LYNX UCITS FUND

A SUB-FUND OF THE LYNX UCITS FUNDS ICAV

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

For the year ended 31 December 2021

LYNX

LYNX UCITS FUND

MANAGEMENT AND ADMINISTRATION

Registered Office	5 George's Dock International Financial Services Centre Dublin 1 Ireland
Directors	Brian Dunleavy (Irish Resident)* Fiona Mulhall (Irish Resident)** Marcus Andersson (Swedish resident)* (Resigned 17 May 2021) Henrik Landén (Swedish resident)* (Appointed 17 May 2021)
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 Continental Europe 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*

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Words and expressions defined in the Prospectus, unless the context otherwise requires, have the same meaning when used in this annual report and financial statements.

DIRECTORS' REPORT

For the year ended 31 December 2021

■ The Directors present their report for Lynx UCITS Fund (the "Fund"), a sub-fund of the Lynx UCITS ICAV (the "ICAV"), and audited financial statements for the year ended 31 December 2021.

The Directors have opted to prepare separate reports and financial statements for each of the ICAV's sub-funds in accordance with the Irish Collective Asset-management Vehicles Act 2015 (as amended) (the "ICAV Act"). As of 31 December 2021, the ICAV has established one other sub-fund, Lynx Active Balanced Fund. The reports and financial statements for Lynx Active Balanced Fund are available free of charge on request from the Manager. Any reference hereafter to the reports and financial statements will mean the reports and financial statements for Lynx UCITS Fund.

The investment objective of the Fund is to provide shareholders with returns based on; (i) exposure to the Lynx Program; (ii) investments in transferable securities and money market instruments issued by government issuers; and (iii) investments in cash deposits and cash equivalent securities.

The ICAV was incorporated on 11 December 2018 and the Fund commenced operations on 1 March 2019.

PRINCIPAL ACTIVITIES AND FUTURE DEVELOPMENTS

A detailed review of the Fund's activities for the year ended 31 December 2021 and the Fund's outlook is included in the Investment Manager's Report on pages 9-15.

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 year. 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").

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 year and of the profit or loss of the Fund for the financial year.

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 (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (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"). 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 Continental Europe 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, FINANCIAL POSITION AND DIVIDENDS

The results of operations for the year and the financial position as at the year-end are set out in the Statement of Comprehensive Income and the Statement of Financial Position on page 20 and 19 respectively. There were no dividends declared during the year.

KEY PERFORMANCE INDICATORS

The Directors consider that the change in net asset value ("NAV") per share is a key indicator of the performance of the Fund. Key performance indicators ("KPIs") monitored by the Directors for the Fund include the month to month movement in the NAV per share and the share capital movements.

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, together with the associated risk management objectives and policies in Note 11 on pages 34-40 in the financial statements.

DIRECTORS WHO HELD OFFICE DURING THE YEAR

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

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 year.

TRANSACTIONS INVOLVING DIRECTORS

Other than as disclosed in Note 14 on page 43 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 year.

TRANSACTIONS WITH CONNECTED PERSONS

Regulation 43(1) of the Central Bank UCITS Regulations requires 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 company 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

DIRECTORS, REMUNERATION

Please see details of Directors' fees disclosed in Note 8 on page 32. Marcus Andersson and Henrik Landén were employees of Lynx Asset Management AB during the year and were not entitled to Directors' fees from the Fund.

SOFT COMMISSION AND DIRECT BROKERAGE SERVICES

There were no soft commissions or directed brokerage service arrangements in place during the year ended 31 December 2021 (31 December 2020: Nil).

SIGNIFICANT EVENTS DURING THE YEAR

Significant events during the year are disclosed in Note 15 on page 43-44.

SUBSEQUENT EVENTS

Subsequent events are disclosed in Note 16 on page 44.

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 authorized investment funds. The Board of Directors have adopted the Code, and the ICAV was in compliance with all elements of the Code during the year.

INDEPENDENT AUDITORS

The auditor, KPMG, Chartered Accountants, have been appointed by the ICAV. KPMG have expressed their willingness to continue in office in accordance with Section 125 of the ICAV Act.

On behalf of the Board of Directors
25 April 2022

Brian Dunleavy *Fiona Mulhall*

INVESTMENT MANAGER'S REPORT

For the year ended 31 December 2021

PERFORMANCE OVERVIEW

The Lynx UCITS Fund generated a return of -0.36 per cent[1] in 2021. Gains in commodities and equities offset losses in fixed income and foreign exchange. For the Lynx Program, the result brings annualized performance since inception to 9.12 per cent[2] with an annualized standard deviation of 14.64 per cent. For the first time since 2017, the yearly result fell short of the Société Générale CTA Index (a leading industry benchmark) which ended the period up 6.17 per cent. The program's relatively shorter timeframe and more conservative asset allocation as compared to many competitors were largely responsible for the performance dispersion.

Entering 2021, optimism that the COVID-19 pandemic would soon be under control as vaccines became increasingly available across the globe was confounded by the emergence of new variants as the year progressed. While the reaction to each consecutive wave of the virus was more muted relative to the first, the periodic pullbacks were rather challenging to navigate at times. Meanwhile, rising inflation created significantly more interesting opportunities, particularly in the commodities, as manufacturing accelerated and the demand for energies and industrial metals outpaced supply growth. Inflationary pressures remained high as the year came to a close.

Medium and long-term trend-following models generated solid gains, although shorter-term timeframes were slightly unprofitable. Generally, models which were more reactive to changing market conditions underperformed as most pullbacks, particularly in equities, quickly reversed. Conversely, short-term diversifying models yielded positive results, whereas medium and long-term counterparts detracted from the return. Diversifying models designed to be explicitly long volatility and those utilizing machine learning techniques generally underperformed, while those employing systematic macro concepts were profitable.

YEAR IN REVIEW

Has the extraordinary become ordinary? Rising global COVID-19 cases, political upheavals around the world, elevated geopolitical tensions and the highest developed market inflation readings in a generation had little lasting impact on investor sentiment in 2021.

The year began with a surge of coronavirus infections across the globe, but also the hope that newly developed vaccines would soon end the plague that had gripped the world over the prior year. However, the emergence of highly contagious variants extended the life of the pandemic as delta instigated another round of lockdowns and travel restrictions in the spring while omicron spread wildly across the globe late in the fourth quarter. Despite record high infection rates and the declining efficacy of vaccines given the virus' mutations, market reactions to these developments were distinctly different than the initial response in 2020. Pullbacks were reasonably short-lived as investors quickly shrugged off bad news, rather envisioning the future post-COVID.

On the political front, there were multiple leadership changes during the year and not all transfers of power were peaceful. Following a speech by Donald Trump at a rally on January 6th, thousands of his supporters advanced on the US Capitol, storming the building and sending members of Congress into lockdown to prevent the certification of Joe Biden's presidential election. A military coup in Myanmar in early February toppled the popularly elected government of Aung San Suu Kyi – a former Nobel Prize winner. In June, Israel's longest-serving prime minister, Benjamin Netanyahu, was ousted from his position for the second time in his career amid corruption charges. Later in the year, Angela Merkel stepped down after 16 years as German Chancellor, while in Sweden, Magdalena Andersson became the first female Prime Minister in history.

Perhaps unsurprisingly, geopolitical pressures remained elevated across much of the globe. After amassing troops on their border with the Ukraine, Russia warned western nations against getting involved in any dispute claiming their moves were in response to a building NATO influence in the region. Russian forces stayed in place as the year came to an end and tensions remained high. In August, the Taliban captured Kabul and the Afghan government surrendered control of the nation to them ending 20 years of US involvement in the country. Continued territorial disputes in Asia between China and their neighbors and the resulting military exercises and other displays of force had many in the region on edge, concerned about an escalation.

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[1] *The performance figure is represented for Class I USD.*

[2] *The Lynx program is a trading strategy which is proprietary developed by Lynx Asset Management and was launched in May 2000.*

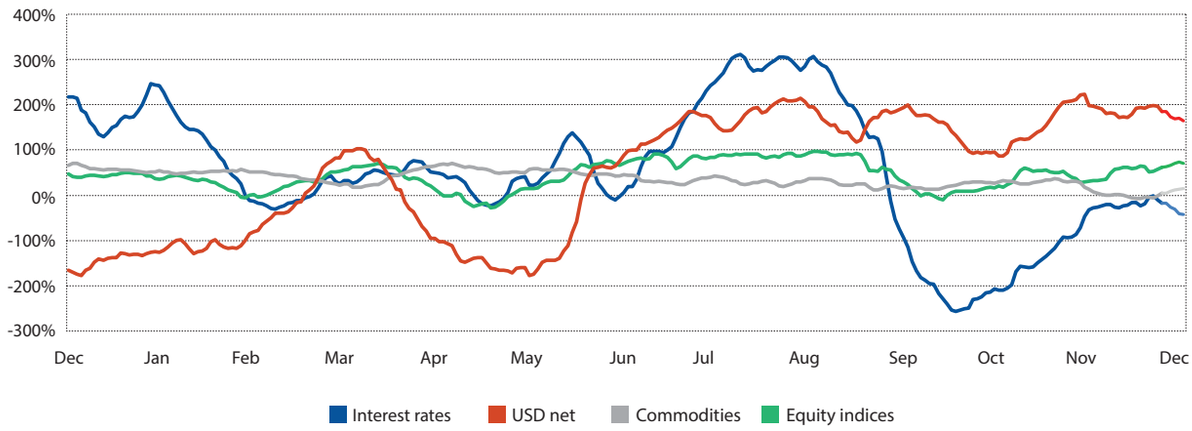

Chart 1. *Net exposure by asset class in 2021 for the Lynx Program.*

On the economic front, after remaining relatively subdued for a generation, inflation numbers increased dramatically in 2021. Unlike some other similar periods historically, supply chain disruptions and work force shortages created by the pandemic were initially cited as the primary causes. As a result, many global central bankers considered the pressures to be transitory. However, as economies continued to reopen following widespread lockdowns in 2020, reflationary pressures built. Expansionary monetary policy remained in place and fiscal spending increased across much of the globe. Consumer prices climbed at their fastest pace in decades. CPI in the US exceeded 7 per cent for the first time since 1982, while numbers in Germany and the Great Britain rose at 4.7 and 4.3 per cent, respectively; readings were even higher in the European periphery.

Policy makers ultimately needed to address persistently high inflation in Europe and North America, despite concern over the coronavirus. Although policy remained accommodative, central banks began to accelerate the move towards normalization as the year came to an end. The Bank of England and Norges Bank each hiked interest rates in December, while the Fed indicated they were on track to raise rates multiple times in 2022 and suggested they would likely quicken the tapering of asset purchases. Foreign exchange and fixed income markets reacted to these moves and the changing macroeconomic landscape. Rates climbed across much of the globe with the German bund yields rising 39 basis points to end the year at -0.18 per cent and US 10-year Treasury notes surging nearly 60 basis points to 1.51 per cent.

Despite rising yields and expectation of normalizing conditions in 2022, asset prices increased; commodities were one of the primary beneficiaries, particularly energies. Early in the year, Saudi Arabia's voluntarily production cut – beyond levels previously negotiated within OPEC – and widespread refinery shutdowns in Texas resulted in a sharp appreciation of the crude oil complex. As the year progressed, increasing demand and tight supply supported even higher prices. Natural gas prices similarly surged as producers were relatively slow to ramp up production due to skepticism that industrial demand would remain robust in light of the emergence of new variants of COVID-19. As autumn arrived, European natural gas supply was at a seasonal record low and prices rocketed higher. European shortages due largely to anemic Russian supply had nations on the continent competing with Asia for liquid natural gas shipments. The geopolitical strife over Ukrainian membership in the EU and the delayed certification and approval by European regulators of Nord Stream 2 – the controversial natural gas pipeline to Western Europe – each contributed to Russia's reluctance to increase deliveries.

Industrial metals similarly climbed on the reflation trade. Increased Chinese imports and decreased South American production, particularly in the first quarter, were supported by rising copper demand for electrical wiring and battery production. Agricultural commodities also appreciated early in the year on rising demand and concern that inventories would continue to dwindle due to unfavorable growing conditions in the US and South America; by April, corn and soybean prices eclipsed their highest levels in almost a decade. However, beneficial weather in the midwestern United States in the late spring resulted in dramatic price reversals. Grain and bean prices gave back previous gains and were trading lower on the year until a late December price spike.

