



AXIOM LUX

Société d'Investissement à Capital Variable

Audited annual report

as at 31/12/2019

RCS Luxembourg B196052

AXIOM LUX

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Subscriptions can only be received on the basis of the latest prospectus accompanied by the relevant key investor information documents, the Articles of Incorporation of the Company, the latest annual report as well as by the latest semi-annual report, if published after the latest annual report.

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Management and Administration

<u>Registered Office</u>	AXIOM LUX Société d'Investissement à Capital Variable 5, allée Scheffer L-2520 Luxembourg Grand Duchy of Luxembourg
<u>Management Company</u>	Axiom Alternative Investments "Société de Gestion de Portefeuille" 39, avenue Pierre 1 ^{er} de Serbie F-75008 Paris France
<u>Depositary, Administrative and Domiciliation Agent</u>	CACEIS Bank, Luxembourg Branch 5, allée Scheffer L-2520 Luxembourg Grand Duchy of Luxembourg
<u>Global Distributor</u>	Axiom Alternative Investments "Société de Gestion de Portefeuille" 39, avenue Pierre 1 ^{er} de Serbie F-75008 Paris France
<u>Auditor</u>	PricewaterhouseCoopers, Société coopérative 2, rue Gerhard Mercator B.P. 1443 L-1014 Luxembourg Grand Duchy of Luxembourg
<u>Legal Advisor</u>	Arendt & Medernach S.A. 41A, avenue J.F. Kennedy L-2082 Luxembourg Grand Duchy of Luxembourg

Board of Directors

Mrs. Christina Perri, Director International Business Development, Axiom Alternative Investments

Mr. Laurent Surjon, Managing Director, Axiom Alternative Investments

Mr. David Ben Amou, Managing Partner, Axiom Alternative Investments

Mr. Christophe Arnould, Independent Director

Mr. Jean-François Boulter, Independent Director

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Management and Administration (continued)

Board of Managers of the Management Company

Mr. David Ben Amou, Managing partner, Axiom Alternative Investments

Mr. Jérôme Legras, Gérant, Axiom Alternative Investments

Mr. Adrian Paturle, Gérant, Axiom Alternative Investments

Mr. Gregory Raab, Gérant, Axiom Alternative Investments

Mr. Philippe Cazenave, Gérant, Axiom Alternative Investments

Mr. Laurent Surjon, Gérant, Axiom Alternative Investments

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Management Report

AXIOM LUX - AXIOM EQUITY LONG SHORT (launched as at 11/01/2019 and liquidated as at 11/06/2019)

After a very mediocre 2018 for European equities, 2019 kicked off with encouraging optimism, contrasting with the end of last year's excessive pessimism.

Financials led the rise at the beginning of the year but slowed down at the end of January. The banks SX7R index ended January at +4.90%, slightly underperforming non-financial indexes. Italian names stood out after 2019 budget talks led to an agreement end 2018 and the government has easily raised €10bn over 16 years.

In the ongoing Brexit saga, despite the House of Commons voting down the proposed Withdrawal Agreement on 15 January, amendments were passed on 29 January, forcing the UK Government to return to Brussels in a further attempt to find a resolution to the backstop issue. Renegotiation attempts are likely to fail as EU is not prepared to reopen the withdrawal agreement.

On the monetary policy front, without surprises, the ECB left its interest rates unchanged and reassured investors with its dovish tone.

The Q4 results disappointed despite the solid fundamentals. The lower earnings expectations for Q4 resulted in several profit warnings. After Natixis, Société Générale is expecting a 20% drop in its market activities and Metro bank announced risks were not correctly captured in the bank core capital ratios. On a more positive note, Bankia and KBC results were in line with the consensus.

The 2018 Transparency Report published by the EBA shows significant progress on Non-performing exposures reduction of EU banks which stand at only 3.58%. The ECB continues to maintain pressure on NPL provisioning, targeting particularly Italian banks.

On the restructuring front, after merger rumours, UBI Banca said it had no intention of rescuing Banca Carige and Monte Paschi. Deutsche Bank has benefited from the rumours of a possible merger with Commerzbank, which could be orchestrated by the German authorities.

Major positive contributors this month have been Metro bank (Short), Aviva (Long) and Partners Group (Long). Major negative contributors were Unipol (Short), Gjensidige (Short) and Man Group (Short).

AXIOM EQUITY LONG SHORT ended January with a performance of +2.24%.

After a strong January rally, European equities continued their positive trend over the month driven by central banks' dovish tone, the warmer relation between US and China and the latest forecasts in the US and Europe. The banks SX7R index ended February at +4.85%, slightly outperforming non-financial indexes.

On Brexit, following the recent developments, markets seem to believe that the risk of a no-deal is being pushed away. The prospects of a possible delay to avoid a sudden exit of the European Union benefited the sterling which returned to its July levels. The latest Q4 results came out either above expectations or in line with the consensus. Deutsche Bank announced its first profit since 2014. UniCredit, Intesa, Erste and Bawag were among the best performers. After underestimating its capital ratios last month, Metro Bank reassured the market by announcing a capital increase.

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Management Report (continued)

AXIOM LUX - AXIOM EQUITY LONG SHORT (launched as at 11/01/2019 and liquidated as at 11/06/2019) (continued)

On the other hand, UBS drop after it was fined a record 3.7bn and €800m to pay in interest and damages for unlawful prospecting and aggravated money laundering and tax fraud. Elsewhere, an enquiry into Swedbank was launched in connection with the Danske Bank scandal.

The results of the liquidity stress tests currently being conducted by the ECB should be reported for Q3. The ECB confirmed it is currently working on a new refinancing facility program and that details of the new TLTRO 3 will be announced in the coming months.

Major positive contributors this month have been Metro Bank (Short), Axa(Long) and BNP (Long). Major negative contributors were Banco Santander (Short), Provident Financial (Short), and Swiss Life (Short).

AXIOM EQUITY LONG SHORT ended February with a performance of 0.68%.

Following the sharp rise at the beginning of the year, momentum stumbled due to confusion over Brexit developments and Central banks wait-and-see mode.

The banks SX7R index ended March at -3.87%, underperforming non-financial indexes.

In Europe, the Brexit soap opera kept investors in a wait and see mode. On March 29th, the UK Parliament rejected Theresa May's withdrawal agreement for the third time by 58 votes and a new deadline at the end of October has now been negotiated.

Donald Tusk's previous comment that until 12th April "all options will remain open...The UK Government will still have a choice of deal, no-deal, a long extension or revoking article 50" suggests that there might be room for flexibility to avoid a no-deal Brexit.

On the monetary policy front, the Fed reinforced its accommodating bias at its latest FOMC, saying that it now expects there will be no rate hikes this year and only one in 2020. The ECB remain also very cautious and declared that both its deposit and refinancing rates would not be raised before the end of this year (instead of mid-2019 initially). A new 2-year cheap loan scheme for banks (TLTRO) will be introduced next September.

Unsurprisingly, banks sold off sharply when the news came out. Persistently negative interest rates and further yield curve flattening suggest further downward pressure on Eurozone banks' profitability. The news flow around money-laundering reinforced investors' caution in the sector. Swedbank's stock dropped sharply after an internal audit showed serious shortcomings in the fight against money laundering. Moreover, the bank reportedly failed to communicate all the necessary information on the Panama Papers scandal to the US authorities. The CEO in charge of Baltic countries between 2011 and 2014 resigned.

On the M&A front, Deutsche Bank and Commerzbank finally confirmed that they were in talks over a merger.

Major positive contributors in March have been Metro Bank (Short), Bankia (Short) and HSBC (Long). Major negative contributors were BNP (Long), Nordea (Long) and ING (Long).

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Management Report (continued)

AXIOM LUX - AXIOM EQUITY LONG SHORT (launched as at 11/01/2019 and liquidated as at 11/06/2019) (continued)

Financial stocks had a strong performance in April, extending the spectacular U-turn from last year's sell-off. The banks SX7P index ends the month at 7.54%, out-performing the Stoxx 600 by over 4%. Macroeconomic data surprised positively in China, in the USA and in Italy. Dovish central banks helped keep the hunt for yield intact and support flows into dividend-yielding stocks.

S&P affirmed Italy's credit rating at BBB with a stable outlook, which helped peripheral stocks.

Quarterly earnings were above expectations. Scandinavian P&C kicked the insurance earnings season with strong updates from Tryg and Topdanmark. SCOR surprised positively with better growth and higher solvency. Mapfre's earnings came in line with expectations, while Hastings signalled a deteriorating earnings outlook due to margin erosion.

On the banking side, Standard Chartered stood out with a strong 23% PBT beat versus consensus. Credit Suisse and Sabadell also surprised positively. Barclays, UBS, SEB, Deutsche Bank, Caixa, Santander and Bankia came roughly in line, while RBS, Danske, SHB, Swedbank and Nordea all reported disappointing underlying figures. The already high level of capital increased slightly. On the restructuring front, Deutsche Bank and Commerzbank called off merger plans on the grounds that the resulting synergies would not offset restructuring charges and subsequent capital requirements.

AXIOM EQUITY LONG SHORT ended April with a performance of -0,29%

European financial stocks suffered a sharp sell-off in May with the sector P/E discount vs. the wider European market returning to levels not seen since February 2016, when sentiment was rocked by fears over Deutsche AT1 coupons. The banks SX7P index ended the month at -10.1%, underperforming the STOXX Europe 600 by 5.35%. The correction was driven by trade war headlines, the European Commission considering a disciplinary procedure against Italy over failure to rein in debt as well as the perceived probability of a no-deal Brexit increasing.

The latest 1st quarter results continued to surprise positively, especially from insurers where 80% of the results were above expectations. UniCredit and Intesa Sanpaolo benefited from better than expected market activities performance, improving asset quality and a stable capital position. The fundamentals of European banks and insurers remain strong and capital ratios show a reassuring degree of overcapitalization (13.5% on average).

During the month, the mergers and acquisitions rumors continued to make the headlines. Following the announcement of the end of talks between Deutsche Bank and Commerzbank last month, the press reported that negotiations between Deutsche Bank and UBS on a merger of their asset management subsidiaries would also be halted. UniCredit and ING are interested in Commerzbank, but no discussion has been formalized. Allianz announced c. £800m of acquisitions in the UK. The bidding process for the Dutch insurer VIVAT is reaching its final stage. Finally, Liberbank and Unicaja announced the end of their merger talks.

On the restructuring front, rumors over ING and UniCredit tapping advisers to explore a potential takeover of Commerzbank compressed relative valuations.

AXIOM EQUITY LONG SHORT ended May with a performance of -0.27%.

The Board of Directors decided on 07/06/2019 to liquidate the sub-fund.

Management Report (continued)

AXIOM LUX - AXIOM CONTINGENT CAPITAL (launched as at 11/01/2019)

Investors came back in January in a market which was struck by a lack of liquidity at the end of 2018. Financials led the rise at the beginning of the year despite the persisting economic concerns (Brexit, the recession in Italy, the trade war between China and the United States) offset by the relatively dovish tone of the ECB. The primary market saw a high volume of primary issues at normalising premium levels.

UBS took advantage of the normalizing premia and came to the market issuing \$2.5bn at 7%. The final order book of \$16bn was several times oversubscribed which reduced the premium to 0. Therefore, the sub-fund did not participate.

The Bank of China supported the contingent capital market by making AT1s eligible to repo for local banks. HSBC and Standard Chartered issues benefited from this decision and have rallied significantly. The HSBC 4.75% was up 7% over January.

The regulatory calls of the BBVA 7% and the KBC 5.625% also supported the market. All eyes are now set on the Santander 6.25% whose call must be announced before February 12th.

The sub-fund took advantage of the rally to reduce its exposure to certain risks that are undervalued by the market such as Brexit (sale of certain Barclays positions) and the Asian slowdown (HSBC and Standard Chartered). In terms of purchases the sub-fund has increased its exposure to low back-end bonds that were lagging behind in the January rally despite their attractive yields to maturity like the Belfius (7.50% in euros).

Credit markets continued their positive trend in February driven by central banks' dovish tone, the progress of the trade discussions between US and China and the latest economic figures in the US. The SubFin tightened by 24bps ending the month at 149bps.

On Brexit, following the recent developments, markets seem to believe that the risk of a no-deal is more remote. The prospects of a possible delay to avoid a sudden exit of the European Union benefited the sterling which returned to its July levels.

The latest results came out either above expectations or in line with the consensus. Deutsche Bank announced its first profit since 2014. UniCredit, Intesa, Erste and Bawag were among the best performers. After underestimating its capital ratios last month, Metro Bank reassured the market by announcing a capital increase.

The results of the liquidity stress tests currently being conducted by the ECB should be reported for Q3. Several articles in the press confirmed that the ECB is currently working on a new refinancing facility program and that a TLTRO 3 could be announced in March.

Finally, the primary market was active with 6 new AT1s. Santander decision not to call its 6.25% bond on its first call date was the highlight of the month. We sold our position in early February at 99.38%. This is the first time that a European bank has taken such a decision (we have published a note which is available on our website). The markets' reaction was moderate without any contagion effects.

The new issues were mainly in dollars and we found the risk premiums were too low for us to participate. Only the KBC at 4.75% with a spread close to the new Santander 7.5% issued in USD for a higher issue size seemed interesting in our opinion.

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Management Report (continued)

AXIOM LUX - AXIOM CONTINGENT CAPITAL (launched as at 11/01/2019) (continued)

Currently, the main idiosyncratic topic in European banking is the risk of money laundering recently announced in the Danske Bank scandal. Following this announcement more institutions are affected such as Deutsche Bank, Swedbank and Raiffeisen Bank. This can create investment opportunities for the strongest institutions like Swedbank which can absorb a large fine even under worst case scenarios.

The sub-fund registered a positive monthly performance of +1.26%.

Financials ended the month of March on a positive note despite all the uncertainty around Brexit and the wait-and-see attitude of the central banks.

On March 29, the UK Parliament rejected Theresa May's withdrawal agreement for the third time by 58 votes and the deadline has now been extended to April 12. The risk premium of a "no-deal" however remained limited and the SubFin has continued to tighten (-10bps over the month).

On the monetary policy front, the Fed has reinforced its easing stance during the latest FOMC. The US central bank put interest rates rises on hold with only one rise expected in 2020. In Europe, the ECB also remained cautious and has left its rates unchanged until the end of 2019. As expected, a new reduced rate loan scheme for banks (TLTRO 3) will be introduced next September for a period of two years. Several press articles suggest the ECB is studying options to reduce the fees that banks pay on a portion of their cash surplus to offset the side effects of its easing policy and thus improve their profitability.

Deutsche Bank and Commerzbank have finally confirmed that they are starting discussions for a merger, but we believe that a significant capital increase seems necessary to complete this project. Deutsche Bank bonds have benefited from this news, we took the opportunity to sell the AT1 (+ 13 points since January) because at this level the risk premium no longer includes uncertainties.

After Danske Bank, money laundering problems affected Nordea and Swedbank. This news weighed on their AT1s. Both SwedBank AT1s (the 5.5% and the 6.0% in USD) lost 2 points each during the month in a trendless market.

Finally, due to the sharp tightening of spreads since the beginning of the year, the primary market was very active during the month with 11 issues representing more than 8 billion euros. We can mention in particular order KBC, UniCredit, BNP, Nordea, BBVA and Barclays. AEGON issued an Investment grade RT1 with a generous coupon at 5.625%. The sub-fund invested in the issues with a significant premium compared to secondary market trading, such as the Unicredit 7.5%.

Financials ended the month of April on a positive note and spreads continued tightening (the SubFin index tightened 20 bps) on the back of the positive macro data in China, in the USA and in Italy, as well as the potential extension of Brexit until the end of October.

The European banking results stood above expectations. The already high level of capital (14.7% in Q4 2018) increased slightly. Deutsche Bank officially announced abandoning the merger with Commerzbank (the sub-fund is not invested in any of the two German banks).

The sub-fund continued to benefit from AT1 spread tightening. Although tail winds have been strong year to date (-80 bps for the ICE BofAML Contingent Capital index) we are still far from the all-time highs reached in January 2018 (314 bps vs 390bps at the end of April).

Management Report (continued)

AXIOM LUX - AXIOM CONTINGENT CAPITAL (launched as at 11/01/2019) (continued)

The sub-fund targets names offering real premiums compared to the market such as AEGON's first RT1 with a 5.625% coupon in euros and an investment grade rating. We believe that the transition of the asset class to investment grade territory could be a performance catalyst over the next 12 to 18 months. Also note the first issue of VOLKSBANK WIEN with a coupon of 7.75% in euros and a BB rating.

The positive contributors over the month were mostly weak back-end securities such as KBC 4.75% (+12 bps) or Belfius 3.625% (+10 bps).

The sub-fund ended April with a positive performance of +2.46%.

