LYNX ACTIVE BALANCED FUND

A SUB-FUND OF THE LYNX UCITS FUNDS ICAV

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

For the period
from 11 December 2018 (date of incorporation)
to 31 December 2019

LYNX

LYNX ACTIVE BALANCED FUND

MANAGEMENT AND ADMINISTRATION

Registered Office	5 George's Dock International Financial Services Centre Dublin 1 Ireland
Directors	Brian Dunleavy* Fiona Mulhall** Marcus Andersson*
Manager	KBA Consulting Management Limited 5 George's Dock International Financial Services Centre Dublin 1 Ireland
Investment Manager and Distributor	Lynx Asset Management AB Regeringsgatan 30-32 Box 7060 SE – 103 86 Stockholm Sweden
Depositary	HSBC France, Dublin Branch 1 Grand Canal Square Grand Canal Harbour Dublin 2 Ireland
Administrator	HSBC Securities Services (Ireland) DAC 1 Grand Canal Square Grand Canal Harbour Dublin 2 Ireland
Legal Counsel (as to Irish law)	Matheson 70 Sir Rogerson's Quay Dublin 2 Ireland
Independent Auditor	KPMG Chartered Accountants 1 Harbourmaster Place International Financial Services Centre Dublin 1 Ireland
Secretary	KB Associates 5 George's Dock International Financial Services Centre Dublin 1 Ireland

** Non-executive director*
*** Non-executive independent director*

LYNX ACTIVE BALANCED FUND

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ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

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This document is a copy of the original Annual Report and Financial Statements for the Lynx Active Balanced Fund. This version has not been reviewed by the auditor of the ICAV-fund. A copy of the signed original can be requested free of charge from the Manager. In case of discrepancies between this document and the signed original, the signed original shall prevail.

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DIRECTORS' REPORT

For the period from 11 December 2018 (date of incorporation) to 31 December 2019.

The Directors present their report for Lynx Active Balanced Fund (the "Fund"), a sub-fund of the Lynx UCTIS ICAV (the "ICAV"), and audited financial statements for the period from 11 December 2018 (date of incorporation) to 31 December 2019.

The Directors have opted to prepare separate financial statements for each of the sub-funds in accordance with the Irish Collective Asset-management Vehicles Act 2015 (the "ICAV Act"). As of 31 December 2019, the ICAV has established one other sub-fund, Lynx UCITS Fund. The report and financial statements for Lynx UCITS Fund are available free of charge on request from the Manager. Any reference hereafter to the reports and financial statement will mean the reports and financial statements for Lynx Active Balanced Fund.

PRINCIPAL ACTIVITIES

A detailed review of the Fund's activities for the period from 11 December 2018 (date of incorporation) to 31 December 2019 is included in the Investment Manager's Report on pages 10-13.

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Directors' Report and financial statements, in accordance with applicable law and regulations.

The ICAV Act requires the Directors to prepare financial statements for each financial period. Under that law, they have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") and applicable law.

The financial statements are required to give a true and fair view of the assets, liabilities and financial position of the Fund at the end of the financial period and of the profit or loss of the Fund for the financial period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRS as adopted by the EU; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the ICAV will continue in business.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Fund and enable them to ensure that the financial statements comply with the ICAV Act, the European Communities (Undertaking for Collective Investment in Transferable Securities) Regulations 2011 (as amended) and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (the Central Bank UCITS Regulations). They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the ICAV. In this regard, they have entrusted the assets of the ICAV to HSBC France, Dublin Branch, as Depositary, for safekeeping. They have general responsibility for taking such steps as are reasonably open to them to prevent and detect fraud and other irregularities. The Directors are also responsible for preparing a Directors' Report that complies with the requirements of the ICAV Act.

RESULTS AND DIVIDENDS

The results of operations for the period and the financial position as at the period end are set out in the Statement of Comprehensive Income and the Statement of Financial Position on page 18 and 17 respectively. There were no dividends declared during the period.

RISK MANAGEMENT OBJECTIVES AND POLICIES

The main risks arising from the Fund's financial instruments as defined by IFRS 7 for financial reporting purposes are market risk (including market price risk, interest rate risk and foreign currency risk), credit risk and liquidity risk as detailed in Note 11 on pages 30-35 in these financial statements.

DIRECTORS WHO HELD OFFICE DURING THE PERIOD

The Directors who held office at any time during the period were: Brian Dunleavy, Fiona Mulhall and Marcus Andersson.

DIRECTORS' AND SECRETARY'S INTERESTS IN SHARES OF THE ICAV AND ITS FUND

None of the Directors nor the ICAV Secretary or their respective families held any interest, beneficial or otherwise, in the share capital of the ICAV during or at the end of the financial period.

The Board of Directors are not aware of any contracts or arrangements of any significance in relation to the business of the ICAV in which the Directors had any interest at any time during the period ended 31 December 2019.

TRANSACTIONS INVOLVING DIRECTORS

Other than as disclosed in Note 5 on page 27-28 and Note 16 on page 37 to the financial statements, there were no contracts or agreements of any significance in relation to the business of the ICAV or the Fund in which the Directors had any interest, as defined in the ICAV Act, at any time during the period.

TRANSACTIONS WITH CONNECTED PERSONS

The Central Bank UCITS Regulations require in effect that any transaction carried out with a UCITS by a management company or depositary to the UCITS, the delegates or sub-delegates of the management company or depositary, and any associated or group of such a management company, depositary, delegate or sub-delegate ("connected persons") must be carried out as if negotiated at arm's length. Transactions must be in the best interests of the shareholders.

The Directors are satisfied that there are arrangements (evidenced by written procedures) in place, to ensure that the obligations set out in Regulation 43(1) of the Central Bank UCITS Regulations are applied to all transactions with connected persons, and are satisfied that transactions with connected persons entered into during the year complied with the obligations set out in Regulation 43(1) of the Central Bank UCITS Regulations.

ACCOUNTING RECORDS

The Directors believe that they have complied with the requirements of Sections 109 to 113 of the ICAV Act, with regard to keeping adequate accounting records. The Directors have appointed HSBC Securities Services (Ireland) DAC to maintain adequate accounting records.

The address at which this business is located is as follows:

1 Grand Canal Square
Grand Canal Harbour
Dublin 2
Ireland

SIGNIFICANT EVENTS DURING THE PERIOD

Significant events during the period are disclosed in Note 17 on page 38.

SUBSEQUENT EVENTS AFTER THE PERIOD END

Each of the Administrator, Depository, Investment Manager, Manager and other service providers to the ICAV and their delegates may be affected by force majeure events (i.e., events beyond the control of the party claiming that the event has occurred, including, without limitation, acts of God, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concern, war, terrorism and labour strikes, major plant breakdowns, pipeline or electricity line ruptures, failure of technology, defective design and construction, accidents, demographic changes, government macroeconomic policies and social instability). Some force majeure events may adversely affect the ability of any such parties to perform their obligations to the ICAV until they are able to remedy the force majeure event. While it is expected that such service providers will implement contingency plans for addressing force majeure events it is possible that such force majeure events exceed the assumptions of such plans.

Certain force majeure events (such as war or an outbreak of an infectious disease) may also have a broader negative impact on the world economy and international business activity generally, or in any of the countries in which the Fund may invest specifically. Since late 2019, several countries have experienced outbreaks of a novel coronavirus (nCoV) which is from a family of viruses that cause illnesses ranging from the common cold to more severe diseases. Any spread of an infectious illness or similar public health threat could reduce consumer demand or economic output, impact on the market value of investments, result in market closures, travel restrictions or quarantines, and generally have a significant impact on the world economy and disrupt markets. The nature and extent of the impact of such events is difficult to predict but they may adversely affect the return on the Fund and its investments.

Subsequent events after the period end are disclosed in Note 18 on page 38.

CORPORATE GOVERNANCE CODE (THE "CODE")

Irish Funds, the association for the funds industry in Ireland, has published a corporate governance code that may be adopted on a voluntary basis by Irish authorised investment funds. The Board of Directors have adopted the Code, and the ICAV was in compliance with all elements of the Code during the period.

AUDITORS

KPMG, Chartered Accountants, were appointed during the financial period in accordance with *Section*

125(2) of the ICAV Act and have expressed their willingness to continue in accordance with *Section 125(1) of the ICAV Act.*

On behalf of the Board of Directors

Brian Dunleavy *Fiona Mulhall*

22 April 2020

INVESTMENT MANAGER'S REPORT

For the period from 11 December 2018 (date of incorporation) to 31 December 2019

■ Lynx Active Balanced Fund started trading on 28 December 2018 and ended 2019 up 21.19 per cent net of fees, a strong annual result for the fund's inaugural year. Both main asset classes, equities and fixed income, were solidly profitable as the fund's quantitative models capitalized on opportunities across the globe. Meanwhile, trading in commodities was more challenging and incurred minor losses for the fund.

Lynx Active Balanced Fund does not have a truly representative benchmark but could be compared to a traditional balanced fund which typically allocates 60 per cent in equities and 40 per cent in bonds[1]. The generic "60/40-portfolio" delivered 18.8 per cent in this period. Similarly, the fund outperformed Morningstar´s EUR Flexible Global Allocation Category by 8.9 percentage points. The risk, as measured by annualized standard deviation, averaged 8.0 per cent for the period, which is in line with the funds long term target. The sharpe ratio for the 12 month period was 3.08.

MARKET DEVELOPMENTS

Politics dominated the headlines in 2019, but astonishingly had very little lasting negative impact on financial markets. We faced presidential impeachment, impending Brexit, and global trade wars, with no more response than a few temporary setbacks in asset prices. Corporate earnings declined and global growth slowed, most notably in China, but market sentiment remained reasonably strong. The US yield curve inverted midway through the year, leading many to forecast an imminent recession, but normalized soon after easing those concerns. Even geopolitical conflict in the Middle East and heightened tensions in North Korea and Venezuela did not seem to cause much distress.

Equities proved to be remarkably resilient throughout the period, while other asset classes fluctuated as political and macroeconomic storylines unfolded. Most global stock indices ended 2019 significantly higher, with the MSCI World Index experiencing the strongest performance since 2009 and major US markets eclipsing previous highs. Modest selloffs in May and July quickly recovered as accommodative monetary policy and improving sentiment were ultimately sufficient to support prices. Meanwhile, fixed income markets experienced a relatively large price swing between the first and second half of the year. Early in the period, increasingly dovish comments from the Fed, concerns surrounding Brexit and unexpectedly weak economic data out of Europe resulted in a sharp decline in yields. By July, an escalating trade war between the US and China and an inverted US yield curve had many investors fearing the potential of a global recession. However, the curve normalized reasonably quickly, trade tensions abated and yields began to climb in the months that followed.

In commodities, crude oil rallied sharply during the first quarter on decreasing Middle Eastern production and collapsing Venezuelan exports due to debilitating sanctions. Prices fluctuated afterwards, falling on rising US output over the summer only to climb as OPEC and other major producers agreed to cut production later in the year. Base metals prices vacillated on the status of trade negotiations between the US and China, although precious metals climbed markedly higher on a depreciation in the US dollar during the second half of the period.

