 19/30 -SR-	USD	350,000.00	330,249.15	3.41
			330,249.15	3.41	
<i>BAHAMAS</i>					
5.75%	BAHAMAS 14/24 -SR- REG.S	USD	300,000.00	290,241.90	3.00
			290,241.90	3.00	
<i>BERMUDA</i>					
5.50%	COSAN 19/29 -SR-S	USD	250,000.00	235,687.98	2.43
			235,687.98	2.43	
<i>BRAZIL</i>					
4.125%	B3-BRAS. BOL. B 21/31 -SR-S	USD	200,000.00	169,186.72	1.75
4.375%	LIGHT/LT ENER 21/26 -SR-	USD	200,000.00	168,104.78	1.73
4.625%	CENTRAIS ELETRICAS 20/30 -SR-S	USD	500,000.00	439,268.30	4.53
			776,559.80	8.01	
<i>BRITISH VIRGIN ISLANDS</i>					
5.875%	ARCOS DORADOS 17/27 -SR-S	USD	162,000.00	158,286.78	1.63
			158,286.78	1.63	
<i>CANADA</i>					
5.75%	CANACOL ENERGY 21/28 -SR-S	USD	300,000.00	265,350.51	2.74
			265,350.51	2.74	
<i>CAYMAN ISLANDS</i>					
2.75%	BCO BTG PACTUAL 21/26 -SR-S	USD	200,000.00	182,135.58	1.88
3.25%	XP 21/26 -SR-S	USD	200,000.00	180,605.40	1.86
3.95%	STONECO 21/28 -SR-S	USD	200,000.00	160,194.18	1.65
4.375%	GRUPO AVAL 20/30 -SR-	USD	200,000.00	163,191.44	1.68
6.50%	SUB. ITAU UNIBANCO 18/PERP -JR-S	USD	500,000.00	485,288.30	5.02
7.50%	SUB. BANORTE GC 19/PERP -JR-	USD	400,000.00	367,550.64	3.79
			1,538,965.54	15.88	
<i>CHILE</i>					
3.00%	CODELCO 19/29 -SR-S	USD	500,000.00	440,209.95	4.54
6.35%	SUB. AES ANDES 19/79 -JR-S	USD	200,000.00	184,974.78	1.91
			625,184.73	6.45	
<i>COLOMBIA</i>					
FRN	SUB. BANCOLOMBIA 17/27	USD	200,000.00	197,233.24	2.04
4.125%	ECOPETROL 14/25	USD	500,000.00	477,808.10	4.93
			675,041.34	6.97	

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



# PROTEA UCITS II - GENESIS BOND FUND

## Statement of investments and other net assets as at December 31, 2022 (expressed in USD) (continued)

Description	Currency	Nominal	Market value (note 2)	% of net assets	
<i>LUXEMBOURG</i>					
4.50%	REDE D'OR FINANCE 20/30 -SR-S	USD	200,000.00	172,870.48	1.78
4.75%	JSM GLOBAL 20/30 -SR-	USD	300,000.00	197,457.72	2.04
5.375%	NEXA RESOURCES 17/27 -SR-S	USD	400,000.00	377,592.28	3.90
6.00%	ADECOAGRO 17/27 -SR-S	USD	200,000.00	189,516.24	1.96
			<hr/>	<hr/>	
			937,436.72	9.68	
<i>MEXICO</i>					
5.375%	BANCO SANTANDER MEXICO 20/25 -SR-S	USD	250,000.00	248,154.93	2.56
5.75%	GRUPO KUO 17/27 -SR-S	USD	300,000.00	282,066.00	2.91
6.375%	AXTEL 17/24 -SR-S	USD	172,000.00	141,721.79	1.46
6.375%	COMETA HOLDING 18/35 -SR-S	USD	350,000.00	288,859.77	2.98
6.70%	PEMEX 22/32 -SR-S	USD	453,000.00	357,122.14	3.69
			<hr/>	<hr/>	
			1,317,924.63	13.60	
<i>NETHERLANDS</i>					
8.50%	SUB. BRASKEM NETHERLANDS 20/81	USD	200,000.00	194,300.66	2.01
			<hr/>	<hr/>	
			194,300.66	2.01	
<i>PERU</i>					
2.70%	BANCO CREDITO DEL PERU 19/25 -SR-S	USD	300,000.00	284,525.64	2.94
			<hr/>	<hr/>	
			284,525.64	2.94	
<i>UNITED STATES</i>					
0.625%	US TREASURY (INFLATION) 14/24 -SR-	USD	220,000.00	275,246.03	2.84
4.25%	GUSAP III 19/30 -SR-S	USD	250,000.00	233,160.00	2.41
5.125%	SUB. BBVA BANCOMER 18/33 -S-	USD	200,000.00	180,543.86	1.86
			<hr/>	<hr/>	
			688,949.89	7.11	
<b>TOTAL I.</b>			<b>8,318,705.27</b>	<b>85.86</b>	
<b>II. MONEY MARKET INSTRUMENTS</b>					
<i>UNITED STATES</i>					
	TBI UNITED STATES 02/05/23 -SR-	USD	250,000.00	246,242.28	2.54
	TBI UNITED STATES 05/10/23 -SR-	USD	250,000.00	241,651.50	2.49
	TBI UNITED STATES 26/01/23 -SR-	USD	250,000.00	249,371.00	2.57
	TBI UNITED STATES 30/03/23 -SR-	USD	235,000.00	232,600.58	2.40
			<hr/>	<hr/>	
			969,865.36	10.00	
<b>TOTAL II.</b>			<b>969,865.36</b>	<b>10.00</b>	
<b>TOTAL INVESTMENTS</b>			<b>9,288,570.63</b>	<b>95.86</b>	
CASH AT BANKS			25,026.66	0.26	
BANK DEPOSITS			270,000.00	2.79	
OTHER NET ASSETS			106,570.55	1.09	
<b>TOTAL NET ASSETS</b>			<b>9,690,167.84</b>	<b>100.00</b>	

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

# PROTEA UCITS II - GENESIS BOND FUND

## Geographical and industrial classification of investments as at December 31, 2022

### Geographical classification

(in % of net assets)	
United States	17.11
Cayman Islands	15.88
Mexico	13.60
Luxembourg	9.68
Brazil	8.01
Colombia	6.97
Chile	6.45
Austria	3.41
Bahamas	3.00
Peru	2.94
Canada	2.74
Bermuda	2.43
Netherlands	2.01
British Virgin Islands	1.63
	<b>95.86</b>

### Industrial classification

(in % of net assets)	
Bonds issued by companies	80.02
Money market instruments	10.00
Bonds issued by countries or cities	5.84
	<b>95.86</b>

# PROTEA UCITS II - ECO ADVISORS ESG ABSOLUTE RETURN

## Statement of investments and other net assets as at December 31, 2022 (expressed in EUR)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<b>I. TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET</b>				
<b>SHARES</b>				
<i>BERMUDA</i>				
BUNGE	USD	16,287.00	1,522,561.25	0.76
			1,522,561.25	0.76
<i>CANADA</i>				
BANK OF NOVA SCOTIA	USD	17,227.00	790,306.94	0.39
			790,306.94	0.39
<i>DENMARK</i>				
ORSTED	DKK	19,918.00	1,690,894.13	0.84
			1,690,894.13	0.84
<i>FINLAND</i>				
KESKO 'B'	EUR	90,850.00	1,873,327.00	0.93
NESTE	EUR	19,125.00	822,757.50	0.41
NOKIA	EUR	319,152.00	1,380,970.70	0.68
			4,077,055.20	2.02
<i>FRANCE</i>				
SCHNEIDER ELECTRIC S.A.	EUR	11,348.00	1,483,410.56	0.74
			1,483,410.56	0.74
<i>GERMANY</i>				
AURUBIS	EUR	8,364.00	638,675.04	0.32
DEUTSCHE LUFTHANSA	EUR	304,212.00	2,362,206.18	1.17
MERCK	EUR	6,661.00	1,204,974.90	0.60
			4,205,856.12	2.09
<i>NETHERLANDS</i>				
KONINKLIJKE KPN	EUR	516,958.00	1,494,008.62	0.74
			1,494,008.62	0.74
<i>NORWAY</i>				
NORSK HYDRO	NOK	196,572.00	1,370,873.88	0.68
ORKLA 'A'	NOK	234,240.00	1,580,540.52	0.78
			2,951,414.40	1.46
<i>SPAIN</i>				
INDITEX INDUSTRIA DE DISENO TEXTIL	EUR	81,637.00	2,028,679.45	1.01
			2,028,679.45	1.01

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

# PROTEA UCITS II - ECO ADVISORS ESG ABSOLUTE RETURN

## Statement of investments and other net assets as at December 31, 2022 (expressed in EUR) (continued)

Description	Currency	Quantity/Nominal	Market value (note 2)	% of net assets
<i>UNITED STATES</i>				
AMGEN	USD	2,928.00	720,552.53	0.36
AMN HEALTHCARE SERVICES	USD	16,320.00	1,572,285.68	0.78
BIOGEN	USD	3,981.00	1,032,952.15	0.51
BOISE CASCADE	USD	22,678.00	1,459,168.69	0.72
CBOE GLOBAL MARKETS INC	USD	14,007.00	1,646,716.10	0.82
CNO FINANCIAL GROUP	USD	93,094.00	1,993,157.42	0.99
DISCOVER FINANCIAL SERVICES	USD	16,375.00	1,501,022.03	0.74
GILEAD SCIENCES	USD	23,061.00	1,855,035.14	0.92
HESS	USD	18,470.00	2,454,358.96	1.22
KIMBERLY CLARK	USD	14,974.00	1,904,633.29	0.94
LCI INDUSTRIES	USD	17,250.00	1,494,272.21	0.74
PRIVIA HEALTH GROUP	USD	52,768.00	1,122,849.30	0.56
ROBERT HALF INTERNATIONAL	USD	15,634.00	1,081,525.29	0.54
SHOCKWAVE MEDICAL	USD	6,082.00	1,171,721.38	0.58
SYNCHRONY FINANCIAL	USD	57,209.00	1,761,430.94	0.87
TRACTOR SUPPLY	USD	8,800.00	1,854,987.49	0.92
TRAVEL + LEISURE	USD	48,229.00	1,644,914.56	0.82
ULTA BEAUTY	USD	4,031.00	1,771,675.42	0.88
VAIL RESORTS	USD	6,478.00	1,446,737.72	0.72
VERITIV	USD	16,558.00	1,888,286.31	0.94
VERIZON COMMUNICATIONS	USD	33,354.00	1,231,339.61	0.61
VF CORPORATION	USD	31,439.00	813,333.83	0.40
VISTEON	USD	15,263.00	1,871,030.86	0.93
WILLIAMS-SONOMA	USD	12,174.00	1,310,879.04	0.65
WYNDHAM HOTEL & RESORT	USD	27,486.00	1,836,520.09	0.91
XEROX HOLDINGS	USD	125,793.00	1,720,850.07	0.85
			40,162,236.11	19.92
<b>TOTAL I.</b>			<b>60,406,422.78</b>	<b>29.97</b>
<b>II. MONEY MARKET INSTRUMENTS</b>				
<i>BELGIUM</i>				
TBI BELGIUM 09/03/23 -SR-	EUR	25,000,000.00	24,919,872.50	12.35
			24,919,872.50	12.35
<b>TOTAL II.</b>			<b>24,919,872.50</b>	<b>12.35</b>
<b>TOTAL INVESTMENTS</b>			<b>85,326,295.28</b>	<b>42.32</b>
CASH AT BANKS			34,457,505.64	17.09
BANK DEPOSITS			78,720,000.00	39.05
OTHER NET ASSETS			3,102,858.66	1.54
<b>TOTAL NET ASSETS</b>			<b>201,606,659.58</b>	<b>100.00</b>