Outside of commodities, equity markets across much of the globe again delivered exceptional results in 2021. Despite lofty valuations, accommodative monetary policy and increasing fiscal stimulus around the globe created a ripe environment for stocks to flourish. Better-than-expected earnings, accelerating manufacturing growth and strong performance from energy and property-related stocks further bolstered gains, particularly in large cap indices. The identification of new COVID-19 variants over the course of the year created some interim volatility and rising inflationary pressu-

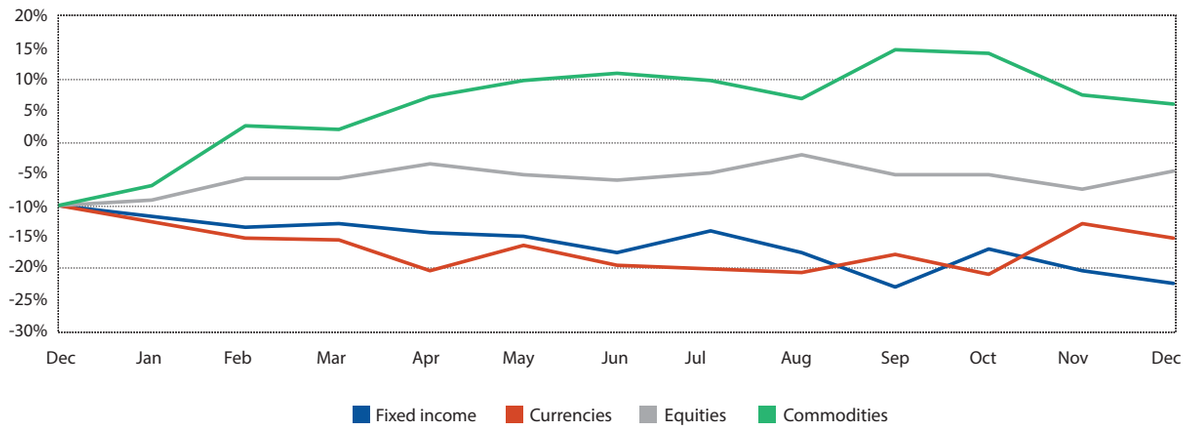

Chart 2. *Contribution to performance by Asset Class during 2021.*

res had many forecasting more challenging conditions ahead in 2022, but most major global market indices delivered positive results. The one notable exception was China where relatively tighter monetary policy, increasing governmental oversight of private companies, and generally lower vaccination rates than in the West contributed to relatively poor results. While the S&P 500, EuroStoxx and TOPIX indices ended the year up 27.0, 21.0 and 10.4 per cent, respectively, the China 50 index closed down 11.3 per cent, while the Hang Seng index in Hong Kong dropped 14.0 per cent.

ANALYSIS OF THE RESULT

The Lynx UCITS Fund generated a loss of -0.36 per cent[3] in 2021. Gross performance was slightly positive as gains in commodities and equities outweighed losses in fixed income and foreign exchange. Overall, medium and long-term trend-following models generated solid gains, although shorter-term peers were slightly unprofitable. Conversely, short-term diversifying models yielded positive results, whereas medium and long-term models detracted from the return. In aggregate, diversifying models designed to be explicitly long volatility and those utilizing machine learning techniques underperformed while those employing systematic macro concepts were profitable. The result per share class is shown in the below table[4].

Class E EUR	-1.32
Class E USD	-0.06
Class D USD	-0.63
Class I EUR	-1.57
Class I USD	-0.36

Commodities were particularly profitable, generating a gain of 7.8 per cent primarily due to long positions in the energy sector. Crude oil and natural gas prices rose dramatically on increasing demand and declining inventories. The imbalance was especially stark in Europe as Russian supply was insufficient to keep up with rising consumption, although Asia was similarly in deficit. Agriculture markets and base metals also generated gains, while precious metals were the lone detractor in the asset class as prices fluctuated on shifting expectations of US monetary policy. Profits were generated by both trend-following and diversifying models across timeframes as the opportunity set was strong for most methodologies. On an absolute basis, trend-following models outperformed diversifying counterparts, although based on the risk budgeted to each, the latter were generally more efficient.

Although the asset class contributed a positive 2.6 per cent as a whole, equity performance was mixed by region as gains in Asia/Pacific and North America overshadowed a small loss in Europe. Exposure for the program vacillated broadly over the course of 2021 ranging between approximately 95 per cent net long and 27 per cent net short as models reacted relatively quickly to shifting price action, particularly when markets declined sharply on coronavirus concerns or inflationary fears in the spring and early fall. Largest gains were realized in the S&P 500, Dow and Canada 60 indices in North America and the Kospi, Hang Seng and China H-Share indices in Asia; notably, profits in China were the result of short positions while long exposure drove positive results elsewhere. Medium and long-term trend-following models were particularly profitable, while short-term timeframes had difficulty navigating the market environment; given how quickly markets recovered from periodic pullbacks during the year, longer holding periods – which are relatively less reactive to price changes – generally outperformed faster models. Meanwhile, all

[3] *Referring to the Class I USD.*

[4] *Class E USD and Class I USD had no investors as per 31 December 2021. The figures are pro forma based on realized returns for Class D USD with adjustment for fee structure.*

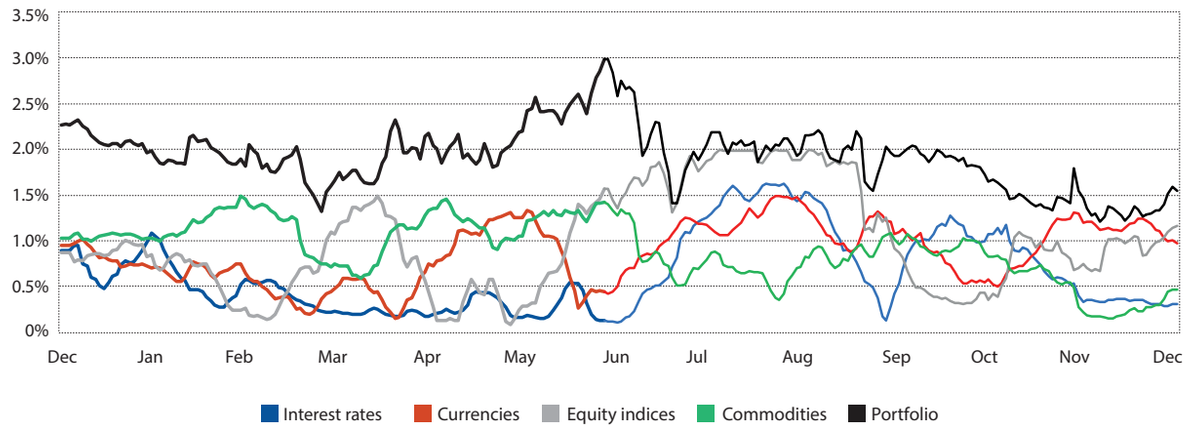

Chart 3. *VaR developments by asset class and on a portfolio basis in 2021.*

diversifying timeframes produced positive results – albeit to a lesser degree than trend.

Foreign exchange was a challenging asset class to trade in 2021, particularly in the first half of the year, generating a loss of 2.9 per cent. As was the case with equities, net exposure fluctuated widely with net US dollar positioning ranging between approximately 223% long and 177% short. The program entered 2021 with significant short exposure in the greenback which suffered as the US currency rose early in the first quarter on increasing rate expectations; while the Fed remained highly accommodative, indications of rising inflation resulted in an increasingly hawkish tone from many Federal Reserve governors. As the year progressed, rising inflation numbers across much of the globe had other central banks similarly shifting away from crisis-era rhetoric and towards a focus on policy normalization. Exchange rates moved around dramatically, and sometimes unpredictably. While strong gains were generated in the asset class over the final few weeks of the year, they were insufficient to cover early declines. Trend-following models were unprofitable across timeframes, with losses relatively commensurate with the risk budgeted. Meanwhile, long-term diversifying models generated a solid gain which more than offset a loss from medium-term counterparts.

Fixed income was the worst performing asset class for Lynx in 2021 contributing a negative 6.4 per cent exclusively due to trading in global bonds; short-term interest rates were modestly profitable. Trading in Europe was particularly challenging as the models had difficulty navigating the changing market dynamics, particularly in the second half of the year. After fluctuating between long and short positions through June, the program built significant long exposure in the French notional bond (OAT), German bund and UK gilt in the early summer months as a resurgence of COVID-19 infections created concern that the nascent recovery might be stifled by a new wave of lockdowns and restrictions. When exposures were at their peak, Eurozone inflation readings surged due largely to rising food and energy prices resulting in a spike in yield expectations. By the end of the year, those three markets were responsible for over half of the overall loss in the asset class. Amongst the trend-following cluster, medium- to long-term models generated losses, while the shorter-term holding periods were faster to adapt to the quickly changing environment and produced a modest gain. Meanwhile, diversifying models were negative contributors in the asset class across holding period, with long-term timeframes having particular difficulty.The tables below show a summary of returns by asset class and model category, respectively.

RETURN BY ASSET CLASS

	2021	2020
Commodity-related investments	7.8%	11.2%
Equity-related investments	2.6%	-14.5%
Currency-related investments	-2.9%	0.0%
Fixed income-related investments	-6.4%	9.6%
Other (management fees, interest, etc.)	-1.5%	-1.7%
TOTAL RETURN	**-0.4%**	**4.6%**

RETURN BY MODEL TYPE

	2021	2020
Trend-following models	**2.4%**	**8.2%**
Of which, short-term	-0.1%	1.8%
medium-term	0.9%	6.8%
long-term	1.6%	-0.4%
Diversifying models	**-1.3%**	**-1.9%**
Of which, short-term	0.5%	-0.6%
medium-term	-1.2%	-1.2%
long-term	-0.6%	-0.0%
Other (management fees, interest, etc.)	-1.5%	-1.7%
TOTAL RETURN	**-0.4%**	**4.6%**

RISK UTILIZATION

To achieve the fund's volatility target of 18 per cent annualized volatility, the average Value at Risk ("VaR") for the portfolio should equate to approximately 1.9 per cent (1-day, 95 per cent confidence level). During 2021, the average VaR for the Lynx UCITS Fund was around 1.8 per cent.

The fund's risk utilization is decided by the underlying models and the risk is directed to those markets where the models identify the most attractive opportunities. Throughout much of the year, commodities accounted for a relatively large portion of the risk and was also the best performing asset class, reflecting how the risk budgeting process can contribute to positive results. When more challenging conditions for commodities developed at the beginning of the fourth quarter, risk in these markets declined dramatically. Generally, models were highly tactical allocating risk across asset classes as the market environment shifted, albeit with varied results.

The chart on page 12. illustrates the change in risk during the year as measured by VaR (1 day, 95 per cent confidence level) as well as the risk for the four sectors separately:

INVESTMENT PROCESS

The six portfolio managers of the Lynx Program constitute the investment committee and are responsible for the strategic direction and management of the fund. As trading decisions are made by the nearly fifty models currently employed in the program, the investment committee focuses primarily on longer term matters including: determining which models are included in the portfolio and the risk allocated to each, as well as setting the average risk budgeted to each asset class and market.

The model lineup and risk allocations are formally reevaluated twice a year in June and December. The investment committee and the research team work diligently throughout the year leading up to these revisions. Each model is carefully evaluated by a reference group in the research team and the investment committee. To be approved by the investment committee, a new model must not only be based on a solid underlying foundational concept, but also demonstrate the ability to generate positive results across multiple time periods and display attractive return characteristics in several key aspects. In addition to risk-adjusted return and correlation to the existing model suite, skewness, correlation to volatility, performance during market crises, and many other relevant factors are considered. The approach is aimed at systematically quantifying not only how a model influences the expected Sharpe ratio of the program, but also how it impacts other key performance characteristics which are important to our investors.

