

LA FRANCAISE CONVERTIBLES 2020

Mutual Fund

Management Company:

La Française Asset Management

128, boulevard Raspail,
75006 Paris

Statutory Auditor's report on the annual accounts

Financial year ending on 31 December 2018

LA FRANCAISE CONVERTIBLES 2020

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For unitholders of the LA FRANCAISE CONVERTIBLES 2020 mutual fund,

Opinion

In the performance of the role entrusted to us by the management company, we have audited the annual accounts of the LA FRANCAISE CONVERTIBLES 2020 undertaking for collective investment, which takes the form of a mutual fund, for the financial year ending 31 December 2018, as attached to this report.

We hereby certify that the annual accounts give a true and fair view of the results of operations for the past year and of the financial situation and the assets of the mutual fund at the end of said financial year, in conformity with French accounting rules and principles.

Basis of the opinion on the annual accounts

Auditing standards

We have carried out our audit in accordance with the professional standards applicable in France. We deem the evidence gathered to be a sufficient and suitable basis for our opinion.

Our responsibilities in accordance with our obligations under these standards are defined in the "Auditor's Responsibilities for the Audit of the Annual Accounts" section of this report.

Independence

We carried out our audit in accordance with the independence rules which apply to us, from 30 December 2017 to the date of publication of our report, and in particular we did not provide any services prohibited by the code of ethics for statutory auditors.

Documentation supporting our findings

Pursuant to the provisions of Articles L. 823-9 and R. 823-7 of the Commercial Code relating to the justification of our assessments, we wish to inform you that the most important assessments that we have made, in our professional judgement, concern the appropriateness of the accounting principles used, specifically with regard to the financial instruments in the portfolio, and upon presentation of all accounts, in accordance with the accounting charts for open-ended collective investment undertakings.

The assessments made form part of the process of auditing the annual accounts, taken in their entirety and contributing to the formulation of our opinion expressed above. We will not express an opinion on items in these annual accounts viewed in isolation.

Verification of the management report drafted by the management company

We also carried out the specific verifications provided for by law in accordance with the professional standards applicable in France.

We have no comments concerning the accuracy and consistency with the annual accounts of the information stated in the management report drafted by the management company.

Responsibilities of the management company with regard to the annual accounts

It is the responsibility of the management company to draft annual accounts which put forward a true and faithful representation in accordance with French accounting rules and principles and to implement internal controls which it deems necessary for the drafting of annual accounts that do not include any significant anomalies, whether due to fraud or error.

When drafting the annual accounts, it is the responsibility of the management company to evaluate the mutual fund's ability to continue its operations, to present in these accounts, where appropriate, the necessary information relating to the continuity of operations and to apply the accounting policy on a going concern basis, unless it is intended to liquidate the mutual fund or to cease trading.

The annual accounts have been prepared by the management company.

Responsibilities of the statutory auditor with regard to the audit of the annual accounts

It is our responsibility to draft a report on the annual accounts. Our objective is to obtain reasonable assurance that the financial statements, taken as a whole, do not contain any material anomalies. Reasonable assurance corresponds to a high level of assurance; however, it does not guarantee that an audit carried out in accordance with the standards of professional practice may systematically detect any significant anomaly. Anomalies may arise from fraud or error and shall be considered significant when it can reasonably be expected that they, taken individually or cumulatively, may influence the economic decisions that account users take on the basis of the information provided herein.

As stated in Article L.823-10-1 of the Commercial Code, our role in terms of the certification of accounts is not to guarantee the viability or the quality of the management of your mutual fund.

Within the framework of the audit carried out in accordance with the professional standards applicable in France, the statutory auditor shall exercise his professional judgement throughout this audit. Furthermore:

- he shall identify and assess the risks that the annual accounts contain significant anomalies, whether due to fraud or error, establish and implement audit procedures to tackle these risks and gather elements which he considers sufficient and appropriate to base his opinion on. The risk of non-detection of a significant anomaly resulting from fraud is higher than that of a significant anomaly resulting from an error, because fraud may involve collusion, forgery, voluntary omissions, misrepresentation or the bypassing of internal controls;

- he shall take note of the internal control relevant to the audit in order to establish appropriate audit procedures in the circumstances, and not to express an opinion on the effectiveness of internal controls;
- he shall evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management company, as well as the information associated with them provided in the annual accounts;
- he shall evaluate the suitability of the application by the management company of the accounting policy on a going concern basis and, according to the elements collected, the existence or not of a significant uncertainty in terms of events or circumstances likely to call into question the mutual fund's ability to continue its business operations. This evaluation is based on the information collected up to the date of his report; however, please note that subsequent circumstances or events could jeopardise the continuity of its operations. If he concludes that significant uncertainty exists, he shall draw the reader's attention to the information provided in the annual accounts about this uncertainty or, if this information is not provided or is not relevant, he shall issue a certification with reservations or a certification refusal;
- he shall evaluate the overall presentation of the annual accounts and assess whether the annual accounts reflect the underlying operations and events in order to provide a true and faithful representation.

Given the time required to obtain certain additional information necessary for the completion of our work, this report is dated 17 April 2019.