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

# PROTEA UCITS II - ECO ADVISORS ESG ABSOLUTE RETURN

## Geographical and industrial classification of investments as at December 31, 2022

### Geographical classification

(in % of net assets)	
United States	19.92
Belgium	12.35
Germany	2.09
Finland	2.02
Norway	1.46
Spain	1.01
Denmark	0.84
Bermuda	0.76
France	0.74
Netherlands	0.74
Canada	0.39
	<b>42.32</b>

### Industrial classification

(in % of net assets)	
Money market instruments	12.35
Retail and supermarkets	3.51
Holding and finance companies	3.48
Pharmaceuticals and cosmetics	2.98
Gastronomy	2.45
Paper and forest products	2.44
Communications	2.03
Oil	1.63
Transport and freight	1.17
Banks and credit institutions	1.13
Insurance	0.99
Automobiles	0.93
Biotechnology	0.87
Energy equipment & services	0.84
Healthcare & social services	0.78
Food and beverage	0.76
Electronics and electrical equipment	0.74
Construction and building materials	0.74
Chemicals	0.68
Internet, software and IT services	0.56
Computer and office equipment	0.54
Textiles and clothing	0.40
Stainless steel	0.32
	<b>42.32</b>

# PROTEA UCITS II - MILLENNIUM GLOBAL SYSTEMATIC CURRENCY FUND

## Statement of investments and other net assets as at December 31, 2022 (expressed in USD)

Description	Currency	Nominal	Market value (note 2)	% of net assets
<b>MONEY MARKET INSTRUMENTS</b>				
<i>UNITED STATES</i>				
TBI UNITED STATES 13/04/23 -SR-	USD	14,000,000.00	13,842,610.60	12.09
TBI UNITED STATES 16/03/23 -SR-	USD	7,000,000.00	6,941,965.80	6.06
TBI UNITED STATES 22/06/23 -SR-	USD	21,600,000.00	21,142,203.12	18.46
TBI UNITED STATES 23/02/23 -SR-	USD	10,000,000.00	9,940,128.00	8.68
TBI UNITED STATES 25/05/23 -SR-	USD	15,000,000.00	14,734,552.50	12.86
TBI UNITED STATES 26/01/23 -SR-	USD	26,000,000.00	25,934,584.00	22.64
			<b>92,536,044.02</b>	<b>80.79</b>
<b>TOTAL INVESTMENTS</b>			<b>92,536,044.02</b>	<b>80.79</b>
CASH AT BANKS			22,216,033.47	19.40
OTHER NET LIABILITIES			-213,801.25	-0.19
<b>TOTAL NET ASSETS</b>			<b>114,538,276.24</b>	<b>100.00</b>

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

# PROTEA UCITS II - MILLENNIUM GLOBAL SYSTEMATIC CURRENCY FUND

## Geographical and industrial classification of investments as at December 31, 2022

### Geographical classification

(in % of net assets)

United States	80.79
	<b>80.79</b>

### Industrial classification

(in % of net assets)

Money market instruments	80.79
	<b>80.79</b>

# PROTEA UCITS II - MAGENTA MAM CONVICTIONS

## (note 1)

### Statement of investments and other net assets as at December 31, 2022 (expressed in EUR)

Description	Currency	Nominal	Market value (note 2)	% of net assets	
<b>I. TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET</b>					
<b>BONDS</b>					
<i>FRANCE</i>					
0.00%	O.A.T. 17/23 -SR-	EUR	280,000.00	278,752.94	4.65
0.50%	RCI BANQUE 16/23 -SR-S	EUR	120,000.00	118,087.03	1.97
			396,839.97	6.62	
<i>ITALY</i>					
0.95%	ITALY (BTP) 18/23	EUR	275,000.00	274,564.79	4.58
6.625%	SUB. INTESA SANPAOLO 13/23 -SR-S	EUR	110,000.00	112,174.50	1.87
			386,739.29	6.45	
<i>JAPAN</i>					
1.94%	NISSAN MOTOR 20/23 -SR-	EUR	120,000.00	118,376.34	1.97
			118,376.34	1.97	
<i>MEXICO</i>					
FRN	PEMEX 18/23 -SR-S	EUR	120,000.00	119,142.17	1.99
			119,142.17	1.99	
<i>UNITED KINGDOM</i>					
0.875%	BAT INTERNATIONAL FINANCE 15/23 -SR-S	EUR	120,000.00	117,755.05	1.96
			117,755.05	1.96	
<i>UNITED STATES</i>					
0.955%	GENERAL MOTORS 16/23 -SR-	EUR	120,000.00	118,422.94	1.98
			118,422.94	1.98	
<b>TOTAL BONDS</b>			<b>1,257,275.76</b>	<b>20.97</b>	
<b>STRUCTURED PRODUCTS</b>					
<i>IRELAND</i>					
	GOLD (ISHARES PHYSICAL METAL) 11/PERP -S-	USD	3,385.00	112,395.54	1.88
	SILVER (ISHARES PHYSICAL METALS) -ETC- 11/PERP	USD	3,150.00	67,659.67	1.13
			180,055.21	3.01	
<b>TOTAL STRUCTURED PRODUCTS</b>			<b>180,055.21</b>	<b>3.01</b>	
<b>TOTAL I.</b>			<b>1,437,330.97</b>	<b>23.98</b>	

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



# PROTEA UCITS II - MAGENTA MAM CONVICTIONS (note 1)

## Statement of investments and other net assets as at December 31, 2022 (expressed in EUR) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<b>II. UNITS OF INVESTMENT FUNDS</b>				
<i>FRANCE</i>				
LBPAM 3 MOIS FCP - I EUR	EUR	54.00	537,438.78	8.97
SWISS LIFE FDS(F) ESG MONEY MARKET EURO I EUR	EUR	19.93	493,115.95	8.23
UNION + SICAV -ACC.- 03/12	EUR	2.80	528,204.60	8.81
			1,558,759.33	26.01
<i>IRELAND</i>				
ISHARES V - GOLD PRODUCERS ETF USD	USD	5,160.00	61,073.76	1.02
ISHARES V - S&P 500 ENERGY SECTOR USD	USD	7,450.00	58,043.32	0.97
ISHARES VII - S&P 500 B USD ETF	USD	265.00	98,349.79	1.64
			217,466.87	3.63
<i>LUXEMBOURG</i>				
AMUNDI FUNDS CASH EUR A2 EUR -ACC.-	EUR	5,450.00	532,356.00	8.88
BNP PARIBAS INSTICASH MONEY 3M EUR I -ACC.-	EUR	5,480.36	547,275.37	9.13
JP MORGAN FUNDS - EMERGING MARKETS EQUITY JPM C USD - INC.-	USD	455.00	51,295.93	0.86
LYXOR INDEX - SMART OVERNIGHT RETURN ETF C EUR	EUR	5,450.00	534,318.00	8.91
QUAERO CAP.FDS (LUX)-CHINA C USD	USD	885.00	52,274.90	0.87
			1,717,520.20	28.65
<b>TOTAL II.</b>			<b>3,493,746.40</b>	<b>58.29</b>
<b>TOTAL INVESTMENTS</b>			<b>4,931,077.37</b>	<b>82.27</b>
CASH AT BANKS			84,967.77	1.42
BANK DEPOSITS			1,000,000.00	16.68
OTHER NET LIABILITIES			-22,007.38	-0.37
<b>TOTAL NET ASSETS</b>			<b>5,994,037.76</b>	<b>100.00</b>

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

# PROTEA UCITS II - MAGENTA MAM CONVICTIONS

## (note 1)

### Geographical and industrial classification of investments as at December 31, 2022

#### Geographical classification

(in % of net assets)

France	32.63
Luxembourg	28.65
Ireland	6.64
Italy	6.45
Mexico	1.99
United States	1.98
Japan	1.97
United Kingdom	1.96
	<b>82.27</b>

#### Industrial classification

(in % of net assets)

Units of investment funds	58.29
Bonds issued by companies	11.74
Bonds issued by countries or cities	9.23
Structured products	3.01
	<b>82.27</b>

# PROTEA UCITS II

## Notes to the financial statements as at December 31, 2022

### NOTE 1

#### GENERAL

PROTEA UCITS II (the "SICAV") is an open-ended investment fund organised as a *Société d'Investissement à Capital Variable* (SICAV), governed by Luxembourg law, established in accordance with the provisions of Part I of the amended law of December 17, 2010 (the "2010 Law") relating to undertakings for collective investment ("UCI").

The SICAV was incorporated for an indefinite period on October 21, 2009 under the name of "Axiom Fund", with an initial capital of EUR 300,000. The Articles of Incorporation of the SICAV were last amended on September 11, 2019, by notarial deed, and were published in the *Recueil électronique des sociétés et associations* of the Grand Duchy of Luxembourg on October 7, 2019. A legal statement giving notice (*Notice légale*) of the issue and sale of shares by the SICAV has been filed with the *Registre de Commerce et des Sociétés* of Luxembourg.

The SICAV is registered at the Trade and Companies Register of Luxembourg under Number B148792.

FundPartner Solutions (Europe) S.A., a public limited company (*société anonyme*) with registered office at 15, avenue J.F. Kennedy, L-1855 Luxembourg, was appointed as management company of the SICAV as of January 1, 2013. It is a management company within the meaning of Chapter 15 of the 2010 Law.

#### a) Sub-funds in activity

As at December 31, 2022, the SICAV comprises eight sub-funds:

- PROTEA UCITS II - GLOBAL OPPORTUNITIES, denominated in Euro (EUR),
- PROTEA UCITS II - GLOBAL BALANCED, denominated in Euro (EUR),
- PROTEA UCITS II - IW PRECIOUS METAL MINING EQUITIES, denominated in Euro (EUR),
- PROTEA UCITS II - VICTORY FAR EAST OPPORTUNITY, denominated in US dollar (USD),
- PROTEA UCITS II - GENESIS BOND FUND, denominated in US dollar (USD),
- PROTEA UCITS II - ECO ADVISORS ESG ABSOLUTE RETURN, denominated in Euro (EUR),
- PROTEA UCITS II - MILLENNIUM GLOBAL SYSTEMATIC CURRENCY FUND denominated in US dollar (USD),
- PROTEA UCITS II - MAGENTA MAM CONVICTIONS denominated in Euro (EUR) (launched as at June 30, 2022).

The Board of Directors of the SICAV is entitled to create new sub-funds.

#### b) Significant events and material changes

A new prospectus came into force in October 2022.

#### c) Share classes

The appendix to the current prospectus of the SICAV lists the different categories of shares in each of the above mentioned sub-funds.

# PROTEA UCITS II

## Notes to the financial statements as at December 31, 2022 (continued)

"Restricted" Shares shall be reserved for Shareholders expressly approved by Banque Pictet & Cie S.A., in its sole discretion. Other shares shall be subscribed by all other investors.

### d) Pooling

#### **Technical pooling (performance fees and hedged share classes)**

The investments, other net assets and operations (such as dividends, interest, realised results on investments, ...) common to all share classes are held in the sub-fund via the investments in the pool of investments, while items specific to each share class (such as depositary, service, management fees and performance fees) and items specific to hedged share classes (such as forward foreign exchange contracts and other contractual fees linked to the hedging) are recorded in dedicated "feeder" accounts.

Each "feeder" is allocated a portion of the pool (percentage participation) according to its initial contribution. Subsequently, the portion of the percentage participation of each feeder is determined on each NAV calculation based on the size of each feeder as converted in the reference currency of the pool at the exchange rate applicable on the NAV calculation date.

#### **Presentation and impact of pooling in the financial statements**

The data recorded in the statement of operations and changes in net assets under "Net realised gain/loss on pool - pooling effect" represent:

- the currency effect due to differences between the exchange rates used as at the closing date and those used at each NAV calculation;
- the effect of the difference between the percentage participation in the pool(s) as at the closing date and the percentage participation applicable as at each NAV calculation.