As part of the semiannual evaluation, all models that are already employed in the portfolio are reviewed to ensure that performance has not deviated from historical expectations and their overall contribution to the portfolio continues to warrant an allocation. Significant advancements in our approach to estimating and forecasting portfolio characteristics in recent years have resulted in a more reliable and robust portfolio construction process. While the investment committee continues to have the final say on allocation decisions to models and asset classes, the weight placed on the output of statistical portfolio optimization continued to rise in 2021. The most notable developments in the portfolio construction process during the year were improvements to a few key ratios quantifying a model's portfolio protection characteristics and the introduction of a new way of detecting and penalizing models that do not perform as expected.

During the year, five new models were added to the portfolio, while two models were retired. All five additions are part of the diversifying component of the portfolio, and each employs a unique methodology designed to bolster the potential sources of return for the program; four of these are classified as medium-term and one as short-term. One of the retired models was categorized as short-term diversifying and the other as long-term trend-following.

- *The first new addition* to the portfolio is a multivariate medium-term diversifying model utilizing multiple indicators – some conditioned on other indicators and the performance of the signals generated – to construct an optimal portfolio; the model approach is similar to a neural network with no hidden layers.
- *The second model* is also medium-term and uses both fundamental and technical inputs to forecast commodity prices; import/export data, foreign exchange rates, commitment of traders reports, term structure dynamics and cross-commodity spread information are all considered.
- *The third addition* is an asset-class specific short-term diversifying model that measures the trend of ETF and mutual fund flows to trade precious metals.
- *The fourth new model* employs a regression approach to statistically determine the optimal portfolio to trade; the most notable difference between this model and other similar ones in the program is the application of a technique to control the position bias.
- *The final addition* is an adaptive model that uses global macroeconomic indicators (growth, inflation, sentiment, seasonality, etc.) to forecast price moves across a broadly diversified portfolio.

Two models retired – the first model retired was a short-term diversifying model that had underperformed expectations; as explained earlier, models are constantly

reevaluated to ensure that their return characteristics continue to warrant an allocation. The second retirement was a multivariate long-term trend model incorporating value, momentum and risk sentiment indicators as well as meta-signals to tactically allocate capital between stock indices and bonds; newer models were developed that apply similar concepts, but more robustly.

During the year, the risk budgeted to trend-following models decreased slightly from 72 to 70 per cent, while the allocation to diversifying models rose from 28 to 30 per cent. Notably, the reduction in trend came primarily from long-term models which declined from 13 to 9 per cent; short-term trend increased from 14 to 18 per cent, while medium-term models fell from 42 to 41 per cent. The small increase in diversifying models was largely due to medium-term timeframes which rose from 18 to 20 per cent; short-term diversifying models remained steady at 3 per cent, while long-term diversifiers declined from 10 to 9 per cent. The overall 5 per cent reduction in long-term models reflects our objective for the program to become more adaptive to shifting market conditions. The average risk allocation amongst asset classes remained unchanged, with fixed income and equities each budgeted 28 per cent, foreign exchange 23 per cent and commodities 21 per cent.

The table below illustrates the allocations to each model category as of the end of 2021 compared to these same figured from the end of 2020 (in parentheses):

	Trend-following models	**Diversifying models**
Short-term	18% (14)	3% (3)
Medium-term	41% (42)	20% (18)
Long-term	9% (13)	9% (10)

SUSTAINABILITY INFORMATION

In order to invest responsibly, Lynx is dependent upon the health and the efficient functioning of the financial markets as well as of the society in a wider perspective.

Lynx ultimately believes that ESG factors can potentially have a material impact on long-term financial performance. Poorly managed ESG risks can lead to inefficiencies, operational disruptions, and reputational risk, which may ultimately impact our ability to meet our financial responsibilities. Sustainability factors are considered as part of the broader investment process, meaning that any ESG-related risk in traded instruments is assessed carefully vis-à-vis other risks. The approach ensures that Lynx´s investment teams are making investment decisions with the knowledge of key ESG-related matters that ultimately might have an impact on an investment´s risk and/or return.

We focus on the most liquid markets and our exposure and trading volumes are designed to be small in relation to the open interest and daily traded volume to minimize our market impact. 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. Instead, we engage with other asset managers, policy makers and derivatives exchanges to reassure investors that we truly value the principles and practices that we preach.

Sustainability activities in 2021

2021 saw the official formation of the Lynx Sustainability Forum. The Forum sets and updates Lynx´s sustainability framework, direction and project prioritizations and ensures that resources are leveraged across the firm to drive these initiatives. The Forum includes team members from different groups within Lynx and provides the Executive Management Team and Board of Directors with regular updates on sustainability efforts.

During the year, the Sustainability Forum increased their engagement with derivatives exchanges and industry organizations to help facilitate the development of standards, practices and new products designed to enable the green transition. Liaising with these groups has enabled us to increase our understanding of ESG risks relating to our investment universe and opened us up to potentially including new ESG-related investments. Members of the Forum also joined roundtables and working groups sponsored by external organizations where we are members such as the Alternative Investment Management Association (AIMA) and the Standards Board for Alternative Investments (SBAI). In addition, members of the Forum regularly participated in conferences, seminars and panels and produced independent research on the challenges and opportunities CTAs face when implementing responsible investment.

With more capital flowing into ESG strategies, global exchanges – including the Nasdaq, Eurex and CME Group – have launched a series of equity index futures tied to ESG benchmarks. Considering our commitment to responsible investing and our aspiration to be early adopters, Lynx started trading three of these derivatives in 2021 and we are monitoring and evaluating a long list of similar instruments for potential inclusion in our investment universe in the future.

Furthermore, we acknowledge and support the work of derivatives exchanges in introducing ESG standards for commodity contracts. As an example, the London Metal Exchange ("LME") – where Lynx currently trades aluminum, copper, lead, nickel, and zinc – has incorporated ESG standards into its contract specifications with regards to responsible sourcing. Similarly, the CME – where Lynx trades precious metals, among other instruments – adopted sourcing guidelines for silver, platinum and palladium during the year in their continuous effort to review metal sourcing and origins. For gold contracts traded on the exchange, responsible sourcing guidelines have existed since 2015.

Finally, as the EU Sustainable Finance Disclosure Regulation (SFDR) came into effect in March 2021, significant progress has been made, and even more work underway, in achieving compliance with the disclosure requirements and being able to report accordingly. More information can be found on our website.

ASSETS UNDER MANAGEMENT

Total assets under management in the Lynx program as of the end of 2021 were approximately USD 6.3 billion, compared with USD 5.2 billion at the end of 2020. The increase in assets under management is partially a result of significant inflows during the year as we enjoyed the continued confidence of our clients.

Most of the program's assets are invested in separately managed client accounts and in the offshore funds.

OFFICE ACCESS

Lynx continues to follow the guidance and advice from the Public Health Agency of Sweden (Folkhälsomyndigheten) regarding working remotely. As of the writing of this letter, employees currently have the ability to either work from Lynx' office or remotely through secured connections. Prior to the emergence of the omicron variant of COVID-19, employees were encouraged to return to the office at least three days per week based on the requirements of their position and in agreement with their supervisors. As the restrictions was lifted in February 2022, we have been able to resume these principles.

OUTLOOK

Global growth was exceptionally strong in 2021 fueled by a combination of increased fiscal and monetary stimulus and the positive impact of economies reopening as governments eased pandemic restrictions. Inflation also climbed reaching levels not seen in most countries in a generation or more, and central banks took note. Many initially speculated that the inflationary pressures were likely transitory, primarily due to short-term supply chain disruptions and a sudden shift in manufacturing activity. However, as inflation remained elevated throughout the year, that opinion began to change.

As the year was coming to a close, governments began announcing the end of asset purchase programs – some dating from the global financial crisis and others introduced in the midst of the COVID-19 pandemic – and central banks began tightening monetary policy. As these inflationary pressures continue into 2022, this trend towards policy normalization could persist and the tailwind created by cheap liquidity and relatively low volatility may turn. The resulting environment for long-only equity and bond investors could be challenging, while the opportunity set for Lynx could improve markedly.

With our focus on ESG and sustainability, we also took note when Joe Biden signaled the US's return to the Paris Accord almost immediately after taking office. The significance of this decision was evidenced by multiple weather-related natural disasters occurring during the year across the globe. Arguably one of the most significant changes likely to take place over the coming decade will be the "green transition." As the world shifts from the old "brown" economy in to the new sustainable "green" one, the supply/demand dynamics of global markets will be impacted. As markets reset from one level of equilibrium to the next, significant trends could emerge.

We have discussed in prior letters that we are not in the business of predicting the distant future, but rather how markets will move tomorrow. However, shifts in the macroeconomic environment and changes in the way producers and consumers behave create opportunities for our strategy. Given the magnitude of the adjustments that will likely take place over the coming years – from monetary policy to sustainable investing – we are excited about the possibilities.

As always, Lynx remains committed to managing your capital responsibly and profitably. We are invested alongside our clients in every program we manage, aligning our interests directly with our investors. We hope to reward your confidence in us with differentiated, positive returns in 2022 and beyond.

ANNUAL DEPOSITARY REPORT TO THE SHAREHOLDERS

■ We, HSBC Continental Europe appointed Depositary to Lynx UCITS Fund (the "Fund") provide this report solely in favour of the Shareholders for the year ended 31 December 2021 ("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 Continental Europe
1 Grand Canal Square
Grand Canal Harbour
Dublin 2
Ireland

25 April 2022

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF LYNX UCITS FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Lynx UCITS Fund ('the Sub-Fund') for the year ended 31 December 2021 set out on pages 19 to 44, 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 cashflows 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:

- the financial statements give a true and fair view of the assets, liabilities and financial position of the Sub-Fund as at 31 December 2021 and of its decrease in net assets attributable to holders of redeemable participating shares for the year then ended;
- the financial statements have been properly prepared in accordance with IFRS as adopted by the European Union; and
- the financial statements have been properly prepared in accordance with the requirements of the Irish Collective Asset-management Vehicles Acts 2015 and 2020 and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019.

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 Sub-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 Auditing and Accounting 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the ICAV's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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 managers report, depository's report and supplemental unaudited information including schedule of investments, schedule of portfolio changes, other additional disclosures and appendix. 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 Acts 2015 and 2020

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 Acts 2015 and 2020 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 out on page 2, 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 Sub-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 Sub-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 *http://www.iaasa.ie/Publications/Auditing-standards/International-Standards-on-Auditing-for-use-in-Ire/Description-of-the-auditor-s-responsibilities-for.*

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

Our report is made solely to the shareholders of the Sub-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 Sub-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 Sub-Fund and the Sub-Fund's shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.