Paris La Défense, 17 April 2019

Statutory Auditor

Deloitte & Associés



Virginie GAITTE



Jean-Marc LECAT

LA FRANCAISE CONVERTIBLES 2020

Assets

| | Financial year 31/12/2018 | Financial year 29/12/2017 |
|--|------------------------------|------------------------------|
| Net tangible assets | - | - |
| Deposits | - | - |
| Financial instruments | 3,629,248.90 | 7,955,652.15 |
| Equities and similar securities | - | - |
| Traded on a regulated or similar market | - | - |
| Not traded on a regulated market or similar | - | - |
| Bonds and similar securities | 1,708,681.88 | 5,050,002.46 |
| Traded on a regulated or similar market | 1,708,681.88 | 5,050,002.46 |
| Not traded on a regulated market or similar | - | - |
| Debt securities | 1,732,583.44 | 2,645,487.77 |
| Traded on a regulated market or similar – Negotiable debt securities | - | - |
| Traded on a regulated market or similar - Other debt securities | 1,732,583.44 | 2,645,487.77 |
| Not traded on a regulated market or similar | - | - |
| Securities in undertakings for collective investment | 187,983.58 | 260,161.92 |
| General purpose UCITS and AIF intended for non-professionals and equivalent in other Member States of the European Union | 187,983.58 | 260,161.92 |
| Other funds intended for non-professionals and equivalent in other Member States of the European Union | - | - |
| General purpose funds for professional investment and equivalent in other Member States of the European Union and listed securitisation bodies | - | - |
| Other funds for professional investment and equivalent in other Member States of the European Union and listed securitisation bodies | - | - |
| Other non-European bodies | - | - |
| Temporary securities transactions | - | - |
| Receivables representing securities received through repurchase agreements | - | - |
| Receivables representing loaned securities | - | - |
| Securities borrowed | - | - |
| Securities loaned under repurchase agreements | - | - |
| Other temporary transactions | - | - |
| Financial futures | - | - |
| Transactions on a regulated or similar market | - | - |
| Other transactions | - | - |
| Other financial instruments | - | - |
| Receivables | 183,383.43 | 663,845.77 |
| Forward exchange transactions | 183,383.43 | 663,845.77 |
| Other | - | - |
| Financial accounts | 12,608.21 | 62,420.63 |
| Liquidity | 12,608.21 | 62,420.63 |
| TOTAL ASSETS | 3,825,240.54 | 8,681,918.55 |

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Liabilities

| | Financial year 31/12/2018 | Financial year 29/12/2017 |
|---|------------------------------|------------------------------|
| Shareholders' equity | - | - |
| Capital | 3,650,085.78 | 7,877,730.07 |
| Previous undistributed net gains and losses (a) | - | - |
| Balance carried forward (a) | - | - |
| Net gains and losses for the financial year (a,b) | - 56,130.70 | 37,526.79 |
| Profit or loss for the financial year (a, b) | 35,135.68 | 95,721.43 |
| Total equity (=amount representative of net assets) | 3,629,090.76 | 8,010,978.29 |
| Financial instruments | - | - |
| Sale of financial instruments | - | - |
| Temporary securities transactions | - | - |
| Payables representing securities lent under repurchase agreements | - | - |
| Payables representing securities borrowed | - | - |
| Other temporary transactions | - | - |
| Financial futures | - | - |
| Transactions on a regulated or similar market | - | - |
| Other transactions | - | - |
| Payables | 196,141.90 | 670,932.14 |
| Forward exchange transactions | 185,448.02 | 662,352.04 |
| Other | 10,693.88 | 8,580.10 |
| Financial accounts | 7.88 | 8.12 |
| Current bank overdrafts | 7.88 | 8.12 |
| Loans | - | - |
| TOTAL LIABILITIES | 3,825,240.54 | 8,681,918.55 |

(a) Including accrued income.

(b) Less prepayments made during the financial year.

Off-balance sheet

| | Financial year 31/12/2018 | Financial year 29/12/2017 |
|---|------------------------------|------------------------------|
| Hedging transactions | | |
| Investments on regulated markets or similar | | |
| Over-the-counter commitments | | |
| Other positions | | |
| Other transactions | | |
| Investments on regulated markets or similar | | |
| Over-the-counter commitments | | |
| Other positions | | |

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Profit and loss account

| | Financial year 31/12/2018 | Financial year 29/12/2017 |
|---|------------------------------|------------------------------|
| Profit on financial transactions | | |
| Profit on equities and similar securities | - | - |
| Profit on bonds and similar debt securities | 62,892.50 | 151,153.60 |
| Profit on debt securities | 55,734.58 | 78,580.79 |
| Profit on temporary purchases and sales of securities | - | - |
| Profit on financial futures | - | - |
| Profit on deposits and financial accounts | 36.06 | 59.30 |
| Other financial income | - | - |
| TOTAL I | 118,663.14 | 229,793.69 |
| Loss on financial transactions | | |
| Loss on temporary purchases and sales of securities | - | - |
| Loss on financial futures | - | - |
| Loss on financial debts | - 185.30 | - 749.83 |
| Other financial expenses | - | - |
| TOTAL II | - 185.30 | - 749.83 |
| Profit or loss for financial transactions (I+II) | 118,477.84 | 229,043.86 |
| Other income (III) | - | - |
| Management fees and depreciation and amortisation (IV) | - 67,664.44 | - 107,032.85 |
| Net profit or loss for financial year (I+II+III+IV) | 50,813.40 | 112,011.01 |
| Adjustment of income for the financial year (V) | - 15,677.72 | - 26,289.58 |
| Deposits made on profit or loss during the financial year (VI) | - | - |
| Result (I+II+III+IV+V+VI) | 35,135.68 | 95,721.43 |

Accounting principles and methods

The body complies with Regulation ANC No 2014-01 of 14 January 2014 amended by the ANC regulation No 2017-05 of 1 December 2017 relating to accounting for open-ended undertakings for collective investment.

The accounting currency is the euro.

All transferable securities in the portfolio are recorded at historic cost, excluding transaction costs.

Fixed-term securities, options and financial futures held in the portfolio which are denominated in foreign currencies are converted into the accounting currency at the exchange rate quoted in Paris on the valuation date.

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

Transferable securities

- Listed securities: at market value - excluding accrued coupons (day's closing price).

However, transferable securities without a recorded price on the valuation day, or transferable securities listed by contributors and for which the price has been adjusted, and securities not traded on a regulated market, will be valued under the responsibility of the Management Company (or the Board of Directors for a SICAV) at their probable trading value. Prices are adjusted by the Management Company based on its knowledge of issuers and/or markets.