The European elections did not have a major impact on markets in May, but the risks anticipated at the end of last year including the escalation in the Trade War between the US and China, Italy's failure to rein in debt, the increasing probability of a no-deal Brexit have directed investors sentiment. The SubFin widened by 46bps over the month. After the U-turn of the Fed in February, the 10-year US and German rates have reached historical lows. These important recessive signals make the ECB's June meeting even more important.

The latest 1st quarter results continued to surprise positively, especially from insurers where 80% of the results were above expectations. UniCredit and Intesa Sanpaolo benefited from better than expected market activities performance, improving asset quality and a stable capital position. The fundamentals of European banks and insurers remain strong and capital ratios show a reassuring degree of overcapitalization (13.5% on average).

Among the credit ratings upward revisions, we can mention RBS, which has been upgraded by one notch by S&P to BBB which led to a one notch upgrade of its subordinated bonds, including AT1. Moody's also changed its outlook on Barclays from stable to positive, reflecting improved profitability prospects due to reduced litigations risk.

The AT1 primary market was quieter than last month in a less favourable environment. We still saw two new issues: Leasplan with a coupon of 7.375 in EUR and Credit Suisse in SGD with a spread of 367bps. The sub-fund did not participate in either one because Leasplan is on the border of the banking world and Credit Suisse doesn't qualify as AT1 legacy which are the AT1s the sub-fund focuses on.

The sub-fund 's performance was negative -1.83% in May. The main negative contributors were the low backend bonds like Belfius 3.625 that is one of our top picks. Even if the call is not exercised, we consider the 390bps spread to maturity attractive for a signature of this quality. Only VIVAT had a positive contribution, this insurer should benefit from a credit upgrade following the upcoming merger with a major European insurer (ongoing process).

Central banks have been accommodating in June, which led to the credit market rally. Mario Draghi has announced a new wave of quantitative easing. These announcements had controversial impacts on bond assets: a strongly positive effect on fixed-rate bond assets and a strong negative impact on floating-rate bonds. The European 5-year mid-swap rate hit an historical record and ends the month at -0.23%. The French Government's 10-year borrowing rate has temporarily moved into negative territory for the first time in its history. At the political level, concerns are dissipating. The market welcomed the announcement of continued Sino-American negotiations during the G20. In the United Kingdom, the Prime Minister's elections have taken center stage with less tension around Brexit.

Management Report (continued)

AXIOM LUX - AXIOM CONTINGENT CAPITAL (launched as at 11/01/2019) (continued)

The restructuring of the sector continues. Athora funds joined NN to acquire Dutch insurer Vivat. The 7% RT1 issued by Vivat has suffered from that news as a better-quality acquirer has been expected (only negative contributor to our monthly performance).

Following the end of the merger talks between Commerzbank and Deutsche Bank, the latter announced plans to create a €50 billion "Bad Bank" to isolate its riskiest assets in order to focus on traditional banking activities. Furthermore, the bank passed the qualitative test in the Fed's CCAR stress test, after having failed the previous years. Once its restructuring is achieved, Deutsche Bank should emerge more solid and we expect its AT1s to become more attractive.

Finally, the primary market continues to offer great opportunities for issuers. New AT1 issuances continued: Barclays 7.125% in GBP and Lloyds 6.75% in USD, but also Commerzbank's long awaited inaugural AT1. The coupon is only 7% in USD, with the German issuer benefiting from a favourable accounting change in the amount of distributable reserves. The sub-fund participated in this issue, one of the rare opportunities to get exposure to Germany as Deutsche Bank is to be avoided for the moment.

In July, facing the deteriorating economic outlook, central banks have proved to be ready to act, which has triggered a new rally in the markets. Mr Draghi said he was considering the introduction of a degressive rate system to offset the negative effects of his policy on banks. The Fed lowered its key rate by a quarter of a point to 2-2.25%, an accommodating message, but much less than the market had hoped. In Europe, the 5-year mid-swap rate continued to fall to -0.32% after reaching a historical record of -0.23% last month. Persistent political uncertainty in the United Kingdom, combined with deteriorating corporate data, has heightened fears of an economic slowdown. Boris Johnson expressed confidence in his ability to sign an agreement with Brussels. However, the markets continued to play the "no deal" game.

With 42% of the results above expectations, the banking sector has a rather positive publishing season. The French and Irish banks came out on top, in particular the Bank of Ireland posting a sharp reduction in the level of NPL (non-performing loans) to 5%. Societe Generale surprised with a 50bp increase in its CET1 ratio, the firm reached its target level ahead of schedule, and a rather satisfactory progress in the cost reduction program. BNP also distinguished itself by very good results across all its subsidiaries.

Central banks rate policy was the main catalyst for AT1 performance during the month. The CoCos are an asset class with a strong beta. As a result, the most important contributors to the sub-fund's performance were the bonds with the highest rate sensitivity such as Rabobank 6.5 and Nationwide 10.25.

The earnings season is never an active period for primary issues. Only Fineco, an Italian bank, came on the market issuing at a 614bps spread. The sub-fund limits its investments in Italy to avoid any spikes in political volatility however Fineco remains attractive, because of its low NPE ratio of 0.86% which constitutes a "buffer" in case of a strong economic downturn.

August was dominated by political developments, with the escalation of tariffs between China and the United States, progress towards Brexit, accelerated by the suspension of the UK Parliament, and the fall of the coalition in Italy followed by the set-up of a new M5S/PD alliance. Rates also fell sharply, driven by monetary policy expectations in a context of worrying economic prospects. The SubFin narrowed by about 30 basis points from its peak at 160bps to end the month at 130bps.

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Management Report (continued)

AXIOM LUX - AXIOM CONTINGENT CAPITAL (launched as at 11/01/2019) (continued)

Second quarter results were supported by low levels of provisions. Good surprises came from Credit Suisse, StanChart and SocGen, while Unicredit and Commerzbank disappointed.

The primary market remained calm. The total volume of issues at the end of August remained flat compared to last year. In the AT1 universe, Credit Suisse, Swedbank and BBVA issued in USD, as well as UBS in AUD. The sub-fund participated in the Credit Suisse issue which came at an attractive spread due to the market stress in mid-August (it closed at 103.40 at the end of the month).

The AT1 market is now entering a new phase: the first vintages are reaching or close to their call dates (17% of the Solactive Axiom COCO Global market index is "callable" in 2019/2020). We are observing the behavior of each bank to refine our investment strategy. For the time being, banks are refinancing their next calls upstream. This behavior was confirmed by Barclays, Credit Agricole and Nordea, who have just announced the calls of their AT1s issued in 2014. The high backends of these AT1s represent an incentive to call. Only Santander is setting itself apart with the non-call of a €1.5 billion bond last June, although the backend of +€541 is quite high in the current context.

The most significant event in September was the adoption of the new accommodative measures by the ECB. These have been well received by the market, despite the uncertainties that remain about Brexit, Sino-American trade relations and the possible impeachment of Donald Trump. The crisis in US "Repo" rates caused some concerns despite the Fed's effective intervention. However, the SubFin has tightened by around ten basis points to 125 bps by the 30th of September.

Regarding tiering, the deposit hierarchy system imposed by the central bank was aimed at reducing the amount of liquidity subject to negative interest rates. In other words, part of the banks' excess reserves. This will impact insurers profitability which is expected to further decrease. It is therefore not by chance that the only negative contributors during the month were insurers (ASR, AEGON). On the other hand, Spanish banks were the best performers, benefiting from the decision on mortgages (+4 pts for Caixabank).

We continue to see improved ratings in the financial sector, among the latest Crédit Agricole ratings, which have been upgraded from A1 to Aa3 by Moody's, in recognition of the bank's strong level of capitalisation. This rating enhancement translated into an upgrade for all the capital instruments of the bank, notably the AT1, which is now rated Investment Grade (Baa3) by the three rating agencies.

Benefiting from the historically low interest rate level, the primary market has been active. In AT1 we can mention the new issues of Barclays, RaboBank and Nationwide, as well as ASR and Achmea in RT1 format. The sub-fund has participated in these new issues to take advantage of the attractive premiums.

October was a positive month for financials, driven by the progress on Brexit now postponed to January 31st, 2020 and the easing tensions between China and the United States. This was the opportunity for the sub-fund to take its profits on some UK names like HSBC or Barclays.

On the monetary policy front, in addition to Mario Draghi's departure, the minutes of the ECB's deliberations revealed objections to the package announced in September. The 10-year Euro swap rate went back into positive territory (from -0.20% to +0.02%). On the other side of the Atlantic, as anticipated, the FED cut its main rate by 25bps. Thus, the SubFin narrowed (from 139bps to 124bps) over the month.

Management Report (continued)

AXIOM LUX - AXIOM CONTINGENT CAPITAL (launched as at 11/01/2019) (continued)

October was also busy with the first Q3 results' publications. Thirty banks have already released their Q3 with overall results in line or above expectations. Among the "best in class" we can mention Sabadell, Barclays, DNB and Standard Chartered. Deutsche Bank, for its part, continues to disappoint. The primary market was active in AT1/RT1 with La Mondiale, My Money Bank and AIB but also Landesbank Baden-Württemberg whose inaugural issue refinanced its legacy securities. On the insurers' side, low interest rates are starting to have a real impact, as shown by the discussions on euro contracts in France. RT1 emissions should be more and more frequent at the request of the authorities. These new issues were priced relatively tight and struggled to perform in the secondary market except La Mondiale (the sub-fund has participated in the issue) which ended the month at 103.25.

The best contributor of October was Rabobank 6.5 (+ 10bps), which is catching up its valuation lag (only 5% yield for one of the best European banks). Direct Line follows with a contribution of + 8bps after a raise of + 5pts during the month following on the back of the now lower probability of no deal brexit.

November was another positive month for financial stocks, driven by the prospects for a US-China agreement in early 2020 and the absence of further developments on the British side, whose fate depends on the elections expected on 12 December. Reassuring macroeconomic publications (lower unemployment in Germany, higher Consumer Price Index, better growth in the United States) and a slight rise in interest rates have comforted investors. The spread of financial subordinated debt tightened slightly, ending the month at 118 bps close to its level at the end of October (124 bps).

The quarterly publication season was good with 19 out of 37 banks' releases above expectations. Among the "best in class" we can mention UBS, Barclays, Sabadell and Santander, whose income has increased significantly.

In terms of restructuring, Deutsche Bank is continuing its efforts. The German bank was the only one to have its G-SIB capital requirement reduced by the Financial Stability Board. Unicaja and Liberbank have confirmed with the Spanish regulator (CNMV) that they are looking into a merger project. Money laundering investigations are continuing with new revelations at SEB, whose share price fell by 12% in one day (-1.5 points of impact on the AT1).

The primary market for AT1 bonds remained active. Issuers such as DNB ASA (4.875%), Lloyds (5.125%), Saxobank (8.125%), La Banque Postale (3.875%) and BIL (5.25%) have benefited from this buoyant market. The sub-fund participated in the BIL issue because the premium was interesting, the bond ended the month trading at 102.

HSBC exercised the call on its \$ AT1 + 362. It is interesting to refine our knowledge of the call policy: HSBC (the largest issuer of AT1) exercises the call on its AT1 although they were issued with "low backend".

Overall the sub-fund has reduced its investment rate by selling some best performers as SOCGEN 6.75 (+ 22pts since the beginning of the year) or RBI (+15 pts), RBI which will be impacted by the negative decision of the court on loans in CHF in Poland.

The financial bonds market registered a solid performance in December, with the SubFin index ending the month at 114bps vs 118bps in November. The decreased uncertainty around Brexit post the election of Boris Johnson was one of the key performance factors as shown by the UK assets overperformance (25% of the AT1 indices). However, in view of the risks to come we considered the timing was optimal to sell some British banks like Nationwide, Barclays and HSBC.

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Management Report (continued)

AXIOM LUX - AXIOM CONTINGENT CAPITAL (launched as at 11/01/2019) (continued)

On the regulatory front, in his speech to the European Parliament, Andrea Enria, Chairman of the ECB's Prudential Supervisory Board, confirmed the possibility of using Additional Tier 1 and Tier 2 securities to satisfy the Pillar 2 capital requirements. This is in line with UniCredit's announcements made earlier this month (until now only CET1 was allowed). This new break down of Pillar 2 (56.25% CET1, 18.75% AT1 and 25% Tier 2) as per Article 104a, is an important change and should result in an average reduction of CET1 requirements of 90bps.

Regulation is also being made more flexible for French insurers, with the inclusion of the PPE (provision for surplus participations) in the Solvency Margin.

Following the success of its tender on its perpetual bonds, accepted by 65% of the holders, the Belgian insurer Ageas issued a new RT1 for 750 million euros with a coupon of 3.875%. The sub-fund did not participate because the spread was tight compared to its competitors.

AXIOM LUX - AXIOM EQUITY (launched as at 11/01/2019)

After a very mediocre 2018 for European equities, January 2019 kicked off with encouraging optimism, contrasting with the end of last year's excessive pessimism.

Financials led the rise at the beginning of the year but slowed down at the end of the month. The banks SX7R index ended January at +4.90%, slightly underperforming non-financial indexes. Italian names stood out after 2019 budget talks led to an agreement end 2018 and the government has easily raised €10bn over 16 years.

In the ongoing Brexit saga, despite the House of Commons voting down the proposed Withdrawal Agreement on 15 January, amendments were passed on 29 January, forcing the UK Government to return to Brussels in a further attempt to find a resolution to the backstop issue. Renegotiation attempts are likely to fail as EU is not prepared to reopen the withdrawal agreement.

On the monetary policy front, without surprises, the ECB left its interest rates unchanged and reassured investors with its dovish tone.

The Q4 results disappointed despite the solid fundamentals. The lower earnings expectations for Q4 resulted in several profit warnings. After Natixis, Société Générale is expecting a 20% drop in its market activities and Metro bank announced risks were not correctly captured in the bank core capital ratios. On a more positive note, Bankia and KBC results were in line with the consensus.

The 2018 Transparency Report published by the EBA shows significant progress on Non-performing exposures reduction of EU banks which stand at only 3.58%. The ECB continues to maintain pressure on NPL provisioning, targeting particularly Italian banks.

On the restructuring front, after merger rumours, UBI Banca said it had no intention of rescuing Banca Carige and Monte Paschi. Deutsche Bank has benefited from the rumours of a possible merger with Commerzbank, which could be orchestrated by the German authorities.

Major positive contributors this month have been Lloyds (Long), Metro Bank (Short) and Unicredit (Long). Major negative contributors were Unipol (short), Société Générale (Long), and Hanover Rueck (Short).

AXIOM EQUITY ended January with a performance of +7.84% vs +4.90% for the index.

Management Report (continued)

AXIOM LUX - AXIOM EQUITY (launched as at 11/01/2019) (continued)

After a strong January rally, European equities continued their positive trend over the month driven by central banks' dovish tone, the warmer relation between US and China and the latest forecasts in the US and Europe. The banks SX7R index ended February at +4.85%, slightly outperforming non-financial indexes.

On Brexit, following the recent developments, markets seem to believe that the risk of a no-deal is being pushed away. The prospects of a possible delay to avoid a sudden exit of the European Union benefited the sterling which returned to its July levels.

The latest Q4 results came out either above expectations or in line with the consensus. Deutsche Bank announced its first profit since 2014. UniCredit, Intesa, Erste and Bawag were among the best performers. After underestimating its capital ratios last month, Metro Bank reassured the market by announcing a capital increase.

On the other hand, UBS drop after it was fined a record 3.7bn and €800m to pay in interest and damages for unlawful prospecting and aggravated money laundering and tax fraud. Elsewhere, an enquiry into Swedbank was launched in connection with the Danske Bank scandal.

The results of the liquidity stress tests currently being conducted by the ECB should be reported for Q3. The ECB confirmed it is currently working on a new refinancing facility program and that details of the new TLTRO 3 will be announced in the coming months.

Major positive contributors this month have been Metro Bank (Short), Lloyds (Long) and BNP (Long). Major negative contributors were Swedbank (Long), Provident Financial (Short), and Swiss Life (Short).

AXIOM EQUITY ended February with a performance of 6.06%.

Following the sharp rise at the beginning of the year, momentum stumbled due to confusion over Brexit developments and Central banks wait-and-see mode.

The banks SX7R index ended March at -3.87%, underperforming non-financial indexes.

In Europe, the Brexit soap opera kept investors in a wait and see mode. On March 29th, the UK Parliament rejected Theresa May's withdrawal agreement for the third time by 58 votes and a new deadline at the end of October has now been negotiated.

Donald Tusk's previous comment that until 12th April "all options will remain open...The UK Government will still have a choice of deal, no-deal, a long extension or revoking article 50" suggests that there might be room for flexibility to avoid a no-deal Brexit.

On the monetary policy front, the Fed reinforced its accommodating bias at its latest FOMC, saying that it now expects there will be no rate hikes this year and only one in 2020. The ECB remain also very cautious and declared that both its deposit and refinancing rates would not be raised before the end of this year (instead of mid-2019 initially). A new 2-year cheap loan scheme for banks (TLTRO) will be introduced next September.