Darina Barrett

for and on behalf of

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

Date: 25 April 2021

STATEMENT OF FINANCIAL POSITION

For the year ended 31 December 2021

	Notes	*31 December 2021 USD*	*31 December 2020 USD*
ASSETS			
Cash and cash equivalents	2(h)	774,324	718,115
Due from brokers	2(m)	4,116,229	3,299,535
Financial assets at fair value through profit or loss	2(e), 3,4		
-Transferable securities		*30,818,615*	*31,725,270*
-Financial derivative instruments		*444,274*	*1,888,879*
Cash held as collateral	2(n)	2,131,702	1,520,022
TOTAL ASSETS		**38,285,144**	**39,151,821**
LIABILITIES			
Financial liabilities at fair value through profit or loss	2(e), 3,4		
-Financial derivative instruments		*(740,879)*	*(298,565)*
Cash received as collateral	2(n)	-	(160,000)
Other payables and accrued expenses	7	(69,465)	(81,742)
LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES)		**(810,344)**	**(540,307)**
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES		**37,474,800**	**38,611,514**

Share class	*Shares in issue 2021*	*Net asset value per share 2021*	*Net asset value 2021*
Class D1 USD	34	$37,569	$1,089.89
Class E EUR (hedged)	22,081	€25,730,100	€1,165.26
Class I EUR (hedged)	7,774	€7,327,062	€942.48

Share class	*Shares in issue 2020*	*Net asset value 2020*	*Net asset value per share 2020*
Class D1 USD	34	$37,809	$1,096.86
Class E EUR (hedged)	20,949	€24,737,599	€1,180.85
Class I CHF (hedged)	25	CHF19,783	CHF784.41
Class I EUR (hedged)	6,939	€6,644,486	€957.529

On behalf of Board of Directors:

Brian Dunleavy *Fiona Mulhall*

Date 25 April 2022

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2021

	Notes	*31 December 2021 USD*	*31 December 2020 USD*
INVESTMENT INCOME			
Interest income	2(j)	3,971	9,425
Other income		19,980	6,188
Net (losses)/gains on financial assets and financial liabilities at fair value through profit or loss and on foreign exchange	3	(2,960,281)	3,902,866
TOTAL INVESTMENT (LOSS)/INCOME		**(2,936,330)**	**3,918,479**
OPERATING EXPENSES			
Operating expenses	8	(564,809)	(514,321)
TOTAL OPERATING EXPENSES		**(564,809)**	**(514,321)**
OPERATING (LOSS)/GAIN		**(3,501,139)**	**3,404,158**
FINANCE COSTS			
Interest expense	2(j)	(22,511)	(10,321)
TOTAL FINANCE COSTS		**(22,511)**	**(10,321)**
(DECREASE)/INCREASE IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FROM OPERATIONS		**(3,523,650)**	**3,393,837**

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

For the year ended 31 December 2021

	31 December 2021 *USD*	*31 December 2020* *USD*
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES AT THE BEGINNING OF THE YEAR	38,611,514	57,138,475
Issue of redeemable participating shares	11,402,988	12,719,646
Redemptions of redeemable participating shares	(9,016,052)	(34,640,444)
(Decrease)/increase in net assets attributable to holders of redeemable participating shares from operations	(3,523,650)	3,393,837
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES AT THE END OF THE YEAR	**37,474,800**	**38,611,514**

STATEMENT OF CASH FLOWS

For the year ended 31 December 2021

	31 December 2021 *USD*	*31 December 2020* *USD*
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (decrease)/increase in net assets resulting from operations	(3,523,650)	3,393,837
Net (losses)/gains on financial assets and financial liabilities at fair value through profit or loss	4,033,099	(5,100,515)
Purchase of financial assets	(53,903,263)	(78,326,827)
Proceeds from sale of financial assets	55,408,935	99,150,741
(Payments)/proceeds on settlement of financial derivative instruments	(2,745,197)	6,373,621
(Increase) in due from broker	(816,694)	(3,299,535)
(Increase) in cash held as collateral	(611,680)	(1,153,695)
(Decrease)/increase in cash received as collateral	(160,000)	160,000
(Decrease) in due to brokers	-	(195,369)
(Decrease) in other payables	(12,277)	(19,017)
NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES	**(2,330,727)**	**20,983,241**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds on the issue of redeemable participating shares	11,402,988	12,719,646
Payment on redemption of redeemable participating shares	(9,016,052)	(34,640,444)
NET CASH PROVIDED/(USED IN) BY FINANCING ACTIVITIES	**2,386,936**	**(21,920,798)**
Net increase/(decrease) in cash and cash equivalents	56,209	(937,557)
Cash and cash equivalents at beginning of the year	718,115	1,655,672
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	**774,324**	**718,115**
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Interest received	3,971	9,425
Interest paid	(22,511)	(10,321)

1. GENERAL

The reporting entity Lynx UCITS Fund (the "Fund") is a sub-fund of Lynx UCITS Funds 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"). As of 31 December 2021, the ICAV has established one other sub-fund, Lynx Active Balanced Fund.

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.

In June 2020, the investment portfolio of the Fund was restructured. To gain exposure to the Lynx program the Fund invests in futures contracts and currency forward contracts. The Fund also invests in Structured financial instruments ("SFIs") issued by two Jersey based companies, Alphabeta Access Products Limited and Weser Capital Series 6. The SFIs are a type of debt instrument that fall within the categorisation of 'transferable securities' as contemplated by the UCITS requirements. Through these SFIs the Fund gains exposure to Lynx (Cayman) Fund Limited which invests in interest rate futures as well as commodity futures in line with the Lynx program.

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 (as amended) (the "ICAV Act"). The financial statements for Lynx Active Balanced Fund are available free of charge on request from the Manager. Any reference hereafter to the financial statements will mean the financial statements of the Fund of the ICAV.

These financial statements for the year ended 31 December 2021 have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted for use by the European Union ("EU") and with the requirements of the ICAV Act and 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 recognized 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.

Judgements

Information about judgements made in applying accounting policies that have the most significant on the amounts regognized in the financial statements of the Fund are included in - Note 2(c)(i): Functional and presentation currency.

(c) Foreign currency translation

(i) Functional and presentation currency

The Directors consider the currency of the primary economic environment in which the Fund operates to be the United States Dollar ("USD") 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 USD 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 year end. Transactions during the financial year, 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 or losses on financial assets and financial liabilities at fair value through profit or loss and net gains or losses on foreign currency in the Statement of Comprehensive Income.

(d) New standards, amendments and interpretations effective for the year beginning 1 January 2021 and adopted by the Fund, and effective after 1 January 2021 and not early adopted

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 January 2021 that have a material effect on the financial statements of the Fund. A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2021, and have not been applied in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Fund.

(e) 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 at amortized cost.

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.

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 recognized 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 derecognized 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 or losses on financial assets and financial liabilities at fair value through profit or loss' in the year in which they arise.

The fair value of investments traded in active markets is based on quoted market prices at the close of trading on the reporting date. The Fund utilises the last traded market price for such investments.

(iii) Financial derivative instruments ("FDI")

Future contracts

Futures are valued at fair value based on the daily quoted settlement price on the relevant valuation date. Futures are contracts for delayed delivery of financial instruments or commodities in which the seller agrees to make delivery at a specific future date of a specific financial instrument or 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 realized or unrealized gains or losses dependent upon settlement terms of the contracts held in the Statement of Comprehensive Income. The Fund uses bond futures, currency futures, interest rate futures and futures on equity indices.

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 realized or unrealized gains or losses in the Statement Comprehensive Income. The Fund values forward contracts at last settlement prices or closing prices provided by certain third party pricing sources.

(f) Structured financial instruments

Structured financial instruments ("SFIs") are complex investments that can be comprised of securities, derivative instruments or a range of securities and derivative instruments. The Fund may invest in these instruments in order to provide the Fund with exposure to the Lynx program. The investment by the Fund in SFIs will not exceed 20% of the net asset value ("NAV") of the Fund. The SFIs are issued by two Jersey based companies, Alphabeta Access Products Limited and Weser Capital Series 6 and valued at their net asset value as calculated by a third party administrator. As at 31 December 2021, the fair value of investments in SFIs' were 7.39% (2020: 17.48%) of the NAV of the Fund.

(g) Impairment of financial assets

The IFRS 9 expected credit losses (ECL) impairment model applies to financial assets measured at amortized cost. IFRS 9 requires the Fund to record ECLs on all of its cash and collateral, due from broker and trade receivables, either on a 12 month or lifetime basis. Given the limited exposure of the Fund to ECL, this requirement 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 amortized cost and therefore it has adopted an approach similar to the simplified approach to ECLs.

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

(h) 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 recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

(i) 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.

(j) 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 treasury bills, structured financial instruments and derivative transactions.

(k) Interest income and interest expenses

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

(l) Expenses

All expenses are recognized 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.

(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 shareholder's 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 receivables for securities sold/payable for securities purchased that have been contracted for but not yet delivered by the end of the year, 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 and received as collateral

As at 31 December 2021, the Fund's brokers UBS AG and Goldman Sachs held cash as collateral for the purpose of OTC derivative contracts that is identified in the Statement of Financial Position as cash held as collateral. Cash held as collateral 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 year end. Redemptions payable represent amounts due to investors for redemptions that have been contracted for but not yet paid and therefore are shown as a payable at the financial year end.

(q) Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following features or attributes; (a) restricted activities, (b) a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors, (c) insufficient equity to permit the structured entity to finance its activities without subordinated financial support and (d) financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches). The Fund considers some of its transferable securities to be investments in structured entities which are unconsolidated. See note 11 (d) for details of these investments.

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

	31 December 2021 USD	31 December 2020 USD
Financial assets at fair value through profit or loss		
Transferable securities		
-Structured financial instruments	2,770,553	6,750,239
-Treasury bills	28,048,062	24,975,031
Financial derivative instruments		
-Forward contracts	389,972	1,683,637
-Future contracts	54,302	205,242
Total financial assets at fair value through profit or loss	**31,262,889**	**33,614,149**

Financial liabilities at fair value through profit or loss		
Financial derivative instruments		
-Forward contracts	641,223	274,262
-Future contracts	99,656	24,303
Total financial liabilities at fair value through profit or loss	**740,879**	**298,565**
Net gains/(losses) on financial assets and financial liabilities at fair value through profit or loss		
(Losses) on investment funds	-	(1,317,817)
Gains/(losses) on structured financial instruments	589,852	(812,244)
Gains on treasury bills	9,165	256,043
(Losses)/gains on forward contracts	(5,466,158)	4,489,146
Gains on futures contracts	834,042	2,485,387
Net (losses)/gains on financial assets and financial liabilities at fair value through profit or loss	**(4,033,099)**	**5,100,515**
Net gains/(losses) on foreign exchange		
Net gains/(losses) on foreign exchange	1,072,818	(1,197,649)
Net gains/(losses) on foreign exchange	**1,072,818**	**(1,197,649)**
Net (losses)/gains on financial assets and financial liabilities at fair value through profit or loss and on foreign exchange	**(2,960,281)**	**3,902,866**

4. FAIR VALUE MEASUREMENT

IFRS 13 'Fair value measurement' establishes a fair value hierarchy that prioritizes 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 instrument'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 categorization 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. These include structured financial instruments.

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 year end.

Investments in other investment funds ("Investee Funds") are valued using the NAV of the underlying funds provided by the Investee Funds, without adjustment. Investee Funds are classified as level 2 securities.

Financial derivative instruments

Financial derivative instruments can be exchange-traded or privately negotiated over-the-counter("OTC"). Exchange-traded derivatives, such as future 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 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 at fair value on the Statement of Financial Position by caption and by level within the valuation hierarchy as at 31 December 2021.

	Total	**(Level 1)**	**(Level 2)**	**(Level 3)**
Financial assets at fair value through profit or loss	**USD**	**USD**	**USD**	**USD**
Transferable securities				
-Structured financial instruments	2,770,553	-	2,770,553	-
- Treasury bills	28,048,062	28,048,062	-	-
Forward contracts	389,972	-	389,972	-
Futures contracts	54,302	54,302	-	-
Total financial assets at fair value through profit or loss	**31,262,889**	**28,102,364**	**3,160,525**	**-**
Financial liabilities at fair value through profit or loss				
Financial derivative instruments				
-Forward contracts	(641,223)	-	(641,223)	-
-Future contracts	(99,656)	(99,656)	-	-
Total financial liabilities at fair value through profit or loss	**(740,879)**	**(99,656)**	**(641,223)**	**-**

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

There were no transfers between levels during the financial year ended 31 December 2021.

The following table presents the financial instruments carried at fair value on the Statement of Financial Position by caption and by level within the valuation hierarchy as at 31 December 2020.

	Total	**(Level 1)**	**(Level 2)**	**(Level 3)**
Financial assets at fair value through profit or loss	**USD**	**USD**	**USD**	**USD**
Transferable securities				
-Structured financial instruments	6,750,239	-	6,750,239	-
-Treasury bills	24,975,031	24,975,031	-	-
Forward contracts	1,683,637	-	1,683,637	-
Futures contracts	205,242	205,242	-	-
Total financial assets at fair value through profit or loss	**33,614,149**	**25,180,273**	**8,433,876**	**-**

Financial liabilities at fair value through profit or loss	Total USD	(Level 1) USD	(Level 2) USD	(Level 3) USD
Financial derivative instruments				
-Forward contracts	(274,262)	-	(274,262)	-
-Future contracts	(24,303)	(24,303)	-	-
Total financial liabilities at fair value through profit or loss	**(298,565)**	**(24,303)**	**(274,262)**	**-**

There were no transfers between levels during the financial year ended 31 December 2020.