UCIs: at the last known net asset value or at the last estimated value. The net asset values of securities of foreign UCIs, valued on a monthly basis, are confirmed by the fund administrators. The valuations are updated weekly on the basis of estimates communicated by the administrators of these UCIs and are validated by the manager.

Negotiable debt securities and other similar securities that are not traded in large volumes are valued by means of an actuarial method. The rate used is the same as that for the issue of equivalent securities which is adjusted, where applicable, by a differential according to the nature of the issuer. Unless there are grounds for caution, securities with a residual maturity of three months are valued at the last rate up to maturity, and for those purchased with less than three months' maturity, interest is calculated using a linear method.

- EMTNs are valued at their market value, based on prices issued by counterparties. These valuations are monitored by the Management Company.

Temporary purchases and sales of securities:

- securities lending: the debt representing the securities lent is valued at the market value for securities.
- securities borrowing: the securities borrowed and the debt representing the securities borrowed is valued at the market value for securities.
- Collateral: consisting of securities pledged as part of lending transactions. The UCI has opted to present these securities in the balance sheet using the value of the debt corresponding to the repayment commitment.
- repurchase agreements with a residual maturity of three months or less: individualisation of the debt on the basis of the contract price. In such cases, the linearisation method is applied.
- Long-term repurchase agreements: recorded and valued at their nominal value, even if they mature in more than three months. Accrued interest is added to this amount. However, some agreements include special conditions in the event of early redemption requests to take into account the impact of the rise in the counterparty's financing curve. The accrued interest can therefore be reduced by this effect, without a minimum value. The impact is proportional to the residual maturity of the repurchase agreement and the variation between the contractual margin and the market margin for an identical maturity date.
- Reverse repurchase agreements issued with a residual maturity of less than or equal to three months: at market value. The debt valued on the basis of contractual value is posted under liabilities. In such cases, the linearisation method is applied.

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Financial futures and options

Futures: day's settlement price.

The off-balance sheet valuation is calculated on the basis of the nominal value, the settlement price and, where applicable, the exchange rate.

Options: day's closing price or, if not known, the last known price.

OTC options: these options are valued at their market value, based on the prices issued by the counterparties.

These valuations are monitored by the Management Company.

The off-balance sheet valuation is calculated as the underlying equivalent on the basis of the delta and the price of the underlying and, where applicable, taking into account the exchange rate.

Special case: Floor: these options are valued by third-party counterparties using a marked-to-market conversion model based on market volatility and rate curve checked by the manager and taken at the closing of the market every Thursday.

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

Rate swaps:

- for swaps maturing in less than three months, interest is calculated using a linear method
- swaps maturing after three months are revalued at market value

Synthetic products (combination of a security and a swap) are reported globally. Interest received on swaps that form part of these products is valued using the linear method.

Asset swaps and synthetic products are valued on the basis of their market value. The valuation of asset swaps is based on the valuation of hedged securities minus the effect of variation of credit spreads. This effect is valued using the average spread notified by 4 counterparties on a monthly basis, adjusted by a margin based on the issuer's rating.

The off-balance sheet commitments for the swaps correspond to their nominal value.

Structured swaps (swaps with optional component): these swaps are valued at their market value, based on the prices issued by the counterparties. These valuations are monitored by the Management Company.

Index swaps when the valuation of the counterparty is available, faithful and received within the set deadlines: this valuation is used for the calculation of the net asset value after checking the internal valuation calculated by the Risk team. If this is not the case, the price calculated internally is used for calculating the NAV. The off-balance sheet commitments for these swaps correspond to their nominal value.

Financial management fees

- 0.561% (incl. tax) maximum rate for I units
- 1.111% (incl. tax) maximum rate for R units
- 1.011% (incl. tax) maximum rate for E units
- 0.561% (incl. tax) maximum rate for T C EUR units

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

These fees comprise all the costs billed to the UCI, with the exception of transaction fees. Transaction costs include intermediation costs (brokerage, stock exchange tax, etc.) and any turnover fees charged by the Depositary and the Management Company.

Administrative fees not paid to the Management Company

0.289% (incl. tax) maximum rate of net assets for I, R and T C EUR units.

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Outperformance fee

None

Rebates on management fees

None

Accounting method for interest

Accrued interest

Allocation of realised profits

- I units: Capitalisation
- E units: Capitalisation
- R units: Capitalisation
- T C EUR units: Capitalisation

Allocation of net realised gains

- I units: Capitalisation
- E units: Capitalisation
- R units: Capitalisation
- T C EUR units: Capitalisation

Changes affecting the Fund

None

Method for adjusting the net asset value relating to swing pricing with a trigger threshold

This mechanism aims to protect unitholders in the event of significant subscriptions or redemptions on the liabilities side of the Fund's balance sheet by applying an adjustment factor to unitholders who invest or redeem significant amounts of outstanding assets, which is likely to generate costs for unitholders in the event of inflows or outflows, which would otherwise affect all unitholders in the Fund.

Therefore, in the event that on the net asset value calculation day, the total net subscription/redemption orders of investors of all Fund units exceeds the pre-established threshold set by the Management Company and defined on the basis of objective criteria as a percentage of the net assets of the Fund, the net asset value may be adjusted upwards or downwards to take into account the readjustment costs arising from net subscription/redemption orders.

The cost parameters and threshold triggers are established by the Management Company and reviewed on a regular basis. The costs are estimated by the Management Company on the basis of transaction costs and the bid-ask spread.

It is not possible to forecast if the swing shall be applied at a given time in the future, or how often the Management Company shall carry out such adjustments.

Accordingly, such adjustments may not exceed 2% of the NAV. Investors shall be informed that the volatility of the NAV of the mutual fund shall not only reflect that of the securities held in the portfolio due to the application of swing pricing.