Management Report (continued)

AXIOM LUX - AXIOM EQUITY (launched as at 11/01/2019) (continued)

Unsurprisingly, banks sold off sharply when the news came out. Persistently negative interest rates and further yield curve flattening suggest further downward pressure on Eurozone banks' profitability. The news flow around money-laundering reinforced investors' caution in the sector. Swedbank's stock dropped sharply after an internal audit showed serious shortcomings in the fight against money laundering. Moreover, the bank reportedly failed to communicate all the necessary information on the Panama Papers scandal to the US authorities. The CEO in charge of Baltic countries between 2011 and 2014 resigned.

On the M&A front, Deutsche Bank and Commerzbank finally confirmed that they were in talks over a merger.

Major positive contributors in March have been Metro Bank (Short), Bankia (Short) and HSBC (Long). Major negative contributors were BNP (Long), Nordea (Long) and ING (Long).

Financial stocks had a strong performance in April, extending the spectacular U-turn from last year's sell-off. The banks SX7P index ends the month at 7.54%, out-performing the Stoxx 600 by over 4%. Macroeconomic data surprised positively in China, in the USA and in Italy. Dovish central banks helped keep the hunt for yield intact and support flows into dividend-yielding stocks.

S&P affirmed Italy's credit rating at BBB with a stable outlook, which helped peripheral stocks.

Quarterly earnings were above expectations. Scandinavian P&C kicked the insurance earnings season with strong updates from Tryg and Topdanmark. SCOR surprised positively with better growth and higher solvency. Mapfre's earnings came in line with expectations, while Hastings signalled a deteriorating earnings outlook due to margin erosion.

On the banking side, Standard Chartered stood out with a strong 23% PBT beat versus consensus. Credit Suisse and Sabadell also surprised positively. Barclays, UBS, SEB, Deutsche Bank, Caixa, Santander and Bankia came roughly in line, while RBS, Danske, SHB, Swedbank and Nordea all reported disappointing underlying figures. The already high level of capital increased slightly. On the restructuring front, Deutsche Bank and Commerzbank called off merger plans on the grounds that the resulting synergies would not offset restructuring charges and subsequent capital requirements.

Major positive contributors in April have been BNP Paribas (Long), HSBC Holdings (Long) and UBS Group (Long). Major negative contributors were Swiss Life (Short), Bankia (Short) and Gjensidige Forsikring (Short).

AXIOM EQUITY ended April with a performance of +8.50%, overperforming the SX7P by 0.96%.

European financial stocks suffered a sharp sell-off in May with the sector P/E discount vs. the wider European market returning to levels not seen since February 2016, when sentiment was rocked by fears over Deutsche AT1 coupons. The banks SX7P index ended the month at -10.1%, underperforming the STOXX Europe 600 by 5.35%. The correction was driven by trade war headlines, the European Commission considering a disciplinary procedure against Italy over failure to rein in debt as well as the perceived probability of a no-deal Brexit increasing.

The latest 1st quarter results continued to surprise positively, especially from insurers where 80% of the results were above expectations. UniCredit and Intesa Sanpaolo benefited from better than expected market activities performance, improving asset quality and a stable capital position. The fundamentals of European banks and insurers remain strong and capital ratios show a reassuring degree of overcapitalization (13.5% on average).

AXIOM LUX

Management Report (continued)

AXIOM LUX - AXIOM EQUITY (launched as at 11/01/2019) (continued)

During the month, the mergers and acquisitions rumors continued to make the headlines. Following the announcement of the end of talks between Deutsche Bank and Commerzbank last month, the press reported that negotiations between Deutsche Bank and UBS on a merger of their asset management subsidiaries would also be halted. UniCredit and ING are interested in Commerzbank, but no discussion has been formalized. Allianz announced c. £800m of acquisitions in the UK. The bidding process for the Dutch insurer VIVAT is reaching its final stage. Finally, Liberbank and Unicaja announced the end of their merger talks.

On the restructuring front, rumors over ING and UniCredit tapping advisers to explore a potential takeover of Commerzbank compressed relative valuations.

Major positive contributors in May were Deutsche Bank (Short), Bankia (Short) and Swiss Re (Short). Major negative contributors were Intesa (Long), BNP (Long) and ING (Long).

AXIOM EQUITY ended May with a performance of -12.1%.

Amid a slowdown in the eurozone economy and new dovish comments from Mario Draghi, European financials mildly rebounded in June, with the SX7P gaining 1.59% but lagging the SXXP by 2.89%. At month end, the sector traded at a P/E discount of 39% and a dividend yield of 6.0% vs. 3.7% for the SXXP.

On the macro front, the European Commission ended weeks of negotiations with Rome by deciding not to trigger a disciplinary procedure against Italy as the ruling coalition promised to trim back the budget deficit, leading to strong outperformance of Italian stocks.

The Fed stress tests results were constructive for European banks as all of them passed both the quantitative and qualitative chapters, despite tougher assumptions about a more severe downturn than last year. The only negative surprise came from Credit Suisse which was unexpectedly requested to submit a revised capital plan to be allowed to increase payouts to its parent.

On the restructuring front, the WSJ reported Deutsche Bank was planning to slash between 15,000 and 20,000 jobs globally to dramatically shrink its investment banking division. Swiss Re made further progress towards the flotation of its life subsidiary ReAssure, which published its registration document early in the month.

Major positive contributors in June were Metro Bank (short), Just Group (long) and ING (long). Major negative contributors were Banco de Sabadell (long), Deutsche Bank (short) and Hannover Re (short).

AXIOM EQUITY ended June with a performance of +1.76%, outperforming the SX7R by 0.18%.

European financials struggled to hold on to gains despite positive earnings surprises overall as investors readjusted to renewed pressure on interest rates from central banks as well as a hardening rhetoric on the Brexit and trade fronts. The SX7P ended July at -2.52% vs. +0.34% for the SXXP. At month end, the sector traded at a P/E discount of 41% and a dividend yield of 6.3% vs. 3.7% for the SXXP.

AXIOM LUX

Management Report (continued)

AXIOM LUX - AXIOM EQUITY (launched as at 11/01/2019) (continued)

The Q2 reporting season enjoyed a decent start with two-thirds of banks beating estimates on earnings and capital generation despite tougher conditions in Sales & Trading. Credit Suisse, BNP, SocGen, Standard Chartered and Intesa surprised positively, while Deutsche Bank, Danske and Nordea came short of expectations. On the insurance front, the leading multi-line players all reported results ahead of consensus, with Generali leading the pack.

Major positive contributors in July were Metro Bank (short), Intesa (long) and Credit Suisse (long). Major negative contributors were SHB (long), Sabadell (short) and Hannover Re (short).

AXIOM EQUITY ended July with a performance of -3.86%, underperforming the SX7R by 1.34%.

Financials were among the worst performing sectors in August as long-term interest rates fell further down in negative territory and hopes for a resolution of the US/China trade war were dashed by a new wave of tariffs. The SX7P ended August at -6.97% vs. -1.63% for the SXXP. At month end, the sector traded at a P/E discount of 45% and a dividend yield of 6.77% vs. 3.86% for the SXXP. The sub-fund keeps favoring institutions with strong capitalisations and sustainable high dividend policies in the context of the phasing-in of Basel III.

Q2 results were supportive overall as provisions were lower than expected across the board. After Credit Suisse, StanChart and SocGen surprised positively, Unicredit and Commerzbank published disappointing results. Heading into September, we maintain a small leverage as we expect central bank rhetoric around mitigating measures to be supportive for bank stocks.

Major positive contributors in August were Metro Bank, Deutsche Bank and Schroders. Major negative contributors were ING, KBC and HSBC.

AXIOM EQUITY ended August with a performance of -7.08%, underperforming the SX7R by 0.69%.

Financials saw a strong rebound in the first half of September as investors welcomed the announcement of an excess reserves tiering system and a new wave of TLTRO. Though the aggregated P&L impact across European banks will be limited to a few percentage points, the call for more fiscal stimulus as well as the rhetoric around the need to preserve banking intermediation was well received by the market. The SX7R ended September at +8.97% vs. +3.60% for the SXXP. At month end, the sector traded at a P/E discount of 43% and a dividend yield of 6.47%.

The EBA published a study showing that under a full implementation of Basel IV, risk-weighted assets for European banks would be 21.5% higher overall. This is to compare with a 26.3% increase from the same study last year. This shows European banks are already beginning to take action on those assets which are treated most harshly under Basel IV and is supportive for dividend sustainability. In the UK, the PRA released an update on the treatment of equity lifetime mortgages, bringing an end to regulatory uncertainty for annuities reinsurers such as Just Group, PIC, L&G and Aviva.

Major positive contributors in September were Just Group, BNP Paribas and Metro Bank. Major negative contributors were Hannover Re, Crédit Agricole and LSE.

AXIOM EQUITY ended September with a performance of 13.65%, overperforming the SX7R by 4.69%.

October was a positive month for financials, driven by the progress on Brexit now postponed to January 31st, 2020 and the easing tensions between China and the United States. The SX7R ended

AXIOM LUX

Management Report (continued)

AXIOM LUX - AXIOM EQUITY (launched as at 11/01/2019) (continued)

October at +1.67% versus +1.04% for the SXXR. At month end, the sector traded at a P/E discount of 40% and a dividend yield at 5.85%.

On the monetary policy front, Mario Draghi's departure speech as president of the ECB had little impact on spreads. On the other side of the Atlantic, as anticipated, the FED cut its main rate by 25bps. the 10-year euro swap rate moved into positive territory (from -0.20% to +0.02%).

October was also busy with the first Q3 results' publications. Thirty banks have already released their Q3 with overall results in line or above expectations. Among the "best in class" we can mention Sabadell, Barclays, DNB and Standard Chartered. Deutsche Bank, for its part, continues to disappoint. The cleaning up of bank balance sheets continues, particularly in Italy, where UniCredit is preparing to sell a portfolio of non-performing loans with a nominal value of € 6bn, thus accelerating its new strategic plan. In Greece, the establishment of the "Hercules" plan has been approved by the European Commission. This is a scheme similar to the Guarantee on Securitization of Bank Non-Performing Loans (GACS), implemented in 2017 in Italy, which had significantly reduced the NPLs exposure of Italian banks.

Major positive contributors in October were Just Group, Barclays and Banco Sabadell. Major negative contributors were HSBC, Metro Bank and Worldline.

AXIOM EQUITY ended October with a performance of +3.35% overperforming the SX7R by 1.65%.

November was another positive month for financial stocks, driven by the prospects for a US-China agreement in early 2020 and the absence of further developments on the British side, whose fate depends on the elections expected on 12 December. Reassuring macroeconomic publications (lower unemployment in Germany, higher Consumer Price Index, better growth in the United States) and a slight rise in interest rates have comforted investors. The SX7R ended November at +2.56% versus +2.83% for the SXXR. At month end, the sector traded at a P/E discount of 40% and a dividend yield at 5.95%.

The quarterly publication season was good with 19 out of 37 banks' releases above expectations. Among the "best in class" we can mention UBS, Barclays, Sabadell and Santander, whose income has increased significantly.

In terms of restructuring, Deutsche Bank is continuing its efforts. The German bank was the only one to have its G-SIB capital requirement reduced by the Financial Stability Board. Unicaja and Liberbank have confirmed with the Spanish regulator (CNMV) that they are looking into a merger project. Money laundering investigations are continuing with new revelations at SEB, whose share price fell by 12% in one day.

Major positive contributors in November were BNP Paribas, Just Group and KBC. Major negative contributors were Credit Agricole, Hannover Re and Wirecard.

AXIOM EQUITY ended November with a performance of +2.56% in line with the SX7R.

Financial registered a solid performance on December. The very good US employment figures, the decreased uncertainty around Brexit post the UK elections, the slight rise in sovereign rates (-0.20% in Germany and +0.12% in France) and the confirmation of a first agreement between China and the United States provided a very supportive market environment.

The Stoxx 600 Banks Dividend Reinvested (SX7R) ended December at +4.23% versus +2.13% for the Stoxx 600 Net Return (SXXR). At the end of the month, the financial sector was trading with a 38% discount on net profit and a dividend rate of 5.98%.

AXIOM LUX

Management Report (continued)

AXIOM LUX - AXIOM EQUITY (launched as at 11/01/2019) (continued)

On the regulatory front, the speech by Andrea Enria, Chairman of the ECB's Prudential Supervisory Board, to the European Parliament gave banks more flexibility to satisfy their capital requirements. Until now only CET1 was allowed. This new break down of Pillar 2 (56.25% CET1, 18.75% AT1 and 25% Tier 2) is an important change and should result in an average reduction of CET1 requirements of 90bps. Andrea Enria also recognized the benefits of consolidation as a solution to improve profitability in a context of negative interest rates.

At its Investor Day, Deutsche Bank reaffirmed its strategic plan objectives but reduced its revenue growth target for 2022. UniCredit confirmed its "Single Point of Entry" resolution plan and announced a share buyback program. NordLB strengthened its capital by avoiding the constraints linked to State support and Banca Popolare di Bari received an injection of €900M to urgently meet its capital requirements at the end of December.

The main positive contributors in December were Just Group, Wirecard and Skandinaviska Enskilda. The main negative contributors were Scor, Deutsche and Crédit Agricole.

AXIOM EQUITY ended December with a performance of 6.23%, above the SX7R.

AXIOM LUX - AXIOM OPTIMAL FIX (launched as at 11/01/2019)

Investors came back in January in a market which was struck by a lack of liquidity at the end of 2018. Financials led the rise at the beginning of the year despite the persisting economic concerns (Brexit, the recession in Italy, the trade war between China and the United States) offset by the relatively dovish tone of the ECB. The primary market saw a high volume of primary issues at normalising premium levels. The primary market was focused on the new Senior Non-Preferred format (Tier3 securities, eligible for TLAC / MREL ratios). We have participated in CaixaBank and BNP for their attractive premium of 25 and 50 bps respectively. The sub-fund reduced its exposure to US Fixed to Fixed as they rebounded sharply in January (+ 15bps of contributions).

The monthly performance was also driven by the price normalization of the EUR Fixed to Fixed bonds. The Lloyds 6.85 for example, went from 99.70 to 100.70 (+ 10bps contribution). The sub-fund ended the month with a large cash pocket to keep a cautious approach in anticipation of higher volatility on the market over the coming months.

Credit markets continued their positive trend in February driven by central banks' dovish tone, the progress of the trade discussions between US and China and the latest economic figures in the US. The SubFin tightened by 24bps ending the month at 149bps.

On Brexit, following the recent developments, markets seem to believe that the risk of a no-deal is being pushed away. The prospects of a possible delay to avoid a sudden exit of the European Union benefited the sterling which returned to its July levels.

The latest results came out either above expectations or in line with the consensus. Deutsche Bank announced its first profit since 2014. UniCredit, Intesa, Erste and Bawag were among the best performers. After underestimating its capital ratios last month, Metro Bank reassured the market by announcing a capital increase. The results of the liquidity stress tests currently being conducted by the ECB should be reported for Q3. Several articles in the press confirmed that the ECB is currently working on a new refinancing facility program and that a TLTRO 3 could be announced in March.

AXIOM LUX

Management Report (continued)

AXIOM LUX - AXIOM OPTIMAL FIX (launched as at 11/01/2019) (continued)

In regards with banking regulations, the latest updates of the CRR2 confirmed our analysis of the eligibility rules for bank capital, in particular for certain specific instruments, either issued by SPVs or by non-EU entities or entities under non-EU law, that do not have contractual recognition of write-down powers by the resolution authorities. Finally, several banks took advantage of the favourable conditions on the primary market, which was very active during the month. The sub-fund benefited from the attractive premiums offered by certain issues: the 2-year Senior Non-Preferred issued by Deutsche Bank and a Tier 2 issued by Bankia.

The monthly performance was driven by long calls instruments such as the BNP 7.195 (+3pts) and the AXA 6.379 (+4pts) which led us to take our profits and to reduce our exposure to these bonds. The sub-fund ended February with a performance of 0.66%.

March ended on a positive note despite all the uncertainty around Brexit and the wait-and-see attitude of the central banks.

On March 29, the UK Parliament rejected Theresa May's withdrawal agreement for the third time by 58 votes and the deadline has now been extended to April 12. The risk premium of a "no-deal" however remained limited and the SubFin has continued to tighten (-10bps over the month).

On the monetary policy front, the Fed has reinforced its easing stance during the latest FOMC. The US central bank put interest rates rises on hold with only one rise expected in 2020. In Europe, the ECB also remained cautious and has left its rates unchanged until the end of 2019. As expected, a new reduced rate loan scheme for banks (TLTRO 3) will be introduced next September for a period of two years. Several press articles suggest the ECB is studying options to reduce the fees that banks pay on a portion of their cash surplus to offset the side effects of its easing policy and thus improve their profitability.