Financial assets and liabilities not measured at fair value
The financial assets and 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 categorized as level 1 and all other financial assets and financial liabilities not measured at fair value through profit or loss are categorized as level 2 in the fair value hierarchy.

5. DERIVATIVE CONTRACTS

The fund invests in futures and forward contracts either to provide exposure to the Lynx program or to mirror the Lyn program's exposure. Futures and forward contracts may also be used for the purposes of efficient portfolio management and currency hedging.

The Fund records its derivative activities on a fair value basis. For over-the-counter ("OTC") contracts, the Fund enters into master netting agreements with its counterparties. At year end, assets and liabilities are presented gross and there is no netting on the face of the statement of financial position.

The following derivative contracts were included in the Fund's statement of financial position at fair value through profit or loss at year end:

	31 December 2021 USD	31 December 2020 USD
Financial assets at fair value through profit or loss		
-Forward contracts	389,972	1,683,637
-Future contracts	54,302	205,242
Total financial assets at fair value through profit or loss	**444,274**	**1,888,879**
Financial liabilities at fair value through profit or loss		
-Forward contracts	(641,223)	(274,262)
-Future contracts	(99,656)	(24,303)
Total financial liabilities at fair value through profit or loss	**(740,879)**	**(298,565)**
Net Liabilities/assets	**(296,605)**	**1,590,314**

Notional exposures on derivative contracts were as follows:

31 December 2021	Total		(Level 2)	
Primary underlying risk	**Notional amounts USD**	**Number of contracts**	**Notional amounts USD**	**Number of contracts**
Bond price				
Bond futures	2,274,048	23	-	-
Equity price				
Index futures	30,087,783	205	(3,493,841)	(67)
Foreign currency exchange rate				
Currency futures	-	-	(30,717,083)	(302)

31 December 2020	Long exposure		Short exposure	
Primary underlying risk	**Notional amounts USD**	**Number of contracts**	**Notional amounts USD**	**Number of contracts**
Equity price				
Index futures	23,764,769	207	(778,565)	(10)
Foreign currency exchange rate				
Currency futures	16,923,201	148	(1,903,017)	(25)

6. FEES AND EXPENSES

(a) Investment Management fees

The Investment Manager is 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 E Shares	0.70%
Class I Shares	1.00%
Class D1 Shares	1.30%

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).

(b) Manager fees

The Manager shall be entitled to receive from the ICAV, a manager fee calculated as a percentage of the 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 sub-funds on a pro-rata basis. Such fees are accrued daily and paid monthly in arrears as set out below. The Investment Manager may take responsibility for payment of the fees to the Manager. These fees are subject to a minimum fee of EUR 65,000 per annum for the initial two sub-funds of the ICAV. The Manager fees are as follows:

Net Asset Value of the ICAV	Fee payable to the Manager
€0 - €250 million ("M1")	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

(c) Performance fees

The Investment Manager will be entitled to receive a performance fee in respect of each share class equal to 20% of the amount by which the NAV of the relevant share class exceeds the high water mark ("HWM") as at the last business day of the calculation period, the first business day through to 31 December in each year, plus any crystallised performance fee accrued in relation to the relevant share class in respect of redemptions during the calculation period subject in the case of the initial adjustment.

HWM means the NAV of the relevant share classes as at the end of the last calculation period on which a performance fee was paid. For the first calculation period, the initial HWM shall be the proceeds of the initial offer price of the relevant share classes subject to the initial adjustment.

The performance fee shall be calculated and accrue daily.

From 8 June 2020, the performance fee is calculated at share class level in accordance with the above description.

(d) Administration fees

The Administrator is entitled to receive out of the assets of the 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 at the first EUR 500 million and 0.05% per annum of the Fund's NAV above EUR 500 million subject to a minimum annual fee of up to EUR 60,000. The Fund shall be responsible for the fees of and reasonable out-of-pocket expenses properly incurred by the Administrator.

(e) 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 sub-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.

(f) 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 at the ICAV level 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.

(g) Audit fees

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

	31 December 2021	31 December 2020
	USD	USD
Statutory audit (exclusive of VAT and out-of-pocket expenses)	9,060	9,828
Assurance	-	-
Tax Services	-	-
Total	**9,060**	**9,828**

7. OTHER PAYABLES AND ACCRUED EXPENSES

	31 December 2021	31 December 2020
	USD	USD
Audit fees payable	25,574	17,915
Administration fees payable	5,585	1,848
Directors' fees payable	46	16,262
Depositary fees payable	1,584	1,711
Investment management fees payable	23,833	23,344
Manager fees payable*	2,289	-
Other payables	10,554	20,662
	69,465	**81,742**

** For the financial year ended 31 December 2020, the Investment Manager paid the manager fees out of its own fees, and USD 3,151 was payable at the year end.*

8. OPERATING EXPENSES

	31 December 2021 USD	31 December 2020 USD
Audit fees	9,060	9,828
Administration fees	70,997	30,147
Directors' fees	19,009	19,017
Depositary fees	22,385	21,402
Investment management fees	302,435	329,974
Transaction costs	63,023	49,808
Performance fees	4,554	-
Manager fees*	28,278	-
Other expenses	45,068	54,145
	564,809	**514,321**

** For the financial year ended 31 December 2020, the Investment Manager paid the manager fees of USD 36,520 out of its own fees.*

9. SHARE CAPITAL AND REDEEMABLE PARTICIPATING SHARES

The minimum authorized share capital of the ICAV is EUR 2 represented by subscriber shares of no par value. The maximum authorized 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. The movement in the number of participating shares for the financial year ended 31 December 2021 was as follows:

	At the beginning of the financial year	Shares issued	Shares redeemed	Conversion	At the end of the financial year
Class D1 USD	34	-	-	-	34
Class E EUR*	20,949	1,774	(642)	-	22,081
Class I EUR*	6,939	7,538	(6,703)	-	7,774
Class I CHF*	25	-	(25)	-	-

**Hedged share class*

The amounts for the redeemable participating shares movements during the year 2021 were as follows:

	Beginning net assets US$	Amounts subscribed US$	Amounts redeemed US$	Conversion of shares US$	Amount of Profit/ loss during the year US$	Ending net assets US$
Class D1 USD	37,809	-	-	-	(240)	37,569
Class E EUR*	30,388,901	2,529,973	(935,707)	-	(2,843,831)	29,139,336
Class I EUR*	8,162,415	8,873,015	(8,057,432)	-	(680,103)	8,297,895
Class I CHF*	22,389	-	(22,913)	-	524	-
	38,611,514	**11,402,988**	**(9,016,052)**	**-**	**(3,523,650)**	**37,474,800**

**Hedged share class*

The movement in the number of participating shares for the financial year ended 31 December 2020 was as follows:

	At the beginning of the financial period	Shares issued	Shares redeemed	Conversion	At the end of the financial period
Class USD E Original Series	5,051	-	-	(5,051)	-
Class USD I	1,739	-	(1,739)	-	-
Class I USD -Series 03092019	600	-	(600)	-	-
Class USD D1	15	-	-	(15)	-
Class D1 USD	-	-	-	34	34
Class D1 USD - Series 20200219	-	22	-	(22)	-
Class EUR E*	26,147	-	(5,355)	(20,792)	-
Class E EUR - Series 04112019*	300	-	-	(300)	-
Class I USD	-	2,067	(2,067)	-	-
Class E EUR*	-	4,469	(6,178)	22,658	20,949
Class I EUR*	-	1,464	(1,540)	7,015	6,939
Class E EUR - Series 23012020*	-	1,500	-	(1,500)	-
Class E USD	-	-	(5,051)	5,051	-
Class I EUR - Series 20200115*	-	530	(518)	(12)	-
Class I EUR - Series 20200226*	-	600	-	(600)	-
Class I EUR - Series 20200527*	-	500	-	(500)	-
Class E EUR - Series 12122019*	46	-	-	(46)	-
Class E EUR - Series 7052020*	-	300	-	(300)	-
Class EUR I*	10,132	-	(7,936)	(2,196)	-
Class EUR I -Series 1 15052019*	2,078	-	(260)	(1,818)	-
Class I EUR - Series 1 20082019*	850	-	-	(850)	-
Class I EUR - Series 23102019*	200	-	-	(200)	-
Class I EUR Series 23122019*	500	-	-	(500)	-
Class I CHF*	-	-	-	25	25
Class I CHF Original Series*	36	-	(11)	(25)	-

**Hedged share class*

The amount for Investor Share movements during the year 2020 was as follows:

	Beginning net assets US$	Amounts subscribed US$	Amounts redeemed US$	Conversion of shares US$	Amount of Profit/ loss during the year US$	Ending net assets US$
Class USD E Original Series	6,227,924	-	-	(5,688,651)	(539,273)	-
Class USD I	1,677,317	-	(1,536,086)	-	(141,231)	-
Class I USD -Series 03092019	531,122	-	(484,494)	-	(46,628)	-
Class USD D1	15,732	-	-	(14,330)	(1,402)	-
Class D1 USD	-	-	-	33,015	4,794	37,809
Class D1 USD - Series 20200219	-	22,457	-	(18,684)	(3,773)	-
Class EUR E*	33,612,104	-	(6,961,703)	(24,423,369)	(2,227,032)	-
Class E EUR - Series 04112019*	331,345	-	-	(302,778)	(28,567)	-
Class I USD	-	1,818,142	(1,914,763)		96,621	-
Class E EUR*	-	5,552,065	(7,926,971)	26,617,031	6,146,776	30,388,901
Class I EUR*	-	1,553,875	(1,564,377)	6,693,234	1,479,683	8,162,415
Class E EUR - Series 23012020*	-	1,656,075	-	(1,519,409)	(136,666)	-
Class E USD	-	-	(5,861,246)	5,688,651	172,595	-
Class I EUR - Series 20200115*	-	591,242	(524,827)	(11,721)	(54,694)	-

Class I EUR - Series 20200226*	-	653,400	-	(600,606)	(52,794)	-
Class I EUR - Series 20200527*	-	548,750	-	(547,951)	(799)	-
Class E EUR - Series 12122019*	53,129	-	-	(48,548)	(4,581)	-
Class E EUR - Series 7052020*	-	323,640	-	(322,927)	(713)	-
Class EUR I*	10,592,704	-	(7,583,291)	(2,095,175)	(914,238)	-
Class EUR I -Series 1 15052019*	2,408,119	-	(274,467)	(1,922,655)	(210,997)	-
Class I EUR - Series 1 20082019*	873,421	-	-	(797,065)	(76,356)	-
Class I EUR - Series 23102019*	222,950	-	-	(203,459)	(19,491)	-
Class I EUR Series 23122019*	563,899	-	-	(514,603)	(49,296)	-
Class I CHF*	-	-	-	18,222	4,167	22,389
Class I CHF Original Series*	28,709	-	(8,219)	(18,222)	(2,268)	-
	57,138,475	**12,719,646**	**(34,640,444)**	**-**	**3,393,837**	**38,611,514**

**Hedged share class*

10. 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.

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 recognized clearing system as designated by order of the Revenue Commissioners of Ireland; or

(iv) An exchange of shares in the ICAV for other shares in the ICAV; or

(v) An exchange of shares arising on a qualifying amalgamation or reconstruction of the ICAV with another investment undertaking; 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.

11. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS

The Fund's risks are those set out in the Prospectus and the Supplement and any consideration of risk here should be viewed in the context of the Prospectus and the Supplement 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 minimize 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 Investment 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 utilize 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 or future cash flows of financial instruments will fluctuate because of changes in 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 its portfolios, although these risks can also potentially result in a reduction in the Fund's 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 2021, 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 or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

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.

Any financial instruments used to implement hedging strategies with respect to one or more share classes denominated in a currency other than USD from unwanted exposure to fluctuations in the currency versus USD 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 table below outlines the net foreign currency risk exposure of the Fund as at 31 December 2021.