## NOTE 2

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### a) General

The financial statements are prepared in accordance with generally accepted accounting principles and presented in accordance with the legal reporting requirements applicable in Luxembourg relating to UCIs.

#### b) Foreign exchange translation

Cash at banks, other net assets as well as the market value of the investment portfolio in currencies other than the base currency of a sub-fund are converted into the base currency of the sub-fund at the exchange rate prevailing at the year-end.

Income and expenses in currencies other than the base currency of the sub-fund are converted into the base currency of the sub-fund at the exchange rate prevailing at the transaction date.

Resulting net realised gain/loss on foreign exchange is recorded in the statement of operations and changes in net assets.

# PROTEA UCITS II

## Notes to the financial statements as at December 31, 2022 (continued)

### c) Combined financial statements

The combined financial statements of the SICAV are expressed in Euro ("EUR") and are equal to the sum of the corresponding items in the financial statements of the different sub-funds, converted into EUR at the exchange rate prevailing at the end of the year.

### d) Valuation of assets

1) Securities and other assets listed or dealt in on a stock exchange or any other regulated market are valued at the last available price; where such securities or other assets are listed or dealt in one or by more than one stock exchange or any other regulated market, the Board of Directors of the SICAV shall make regulations for the order of priority in which stock exchanges or other regulated markets are used for the provisions of prices of securities or assets;

2) Assets not listed on an official stock exchange or not traded on any regulated market and assets so listed or dealt in with an official listing for which the last available price is not representative of a fair market value are valued, prudently and in good faith by the Management Company, on the basis of their estimated sale prices;

3) Cash and other liquid assets are valued at their face value with interest accrued;

4) The units/shares of open-ended UCIs are valued on the basis of the last known NAV or, if the price so determined is not representative of their fair market value, are valued as the Board of Directors of the SICAV may deem fair and reasonable. The units/shares of closed-ended UCIs are valued on the basis of the last known market value;

5) Liquidities and money market Instruments not listed on stock exchanges or not traded on any regulated market and with remaining maturity of less than 12 months are valued at their nominal value, increased by any interest accrued thereon, if any; the total value being amortised in accordance with the amortised cost method;

6) Futures contracts, CFD, forward foreign exchange contracts and options contracts not dealt in on a stock exchange or another regulated market are valued at their liquidating value determined pursuant to the policies established in good faith by the Board of Directors of the SICAV, on a basis consistently applied for each different variety of contracts. The liquidating value of futures contracts, forward foreign exchange contracts and options contracts dealt in on a stock exchange or another organised market is based on the last available settlement prices published by such stock exchange or other regulated market where these particular futures contracts, forward foreign exchange contracts or options contracts are traded. If a futures contract forward foreign exchange contract or options contract could not be liquidated on the valuation day of the relevant assets, the basis for determining the liquidating value of such contract shall be such value as the Board of Directors of the SICAV may deem fair and reasonable;

7) Cash flows which result from swap transactions are calculated at the date of valuation of the zero-coupon swap rate corresponding to the maturity date of these cash flows. The value of the swaps is therefore derived from the difference between these two calculations;

8) Any other security, instrument or asset is valued, prudently and in good faith, on the basis of their estimated sale prices by the Board of Directors of the SICAV.

# PROTEA UCITS II

## Notes to the financial statements as at December 31, 2022 (continued)

### e) Net realised gain/loss on sales of investments

The net realised gain/loss on sales of investments is calculated on the basis of the weighted average cost of the investments sold.

### f) Cost of investment securities

Cost of investment securities in currencies other than the base currency of the sub-fund is converted into the base currency of the sub-fund at the exchange rate applicable at purchase date.

### g) Forward foreign exchange contracts

The net unrealised gain/loss resulting from outstanding forward foreign exchange contracts, if any, is determined on the basis of the forward rates applicable at the year-end and is recorded in the statement of net assets.

### h) Recognition of futures contracts and CFD

At the time of each NAV calculation, the margin call on futures contracts and CFD is recorded directly in the realised capital gain/loss accounts relating to futures contracts by the bank account counterparty.

### i) Accounting of futures contracts and CFD

Unrealised appreciations and depreciations on futures contracts and CFD are settled daily through the reception/payment of a cash amount corresponding to the daily increase/decrease of the market value of each opened future or CFD. Such cash amount is recorded under the caption "Cash at banks" in the statement of net assets and the corresponding amount is recorded under the caption "net realised gain and loss on futures contracts and CFD" in the statement of operations and changes in net assets.

### j) Income

Dividends are recorded net of withholding tax at ex-date. Interest is recorded on an accrual basis.

### k) Formation expenses

Formation expenses are amortised over a maximum period of five years.

### l) Transaction fees

The transaction fees represent the costs incurred by each sub-fund in connection with purchases and sales of investments. Transaction fees include brokerage fees, bank commission, foreign tax, depositary fees and other fees. They are included in the statement of operations and changes in net assets.

# PROTEA UCITS II

## Notes to the financial statements as at December 31, 2022 (continued)

### NOTE 3

#### DILUTION LEVY

Under certain circumstances (for example, large volumes of deals) the Board of Directors of the SICAV has the power to charge a "dilution levy" on the issue, redemption and/or conversion of shares. If charged, the dilution levy will be paid into the relevant sub-fund and will become part of the relevant sub-fund.

The dilution levy for each sub-fund is calculated by reference to the costs of dealing in the underlying investments of that sub-fund, including any dealing spreads, commission and transfer taxes.

In particular, the dilution levy method may be charged in the following circumstances:

- A sub-fund is in constant decline (large volume of redemption requests);
- A sub-fund is experiencing substantial issues in relation to its size;
- Net redemptions and/or subscriptions are exceeding 5% of the compartment's entire assets;
- In all other cases where the Board of Directors considers the interests of Shareholders require the imposition of a dilution levy.

In any case the dilution levy shall not exceed 2.00% of the NAV per share.

During the year ended December 31, 2022, none of the sub-funds used a dilution levy mechanism.

### NOTE 4

#### INVESTMENT MANAGEMENT FEES

The SICAV pays to the Investment Managers, fees based on the average net assets attributable to this type of shares out of the assets of the sub-fund for the quarter/month at the following annual rates:

Sub-fund	Share Class	Rate (Max.)	Frequency payment
PROTEA UCITS II - GLOBAL OPPORTUNITIES	A restricted special	0.40%	quarterly
PROTEA UCITS II - GLOBAL BALANCED	A restricted		
• Banque Pictet & Cie SA		0.40%	quarterly
• Union Bancaire Privée, UBP SA		0.60%*	quarterly
• Stanhope Capital LLP		0.675%**	quarterly
PROTEA UCITS II - IW PRECIOUS METAL MINING EQUITIES	S1-EUR-Cap	1.00%	monthly
	P2-EUR-Cap	3.00%	monthly
PROTEA UCITS II - VICTORY FAR EAST OPPORTUNITY	A	1.75%	quarterly
	B	1.00%	quarterly
PROTEA UCITS II - GENESIS BOND FUND	P	1.50%	monthly
PROTEA UCITS II - ECO ADVISORS ESG ABSOLUTE	F	0.60%	monthly
	M	1.10%	monthly
	P	0.60%	monthly

# PROTEA UCITS II

## Notes to the financial statements as at December 31, 2022 (continued)

Sub-fund	Share Class	Rate (Max.)	Frequency payment
PROTEA UCITS II - MILLENNIUM GLOBAL SYSTEMATIC CURRENCY FUND	A	0.25%	quarterly
PROTEA UCITS II - MAGENTA MAM CONVICTIONS	A	1.95%***	yearly

\* 0.65% until May 12, 2022

\*\* Until May 12, 2022

\*\*\* Since June 30, 2022

When a sub-fund invests in the units of other UCITS and/or other UCIs linked to the SICAV by common management or control, or by a substantial direct or indirect holding, or managed by a management company linked to the relevant Investment Manager, no subscription or redemption fees may be charged to the SICAV on account of its investment in the units of such other UCITS and/or UCIs.

In respect of a sub-fund's investments in UCITS and other UCIs linked to the SICAV as described in the preceding paragraph, the total management fees (excluding any performance fee, if any) charged to such sub-fund and each of the UCITS or other UCIs concerned shall not exceed 2.5% of the relevant net assets under management.

### NOTE 5

#### "TAXE D'ABONNEMENT"

The SICAV's net assets are subject to a subscription tax of 0.05% per annum payable at the end of each calendar quarter and calculated on the basis of the SICAV's total net assets at the end of the relevant quarter; such tax is reduced to 0.01% per annum in respect of Share Categories comprising of Institutional Investors only (as per article 174 of the 2010 Law), as well as in respect of money market SICAVs. This subscription tax is not applicable for the portion of the assets of a sub-fund invested in other Luxembourg undertakings for collective investment already subject to this tax d'abonnement.

### NOTE 6

#### DEPOSITARY, CENTRAL ADMINISTRATION AGENT AND MANAGEMENT COMPANY FEES

The Depositary Bank, the Management Company and the Central Administration are entitled to receive from the SICAV, fees payable on a quarterly basis at a total annual rate which could vary according to the sub-funds.



# PROTEA UCITS II

## Notes to the financial statements as at December 31, 2022 (continued)

As at December 31, 2022, these rates are the following:

	Central Administration* (max %)	Depository Bank** (max %)	Management Company*** (max %)	Central Administration, Depository Bank, Agent and Management Company (max %)
PROTEA UCITS II - GLOBAL OPPORTUNITIES	-	-	-	0.20%
PROTEA UCITS II - GLOBAL BALANCED	-	-	-	0.20%
PROTEA UCITS II - IW PRECIOUS METAL MINING EQUITIES	0.22%	0.07%	0.05%	-
PROTEA UCITS II - VICTORY FAR EAST OPPORTUNITY	0.15%	0.09%	0.10%	-
PROTEA UCITS II - GENESIS BOND FUND	0.48%	0.48%	0.085%	-
PROTEA UCITS II - ECO ADVISORS ESG ABSOLUTE	0.15%	0.10%	0.05%	-
PROTEA UCITS II - MILLENNIUM GLOBAL SYSTEMATIC CURRENCY FUND	0.05%	0.05%	0.06%	-
PROTEA UCITS II - MAGENTA MAM CONVICTIONS	1.00%	1.00%	0.05%	-

\* with a minimum of EUR 25,000 for PROTEA UCITS II - IW PRECIOUS METAL MINING EQUITIES, USD 50,000 for PROTEA UCITS II - VICTORY FAR EAST OPPORTUNITY, EUR 40,000 for PROTEA UCITS II - ECO ADVISORS ESG ABSOLUTE and EUR 45,000 for PROTEA UCITS II - MILLENNIUM GLOBAL SYSTEMATIC CURRENCY FUND.

\*\* with a minimum of EUR 25,000 for PROTEA UCITS II - IW PRECIOUS METAL MINING EQUITIES, USD 50,000 for PROTEA UCITS II - VICTORY FAR EAST OPPORTUNITY, EUR 30,000 for PROTEA UCITS II - ECO ADVISORS ESG ABSOLUTE and EUR 35,000 for PROTEA UCITS II - MILLENNIUM GLOBAL SYSTEMATIC CURRENCY FUND.

\*\*\* with a minimum of EUR 20,000 for PROTEA UCITS II - IW PRECIOUS METAL MINING EQUITIES, USD 50,000 for PROTEA UCITS II - VICTORY FAR EAST OPPORTUNITY, EUR 20,000 for PROTEA UCITS II - GENESIS BOND FUND, EUR 30,000 for PROTEA UCITS II - ECO ADVISORS ESG ABSOLUTE, EUR 50,000 for PROTEA UCITS II - MILLENNIUM GLOBAL SYSTEMATIC CURRENCY FUND and EUR 20,000 (EUR 15,000 the first 12 months) for PROTEA UCITS II - MAGENTA MAM CONVICTIONS. These fees are included in the statement of operations and changes in net assets under the caption "Professional fees, audit fees and other expenses".