Following these monetary statements, we saw a rally in government bond rates. The 10-year Bund returned to negative territory while the 10-year US fell below the 3-month swap. The rate hedges were the main negative contributors (15bps) in the portfolio. The "fixed to fixed" in USD which were trading slightly below par, such as Allianz 5.5% quickly returned to 100%(+ 6bps of contribution since January).

Deutsche Bank and Commerzbank have finally confirmed that they are starting discussions for a merger, but we believe that a significant capital increase seems necessary to complete this project. Deutsche Bank bonds have benefited from this news, we took the opportunity to sell the "fixed to fixed" 8.05% (+ 5% since the beginning of the year) because at this level the risk premium no longer includes uncertainties.

Financials ended the month of April on a positive note and spreads continued tightening (the SubFin index tightened 20 bps) on the back of the positive macro data in China, in the USA and in Italy, as well as the potential extension of Brexit until the end of October.

The European banking results stood above expectations. The already high level of capital (14.7% in Q4 2018) increased slightly.

AXIOM LUX

Management Report (continued)

AXIOM LUX - AXIOM OPTIMAL FIX (launched as at 11/01/2019) (continued)

After 3 months of positive performance fueled by the hunt of yield in a low-interest rate environment (the 10 year US and German rates remained close to their all-time lows), we decided to take profits on few instruments that have performed well like the AXA 5.5 fixed to fixed (+7 points since the beginning of the year), the Sabadell Tier 2 (+ 8pts) and the Deutsche Bank Senior Non Preferred 2 years (+ 1.5pts). On the latest, we have now sold out all our positions, an interesting timing as this came just a few days before Deutsche Bank announced abandoning the merger with Commerzbank. At the end of the month, ING announced its decision to call its 6.375% fixed to fixed.

The sub-fund ended April with a positive performance of +0.56%.

The European elections did not have a major impact on markets in May, but the risks anticipated at the end of last year including the escalation in the Trade War between the US and China, Italy's failure to rein in debt, the increasing probability of a no-deal Brexit have directed investors sentiment. The SubFin widened by 46bps over the month. After the U-turn of the Fed in February, the 10-year US and German rates have reached historical lows. These important recessive signals make the ECB's June meeting even more important.

The latest 1st quarter results continued to surprise positively, especially from insurers where 80% of the results were above expectations. UniCredit and Intesa Sanpaolo benefited from better than expected market activities performance, improving asset quality and a stable capital position. The fundamentals of European banks and insurers remain strong and capital ratios show a reassuring degree of overcapitalization (13.5% on average).

Among the credit ratings upward revisions, we can mention RBS, which has been upgraded by one notch by S&P to BBB which led to a one notch upgrade of its subordinated bonds, including AT1. Moody's also changed its outlook on Barclays from stable to positive, reflecting improved profitability prospects due to reduced litigations risk.

The primary market continues to offer good premia, the Finnish insurer Sampo issued a Tier 2 with a 30 years maturity (first call in 10 years) for 500 million euros with a coupon of 3.375%. Liberty Mutual, the American insurer issued the same amount with a 3.652% coupon. The sub-fund participated in both issues and then sold its position in Sampo capturing the quick appreciation of the bond close to 1%.

The sub-fund held up well in May, losing only 0.17%, in line with its defensive profile. The only negative contribution was the call of the ING 6.375% (1.68% of the sub-fund).

Central banks have been accommodating in June, which led to the credit market rally. Mario Draghi has announced a new wave of quantitative easing. These announcements had controversial impacts on bond assets: a strongly positive effect on fixed-rate bond assets and a strong negative impact on floating-rate bonds. The European 5-year mid-swap rate hit an historical record and ends the month at -0.23%. The French Government's 10-year borrowing rate has temporarily moved into negative territory for the first time in its history. At the political level, concerns are dissipating. The market welcomed the announcement of continued Sino-American negotiations during the G20. In the United Kingdom, the Prime Minister's elections have taken center stage with less tension around Brexit.

The long-call legacy pocket (about 5% of the portfolio) benefited from this rate cut. For instance, the Barclays 6.86 gained 5 points in June. Indeed, the falling interest rate increases the repurchase price of the bond that should take place in 2022. In the meantime, these securities still offer an attractive carry in the current negative rates environment in Europe (more than 13.000 billion USD outstanding according to the Bloomberg Barclays Global Aggregate Negative Yielding Debt Index).

AXIOM LUX

Management Report (continued)

AXIOM LUX - AXIOM OPTIMAL FIX (launched as at 11/01/2019) (continued)

Following the end of the merger talks between Commerzbank and Deutsche Bank, the latter announced plans to create a "Bad Bank" in order to focus on traditional banking activities. Furthermore, the bank passed the qualitative test in the Fed's CCAR stress test, after having failed the previous years. Once its restructuring is achieved, Deutsche Bank should emerge more solid and we expect the Fixed-to-Fixed 6.55% and 8.05% to become attractive.

Finally, the market performance lead to some profit taking mainly in the Tier 2 pocket with Sabadell (+6 points) or SRLEV after the fund Athora joint the NN group to acquire the Dutch insurer Vivat.

In July, facing the deteriorating economic outlook, central banks have proved prepared to act, which has triggered a new rally on the markets. Mr. Draghi said he was considering the introduction of a degressive rate system to offset the negative effects of his policy on banks. The Fed lowered its key rate by a quarter of a point to 2-2.25%, a largely anticipated move not as dovish as the market had hoped for. In Europe, the 5-year midswap rate continued to fall, reaching a new historical low of -0.32% (vs. -0.23% last month). Persistent political uncertainty in the United Kingdom, combined with deteriorating corporate data, has heightened fears of an economic slowdown. Boris Johnson expressed confidence in his ability to sign a Brexit agreement with Brussels. However, the markets continued to price the "no deal" game.

With 42% of the quarterly results above expectations, the banking sector releases show a rather positive third quarter. The French and Irish banks came out on top, in particular the Bank of Ireland posting a sharp reduction of its NPL ratio to 5% (non-performing loans). Societe Generale surprised with a 50bps increase in its CET1 ratio, reaching its target level ahead of schedule and a rather satisfactory progress in its cost cutting program. BNP also released a very good set of results across all its subsidiaries.

The sub-fund continued to perform well in the current environment driven by its Fixed to Fixed pocket and in particular ACHMEA 6% which gained one point after the insurer changed the classification of the bond in its capital suggesting that the call would not be exercised before 2026 (4.5% of the sub-fund).

Overall, the sub-fund reduced its market exposure by selling T2 (Caixabank, Sabadell and SRLEV) and nonpreferred seniors (BNP). We participated in only two new T2 issues for their attractive premiums: Prudential and OTP.

August was dominated by political developments, with the escalation of tariffs between China and the United States, progress towards Brexit, accelerated by the suspension of the UK Parliament, and the fall of the coalition in Italy followed by the set-up of a new M5S/PD alliance. Rates also fell sharply, driven by monetary policy expectations in a context of worrying economic prospects. The SubFin narrowed by about 30 basis points from its peak at 160bps to end the month at 130bps.

The sub-fund suffered slightly from this context especially its long call pocket (-0.20% contribution for 3% of the portfolio). These bonds didn't react to the falling interest rates due to rate hedging in place. The tensions around Brexit didn't help as the majority of the long call bonds are issued by English banks. The contribution of the long calls pocket to the sub-fund's performance since the beginning of the year is +0.50% and we expect it to catch up in the coming months.

The summer season is often a time of volatility that is conducive to arbitrages. 2019 will have been an exception which explains the limited rotation of the sub-fund.

Management Report (continued)

AXIOM LUX - AXIOM OPTIMAL FIX (launched as at 11/01/2019) (continued)

The most significant event in September was the adoption of the new accommodative measures by the ECB. These have been well received by the market, despite the uncertainties that remain about Brexit, Sino-American trade relations and the possible dismissal of Donald Trump. The crisis in US "Repo" rates caused some concern despite the Fed's effective intervention. However, the SubFin has tightened to 125bps by the 30th of September.

Regarding tiering, the deposit hierarchy system imposed by the central bank was aimed at reducing the amount of liquidity subject to the negative interest rate. In other words, part of the banks' excess reserves (below 6 times the mandatory amount) will be remunerated at the main refinancing rate (MRO, 0.0%) rather than the deposit facility rate of -0.5%. The exemption of part of the excess reserves from the negative deposit facility rate should improve the interest margin of the beneficiary banks and thus support their profitability.

The sub-fund suffered from the recall of Achmea 6 and BNP 4 7/8, which were above par (purchased in 2016, these bonds have contributed significantly to the sub-fund's performance since its inception). These two important positions of the sub-fund will gradually be replaced by bonds in the same Legacy universe with important portfolios such as AXA 5.5 or BNP 6.25\$ which has not been called and whose next call is in October 2020.

October was a positive month for financials, driven by the progress on Brexit now postponed to 31 January, 2020 and the easing tensions between China and the United States. On the monetary policy front, beyond Mario Draghi's departure, the minutes of the ECB meetings revealed dissenting views on the package announced in September. The 10-year Euro swap rate moved into positive territory (from -0.20% to +0.02%). As anticipated, the Fed cut its main rate by 25bp. The SubFin index tightened 15bp to 124bp over the month. October was also busy with Q3 results' publications. Thirty banks have already released their Q3 results which are in line or above expectations overall. Among the "best in class" we can mention Sabadell, Barclays, DNB and Standard Chartered. Deutsche Bank, for its part, continues to disappoint. The sub-fund was penalized by the call of AEGON 6.375 and Santander 5.5 replaced by cheaper bonds (Aegon issued a bond with a coupon of 5.1%). However, the requalification of certain Legacy securities as part of Pillar 3 revisions and the announced CMS call by Santander had a positive impact on these securities, which translated by a very positive performance of Axiom Optimal Fix's 15% Legacy pocket, which exceeded its year's highs. While waiting for more opportunities on the market, the sub-fund has invested its cash in Tier 2 with shortcalls and a high reset. This positioning offers the advantage of a positive return (less and less easy since the last ECB meeting) and constitutes a protection against a potential market downturn.

November was another positive month for financial stocks, driven by the prospects for a US-China agreement in early 2020 and the absence of further developments on the British side, whose fate depends on the elections expected on 12 December. Reassuring macroeconomic publications (lower unemployment in Germany, higher CPI, better growth in the United States) and a slight rise in interest rates have comforted investors. The spread of financial subordinated debt tightened slightly, ending the month at 118bps close to its level at the end of October (124bps). The quarterly publication season was good with 19 out of 37 banks' releases above expectations. Among the "best in class" we can mention UBS, Barclays, Sabadell and Santander, whose pre-tax income has increased significantly. In terms of restructuring, Deutsche Bank is continuing its efforts. The German bank was the only one to have its G-SIB capital requirement reduced by the Financial Stability Board. In the aftermath, the bank called more than 1 billion pref shares.

AXIOM LUX

Management Report (continued)

AXIOM LUX - AXIOM OPTIMAL FIX (launched as at 11/01/2019) (continued)

Commerzbank announced the call of a hybrid instrument issued by a Dresdner's legacy entity. Ageas offered to buy back its perpetual bonds at a premium of 11% to the listed price. Goldman Sachs also called Legacy bonds (trading at 90% before the call). This clean-up had a positive impact on the Legacy bucket of the portfolio (20% and 25 bps contribution to the performance).

The sub-fund sold part of its Fixed to Fixed US bucket which had become too expensive to strengthen its exposure to Tier 2 short calls and to SKANDINAVISKA BANKEN which became attractive again during the period of negative news on moneylaundering, a subject that is currently being debated by many European banks with no financial impact so far.

The financial bonds market registered a solid performance in December, with the SubFin index ending the month at 114bps. The very good US employment figures, the decreased uncertainty around Brexit post the UK elections, the slight rise in sovereign rates (-0.20% in Germany and +0.12% in France) and the confirmation of a first agreement between China and the United States provided a very supportive market environment.

On the regulatory front, in his speech to the European Parliament, Andrea Enria, Chairman of the ECB's Prudential Supervisory Board, confirmed the possibility of using Additional Tier 1 and Tier 2 securities to satisfy the Pillar 2 capital requirements. This is in line with UniCredit's announcements made earlier this month (until now only CET1 was allowed). This new break down of Pillar 2 (56.25% CET1, 18.75% AT1 and 25% Tier 2) as per Article 104a, is an important change and should result in an average reduction of CET1 requirements of 90bps. Regulation is also being made more flexible for French insurers, with the inclusion of the PPE (provision for surplus participations) in the Solvency Margin.

The tender announced last month by the Belgian insurer Ageas on its perpetual bonds was followed by 65% of the holders, which continued to support legacy securities as a whole and in particular CMS and Discos.

The Fixed to Fixed bucket registered a rather disappointing average performance of 2% over the year due to numerous calls. The Tier 2 and Legacy buckets made it possible to cross the 4% annual performance mark. This shows that diversification has paid off. However, we believe that, relative to other assets, Fixed to Fixed have reached their low point and should regain their appeal in 2020. We have also strengthened certain positions such as Lloyds and CNP.

AXIOM LUX - AXIOM OBLIGATAIRE (launched as at 25/01/2019)

Investors came back in January in a market which was struck by a lack of liquidity at the end of 2018. The month of December ended a challenging year shaped by increased political and economic fear (Brexit, Italy, US trade war with China, falling oil prices), which resulted in a market correction.

We believe the decline in financial valuations is not justified given the strong fundamentals. Indeed, the latter have not stopped improving since the crisis (average capital level significantly increased to 14.70% in September 2018, four times as much as in 2007) and the steady reduction in stocks of non-performing bank loans confirms the continuous normalisation of European bank balance sheets (the average NPL ratio was 3.4% in September 2018).

Only Italian banks remain under close surveillance. As expected, at the end of December, the ECB decided to place Banca Carige under supervision and temporary administrators were appointed. The bank had to carry out a capital increase or find a buyer before the end of 2018.

Management Report (continued)

AXIOM LUX - AXIOM OBLIGATAIRE (launched as at 25/01/2019) (continued)

Paradoxically, and despite the ongoing improvement in credit metrics, the spreads of subordinated debt have widened by more than 200 bps year-to-date (from 104 bps to 227 bps). Investors' perception has gradually degraded, and a risk-off sentiment finally materialized at the end of the year despite a number of favourable developments: strong quarterly results, sustained momentum in credit rating upgrades and stress tests passed with success on historically severe assumptions.

We believe this dichotomy between fundamentals and valuations offers very attractive returns: the underlying credit quality has not changed and prices should recover as soon as the negative sentiment reverses.

Finally, on the regulatory side, the latest updates in the Banking Package (CRD5 / CRR2 / BRRD2 / SRMR) brought more visibility while confirming the performance potential of our Legacy strategies. The implementation of MREL continues to provide an attractive set of investment opportunities within the asset class and we see the regulatory catalyst as relevant as ever. Regardless of difficult market conditions, 2018 saw a number of calls of non-eligible debt instruments continuously throughout the year: Barclays, RBS, Nordea, AXA, BPCE and tentatively Santander, Aegon, etc.

The sub-fund strengthened its exposure to Austria by investing in the AT1 instrument issued by Erste rated BBB- by S&P (yield close to 6%).

The sub-fund increased its exposure to the Ibercaja, subordinated bond (yield at 9.5%). In addition, we partially took our profits on the perpetual bond BNP 4 3/8, a historic sub-fund position that held up well since entry date in the portfolio. A Natixis Legacy bond was also sold at a price close to par.

The portfolio is 19% invested in proxy cash bonds, i.e. bonds with a maturity of less than 13 months.

Credit markets continued their positive trend in February driven by central banks' dovish tone, the progress of the trade discussions between US and China and the latest economic figures in the US. The SubFin tightened by 24bps ending the month at 149bps. On Brexit, following the recent developments, markets seem to believe that the risk of a no-deal is being pushed away. The prospects of a possible delay to avoid a sudden exit of the European Union benefited the sterling which returned to its July levels.

The latest results came out either above expectations or in line with the consensus. Deutsche Bank announced its first profit since 2014. UniCredit, Intesa, Erste and Bawag were among the best performers. After underestimating its capital ratios last month, Metro Bank reassured the market by announcing a capital increase.

The results of the liquidity stress tests currently being conducted by the ECB should be reported for Q3. Several articles in the press confirmed that the ECB is currently working on a new refinancing facility program and that a TLTRO 3 could be announced in March.

In regards with banking regulations, the latest updates of the CRR2 confirmed our analysis of the eligibility rules for bank capital, in particular for certain specific instruments, either issued by SPVs or by non-EU entities or entities under non-EU law, that do not have contractual recognition of write-down powers by the resolution authorities. The final text should be presented to the European Parliament soon. We closely monitor and analyse these developments as they are source of opportunities within the asset class. On Legacy bonds, we benefited from the regulatory call announced by Caixa Geral on its two Legacy Tier 1 bonds with a step-up which were trading at 80.5%.