	Net monetary assets and monetary liabilities investments and other assets/ liabilities	**Hedged share class exposure**	**Forwards**	**Net exposure**
	USD	**USD**	**USD**	**USD**
Australian Dollar	51,832	-	(3,353,743)	(3,301,911)
British Pound Sterling	157,705	-	(792,786)	(635,081)
Canadian Dollar	67,680	-	(3,315,440)	(3,247,760)
Chinese Yuan	-	-	4,252,352	4,252,352
Euro	(38,420,089)	(37,437,232)	68,663,143	(7,194,178)
Hungarian Forint	-	-	54,782	54,782
Hong Kong Dollar	128,379	-	-	128,379
Japanese Yen	(145,777)	-	(5,539,982)	(5,685,759)
Korean Won	129,422	-	-	129,422
Mexican Peso	-	-	1,342,803	1,342,803
Norwegian Krone	-	-	(4,137,844)	(4,137,844)
New Zealand Dollar	-	-	(4,036,249)	(4,036,249)
Polish Zloty	-	-	(36,819)	(36,819)
Russian Rouble	-	-	713,582	713,582
Singapore Dollar	(11,708)	-	(3,193,161)	(3,204,869)
Swedish Krona	35,115	-	(5,343,268)	(5,308,153)
Swiss Francs	149	-	(397,293)	(397,144)
South African Rand	3,872	-	(341,624)	(337,752)
	(38,003,420)	**(37,437,232)**	**44,538,453**	**(30,902,199)**

The table below outlines the net foreign currency risk exposure of the Fund as at 31 December 2020.

	Net monetary assets and monetary liabilities investments and other assets/ liabilities	Hedged share class exposure	Forwards	Net exposure
	USD	USD	USD	USD
Australian Dollar	133,264	-	1,965,207	2,098,471
British Pound Sterling	(136,539)	-	1,487,608	1,351,069
Canadian Dollar	51,332	-	(518,418)	(467,086)
Chinese Yuan	-	-	6,541,696	6,541,696
Euro	(19,875)	(38,551,321)	42,591,172	4,019,976
Hong Kong Dollar	79,565	-	64,234	143,799
Hungarian Forint	-	-	434,212	434,212
Japanese Yen	137,640	-	7,594,147	7,731,787
Mexican Peso	-	-	1,990,994	1,990,994
New Zealand Dollar	-	-	3,617,962	3,617,962
Norwegian Krone	-	-	1,496,280	1,496,280
Polish Zloty	-	-	351,441	351,441
Singapore Dollar	(2,326)	-	4,800,244	4,797,918
South African Rand	12,157	-	2,822,477	2,834,634
Swedish Krona	21,439	-	2,720,391	2,741,830
Swiss Francs	28	(22,389)	929,850	907,489
Turkish Lira	-	-	226,151	226,151
	276,685	**(38,573,710)**	**79,115,648**	**40,818,623**

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

(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.

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.

Value-at-risk

Under the Central Bank 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 Investment Manager trough 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 program 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 Investment 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 below 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 the minimum, maximum and average VaR level as a percentage of the NAV and VaR limit utilization percentage over the reporting year ended 31 December 2021 and 2020:

31 December 2021	**Leverage Employed***	**Limit Utilisation (VaR as % of Limit)**
Maximum	18.88%	94.42%
Minimum	6.31%	31.55%
Average	11.42%	57.09%
31 December 2021	7.40%	37.01%

31 December 2020	**Leverage Employed***	**Limit Utilisation (VaR as % of Limit)**
Maximum	17.13%	85.63%
Minimum	3.95%	19.74%
Average	8.35%	41.75%
31 December 2020	13.95%	69.75%

**Leverage-figures are calculated using a 20 days holding period with a 99% confidence level.*

(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 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 2021 and 2020:

	31 December 2021 USD	**31 December 2020 USD**
Financial assets at fair value through profit or loss	31,262,889	33,614,149
Cash and cash equivalents	774,324	718,115
Cash held as collateral	2,131,702	1,520,022
Due from Broker	4,116,229	3,299,535
Total financial assets	**38,285,144**	**39,151,821**

Credit risk relating to unsettled transactions is considered small due to the short-term settlement period. As at 31 December 2021, 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	USD
Cash and Cash equivalents	HSBC Continental Europe	A+	774,324
Cash held as collateral	Goldman Sachs	A+	590,458
Cash held as collateral	UBS AG	A+	1,541,244
Due from Broker	Goldman Sachs	A+	79,850
Due from Broker	Morgan Stanley International	BBB+	4,036,379
Fixed income securities	USA Government	AA+	28,048,062
Structured financial instruments	Alphabeta and Weser	N/A	2,770,553
Forward contracts	Goldman Sachs	A+	130,738
Forward contracts	Morgan Stanley International	BBB+	81,348
Forward contracts	UBS AG	A+	177,886
Future contracts	Morgan Stanley International	BBB+	54,302

As at 31 December 2020, 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	USD
Cash and Cash equivalents	HSBC Continental Europe	A+	718,115
Cash held as collateral	UBS AG	A+	1,520,022
Due from Broker	Morgan Stanley International	BBB+	3,298,003
Due from Broker	Goldman Sachs	A+	1,532
Fixed income securities	USA Government	AA+	24,975,031
Structured financial instruments	Alphabeta and Weser	N/A	6,750,239
Forward contracts	Goldman Sachs	A+	1,005,632
Forward contracts	Morgan Stanley International	BBB+	205,674
Forward contracts	UBS AG	A+	472,331
Future contracts	Morgan Stanley International	BBB+	205,242

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 BBB+. The Fund did not recognize any impairment during the year ended 31 December 2021. 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 realizable as they are actively traded on recognized stock exchanges.

The Fund's financial instruments also comprise investments in OTC derivative contracts, which are not traded in an organized 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 their 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 remaining period 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.

The following table sets out the Fund's total exposure to liquidity risk as at 31 December 2021:

	Less than 1 month USD	1-3 month USD	3-6 months USD	More than 6 months USD	Total USD
Liabilities					
Financial liabilities at fair value through profit or loss	1,090	739,789	-	-	740,879
Other payables and accrued expenses	40,898	2,947	25,620	-	69,465
Net assets attributable to holders of redeemable participating shares	37,474,800	-	-	-	37,474,800
Total liabilities and redeemable participating shares	**37,516,788**	**742,736**	**25,620**	**-**	**38,285,144**

The following table sets out the Fund's total exposure to liquidity risk as at 31 December 2020:

	Less than 1 month USD	1-3 month USD	3-6 months USD	More than 6 months USD	Total USD
Liabilities					
Cash received as collateral	160,000	-	-	-	160,000
Financial liabilities at fair value through profit or loss	40,960	257,605	-	-	298,565
Other payables	39,892	7,673	34,177	-	81,742
Net assets attributable to holders of redeemable participating shares	38,611,514	-	-	-	38,611,514
Total liabilities and redeemable participating shares	**38,852,366**	**265,278**	**34,177**	**-**	**39,151,821**

The table below analyses the Fund's derivative exposures at 31 December 2021 that will be settled on a gross basis into relevant maturity groupings based on the remaining period at the Statement of Financial Position date to the contractual maturity date.

	Currency	Less than 3 months
Inflow	USD	92,667,876
Outflow	USD	(93,408,755)
Total		**(740,879)**

The table below analyses the Fund's forward contract exposures at 31 December 2020 that will be settled on a gross basis into relevant maturity groupings based on the remaining period at the Statement of Financial Position date to the contractual maturity date.

	Currency	Less than 3 months
Inflow	USD	58,103,768
Outflow	USD	(58,402,333)
Total		**(298,565)**

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 Investment Manager monitors the Fund's liquidity position on a daily basis, focusing on both the requirements for liquidity and that suitable assets are able to meet such requirements.

(d) Risks associated with unconsolidated structured entities

The Fund meets the definition of an Investment Entity under IFRS 10 and therefore does not consolidate any investments. IFRS 12 requires disclosures around "Unconsolidated Structured Entities".

IFRS 12 defines a structured entity as an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to the administrative tasks only and the relevant activities are directed by means of contractual agreements.

The Fund has concluded that the structured financial instruments in which it invests, but that it does not consolidate, meet the definition of structured entities because:

- the voting rights in these entities are not the dominant rights in deciding who controls them, as they relate to administrative tasks only;
- each entity's activities are restricted by its Prospectus; and
- the entities have narrow and well-defined objectives to provide investment opportunities to investors

The table below summarises the Fund's interest in unconsolidated structured entities as at 31 December 2021:

Issuer Name	CCY	Outstanding Nominal issued by structured entity	% of notional issued by the structured entity	Fair value of investments	Maximum exposure to loss
Alphabeta Access Products Ltd.	USD	5,189,045,291	0.05%	1,385,277	USD 1,385,277
Weser Capital Series 6 Ltd.	USD	2,500,000,000	0.11%	1,385,276	USD 1,385,276

The Fund has a maximum exposure to the risk associated with the carrying value of the above transferable securities.

During the year ended 31 December 2021, the Fund did not provide financial support to unconsolidated structured entities and has no intention of providing financial or other support.

Morgan Stanley & Co. International plc, acting in its capacity as dealer for the SFI, ha comitted to purchase the SFI from the Fund subject to receiving two business days prior notice.

The table below summarises the Fund's interest in unconsolidated structured entities as at 31 December 2020:

Issuer Name	CCY	Outstanding Nominal issued by structured entity	% of notional issued by the structured entity	Fair value of investments	Maximum exposure to loss
Alphabeta Access Products Ltd.	USD	4,066,006,325	0.13%	3,375,120	USD 3,375,120
Weser Capital Series 6 Ltd.	USD	3,000,000,000	0.17%	3,375,119	USD 3,375,119

During the year ended 31 December 2020, the Fund did not provide financial support to unconsolidated structured entities and has no intention of providing financial or other support.

(e) Concentration Risk

Concentration risk arises when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentration indicates the relative sensitivity of the Fund's performance to developments affecting a particular issuer, manager, asset class or geographical location of risk. In order to avoid excessive concentration of risk, the Fund´s policies and procedures include specific guidelines to monitor the relevant risk concentrations on a periodic basis.

Concentration of risk is disclosed in the Schedule of Investments.

The Investment Manager reviews the concentration of financial instruments held based on geographical location of risk and industry.

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 recognized 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 realize the assets and settle the liabilities simultaneously.

The following table provides disclosure regarding the potential effect of netting arrangements on recognized assets and liabilities presented in the Statement of Financial Position as at 31 December 2021:

Offsetting Financial Assets

				Gross amounts not offset in the Statements of Financial Position		
Counterparty	**Gross amount of recognized financial assets USD**	**Gross amounts of financial liabilities offset in the Statements of Financial Position USD**	**Net amount of financial assets presented in the Statements of Financial Position USD**	**Financial instrument (including non-cash collateral) USD**	**Cash collateral received USD**	**Net amount USD**
Goldman Sachs	130,738	-	130,738	(84,451)	-	46,287
Morgan Stanley International	135,650	-	135,650	(135,650)	-	-
UBS AG	177,886	-	177,886	(177,886)	-	-
Total	**444,274**	**-**	**444,274**	**(397,987)**	**-**	**46,287**

Offsetting Financial liabilities

				Gross amounts not offset in the Statements of Financial Position		
Financial assets	**Gross amount of recognized financial liabilities USD**	**Gross amounts of financial liabilities offset in the Statements of Financial Position USD**	**Net amount of financial liabilities presented in the Statements of Financial Position USD**	**Financial instrument (including non-cash collateral) USD**	**Cash collateral pledged USD**	**Net amount USD**
Goldman Sachs	(84,451)	-	(84,451)	84,451	-	-
Morgan Stanley International	(268,917)	-	(268,917)	135,650	-	(133,267)
UBS AG	(387,511)	-	(387,511)	177,886	209,625	-
Total	**(740,879)**	**-**	**(740,879)**	**397,987**	**209,625**	**(133,267)**

The following table provides disclosure regarding the potential effect of netting arragements on recognized assets and liabilities presented in the Statement of Financial Position as at 31 December 2020:

Offsetting Financial Assets

Financial assets	Gross amount of recognized financial assets USD	Gross amounts of financial liabilities offset in the Statements of Financial Position USD	Net amount of financial assets presented in the Statements of Financial Position USD	Gross amounts not offset in the Statements of Financial Position: Financial instrument (including non-cash collateral) USD	Gross amounts not offset in the Statements of Financial Position: Cash collateral received USD	Net amount USD
Goldman Sachs	1,005,632	-	1,005,632	(43,724)	(160,000)	801,908
Morgan Stanley International	410,916	-	410,916	(95,827)	-	315,089
UBS Warburg Ltd.	472,331	-	472,331	(159,014)	-	313,317
Total	**1,888,879**	**-**	**1,888,879**	**(298,565)**	**(160,000)**	**1,430,314**

Offsetting Financial liabilities

Financial assets	Gross amount of recognized financial liabilities USD	Gross amounts of financial liabilities offset in the Statements of Financial Position USD	Net amount of financial liabilities presented in the Statements of Financial Position USD	Gross amounts not offset in the Statements of Financial Position: Financial instrument (including non-cash collateral) USD	Gross amounts not offset in the Statements of Financial Position: Cash collateral pledged USD	Net amount USD
Goldman Sachs	(43,724)	-	(43,724)	43,724	-	-
Morgan Stanley International Trading Activity	(95,827)	-	(95,827)	95,827	-	-
UBS Warburg Ltd. Trading	(159,014)	-	(159,014)	159,014	-	-
Total	**(298,565)**	**-**	**(298,565)**	**298,565**	**-**	**-**

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 2021.