ANALYSIS OF THE RESULT

Lynx Active Balanced Fund was able to capitalize on the market opportunities during the period and deliver strong returns to our investors. The performance in 2019 can been attributed primarily to equities and fixed income, as commodities slightly detracted from the annual result.

The table below shows the gross performance attribution by asset class for the fund in 2019 (inclusive of 28 December 2018, being the date when the fund started its operations).

GROSS RETURN BY ASSET CLASS	
Equity-related investments	16.7%
Fixed income-related investments	7.4%
Commodity-related investments	-0.5%
TOTAL GROSS RETURN	**23.6%**

Equities were the strongest performer over the period, generating a gain of 16.7 per cent in 2019. Although net equity exposure was initially low due to heightened volatility and sector weakness at the end of 2018, risk increased quickly as prices rallied on generally accommodative monetary policy and improving sentiment. The

[1] *Equities and bonds have been approximated with MSCI ACWI Net Total Return EUR index and JP Morgan GBI Global EUR Hedge Total Return index, respectively. Monthly rebalancing excluding fees. This is not a benchmark but only provided for illustrative purposes.*

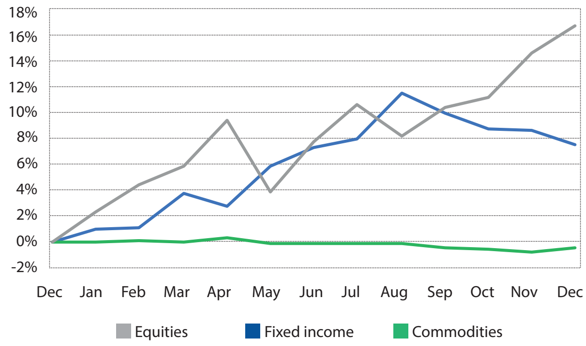

Chart 1. *Contribution to performance by asset class during 2019.*

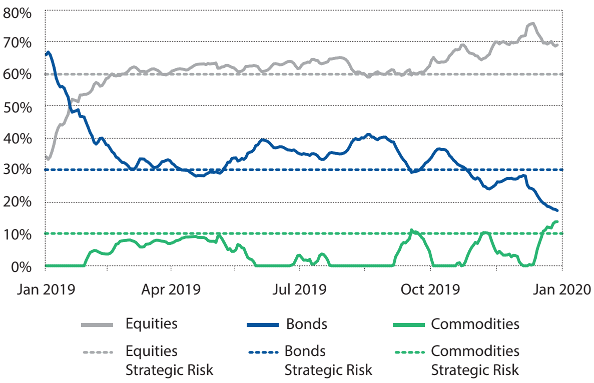

Chart 2. *Risk proportions per asset class.*

fund started the year with a 30 per cent exposure to global equities which increased as stock markets continued to perform well. The position peaked at around 90 per cent, effectively demonstrating the fund's ability to adjust the asset allocation based on market conditions. Despite a couple of pullbacks in May and July on concerns regarding trade, most indices ended the period solidly higher. Gains were generated across the globe, but most notably in the S&P 500, NASDAQ and Nikkei indices.

Fixed income (bonds and rates) was also a profitable sector, contributing 7.4 per cent in aggregate over the course of the period. The fund entered the period with significant positions across the global bond markets given the financial turmoil in the preceding fourth quarter. Solid gains were realized as yields continued to trend lower through the summer months. However, rates unexpectedly reversed in September on optimism regarding Brexit and global trade, and fixed income exposure declined dramatically throughout the remainder of the period as the global growth outlook continued to improve. The US Treasury bond and the 10-year bonds in France and Australia accounted for the three largest contributors to performance.

The fund´s allocation to commodities, obtained through the use of a swap-contract, modestly detracted from fund performance contributing a negative -0.5 per cent. The swap-contract traded by the fund tracks the Bloomberg Commodity ex-Agriculture and Livestock Index consisting of energies, industrial metals and precious metals. While the index posted positive performance during the period overall, the fund was unsuccessful in timing exposure, maintaining a low allocation to the asset class throughout the period, and even being divested during some months.

INVESTMENT PROCESS AND THE APPLICATION OF RISK

The cornerstone of the investment process is to allocate risk rather than capital to different asset classes. By balancing the risk, the strategy seeks to minimize the negative impact on performance of market downturns. The fund targets a baseline risk-balanced allocation of 60% to equities, 30% to fixed income and 10% to commodities. Since the fund went live, these risk allocations have tactically deviated from the strategic levels in line with our active allocation approach as illustrated in the chart below.

Entering the period, the risk allocation to equities was significantly lower than the strategic level of 60 per cent of the total portfolio risk as a result of the sharp stock market decline in the last quarter of 2018. As markets rallied in January 2019, the allocation to equities increased rapidly. Conversely, the risk allocation to bonds, which was more than double the strategic weight of 30 per cent at fund launch, halved over the ensuing months.

The fund did not maintain any commodity exposure at inception, although periodically built up a small position during the period. As of the end of the period, the risk allocations were as follows: 74 per cent in equities, 14 per cent in fixed income and 12 per cent in commodities.

The strategy has an expected long-term average volatility target of 8 per cent (annualized). However, the short-term risk level is actively managed through automated systematic techniques embedded in the investment process. Depending on the fund's risk appetite, the total portfolio risk target may range between 5 and 9 per cent; if the strategy´s proprietary models forecast low or negative returns for several or all asset classes, the total risk level will be set lower than the long-term average. Throughout most of the period, the fund targeted a volatility level in line with the long-term expected average as the fund´s proprietary models correctly forecasted strong returns in equities and fixed income.

The table below shows the largest positions in equities and fixed income as of December 30, 2019 in terms of Value at Risk[2].

[2] *1 day, 99% confidence interval.*

CURRENT LARGEST POSITIONS BY ASSET CLASS

	Value at Risk, %
Equity Index Futures	
US stock market (S&P 500)	0.25
US stock market (Nasdaq)	0.23
Japanese stock market (Nikkei)	0.19
Chinese stock market (China A50)	0.18
EAFE stock market index (MSCI)	0.09
Fixed Income Futures	
US govt bonds (US Tbond)	0.06
10-year US govt bonds	0.06
5-year US govt bonds	0.06
10-year French govt bonds (OAT)	0.05
10-year Australian govt bonds	0.05

SUSTAINABILITY INFORMATION

At Lynx, we strive to be a responsible investor. As the fund invests in derivatives which do not carry voting rights, we are unable to exercise active ownership or influence companies in the same way as equity funds. Our sustainability efforts are instead aimed at promoting the development of sustainable markets and the long-term sustainability of the society at large.

Lynx Asset Management has adopted a firm-wide policy that outlines how we apply sustainability principles at a firm level and in our investment process, and how we promote responsible investment throughout the industry. The policy is approved by the Board that also ensures that compliance with this policy is enforced within the firm, and that this is done within the framework of the company's internal control procedures.

Lynx has been a signatory of the United Nations Principles for Responsible Investment (UN PRI) since 2016. The PRI are aimed at introducing and implementing ESG aspects in our daily work and in our investments. Lynx is also a signatory of the Standards Board for Alternative Investments (SBAI). The SBAI is an initiative that is aimed at creating and promoting standards of good governance, transparency, valuation, risk management and shareholders' conduct for the alternatives industry.

More information about our sustainability work can be found on our website.

OUTLOOK

Excess liquidity and low sovereign bond yields have contributed to a remarkable search for yield in recent years. As volatility has remained compressed and central banks have quickly responded to deflationary shocks, investors have been rewarded for making increasingly risky bets. However, this scenario is unlikely to persist indefinitely since we see potential disruptive catalysts on the horizon.

As unemployment rates continue to fall across the developed world, an amenable resolution to Brexit appears possible, and trade wars may soon be resolved, the normalization of monetary policy could be approaching. Markets have become dependent on the support of global central banks. Once policy focus shifts away from asset prices to economic fundamentals, investors will need to adjust. Inflationary pressures – which have been almost nonexistent in recent years – may reemerge. Conversely, if the outlook darkens and deflationary pressures build, central bankers lack the same firepower to react like in prior crises. Even extraordinary measures may fall short. In either case, the opportunities for active management should abound.

Additionally, geopolitical risks are as significant now as at any time in recent history. The situation in Iran is arguably the most dire as crushing economic sanctions have created financial hardship and social unrest that threaten the current regime. If disputes with the US would intensify, the potential for a larger scale conflict becomes a distinct possibility. Recent trade negotiations between the US and China produced a welcomed truce which proved constructive for risk assets and commodities tied to economic growth. However, daily news can shift investor sentiment and, as we enter a presidential election year, the US political climate is likely to become more unpredicatable.

Lynx Active Balanced Fund is designed to adapt to different market regimes – reallocating risk when conditions are more or less favorable – to maximize long-term capital appreciation. Allocating capital across a variety of assets based on risk has the potential to increase profit opportunities and mitigate losses as compared to an approach based on nominal value or investing in only one type of asset. Diversification – across and within asset classes – is a powerful tool for managing risk and achieving investment goals, but it cannot eliminate the potential for loss. As such, we cannot promise a positive return in a declining market, but nevertheless hope to fare better than traditional balanced funds in such an environment. As investor sentiment has been repeatedly tested by both geopolitical and macroeconomic uncertainty, the current environment calls for an active approach to portfolio management. Failing to rebalance risks – or only thinking of the portfolio in nominal terms – can result in a suboptimal asset allocation.

At the time of writing, the coronavirus pandemic is having a significant impact on global markets and investor sentiment. Growth expectations have collapsed as a large portion of the world's population has been self-quarantining and global commerce has slowed. Initially, extraordinary monetary policy adjustments did little to control a selloff in risk assets as the crisis escalated, although massive fiscal stimulus measures implemented since have helped ease the stress on the financial system. With unemployment increasingly dramatically across the globe, governments will likely need to supply additional direct support to their populations. The situation is exceptionally fluid and the potential for continued heightened market volatility and price dislocations remains elevated. As a business, Lynx has addressed the challenges COVID-19 poses to the organisation and is in a good position to continue operating efficiently even should the crisis escalate.

Your confidence and faith drive us to perform and I hope that we will be able to reward your trust in 2020 and beyond.

Lynx Asset Management

22 April 2020

DEPOSITARY'S REPORT TO THE SHAREHOLDERS

For the period from 1 January 2019 to 31 December 2019

We, HSBC France, Dublin Branch, appointed Depositary to Lynx Active Balanced Fund (the "Fund") provide this report solely in favour of the Shareholders of the Fund from 11 December 2018 (date of incorporation) to 31 December 2019 (the "Accounting Period"). This report is provided in accordance with the UCITS Regulations - *European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended* (the "Regulations"). We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

In accordance with our Depositary obligation as provided for under the Regulations, we have enquired into the conduct of the Fund for the Accounting Period and we hereby report thereon to the Shareholders of the Fund as follows;

We are of the opinion that the Fund has been managed during the Accounting Period, in all material respects:

(i) in accordance with the limitations imposed on the investment and borrowing powers of the Fund by the constitutional documents and the Regulations; and

(ii) otherwise in accordance with the provisions of the constitutional documents and the Regulations.