### NOTE 7 PROFESSIONAL FEES AND OTHER EXPENSES

As at December 31, 2022, the professional fees, audit fees and other expenses included mainly management company, professional, financial, audit, legal, domiciliation, and registration fees expenses.

### NOTE 8 PERFORMANCE FEES

The class B of shares of the sub-fund PROTEA UCITS II - VICTORY FAR EAST OPPORTUNITY is subject to performance fees accrued on each valuation date, paid yearly, based on the NAV, equivalent to 10% of the performance of the NAV per share (measured against the high water mark) over the performance of the USD Libor 3 Months during the current year.

# PROTEA UCITS II

## Notes to the financial statements as at December 31, 2022 (continued)

The class P of shares of the sub-fund PROTEA UCITS II - ECO ADVISORS ESG ABSOLUTE RETURN are subject to performance fees accrued on each calculation day and paid yearly, equal to 15% of the performance of the NAV per share (measured against the high water mark) over the performance of the Libor 3 Months relevant to the base currency of the share class during the current year. The below table outlines the rate benchmarks use following the base currency of each share class:

The classes A and B of the sub-fund PROTEA UCITS II - MILLENNIUM GOBAL SYSTEMATIC CURRENCY FUND are subject to performance fees accrued on each valuation day, paid yearly, based on the NAV, equivalent to 15% of the performance of the NAV per share (measured against the high watermark) over a hurdle rate of 2% p.a. pro rata temporis, calculated during the year.

The classe A of the sub-fund PROTEA UCITS II - MAGENTA MAM CONVICTIONS is subject to performance fees accrued on each valuation day, paid yearly, based on the NAV, equivalent to 10% of the performance of the NAV per share (measured against the high watermark).

Base currency of share class	Hurdle rate index
EUR	Euribor 3 Month ACT/360
GBP	SONIA
CHF	SARON
SEK	Stockholm Interbank Offered Rates 3 Month
USD	SOFR

For the sub-funds PROTEA UCITS II - IW PRECIOUS METAL MINING EQUITIES, PROTEA UCITS II - ECO ADVISORS ESG ABSOLUTE RETURN and PROTEA UCITS II - MAGENTA MAM CONVICTIONS, the high water mark means the greater of the following two figures:

- The last highest NAV per share on which a performance fee has been paid and;
- The initial NAV per share.

For the sub-fund PROTEA UCITS II - VICTORY FAR EAST OPPORTUNITY and the sub fund PROTEA UCITS II - MILLENNIUM GOBAL SYSTEMATIC CURRENCY FUND, the high water mark means the greater of the following two figures:

- The latest NAV per share after deduction of performance fee during the previous calculation year and;
- The latest high water mark.

### a) PROTEA UCITS II - VICTORY FAR EAST OPPORTUNITY

ISIN code	Share class	Class currency	Performance fees	% of net assets*
LU1708313819	B	USD	0.00	0.00

\* Based on the average of the Net Assets of the Class for the year ended December 31, 2022

# PROTEA UCITS II

Notes to the financial statements as at December 31, 2022 (continued)

## b) PROTEA UCITS II - ECO ADVISORS ESG ABSOLUTE RETURN

ISIN code	Share class	Class currency	Performance fees	% of net assets*
LU2002382575	P-Acc-GBP	GBP	17,221.69	0.23
LU2002382492	P-Acc-EUR	EUR	668.33	0.01

\* Based on the average of the Net Assets of the Class for the year ended December 31, 2022

## c) PROTEA UCITS II - MILLENNIUM GOBAL SYSTEMATIC CURRENCY FUND

ISIN code	Share class	Class currency	Performance fees	% of net assets*
LU2366650039	A-CHF	CHF	0.00	0.00
LU2366650112	A-EUR	EUR	0.00	0.00

\* Based on the average of the Net Assets of the Class for the year ended December 31, 2022

## d) PROTEA UCITS II - MAGENTA MAM CONVICTIONS

ISIN code	Share class	Class currency	Performance fees	% of net assets*
LU2462579066	A-EUR	EUR	0.00	0.00

\* Based on the average of the Net Assets of the Class for the year ended December 31, 2022

The other sub-funds are not subject to performance fees.

## NOTE 9

### EXCHANGE RATE

The following exchange rate was used for the conversion of the net assets of the sub-funds into EUR as at December 31, 2022:

1 EUR = 1.06725032 USD

## NOTE 10

### OTHER FEES PAYABLE

As at December 31, 2022, the other fees payable included mainly administration, management company, depositary bank, professional and service fees.

# PROTEA UCITS II

## Notes to the financial statements as at December 31, 2022 (continued)

### NOTE 11

### CONTRACT FOR DIFFERENCE ("CFD")

The SICAV had the following CFD outstanding as at December 31, 2022:

#### PROTEA UCITS II - ECO ADVISORS ESG ABSOLUTE RETURN

Description	Quantity	Currency	Commitment in EUR
Abc-Mart	-28,200	JPY	-1,495,927.72
Adient	-35,469	USD	-1,152,887.90
Adobe	5,989	USD	1,888,478.02
Affirm Holdings 'A' -IPO-	-21,876	USD	-198,211.22
Agilent Technologies	10,265	USD	1,439,360.27
Aisin Seiki	-45,500	JPY	-1,140,583.28
Alarm.Com Holdings	-18,129	USD	-840,499.34
Alpargatas PFD	-138,700	USD	-371,191.72
America Movil 'L'	-70,882	USD	-1,208,763.08
Ametek	-8,311	USD	-1,088,042.09
Ana Holdings	69,800	JPY	1,387,887.78
Anglo American Platinum	12,653	ZAR	992,827.23
Anhui Conch Cement 'H'	-366,500	HKD	-1,201,158.55
APTIV	10,666	USD	930,732.80
ARC Resources	60,906	CAD	768,658.64
ArcelorMittal	-56,852	EUR	-1,397,137.90
Asics	84,400	JPY	1,746,517.31
ASX	36,757	AUD	1,588,679.49
Atkore	20,787	USD	2,209,099.59
Autoliv	-11,863	USD	-851,223.74
Automatic Data Processing	4,413	USD	987,668.48
Avangrid	35,503	USD	1,429,767.10
Balchem	13,556	USD	1,551,017.25
Bandai Namco Holdings	-18,100	JPY	-1,068,635.25
Bioline Solutions	-13,937	USD	-237,670.09
Blackstone 'A'	-5,908	USD	-410,695.26
Bloomin Brands	-64,847	USD	-1,222,507.98
Boliden	46,000	SEK	1,618,449.45
Bolloré	-231,105	EUR	-1,206,368.10
Boston Beer 'A'	-1,298	USD	-400,765.48
Brambles	147,201	AUD	1,128,957.60
BrightHouse Financial	-22,698	USD	-1,090,397.25
Bruker	-9,220	USD	-590,477.40
Bumble 'A'	-27,764	USD	-547,605.72
C.H. Robinson Worldwide	17,304	USD	1,484,520.25
Casella Waste Systems 'A'	-13,401	USD	-995,861.62
CCL Industries 'B' -NVTG-	-24,292	CAD	-971,632.70
CDW	10,683	USD	1,787,556.94
Celltrion	-3,012	USD	-359,949.59
Centerra Gold	-128,237	CAD	-621,644.27
Ceridian HCM Holding	29,828	USD	1,792,894.07
China Oilfield Services 'H'	-1,280,000	HKD	-1,458,276.55
Chubu Electric Power	-99,900	JPY	-966,236.62
Citigroup	40,138	USD	1,701,046.37
Clean Energy Fuels	116,404	USD	567,159.33
Coca-Cola Consolidated	-672	USD	-322,610.37
Commercial Metals	45,469	USD	2,057,767.81
Comstock Resources	-40,805	USD	-524,185.10
Continental	-25,794	EUR	-1,443,948.12
Cosco Shipping Holdings 'H'	-528,000	HKD	-504,557.54
Cosmos Pharmaceutical	-12,400	JPY	-1,174,676.86
Costar Group	-6,883	USD	-498,400.79
Cracker Barrel Old Country	-9,709	USD	-861,869.91
CSPC Pharmaceutical Group	1,720,000	HKD	1,693,191.23
Danske Bank	-69,347	DKK	-1,280,363.42
Darden Restaurants	-8,101	USD	-1,049,998.90
Diodes	-10,729	USD	-765,430.84
DNB Bank	104,878	NOK	1,939,750.45
Dongyue Group	-1,173,000	HKD	-1,209,636.51

# PROTEA UCITS II

## Notes to the financial statements as at December 31, 2022 (continued)

### PROTEA UCITS II - ECO ADVISORS ESG ABSOLUTE RETURN (continued)

Description	Quantity	Currency	Commitment in EUR
Dun & Bradstreet Holdings	-35,419	USD	-406,874.62
Duolingo 'A'	-4,403	USD	-293,450.82
Eagle Materials	-7,292	USD	-907,699.41
Earthstone Energy 'A'	-50,353	USD	-671,373.33
Elektrobras -Centrais Eléctricas Brasileiras-	-134,800	USD	-1,007,624.53
ELF Beauty	-25,697	USD	-1,331,500.68
Ems - Chemie Holding Nom.	-1,326	CHF	-840,651.65
Energy Transfer Equity LP	-48,645	USD	-541,031.76
Erie Indemnity 'A'	-5,212	USD	-1,214,643.84
Esab	-12,484	USD	-548,839.80
Extreme Networks	-91,281	USD	-1,566,038.99
Fairfax Financial Holdings	-2,280	CAD	-1,264,613.13
First Citizens Bancshares 'A'	-1,449	USD	-1,029,621.59
Firstenergy Corporation	-31,761	USD	-1,248,120.25
Formfactor	-45,571	USD	-949,209.02
Frontline	-47,321	USD	-538,277.76
FTAI Aviation	-34,814	USD	-558,459.29
Genmab	4,709	DKK	1,862,339.09
Glencore	-217,048	GBP	-1,347,334.74
Globe Life	-11,545	USD	-1,304,052.24
Godaddy 'A'	19,293	USD	1,352,543.70
Golden Ocean Group	-154,096	USD	-1,254,714.68
Goodrx Holdings 'A'	-86,801	USD	-379,004.60
Grainger (W.W.)	3,341	USD	1,741,327.01
Graphic Packaging Holding	79,232	USD	1,651,826.66
Group I Automotive	9,904	USD	1,673,820.08
Grupo Mexico 'B'	-144,100	MXN	-473,987.46
Guardant Health	-7,789	USD	-198,510.94
Hapvida Participacoes E Investimentos	-768,500	USD	-692,832.20
Harley Davidson	47,308	USD	1,844,003.56
Harmonic Drive Systems	-38,100	JPY	-1,005,135.69
Healthequity	-17,935	USD	-1,035,852.33
Hess Midstream 'A'	-36,732	USD	-1,029,769.44
Home Depot	1,380	USD	408,420.52
Houlihan Lokey 'A'	-5,625	USD	-459,381.59
HSBC Holdings	326,972	GBP	1,867,317.25
Hyundai Motor	-7,785	USD	-875,280.47
la Financial	32,439	CAD	1,778,225.70
IAC/Interactive	-22,062	USD	-917,828.81
Igo Ltd	189,691	AUD	1,622,375.53
Iida Group Holdings	-69,600	JPY	-989,002.13
Independent Bank Group	-16,996	USD	-956,776.46
Infosys	100,192	USD	1,690,754.67
Inpex	147,400	JPY	1,461,247.57
Intel	30,874	USD	764,581.70
Iridium Communications	37,092	USD	1,786,393.82
Itochu	54,100	JPY	1,592,822.79
J.B. Hunt Transport Services	10,543	USD	1,722,443.18
Japan Airport Terminal	-14,300	JPY	-663,116.93
Japan Steel Works	-59,500	JPY	-1,102,381.57
Jardine Matheson Holdings	-22,700	USD	-1,082,623.57
JD Health International	92,900	HKD	795,744.06
JMDC	-20,600	JPY	-552,967.90
JPECHVOT Index	100	USD	1,724.06
JPECLVOT Index	-100	USD	-4,818.93
KDDI	49,100	JPY	1,388,428.91
Kingsoft	-461,400	HKD	-1,445,712.08
Kobe Bussan	-44,500	JPY	-1,197,678.13
Lancaster Colony	-7,717	USD	-1,426,623.66
Lantheus Holdings	-16,046	USD	-766,178.65
Li Auto 'A'	33,089	USD	632,481.24
Lojas Renner	293,000	USD	1,064,922.62
M&T Bank	-6,606	USD	-897,883.68
Macom Technology Solutions	-22,446	USD	-1,324,571.64
Madison Square Garden Entertainment 'A'	-26,052	USD	-1,097,735.71