Share class	Shares in issue	Net asset value	Net asset value per share
Class D1 USD	34	$37,569	$1,089.89
Class E EUR (hedged)	22,081	€25,730,100	€1,165.26
Class I EUR (hedged)	7,774	€7,327,062	€942.48

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 2020.

Share class	Shares in issue	Net asset value	Net asset value per share
Class D1 USD	34	$37,809	$1,096.86
Class E EUR (hedged)	20,949	€24,737,599	€1,180.85
Class I CHF (hedged)	25	CHF19,783	CHF784.414
Class I EUR (hedged)	6,939	€6,644,486	€957.529

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.

Share class	Shares in issue	Net asset value	Net asset value per share
Class E USD	5,051	$6,227,924	$1,232.92
Class I USD	1,739	$1,677,317	$964.48
Class I USD - series 03092019	600	$531,122	$885.21
Class D1 USD	15	$15,732	$1,051.58
Class E EUR (hedged)	26,147	€29,966,660	€1,146.07
Class E EUR - series 04112019 (hedged)	300	€295,409	€984.70
Class E EUR - series 12122019 (hedged)	46	€47,367	€1,019.95
Class I EUR (hedged)	10,132	€9,443,861	€932.12
Class I EUR - series 1 15052019 (hedged)	2,078	€2,146,943	€1,033.10
Class I EUR - series 1 20082019 (hedged)	850	€778,693	€916.11
Class I EUR - series 23102019 (hedged)	200	€198,769	€993.85
Class I EUR - series 23122019 (hedged)	500	€502,741	€1,005.48
Class I CHF (hedged)	36	CHF27,796	CHF765.32

14. RELATED PARTY TRANSACTIONS

IAS 24 'Related Party Disclosures' 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 year.

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

Marcus Andersson was a Director of the ICAV until 17 May 2021 and is a principal and a Director of the Investment Manager.

Henrik Landén is a Director of the ICAV and is an employee of the Investment Manager.

The Money Laundering Reporting Officer ("MLRO") and the Secretary of the Fund are employees of KB Associates which is part of the same economic group as the Manager. During the year ended 31 December 2021, MLRO fees amounting to USD 4,888 (2020: USD 11,981) were charged to the Fund of which USD 955 (2020: USD 2,514) was outstanding at the year end. Secretary fees amounting to USD 4,888 (2020: USD 5,144) were charged to the Fund of which USD 956 (2020: USD 2,514) was outstanding at the year end.

KB Associates also provides VAT and payroll services to the Fund. VAT services and payroll services fees amounting to USD 3,666 (2020: USD 3,117) were charged to the Fund of which 1,414 (2020: USD 1,671) was outstanding at the year end.

None of the Directors of the ICAV hold or held shares in the Fund during the year ended 31 December 2021 (2020: Nil).

The fees for, and payables to, the Directors, Investment Manager and the Manager are disclosed in Note 8 and Note 7 respectively of the financial statements.

There are no other related party transactions.

15. SIGNIFICANT EVENTS DURING THE YEAR

While the development of the COVID-19 pandemic has had a significant impact on the world, the Fund has been able to continue its investment activities as per normal. The Directors, the Manager and the Investment Manager have established procedures to address and mitigate the potential harm to people and the management of the Fund. The Directors are still following the situation carefully and in cooperation with the Manager and the Investment Manager, routines and processes are adjusted when necessary in order to manage the program effectively without risking the health of people or neglecting social responsibility.

An updated Prospectus of the ICAV and Supplement of the Fund was filed with the Central Bank of Ireland on 9 March 2021. This was to reflect the requirements of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (the "Sustainable Finance Disclosure Regulation")

On 17 May 2021, Marcus Andersson resigned as a Director of the ICAV. On the same date, Henrik Landén was appointed a Director of the ICAV.

An updated Prospectus of the ICAV and Supplement of the Fund was filed with the Central Bank of Ireland on 26 November 2021. This was to reflect the requirements of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (the "Taxonomy Regulation").

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

16. SUBSEQUENT EVENTS

The Directors of the Fund acknowledge the situation in Ukraine and are monitoring the developments closely. The Lynx Program has historically held positions in the Russian rouble, although all exposure was neutralized in February 2022 and the currency removed from the asset allocation until further notice. As of the writing of this report, the fund holds no investments or exposures directly related to Russia or Ukraine. While volatility remains elevated given the ongoing conflict, the Lynx Program was designed to adapt to changing market conditions and has historically performed particularly well during extended market crises. Neither the Directors nor the Investment Manager foresee any impact due to the situation other than market reactions to future developments.

On 25 January 2022, KBA announced that, subject to regulatory approval, it will become a member of the Waystone Group.

There are no other material events subsequent to the Statement of Financial Position date which require disclosure in the financial statements.

17. COMMITMENTS AND CONTINGENTS

The Fund does not have any commitments and contingents as at 31 December 2021.

18. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors on 25 April 2022.

SCHEDULE OF INVESTMENTS (UNAUDITED)

As at 31 December 2021

Holdings	Description	Fair Value USD	% of Net Asset Value
	FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		
	Fixed Income Securities		
	United States		
1,000,000	US Treasury Bill 0% 24/02/2022	999,986	2.67
4,500,000	US Treasury Bill 0% 31/03/2022	4,499,606	12.01
1,000,000	US Treasury Bill 0% 07/04/2022	999,844	2.67
1,926,000	US Treasury Bill 0% 14/04/2022	1,925,666	5.14
1,175,500	US Treasury Bill 0% 21/04/2022	1,175,251	3.13
1,000,000	US Treasury Bill 0% 28/04/2022	999,787	2.67
300,000	US Treasury Bill 0% 12/05/2022	299,915	0.80
1,400,000	US Treasury Bill 0% 19/05/2022	1,399,527	3.73
1,300,000	US Treasury Bill 0% 26/05/2022	1,299,552	3.47
3,700,000	US Treasury Bill 0% 16/06/2022	3,698,113	9.87
500,000	US Treasury Bill 0% 11/08/2022	499,427	1.33
3,370,000	US Treasury Bill 0% 08/09/2022	3,365,242	8.98
5,000,000	US Treasury Bill 0% 06/10/2022	4,990,690	13.32
1,900,000	US Treasury Bill 0% 01/12/2022	1,895,456	5.06
		28,048,062	**74.85**
	Total Fixed Income Securities	**28,048,062**	**74.85**
	Structured Financial Instruments		
2,656,196	Oder Capital Series 6	1,385,277	3.70
2,656,196	Weser Capital Series 6	1,385,276	3.69
	Total Debt Securities	**2,770,553**	**7.39**
	Futures Contracts[1]		
	Australia		
10	SPI 200 Index Future 17/03/2022	29,522	0.08
		29,522	**0.08**
	Canada		
5	S&P/TSX 60 Index Future 17/03/2022	20,966	0.06
		20,966	**0.06**
	France		
11	CAC40 Euro Index Future 21/01/2022	28,624	0.08
		28,624	**0.08**
	Germany		
6	DAX Index Future 18/03/2022	34,881	0.09
41	Dow Jones EURO STOXX 50 Index Future 18/03/2022	56,203	0.15
		91,084	**0.24**
	Hong Kong		
(7)	H-Shares Index Future 28/01/2022	2,058	0.01
		2,058	**0.01**

Holdings	Description	Fair Value USD	% of Net Asset Value
	Italy		
4	FTSE/MIB Index Future 18/03/2022	15,612	0.04
		15,612	**0.04**
	Japan		
5	Nikkei 225 Index (OSE) Future 10/03/2022	2,432	0.01
11	Topix Index Future 10/03/2022	6,730	0.01
		9,162	**0.02**
	Korea, Republic Of		
(13)	KOSPI 200 Index Future 10/03/2022	1,250	-
		1,250	**-**
	Netherlands		
4	AEX Index Future 21/01/2022	18,365	0.05
		18,365	**0.05**
	Singapore		
(35)	FTSE China A50 Index Future 28/01/2022	3,219	0.01
15	MSCI Taiwan Index Future 27/01/2022	8,958	0.02
3	Nikkei 225 Index (SGX) Future 10/03/2022	782	-
		12,959	**0.03**
	Sweden		
14	OMXS 30 Index Future 21/01/2022	16,730	0.04
		16,730	**0.04**
	United Kingdom		
(12)	FTSE 100 Index Future 18/03/2022	13,181	0.04
		13,181	**0.04**
	United States		
(63)	CAD Currency Future 15/03/2022	6,547	0.02
16	Djia E-mini Index Future 18/03/2022	36,260	0.09
9	Russell 2000 E-mini Index Future 18/03/2022	10,640	0.03
(75)	JPY Currency Future 14/03/2022	83,789	0.22
4	Mini MSCI EAFE E-mini Index Future 18/03/2022	10,200	0.03
16	Nasdaq 100 E-mini Index Future 18/03/2022	28,956	0.08
25	S&P 500 E-mini Index Future 18/03/2022	93,572	0.25
		269,964	**0.72**
	Total unrealised appreciation on open futures contracts	**529,477**	**1.41**
	Variation margin paid on futures contracts	(475,175)	(1.26)
	Total Future Contracts	**54,302**	**0.15**
	***Forward Contracts*[2]**		
	Buy EUR33,908,209 / Sell USD38,272,670 04/01/2022	130,744	0.35
	Buy USD7,095,427 / Sell JPY807,500,000 16/03/2022	78,121	0.21
	Buy GBP3,137,500 / Sell USD4,190,508 16/03/2022	43,305	0.11
	Buy USD3,490,607 / Sell CAD4,420,000 16/03/2022	34,417	0.09
	Buy MXN32,200,000 / Sell USD1,527,656 16/03/2022	22,101	0.06
	Buy AUD2,230,000 / Sell USD1,597,872 16/03/2022	20,927	0.06
	Buy NZD2,150,000 / Sell USD1,458,568 16/03/2022	9,775	0.03
	Buy CHF1,400,000 / Sell USD1,526,473 16/03/2022	7,899	0.02

Holdings	Description	Fair Value USD	% of Net Asset Value
	Buy USD902,185 / Sell ZAR14,400,000 16/03/2022	7,750	0.02
	Buy NOK5,600,000 / Sell USD627,304 16/03/2022	7,544	0.02
	Buy CNH26,650,000 / Sell USD4,151,692 16/03/2022	7,028	0.02
	Buy CAD1,260,000 / Sell USD980,735 16/03/2022	4,515	0.01
	Buy SGD1,090,000 / Sell USD801,804 16/03/2022	3,877	0.01
	Buy ZAR7,600,000 / Sell USD468,417 16/03/2022	3,645	0.01
	Buy USD569,527 / Sell EUR500,000 16/03/2022	2,397	0.01
	Buy PLN1,200,000 / Sell USD292,420 16/03/2022	2,131	0.01
	Buy EUR850,000 / Sell USD962,799 16/03/2022	1,318	-
	Buy USD233,007 / Sell SEK2,100,000 16/03/2022	691	-
	Buy USD342,004 / Sell NZD500,000 16/03/2022	527	-
	Buy SEK1,300,000 / Sell USD143,298 16/03/2022	518	-
	Buy USD185,956 / Sell HUF61,000,000 16/03/2022	310	-
	Buy USD780,437 / Sell CNH5,000,000 16/03/2022	191	-
	Buy USD36,327 / Sell RUB2,750,000 16/03/2022	154	-
	Buy HUF10,000,000 / Sell USD30,400 16/03/2022	35	-
	Buy RUB5,000,000 / Sell USD65,738 16/03/2022	29	-
	Buy USD65,351 / Sell AUD90,000 16/03/2022	18	-
	Buy USD7,395 / Sell SGD10,000 16/03/2022	3	-
	Buy JPY7,500,000 / Sell USD65,174 16/03/2022	2	-
	Total Forward Contracts (Notional Amount: USD 59,440,513)	**389,972**	**1.04**
	Total Financial Assets at Fair Value Through Profit or Loss	**31,262,889**	**83.43**