On behalf of

HSBC France, Dublin Branch
1 Grand Canal Square
Grand Canal Harbour
Dublin 2
Ireland

22 April 2020

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS

For the period from 1 January 2019 to 31 December 2019

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Lynx Active Balanced Fund ('the Fund') for the period from 11 December 2018 to 31 December 2019, which comprise the statement of financial position, statement of comprehensive income, statement of changes in net assets attributable to holders of redeemable participating shares, statement of cash flows and related notes, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

In our opinion, the accompanying financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Fund as at 31 December 2019 and of its decrease in net assets attributable to holders of redeemable participating shares for the period then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Irish Collective Asset-management Vehicles Act 2015.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Fund in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Accounting and Auditing Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We have nothing to report on going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

OTHER INFORMATION

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the directors' report, investment manager's report, depository's report, schedule of investments and supplementary disclosures. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Opinion on other matter prescribed by the Irish Collective Asset-management Vehicles Act 2015

In our opinion, the information given in the Directors' Report is consistent with the financial statements.

Matters on which we are required to report by exception

The Irish Collective Asset-management Vehicles Act 2015 requires us to report to you, if in our opinion, the disclosures of Directors' remuneration specified by law are not made. We have nothing to report in this regard.

RESPECTIVE RESPONSIBILITIES AND RESTRICTIONS ON USE

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set on page 7, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) 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.

A fuller description of our responsibilities is provided on IAASA's website at *https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description of auditors responsiblities for audit.pdf.*

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the shareholders of the Fund, as a body, in accordance with the Section 120 of the Irish Collective Asset-management Vehicles Act 2015. Our audit work has been undertaken so that we might state to the Fund's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund and the Fund's shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.

Colm Clifford

for and on behalf of

KPMG
Chartered Accountants, Statutory Audit Firm
1 Harbourmaster Place
International Financial Services Centre
Dublin 1
Ireland

22 April 2020

STATEMENT OF FINANCIAL POSITION

As at 31 December 2019

	Notes	31 December 2019* EUR
ASSETS		
Financial assets at fair value through profit or loss	2(f), 3,4	
-Transferable securities		*33,635,237*
-Financial derivative instruments		*758,761*
Cash and cash equivalents	2(h)	23,103
Cash held as collateral	2(o)	1,058,057
Subscription receivable	2(p)	232,468
Due from brokers	2(n)	3,126,198
TOTAL ASSETS		**38,833,824**
LIABILITIES		
Financial liabilities at fair value through profit or loss	2(f), 3,4	
-Financial derivative instruments		*(665,247)*
Bank overdraft	2(h)	(975,357)
Due to brokers	2(n)	(89,338)
Redemptions payable	2(p)	(970)
Audit fees payable	5(f)	(8,500)
Administration fees payable	5(c)	(1,823)
Directors' fees payable	5(e)	(336)
Depositary fees payable	5(d)	(1,684)
Investment management fees payable	5(a)	(12,192)
Other payables	6	(1,564)
LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES)		**(1,757,011)**
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES		**37,076,813**

** The ICAV was incorporated on 11 December 2018 and the Fund commenced operations on 28 December 2018 and as such, there are no comparatives.*

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

On behalf of Board of Directors

Brian Dunleavy *Fiona Mulhall*

22 April 2020

STATEMENT OF COMPREHENSIVE INCOME

For the period from 11 December 2018 (date of incorporation) to 31 December 2019

	Notes	31 December 2019* EUR
INVESTMENT INCOME		
Interest income	2(i)	305
Net gains on financial assets and financial liabilities at fair value through profit or loss	3	4,924,552
Net losses on foreign exchange		(43,654)
TOTAL INVESTMENT INCOME		**4,881,203**
OPERATING EXPENSES		
Transaction costs		(21,337)
Audit fees	5(f)	(8,500)
Administration fees	5(c)	(46,408)
Depositary fees	5(d)	(16,353)
Investment management fees	5(a)	(140,862)
Directors' fees	5(e)	(9,431)
Other expenses	7	(11,669)
TOTAL OPERATING EXPENSES		**(254,560)**
OPERATING PROFIT		**4,626,643**
FINANCE COSTS		
Interest expense	2(i)	(28,177)
TOTAL FINANCE COSTS		**(28,177)**
INCREASE IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FROM OPERATIONS		**4,598,466**

** The ICAV were incorporated on 11 December 2018 and commenced operation on 28 December 2018 and as such there are no comparatives.*

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

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES

For the period from 11 December 2018 (date of incorporation) to 31 December 2019

	*31 December 2019** *EUR*
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES AT THE BEGINNING OF PERIOD	-
Proceeds on the issue of redeemable participating shares	33,876,301
Payment on redemptions of redeemable participating shares	(1,397,954)
Increase in net assets attributable to holders of redeemable participating shares from operations	4,598,466
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES AT END OF PERIOD	**37,076,813**

** The ICAV were incorporated on 11 December 2018 and commenced operation on 28 December 2018 and as such there are no comparatives.*

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

STATEMENT OF CASH FLOWS

For the period from 11 December 2018 (date of incorporation) to 31 December 2019

	31 December 2019* EUR
CASH FLOWS FROM OPERATING ACTIVITIES	
Net increase in net assets resulting from operations	4,598,466
Net gains on financial assets and financial liabilities at fair value through profit or loss	(4,924,552)
Purchase of financial assets	(85,423,498)
Proceeds from sale of financial assets	51,655,107
Proceeds on settlement of financial derivative instruments	4,964,191
Increase in due from brokers	(3,126,198)
Increase in cash held as collateral	(1,058,057)
Increase in audit fees payable	8,500
Increase in administration fees payable	1,823
Increase in due to brokers	89,338
Increase in investment management fees payable	12,192
Increase in depositary fees payable	1,684
Increase in directors' fees payable	336
Increase in other payables	1,564
NET CASH USED IN OPERATING ACTIVITIES	**(33,199,103)**
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds on the issue of redeemable participating shares	33,643,833
Payment on redemption of redeemable participating shares	(1,396,984)
NET CASH PROVIDED BY FINANCING ACTIVITIES	**32,246,849**
Net decrease in cash and cash equivalents	(952,254)
Cash and cash equivalents at beginning of the period	-
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	**(952,254)**
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:	
Interest received	305
Interest paid	(28,177)

** The ICAV were incorporated on 11 December 2018 and commenced operation on 28 December 2018 and as such there are no comparatives.*

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

1. GENERAL

Lynx Active Balanced Fund (the "Fund") is a sub-fund of Lynx UCITS ICAV (the "ICAV"). The ICAV is an open-ended Irish collective asset-management vehicle with registered number C184319 structured as an umbrella fund with segregated liability between sub-funds pursuant to the European Communities (*Undertakings for Collective Investment in Transferable Securities) Regulations 2011* (as amended) (the "UCITS Regulations").

The ICAV was incorporated on 11 December 2018 and the Fund commenced operation on 28 December 2018 and as such, there are no comparatives.

Any liability incurred on behalf of or attributable to the Fund of the ICAV shall be discharged solely out of the assets of the Fund. Notwithstanding the foregoing, there can be no assurance that should an action be brought against the ICAV in the courts of another jurisdiction, the segregated nature of the Fund would necessarily be upheld.

The investment objective the Fund is to achieve long-term capital appreciation to a moderate risk level by providing dynamic long exposure to a diversified range of asset classes and financial instruments.

2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted by the Fund in the preparation of these financial statements are set out below.

(a) Basis of preparation

The Directors have opted to prepare separate financial statements for the Fund in accordance with the *Irish Collective Asset-management Vehicles Act 2015* (the "ICAV Act"). Any reference hereafter to the financial statements will mean the financial statements of the Fund of the ICAV.

These financial statements for the period ended 31 December 2019 have been prepared in accordance with *International Financial Reporting Standards* ("IFRS") as adopted for use in European Union ("EU") and with the requirements of the ICAV Act and pursuant to the UCITS Regulations and the *Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019* (the "Central Bank UCITS Regulations").

The financial statements have been prepared on a going concern basis and under the historical cost convention except for financial instruments classified at fair value through profit or loss that have been measured at fair value.

(b) Use of estimates, judgements and assumptions

The preparation of financial statements in conformity with IFRS requires the Directors to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities at the date of the financial statements and, income and expense during the reporting period. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial period in which the estimate is revised if the revision affects only that financial period or in the financial period of the revision and future financial periods if the revision affects both current and future financial periods.

(c) Foreign currency translation

(i) Functional and presentation currency

The Directors considers the currency of the primary economic environment in which the Fund operates to be the Euro ("EUR") as this is the currency which, in their opinion most faithfully represents the economic effects of underlying transactions, events and conditions. The financial statements are presented in EUR which is the Fund's functional and presentation currency.

(ii) Foreign currency transactions

Assets and liabilities denominated in currencies other than the functional currency are translated into the functional currency at the closing rates at each financial period end. Transactions during the financial period, including purchases and sales of securities, income and expenses, are translated at the rate of exchange prevailing on the date of the transaction. Foreign currency transaction gains and losses are included in net gains on financial assets and financial liabilities at fair value through profit or loss and net losses on foreign currency in the Statement of Comprehensive Income.

(d) New standards, amendments and interpretations effective for the period beginning 1 January 2018 and adopted by the Fund

IFRS 9 'Financial Instruments' became effective for annual periods beginning on or after 1 January 2018. It addresses the classification, recognition, derecognition and measurement of financial assets and financial liabilities and replaces the multiple classification and measurement models in International Accounting Standards ("IAS") 39 'Financial Instruments: Recognition and Measurement'.

Classification and measurement of debt assets is driven by the Fund's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. A debt instrument is measured at amortised cost if the objective of the business model is to hold the financial asset for the collection of the contractual cash flows and the contractual cash flows under the instrument solely represent payments of principal and interest ("SPPI"). A debt instrument is measured at fair value through other comprehensive income if the objective of the business model is to hold the financial asset both to collect contractual cash flows from SPPI and to sell. All other debt instruments must be recognised at fair value through profit or loss. An entity may however, at initial recognition, irrevocably designate a financial asset as measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Derivative and equity instruments are measured at fair value through profit or loss unless, for equity instruments not held for trading, an irrevocable option is taken to measure at fair value through other comprehensive income. IFRS 9 also introduces a new expected credit loss ("ECL") impairment model.

IFRS 15 'Revenue from contracts with customers': IFRS 15 replaces IAS 18 'Revenue' and establishes a five step model to account for revenue arising from contracts with customers. In addition, guidance on interest and dividend income have been moved from IAS 18 to IFRS 9 without significant changes to the requirements. There was no impact of adopting IFRS 15 for the Fund.