# PROTEA UCITS II

## Notes to the financial statements as at December 31, 2022 (continued)

### PROTEA UCITS II - ECO ADVISORS ESG ABSOLUTE RETURN (continued)

Description	Quantity	Currency	Commitment in EUR
Magnolia Oil & Gas 'A'	-20,866	USD	-458,475.24
Marathon Digital	-38,610	USD	-123,725.65
Markel	-1,028	USD	-1,269,036.98
Masimo	-5,687	USD	-788,373.53
Matador Resources	-22,828	USD	-1,224,337.99
McDonald's	-3,774	USD	-931,892.45
Meiji Holdings	39,100	JPY	1,871,447.09
Mercury General	-42,105	USD	-1,349,253.69
Meta Platforms 'A'	-6,382	USD	-719,615.72
Metlife	23,731	USD	1,609,194.16
Mitsubishi Motors	-323,700	JPY	-1,172,340.52
Moelis & Co 'A'	-34,600	USD	-1,243,946.59
Mohawk Industries	-12,766	USD	-1,222,713.07
Monster Beverage	-13,388	USD	-1,273,631.90
Mueller Industries	-21,051	USD	-1,163,747.01
National Bank of Canada	16,238	CAD	1,024,426.44
National Instruments	36,634	USD	1,266,614.76
Netflix	-5,002	USD	-1,382,047.09
New York Community Bancorp	-48,147	USD	-387,973.01
New York Times 'A'	-40,494	USD	-1,231,609.50
Nihon M&A Center	-102,600	JPY	-1,186,886.92
Nippon Sanso Holdings	-32,100	JPY	-436,758.57
Nongfu Spring 'H' 144A/S	-72,800	HKD	-385,419.50
Northern Oil & Gas Inc	-27,752	USD	-801,421.07
Northern Trust	15,269	USD	1,266,014.35
Norwegian Cruise Line	-59,938	USD	-687,412.62
NRG Energy	-28,330	USD	-844,657.39
O Reilly Automotive	-1,330	USD	-1,051,824.69
Old Republic International	-48,769	USD	-1,103,557.13
Olin	-23,669	USD	-1,174,079.98
Ollie's Bargain Outlet Holdings	-23,564	USD	-1,034,188.58
Open Text	62,947	CAD	1,746,411.28
Ozon Holdings	-11,814	USD	0.00
Pagerduty	29,276	USD	728,573.96
Palantir Technologies 'A'	-145,119	USD	-872,957.58
Parker - Hannifin	-4,740	USD	-1,292,424.46
Penske Automotive Group	-5,334	USD	-574,407.70
PG & E	-94,000	USD	-1,432,129.30
Philips Electronics	-21,224	EUR	-297,220.90
Pinterest 'A'	-28,831	USD	-655,906.94
Plains Gp Holdings 'A'	-44,199	USD	-515,189.09
Powertech Technology	-163,000	USD	-393,555.82
Prairiesky Royalty	80,357	CAD	1,205,852.02
Prosperity Bancshares	-17,505	USD	-1,192,095.01
PVH	36,509	USD	2,414,776.58
R1 RCM	90,625	USD	929,813.77
Radian Group	77,227	USD	1,379,919.32
Range Resources Corp	25,941	USD	608,146.00
RBC Bearings	-5,588	USD	-1,096,132.86
Red Rock Resorts -A-	-33,913	USD	-1,271,360.16
Republic Services	4,358	USD	526,716.72
Restaurant Brands Intl	-22,082	CAD	-1,337,224.49
Reynolds Consumer Products	-37,358	USD	-1,049,419.39
RH	-4,703	USD	-1,177,413.51
Royalty Pharma 'A'	-29,753	USD	-1,101,746.13
RXO	36,548	USD	589,014.38
Ryanair Holdings	-13,100	USD	-917,644.41
Samsung Biologics	-1,811	USD	-1,107,065.41
Sao Martinho	335,100	USD	1,577,133.39
Sartorius Stedim Biotech	-3,719	EUR	-1,124,997.50
Schrodinger	-20,535	USD	-359,615.04
Sea 'A'	-12,358	USD	-602,470.59
Sekisui Chemical	138,000	JPY	1,808,074.64
SG Holdings	92,500	JPY	1,202,080.97
Shinhan Financial Group	44,000	USD	1,153,206.32

# PROTEA UCITS II

## Notes to the financial statements as at December 31, 2022 (continued)

### PROTEA UCITS II - ECO ADVISORS ESG ABSOLUTE RETURN (continued)

Description	Quantity	Currency	Commitment in EUR
Silgan Holdings	-28,870	USD	-1,402,315.11
Siteone Landscape Supply	11,426	USD	1,256,030.28
Sitime	-8,208	USD	-781,538.50
Skechers USA 'A'	-30,870	USD	-1,213,395.64
SLC Agricola	-141,800	USD	-1,180,489.54
Sonic Automotive 'A'	-27,152	USD	-1,253,482.35
Southern Copper	-18,606	USD	-1,052,814.56
Sprouts Farmers Market	61,559	USD	1,867,102.21
SS&C Technologies Holdings	-24,177	USD	-1,179,343.75
Standard Chartered	267,000	GBP	1,871,314.13
Stelco Holdings	-29,048	CAD	-889,677.25
Stellantis	-97,775	USD	-1,296,887.60
Stericycle	-8,593	USD	-401,691.05
Stifel Financial	-22,334	USD	-1,221,490.35
Subaru	-54,000	JPY	-777,491.27
Sumitomo Chemical	304,900	JPY	1,026,305.52
Sunny Optical Technology	71,600	HKD	798,102.45
Suntory Beverage & Food	41,300	JPY	1,319,785.84
Sylvamo	-33,885	USD	-1,542,723.96
Taiwan Semiconductor Manufacturing	6,440	USD	449,487.56
TFI International	-12,700	USD	-1,190,984.21
The Swatch Group	-4,587	CHF	-1,221,750.99
Thomson Reuters	9,836	CAD	1,050,618.68
Toronto-Dominion Bank	26,944	CAD	1,633,516.94
Transurban Group -Stapled Securities-	97,063	AUD	800,549.16
Under Armour 'A'	-60,749	USD	-578,317.96
Unitedhealth Group	2,350	USD	1,167,414.38
Universal Health Services 'B'	-12,902	USD	-1,703,221.16
Vale	-58,013	USD	-922,446.11
Verint Systems	-34,165	USD	-1,161,401.92
Vertex Pharmaceuticals	4,605	USD	1,246,035.98
Viatis	-137,131	USD	-1,430,094.20
Viper Energy Partnership Unit	-41,000	USD	-1,221,260.25
Vodacom Group	251,386	ZAR	1,698,585.97
Volkswagen AG -Pfd-	-9,627	EUR	-1,120,775.34
W.H. Soul Pattinson	-54,867	AUD	-964,324.04
Watsco	-4,505	USD	-1,052,749.59
Wayfair 'A'	-12,520	USD	-385,835.37
Weibo 'A'	-36,400	USD	-652,113.38
Wells Fargo	-28,759	USD	-1,112,634.44
West Pharmaceutical Services	6,675	USD	1,471,971.19
Willis Towers Watson	-3,789	USD	-868,319.16
Wolfspeed	17,115	USD	1,107,162.90
Woodside Energy Group	92,103	AUD	2,074,087.59
Xero	36,665	AUD	1,637,122.76
Xiaomi 'B' 144A/S	-1,068,000	HKD	-1,397,981.73
XPO Logistics	36,548	USD	1,140,016.79
Yadea Group Holdings 144A/S	526,000	HKD	824,693.62
Yamaha Motor	89,200	JPY	1,906,655.58
Yankuang Energy Group Mining 'H'	-330,000	HKD	-942,876.06
Z Holdings Corporation	644,900	JPY	1,520,447.26
Zhen Ding Technology	-121,000	USD	-387,318.48
Ziff Davis	-12,671	USD	-939,120.26
Zoom Video Communications 'A'	-5,776	USD	-366,611.61
ZTO Express Cayman 'A'	-19,982	USD	-503,083.94

\* Refer to note 15

# PROTEA UCITS II

## Notes to the financial statements as at December 31, 2022 (continued)

### NOTE 12

#### FUTURES CONTRACTS

The SICAV had the following futures contracts outstanding as at December 31, 2022:

##### PROTEA UCITS II - GLOBAL OPPORTUNITIES

	Maturity date	Currency	Commitment in EUR
Purchase of 2.00 US 10Y Ultra Treasury Bond	22/03/2023	USD	191,921.41

##### PROTEA UCITS II - GLOBAL BALANCED

	Maturity date	Currency	Commitment in EUR
Purchase of 1.00 US 10Y Ultra Treasury Bond	22/03/2023	USD	95,960.71

### NOTE 13

#### FORWARD FOREIGN EXCHANGE CONTRACTS

Forward foreign exchange contracts on identical currency pairs listed below are aggregated. Only the longest maturity date is shown.

The following forward foreign exchange contracts were outstanding as at December 31, 2022:

##### PROTEA UCITS II - GLOBAL BALANCED

Currency	Purchase	Currency	Sale	Maturity date
EUR	74,413.06	CHF	73,000.00	17/03/2023
EUR	1,175,551.76	GBP	1,016,000.00	17/03/2023
EUR	854,322.58	JPY	122,773,000.00	17/03/2023
USD	6,950,000.00	EUR	6,533,913.83	17/03/2023

The net unrealised loss on these contracts as at December 31, 2022 was EUR 42,546.08 and is included in the statement of net assets.

##### PROTEA UCITS II - ECO ADVISORS ESG ABSOLUTE RETURN

Currency	Purchase	Currency	Sale	Maturity date
CHF	3,907,207.10	EUR	3,961,479.37	31/01/2023
EUR	1,041,193.02	CAD	1,400,000.00	14/02/2023
EUR	1,400,000.00	KRW	1,953,972,020.00	14/02/2023
EUR	2,500,000.00	SEK	27,218,999.00	14/02/2023
EUR	46,650,000.00	USD	46,040,027.93	14/02/2023
GBP	50,551,967.90	EUR	57,254,461.43	31/01/2023
USD	3,506,730.20	EUR	3,287,703.40	31/01/2023

The net unrealised gain on these contracts as at December 31, 2022 was EUR 3,373,000.17 and is included in the statement of net assets.