Holdings	Description	Fair Value USD	% of Net Asset Value
	FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		
	Futures Contracts[1]		
	Hong Kong		
(9)	Hang Seng Index Future 28/01/2022	(1,090)	-
		(1,090)	**-**
	Korea, Republic of		
12	Korea 10 Yr Bond Future 15/03/2022	(10,147)	(0.03)
11	Korea 3 Yr Bond Future 15/03/2022	(1,194)	-
		(11,341)	**(0.03)**
	South Africa		
(1)	FTSE/JSE Top 40 Index Future 17/03/2022	(1,247)	-
		(1,247)	**-**
	United States		
(69)	AUD Currency Future 14/03/2022	(69,596)	(0.19)
(4)	CHF Currency Future 14/03/2022	(5,000)	(0.01)
(77)	EUR Currency Future 14/03/2022	(28,990)	(0.08)
(14)	GBP Currency Future 14/03/2022	(21,600)	(0.06)
(2)	MSCI Emerging Markets E-mini Index Future 18/03/2022	(2,720)	(0.01)
1	S&P MID 400 E-mini Index Future 18/03/2022	(210)	-
		(128,116)	**(0.35)**
	Total Futures Contracts	**(141,794)**	**(0.38)**
	Variation margin paid on futures contracts	42,138	0.11
	Total Future Contracts	**(99,656)**	**(0.27)**
	Forward Contracts[2]		
	Buy USD4,850,399 / Sell NOK44,000,000 16/03/2022	(137,685)	(0.37)
	Buy USD4,818,946 / Sell AUD6,790,000 16/03/2022	(110,038)	(0.29)
	Buy USD4,940,045 / Sell GBP3,725,000 16/03/2022	(86,550)	(0.23)
	Buy EUR33,157,972 / Sell USD37,660,161 01/02/2022	(84,444)	(0.22)
	Buy USD4,087,549 / Sell SGD5,590,000 16/03/2022	(44,344)	(0.12)
	Buy USD5,283,288 / Sell NZD7,800,000 16/03/2022	(43,742)	(0.12)
	Buy USD11,023,133 / Sell EUR9,750,000 16/03/2022	(35,905)	(0.09)
	Buy USD5,230,392 / Sell SEK47,500,000 16/03/2022	(24,374)	(0.06)
	Buy USD1,914,359 / Sell CHF1,762,500 16/03/2022	(17,305)	(0.05)
	Buy JPY162,500,000 / Sell USD1,427,521 16/03/2022	(15,368)	(0.04)
	Buy RUB52,000,000 / Sell USD691,612 16/03/2022	(7,626)	(0.02)
	Buy CNH14,900,000 / Sell USD2,332,164 16/03/2022	(7,026)	(0.02)
	Buy USD262,609 / Sell MXN5,600,000 16/03/2022	(6,913)	(0.02)
	Buy EUR2,950,000 / Sell USD3,350,117 16/03/2022	(4,050)	(0.01)
	Buy USD327,575 / Sell PLN1,350,000 16/03/2022	(3,796)	(0.01)
	Buy USD997,406 / Sell CAD1,280,000 16/03/2022	(3,485)	(0.01)
	Buy USD432,015 / Sell ZAR7,000,000 16/03/2022	(2,780)	(0.01)
	Buy USD1,449,148 / Sell CNH9,300,000 16/03/2022	(2,117)	(0.01)
	Buy ZAR8,300,000 / Sell USD517,554 16/03/2022	(2,011)	(0.01)
	Buy HUF107,000,000 / Sell USD326,594 16/03/2022	(946)	-
	Buy USD115,426 / Sell HUF38,000,000 16/03/2022	(227)	-

Holdings	Description	Fair Value USD	% of Net Asset Value
	Buy NOK1,900,000 / Sell USD215,553 16/03/2022	(158)	-
	Buy CAD200,000 / Sell USD156,517 16/03/2022	(126)	-
	Buy SGD190,000 / Sell USD140,525 16/03/2022	(86)	-
	Buy NZD240,000 / Sell USD163,978 16/03/2022	(69)	-
	Buy MXN1,300,000 / Sell USD62,618 16/03/2022	(50)	-
	Buy AUD30,000 / Sell USD21,781 16/03/2022	(2)	-
	Total Forward Contracts (Notional Amount: USD 104,230,223)	**(641,223)**	**(1.71)**
	Total Financial Liabilities at Fair Value Through Profit or Loss	**(740,879)**	**(1.98)**
	Total Financial Assets and Liabilities at Fair Through Profit or Loss	**30,522,010**	**81.45**
	Other net assets	**6,952,790**	**18.55**
	Net Assets Attributable to Holders of Redeemable Participating Shares	**37,474,800**	**100.00**

[1] *The counterparty for futures contracts is Morgan Stanley International.*
[2] *The counterparties for forward contracts is Goldman Sachs, Morgan Stanley International and UBS AG.*

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Analysis of Total Assets	Amount USD	% of Total Asset
Transferable securities admitted to an official stock exchange listing	28,048,062	73.26
Transferable securities dealt in on an another regulated market	2,770,553	7.24
Financial derivative instruments traded over-the-counter	389,972	1.02
Financial derivative instruments traded on a regulated market	54,302	0.14
Cash and cash equivalents	774,324	2.02
Other assets	6,247,931	16.32
Total Assets	**38,285,144**	**100.00**

SCHEDULE OF PORTFOLIO CHANGES (UNAUDITED)

For the year ended 31 December 2021

Material Purchases	**Cost in USD**
US Treasury Bill 0% 06/10/2022	4,995,688
US Treasury Bill 0% 14/10/2021	4,499,434
US Treasury Bill 0% 31/03/2022	4,498,965
US Treasury Bill 0% 04/11/2021	3,999,292
US Treasury Bill 0% 16/06/2022	3,697,953
US Treasury Bill 0% 08/09/2022	3,367,728
US Treasury Bill 0% 12/11/2021	1,999,886
US Treasury Bill 0% 30/09/2021	1,999,752
US Treasury Bill 0% 14/04/2022	1,925,479
US Treasury Bill 0% 01/12/2022	1,895,046
US Treasury Bill 0% 02/12/2021	1,798,555
US Treasury Bill 0% 03/03/2022	1,499,583
US Treasury Bill 0% 08/07/2021	1,499,317
US Treasury Bill 0% 19/05/2022	1,399,449
US Treasury Bill 0% 27/01/2022	1,399,111
US Treasury Bill 0% 26/05/2022	1,299,542
US Treasury Bill 0% 12/08/2021	1,207,775
US Treasury Bill 0% 21/04/2022	1,175,143
US Treasury Bill 0% 23/09/2021	1,144,839
US Treasury Bill 0% 07/04/2022	999,722
US Treasury Bill 0% 28/04/2022	999,721
US Treasury Bill 0% 30/12/2021	999,427
US Treasury Bill 0% 24/02/2022	999,311
Oder Capital Series 6	842,423
Weser Capital Series 6	842,423
US Treasury Bill 0% 22/07/2021	690,468

Material Sales	**Proceeds in USD**
US Treasury Bill 0% 04/11/2021	8,499,114
US Treasury Bill 0% 14/10/2021	4,499,904
Oder Capital Series 6	3,127,192
Weser Capital Series 6	3,127,192
US Treasury Bill 0% 25/02/2021	2,999,894
US Treasury Bill 0% 27/05/2021	2,799,992
US Treasury Bill 0% 07/10/2021	2,463,975
US Treasury Bill 0% 02/12/2021	2,299,856
US Treasury Bill 0% 17/06/2021	2,033,996
US Treasury Bill 0% 22/04/2021	1,999,990
US Treasury Bill 0% 30/09/2021	1,999,944
US Treasury Bill 0% 12/11/2021	1,999,885
US Treasury Bill 0% 15/04/2021	1,805,994
US Treasury Bill 0% 21/01/2021	1,599,951
US Treasury Bill 0% 08/07/2021	1,499,969
US Treasury Bill 0% 03/03/2022	1,499,810

US Treasury Bill 0% 27/01/2022	1,399,857
US Treasury Bill 0% 28/01/2021	1,299,947
US Treasury Bill 0% 12/08/2021	1,207,972
US Treasury Bill 0% 23/09/2021	1,144,976
US Treasury Bill 0% 23/09/2021	1,144,976
US Treasury Bill 0% 20/05/2021	999,998
US Treasury Bill 0% 09/09/2021	999,939
US Treasury Bill 0% 30/12/2021	999,825
US Treasury Bill 0% 03/06/2021	744,998
US Treasury Bill 0% 25/03/2021	699,984
US Treasury Bill 0% 22/07/2021	690,789

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

OTHER ADDITIONAL DISCLOSURES (UNAUDITED)

For the year ended 31 December 2021

Exchange Rates

The following foreign exchange rates were used to translate assets and liabilities into USD at the year end:

	31 December 2021	31 December 2020
Australian Dollar	0.7258	0.7684
British Pound Sterling	1.3499	1.3593
Canadian Dollar	0.7821	0.7839
Chinese Yuan Renminbi	0.1569	0.1522
Euro	1.1325	1.2285
Hong Kong Dollar	0.1282	0.1290
Hungarian Forint	0.0031	0.0033
Japanese Yen	0.0087	0.0097
Mexican Peso	0.0488	0.0498
New Zealand Dollar	0.6838	0.7131
Norwegian Krone	0.1135	0.1165
Polish Zloty	0.2468	0.2762
Russian Rouble	0.0134	-
Singapore Dollar	0.7395	0.7559
South African Rand	0.0628	0.0685
South Korean Won	0.0008	-
Swedish Krona	0.1106	0.1220
Swiss Francs	1.0939	1.1317
Turkish Lira	-	0.1254

APPENDIX (UNAUDITED)

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 2021	% 31 December 2020
Total Expense Ratio	1.27%	1.10%

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 2021, the Fund held no SFTs and therefore SFT reporting requirements do not apply to the Fund.

UCITS V REMUNERATION DISCLOSURES

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 (the "AIFM Regulations"), S.I. 352 of 2011 European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (the "UCITS Regulations") and of the ESMA Guidelines on sound remuneration policies under the UCITS Directive and AIFMD (the "ESMA Guidelines"). The Policy is designed to ensure that the remuneration of key decision makers is aligned with the management of short and long-term risks, including the oversight and where appropriate the management of sustainability risks in line with the Sustainable Finance Disclosure Regulations.

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 funds it manages.

These disclosures are made in respect of the remuneration policies of the Manager. The disclosures are made in accordance with the ESMA guidelines.

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 ended 31 December 2021:

	31 December 2021 EUR
Fixed remuneration	
Senior management	1,232,664
Other identified staffs	-
Variable remuneration	
Senior management	110,724
Other identified staffs	-
Total remuneration paid	**1,343,388**

Number of identified staff: 16

Neither the Manager nor the ICAV pays any fixed or variable renumeration to identified staff of the Investment Manager.

SUSTAINABLE FINANCE DISCLOSURE REGULATION AND TAXONOMY REGULATION

The Fund has been categorised as an Article 6 financial product for the purposes of the Sustainable Finance Disclosure Regulation. For the purpose of the Taxonomy Regulation, it should be noted that the investments underlying the Fund do not take into account the EU criteria for environmentally sustainable economic activities.

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