The swung net asset value is the only net NAV of the Fund and the only one communicated to unitholders of the Fund. However, if there are outperformance fees, these shall be calculated on the basis of the net asset value before application of the adjustment mechanism.

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Statement of changes in net assets

| | Financial year 31/12/2018 | Financial year 29/12/2017 |
|---|------------------------------|------------------------------|
| Net assets at the beginning of the financial year | 8,010,978.29 | 17,734,382.56 |
| Subscriptions (including subscription fees for the UCI) | 979,871.79 | 744,466.31 |
| Redemptions (less redemption fees paid to the UCI) | - 5,129,857.24 | - 10,782,823.03 |
| Capital gains realised on deposits and financial instruments | 103,362.47 | 558,841.00 |
| Capital losses realised on deposits and financial instruments | - 132,431.04 | - 304,287.00 |
| Gains realised on financial futures | - | - |
| Capital losses realised on financial futures | - | - |
| Transaction charges | - 10,442.96 | - 34,237.68 |
| Exchange rate differences | - 44,812.17 | 38,189.15 |
| Variation in the valuation difference on deposits and financial instruments | - 198,391.78 | - 65,564.03 |
| Valuation difference for financial year N | - 141,492.09 | 56,899.69 |
| Valuation difference for financial year N-1 | - 56,899.69 | - 122,463.72 |
| Variation in the valuation difference on financial futures | - | - |
| Valuation difference for financial year N | - | - |
| Valuation difference for financial year N-1 | - | - |
| Distribution on net gains and losses for the previous financial year | - | - |
| Distribution of profits for the previous financial year | - | - |
| Net profit or loss for the financial year before accrued income | 50,813.40 | 122,011.01 |
| Prepayment(s) made on net gains and losses during the financial year | - | - |
| Prepayment(s) made on profit or loss during the financial year | - | - |
| Other items | - | - |
| Net assets at the end of the financial year | 3,629,090.76 | 8,010,978.29 |

Additional information 1

| | Financial year 31/12/2018 |
|--|------------------------------|
| Commitments received or made | |
| Commitments received or made (capital guarantee or other investments)(*) | - |
| Current value of financial instruments in the portfolio representing collateral | |
| Financial instruments received as collateral and not recognised on the balance sheet | - |
| Financial instruments given as collateral and recognised under their original line item | - |
| Financial instruments in the portfolio issued by the service provider or entities of the same group | |
| Deposits | - |
| Shares | - |
| Interest rate securities | - |
| UCI | 187,983.58 |
| Temporary purchases and sales of securities | - |
| Swaps (nominal) | - |
| Current value of financial instruments which are the subject of temporary acquisitions | |
| Repurchased securities | - |
| Securities under repurchase agreements | - |
| Securities borrowed | - |

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

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Additional information 2

| | Financial year 31/12/2018 | |
|--|------------------------------|-------------------------|
| Issues and redemptions during the financial year | Number of securities | |
| Class category T C (Currency: EUR) | | |
| Number of securities issued | 757.18484 | |
| Number of securities redeemed | 616.08582 | |
| Class category E (Currency: EUR) | | |
| Number of securities issued | - | |
| Number of securities redeemed | 484.54700 | |
| Class category I (Currency: EUR) | | |
| Number of securities issued | 136.44866 | |
| Number of securities redeemed | 1,541.59922 | |
| Class category R (Currency: EUR) | | |
| Number of securities issued | 3.86493 | |
| Number of securities redeemed | 1,128.73859 | |
| Subscription and/or redemption fees | Amount (EUR) | |
| Subscription fees paid to the UCI | - | |
| Redemption fees paid to the UCI | - | |
| Subscription fees received and reassigned | - | |
| Redemption fees received and reassigned | - | |
| Management fees | Amount (EUR) | % of average net assets |
| Class category I (Currency: EUR) | | |
| Management and operating fees (*) | 40,445.38 | 1.04 |
| Outperformance fees | - | - |
| Other fees | - | - |
| Class category E (Currency: EUR) | | |
| Management and operating fees (*) | 6,355.76 | 1.47 |
| Outperformance fees | - | - |
| Other fees | - | - |
| Class category R (Currency: EUR) | | |
| Management and operating fees (*) | 16,979.40 | 1.58 |
| Outperformance fees | - | - |
| Other fees | - | - |
| Class category T C (Currency: EUR) | | |
| Management and operating fees (*) | 3,883.90 | 0.91 |
| Outperformance fees | - | - |
| Other fees | - | - |
| Rebates on management fees (all units) | - | |

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

Breakdown of receivables and payables by type

| | Financial year 31/12/2018 |
|---|------------------------------|
| Breakdown of receivables by type | - |
| Deposit – euros | - |
| Deposit – other currency | - |
| Cash collateral | - |
| Valuation of currency futures purchases | - |
| Countervalue of futures sales | 183,383.43 |
| Other debtors | - |
| Coupons receivable | - |
| TOTAL RECEIVABLES | 183,383.43 |
| Breakdown of payables by type | - |
| Deposit – euros | - |
| Deposit – other currency | - |
| Cash collateral | - |
| Provision for borrowing charges | - |
| Valuation of currency futures sales | 185,448.02 |
| Countervalue of futures purchases | - |
| Fees and charges owed | 10,693.88 |
| Other creditors | - |
| Provision for market liquidity risk | - |
| TOTAL PAYABLES | 196,141.90 |

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Breakdown of instruments by legal or economic type

| | Financial year 31/12/2018 |
|---|------------------------------|
| Assets | |
| Bonds and similar securities | 1,708,681.88 |
| Indexed bonds | - |
| Convertible bonds | 910,582.46 |
| Participation notes | - |
| Other bonds and similar debt securities | 798,099.42 |
| Debt securities | 1,732,583.44 |
| Traded on a regulated or similar market | 1,732,583.44 |
| Treasury bills | - |
| Other NDS | - |
| Other debt securities | 1,732,583.44 |
| Not traded on a regulated market or similar | - |
| Liabilities | |
| Sale of financial instruments | - |
| Shares | - |
| Bonds | - |
| Other | - |
| Off-balance sheet | |
| Hedging transactions | - |
| Rates | - |
| Shares | - |
| Other | - |
| Other transactions | - |
| Rates | - |
| Shares | - |
| Other | - |