(e) New standards, amendments and interpretations effective for the period beginning 1 January 2019 and not yet adopted by the Fund

International Financial Reporting Interpretations Committee ("IFRIC") 23 comes into effect for annual periods beginning on or after 1 January 2019. It aims to clarify the accounting uncertainties in income taxes. The interpretation is to be applied to the determination of taxable profits, loses, tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12. The ICAV has not adopted early application of IFRIC 23.

(f) Financial assets and financial liabilities at fair value through profit or loss

(i) Classification

The Fund classifies all of its investments as financial assets or financial liabilities at fair value through profit or loss. In addition to this, the Fund measures assets and liabilities not carried at fair value but for which fair value is disclosed in Statement of Financial Position.

- **Assets**

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any securities as fair value through other comprehensive income. Derivative contracts that have a positive fair value are presented as assets at fair value through profit or loss. Consequently, all investments are measured at fair value through profit or loss.

- **Liabilities**

Derivative contracts that have a negative fair value are presented as liabilities at fair value through profit or loss.

As such, the Fund classifies all of its investment portfolio as financial assets or financial liabilities as fair value through profit or loss.

The Fund's policy requires the Investment Manager and the Board of Directors to evaluate the information about these financial assets and financial liabilities on a fair value basis together with other related financial information.

(ii) Recognition, derecognition and measurement

Investment transactions are accounted for on a trade date basis. Investments are initially recognised at the fair value of acquisition. Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Investments are derecognised when the rights to receive cash flow from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the Statement of Comprehensive Income within net gains on financial assets and financial liabilities at fair value through profit or loss in the period in which they arise.

At each reporting date, all prices are sourced by HSBC Securities Services (Ireland) DAC (the "Administrator") from counterparties, dealers and independent pricing sources. All assets and liabilities are marked at fair value in accordance with the relevant provisions of the offering documents of the Fund, following the procedures outlined in the valuation policy, which was established by the Manager in order to ensure a fair and accurate net asset value of the Fund's financial instruments. The Manager is responsible for the proper valuation of the assets of the Fund.

(iii) Impairment of financial assets

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an ECL model. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments at fair value through other comprehensive income, but not to investments in equity instruments. IFRS 9 requires the Fund to record ECLs on all of its cash and collateral, debt securities, due from broker and trade receivables, either on a 12 month or lifetime basis. Given the limited exposure of the Fund to ECL, this amendment has not had a material impact on these financial statements. The Fund only holds receivables with no financing component and which have maturities of less than 12 months at amortised cost and therefore it has adopted an approach similar to the simplified approach to ECLs.

The carrying value of cash and cash equivalents, subscriptions receivable and due from broker measured at amortised cost less any expected loss, is an approximation of fair value given their short-term nature and no history of default.

The Fund did not recognise any impairment upon transition to IFRS 9 during the period ended 31 December 2019.

(iv) Financial derivative instruments ("FDI")

Futures contracts

Futures are valued at fair value based on the settlement price on the relevant valuation date. Futures are contracts for delayed delivery of commodities in which the seller agrees to make delivery at a specific future date of a specific commodity, at a specified price or yield. Gains and losses on futures are recorded by the Fund based on market fluctuations and are recorded as realised or unrealised gains or losses dependent upon settlement terms of the contracts held in the Statement of Comprehensive Income. The Fund includes bond futures, currency futures, commodity index futures, interest rate futures and futures on equity indices.

Swaps

Generally, a swap contract is an agreement that obligates two parties to exchange a series of cash flows at specified intervals based upon or calculated by reference to changes in specified prices or rates for a specified notional amount of the underlying assets. The payment flows are usually netted against each other, with the difference being paid by one party to the other.

Forward contracts

Forward contracts entered into by the Fund represent a firm commitment to buy or sell an underlying asset, or currency at a specified value and point in time based upon an agreed or contracted quantity. Gains and losses on forward contracts are measured by the Fund based upon fair value fluctuations and are recorded as realised or unrealised gains or losses in the Statement of Comprehensive Income. The Fund values forward contracts at last settlement prices or closing prices provided by certain third party pricing sources.

(g) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position where there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(h) Cash and cash equivalents

Cash, including cash denominated in foreign currencies, represents cash on hand and demand deposits held at financial institutions. Cash equivalents include short-term, highly liquid investments of sufficient credit quality that are readily convertible to known amounts of cash and have original maturities of three months or less. Cash equivalents are carried at cost, plus accrued interest, which approximates fair value. Cash equivalents are held to meet short-term liquidity requirements, rather than for investment purposes. Cash and cash equivalents are held at major financial institutions and are subject to credit risk to the extent those balances exceed applicable Federal Deposit Insurance Corporation (FDIC) or Securities Investor Protection Corporation (SIPC) limitations. As at 31 December 2019, the Fund held cash and overdrafts with HSBC France, Dublin Branch. In the Statement of Cash Flows, cash and cash equivalents are shown net of overdrafts.

(i) Transaction costs

Transaction costs are incremental costs which are separately identifiable and directly attributable to the acquisition, issue or disposal of a financial asset or financial liability.

The Fund's portfolio transactions include the purchase and sale of bond and the increase or decrease in notional amount of derivative positions.

(j) Interest income and interest expense

Deposit interest is recognised as income on an effective interest basis. Interest expense is charged on broker balances and is recognised daily on an accrual basis using the original effective interest rate of the instrument and under the finance costs header within the Statement of Comprehensive Income.

(k) Expenses

All expenses are recognised in the Statement of Comprehensive Income on an accrual basis. Transaction costs on financial assets and financial liabilities at fair value through profit or loss, including commission fees, are presented gross under operating expenses and are expensed immediately.

(l) Net asset value per share

The net asset value ("NAV") per share is calculated by the Administrator by dividing the NAV attributable to each class of shares by the number of shares in issue in that class at each valuation point.

(m) Redeemable participating shares

All redeemable participating shares issued by the Fund provide the shareholders with the right to require redemption for cash at the value proportionate to the shareholders share in the Fund's net assets at the redemption date. In accordance with IAS 32,'Financial Instruments: Presentation', such instruments are classified as financial liabilities. Subject to the terms of the Prospectus, the Fund is contractually obliged to redeem shares at the NAV per share on the valuation date.

(n) Due from/to brokers

Amounts due from/to brokers represent spot trades and margin accounts. Margin accounts represent those cash deposits with brokers which are transferred as collateral against open derivative contracts.

(o) Cash held as collateral

As at 31 December 2019, the Fund's broker Goldman Sachs held cash as collateral that is identified in the Statement of Financial Position as cash held as collateral and is not included as a component of cash and cash equivalents.

(p) Subscriptions receivable and redemptions payable

Subscriptions receivable represent amounts due from investors from subscriptions that have been contracted for but not yet received and therefore are shown as a receivable at the financial period end. Redemptions payable represent amounts due to shareholders for redemptions that have been contracted for but not yet paid and therefore are shown as a payable at the financial period end.

3. FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 December 2019* EUR
Financial assets at fair value through profit or loss	
Designated at fair value	
Transferable securities	
-Treasury bills	26,933,180
- Treasury certificates	6,702,057
Financial derivative instruments	
-Forward contracts	206,278
-Futures contracts	462,091
-Swaps	90,392
Total financial assets at fair value through profit or loss	**34,393,998**
Financial liabilities at fair value through profit or loss	
Financial derivative instruments	
-Forward contracts	(182,183)
-Futures contracts	(483,064)
Total financial liabilities at fair value through profit or loss	**(665,247)**
Realised gains/(losses) on financial assets and financial liabilities at fair value through profit or loss	
Losses on treasury bills	(78,214)
Losses on treasury certificates	(18,095)
Gains on futures contracts	4,884,882
Losses on swaps	(262,058)
Gains on forward contracts	341,367
Net realised gains on financial assets and financial liabilities at fair value through profit or loss	**4,867,882**
Unrealised gains/(losses) on financial assets and financial liabilities at fair value through profit or loss	
Losses on treasury bills	(22,522)
Losses on treasury certificates	(14,322)
Losses on futures contracts	(20,973)
Gains on forwards contracts	24,095
Gains on swaps	90,392
Net unrealised gains on financial assets and financial liabilities at fair value through profit or loss	**56,670**
Net gains on financial assets and financial liabilities at fair value through profit or loss	**4,924,552**

**The ICAV was incorporated on 11 December 2018 and the Fund commenced operation on 28 December 2018 and as such, there are no comparatives.*

4. FAIR VALUE MEASUREMENT

IFRS 13 'Fair value measurement' establishes a fair value hierarchy that prioritises the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described in the table below.

Level 1	Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access at the measurement date;
Level 2	Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active;
Level 3	Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the investment's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgement by the Directors. The Directors consider observable data to be that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorisation of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the Directors' perceived risk of that instrument.

Transferable securities

Transferable securities whose values are based on quoted market prices in active markets are classified within level 1. These include active treasury bills. The Directors do not adjust the quoted price for such instruments, even in situations where the Fund holds a large position and a sale could reasonably impact the quoted price.

Transferable securities that trade in markets that are not considered to be active, but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2.

Transferable securities classified within level 3 have significant unobservable inputs, as they trade infrequently or not at all. There are no level 3 investments held at financial period end.

Financial derivative instruments

Financial derivative instruments can be exchange-traded or privately negotiated over-the-counter ("OTC"). Exchange-traded derivatives, such as futures contracts are typically classified within level 1 or level 2 of the fair value hierarchy depending on whether or not they are deemed to be actively traded. OTC derivatives, such as forward contracts and swaps have inputs which can generally be corroborated by market data and are therefore classified within level 2.

The following table presents the financial instruments carried on the Statement of Financial Position by caption and by level within the valuation hierarchy as at 31 December 2019.

	Total	**(Level 1)**	**(Level 2)**	**(Level 3)**
Financial assets at fair value through profit or loss	**EUR**	**EUR**	**EUR**	**EUR**
Transferable securities				
-Treasury bills	26,933,180	26,933,180	-	-
-Treasury certificates	6,702,057	6,702,057	-	-
Financial Derivative Instruments				
-Forward contracts	206,278	-	206,278	-
-Futures	462,091	462,091	-	-
-Swaps	90,392	-	90,392	-
Total financial assets at fair value through profit or loss	**34,393,998**	**34,097,328**	**296,670**	**-**

Financial liabilities at fair value through profit or loss				
Financial derivative instruments				
-Forward contracts	(182,183)	-	(182,183)	-
-Futures	(483,064)	(483,064)	-	-
Total financial liabilities at fair value through profit or loss	**(665,247)**	**(483,064)**	**(182,183)**	**-**

The Fund recognises transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change occurred.

There were no transfers between levels during the financial period from 28 December 2018 (commencement of operations) to 31 December 2019.

Financial assets and liabilities not measured at fair value

The financial assets and financial liabilities not measured at fair value through profit or loss are short-term financial assets and financial liabilities whose carrying amounts approximate fair value. Cash and cash equivalents are categorised as Level 1 and all other financial assets and financial liabilities not measured at fair value through profit or loss are categorised as Level 2 in the fair value hierarchy.