# PROTEA UCITS II

## Notes to the financial statements as at December 31, 2022 (continued)

### PROTEA UCITS II - MILLENNIUM GLOBAL SYSTEMATIC CURRENCY FUND

Currency	Purchase	Currency	Sale	Maturity date
AUD	12,701,000.00	USD	8,526,903.79	18/01/2023
CAD	16,461,000.00	USD	12,074,499.02	18/01/2023
CHF	78,165,692.05	USD	84,438,000.00	19/01/2023
EUR	35,755,333.73	USD	38,095,630.64	19/01/2023
GBP	20,456,000.00	USD	24,828,328.49	18/01/2023
JPY	1,578,346,000.00	USD	11,869,246.43	18/01/2023
NOK	159,287,000.00	USD	16,234,125.18	18/01/2023
NZD	30,804,000.00	USD	19,657,019.51	18/01/2023
SEK	228,337,000.00	USD	21,957,090.98	18/01/2023
USD	2,387,018.74	CAD	3,244,000.00	18/01/2023
USD	9,988,019.56	CHF	9,254,000.00	18/01/2023
USD	2,615,283.57	GBP	2,149,000.00	18/01/2023
USD	12,911,589.86	JPY	1,730,192,000.00	18/01/2023
USD	10,026,367.95	NOK	98,801,000.00	18/01/2023
USD	3,906,171.64	NZD	6,138,000.00	18/01/2023
USD	18,137,762.99	SEK	188,998,000.00	18/01/2023

The net unrealised loss on these contracts as at December 31, 2022 was USD 75,103.82 and is included in the statement of net assets.

### PROTEA UCITS II - MAGENTA MAM CONVICTIONS

Currency	Purchase	Currency	Sale	Maturity date
EUR	495,315.55	USD	500,000.00	18/01/2023
USD	158,000.00	EUR	148,389.41	18/01/2023

The net unrealised gain on these contracts as at December 31, 2022 was EUR 26,918.49 and is included in the statement of net assets.

## NOTE 14

### COLLATERAL ON OTC DERIVATIVES PRODUCTS

In the framework of their transactions on OTC derivatives products (forward foreign exchange contracts and CFD), the sub-funds of the SICAV have not received any collateral from the various counterparties with which they deal.

# PROTEA UCITS II

## Notes to the financial statements as at December 31, 2022 (continued)

### NOTE 15

#### RUSSIA/UKRAINE CONFLICT

On February 24, 2022, the Russian military began attacks on targets in Ukraine. In respect of such actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine and destabilizing the situation in Ukraine, international sanctions relating to the Russian Federation were adopted.

As of December 31, 2022 year-end, the SICAV was investing through the following sub-fund, in two shares exposed to Russian Federation and targeted by such international sanctions:

- PROTEA UCITS II - IW PRECIOUS METAL MINING EQUITIES

The shares are valued in accordance with the principle laid out in the SICAV prospectus taking into account specificities such as the country imposing the sanctions, the nature of the sanctions (total sanctions or sectorial/geographical sanctions) and the possibility of selling them in each situation.

The table below indicates the weight of the sub-fund's NAV, of the 2 targeted shares held in portfolio:

- as of February 24, 2022 when the Ukraine invasion began, and
- as of December 31, 2022 year-end closure, after the adoption of international sanctions and implementation by FundPartner Solutions, of the specific pricing methodology.

Sub-fund	Security name	Isin code	Weight in NAV dated 24/02/2022	Weight in NAV dated 31/12/2022
PROTEA UCITS II - IW PRECIOUS METAL MINING EQUITIES	POLYMETAL INTERNATIONAL	JE00B6T5S470	0.76%	0.25%
	POLYUS PJSC	RU000A0JNAA8	1.71%	0.00%
			2.47%	0.25%

As of December 31, 2022 year-end, the SICAV was investing through the following sub-fund, in one derivative exposed to Russian Federation and targeted by such international sanctions:

Sub-fund	Type	Derivative name
PROTEA UCITS II - ECO ADVISORS ESG ABSOLUTE RETURN	CFD	Ozon Holdings

### NOTE 16

#### SUBSEQUENT EVENT

By way of a circular resolution dated November 22, 2022, the Board of Directors of the SICAV has decided to proceed to the merger of the sub-fund PROTEA UCITS II - IW PRECIOUS METAL MINING EQUITIES into the sub-fund APIARIS UCITS - IW PRECIOUS METAL MINING EQUITIES with effective date as of January, 2023.

The Board of Directors of the SICAV took the decision to launch the sub-fund Protea UCITS II - OAK with effect as at February 24, 2023.

# PROTEA UCITS II

## Total Expense Ratio ("TER") (unaudited appendix)

Pursuant to the "Guidelines on the calculation and disclosure of the total expense ratio (TER) of collective investment schemes" of May 16, 2008 (version of August 5, 2021) of the Asset Management Association Switzerland ("AMAS"), the SICAV is required to publish a TER for the last 12-month period.

The TER is defined as the ratio between the total operating expenses (operating charges primarily consist of management and investment advisory fees, depositary fees, bank charges and interest, service fees, performance fees, taxes and duties) and the relevant sub-fund's / share class' average NAV (calculated on the basis of the daily average of the total net assets for the relevant period) expressed in its reference currency.

As much as the sub-fund invests more than 10% of its assets in other investment funds, a synthetic TER is calculated:

- by adding to the TER the sum of the TER of underlying funds weighted according to their share in the net assets of the related sub-fund at the reference date. If one of the target funds does not publish any TER, no synthetic TER will be calculated for this fraction of investment.
- by subtracting the impact of the retrocession received calculated by dividing the amount of retrocessions by the average assets.

Moreover, for the new share classes launched during the year, operating fees were annualised as stated in point 8 of the Guidelines. The amounts were annualised whereas certain fixed costs were not split equally over the year.

For the period from January 1, 2022 to December 31, 2022, the TER was:

Share class	Currency	Annualised TER including performance fees	Annualised TER excluding performance fees	Synthetic TER
<b>PROTEA UCITS II - GLOBAL OPPORTUNITIES</b>				
A restricted special	EUR	0.72%	0.72%	1.26%
<b>PROTEA UCITS II - GLOBAL BALANCED</b>				
A restricted	EUR	0.75%	0.75%	1.09%
<b>PROTEA UCITS II - IW PRECIOUS METAL MINING EQUITIES</b>				
S1-EUR-Cap	EUR	1.45%	1.45%	-
P2-EUR-Cap	EUR	2.48%	2.48%	-
<b>PROTEA UCITS II - VICTORY FAR EAST OPPORTUNITY</b>				
A	USD	2.69%	2.69%	-
B	USD	1.97%	1.97%	-
<b>PROTEA UCITS II - GENESIS BOND FUND</b>				
P-Acc-USD	USD	2.46%	2.46%	-
<b>PROTEA UCITS II - ECO ADVISORS ESG ABSOLUTE RETURN</b>				
F-Acc-EUR	EUR	0.99%	0.99%	-
F-Acc-GBP	GBP	1.04%	1.04%	-
F-Acc-USD	USD	1.03%	1.03%	-
M-Acc-EUR	EUR	1.29%	1.29%	-
M-Acc-GBP	GBP	1.36%	1.36%	-
M-Acc-CHF	CHF	1.34%	1.34%	-
M-Acc-USD	USD	1.34%	1.34%	-
P-Acc-EUR	EUR	1.01%	1.00%	-

# PROTEA UCITS II

## Total Expense Ratio ("TER") (unaudited appendix) (continued)

Share class	Currency	Annualised TER including performance fees	Annualised TER excluding performance fees	Synthetic TER
PROTEA UCITS II - ECO ADVISORS ESG ABSOLUTE RETURN (continued)				
P-Acc-GBP	GBP	1.28%	1.04%	-
PROTEA UCITS II - MILLENNIUM GLOBAL SYSTEMATIC CURRENCY FUND				
A-CHF	CHF	0.53%	0.53%	-
A-EUR	EUR	0.53%	0.53%	-
PROTEA UCITS II - MAGENTA MAM CONVICTIONS				
A-EUR	EUR	3.68%	3.68%	3.77%

# PROTEA UCITS II

## Performance (unaudited appendix)

The performance per share class was calculated by comparing the net assets per share as at December 31, 2021 with the net assets per share as at December 31, 2022.

The performance was calculated at the end of each period according to the "Guidelines on the calculation and publication of the performance data of collective investment schemes" of May 16, 2008 (version of August 5, 2021) of the Asset Management Association Switzerland ("AMAS").

The performance given is based on historical data, which is not a guide to current or future performance. Commissions and fees levied for the issue or redemption of shares, as applicable, have not been taken into account in this performance calculation.

As at December 31, 2022, performances were the following:

Share class	Currency	Performance for the financial year ending December 31, 2022	Performance for the financial year ending December 31, 2021	Performance for the financial year ending December 31, 2020
PROTEA UCITS II - GLOBAL OPPORTUNITIES				
A restricted special	EUR	-11.50%	4.84%	3.14%
PROTEA UCITS II - GLOBAL BALANCED				
A restricted	EUR	-14.47%	12.60%	6.21%
PROTEA UCITS II - IW PRECIOUS METAL MINING EQUITIES				
S1-EUR-Cap	EUR	-8.82%	-8.88%	24.75%
P2-EUR-Cap	EUR	-9.77%	-9.81%	21.95%
PROTEA UCITS II - VICTORY FAR EAST OPPORTUNITY				
A	USD	-28.68%	-10.88%	57.86%
B	USD	-28.15%	-10.18%	54.30%
PROTEA UCITS II - GENESIS BOND FUND				
P-Acc-USD	USD	-6.69%	-1.76%	2.26%
PROTEA UCITS II - ECO ADVISORS ESG ABSOLUTE RETURN				
F-Acc-EUR	EUR	1.64%	2.48%	3.04%
F-Acc-GBP	GBP	3.05%	3.05%	3.72%
F-Acc-USD	USD	3.50%	3.19%	4.08%
M-Acc-EUR	EUR	1.33%	2.18%	-2.29% *
M-Acc-GBP	GBP	2.74%	2.75%	-2.09% *
M-Acc-CHF	CHF	0.87%	1.85%	-0.91% *
M-Acc-USD	USD	3.19%	2.88%	-0.69% *
P-Acc-EUR	EUR	1.33%	2.10%	2.26% *
P-Acc-GBP	GBP	2.82%	3.94% *	-
PROTEA UCITS II - MILLENNIUM GLOBAL SYSTEMATIC CURRENCY FUND				
A-CHF	CHF	-20.28%	-2.46% *	-
A-EUR	EUR	-20.07%	0.20% *	-
PROTEA UCITS II - MAGENTA MAM CONVICTIONS				
A-EUR	EUR	-1.81% *	-	-

\* The performance of share classes launched during the year/period was calculated by comparing the net assets per share as at the launch date of the share class with the net assets per share at the end of the year/period.

Past performance is not an indicator of current or future returns.

# PROTEA UCITS II

## Other information to Shareholders (unaudited appendix)

### 1. Remuneration of the members of the Management Company

The Management Company has adopted a Remuneration Policy which is in accordance with the principles established by the law of 10 May 2016, amending the law of 17 December 2010 ("the 2010 Law").

The financial year of the Management Company ends on 31 December of each year.

The table below shows the total amount of the remuneration for the financial year ended as at December 31, 2022, split into fixed and variable remuneration, paid by the Management Company to its staff.

The table has been prepared taking into consideration point 162 of section 14.1 of the European Securities and Market Authority ("ESMA") remuneration guidelines relating to the confidentiality and data protection in presenting the remuneration information.

	Number of Beneficiaries	Total remuneration (EUR)	Fixed remuneration (EUR)	Variable remuneration (target or discretionary bonuses, parts remuneration) (EUR)
Total remuneration paid by the Management Company during 2022	23	34,556	23,380	11,176

#### *Additional explanation*

The beneficiaries reported are composed of the risk takers (including the 4 Conducting Officers) and the staff of the Management Company dedicated to Management Company activities for all the Funds under management, remunerated by the Management Company. In addition, the Management Company did not remunerate directly the staff of the Investment Manager, but rather ensured that the Investment Manager complies with the Remuneration Policy requirements itself.