AXIOM LUX

Management Report (continued)

AXIOM LUX - AXIOM OBLIGATAIRE (launched as at 25/01/2019) (continued)

Finally, the primary market was active with 6 new AT1s. Santander decision not to call its 6.25% bond on its first call date was the highlight of the month. This is the first time that a European bank has taken such a decision (we have published a note on this subject which is available on our website). The markets' reaction was moderate without any contagion effects.

The sub-fund continued to benefit from the generous coupons offered on the primary AT1 market.

The sub-fund strengthened its position on the Santander 1% purchased last month. This "loyalty bond" as they call it, was issued to retail investors as a compensation at the time of the Banco Popular acquisition by Santander. The yield to next call stands above 6%.

We have reduced our position on an asset manager which got its first credit rating of BBB- by Fitch. We took our profits on the Axa perpetual bond as well as the Credit Suisse 7.5% known as "low trigger" which increased the sub-fund liquidity pocket to 22%.

Financials ended the month of March on a positive note despite all the uncertainty around Brexit and the wait-and-see attitude of the central banks.

On March 29, the UK Parliament rejected Theresa May's withdrawal agreement for the third time by 58 votes and the deadline has now been extended to April 12. The risk premium of a "no-deal" however remained limited and the SubFin has continued to tighten (-10bps over the month).

On the monetary policy front, the Fed has reinforced its easing stance during the latest FOMC. The US central bank put interest rates rises on hold with only one rise expected in 2020. In Europe, the ECB also remained cautious and has left its rates unchanged until the end of 2019. As expected, a new reduced rate loan scheme for banks (TLTRO 3) will be introduced next September for a period of two years. Several press articles suggest the ECB is studying options to reduce the fees that banks pay on a portion of their cash surplus to offset the side effects of its easing policy and thus improve their profitability.

Deutsche Bank and Commerzbank have finally confirmed that they are starting discussions for a merger, but we believe that a significant capital increase seems necessary to complete this project. After Danske Bank, money laundering problems affected Nordea and Swedbank.

In regards with banking regulations, the latest updates of the CRR2 confirmed the subordination requirements of the MREL requested by the single resolution board to the banks.

Finally, due to the sharp tightening of spreads since the beginning of the year, the primary market was very active during the month with 11 issues representing more than 8 billion euros. We can mention in particular KBC, UniCredit, BNP, Nordea, BBVA and Barclays.

On the Legacy market, three British issuers have made tender offers: Lloyds, Coventry and Standard Life Aberdeen.

The sub-fund strengthened its exposure to AIG, the well-known American insurer. We selected a EUR denominated, Investment grade bond rated BBB whose most probable maturity date is in 2037. The price has suffered which allowed us to purchase it at 76% of par. The yield could be improved in case of a tender from the issuer, what AIG has already undertaken in the past on this issue. Finally, we have benefited from markets' upturn, to reduce the portfolio risk level selling down various positions. We continue investing in short maturities, like the CNP whose yield in USD exceeds 3%.

Management Report (continued)

AXIOM LUX - AXIOM OBLIGATAIRE (launched as at 25/01/2019) (continued)

Financials ended the month of April on a positive note and spreads continued tightening (SubFin -20 bps) on the back of the positive macro data in China, in the USA and in Italy, as well as the potential extension of Brexit until the end of October.

The banking results stood above expectations. The already high level of capital (14.7% in Q4 2018) increased slightly. Deutsche Bank officially announced abandoning the merger with Commerzbank. However, the consolidation in the sector continues with Credit Agricole and Santander combining their custody and asset-servicing operations.

UniCredit has agreed to pay \$1.3bn fine to settle US sanctions. This came just after Standard Chartered Plc has paid \$1.1bn for similar misconduct.

On the regulatory side, the adoption of the Banking Package the 16th April established the definitive MREL rules: this is a source of catalysts for our Legacy strategies. During the month, three legacy instruments were called: the Santander 6.222%, the UniCredit 3.125% and the Eurobank 6%. In the UK, the regulatory frame is being strengthened with the systemic risk buffer being confirmed for ringfenced entities.

Finally, the primary market remained active. Among the issuers who benefited from the positive market conditions were: Société Générale (AT1), Coventry (AT1), BPM (AT1), Van Lanschot (AT1), Aegon (RT1), ASR (Tier2) and Ageas (Tier2).

The sub-fund invested in Van Lanschot's AT1 (6.5% yield for a 5 year maturity) adding a new signature to the portfolio. This dutch private bank with more than 70 bn of assets has a solid balance sheet and a good level of equity capital, which makes it a low risk investment.

The sub-fund strengthened its position on BCP investing in one of the subordinated debt instruments issued by the portuguese bank offering a yield higher than 7%. In order to capture the positive market momentum we took our profits on several positions including Tikehau (recently rated BBB) where we benefited from the price pick-up that followed the recent rating action.

The European elections did not have a major impact on markets in May, but the risks anticipated at the end of last year including the escalation in the Trade War between the US and China, Italy's failure to rein in debt, the increasing probability of a no-deal Brexit have directed investors sentiment. The SubFin widened by 46bps over the month. After the U-turn of the Fed in February, the 10-year US and German rates have reached historical lows. These important recessive signals make the ECB's June meeting even more important.

The latest 1st quarter results continued to surprise positively, especially from insurers where 80% of the results were above expectations. UniCredit and Intesa Sanpaolo benefited from better than expected market activities performance, improving asset quality and a stable capital position. The fundamentals of European banks and insurers remain strong and capital ratios show a reassuring degree of overcapitalization (13.5% on average).

Among the credit ratings upward revisions, we can mention RBS, which has been upgraded by one notch by S&P to BBB which led to a one notch upgrade of its subordinated bonds, including AT1. Moody's also changed its outlook on Barclays from stable to positive, reflecting improved profitability prospects due to reduced litigations risk.

AXIOM LUX

Management Report (continued)

AXIOM LUX - AXIOM OBLIGATAIRE (launched as at 25/01/2019) (continued)

During the month, the mergers and acquisitions rumors continued to make the headlines. Following the announcement of the end of talks between Deutsche Bank and Commerzbank last month, the press reported that negotiations between Deutsche Bank and UBS on a merger of their asset management subsidiaries would also be halted. UniCredit and ING are interested in Commerzbank, but no discussion has been formalized. Finally, Liberbank and Unicaja announced the end of their merger talks.

The primary market continues to offer good premiums, the Finnish insurer Sampo issued a Tier 2 with a 30 years maturity (first call in 10 years) for 500 million euros with a coupon of 3.375%. The Dutch insurer Aegon called its perpetual bond offering a 6.5% coupon in USD.

A new position on the English insurer Esure, specialized in car, multi-risk and travel insurances has been added to the portfolio. The sub-fund purchased a subordinated bond with cumulative coupons and a yield of approximately 7% over 5 years. We took our profits on the Rabobank 11%. We further reduced our position on Tikehau whose yield is now below 2%.

Central banks have been accommodating in June, which led to the credit market rally this month. Mario Draghi has announced a new wave of quantitative easing. These announcements had opposite impacts on bond assets: a strongly positive effect on fixed-rate bond assets and a strong negative impact on floating-rate bonds. The European 5-year mid-swap rate hit an historical record and ends the month at -0.23. The French government's 10-year borrowing rate has temporarily moved into negative territory for the first time in its history. At the political level, concerns are dissipating. The market welcomed the announcement of a resumption of Sino-American negotiations during the G20. In the United Kingdom, the Prime Minister's elections have taken center stage with less tension around Brexit.

On the regulatory side, the CRR 2 was officially implemented on June 27 and endorsed the final rules of MREL, expanding our investment scope to new Legacy titles. Our recent issuance meetings with CNP and RBS confirm our analysis of the issuers' repayment policy in order to clean up their Legacy debt stock by 2022 for banks and 2026 for insurers. For example, the call of Santander 5.75% was announced for the month of July.

Restructuring of the sector continues. The investment fund Athora has joined the group NN to acquire the Dutch insurer Vivat, insurers Caser Seguros and Seguradoras Unidas (Tranquilidade) are in the process of sale. Following the renouncement of the merger talks between Commerzbank and Deutsche Bank, Deutsche Bank announced plans to create a € 50 billion "Bad Bank" to focus on traditional banking activities. During the last stress test of the FED, the 16 banks surveyed succeeded including Deutsche Bank, the latter having failed last year.

Finally, the primary market continues to offer great opportunities for issuers. In the AT1 universe, issuances continue. We can cite Barclays 7.125% in GBP and Lloyd's 6.750% in USD. Commerzbank issued its inaugural AT1, several years after most of its European counterparts. The coupon is only 7% in USD, with the German issuer benefiting from a favorable accounting change in the amount of distributable reserves. Also noteworthy is the first green emission in Tier 2 by the CNP.

A new signature has been selected this month with the International Bank of Luxembourg (BIL). This systemic bank is the third largest in the country with a market share of 13%. As a universal bank, BIL also receives large commissions from private banking. The firm has strong fundamentals with a 12% CET1 capital ratio. We acquired the AT1 perpetual bond with a call option in 2020. In addition, we took our profits on Credit Suisse 7.5% in USD.

Management Report (continued)

AXIOM LUX - AXIOM OBLIGATAIRE (launched as at 25/01/2019) (continued)

In July, facing the deteriorating economic outlook, central banks have proved prepared to act, which has triggered a new rally on the markets. Mr. Draghi said he was considering the introduction of a degressive rate system to offset the negative effects of his policy on banks. The Fed lowered its funds rate by a quarter of a point to 2-2.25%, a largely anticipated move not as dovish as the market had hoped for. In Europe, the 5-year mid-swap rate continued to fall, reaching a new historical low of -0.32% (vs. -0.23% last month). Persistent political uncertainty in the United Kingdom, combined with deteriorating corporate data, has heightened fears of an economic slowdown. Boris Johnson expressed confidence in his ability to sign a Brexit agreement with Brussels. However, the markets continued to price the "no deal" game.

With 42% of the quarterly results above expectations, the banking sector releases show a rather positive third quarter. The French and Irish banks came out on top, in particular the Bank of Ireland posting a sharp reduction of its NPL ratio to 5% (non-performing loans). Societe Generale surprised with a 50bps increase in its CET1 ratio, reaching its target level ahead of schedule and a rather satisfactory progress in its cost cutting program. BNP also released a very good set of results across all its subsidiaries.

Deutsche Bank made the headlines again. In addition to disappointing results, the bank suffered from another embarrassing episode after a group of traders leaving the bank continued to have access to their database systems. UniCredit announced significant job cuts for 10% of the bank total workforce. The ongoing restructuring and continuous risk reduction resulted in the upward revision of its Moody's rating from Ba1 to Baa3.

Banking consolidation continues in the sector with excess liquidity reaching 2 trillion. The main announcement of the month was the proposed acquisition of Refinitiv by the London Stock Exchange for a total of USD 27 billion.

With the summer and the results season in full swing, the primary market remained calm, allowing some issuers such as Fineco or Monte Di Paschi to come at attractive conditions. The Italian bank issued a Senior Preferred in EUR with a 4% coupon.

We participated in the primary market with the inaugural issue of Finecobank SPA. The Italian financial institution issued an AT1 bond with a coupon of 5.875% following the exit of its reference shareholder Unicredit. We strengthened existing positions in Esure and Permanent TSB. In addition, we took our profits on the Erste Bank 6.5%. Indeed, with a return of 3% on the first call date, we consider that the risk is not correctly priced. The sub-fund ended July with a significant holding of short-term bonds and cash positions.

August was dominated by political developments, with the escalation of tariffs between China and the United States, progress towards Brexit, accelerated by the suspension of parliament, and the fall of the coalition in Italy followed by the set-up of a new M5S/PD alliance. Rates also fell sharply, driven by monetary policy expectations in a context of worrying economic prospects. The SubFin narrowed by about 30 basis points from its peak at 160bps to end the month at 130bps.

Second quarter results were supported by low levels of provisions. Good surprises came from Credit Suisse, StanChart and SocGen, while Unicredit and Commerzbank disappointed.

Management Report (continued)

AXIOM LUX - AXIOM OBLIGATAIRE (launched as at 25/01/2019) (continued)

After the implementation of CRR2, HSBC and Barclays updated the capital recognition of certain perpetual Legacy bonds: the "discos" in particular will no longer be eligible as capital. Deutsche Bank officially communicated on its legacy securities that were disqualified after 2022. Santander announced the call of its Tier1 legacy issued in 2004, paying a 3-month Euribor coupon + 160 bps, which was worth 92 before the announcement.

The primary market remained calm. The total volume of issues at the end of August remained flat compared to last year. In the AT1 universe, Credit Suisse, Swedbank and BBVA issued in USD, as well as UBS in AUD. Barclays, Credit Agricole and Nordea called some of their AT1s issued in 2014. The Nordea 5.5 bond had a must pay clause in the event of disqualification. Crédit Agricole, like BPCE and Société Générale, also confirmed their intention to clean their legacy T1 stock.

With the bonds market off for the summer, opportunities for risk taking were scarce, especially given the high number of bonds trading with yields close to zero. We continue to closely monitor regulatory opportunities and have invested in short term, positive interest rate securities to maintain sufficient flexibility.

The most significant event in September was the adoption of the new accommodative measures by the ECB. These have been well received by the market, despite the uncertainties that remain about Brexit, Sino-American trade relations and the possible impeachment of Donald Trump. The crisis in US "Repo" rates caused some concerns despite the Fed's effective intervention. However, the SubFin has tightened by around ten basis points since reaching 135bps last month.

Regarding tiering, the deposit hierarchy system imposed by the central bank reduces the amount of liquidity subject to the negative interest rate. In other words, part of the banks' excess reserves (below 6 times the mandatory amount) will be remunerated at the main refinancing rate (MRO, 0.0%) rather than the deposit facility rate of -0.5%. The exemption of some of the excess reserves from the negative deposit facility rate should improve the interest margin of the banks with surpluses and thus support their profitability.

On the regulatory side, the EBA announced that it would publish a clarification of the treatment of Legacy instruments in mid-2020 before the end of the grandfathering period in December 2021. This announcement, combined with the calls of CMS Santander, Achmea 6% and BNP 4 7/8, once again demonstrates that banks have an interest to call at par the securities that no longer count as capital.

Note also that the call of the Santander CMS has resulted in a market rally of other CMS securities.

We continue to see improved ratings in the financial sector, among the latest Crédit Agricole ratings, which have been upgraded from A1 to Aa3 by Moody's, in recognition of the bank's strong level of capitalisation. This rating enhancement translated into an upgrade for all the capital instruments of the bank, notably the AT1, which is now rated Investment Grade (Baa3) by the three rating agencies.

The primary market has been active. In AT1 we can mention the new issues of Barclays and Nationwide, as well as ASR and Achmea in RT1 format. It is interesting to note that the new Allianz Tier 2 issued with a yield of 1% was largely oversubscribed.

Management Report (continued)

AXIOM LUX - AXIOM OBLIGATAIRE (launched as at 25/01/2019) (continued)

The UK-based Nationwide Bank issued an AT1 bond on the primary market with a coupon of 5 7/8 in British pounds. We participated in the issue of this mortgage specialist. It is now the largest mutual bank in England. Under a stress scenario, the institution would have by far the best CET1 capital ratio (14%) among the country's largest banks. In addition, we continue to liquidate our investment in Tikehau, for which we have a strong interest in the market since this asset manager earned a BBB-rating from Fitch.

October was a positive month for financials, driven by the progress on Brexit now postponed to 31 January 2020 and the easing tensions between China and the United States.

On the monetary policy front, beyond Mario Draghi's departure, the minutes of the ECB meetings revealed dissenting views on the package announced in September. The 10-year Euro swap rate moved into positive territory (from -0.20% to +0.02%). As anticipated, the Fed cut its main rate by 25bp. The SubFin index tightened 15bp to 124bp over the month.

October was also busy with Q3 results' publications. Thirty banks have already released their Q3 results which are in line or above expectations overall. Among the "best in class" we can mention Sabadell, Barclays, DNB and Standard Chartered. Deutsche Bank, for its part, continues to disappoint. The cleaning up of bank balance sheets continues, particularly in Italy, where UniCredit is preparing to sell a portfolio of non-performing loans with a nominal value of € 6bn, thus accelerating its new strategic plan. In Greece, the establishment of the "Hercules" plan has been approved by the European Commission, on similar terms to the GACS guarantee on securitisations of Non-Performing Loans implemented in 2017 in Italy.

On the regulatory side, some banks continue to update their Pillar 3 disclosures with further instruments being confirmed as disqualified. After the Santander call, the tender on State Street legacies, added to the rebound of CMS10, had a very positive impact on CMS and discos.

The primary market was active, especially on AT1/RT1 with La Mondiale, My Money Bank and AIB, and with Landesbank Baden-Württemberg launching its inaugural AT1 deal to refinance its legacy instruments.