5. FEES AND EXPENSES

(a) Investment management fees

The Investment Manager shall be entitled to receive from the Fund, an investment management fee in relation to each class of shares calculated on a percentage of net assets attributable to such class of shares. Such fees are accrued daily and paid monthly in arrears at an annual rate as set out below:

Classes of shares	Investment management fee (per annum)
Class I1	0.90%
Class I2	0.60%
Class D1	1.20%
Class D2	0.75%
Class A	1.20%

The Investment Manager may from time to time and at its sole discretion and out of its own resources decide to rebate shareholders part or all of the investment management fees.

Any such rebate(s) may be applied in paying up additional shares to be issued to the shareholder(s).

For the financial period ended 31 December 2019, the investment management fees of EUR 140,862 were charged to the Fund of which EUR 12,192 was payable at the period end.

(b) Manager fees

The Manager shall be entitled to receive from the ICAV, a manager fee calculated as a percentage of the net asset value ("NAV") of the ICAV. The Fund shall be responsible for its attributable portion of the fees payable to the Manager and fees shall be allocated to the Funds on a pro-rata basis. Such fees are accrued daily and paid quarterly in arrears as set out below. The Investment Manager may take responsibility for payment of the fees to the Manager for up to the first year from the launch of the Fund. The manager fees is as follows:

Net Asset Value of the ICAV	Fee payable to the Manager
€0 - €250 million ("Ml")	0.03% per annum
€250Ml - €500Ml	0.0275% per annum
€500Ml - €750Ml	0.025% per annum
€750Ml - €1 billion ("Bn")	0.0225% per annum
Above €1Bn	0.02% per annum

For the financial period ended 31 December 2019, the Investment Manager has paid out of its own fees, the managers' fee of EUR 21,756 of which EUR 1,969 was payable at the period end.

(c) Administration fees

The Administrator was entitled to receive out of the assets of Fund an administration fee, accrued and calculated daily and paid monthly in arrears, at a rate of up to 0.06% per annum of a Fund's NAV for the first EUR 500 million and 0.05% per annum of Fund's NAV above EUR 500 million subject to a minimum annual fee of up to EUR 30,000 for the Fund. The Fund shall be responsible for the fees of and reasonable out-of-pocket expenses properly incurred by the Administrator.

For the financial period ended 31 December 2019, the administration fees of EUR 46,408 were charged to the Fund of which EUR 1,823 was payable at the period end.

(d) Depositary fees

The Depositary is entitled to an annual fee out of the assets of the Fund at a rate which shall not exceed 0.03% per annum of the NAV of the Fund, subject to a minimum fee EUR 36,000 per annum pro-rated between the sub-funds of the ICAV on the basis of the assets under administration of each Fund. This fee accrues and is calculated on each dealing day and paid monthly in arrears. The Depositary shall also be entitled to receive out of the assets of the Fund all agreed sub-custodian fees and transaction charges.

For the financial period ended 31 December 2019, the depositary fees of EUR 16,353 were charged to the Fund of which EUR 1,684 was payable at the period end.

(e) Directors' fees

The Directors may be entitled to a fee by way of remuneration for their services at a rate to be determined from time to time by the Directors. The Directors' remuneration will not exceed EUR 50,000 per annum in the aggregate or such other amount as may be determined by the Directors and notified to shareholders from time to time. Any Directors employed by the Investment Manager will waive their entitlement to fees. The Directors shall be entitled to be reimbursed by the ICAV for all reasonable disbursements and out-of-pocket expenses incurred by them, if any.

For the financial period ended 31 December 2019, the directors' fees of EUR 9,431 were charged to the Fund of which EUR 336 was payable at the period end.

(f) Audit fees

The remuneration for all work carried out by the statutory audit firm in respect of the period is as follows:

	31 December 2019* **EUR**
Statutory audit (exclusive of VAT and out-of-pocket expenses)	8,500
Assurance	-
Tax Services	-
Other non-audit services	-
Total	**8,500**

**The ICAV was incorporated on 11 December 2018 and the Fund commenced operations on 28 December 2018 and as such, there are no comparatives.*

6. OTHER PAYABLES

	31 December 2019 **EUR**
Company secretarial fees payable	519
Professional fees payable	519
VAT payable	264
Accounting fees payable	87
Central bank fees payable	105
FATCA services payable	70
	1,564

7. OTHER EXPENSES

	31 December 2019*
	EUR
Out-of-pocket expenses	1,903
Accounting fees	1,018
Company secretarial fees	3,123
Payroll expenses	268
Professional fees	3,123
Facility fees	871
VAT	745
Central bank fees	105
Regulatory admin fees	75
FATCA services	406
Bank charges	32
	11,669

**The ICAV was incorporated on 11 December 2018 and the Fund commenced operations on 28 December 2018 and as such, there are no comparatives.*

8. SHARE CAPITAL AND REDEEMABLE PARTICIPATING SHARES

The minimum authorised share capital of the ICAV is EUR 2 represented by subscriber shares of no par value. The maximum authorised share capital of the ICAV, as may be amended by the Directors from time to time and notified to shareholders, is 500,000,000,002 shares of no par value represented by 2 (two) subscriber shares of no par value and 500,000,000,000 (five hundred billion) shares of no par value, initially designated as unclassified shares. The Directors are empowered to issue up to 500,000,000,000 shares of no par value designated as shares of any class on such items as they think fit. Both subscriber shares are held by Lynx Asset Management AB.

The subscriber shares entitle the holders to attend and vote at general meetings of the ICAV but do not entitle the holders to participate in the profits or assets of the sub-funds of the ICAV except for a return of capital on a winding-up. The shares entitle the holders to attend and vote at general meetings of the ICAV and to participate in the profits and assets of the relevant sub-fund of the ICAV. There are no pre-emption rights attaching to the shares.

The issued redeemable participating share capital of the Fund, is at all times equal to the net asset value of the Fund. Redeemable participating shares are redeemable at the shareholders' option and in accordance with the offering documents are classified as financial liabilities. A Redemption Charge of up to 3% of the Redemption Price may be charged by the ICAV for payment to the Fund. The Directors, or their delegate, may make an adjustment by way of a deduction from the Redemption Price or the Redemption Proceeds when there are net redemptions to include a charge/Anti-Dilution Levy that the Investment Manager considers represents an appropriate figure to cover dealing costs and to preserve the value of the underlying assets of the Fund. Any such charge/levy shall be retained for the benefit of the relevant Fund and the Directors in consultation with the Manager, as appropriate, reserve the right to waive such charge at any time. The movement in the number of redeemable participating shares for the period from 28 December 2018 (commencement of operations) to 31 December 2019 are as follows:

	At the beginning of the financial period	Shares issued	Shares redeemed	At the end of the financial period
Class USD I1*	-	1,000	-	1,000
Class USD I2*	-	44,540	-	44,540
Class USD D1*	-	100	-	100
Class USD D2*	-	100	-	100
Class USD A1*	-	100	-	100
Class EUR I1	-	1,000	-	1,000
Class EUR I2	-	44,460	-	44,460
Class EUR D1	-	100	-	100
Class EUR D2	-	100	-	100
Class EUR A2	-	100	-	100

Class SEK I1*	-	52,374	-	52,374
Class SEK I2*	-	816,916	(473)	816,443
Class SEK D1*	-	601,832	(114,214)	487,618
Class SEK D2*	-	932,247	(14,671)	917,576
Class SEK A3*	-	1,000	-	1,000

** Hedged share class*

9. TAXATION

Under current law and practice the ICAV qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act 1997 (as amended). On that basis, it is not chargeable to Irish tax on its income or gains.

However, Irish tax may arise on the happening of a "chargeable event". A chargeable event includes any distribution payments to shareholders, any encashment, redemption, cancellation or transfer of shares and any deemed disposal of shares for Irish tax purposes arising as a result of the holding of shares for an eight year period or more.

No Irish tax will arise on the ICAV regarding chargeable events.

A chargeable event does not include:

(i) A shareholder who is not an Irish resident and not ordinarily resident in Ireland at the time of the chargeable event provided the necessary signed statutory declarations are held by the ICAV and its Fund; or
(ii) Certain exempted Irish resident investors who have provided the ICAV and its Fund with the necessary signed statutory declaration; or
(iii) Any transactions in relation to shares held in a recognised clearing system as designated by order of the Revenue Commissioners of Ireland; or
(iv) An exchange of shares representing one Fund for another Fund of the ICAV; or
(v) An exchange of shares arising on a qualifying amalgamation or reconstruction of the ICAV with another ICAV; or
(vi) Certain exchanges of shares between spouses and former spouses.

On the happening of a chargeable event, the ICAV shall be entitled to deduct the appropriate amount of tax on any payment made to a shareholder in respect of the chargeable event. On the occurrence of chargeable event where no payment is made by the ICAV to the shareholder, the ICAV may appropriate or cancel the required number of shares to meet the tax liability.

Dividends, interest and capital gains (if any) received on investments made by the Fund may be subject to withholding taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Fund or its shareholders.

10. SOFT COMMISSION AND DIRECT BROKERAGE SERVICES

There were no soft commissions or directed brokerage service arrangements in place during the period from 11 December 2018 (date of incorporation) to 31 December 2019.

11. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS

The Fund's risks are those set out in the Prospectus and the relevant Supplements and any consideration of risk here should be viewed in the context of the Prospectus and the relevant Supplements which is the primary documentation governing the operations of the Fund.

The Fund's activities expose it to a variety of financial risks: market risk (including foreign currency risk, interest rate risk and market price risk), credit risk and liquidity risk. The ICAV's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Fund's financial performance. The Fund may use derivative financial instruments to moderate certain risk exposures.

The Investment Manager assesses the risk profile of the Fund on the basis of the investment policy, strategy and the use made of financial derivative instruments. The Manager operates risk management controls over all of the Fund's positions, which may include risk attribution and exposure analysis by liquidity and size and may utilise a number of multi-factor simulations including the value-at-risk simulation and stress-testing, where appropriate.

(a) Market risk

Market risk is the risk that the fair value of future cost flows of a financial instrument will fluctuate because of changes in the market prices.

The Investment Manager moderates market risk through careful selection of securities and other financial instruments within specified limits. The Fund has exposure to some of the above risks to generate investment returns on their portfolios, although these risks can also potentially result in a reduction in the Fund assets. The Fund's overall market position is monitored on a daily basis by the Fund's Investment Manager and is reviewed on a regular basis by the Manager.

As at 31 December 2019, the Fund's market risk is affected by three components:

(i) foreign currency movements ("currency risk");

(ii) interest rate movements ("interest rate risk"); and

(iii) changes in actual equity prices ("market price risk").

(i) Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund may hold assets or liabilities denominated in currencies other than the functional currencies of the Fund. The Fund may, therefore, be exposed to currency risk as the value of the assets and liabilities denominated in other currencies other than the functional currency may fluctuate as a result of movements in the exchange rates.

Any financial instruments used to implement hedging strategies with respect to one or more classes shall be assets/liabilities of the Fund as a whole but will be attributable to the relevant class. The gains/losses of financial instruments and the costs of the relevant financial instruments will accrue solely to the relevant class.