The benefits have been attributed according to criteria such as level of seniority, hierarchic level, or other eligibility criteria, not taking into account performance criteria, and are thus excluded from the fixed or variable remuneration figures provided above.

Total fixed and variable remuneration disclosed is based on apportionment of Asset Under Management represented by the SICAV.

The 2022 annual review outcome showed no exception.

There have been no changes to the adopted remuneration policy since its implementation.

# PROTEA UCITS II

Other information to Shareholders (unaudited appendix) (continued)

## **2. Securities Financing Transactions and Regulation ("SFTR")**

As at December 31, 2022, the SICAV is in the scope of the requirements of the Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse. Nevertheless, no corresponding transactions were carried out during the year referring to the financial statements.

## **3. Information on risk measurement**

With the exception of the PROTEA UCITS II - GLOBAL BALANCED, PROTEA UCITS II - GLOBAL OPPORTUNITIES, PROTEA UCITS II - ECO ADVISORS ESG ABSOLUTE RETURN AND PROTEA UCITS II - MILLENNIUM GLOBAL SYSTEMATIC CURRENCY FUND sub-funds using VaR approach, Absolute VaR option, all the other sub-funds used Commitment approach to monitor their Global Risk Exposure.

The following table (table 1.1 page 2) provides the information required as per CSSF circular 11/512 for the sub-funds monitored through the VaR approach .

# PROTEA UCITS II

Other information to Shareholders (unaudited appendix) (continued)

Table 1.1 – Summary risk disclosures

Sub funds	Average leverage	Leverage Computation approach	GRE monitoring approach	VaR optional Regime	Average	Minimum	Maximum	Sub-fund average VaR	Benchmark Average VaR	Benchmark	Legal limit	VaR Models and Inputs
Protea Ucits II - Global Balanced	23.05%	∑ notionals of the derivatives	VaR	Absolute	10.68%	7.55%	12.72%	10.68%	N/A	N/A	20%	1 month holding period, 99% CI, Monte Carlo, observation period 3.5 years.
Protea Ucits II - Global Opportunitiesd	1.55%	∑ notionals of the derivatives	VaR	Absolute	2.43%	1.80%	2.71%	2.43%	N/A	N/A	20%	1 month holding period, 99% CI, Monte Carlo, observation period 3.5 years.
Protea Ucits II – Eco Advisors ESG Absolute Return	140.49%	∑ notionals of the derivatives	VaR	Absolute	2.52%	2.08%	3.22%	2.52%	N/A	N/A	20%	1 month holding period, 99% CI, Monte Carlo, observation period 3.5 years.
Protea Ucits II – Millenium Global Systematic Currency Fund	526.70%	∑ notionals of the derivatives	VaR	Absolute	6.30%	0.62%	16.99%	6.30%	N/A	N/A	20%	1 month holding period, 99% CI, Monte Carlo, observation period 3.5 years.



# PROTEA UCITS II

## Other information to Shareholders (unaudited appendix) (continued)

### General comments

All VaR figures are calculated by taking into consideration the following parameters

- 1 month holding horizon;
- 99% confidence interval (this means that there is a 1% probability that the value of the portfolio could have a monthly decline larger than the percentage displayed);
- Monte Carlo simulations;
- 3.5 years of data history to determine the risk factors.

The treatment and presentation of VaR figures is slightly different depending on the VaR option used (relative or absolute).

### Absolute VaR option

For sub funds using the Absolute VaR option, we present the figures (average, min and max) in absolute terms. In other words they are not measured against any benchmark nor limit. We consider that way of presenting the figures as more relevant and easier to understand.

The leverage level is included as well. It has been calculated as the sum of the notionals of the derivatives used (CESR/10-788 box25). The presented figure is based on daily observations covering the period under review.

### Sub-funds using the Commitment approach

For the sub-fund using the Commitment approach to monitor the global risk exposure, financial derivatives instruments are converted into their equivalent positions in the underlying assets.

The global risk exposure shall not exceed the sub-fund's net asset value.

# PROTEA UCITS II

## Sustainable Finance Disclosure Regulation ("SFDR") (unaudited appendix)

On November 27, 2019, Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability-related disclosures in the financial services sector was published (the "SFDR"). The SFDR aims to increase the harmonization of, and transparency towards the end investors with regard to, the integration of sustainability risks, the consideration of adverse sustainability impacts, the promotion of environmental or social characteristics and sustainable investment by requiring pre-contractual and ongoing disclosures to end investors.

The SFDR provides high-level definitions and distinguishes between several categorizations of products including "Article 8 products" which are financial products that promote, among other characteristics, environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices ("SFDR Article 8 Products") and "Article 9 products" which are products that have sustainable investment as their objective ("SFDR Article 9 Products").

The following sub-fund of PROTEA UCITS II is categorized as financial products falling under the scope of the following SFDR articles as at December 31, 2022:

Sub-funds	Current SFDR categorization as at December 31, 2022
ECO ADVISORS ESG ABSOLUTE RETURN	Article 8

Within the meaning of SFDR (regulation EU 2019/2088 of November 27, 2019 on sustainability-related disclosures in the financial services sector), the other sub-funds do not promote environmental and/or social characteristics nor have a sustainable investment as its objective.

For the purpose of the "taxonomy" regulation (regulation EU 2020/852 of June 18, 2020 on the establishment of a framework to facilitate sustainable investment, and amending the EU regulation 2019/2088), the investments underlying the other sub-funds do not take into account the EU criteria for environmentally sustainable economic activities.

ANNEX IV

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

Product name: Protea UCITS II - ECO Advisors ESG Absolute Return

Legal entity identifier: 222100BY8C4K6GJY1A31

Environmental and/or social characteristics

**Sustainable investment**

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

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

Did this financial product have a sustainable investment objective?

Yes

It made **sustainable investments 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

It made **sustainable investments with a social objective**: \_%

No

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 50.4% of sustainable investments

with an environmental objective in economic activities that 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

with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**



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

The Investment Manager used environmental, social and governance factors as the primary investment selection criteria and to implement its long/short investment strategy to promote, among other characteristics, a combination of environmental and social characteristics. The sub-fund promoted environmental characteristics, such as reducing carbon footprint, carbon emissions and water stress, waste management and sustainable raw materials' sourcing. The sub-fund also promoted social characteristics such as labour management, health & safety, supply chain labour standards, product safety and quality.

The Investment Manager utilised content from several ESG data providers to assess a company on environmental, social and governance metrics and build an internal ESG score ("ECO ESG Score") to determine if the sub-fund can hold a company in its long portfolio (or, in cases of poor ESG performance, can be a candidate for the short, hedge portfolio).

The sub-fund's profile was consistent with the above approach throughout the period and as at December 31, 2022, long portfolio\* ECO ESG Score stood at 8.1, whilst the Short portfolio\* ECO ESG Score stood at 3.0. (0=worst in class, 10=best in class)

\*Weighted average, normalised to 100%

### ● **How did the sustainability indicators perform?**

The sub-fund's profile was consistent with the above approach throughout the period. On a quarterly basis, the long portfolio\* ECO ESG Score ranged from at 8.1 to 8.4, whilst the Short portfolio\* ECO ESG Score ranged from 2.5 to 3.0. (0=worst in class, 10=best in class)

\* Weighted average, normalised to 100%

### ● **...and compared to previous periods?**

Not applicable.

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

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

The sub-fund made sustainable investments (long positions) that contributed to at least one of the following objectives:

- Enablement of climate transition.
- Human capital equality through the promotion of a diverse leadership and workforce.
- Other social or environmental objectives.

The sub-fund assesses several metrics to identify companies in the long portfolio that derive revenues from products or services with a positive impact on society and the environment. These include climate-focused metrics which help identify activities aligned with the EU Taxonomy objectives of climate mitigation and climate adaptation as well as metrics which assess exposure to economic or business activities with a positive impact on society and environment, and those which reduce negative impacts (in the case of pollution prevention).

From the perspective of targeting an environmental objective, the metrics used include activities focused on climate change mitigation and energy efficiency, pollution prevention and waste minimization, sustainable management of water, forestry, and land resources. Activities focused on social objectives captured in include access to basic needs, such as health care, housing, and nutrition, provision of SME and personal loans, education services, and bridging the digital divide in least developed countries.

The Investment Manager has developed a framework whereby for each metric it has defined score ranges and thresholds which the sub-fund uses to determine if a long portfolio investment can be considered to be making a positive contribution to a social or environmental objective.

As at December 31, 2022, 53.7% of the long portfolio was deemed to be making a contribution to a social or environmental objective based on the framework outlined above (40.5% environmental, 33.1% social). The quarter end figures since June 2023 were: 30th June 2023: 46.4% (33.6% environmental, 28.8% social), 30th September 2023: 51.2% (34.4% environmental, 32.8% social).

The above analysis assumes companies can contribute to both environmental and social objectives, as long as both the criteria for both are achieved. Evaluating the long portfolio assuming companies can only contribute to either an environmental or a social objective (but not both), where 'dual' contributors are allocated solely to environmental objectives, the quarter end figures since June 2023 were: 31st December 2022, 53.7% of the long portfolio was deemed to be making a contribution to a social or environmental objective based on the framework outlined above (40.5% environmental, 13% social), 30th September 2022: 51.2% (34.4% environmental, 17% social), 30th June 2022: 46.4% (33.6% environmental, 13.9% social).

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

The sub-fund employs an exclusionary approach for its long portfolio outlined when answering to the below question ("What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social

**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.

characteristics promoted by this financial product?"). The sub-fund assumes that every company in the long portfolio which passes this exclusion criteria does not significantly harm environmental or social objectives.

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

The sub-fund employs an exclusion list and commits to exclude from the long and short portfolio businesses involved in the following business activities:

	Long Book Exclusions Threshold	Short Book Exclusions Threshold
Adult entertainment	All	All
Adult entertainment retail & distribution	>5% revenue'	>10% revenue'
Weapons Manufacturer	All	
Controversial Weapons*	All	>10% revenue'
Conventional weapons components production	>5% revenue'	
Civilian firearms & ammunition production &	All	
Gambling	>5% revenue'	
Tobacco production	All	All
Tobacco retail	>5% revenue'	>10% revenue'
Thermal Coal production	>5% revenue'	
Arctic Oil & Gas	>5% revenue'	
Oil Sands production	>5% revenue'	
UN Global Compact Violations	Operational violations in last 2 years**	
UN/FATF Sanctioned jurisdictions***	All	All

\* Cluster munitions, landmines, biological, white phosphorous, chemical & nuclear weapons

\*\* The United Nations Global Compact (UNGC) Principles cover human rights, labour, the environment, and anti-corruption. ECO Advisors use a specialist data provider to carryout media monitoring over the previous two years in order to identify companies who are engaged in activities within their operations that have likely violated a UNGC principle.

\*\*\* Controversial Jurisdictions: Investments issued by or mainly listed in countries, companies or related to individuals or other entities in a particular country identified and as specified in the United Nations Security Council Sanctions and those high risk jurisdictions subject to a "Call for Action" (currently Iran and North Korea) identified by the Financial Action Task Force.

In the event that a position needs to be divested due to a change in its status in relation to the exclusion criteria set out above, (such as an increase in % revenue in a certain activity which would move it above a % revenue threshold), the sub-fund

will divest from the position on a best effort basis within a 1 month timeframe from the point where our data sources confirm such a need.

The compartment adhered to the above exclusionary framework through the period.