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

| | Fixed rate | Floating rate | Adjustable rate | Other |
|-----------------------------------|--------------|---------------|-----------------|-----------|
| Assets | | | | |
| Deposits | - | - | - | - |
| Bonds and similar securities | 1,609,152.25 | - | 99,529.63 | - |
| Debt securities | 1,432,944.62 | - | 299,638.82 | - |
| Temporary securities transactions | - | - | - | - |
| Financial accounts | - | - | - | 12,608.21 |
| Liabilities | | | | |
| Temporary securities transactions | - | - | - | - |
| Financial accounts | - | - | - | 7.88 |
| Off-balance sheet | | | | |
| Hedging transactions | - | - | - | - |
| Other transactions | - | - | - | - |

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

| | [0 - 3 months] | [3 months - 1 year] | [1 - 3 years] | [3 - 5 years] | > 5 years |
|-----------------------------------|----------------|---------------------|---------------|---------------|-----------|
| Assets | | | | | |
| Deposits | - | - | - | - | - |
| Bonds and similar securities | 59,796.00 | 351,612.03 | 1,297,273.85 | - | - |
| Debt securities | - | 106,592.55 | 1,625,990.89 | - | - |
| Temporary securities transactions | - | - | - | - | - |
| Financial accounts | 12,608.21 | - | - | - | - |
| Liabilities | | | | | |
| Temporary securities transactions | - | - | - | - | - |
| Financial accounts | 7.88 | - | - | - | - |
| Off-balance sheet | | | | | |
| Hedging transactions | - | - | - | - | - |
| Other transactions | - | - | - | - | - |

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

| | GBP | USD | SEK | CHF |
|-----------------------------------|------|------------|------|-----------|
| Assets | | | | |
| Deposits | - | - | - | - |
| Equities and similar securities | - | - | - | - |
| Bonds and similar securities | - | - | - | 86,157.96 |
| Debt securities | - | 108,044.12 | - | - |
| UCI securities | - | - | - | - |
| Temporary securities transactions | - | - | - | - |
| Other financial instruments | - | - | - | - |
| Receivables | - | - | - | - |
| Financial accounts | 3.19 | 5,200.77 | - | 1,272.37 |
| Liabilities | | | | |
| Sale of financial instruments | - | - | - | - |
| Payables | - | 111,289.90 | - | 74,153.12 |
| Temporary securities transactions | - | - | - | - |
| Financial accounts | - | - | 7.88 | - |
| Off-balance sheet | | | | |
| Hedging transactions | - | - | - | - |
| Other transactions | - | - | - | - |

Only the five currencies with the most representative value making up net assets are included in this table.

Allocation of income

Class category I (Currency: EUR)

Allocation table for distributable amounts related to profit or loss

| | Financial year 31/12/2018 | Financial year 29/12/2017 |
|---|------------------------------|------------------------------|
| Amounts to be allocated | | |
| Balance carried forward | - | - |
| Profit or loss | 29,291.91 | 70,202.66 |
| Total | 29,291.91 | 70,202.66 |
| Allocation | | |
| Distribution | - | - |
| Balance carried forward for the financial year | - | - |
| Capitalisation | 29,291.91 | 70,202.66 |
| Total | 29,291.91 | 70,202.66 |
| Information on securities with distribution rights | | |
| Number of securities | - | - |
| Unit distribution | - | - |
| Tax credits and tax assets related to distribution of income | | |
| Total tax credits and tax assets | | |
| for the financial year | - | - |
| for the financial year N-1 | - | - |
| for the financial year N-2 | - | - |
| for the financial year N-3 | - | - |
| for the financial year N-4 | - | - |

LA FRANCAISE CONVERTIBLES 2020

Allocation table for distributable amounts related to net gains and losses

| | Financial year 31/12/2018 | Financial year 29/12/2017 |
|---|------------------------------|------------------------------|
| Amounts to be allocated | | |
| Previous undistributed net gains and losses | - | - |
| Net gains and losses for the financial year | - 41,438.78 | 28,636.75 |
| Prepayments made on net gains and losses for the financial year | - | - |
| Total | - 41,438.78 | 28,636.75 |
| Allocation | | |
| Distribution | - | - |
| Undistributed net gains and losses | - | - |
| Capitalisation | - 41,438.78 | 28,636.75 |
| Total | - 41,438.78 | 28,636.75 |
| Information on securities with distribution rights | | |
| Number of securities | - | - |
| Unit distribution | - | - |

LA FRANCAISE CONVERTIBLES 2020

Class category T C (Currency: EUR)

Allocation table for distributable amounts related to profit or loss

| | Financial year 31/12/2018 |
|---|------------------------------|
| Amounts to be allocated | |
| Balance carried forward | - |
| Profit or loss | 1,516.48 |
| Total | 1,516.48 |
| Allocation | |
| Distribution | - |
| Balance carried forward for the financial year | - |
| Capitalisation | 1,516.48 |
| Total | 1,516.48 |
| Information on securities with distribution rights | |
| Number of securities | - |
| Unit distribution | - |
| Tax credits and tax assets related to distribution of income | |
| Total tax credits and tax assets | |
| for the financial year | - |
| for the financial year N-1 | - |
| for the financial year N-2 | - |
| for the financial year N-3 | - |
| for the financial year N-4 | - |