The sub-fund invested in My Money Bank's new subordinated bond offering 8% return in EUR. This bank, which was acquired from General Electric by the American private equity firm Cerberus, is active in mortgages and car loans. It has very few branches. The bank's fundamentals are stable, and the level of capitalization is high (CET 1 ratio of 16%). Finally, we took some risk on the French asset manager Tikehau in the form of a 5-year senior CDS that yields 300 basis points per year.

November was another positive month for financial stocks, driven by the prospects for a US-China agreement in early 2020 and the absence of further developments on the British side, whose fate depends on the elections expected on 12 December. Reassuring macroeconomic publications (lower unemployment in Germany, higher Consumer Price Index, better growth in the United States) and a slight rise in interest rates have comforted investors. The spread of financial subordinated debt tightened slightly, ending the month at 118 bps close to its level at the end of October (124 bps).

The quarterly publication season was good with 19 out of 37 banks' releases above expectations. Among the "best in class" we can mention UBS, Barclays, Sabadell and Santander, whose income has increased significantly.

Management Report (continued)

AXIOM LUX - AXIOM OBLIGATAIRE (launched as at 25/01/2019) (continued)

In terms of restructuring, Deutsche Bank is continuing its efforts. The German bank was the only one to have its G-SIB capital requirement reduced by the Financial Stability Board. Unicaja and Liberbank have confirmed with the Spanish regulator (CNMV) that they are looking into a merger project. Money laundering investigations are continuing with new revelations at SEB, whose share price fell by 12% in one day.

On the regulatory side, banks continue to clean up their stocks of Legacy securities. After the Santander call and State Street's tender offer last month, Ageas bought back its perpetual bonds at a premium of 11% to the listed price. The Belgian insurer was among the important positions in our portfolios. These various tender and call actions had a very positive impact on Legacy securities as a whole and in particular on CMS and discos.

The primary market for AT1 bonds remained active. Issuers such as DNB ASA (4.875%), Lloyds (5.125%), Saxobank (8.125%), La Banque Postale (3.875%) and BIL (5.25%) have benefited from this buoyant market.

We participated in two primary market transactions. The Banque Internationale à Luxembourg (BIL) came to refinance its previous AT1 bond. The coupon for this issue is 5.25 %. The institution is one of the major banks in this AAA rated country. Let us emphasize the strategic character of the financial sector in the country. Besides, we participated in an other AT1 bond refinancing. The issuer, well known by Axiom, is Saxo Bank, a global brokerage platform. The coupon is 8.125 % for this subordinated bond. It is worth noticing that the percentage of short-term bonds remains high (around 30%) and constitutes dry powder that should enable us to seize future opportunities.

The financial bonds market registered a solid performance in December, with the SubFin index ending the month at 114bps vs 118bps in november. The very good US employment figures, the decreased uncertainty around Brexit post the UK elections, the slight rise in sovereign rates (-0.20% in Germany and +0.12% in France) and the confirmation of a first agreement between China and the United States provided a very supportive market environment.

On the regulatory front, in his speech to the European Parliament, Andrea Enria, Chairman of the ECB's Prudential Supervisory Board, confirmed the possibility of using Additional Tier 1 and Tier 2 securities to satisfy the Pillar 2 capital requirements. This is in line with UniCredit's announcements made earlier this month (until now only CET1 was allowed). This new break down of Pillar 2 (56.25% CET1, 18.75% AT1 and 25% Tier 2) as per Article 104a, is an important change and should result in an average reduction of CET1 requirements of 90bps. Regulation is also being made more flexible for French insurers, with the inclusion of the PPE (provision for surplus participations) in the Solvency Margin.

At its Investor Day, Deutsche Bank reaffirmed its strategic plan objectives but reduced its revenue growth target for 2022. UniCredit confirmed its "Single Point of Entry" resolution plan and announced a share buyback program. NordLB strengthened its capital by avoiding the constraints linked to State support and Banca Popolare di Bari received an injection of €900M to urgently meet its capital requirements at the end of December.

The tender announced last month by the Belgian insurer Ageas on its perpetual bonds was followed by 65% of the holders, which continued to support legacy instruments securities as a whole and in particular CMS indexed and floating coupon instruments.

AXIOM LUX

Management Report (continued)

AXIOM LUX - AXIOM OBLIGATAIRE (launched as at 25/01/2019) (continued)

In response to this success, Ageas issued a new RT1 for 750 million euros with a coupon of 3.875%. In the AT1 bond universe, we acquired the Santander 6.25% bond. This bond has the originality of being the only bond in its category which has not been called on its first call date. Although the reasons for the call omission have not been elucidated, this perpetual bond that can be called each quarter has good convexity due to its rate structure (5-year swap + 5.41%). The sub-fund invested in a Tikehau CDS. In addition, we took our profits on the global broker TP Icap.

AXIOM LUX - AXIOM OPTIMAL CRITERIA (launched as at 21/08/2019)

August was dominated by political developments, with the escalation of tariffs between China and the United States, progress towards Brexit, accelerated by the suspension of parliament, and the fall of the coalition in Italy followed by the set-up of a new M5S/PD alliance. Rates also fell sharply, driven by monetary policy expectations in a context of worrying economic prospects. The SubFin narrowed by about 30 basis points from its peak at 160bps to end the month at 130bps.

The summer season is often a time of volatility that is conducive to arbitrages. 2019 will have been an exception which explains the limited rotation of the sub-fund.

The most significant event in September was the adoption of the new accommodative measures by the ECB. These have been well received by the market, despite the uncertainties that remain about Brexit, Sino-American trade relations and the possible dismissal of Donald Trump. The crisis in US "Repo" rates caused some concern despite the Fed's effective intervention. However, the SubFin has tightened to 125bps by the 30th of September.

Regarding tiering, the deposit hierarchy system imposed by the central bank was aimed at reducing the amount of liquidity subject to the negative interest rate. In other words, part of the banks' excess reserves (below 6 times the mandatory amount) will be remunerated at the main refinancing rate (MRO, 0.0%) rather than the deposit facility rate of -0.5%. The exemption of part of the excess reserves from the negative deposit facility rate should improve the interest margin of the beneficiary banks and thus support their profitability.

October was a positive month for financials, driven by the progress on Brexit now postponed to 31 January, 2020 and the easing tensions between China and the United States. On the monetary policy front, beyond Mario Draghi's departure, the minutes of the ECB meetings revealed dissenting views on the package announced in September. The 10-year Euro swap rate moved into positive territory (from -0.20% to +0.02%). As anticipated, the Fed cut its main rate by 25bp. The SubFin index tightened 15bp to 124bp over the month. October was also busy with Q3 results' publications. Thirty banks have already released their Q3 results which are in line or above expectations overall. Among the "best in class" we can mention Sabadell, Barclays, DNB and Standard Chartered. Deutsche Bank, for its part, continues to disappoint.

November was another positive month for financial stocks, driven by the prospects for a US-China agreement in early 2020 and the absence of further developments on the British side, whose fate depends on the elections expected on 12 December. Reassuring macroeconomic publications (lower unemployment in Germany, higher CPI, better growth in the United States) and a slight rise in interest rates have comforted investors. The spread of financial subordinated debt tightened slightly, ending the month at 118bps close to its level at the end of October (124bps). The quarterly publication season was good with 19 out of 37 banks' releases above expectations. Among the "best in class" we can mention UBS, Barclays, Sabadell and Santander, whose pre-tax income has increased significantly.

AXIOM LUX

Management Report (continued)

AXIOM LUX - AXIOM OPTIMAL CRITERIA (launched as at 21/08/2019) (continued)

In terms of restructuring, Deutsche Bank is continuing its efforts. The German bank was the only one to have its G-SIB capital requirement reduced by the Financial Stability Board. In the aftermath, the bank called more than 1 billion pref shares.

Commerzbank announced the call of a hybrid instrument issued by a Dresdner's legacy entity. Ageas offered to buy back its perpetual bonds at a premium of 11% to the listed price. Goldman Sachs also called Legacy bonds (trading at 90% before the call). This clean-up had a positive impact on the Legacy bucket of the portfolio (20% and 25 bps contribution to the performance).

The financial bonds market registered a solid performance in December, with the SubFin index ending the month at 114bps. The very good US employment figures, the decreased uncertainty around Brexit post the UK elections, the slight rise in sovereign rates (-0.20% in Germany and +0.12% in France) and the confirmation of a first agreement between China and the United States provided a very supportive market environment.

On the regulatory front, in his speech to the European Parliament, Andrea Enria, Chairman of the ECB's Prudential Supervisory Board, confirmed the possibility of using Additional Tier 1 and Tier 2 securities to satisfy the Pillar 2 capital requirements. This is in line with UniCredit's announcements made earlier this month (until now only CET1 was allowed). This new break down of Pillar 2 (56.25% CET1, 18.75% AT1 and 25% Tier 2) as per Article 104a, is an important change and should result in an average reduction of CET1 requirements of 90bps. Regulation is also being made more flexible for French insurers, with the inclusion of the PPE (provision for surplus participations) in the Solvency Margin.

The tender announced last month by the Belgian insurer Ageas on its perpetual bonds was followed by 65% of the holders, which continued to support legacy securities as a whole and in particular CMS and Discos.

COVID-19

The Board of Directors acknowledge the existence of the current outbreak of the coronavirus COVID-19 and its potential to adversely impact the markets in which the Sub-Funds are invested. The ultimate impacts on the different Sub-Funds remain uncertain and can be expected to vary according to country, asset class, industry sector and individual securities in which they are invested.

April 2020

The figures stated in this report are historical and not necessary indicative of future performance.



Audit report

To the Shareholders of
AXIOM LUX

Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of AXIOM LUX (the “Fund”) and of each of its sub-funds as at 31 December 2019, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

What we have audited

The Fund’s financial statements comprise:

- the statement of net assets as at 31 December 2019;
- the securities portfolio as at 31 December 2019;
- the statement of operations and changes in net assets for the year then ended; and
- the notes to the financial statements - schedule of derivative instruments and the other notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the “Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the financial statements” section of our report.

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

We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.

Other information

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our audit report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Responsibilities of the Board of Directors of the Fund for the financial statements

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

In preparing the financial statements, the Board of Directors of the Fund is responsible for assessing the Fund's and each of its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Fund either intends to liquidate the Fund or close any of its sub-funds or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the financial statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit 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 the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund;



- conclude on the appropriateness of the Board of Directors of the Fund's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's or any of its sub-funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Fund or any of its sub-funds to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 30 April 2020

Sébastien Sadzot

AXIOM LUX

Combined

AXIOM LUX
Combined
Financial Statements as at 31/12/2019

Statement of Net Assets as at 31/12/2019

Expressed in EUR

Assets		551,128,247.91
Securities portfolio at market value	Note 2	515,137,621.87
<i>Cost price</i>		496,600,709.06
<i>Unrealised profit on the securities portfolio</i>		18,536,912.81
Cash at banks and liquidities		26,788,037.23
Interest receivable		5,983,756.67
Formation expenses	Note 2	106,483.16
Brokers receivable		2,366,545.57
Subscriptions receivable		114,904.74
Dividends receivable		52,104.70
Unrealised net appreciation on forward foreign exchange contracts	Note 2	97,399.26
Unrealised net appreciation on financial futures	Note 2	360,379.17
Unrealised net appreciation on swaps	Note 2	121,015.54
Liabilities		3,866,176.32
Bank overdrafts		716,889.86
Administration fees payable	Note 5	65,945.32
Performance fees payable	Note 4	188,303.64
Redemptions payable		170,870.88
Unrealised net depreciation on forward foreign exchange contracts	Note 2	1,501,949.43
Unrealised net depreciation on swaps	Note 2	478,405.21
Management Company fees payable		574,414.03
Depositary fees payable	Note 5	60,146.99
Other liabilities		109,250.96
Net asset value		547,262,071.59

AXIOM LUX Combined

Statement of Operations and Changes in Net Assets from 01/01/2019 to 31/12/2019

Expressed in EUR

Income		21,804,134.82
Net dividends	Note 2	2,427,929.92
Net interest on bonds	Note 2	16,710,048.22
Bank interest on cash accounts		87,339.45
Other financial income		25,849.53
Income on reverse repurchase agreements		178.23
Interest on dynamic portfolio swaps / credit default swaps		2,552,789.47
Expenses		6,980,834.17
Amortisation of formation expenses	Note 2	13,962.99
Management Company fees	Note 4	5,879,998.95
Depositary fees	Note 5	144,531.26
Taxe d'abonnement	Note 3	217,614.01
Administration fees	Note 5	126,311.90
Performance fees	Note 4	175,492.48
Domiciliation fees		11,682.14
Professional fees		34,197.26
Bank interest on overdrafts		109,892.25
Legal fees		19,980.09
Transaction fees	Note 6	70,934.62
Interest on dynamic portfolio swaps / credit default swaps		48,795.46
Other expenses	Note 7	127,440.76
Net income from investments		14,823,300.65
Net realised profit / loss on:		
- sales of investment securities		1,716,302.59
- forward foreign exchange contracts		-5,798,561.35
- financial futures		-1,299,994.86
- swaps		-2,018,153.84
- foreign exchange		2,251,858.25
Net realised profit		9,674,751.44
Movement in net unrealised appreciation / depreciation on:		
- securities	Note 2	18,432,954.97
- forward foreign exchange contracts	Note 2	-1,404,550.17
- financial futures	Note 2	360,379.17
- swaps	Note 2	-357,389.67
Increase in net assets as a result of operations		26,706,145.74
Dividends paid	Note 9	-1,225,263.75
Subscription capitalisation shares		637,838,254.84
Subscription distribution shares		31,819,152.90
Redemption capitalisation shares		-147,454,462.99
Redemption distribution shares		-2,083,868.40
Increase in net assets		545,599,958.34
Net assets at the beginning of the year		1,662,113.25
Net assets at the end of the year		547,262,071.59

AXIOM LUX

**- AXIOM OBLIGATAIRE LUX (liquidated as at
17/01/2019)**

AXIOM LUX - AXIOM OBLIGATAIRE LUX (liquidated as at 17/01/2019)

Changes in number of shares outstanding from 01/01/2019 to 17/01/2019

	Shares outstanding as at 01/01/2019	Shares issued	Shares redeemed	Shares outstanding as at 17/01/2019
C - EUR - Capitalisation	1,631.0000	0.0000	1,631.0000	0.0000

Key figures

	<i>Period / Year ending as at:</i>	17/01/19*	31/12/18	31/12/17
Total Net Assets	EUR	0.00	1,662,113.25	1,447,205.84
C - EUR - Capitalisation				
Number of shares		0.0000	1,631.0000	1,331.0000
Net asset value per share	EUR	0.00	1,019.08	1,087.31

* last NAV before liquidation is EUR 1,329,579.90 with 1,281.00 outstanding shares and a Net Asset Value per share of EUR 1,037.92.

AXIOM LUX - AXIOM OBLIGATAIRE LUX (liquidated as at 17/01/2019)

Statement of Operations and Changes in Net Assets from 01/01/2019 to 17/01/19

Expressed in EUR

Income		15,413.84
Other financial income		15,413.84
Expenses		2,398.88
Amortisation of formation expenses	Note 2	380.80
Depositary fees	Note 5	12.63
Professional fees		2,001.84
Bank interest on overdrafts		3.61
Net income from investments		13,014.96
Net realised profit / loss on:		
- sales of investment securities		120,285.44
Net realised profit		133,300.40
Movement in net unrealised appreciation / depreciation on:		
- securities	Note 2	-103,957.84
Increase in net assets as a result of operations		29,342.56
Redemption capitalisation shares		-1,691,455.81
Decrease in net assets		-1,662,113.25
Net assets at the beginning of the period		1,662,113.25
Net assets at the end of the period		0.00

AXIOM LUX

- **AXIOM EQUITY LONG SHORT** (launched as at 11/01/19 and liquidated as at 11/06/2019)

AXIOM LUX - AXIOM EQUITY LONG SHORT (launched as at 11/01/19 and liquidated as at 11/06/2019)

Changes in number of shares outstanding from 11/01/2019 to 11/06/2019

	Shares outstanding as at 11/01/2019	Shares issued	Shares redeemed	Shares outstanding as at 11/06/2019
C - EUR - Capitalisation	0.0000	5,482.2052	5,482.2052	0.0000

Key figures

	<i>Period / Year ending as at:</i>	11/06/19*
Total Net Assets	EUR	0.00
C - EUR - Capitalisation		
Number of shares		0.0000
Net asset value per share	EUR	0.00

* last NAV before liquidation is EUR 887,488.36 with 1,000.0002 outstanding shares and a Net Asset Value per share of EUR 887.48.