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

While some sustainable investments may have been aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights as a result of the Investment Manager's ESG data driven security selection and portfolio construction process, the Investment Manager is not in the position to make any statement with regard to the alignment of such sustainable investments with these Guidelines and Principles.

However, sustainable investments were aligned with the UN Global Compact Principles, and violations of such Principles formed part of the sub-fund's exclusion policy which was adhered to through the period.

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

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

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



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

Over the period, the foundation of the sub-fund's investment process was the use of ESG data assessment to directly influence and determine eligible long side investments, as well as determining potential candidates for short positions. Principle Adverse Sustainability Impacts are considered as a natural component of the core investment strategy in several aspects of the ESG investment process implementation.

PAIs were incorporated and integrated in the investment process in two distinct phases; ESG scoring methodology, which determines eligible investments, as well as exclusions policy, which aims to reduce exposure to investments which may have adverse sustainability impact. Furthermore, ECO Advisors reviews the assessment of PAIs on a quarterly basis, and considers specific actions, such as engagement, divestment, or exclusion for securities which fall short of expectations with respect to

specific PAIs considered by the sub-fund. Each component of PAI assessment and integration is outlined below.

\*It should be noted that long positions can be held via equity or via CFD/SWAP. Short positions out of scope for this evaluation.

The PAIs that are considered and integrated in our process are as follows:

Theme	PAI indicator	Metrics(s)	Considered in ESG assessment?	Considered in exclusion or norms violations?
<b>Climate and other environment-related indicators</b>				
GHG Emissions	Greenhouse Gas emissions	Scope 1, Scope 2, Scope 3 and Total GHG emissions	Y	
	Carbon Footprint	Total Carbon Footprint	Y	
	GHG intensity of investee companies	GHG intensity of investee companies	Y	
	Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector		
	Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources		
	Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector		
Biodiversity	Activities negatively affecting biodiversity sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity sensitive areas where activities of those investee companies negatively affect those areas	Y	



Water	Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	Y	
	Hazardous waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average	Y	
<b>Indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters</b>				
Social and employee matters	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises		Y
	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises		
	Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies		
	Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	Y	
	Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons		Y



## 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 (from 01.01.2022 to 31.12.2022)

Name	Sector	Country	Avg Wgt %
HESS CORP	Energy	USA	1.12%
WOODSIDE ENERGY GROUP LTD	Energy	AUS	0.93%
BUNGE LTD	Consumer Staples	USA	0.78%
AMN HEALTHCARE SERVICES INC	Health Care	USA	0.77%
ULTA BEAUTY INC	Consumer Discretionary	USA	0.77%
INPEX CORP	Energy	JPN	0.76%
KONINKLIJKE KPN NV	Communication Services	NLD	0.76%
METLIFE INC	Financials	USA	0.76%
GENMAB A/S	Health Care	DNK	0.76%
CBOE GLOBAL MARKETS INC	Financials	USA	0.75%
BOISE CASCADE LLC	Industrials	USA	0.74%
IRIDIUM COMMUNICATIONS INC	Communication Services	USA	0.74%
SHOCKWAVE MEDICAL INC	Health Care	USA	0.74%
NOKIA OYJ	Information Technology	FIN	0.72%
R1 RCM HOLDCO INC	Health Care	USA	0.72%



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

As at December 31, 2022, 53.7% of the long portfolio was deemed to be making a contribution to a social or environmental objective based on the framework outlined above. The quarter end figures since June 2023 were: June 30, 2023: 46.4%, September 30, 2023: 51.2%. Quarterly average: 50.4%.

### Asset allocation

describes the share of investments in specific assets.

#### ● What was the asset allocation?

The asset allocation for the compartment over the period averaged:

#1 Aligned with E/S characteristics:

- 100% of the investments (taking into consideration long positions) were aligned with the environmental or social characteristics promoted by the sub-fund; in terms of the sub-fund's net assets allocation (i.e. excluding cash, cash equivalents and currency derivatives), sub-fund's net assets in long positions averaged 81% during the year; while the sub-fund's net assets in short positions averaged -66% during the year. The Invest Manager has applied its ESG methodology on 100% of the short positions held in portfolio and have consequently, contributed to the promotion of other environmental and social characteristics by raising the cost of capital of

investee companies that have shown material deterioration in ESG performance or are weak ESG performers.

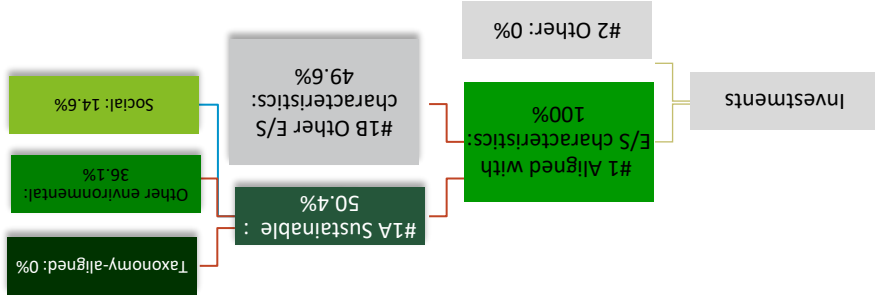
As a reminder, in terms of the sub-fund's net assets (i.e. excluding cash, cash equivalents and currency derivatives), the Investment Manager targets:

- Between 50% and 130% of the sub-fund's net assets in long positions; and
- Between 40% and 120% of the sub-fund's net assets in short positions.

For avoidance of doubt, ESG considerations and exclusions are taken into account for both long and short positions (separately).

#1A Sustainable (taking into consideration long positions): 50.4% were sustainable investments, with environmental objectives (36.1%) and with social objectives (14.6%).

#1B Other E/S characteristics (taking into consideration long positions): 50.6% investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.



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

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

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

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

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

*The graph below only takes into consideration long positions. Short positions as well as cash and cash equivalents have not been taken into account.*

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

2022 Average exposures:

<b>GICS Sector Exposure</b>	<b>Long</b>	<b>Short</b>	<b>Net</b>	<b>Gross</b>
Communication Services	5.7%	-5.1%	0.5%	10.8%
Consumer Discretionary	11.4%	-12.9%	-1.5%	24.2%
Consumer Staples	6.8%	-4.0%	2.8%	10.8%
Energy	3.8%	-4.5%	-0.7%	8.4%
Financials	11.3%	-7.6%	3.7%	18.9%
Health Care	9.4%	-6.2%	3.2%	15.7%
Industrials	12.9%	-8.8%	4.1%	21.7%
Information Technology	9.5%	-6.0%	3.5%	15.4%
Materials	6.9%	-7.3%	-0.4%	14.2%
Utilities	2.4%	-2.8%	-0.4%	5.3%
<b>Total</b>	<b>80.1%</b>	<b>-65.2%</b>	<b>14.9%</b>	<b>145.3%</b>

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 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.



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

The sub-fund does not measure the alignment of sustainable investments with an environmental objective with the EU Taxonomy.

**Does the financial product invested in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

Yes

In fossil gas

In nuclear energy

No

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<sup>1</sup> 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 objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

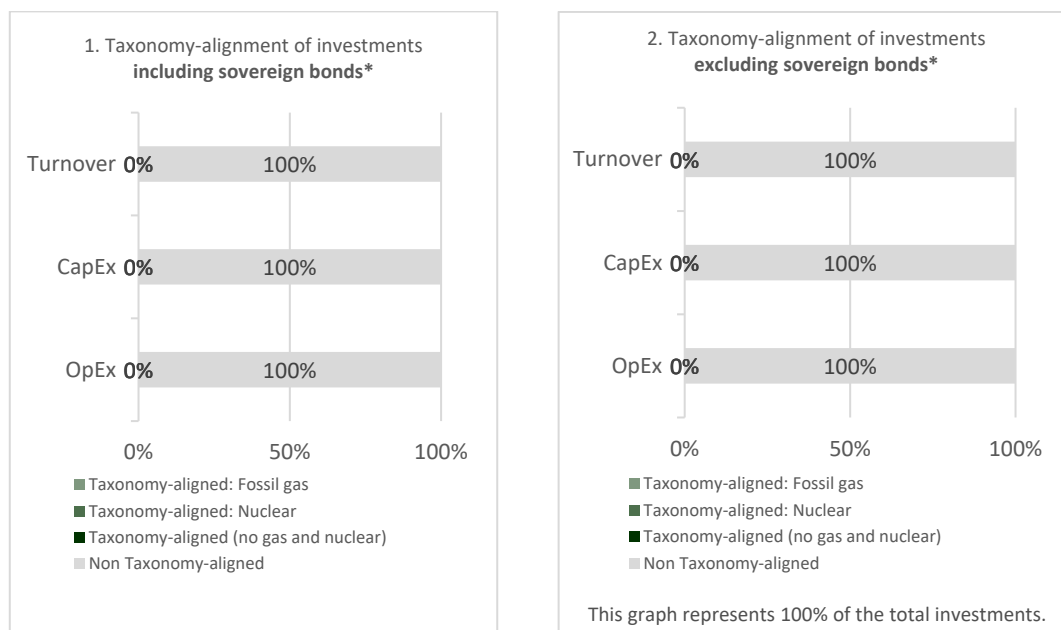
Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the "greenness" of investee companies today.

- **capital expenditure (CapEx)** shows the green investments made by investee companies, relevant for a transition to a green economy.

- **operational expenditure (OpEx)** reflects the green operational activities of investee companies.

**The two 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?**

The sub-fund does not measure the share of investments in transitional and enabling activities.

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

The sub-fund does not measure the share of investments made in sustainable investments with an environmental objective with the EU Taxonomy.

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

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

36.1% (quarterly average), as the sub-fund does not measure the share of investments made in sustainable investments with an environmental objective with the EU Taxonomy.

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

14.6% (quarterly average), as the sub-fund does not measure the share of investments made in sustainable investments with an environmental objective with the EU Taxonomy.

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

100% of the investments (taking into consideration long positions) were aligned with the environmental or social characteristics promoted by the sub-fund; However the sub-fund held a substantial part of its assets in the form of cash and cash equivalents due to its use of financial derivative instruments to attain its exposure. On average, the sub-fund held 77,7% of cash and cash equivalents in 2022. As cash and cash equivalents do not take into consideration ESG criteria, no minimum environmental or social safeguards were applied.



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

As part of the Investment Manager's ongoing ESG review process and weekly portfolio review process, the environmental and social key issue scores for the sub-fund's long portfolio and short portfolio were monitored regularly by the investment team. Any deviations from the expected overall environmental and social key issue profile between the long and short investments, were considered by the Investment Manager and substitutions of specific investments or a wider portfolio rebalances were performed regularly throughout the period in order to maintain the environmental and social key issue profile of the sub-fund.

Over the past three years through thorough market and industry research, the Investment Manager has continued to develop and grow its bespoke voting policies. The policies include voting guidance on proposals relating to executive pay levels and structure, director nominations, board composition, gender diversity, Paris Agreement alignment and Science-Based Targets, amongst other criteria. Since implementation, the Investment Manager has voted at 100% of eligible meetings and maintain detailed documentation on voting decisions and rationale. In cases where the Investment Manager voted against or abstain on a proposal, he always communicate its voting rationale to investor relations ahead of the AGM, in accordance with UNPRI best practices. The Investment Manager documents all responses received, as well as maintain a summary voting log, which lists every proposal where ECO Advisors has been eligible to vote, how he voted in relation to management, and a short description of voting rationale. In 2022 the Investment Manager voted in line with management on 84% of proposals, and abstained or voted against management on the remaining 16% of proposals. Full details are available upon request. As of December 2022, the Investment Manager is also members of twenty two collaborative engagement initiatives. Since inception, either

directly or collaboratively, the Investment Manager has engaged with over 700 companies held in portfolio, long and short.



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

Not applicable.

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

Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable.

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

Not applicable.

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

Not applicable.

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