LA FRANCAISE CONVERTIBLES 2020

Allocation table for distributable amounts related to net gains and losses

| | Financial year 31/12/2018 |
|---|------------------------------|
| Amounts to be allocated | |
| Previous undistributed net gains and losses | - |
| Net gains and losses for the financial year | - 2,072.56 |
| Prepayments made on net gains and losses for the financial year | - |
| Total | - 2,072.56 |
| Allocation | |
| Distribution | - |
| Undistributed net gains and losses | - |
| Capitalisation | - 2,072.56 |
| Total | - 2,072.56 |
| Information on securities with distribution rights | |
| Number of securities | - |
| Unit distribution | - |

LA FRANCAISE CONVERTIBLES 2020

Class category R (Currency: EUR)

Allocation table for distributable amounts related to profit or loss

| | Financial year 31/12/2018 | Financial year 29/12/2017 |
|---|------------------------------|------------------------------|
| Amounts to be allocated | | |
| Balance carried forward | - | - |
| Profit or loss | 4,182.14 | 20,261.43 |
| Total | 4,182.14 | 20,261.43 |
| Allocation | | |
| Distribution | - | - |
| Balance carried forward for the financial year | - | - |
| Capitalisation | 4,182.14 | 20,261.43 |
| Total | 4,182.14 | 20,261.43 |
| Information on securities with distribution rights | | |
| Number of securities | - | - |
| Unit distribution | - | - |
| Tax credits and tax assets related to distribution of income | | |
| Total tax credits and tax assets | | |
| for the financial year | - | - |
| for the financial year N-1 | - | - |
| for the financial year N-2 | - | - |
| for the financial year N-3 | - | - |
| for the financial year N-4 | - | - |

LA FRANCAISE CONVERTIBLES 2020

Allocation table for distributable amounts related to net gains and losses

| | Financial year 31/12/2018 | Financial year 29/12/2017 |
|---|------------------------------|------------------------------|
| Amounts to be allocated | | |
| Previous undistributed net gains and losses | - | - |
| Net gains and losses for the financial year | - 12,263.19 | 7,132.57 |
| Prepayments made on net gains and losses for the financial year | - | - |
| Total | - 12,263.19 | 7,132.57 |
| Allocation | | |
| Distribution | - | - |
| Undistributed net gains and losses | - | - |
| Capitalisation | - 12,263.19 | 7,132.57 |
| Total | - 12,263.19 | 7,132.57 |
| Information on securities with distribution rights | | |
| Number of securities | - | - |
| Unit distribution | - | - |

LA FRANCAISE CONVERTIBLES 2020

Class category E (Currency: EUR)

Allocation table for distributable amounts related to profit or loss

| | Financial year 31/12/2018 | Financial year 29/12/2017 |
|---|------------------------------|------------------------------|
| Amounts to be allocated | | |
| Balance carried forward | - | - |
| Profit or loss | 145.15 | 5,257.34 |
| Total | 145.15 | 5,257.34 |
| Allocation | | |
| Distribution | - | - |
| Balance carried forward for the financial year | - | - |
| Capitalisation | 145.15 | 5,257.34 |
| Total | 145.15 | 5,257.34 |
| Information on securities with distribution rights | | |
| Number of securities | - | - |
| Unit distribution | - | - |
| Tax credits and tax assets related to distribution of income | | |
| Total tax credits and tax assets | | |
| for the financial year | - | - |
| for the financial year N-1 | - | - |
| for the financial year N-2 | - | - |
| for the financial year N-3 | - | - |
| for the financial year N-4 | - | - |

LA FRANCAISE CONVERTIBLES 2020

Allocation table for distributable amounts related to net gains and losses

| | Financial year 31/12/2018 | Financial year 29/12/2017 |
|---|------------------------------|------------------------------|
| Amounts to be allocated | | |
| Previous undistributed net gains and losses | - | - |
| Net gains and losses for the financial year | - 356.17 | 1,757.46 |
| Prepayments made on net gains and losses for the financial year | - | - |
| Total | - 356.17 | 1,757.46 |
| Allocation | | |
| Distribution | - | - |
| Undistributed net gains and losses | - | - |
| Capitalisation | - 356.17 | 1,757.46 |
| Total | - 356.17 | 1,757.46 |
| Information on securities with distribution rights | | |
| Number of securities | - | - |
| Unit distribution | - | - |

Table of income and other characteristic items for the last five financial years

Class category T C (Currency: EUR)

| | 31/12/2018 |
|-------------------------------------|------------|
| Net asset value (in EUR) | |
| C units | 951.96 |
| Net assets (in EUR thousand) | 134.32 |
| Number of securities | |
| C units | 141.09902 |

| Payment date | 31/12/2018 |
|--|------------|
| Unit distribution on net gains and losses | - |
| (including deposits) (in EUR) | |
| Unit distribution on profit or loss | - |
| (including deposits) (in EUR) | |
| Unit tax credit (*) | - |
| natural persons (in EUR) | |
| Unit capitalisation on net gains and losses | |
| C units | 14.67 |
| Unit capitalisation on profit or loss | |
| C units | 14.74 |

(*) The unit tax credit is determined on the date of payment, pursuant to the tax instruction of 4 March 1993 (Ints. 4 K-1-93). The theoretical amounts, calculated according to the rules applicable to individuals, are presented here as a guide. "Tax directive 4 J-2-99 of 8 November 1999 also states that the beneficiaries of tax credits other than individuals are themselves responsible for calculating the amount of tax credits to which they are entitled."