The Fund may invest in securities and financial instruments denominated in currencies other than its functional currency. Consequently, the Fund may be exposed to risks that the exchange rate of its currency relative to other currencies may change in a manner which may have a favourable or unfavourable effect on the value of that portion of the Fund's assets which are denominated in currencies other than its own currency. However, the Fund may seek to hedge this currency risk through foreign exchange ("FX") transactions in the spot, forward, currency swaps or futures markets.

The table below outlines the net foreign currency risk exposure of the Fund as at 31 December 2019:

	Monetary assets/(liabilities) EUR	**Non-monetary assets/(liabilities) EUR**	**Derivative contracts EUR**	**Total EUR**
Australian Dollar	229,081	-	(89,576)	139,505
Canadian Dollar	66,786	-	1,090	67,876
Hong Kong Dollar	14,560	-	8,100	22,660
Japanese Yen	206,251	-	48,553	254,804
Pound Sterling	2,326	-	6,617	8,943
Swedish Krona	352,259	(26,389,043)	26,261,387	224,603
United States Dollar	(67,031)	(5,109,278)	5,275,460	99,151
	804,232	**(31,498,321)**	**31,511,631**	**817,542**

At 31 December 2019 if any non-functional currencies had strengthened by 5% in relation to the respective functional currency of the Fund, with all other variables held constant, net assets attributable to holders of redeemable participating shares would have increased/decreased by the amounts shown below.

	31 December 2019 EUR
Australian Dollar	6,975
Canadian Dollar	3,394
Pound Sterling	447
Hong Kong Dollar	1,133
Japanese Yen	12,740
Swedish Krona	11,230
United States Dollar	4,958
Total	**40,877**

(ii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The table below outlines the interest risk exposure of the Fund as at 31 December 2019.

	Less than 1 Month EUR	1-3 Month EUR	More than 3 Month EUR	Non-interest bearing EUR	Total EUR
Assets					
Financial assets at fair value through profit or loss	10,324,613	12,939,898	10,370,726	758,761	34,393,998
Cash and cash equivalents	23,103	-	-	-	23,103
Cash held as collateral	1,058,057	-	-	-	1,058,057
Subscriptions receivable	-	-	-	232,468	232,468
Due from brokers	-	-	-	3,126,198	3,126,198
Total financial assets	**11,405,773**	**12,939,898**	**10,370,726**	**4,117,427**	**38,833,824**
Liabilities					
Financial liabilities at fair value through profit or loss	-	-	-	(665,247)	(665,247)
Bank overdraft	(975,357)	-	-	-	(975,357)
Due to brokers	-	-	-	(89,338)	(89,338)
Redemptions payable	-	-	-	(970)	(970)
Audit fees payable	-	-	-	(8,500)	(8,500)
Administration fees payable	-	-	-	(1,823)	(1,823)
Directors' fees payable	-	-	-	(336)	(336)
Depositary fees payable	-	-	-	(1,684)	(1,684)
Investment management feespayable	-	-	-	(12,192)	(12,192)
Other payables	-	-	-	(1,564)	(1,564)
Total financial liabilities	**(975,357)**	**-**	**-**	**(781,654)**	**(1,757,011)**

The following tables detail the effect on net assets should interest rates have increased/decreased by 50 basis points (bps) with all other variables remaining constant, assuming that a 50bps increase/decrease in the base interest rate would result in a correlating 50bps increase/decrease in the value of net assets. In reality, an increase/decrease of 50bps would not result in a direct correlating increase/decrease in the fair value of net assets, as the movement in the value of the net assets would depend on the individual asset class and/or market sentiment towards any sensitivity in the interest rate. The majority of the portfolio of the Sub-Fund is of fixed rate interest nature and therefore interest income received would not be affected by the fluctuation of interest.

	Interest bearing EUR
Effect on net assets after 50 bps increase/decrease	168,705

(iii) Market price risk

Market price risk is the risk that the value of instruments will fluctuate as a result of changes in market prices (other than those arising from currency risk or interest rate risk), whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

The Fund's investments are susceptible to market price risk arising from uncertainties about future prices of the instruments. The Fund seeks to balance risk across asset classes to minimize the negative effect of market downturns that may result from e.g. economic recessions or inflationary environments. The Fund uses quantitative models for asset allocation and portfolio construction purposes. The models are proprietary developed by the Investment Manager and aim to forecast, among other things, market trends and volatility.

A 5% increase in equity prices and derivatives as at 31 December 2019 would have increased the net assets attributable to holders of redeemable shares for the Fund by EUR 1,686,438.

The Fund may shift its allocation across markets, sectors and asset classes more frequently than traditional balanced funds and FDI may comprise a substantial part of the investment universe.

As at 31 December 2019, the fair value of investments in securities and derivatives exposed to price risk were as follows:

	31 December 2019* EUR
Financial assets at fair value through profit or loss	
Transferable securities	
-Treasury bills	26,933,180
-Treasury certificates	6,702,057
Financial derivative instruments	
-Forward contracts	206,278
-Futures contracts	462,091
-Swaps	90,392
Total financial assets at fair value through profit or loss	**34,393,998**

Financial liabilities at fair value through profit or loss	
Financial derivative instruments	
-Forward contracts	(182,183)
-Futures contracts	(483,064)
Total financial liabilities at fair value through profit or loss	**(665,247)**

** The ICAV was incorporated on 11 December 2018 and the Fund commenced operations on 28 December 2018 and as such, there are no comparatives.*

Value-at-risk

Under CBI UCITS Regulations, the ICAV is required to employ a risk management process ("RMP") which enables it to accurately monitor and manage the global exposure of the ICAV from derivatives. The market risks generated by the Fund are measured by the Manager through the use of an Absolute Value-at-Risk ("VaR") measure.

Global exposure for the Fund is calculated using a VaR model. VaR is monitored in terms of absolute VaR defined as the VaR of the Fund as a percentage of NAV. The absolute VaR of the Fund should not be greater than 20%. VaR is measured over a holding period of 20 business days with a 99% confidence level and a historical observation period of not less than one year. The simulated returns are calculated using equally-weighted historical simulation.

The market risks of the Fund's positions are monitored by the Manager on a daily basis. VaR analysis represents the interdependencies between risk variables, unlike a traditional sensitivity analysis. VaR represents a statistical estimate of the potential losses from adverse changes in market factors for a specified time period and confidence level.

VaR enables a comparison of risks across asset classes and serves as an indicator to the Investment Manager of the investment risk in a portfolio. If used in this way, and considering the limitations of VaR methods and the particular model chosen, it can act as a signal to the Investment Manager of an increase in the general level of risk in a portfolio and as a trigger for corrective action by the Investment Manager.

VaR analysis

The Portfolio manager monitors the Value at Risk on a daily basis using three different VaR-models:

a) historical simulation over 18 months equally weighted historical data,
b) a co-variance model based on 18 months exponentially weighted historical data with a half-life of 11 days, and
c) a co-variance model based on 18 months exponentially weighted historical data with a half-life of 90 days.

The figures represented in the table shows data for the model which has shown the largest Value at Risk on a single day during the period.

The below table shows minimum, maximum and average VaR level as a percentage of the NAV and VaR limit utilisation percentage over the reporting period ended 31 December 2019:

31 December 2019	Leverage Employed	Limit Utilisation (VaR as % of Limit)
Minimum	2.97%	14.86%
Maximum	6.67%	33.33%
Average	5.32%	26.62%
30 December 2019	6.65%	33.26%

(b) Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund, resulting in a financial loss to the Fund. It arises principally from investment in treasury bills held, derivative financial assets and due from brokers. For risk management reporting purposes, the Fund considers and consolidates all elements of credit risk exposure (such as individual obligor default risk, country risk and sector risk)

The carrying amounts of financial assets represent the maximum credit risk exposure at 31 December 2019:

	31 December 2019*
	EUR
Financial assets at fair value through profit or loss	34,393,998
Cash and cash equivalents	23,103
Cash held as collateral	1,058,057
Subscriptions receivable	232,468
Due from brokers	3,126,198
Total financial assets	**38,833,824**

** The ICAV was incorporated on 11 December 2018 and the Fund commenced operations on 28 December 2018 and as such, there are no comparatives.*

Credit risk relating to unsettled transactions is considered small due to the short-term settlement period. As at 31 December 2019*, the Fund had exposure to the following counterparties and their Standard & Poor's long-term credit ratings are as follows:

Financial assets	**Counterparty**	**Credit rating**	**EUR**
Cash and cash equivalents	HSBC France, Dublin Branch	AA-	23,103
Cash	Goldman Sachs	A+	4,184,255
Treasury bills	HSBC France, Dublin Branch	AA-	26,933,180
Treasury certificates	HSBC France, Dublin Branch	AA-	6,702,057
Forward contracts	Goldman Sachs	A+	206,278
Futures contracts	Goldman Sachs	A+	462,091
Swaps	Goldman Sachs	A+	90,392

** The ICAV was incorporated on 11 December 2018 and the Fund commenced operations on 28 December 2018 and as such, there are no comparatives.*

The Fund's Investment Manager is responsible for identifying and controlling risks. The Board of Directors supervises the Investment Manager and is ultimately responsible for the overall risk management approach within the Fund.

All the cash and cash equivalents and due from broker balances are held with counterparties with minimum ratings ranging from AA- to AA+ and the ICAV recognized an impairment allowance as immaterial on application of IFRS 9 under 'expected credit loss' (ECL) model. The Fund did not recognize any impairment upon transition to IFRS 9 during the period ended 31 December 2019. The ICAV will also be exposed to a credit risk in relation to the counterparties with whom it transacts or places margin or collateral in respect of transactions in financial derivative instruments and may bear the risk of counterparty default. The Fund's credit risk is monitored on a quarterly basis by the Board of Directors.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Fund is exposed to daily cash redemptions of redeemable participating shares and monitors this activity to ensure that funds are available to meet the redemption requirements.

The Fund's actively traded securities are considered to be readily realisable as they are actively traded on recognised stock exchanges.

The Fund's financial instruments also comprise investments in OTC derivative contracts, which are not traded in an organised public market and which generally may be illiquid. As a result, the Fund may not be able to liquidate quickly some of its investments in these instruments at an amount close to its fair value in order to meet its liquidity requirements, or to respond to specific events such as a deterioration in the credit worthiness of any particular issuer.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the financial period end at the statement of financial position date to the contractual maturity date. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Less than 1 month EUR	1 month -3 months EUR	3-6 months EUR	More than 6 months EUR	Total EUR
Liabilities					
Financial liabilities at fair value through profit or loss	80,089	573,757	-	11,401	665,247
Bank overdraft	975,357	-	-	-	975,357
Due to brokers	89,338	-	-	-	89,338
Redemptions payable	970	-	-	-	970
Audit fees payable	-	-	8,500	-	8,500
Administration fees payable	1,823	-	-	-	1,823
Directors' fees payable	-	-	336	-	336
Depositary fees payable	1,684	-	-	-	1,684
Investment management fees payable	12,192	-	-	-	12,192
Other payables	87	1,477	-	-	1,564
Net assets attributable to holders of redeemable participating share	37,076,813	-	-	-	37,076,813
Total liabilities and redeemable participating share	**38,238,353**	**575,234**	**8,836**	**11,401**	**38,833,824**

The principal investment strategies that involve foreign securities, derivatives or securities with substantial market and/or credit risk tend to have the greatest exposure to liquidity risk. The Manager monitors the Funds' liquidity position on a daily basis, focusing on both the requirements for liquidity and that suitable assets are able to meet such requirements.