AXIOM LUX - AXIOM EQUITY LONG SHORT (launched as at 11/01/19 and liquidated as at 11/06/2019)

Statement of Operations and Changes in Net Assets from 11/01/2019 to 11/06/19

Expressed in EUR

Income		21,327.78
Net interest on bonds	Note 2	20,900.16
Bank interest on cash accounts		109.43
Interest on dynamic portfolio swaps / credit default swaps		318.19
Expenses		32,023.92
Amortisation of formation expenses	Note 2	83.97
Management Company fees	Note 4	16,995.69
Depositary fees	Note 5	2,897.84
Taxe d'abonnement	Note 3	465.69
Administration fees	Note 5	807.04
Domiciliation fees		71.66
Professional fees		1,882.33
Bank interest on overdrafts		1,098.88
Legal fees		19.59
Transaction fees	Note 6	1,301.00
Interest on dynamic portfolio swaps / credit default swaps		493.84
Other expenses	Note 7	5,906.39
Net loss from investments		-10,696.14
Net realised profit / loss on:		
- securities		-6,755.85
- forward foreign exchange contracts		-7,790.23
- financial futures		-12,170.00
- swaps		69,461.29
- foreign exchange		6,699.37
Net realised profit		38,748.44
Increase in net assets as a result of operations		38,748.44
Subscription capitalisation shares		4,845,706.70
Redemption capitalisation shares		-4,884,455.14
Net assets at the beginning of the period		0.00
Net assets at the end of the period		0.00

AXIOM LUX

- **AXIOM CONTINGENT CAPITAL (launched as at
11/01/2019)**

AXIOM LUX - AXIOM CONTINGENT CAPITAL (launched as at 11/01/2019)

Financial Statements as at 31/12/2019

Statement of Net Assets as at 31/12/2019

Expressed in EUR

Assets		26,625,843.50
Securities portfolio at market value	Note 2	24,146,526.53
<i>Cost price</i>		22,458,586.48
<i>Unrealised profit on the securities portfolio</i>		1,687,940.05
Cash at banks and liquidities		2,073,182.18
Interest receivable		292,378.32
Formation expenses	Note 2	3,680.90
Unrealised net appreciation on forward foreign exchange contracts	Note 2	90,594.17
Unrealised net appreciation on financial futures	Note 2	19,481.40
Liabilities		99,540.93
Bank overdrafts		19,481.50
Administration fees payable	Note 5	2,723.31
Unrealised net depreciation on swaps	Note 2	50,741.86
Management Company fees payable		13,199.60
Depository fees payable	Note 5	6,326.53
Other liabilities		7,068.13
Net asset value		26,526,302.57

Changes in number of shares outstanding from 11/01/2019 to 31/12/2019

	Shares outstanding as at 11/01/2019	Shares issued	Shares redeemed	Shares outstanding as at 31/12/2019
C - EUR - Capitalisation	0.0000	13,784.8343	1,711.8343	12,073.0000
R - EUR - Capitalisation	0.0000	146.6292	105.0000	41.6292
E - GBP - Capitalisation	0.0000	3,118.5000	669.0000	2,449.5000
Z - EUR - Capitalisation	0.0000	5,806.6020	0.0000	5,806.6020

Key figures

Period / Year ending as at: **31/12/19**

Total Net Assets	EUR	26,526,302.57
C - EUR - Capitalisation		
Number of shares		12,073.0000
Net asset value per share	EUR	1,297.43
R - EUR - Capitalisation		
Number of shares		41.6292
Net asset value per share	EUR	1,273.40

AXIOM LUX - AXIOM CONTINGENT CAPITAL (launched as at 11/01/2019)

Key figures

Period / Year ending as at: **31/12/19**

Total Net Assets	EUR	26,526,302.57
E - GBP - Capitalisation		
Number of shares		2,449.5000
Net asset value per share	GBP	1,132.50
Z - EUR - Capitalisation		
Number of shares		5,806.6020
Net asset value per share	EUR	1,297.76

AXIOM LUX - AXIOM CONTINGENT CAPITAL (launched as at 11/01/2019)

Securities portfolio as at 31/12/2019

Expressed in EUR

Quantity	Denomination	Quotation currency	Market value	% of net assets
Transferable securities admitted to an official stock exchange listing and/or dealt in on another regulated market			21,095,539.25	79.53
Bonds			4,301,016.19	16.21
<i>France</i>			<i>1,049,800.00</i>	<i>3.96</i>
500,000.00	BANQUE POSTALE 4.375 10-20 30/11A	EUR	520,075.00	1.96
500,000.00	CREDIT AGRICOLE SA 4.00 12-21 29/06Q	EUR	529,725.00	2.00
<i>Germany</i>			<i>873,820.00</i>	<i>3.29</i>
800,000.00	COMMERZBANK AG 7.75 11-21 16/03A	EUR	873,820.00	3.29
<i>Poland</i>			<i>126,282.50</i>	<i>0.48</i>
125,000.00	SANTANDER BANK POLSKA 0.75 18-21 20/09A	EUR	126,282.50	0.48
<i>The Netherlands</i>			<i>973,654.00</i>	<i>3.67</i>
400,000.00	AEGON NV 5.625 19-49 29/12S	EUR	465,864.00	1.76
500,000.00	COOP RABOBANK 6.875 10-20 19/03A	EUR	507,790.00	1.91
<i>United Kingdom</i>			<i>260,279.69</i>	<i>0.98</i>
200,000.00	HSBC 5.875 18-99 28/09S	GBP	260,279.69	0.98
<i>United States of America</i>			<i>1,017,180.00</i>	<i>3.83</i>
1,000,000.00	WELLS FARGO CO 2.25 13-20 03/09A	EUR	1,017,180.00	3.83
Floating rate bonds			16,794,523.06	63.32
<i>Austria</i>			<i>1,528,710.00</i>	<i>5.76</i>
400,000.00	BAWAG GROUP AG FL.R 18-XX XX/XXS	EUR	429,164.00	1.62
400,000.00	ERSTE GROUP BK SUB FL.R 17-XX 15/04S	EUR	465,796.00	1.75
200,000.00	RAIFFEISEN BANK INTL FL.R 18-XX 15/06S	EUR	193,458.00	0.73
400,000.00	VOLKSBANK WIEN AG FL.R 19-XX XX/XXS	EUR	440,292.00	1.66
<i>Belgium</i>			<i>1,013,056.00</i>	<i>3.82</i>
600,000.00	BELFIUS BANK SA FL.R 18-XX XX/XXS	EUR	576,792.00	2.18
400,000.00	KBC GROUPE SA FL.R 19-99 31/12S	EUR	436,264.00	1.64
<i>Denmark</i>			<i>522,280.00</i>	<i>1.97</i>
500,000.00	NYKREDIT FL.R 15-XX 26/10S	EUR	522,280.00	1.97
<i>Finland</i>			<i>346,071.27</i>	<i>1.30</i>
350,000.00	NORDEA BANK ABP FL.R 19-XX XX/XXS	USD	346,071.27	1.30
<i>France</i>			<i>388,254.78</i>	<i>1.46</i>
200,000.00	BNP PARIBAS FL.R 19-99 31/12S	USD	193,092.20	0.73
200,000.00	SOCIETE GENERALE REGS FL.R 18-XX 04/04S	USD	195,162.58	0.73
<i>Germany</i>			<i>188,024.94</i>	<i>0.71</i>
200,000.00	COMMERZBANK AG FL.R 19-XX 09/04A	USD	188,024.94	0.71
<i>Italy</i>			<i>290,635.19</i>	<i>1.10</i>
300,000.00	INTESA SANPAOLO SP FL.R 15-49 17/03S	USD	290,635.19	1.10
<i>Spain</i>			<i>2,950,000.00</i>	<i>11.12</i>
600,000.00	BANCO BILBAO FL.R 19-XX XX/XXQ	EUR	669,702.00	2.52
400,000.00	BANCO DE SABADELL SA FL.R 17-XX 18/02Q	EUR	419,692.00	1.58
400,000.00	BANCO SANTANDER SA FL.R 14-XX 12/03A	EUR	404,676.00	1.53
200,000.00	BANCO SANTANDER SA FL.R 17-49 01/12Q	EUR	213,566.00	0.81
400,000.00	BANKIA SUB FL.R 17-XX 18/07Q	EUR	423,188.00	1.60
800,000.00	CAIXABANK SA FL.R 18-XX 23/03Q	EUR	819,176.00	3.08
<i>Sweden</i>			<i>381,774.82</i>	<i>1.44</i>
200,000.00	NORDEA BANK AB FL.R 15-25 10/11	EUR	203,006.00	0.77
200,000.00	SKANDINAVISKA ENSKIL FL.R 19-XX XX/XXS	USD	178,768.82	0.67
<i>Switzerland</i>			<i>3,293,936.63</i>	<i>12.42</i>
1,000,000.00	CREDIT SUISSE FL.R 13-25 18/09A	EUR	1,040,780.00	3.92
300,000.00	CS GROUP FL.R 19-XX XX/XXS	USD	288,440.98	1.09
700,000.00	CS GROUP REGS FL.R 13-XX 11/12S	USD	702,843.65	2.65
1,200,000.00	UBS AG SUB FL.R 14-26 12/02A	EUR	1,261,872.00	4.76
<i>The Netherlands</i>			<i>4,323,213.73</i>	<i>16.31</i>
400,000.00	ABN AMRO FL.R 15-XX 22/03S	EUR	414,236.00	1.56
600,000.00	ABN AMRO BANK FL.R 17-49 01/12S	EUR	650,856.00	2.45
200,000.00	ASR NEDERLAND FL.R 17-XX 19/10S	EUR	213,944.00	0.81
200,000.00	COOP RABOBANK FL.R 19-XX 29/06S	EUR	200,394.00	0.76
800,000.00	ING GROUP CV SUB FL.R 15-XX 16/10S	USD	774,328.73	2.92
500,000.00	NIBC BANK NV FL.R 17-XX XX/XXS	EUR	526,850.00	1.99
1,000,000.00	RABOBANK STACK FL.R 13-XX 29/03Q	EUR	1,273,690.00	4.81
250,000.00	VIVAT FL.R 18-XX XX/XXS	EUR	268,915.00	1.01
<i>United Kingdom</i>			<i>1,568,565.70</i>	<i>5.91</i>
200,000.00	BARCLAYS PLC FL.R 19-XX XX/XXQ	GBP	267,230.78	1.01

AXIOM LUX - AXIOM CONTINGENT CAPITAL (launched as at 11/01/2019)

Securities portfolio as at 31/12/2019

Expressed in EUR

Quantity	Denomination	Quotation currency	Market value	% of net assets
300,000.00	COVENTRY BUILDING SO FL.R 19-99 31/12S	GBP	393,482.03	1.48
350,000.00	DIRECT LINE INSUR SUB FL.R 17-XX 07/12S	GBP	392,622.89	1.48
500,000.00	STANDARD CHARTERED FL.R 13-25 21/10A	EUR	515,230.00	1.94
Other transferable securities			419,928.00	1.58
Floating rate bonds			419,928.00	1.58
<i>France</i>			<i>107,445.00</i>	<i>0.41</i>
100,000.00	LA MONDIALE FL.R 19-49 31/12S	EUR	107,445.00	0.41
<i>The Netherlands</i>			<i>312,483.00</i>	<i>1.17</i>
300,000.00	ACHMEA BV FL.R 19-XX XX/XXS	EUR	312,483.00	1.17
Shares/Units of UCITS/UCIS			2,631,059.28	9.92
Units in investment funds			2,631,059.28	9.92
<i>Luxembourg</i>			<i>2,631,059.28</i>	<i>9.92</i>
24.00	UC AXIOM GL COCO BDS UCITS ETF INS EUR H	EUR	2,631,059.28	9.92
Total securities portfolio			24,146,526.53	91.03

AXIOM LUX - AXIOM CONTINGENT CAPITAL (launched as at 11/01/2019)

Statement of Operations and Changes in Net Assets from 11/01/2019 to 31/12/19

Expressed in EUR

Income		1,166,523.17
Net interest on bonds	Note 2	1,155,386.63
Bank interest on cash accounts		9,561.55
Other financial income		1,436.10
Interest on dynamic portfolio swaps / credit default swaps		138.89
Expenses		216,161.88
Amortisation of formation expenses	Note 2	529.60
Management Company fees	Note 4	151,090.91
Depositary fees	Note 5	11,544.33
Taxe d'abonnement	Note 3	2,356.82
Administration fees	Note 5	6,466.75
Domiciliation fees		671.61
Professional fees		5,197.24
Bank interest on overdrafts		10,050.81
Legal fees		1,162.78
Transaction fees	Note 6	4,240.98
Interest on dynamic portfolio swaps / credit default swaps		17,614.11
Other expenses	Note 7	5,235.94
Net income from investments		950,361.29
Net realised profit / loss on:		
- sales of investment securities		926,527.01
- forward foreign exchange contracts		-264,741.07
- financial futures		-135,705.57
- swaps		52,645.24
- foreign exchange		182,211.76
Net realised profit		1,711,298.66
Movement in net unrealised appreciation / depreciation on:		
- securities	Note 2	1,687,940.05
- forward foreign exchange contracts	Note 2	90,594.17
- financial futures	Note 2	19,481.40
- swaps	Note 2	-50,741.86
Increase in net assets as a result of operations		3,458,572.42
Subscription capitalisation shares		26,103,842.77
Redemption capitalisation shares		-3,036,112.62
Increase in net assets		26,526,302.57
Net assets at the beginning of the period		0.00
Net assets at the end of the period		26,526,302.57

AXIOM LUX

- AXIOM EQUITY (launched as at 11/01/2019)

AXIOM LUX - AXIOM EQUITY (launched as at 11/01/2019)

Financial Statements as at 31/12/2019

Statement of Net Assets as at 31/12/2019

Expressed in EUR

Assets		8,098,191.94
Securities portfolio at market value	Note 2	7,480,129.81
<i>Cost price</i>		6,993,657.46
<i>Unrealised profit on the securities portfolio</i>		486,472.35
Cash at banks and liquidities		482,780.35
Formation expenses	Note 2	929.91
Subscriptions receivable		14,105.12
Dividends receivable		4,250.74
Unrealised net appreciation on forward foreign exchange contracts	Note 2	6,805.09
Unrealised net appreciation on financial futures	Note 2	2,510.00
Unrealised net appreciation on swaps	Note 2	106,680.92
Liabilities		166,837.33
Bank overdrafts		122,033.64
Administration fees payable	Note 5	1,086.40
Performance fees payable	Note 4	286.23
Redemptions payable		10,438.39
Management Company fees payable		15,724.65
Depositary fees payable	Note 5	7,248.92
Other liabilities		10,019.10
Net asset value		7,931,354.61

Changes in number of shares outstanding from 11/01/2019 to 31/12/2019

	Shares outstanding as at 11/01/2019	Shares issued	Shares redeemed	Shares outstanding as at 31/12/2019
C - EUR - Capitalisation	0.0000	4,035.4884	1,516.0446	2,519.4438
R - EUR - Capitalisation	0.0000	15,076.5796	7,140.1725	7,936.4071
BC - USD - Capitalisation	0.0000	105.0000	105.0000	0.0000

Key figures

Period / Year ending as at: **31/12/19**

Total Net Assets	EUR	7,931,354.61
C - EUR - Capitalisation		
Number of shares		2,519.4438
Net asset value per share	EUR	750.94
R - EUR - Capitalisation		
Number of shares		7,936.4071
Net asset value per share	EUR	760.98

AXIOM LUX - AXIOM EQUITY (launched as at 11/01/2019)

Key figures

Period / Year ending as at: **31/12/19**

Total Net Assets EUR 7,931,354.61

BC - USD - Capitalisation

Number of shares 0.0000

Net asset value per share USD 0.00

AXIOM LUX - AXIOM EQUITY (launched as at 11/01/2019)