LA FRANCAISE CONVERTIBLES 2020

Class category E (Currency: EUR)

| | 31/12/2014 | 31/12/2015 | 30/12/2016 | 29/12/2017 | 31/12/2018 |
|-------------------------------------|-------------|-------------|------------|------------|------------|
| Net asset value (in EUR) | | | | | |
| C units | 1,027.81 | 1,054.93 | 1,067.05 | 1,097.85 | 1,047.45 |
| Net assets (in EUR thousand) | 2,420.90 | 2,095.64 | 330.38 | 556.08 | 23.01 |
| Number of securities | | | | | |
| C units | 2,355.39500 | 1,986.50900 | 309.61500 | 506.51300 | 21.96600 |

| Payment date | 31/12/2014 | 31/12/2015 | 30/12/2016 | 29/12/2017 | 31/12/2018 |
|---|------------|------------|------------|------------|------------|
| Unit distribution on net gains and losses (including deposits) (in EUR) | - | - | - | - | - |
| Unit distribution on profit or loss (including deposits) (in EUR) | - | - | - | - | - |
| Unit tax credit (*) natural persons (in EUR) | - | - | - | - | - |
| Unit capitalisation on net gains and losses | | | | | |
| C units | 11.53 | 0.15 | - 7.90 | 3.46 | - 16.21 |
| Unit capitalisation on profit or loss | | | | | |
| C units | 2.36 | 0.72 | 5.36 | 10.37 | 6.60 |

(*) The unit tax credit is determined on the date of payment, pursuant to the tax instruction of 4 March 1993 (Ints. 4 K-1-93). The theoretical amounts, calculated according to the rules applicable to individuals, are presented here as a guide. "Tax directive 4 J-2-99 of 8 November 1999 also states that the beneficiaries of tax credits other than individuals are themselves responsible for calculating the amount of tax credits to which they are entitled."

LA FRANCAISE CONVERTIBLES 2020

Class category I (Currency: EUR)

| | 31/12/2014 | 31/12/2015 | 30/12/2016 | 29/12/2017 | 31/12/2018 |
|-------------------------------------|--------------|--------------|-------------|-------------|-------------|
| Net asset value (in EUR) | | | | | |
| C units | 1,489.84 | 1,536.06 | 1,560.67 | 1,612.96 | 1,545.84 |
| Net assets (in EUR thousand) | 23,783.16 | 22,474.63 | 14,027.14 | 5,062.58 | 2,679.77 |
| Number of securities | | | | | |
| C units | 15,963.48328 | 14,631.33827 | 8,987.84267 | 3,138.68362 | 1,733.53306 |

| Payment date | 31/12/2014 | 31/12/2015 | 30/12/2016 | 29/12/2017 | 31/12/2018 |
|---|------------|------------|------------|------------|------------|
| Unit distribution on net gains and losses (including deposits) (in EUR) | - | - | - | - | - |
| Unit distribution on profit or loss (including deposits) (in EUR) | - | - | - | - | - |
| Unit tax credit (*) natural persons (in EUR) | - | - | - | - | - |
| Unit capitalisation on net gains and losses | | | | | |
| C units | 24.98 | 0.20 | - 11.54 | 9.12 | -23.90 |
| Unit capitalisation on profit or loss | | | | | |
| C units | 12.83 | 8.02 | 14.69 | 22.36 | 16.89 |

(*) The unit tax credit is determined on the date of payment, pursuant to the tax instruction of 4 March 1993 (Ints. 4 K-1-93). The theoretical amounts, calculated according to the rules applicable to individuals, are presented here as a guide. "Tax directive 4 J-2-99 of 8 November 1999 also states that the beneficiaries of tax credits other than individuals are themselves responsible for calculating the amount of tax credits to which they are entitled."

LA FRANCAISE CONVERTIBLES 2020

Class category R (Currency: EUR)

| | 31/12/2014 | 31/12/2015 | 30/12/2016 | 29/12/2017 | 31/12/2018 |
|-------------------------------------|-------------|-------------|-------------|-------------|------------|
| Net asset value (in EUR) | | | | | |
| C units | 1,303.38 | 1,336.44 | 1,350.43 | 1,388.03 | 1,322.93 |
| Net assets (in EUR thousand) | 5,151.59 | 6,431.66 | 3,376.87 | 2,392.32 | 791.99 |
| Number of securities | | | | | |
| C units | 3,952.47919 | 4,812.52821 | 2,500.58502 | 1,723.53737 | 598.66371 |

| Payment date | 31/12/2014 | 31/12/2015 | 30/12/2016 | 29/12/2017 | 31/12/2018 |
|---|------------|------------|------------|------------|------------|
| Unit distribution on net gains and losses (including deposits) (in EUR) | - | - | - | - | - |
| Unit distribution on profit or loss (including deposits) (in EUR) | - | - | - | - | - |
| Unit tax credit (*) natural persons (in EUR) | - | - | - | - | - |
| Unit capitalisation on net gains and losses | | | | | |
| C units | 21.85 | 0.19 | - 10.00 | 4.13 | - 20.48 |
| Unit capitalisation on profit or loss | | | | | |
| C units | 4.23 | - 0.42 | 5.47 | 11.75 | 6.98 |

(*) The unit tax credit is determined on the date of payment, pursuant to the tax instruction of 4 March 1993 (Ints. 4 K-1-93). The theoretical amounts, calculated according to the rules applicable to individuals, are presented here as a guide. "Tax directive 4 J-2-99 of 8 November 1999 also states that the beneficiaries of tax credits other than individuals are themselves responsible for calculating the amount of tax credits to which they are entitled."