12. OFFSETTING FINANCIAL INSTRUMENTS

None of the financial assets or financial liabilities are offset in the Statement of Financial Position. The disclosures set out in the table below include financial assets and financial liabilities that are subject to an enforceable master netting arrangement or similar agreement that covers similar financial instruments.

The International Swaps and Derivatives Association ("ISDA") and similar master netting arrangements do not meet the criteria for offsetting in the Statement of Financial Position. This is because they create a right of set-off of recognised amounts that is enforceable only following an event of default, insolvency or bankruptcy of the Fund or the counterparties. In addition, the Fund and its counterparties do not intend to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

The following table provides disclosure regarding the potential effects of recognised assets and liabilities presented in the Statement of Financial Position as at 31 December 2019.

				Gross amounts not offset in the Statements of Financial Position		
Financial assets	**Gross amount of recognised financial assets EUR**	**Gross amounts of financial liabilities offset in the Statements of Financial Position EUR**	**Net amount of financial assets presented in the Statements of Financial Position EUR**	**Financial instrument (including non-cash collateral) EUR**	**Cash collateral received/ pledged EUR**	**Net amount EUR**
Goldman Sachs	758,761	-	758,761	(665,247)	(89,338)	4,176
Total	**758,761**	**-**	**758,761**	**(665,247)**	**(89,338)**	**4,176**

Financial liabilities	Gross amount of recognised financial liabilities EUR	Gross amounts of financial assets offset in the Statements of Financial Position EUR	Net amount of financial liabilities presented in the Statements of Financial Position EUR	Gross amounts not offset in the Statements of Financial Position		
				Financial instrument (including non-cash collateral) EUR	Cash collateral received/ pledged EUR	EUR
Goldman Sachs	(665,247)	-	(665,247)	665,247	-	-
Total	**(665,247)**	**-**	**(665,247)**	**665,247**	**-**	**-**

13. NET ASSET VALUE TABLE

The following table discloses the dealing NAV, the shares in issue and NAV per Share for each share class of the Fund as at 31 December 2019.

	Shares in issue	Net asset value	Net asset value per share
Share class			
Class USD I1*	1,000	$124,407	$124.41
Class USD I2*	44,540	$5,557,652	$124.78
Class USD D1*	100	$12,404	$124.04
Class USD D2*	100	$12,459	$124.59
Class USD A1*	100	$12,404	$124.04
Class EUR I1	1,000	€121,556	€121.56
Class EUR I2	44,460	€5,420,524	€121.92
Class EUR D1	100	€12,119	€121.19
Class EUR D2	100	€12,174	€121.74
Class EUR A2	100	€12,119	€121.19
Class SEK I1*	52,374	Kr 6,348,329	Kr121.21
Class SEK I2*	816,443	Kr99,259,033	Kr121.57
Class SEK D1*	487,618	Kr58,928,966	Kr120.85
Class SEK D2*	917,576	Kr111,387,228	Kr121.39
Class SEK A3*	1,000	Kr120,851	Kr120.85

**Hedged share class*

14. RECONCILIATION OF NET ASSET VALUE ATTRIBUTABLE TO THE HOLDERS OF REDEEMABLE PARTICIPATING SHARES TO THE PUBLISHED NET ASSET VALUE

	31 December 2019 EUR
Published net asset value	36,845,315
Adjustment for subscriptions receivable	232,468
Adjustment for redemptions payable	(970)
Net assets attributable to the holders of redeemable participating shares (in accordance with IFRS)	**37,076,813**

The above adjustment is required for financial reporting purposes only and has no impact on the subscription and redemption prices at which shareholders deal.

15. EXCHANGE RATES

The following foreign exchange rates were used to translate transactions into EUR at the period end:

	31 December 2019
Australian Dollar	0.6249
Canadian Dollar	0.6836
Hong Kong Dollar	0.1147
Japanese Yen	0.0082
Pound Sterling	1.1719
Swedish Krona	0.0956
United States Dollar	0.8933

16. RELATED PARTY TRANSACTIONS

IAS 24 'Related Party Transactions' requires the disclosure of information relating to material transactions with parties who are deemed to be related to the reporting entity. The following transactions with related parties were entered into during the financial period.

Brian Dunleavy is a Director of the ICAV and an employee of the Manager.

Marcus Andersson is a Director of the ICAV and a principal and a Director of the Investment Manager.

The Money Laundering Reporting Officer ("MLRO") and the Company Secretary of the Fund are employees of KB Associates which is part of the same economic group as the Manager. During the period ended 31 December 2019, the MLRO fees amounted to EUR 3,123 were charged to the Fund of which EUR 519 was outstanding at the period end. The Company Secretary fees amounting to EUR 3,123 were charged to the Fund of which EUR 519 was outstanding at the period end.

The VAT Services Fees amounting to EUR 745 were charged to the Fund of which EUR 264 was outstanding at the period end and payroll fees amounting to EUR 268 were charged to the Fund of which EUR Nil was outstanding at the period end. With the exception of the above, there are no other related party transactions.

The fees for the Investment Manager and the Manager are disclosed in Note 5 of the financial statements.

The below table provides an analysis of the number of shares held in the Fund by Lynx Asset Management AB, the Investment Manager during the period ended 31 December 2019:

Share class	No of shares
Class USD I1*	1,000
Class USD I2*	10,000
Class USD D1*	100
Class USD D2*	100
Class USD A1*	100
Class EUR I1	1,000
Class EUR I2	10,000
Class EUR D1	100
Class EUR D2	100
Class EUR A2	100
Class SEK I1*	10,000
Class SEK I2*	265,000
Class SEK D1*	1,000
Class SEK D2*	1,000
Class SEK A3*	1,000

**Hedged share class*

Marcus Andersson is the Director of Lynx Vinstandelsstiftelse. Lynx Vinstandelsstiftelse is a trust for the benefit of employees of Lynx Asset Management AB. As at 31 December 2019, Lynx Vinstandelsstiftelse held 43,065 shares in Class I2 SEK of the Fund.

Lynx holds 14.52% of the total funds.

None of the remaining Directors of the ICAV hold or held shares in the Fund during the period ended 31 December 2019.

17. SIGNIFICANT EVENTS DURING THE PERIOD

HSBC Institutional Trust Services (Ireland) DAC merged with HSBC France on 1 April 2019 and started operating its business from a Dublin branch of HSBC France.

There were no other significant events during the period which need to be recorded in the financial statements.

18. SUBSEQUENT EVENTS

Subsequent to year end, the development of the novel coronavirus (COVID-19) into a pandemic has had a significant impact on the world. Despite coordinated and extraordinary actions by governments and global central banks to contain the virus and support the financial system, the dramatic increase in the number of reported cases outside of China through mid-March has resulted in dislocations across financial markets. The eventual impact on the global economy and markets will largely depend upon the scale and the duration of the outbreak. The Directors, the Manager and the Investment Manager are monitoring this situation closely.

There were no material events subsequent to the statement of financial position date which require disclosure in the financial statements.

19. COMMITMENTS AND CONTINGENTS

The Fund does not have any commitments or contingents as at 31 December 2019.

20. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors on 22 April 2020.

SCHEDULE OF INVESTMENTS (UNAUDITED)

As at 31 December 2019

Holdings	Description	Fair Value EUR	% of Net Asset Value
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS			
	Fixed Income Securities		
	Bermuda		
4,400,000	Treasury Certificates 0% 16/01/2020	4,401,276	11.87
2,298,000	Treasury Certificates 0% 12/03/2020	2,300,781	6.21
		6,702,057	**18.08**
	France		
2,597,000	French Discount Treasury Bill 0% 08/01/2020	2,597,325	7.01
620,000	French Discount Treasury Bill 0% 15/01/2020	620,133	1.67
2,705,000	French Discount Treasury Bill 0% 22/01/2020	2,705,879	7.30
4,269,000	French Discount Treasury Bill 0% 05/02/2020	4,271,604	11.52
3,470,000	French Discount Treasury Bill 0% 04/03/2020	3,473,973	9.37
2,890,000	French Discount Treasury Bill 0% 11/03/2020	2,893,540	7.80
3,750,000	French Discount Treasury Bill 0% 08/04/2020	3,756,094	10.13
3,597,000	French Discount Treasury Bill 0% 06/05/2020	3,606,262	9.73
3,000,000	French Discount Treasury Bill 0% 20/05/2020	3,008,370	8.11
		26,933,180	**72.64**
	Total Fixed Income Securities	**33,635,237**	**90.72**
	Futures Contracts		
	Canada		
13	S&P/TSX 60 Index future 19/03/2020	9,341	0.03
		9,341	**0.03**
	China		
130	FTSE China A50 Index future 24/01/2020	18,581	0.05
		18,581	**0.05**
	Germany		
53	Dow Jones EURO STOXX 50 Index future 20/03/2020	9,590	0.03
		9,590	**0.03**
	Hong Kong		
15	H-Shares Index future 30/01/2020	2,794	0.01
5	Hang Seng Index future 30/01/2020	5,306	0.01
		8,100	**0.02**
	Netherlands		
1	Amsterdam Index Future 17/01/2020	40	-
		40	**-**
	Singapore		
42	Nikkei 225 Index future 12/03/2020	48,553	0.13
		48,553	**0.13**
	Taiwan		
3	MSCI Taiwan Index future 30/01/2020	581	-
		581	**-**
	United Kingdom		
31	FTSE 100 Index future 20/03/2020	28,508	0.08
		28,508	**0.08**

Holdings	Description	Fair Value EUR	% of Net Asset Value
	United States		
9	90 Day EuroDollar future 13/09/2021	34	-
40	AUD Currency future 16/03/2020	42,719	0.11
26	CAD Currency future 17/03/2020	15,325	0.04
13	Emin Russell 2000 Index future 20/03/2020	10,729	0.03
30	Mini MSCI Emerging Markets future 20/03/2020	32,053	0.09
22	Nasdaq 100 E-Mini Index future 20/03/2020	92,056	0.25
40	S&P 500 E-Mini Index future 20/03/2020	93,170	0.25
17	S&P MID 400 E-mini Index future 20/03/2020	52,711	0.14
		338,797	**0.91**
	Total Futures Contracts	**462,091**	**1.25**
	Swaps		
	United States		
58,243	Modified Strategy Agriculture and Livestock Index Swap 17/07/2019	90,392	0.24
		90,392	**0.24**
	Total Swaps	**90,392**	**0.24**
	***Forward Contracts*[1]**		
	SEK258,063,970 / EUR24,463,521 03/01/2020	206,278	0.55
	Total Forward Contracts	**206,278**	**0.55**
	Total Financial Assets at Fair Value Through Profit or Loss	**34,393,998**	**92.76**

FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

Holdings	Description	Fair Value EUR	% of Net Asset Value
	Futures Contracts		
	Australia		
17	Australia 10 Yr Bond future 16/03/2020	(30,599)	(0.08)
82	Australia 3 Yr Bond future 16/03/2020	(39,683)	(0.11)
24	SPI 200 Index future 19/03/2020	(19,293)	(0.05)
		(89,575)	**(0.24)**
	Canada		
6	Canada 10 Yr Bond future 20/03/2020	(8,251)	(0.02)
		(8,251)	**(0.02)**
	Germany		
4	DAX Index Future 20/03/2020	(6,150)	(0.01)
2	Euro Buxl 30 Yr Bond future 06/03/2020	(10,480)	(0.03)
7	Euro Bund future 06/03/2020	(11,450)	(0.03)
26	Euro Bobl future 06/03/2020	(18,630)	(0.05)
12	Euro OAT future 06/03/2020	(18,400)	(0.05)
93	Euro Schatz future 06/03/2020	(6,925)	(0.02)
		(72,035)	**(0.19)**
	Italy		
7	FTSE/MIB Index future 20/03/2020	(125)	-
		(125)	**-**
	Sweden		
15	OMXS30 Index future 17/01/2020	(72)	-
		(72)	**-**

Holdings	Description	Fair Value EUR	% of Net Asset Value
	United Kingdom		
58	3MO Euro Euribor future 14/12/2020	(3,175)	(0.01)
115	90 Day Sterling future 16/12/2020	(8,226)	(0.02)
7	Long Gilt future 27/03/2020	(13,665)	(0.04)
		(25,066)	**(0.07)**
	United States		
(221)	EUR Currency future 16/03/2020	(194,477)	(0.52)
38	GBP Currency future 16/03/2020	(17,493)	(0.05)
39	JPY Currency future 16/03/2020	(25,238)	(0.07)
14	US 10 Yr Note future 20/03/2020	(15,173)	(0.04)
28	US 2 Yr Note future 31/03/2020	(6,190)	(0.02)
24	US 5 Yr Note future 31/03/2020	(11,488)	(0.03)
6	US Long Bond future 20/03/2020	(17,881)	(0.05)
		(287,940)	**(0.78)**
	Total Futures Contracts	**(483,064)**	**(1.30)**
	***Forward Contracts*[1]**		
	SEK17,105,252 / EUR1,637,295 03/01/2020	(2,107)	-
	USD5,669,246 / EUR5,141,376 03/01/2020	(77,455)	(0.21)
	EUR54,344 / SEK573,245 03/01/2020	(455)	-
	SEK275,670,570 / EUR26,420,411 03/02/2020	(80,026)	(0.22)
	USD5,761,227 / EUR5,157,847 03/02/2020	(22,140)	(0.06)
	Total Forward Contracts	**(182,183)**	**(0.49)**
	Total Financial Liabilities at Fair Value Through Profit or Loss	**(665,247)**	**(1.79)**
	Total Financial Assets and Liabilities at Fair Value Through Profit or Loss	**33,728,751**	**90.97**
	Other Net Assets	**3,348,062**	**9.03**
	Total Net Assets Attributable to Holders of Redeemable Participating Shares	**37,076,813**	**100.00**

[1] *The counterparty for forward contracts is Goldman Sachs.*

Analysis of Total Assets	**EUR Amount**	**% of Total Asset**
Transferable securities admitted to an official stock exchange listing or traded on a regulated market	33,635,237	86.62
Financial derivative instruments traded over-the-counter	206,278	0.53
Financial derivative instruments dealt on a regulated market	552,483	1.42
Cash and other current assets	4,439,824	11.43
Total Assets	**38,833,824**	**100.00**

SCHEDULE OF PORTFOLIO CHANGES (UNAUDITED)

As at 31 December 2019

Purchases	**Cost in EUR**
French Discount Treasury Bill 0% 13/02/2019	1,000,863
French Discount Treasury Bill 0% 16/10/2019	1,001,273
French Discount Treasury Bill 0% 17/04/2019	1,058,204
French Discount Treasury Bill 0% 13/06/2019	1,058,251
French Discount Treasury Bill 0% 08/05/2019	1,323,110
French Discount Treasury Bill 0% 15/05/2019	1,431,733
French Discount Treasury Bill 0% 14/08/2019	1,432,288
French Discount Treasury Bill 0% 19/06/2019	1,808,895
French Discount Treasury Bill 0% 06/11/2019	1,809,870
French Discount Treasury Bill 0% 04/12/2019	1,932,128
French Discount Treasury Bill 0% 13/03/2019	1,932,477
French Discount Treasury Bill 0% 10/04/2019	1,933,442
French Discount Treasury Bill 0% 09/10/2019	1,936,156
French Discount Treasury Bill 0% 11/09/2019	1,955,002
Treasury Certificates 0% 07/11/2019	2,302,807
Treasury Certificates 0% 12/03/2020	2,303,578
French Discount Treasury Bill 0% 08/01/2020	2,601,008
French Discount Treasury Bill 0% 23/10/2019	2,602,327
French Discount Treasury Bill 0% 22/01/2020	2,709,010
French Discount Treasury Bill 0% 25/09/2019	2,776,029
French Discount Treasury Bill 0% 11/03/2020	2,897,236
French Discount Treasury Bill 0% 20/05/2020	3,009,836
French Discount Treasury Bill 0% 17/07/2019	3,308,561
French Discount Treasury Bill 0% 04/03/2020	3,475,576
French Discount Treasury Bill 0% 18/12/2019	3,477,759
Treasury Certificates 0% 07/03/2019	3,504,203
Treasury Certificates 0% 12/09/2019	3,510,382
French Discount Treasury Bill 0% 06/05/2020	3,605,938
French Discount Treasury Bill 0% 20/11/2019	3,759,265
French Discount Treasury Bill 0% 08/04/2020	3,760,295
French Discount Treasury Bill 0% 05/02/2020	4,274,905
French Discount Treasury Bill 0% 27/11/2019	4,275,102
Treasury Certificates 0% 16/01/2020	4,412,801

Sales	**Proceeds in EUR**
French Discount Treasury Bill 0% 28/08/2019	620,083
French Discount Treasury Bill 0% 16/10/2019	1,000,135
French Discount Treasury Bill 0% 13/02/2019	1,000,177
French Discount Treasury Bill 0% 13/06/2019	1,057,147
French Discount Treasury Bill 0% 17/04/2019	1,057,290
French Discount Treasury Bill 0% 08/05/2019	1,320,172
French Discount Treasury Bill 0% 15/05/2019	1,430,182
French Discount Treasury Bill 0% 14/08/2019	1,430,263
French Discount Treasury Bill 0% 19/06/2019	1,805,376
French Discount Treasury Bill 0% 06/11/2019	1,805,391
French Discount Treasury Bill 0% 09/10/2019	1,930,241
French Discount Treasury Bill 0% 10/04/2019	1,930,315
French Discount Treasury Bill 0% 13/03/2019	1,930,328
French Discount Treasury Bill 0% 04/12/2019	1,930,349
French Discount Treasury Bill 0% 11/09/2019	1,950,043
Treasury Certificates 0% 07/11/2019	2,298,382

French Discount Treasury Bill 0% 23/10/2019	2,597,364
French Discount Treasury Bill 0% 25/09/2019	2,770,956
French Discount Treasury Bill 0% 17/07/2019	3,298,689
French Discount Treasury Bill 0% 18/12/2019	3,470,648
Treasury Certificates 0% 12/09/2019	3,500,389
Treasury Certificates 0% 07/03/2019	3,500,525
French Discount Treasury Bill 0% 20/11/2019	3,750,729
French Discount Treasury Bill 0% 27/11/2019	4,269,933

The portfolio changes reflects the aggregate purchases of a security exceeding one percent of the total value of purchases and aggregate disposals of a security greater than one percent of the total sales for the period. At a minimum the largest 20 purchases and largest 20 sales must be given. The full listing of the portfolio changes for the period is available, upon request, at no extra cost from the Administrator.

TOTAL EXPENSE RATIO

The Total Expense Ratio ("TER") is calculated according to the following formula: (total expenses / AF)* 100;
AF (= average fund assets)

	31 December 2019
	%
Total Expense Ratio	**0.95**

THE SECURITIES FINANCING TRANSACTION REGULATION DISCLOSURE

The Securities Financing Transactions Regulation ("SFTR") introduces mandatory reporting for Securities Financing Transactions ("SFTs") and sets minimum disclosure and consent requirements on the re-use of collateral with the aim of improving transparency in the SFT market.

A SFT is defined as per Article 3(11) of the SFTR as:

- a repurchase transaction;
- securities or commodities lending and securities or commodities borrowing;
- any transaction having an equivalent economic effect, in particular a buy-sell back transaction or sell-buy back transaction; or
- a margin lending transaction.

As at 31 December 2019, the Fund held no SFTs and therefore SFT reporting requirements do not apply to the Fund.

UCITS V Remuneration Disclosures

KBA Consulting Management Limited (the "Manager") has designed and implemented a remuneration policy (the "Policy") in line with the provisions of S.I. 257 of 2013 European Union (Alternative Investment Fund Managers) Regulations 2013 ("AIFM Regulations"), S.I. 420 of 2015 (Central Bank (Supervision and Enforcement) Act 2013 Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 ("UCITS Regulations") and of the ESMA Guidelines on sound remuneration policies under the UCITS Directive and AIFMD (the "ESMA Guidelines").

The Manager's remuneration policy applies to its identified staff whose professional activities might have a material impact on the ICAV's risk profile and so covers senior management, risk takers, control functions and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers and whose professional activities have a material impact on the risk profile of the ICAV.

The Manager's policy is to pay identified staff a fixed component with the potential for identified staff to receive a variable component. It is intended that the fixed component will represent a sufficiently high proportion of the total remuneration of the individual to allow the Manager to operate a fully flexible policy, with the possibility of not paying any variable component. When the Manager pays a variable component as performance related pay certain criteria, as set out in the Manager's remuneration policy, must be adhered to. The various remuneration components are combined to ensure an appropriate and balanced remuneration package that reflects the relevant staff rank and professional activity as well as best market practice. The Manager's remuneration policy is consistent with, and promotes, sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profile of the of the ICAV.

These disclosures are made in respect of the remuneration policies of the Manager. The disclosures are made in accordance with the ESMA Guidelines. The financial year to 31 December 2019 relates to the Manager's year end.

Remuneration Disclosure of the Manager

Total remuneration (in EUR) paid to the identified staff of the Manager fully or partly involved in the activities of the ICAV that have a material impact on the ICAV's risk profile during the financial year to 31 December 2019:

	31 December 2019 EUR
Fixed remuneration	
Senior management	812,561
Other identified staffs	-
Variable remuneration	
Senior management	65,347
Other identified staffs	-
Total remuneration paid	**877,908**

Number of beneficiaries: 9

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