LA FRANCAISE CONVERTIBLES 2020

Inventory of financial instruments as at 31 December 2018

| Asset and denomination of securities | Quantity | Price | Listing currency | Current value | Rounded % of the net assets |
|--|------------|--------|------------------|---------------------|-----------------------------|
| Bonds and similar securities | | | | 1,708,681.88 | 47.08 |
| Traded on a regulated or similar market | | | | 1,708,681.88 | 47.08 |
| ALLERGAN FUNDING 18-15/11/2020 FRN | 100,000.00 | 99.53 | EUR | 99,529.63 | 2.74 |
| AMERICA MOVIL SA 0% 15-28/05/2020 CV | 100,000.00 | 98.64 | EUR | 98,643.22 | 2.72 |
| BAYER AG 0.05% 17-15/06/2020 | 100,000.00 | 99.65 | EUR | 99,678.17 | 2.75 |
| BIOMERIEUX 2.875% 13-14/10/2020 | 100,000.00 | 104.79 | EUR | 105,429.39 | 2.91 |
| CONSTELLATION BR 2.25% 17-06/11/2020 | 100,000.00 | 98.14 | USD | 86,157.96 | 2.37 |
| CRED AGRICOLE SA 0% 16-03/10/2019 CV | 1,300.00 | 72.53 | EUR | 94,292.90 | 2.60 |
| FRESENIUS MEDICA 1.125% 14-31/01/2020 CV | 100,000.00 | 103.57 | EUR | 104,048.58 | 2.87 |
| FRESENIUS SE 0% 14-24/09/2019 CV | 100,000.00 | 104.94 | EUR | 104,939.68 | 2.89 |
| GEN DE CATALUNYA 4.95% 10-11/02/2020 | 50,000.00 | 104.23 | EUR | 54,327.42 | 1.50 |
| HANIEL FINANCE 0% 15-12/05/2020 CV | 100,000.00 | 98.28 | EUR | 98,277.00 | 2.71 |
| INTL CONSOLIDAT 0.25% 15-17/11/2020 CV | 100,000.00 | 98.50 | EUR | 98,527.46 | 2.71 |
| MEDIOBANCA 5% 10-15/11/2020 | 100,000.00 | 104.96 | EUR | 105,628.99 | 2.91 |
| NEXANS SA 2.5% 12-01/01/2019 CV FLAT | 800.00 | 74.75 | EUR | 59,796.00 | 1.65 |
| OI EUROPEAN GRP 6.75% 10-15/09/2020 | 100,000.00 | 108.98 | EUR | 111,851.25 | 3.08 |
| PETROLEOS MEXICA 3.125% 13-27/11/2020 | 100,000.00 | 102.18 | EUR | 102,491.78 | 2.82 |
| SCHAEFFLER FIN 2.5% 15-15/05/2020 | 131,000.00 | 100.33 | EUR | 132,683.00 | 3.65 |
| WENDEL SA 0% 16-31/07/2019 CV | 1,000.00 | 51.86 | EUR | 51,861.00 | 1.43 |
| WERELDHAVE NV 1% 14-22/05/2019 CV | 100,000.00 | 100.40 | EUR | 100,518.45 | 2.77 |
| Debt securities | | | | 1,732,583.44 | 47.74 |
| Traded on a regulated or similar market | | | | 1,732,583.44 | 47.74 |
| Other debt securities | | | | 1,732,583.44 | 47.74 |
| ADLER REAL EST 4.75% 15-08/04/2020 | 48,000.00 | 100.76 | EUR | 48,901.73 | 1.35 |
| AREVA SA 3.25% 13-04/09/2020 | 100,000.00 | 101.11 | EUR | 102,190.70 | 2.82 |
| BANCO POPOLARE 2.75% 15-27/07/2020 | 100,000.00 | 101.18 | EUR | 102,380.98 | 2.82 |
| BANCO SABADELL 6.25% 10-26/04/2020 | 100,000.00 | 105.92 | EUR | 110,238.93 | 3.04 |
| CASINO GUICHARD 3.994% 12-09/03/2020 | 100,000.00 | 102.75 | EUR | 107,060.70 | 2.95 |
| CHINA CONSTRUCT 0.625% 17-17/02/2020 | 100,000.00 | 100.19 | EUR | 100,739.95 | 2.78 |
| FIAT FIN & TRADE 6.75% 13-14/10/2019 | 100,000.00 | 105.09 | EUR | 106,592.55 | 2.94 |
| GOLDMAN SACHS GP 18-16/12/2020 FRN | 100,000.00 | 99.48 | EUR | 99,483.96 | 2.74 |
| HELLENIC TELECOM 3.5% 14-09/07/2020 | 100,000.00 | 103.29 | EUR | 104,992.35 | 2.89 |
| ICBC/LUXEMBOURG 17-12/10/2020 FRN | 100,000.00 | 99.81 | EUR | 99,863.49 | 2.75 |
| ING BANK NV 18-26/11/2020 FRN | 100,000.00 | 100.28 | EUR | 100,291.37 | 2.76 |
| INTESA SANPAOLO 5.15% 10-16/07/2020 | 100,000.00 | 106.13 | EUR | 108,546.44 | 2.99 |
| MACQUARIE BK LTD 6% 10-21/09/2020 | 100,000.00 | 109.23 | EUR | 110,939.45 | 3.06 |

LA FRANCAISE CONVERTIBLES 2020

| | | | | | |
|--|------------|------------|-----|---------------------|---------------|
| NATIONWIDE BLDG 6.75% 10-22/07/2020 | 100,000.00 | 108.71 | EUR | 111,763.32 | 3.07 |
| TELECOM ITALIA 4.875% 13-25/09/2020 | 100,000.00 | 106.22 | EUR | 107,557.62 | 2.96 |
| TESCO CORP TREAS 2.125% 13-12/11/2020 | 100,000.00 | 102.69 | EUR | 102,995.78 | 2.84 |
| VODAFONE GROUP 0% 15-26/11/2020 CV | 100,000.00 | 96.98 | GBP | 108,044.12 | 2.98 |
| UCI securities | | | | 187,983.58 | 5.18 |
| General purpose UCITS and AIF intended for non-professionals and equivalent in other Member States of the European Union | | | | 187,983.58 | 5.18 |
| LA FRANCAISE TRESORERIE-I | 1.74 | 108,036.54 | EUR | 187,983.58 | 5.18 |
| Receivables | | | | 183,383.43 | 5.05 |
| Payables | | | | - 196,141.90 | - 5.40 |
| Deposits | | | | - | - |
| Other financial accounts | | | | 12,600.33 | 0.35 |
| TOTAL NET ASSETS | | | | 3,629,090.76 | 100.00 |