Securities portfolio as at 31/12/2019

Expressed in EUR

Quantity	Denomination	Quotation currency	Market value	% of net assets
Transferable securities admitted to an official stock exchange listing and/or dealt in on another regulated market			7,480,129.81	94.31
Shares			7,480,129.81	94.31
<i>Austria</i>			<i>398,765.10</i>	<i>5.03</i>
11,227.00	ERSTE GROUP BANK AG	EUR	376,778.12	4.75
982.00	RAIFFEISEN BANK INTERNATIONAL-HOLDING AG	EUR	21,986.98	0.28
<i>Belgium</i>			<i>486,721.48</i>	<i>6.14</i>
7,258.00	KBC GROUPE SA	EUR	486,721.48	6.14
<i>Denmark</i>			<i>315,146.93</i>	<i>3.97</i>
5,561.00	DANSKE BANK	DKK	80,224.26	1.01
2,644.00	TOPDANMARK AS	DKK	116,198.01	1.47
4,492.00	TRYG A/S	DKK	118,724.66	1.49
<i>Finland</i>			<i>195,683.92</i>	<i>2.47</i>
27,184.00	NORDEA BANK ABP	SEK	195,683.92	2.47
<i>France</i>			<i>846,403.81</i>	<i>10.67</i>
9,842.00	BNP PARIBAS SA	EUR	519,952.86	6.56
8,676.00	CREDIT AGRICOLE SA	EUR	112,137.30	1.41
6,910.00	SOCIETE GENERALE SA	EUR	214,313.65	2.70
<i>Germany</i>			<i>46,927.60</i>	<i>0.59</i>
8,506.00	COMMERZBK	EUR	46,927.60	0.59
<i>Ireland</i>			<i>20,698.38</i>	<i>0.26</i>
6,664.00	AIB GRP - REGISTERED	EUR	20,698.38	0.26
<i>Italy</i>			<i>1,027,386.42</i>	<i>12.95</i>
10,426.00	BANCO BPM REGISTERED	EUR	21,143.93	0.27
4,121.00	FINECOBANK	EUR	44,053.49	0.56
147,920.00	INTESA SANPAOLO SPA	EUR	347,390.12	4.37
5,713.00	MEDIOBANCA SPA	EUR	56,067.38	0.71
14,846.00	NEXI S.P.A.	EUR	183,793.48	2.31
8,074.00	UBI BANCA SCPA	EUR	23,511.49	0.30
18,127.00	UNICREDIT -REGISTERD SHARE	EUR	236,013.54	2.97
44,561.00	UNIPOLSAI AZ. POST RAGGRUPPAMENTO	EUR	115,412.99	1.46
<i>Norway</i>			<i>129,820.00</i>	<i>1.64</i>
7,808.00	DNB	NOK	129,820.00	1.64
<i>Poland</i>			<i>142,622.45</i>	<i>1.80</i>
17,595.00	PKO BANK POLSKI SA	PLN	142,622.45	1.80
<i>Spain</i>			<i>1,026,602.42</i>	<i>12.94</i>
60,556.00	BANCO BILBAO VIZCAYA ARGENT SA REG	EUR	301,750.55	3.80
344,465.00	BANCO SABADELL REG.SHS	EUR	358,243.60	4.51
64,120.00	BANCO SANTANDER SA REG SHS	EUR	239,167.60	3.02
9,603.00	BANKIA BEARER SHS	EUR	18,269.71	0.23
4,336.00	BANKINTER REG.SHS	EUR	28,322.75	0.36
28,895.00	CAIXABANK	EUR	80,848.21	1.02
<i>Sweden</i>			<i>660,197.18</i>	<i>8.32</i>
12,785.00	SHB -A-	SEK	122,767.15	1.55
52,058.00	SKANDINAVISKA ENSKILDA BANKEN -A-	SEK	436,370.17	5.50
7,615.00	SWEDBANK -A-	SEK	101,059.86	1.27
<i>Switzerland</i>			<i>367,824.80</i>	<i>4.64</i>
6,940.00	CREDIT SUISSE GROUP AG REG SHS	CHF	83,669.46	1.05
25,266.00	UBS GROUP NAMEN-AKT	CHF	284,155.34	3.59
<i>The Netherlands</i>			<i>445,979.28</i>	<i>5.62</i>
3,957.00	ABN AMRO GROUP DEP RECEIPT	EUR	64,182.54	0.81
35,722.00	ING GROEP	EUR	381,796.74	4.81
<i>United Kingdom</i>			<i>1,369,350.04</i>	<i>17.27</i>
147,219.00	BARCLAYS PLC	GBP	312,107.41	3.94
71,083.00	HSBC HOLDINGS PLC	GBP	496,536.59	6.26
414,333.00	LLOYDS BANKING GROUP PLC	GBP	305,609.41	3.85
26,599.00	ROYAL BANK OF SCOTLAND	GBP	75,432.11	0.95
19,388.00	STANDARD CHARTERED PLC	GBP	163,002.43	2.06
7,488.00	VIRGIN MONEY UK PLC	GBP	16,662.09	0.21
Total securities portfolio			7,480,129.81	94.31

AXIOM LUX - AXIOM EQUITY (launched as at 11/01/2019)

Statement of Operations and Changes in Net Assets from 11/01/2019 to 31/12/19

Expressed in EUR

Income		314,712.60
Net dividends	Note 2	300,477.07
Bank interest on cash accounts		14,210.14
Other financial income		25.39
Expenses		239,383.45
Amortisation of formation expenses	Note 2	107.38
Management Company fees	Note 4	148,404.90
Depositary fees	Note 5	8,932.14
Taxe d'abonnement	Note 3	1,333.70
Administration fees	Note 5	2,184.30
Domiciliation fees		182.27
Professional fees		4,455.64
Bank interest on overdrafts		7,269.52
Legal fees		277.87
Transaction fees	Note 6	41,206.43
Other expenses	Note 7	25,029.30
Net income from investments		75,329.15
Net realised profit / loss on:		
- securities		-43,951.55
- forward foreign exchange contracts		56,310.37
- financial futures		-25,860.40
- swaps		334,828.50
- foreign exchange		-1,709.32
Net realised profit		394,946.75
Movement in net unrealised appreciation / depreciation on:		
- securities	Note 2	486,472.35
- forward foreign exchange contracts	Note 2	6,805.09
- financial futures	Note 2	2,510.00
- swaps	Note 2	106,680.92
Increase in net assets as a result of operations		997,415.11
Subscription capitalisation shares		12,980,546.88
Redemption capitalisation shares		-6,046,607.38
Increase in net assets		7,931,354.61
Net assets at the beginning of the period		0.00
Net assets at the end of the period		7,931,354.61

AXIOM LUX

- AXIOM OPTIMAL FIX (launched as at 11/01/2019)

AXIOM LUX - AXIOM OPTIMAL FIX (launched as at 11/01/2019)

Financial Statements as at 31/12/2019

Statement of Net Assets as at 31/12/2019

Expressed in EUR

Assets		285,017,414.84
Securities portfolio at market value	Note 2	265,623,254.60
<i>Cost price</i>		259,721,677.75
<i>Unrealised profit on the securities portfolio</i>		5,901,576.85
Cash at banks and liquidities		15,703,829.97
Interest receivable		3,275,479.27
Formation expenses	Note 2	34,191.41
Subscriptions receivable		43,469.14
Dividends receivable		47,296.18
Unrealised net appreciation on financial futures	Note 2	275,559.65
Unrealised net appreciation on swaps	Note 2	14,334.62
Liabilities		1,077,889.21
Bank overdrafts		506,492.45
Administration fees payable	Note 5	27,895.90
Unrealised net depreciation on forward foreign exchange contracts	Note 2	227,179.97
Management Company fees payable		237,180.34
Depositary fees payable	Note 5	26,706.78
Other liabilities		52,433.77
Net asset value		283,939,525.63

Changes in number of shares outstanding from 11/01/2019 to 31/12/2019

	Shares outstanding as at 11/01/2019	Shares issued	Shares redeemed	Shares outstanding as at 31/12/2019
C - EUR - Capitalisation	0.0000	177,334.6674	59,823.3705	117,511.2969
R EUR - Capitalisation	0.0000	17,508.0903	3,276.2722	14,231.8181
R USD - Capitalisation	0.0000	295.7675	195.7675	100.0000
CHF - Capitalisation	0.0000	9,136.5624	961.9550	8,174.6074
D - EUR - Distribution	0.0000	27,127.3092	570.0000	26,557.3092
B - USD - Capitalisation	0.0000	18,539.7172	2,455.2996	16,084.4176
Z - EUR - Capitalisation	0.0000	147.7284	93.7284	54.0000
H - EUR - Capitalisation	0.0000	83,743.6789	1.0000	83,742.6789

AXIOM LUX - AXIOM OPTIMAL FIX (launched as at 11/01/2019)

Key figures

Period / Year ending as at: **31/12/19**

Total Net Assets	EUR	283,939,525.63
C - EUR - Capitalisation		
Number of shares		117,511.2969
Net asset value per share	EUR	1,136.74
R EUR - Capitalisation		
Number of shares		14,231.8181
Net asset value per share	EUR	1,042.18
R USD - Capitalisation		
Number of shares		100.0000
Net asset value per share	USD	1,088.65
CHF - Capitalisation		
Number of shares		8,174.6074
Net asset value per share	CHF	1,040.69
D - EUR - Distribution		
Number of shares		26,557.3092
Net asset value per share	EUR	967.06
Dividend per share		41.12
B - USD - Capitalisation		
Number of shares		16,084.4176
Net asset value per share	USD	1,172.37
Z - EUR - Capitalisation		
Number of shares		54.0000
Net asset value per share	EUR	1,089.43
H - EUR - Capitalisation		
Number of shares		83,742.6789
Net asset value per share	EUR	1,015.77

AXIOM LUX - AXIOM OPTIMAL FIX (launched as at 11/01/2019)

Securities portfolio as at 31/12/2019

Expressed in EUR

Quantity	Denomination	Quotation currency	Market value	% of net assets
Transferable securities admitted to an official stock exchange listing and/or dealt in on another regulated market			230,015,593.64	81.01
Shares			16,673,535.70	5.87
<i>The Netherlands</i>				
99,033.00	ING GROEP NV PREF SHS	USD	2,297,389.15	0.81
<i>United Kingdom</i>				
750,000.00	AVIVA PLC PREF 8.75 92- PERPETUAL	GBP	7,483,779.23	2.63
123,637.00	HSBC HLDGS PFD ADR REP 1/40TH 6.2% -A-	USD	1,345,370.86	0.47
748,000.00	NATIONAL WESTMINSTER BK 9 NON CUM PRF-A-	GBP	2,960,679.34	1.04
200,000.00	SANTANDER UK 10.375 PREF SHS	GBP	1,405,782.73	0.50
841,170.00	STD CHART 8.25% CON-CUM IRR PFD REG SHS	GBP	398,536.61	0.14
<i>United States of America</i>				
14,615.00	ALLIED CAP PFDS 6.875 PREF SHS	USD	1,373,409.69	0.48
14,277.00	ASSURED GUARANTY MUNI 6.25 PFD SHS	USD	6,892,367.32	2.43
184,501.00	BANK OF AMERICA 6.45 15.12.66	USD	343,338.57	0.12
28,889.00	CAPITAL ONE N.CUM PERP PFD -B-	USD	337,433.24	0.12
16,454.00	FIRST HORIZON NATIONAL CORP	USD	4,431,311.32	1.56
17,332.00	NORTHERN TRUST	USD	652,415.28	0.23
2,538.00	PNC FINANCIAL SERVICE 1/4000 TH PFD -Q-	USD	377,745.73	0.13
13,504.00	TRUIST DEP REPR 5.20 NON CUM PREF SER.F	USD	386,167.77	0.14
Bonds			108,454,266.89	38.20
<i>British Virgin Islands</i>				
800,000.00	RADIANT ACCESS 4.60 17-XX 18/05S	USD	711,244.54	0.25
<i>Denmark</i>				
1,000,000.00	JYSKE BANK A/S 0.625 16-21 14/04A	EUR	1,009,915.00	0.36
<i>Finland</i>				
700,000.00	NORDEA BANK EMTN 4.00 10-21 29/03A	EUR	4,662,552.00	1.64
3,000,000.00	NORDEA BANK EMTN 4.50 10-20 26/03A	EUR	734,412.00	0.26
800,000.00	OP CORPORATE BANK PLC 5.75 12-22 28/02A	EUR	3,031,740.00	1.06
<i>France</i>				
3,600,000.00	AXA SUB 5.50 13-XX 22/01S	USD	896,400.00	0.32
5,000,000.00	BFCM REGS 0.10 18-21 08/02A	EUR	19,325,600.99	6.81
2,000,000.00	BNP PARIBAS 6.25 05-XX 17/10A	USD	3,246,350.11	1.14
1,200,000.00	BNP PARIBAS 6.50 07-XX 06/06Q	USD	5,011,700.00	1.76
2,000,000.00	CREDIT AGRICOLE SA 4.00 12-21 29/06Q	EUR	1,842,209.35	0.65
922,000.00	CREDIT AGRICOLE SA 4.50 10-20 30/06Q	EUR	1,091,871.71	0.38
3,000,000.00	HSBC FRANCE 0.625 15-20 03/12A	EUR	2,118,900.00	0.75
1,000,000.00	SOCIETE GENERALE 0.75 15-20 25/11A	EUR	942,569.82	0.33
1,000,000.00	UMG GROUPE VYV 1.625 19-29 02/07A	EUR	3,024,990.00	1.07
<i>Germany</i>				
1,000,000.00	AAREAL BANK 4.25 14-26 18/03A	EUR	1,009,310.00	0.36
5,000,000.00	ALLIANZ SE 5.50 12-XX 26/09S	USD	1,037,700.00	0.37
3,000,000.00	COMMERZBANK AG 4.00 10-20 16/09A	EUR	13,263,976.87	4.67
1,500,000.00	COMMERZBANK AG 7.75 11-21 16/03A	EUR	1,043,390.00	0.37
2,000,000.00	DEUTSCHE BANK 5.00 10-20 24/06A	EUR	4,518,908.69	1.58
1,000,000.00	NORDDEUTSCHE LBK 6.250 14-24 10/04Q	USD	3,087,270.00	1.09
<i>Ireland</i>				
650,000.00	BANK OF IRELAND 13.375 91-XX XX/XXS	GBP	1,638,412.50	0.58
2,033,000.00	BK IRELAND (GOV&CO) 10.00 12-22 19/12A	EUR	2,046,940.00	0.72
<i>Jersey Island</i>				
15,600,000.00	HBOS CAP FUND.LP 6.85 03-XX 23/03Q	USD	929,055.68	0.33
5,578,000.00	MAIN CAPITAL FUNDING 5.50 05-49 30/06A	EUR	4,202,756.12	1.48
5,458,000.00	MAIN CAPITAL FUNDING 5.75 06-XX 30/06A	EUR	1,605,151.36	0.57
<i>Poland</i>				
800,000.00	SANTANDER BANK POLSKA 0.75 18-21 20/09A	EUR	2,597,604.76	0.91
<i>Spain</i>				
1,750,000.00	BANCO SABADELL 6.25 10-20 26/04A	EUR	25,684,350.18	9.05
<i>Sweden</i>				
1,000,000.00	INTRUM AB 3.5000 19-26 15/07S	EUR	14,236,928.29	5.02
800,000.00	SKANDINAVISKA ENSK 0.50 18-23 13/03A	EUR	5,799,892.84	2.04
<i>The Netherlands</i>				
3,000,000.00	ABN AMRO BANK FL.R 15-25 30/06A	EUR	5,647,529.05	1.99
3,000,000.00	ABN AMRO BANK EMTN 6.375 11-21 27/04A	EUR	808,208.00	0.28
1,000,000.00	ACHMEA BV 2.75 14-21 18/02A	EUR	808,208.00	0.28
<i>Sweden</i>				
1,000,000.00	INTRUM AB 3.5000 19-26 15/07S	EUR	1,784,720.00	0.63
800,000.00	SKANDINAVISKA ENSK 0.50 18-23 13/03A	EUR	1,784,720.00	0.63
<i>The Netherlands</i>				
3,000,000.00	ABN AMRO BANK FL.R 15-25 30/06A	EUR	1,835,848.00	0.65
3,000,000.00	ABN AMRO BANK EMTN 6.375 11-21 27/04A	EUR	1,025,520.00	0.36
1,000,000.00	ACHMEA BV 2.75 14-21 18/02A	EUR	810,328.00	0.29

The accompanying notes form an integral part of these financial statements

AXIOM LUX - AXIOM OPTIMAL FIX (launched as at 11/01/2019)

Securities portfolio as at 31/12/2019

Expressed in EUR

Quantity	Denomination	Quotation currency	Market value	% of net assets
3,000,000.00	COOP RABOBANK 6.875 10-20 19/03A	EUR	3,046,740.00	1.07
2,000,000.00	DE VOLKSBANK NV 3.75 15-25 05/11A	EUR	2,060,440.00	0.73
3,000,000.00	ING 0.75 15-20 24/11A	EUR	3,027,720.00	1.07
600,000.00	NIB CAPITAL BANK 0.00 03-43 10/02U	EUR	1,725,000.00	0.61
1,800,000.00	NOMURA EUROPE FINANC 1.125 15-20 03/06A	EUR	1,810,566.00	0.64
<i>United Kingdom</i>			<i>11,872,371.58</i>	<i>4.18</i>
1,500,000.00	BARCLAYS BANK PERP 6.86 02-XX 31/12S	USD	1,626,988.87	0.57
2,000,000.00	BARCLAYS BANK PLC 6.00 10-21 14/01A	EUR	2,122,950.00	0.75
650,000.00	CLOSE BROTHERS GROUP 2.75 18-23 26/04S	GBP	798,452.53	0.28
2,000,000.00	COVENTRY B SOC 2.50 13-20 18/11A	EUR	2,047,510.00	0.72
1,000,000.00	HBOS PLC 5.374 07-21 30/06A	EUR	1,080,265.00	0.38
2,500,000.00	NATIONWIDE BUILDING 6.75 10-20 22/07A	EUR	2,593,400.00	0.92
30,386.00	PRUDENTIAL 6.5 05-XX 31/12/Q	USD	740,904.07	0.26
34,553.00	PRUDENTIAL PLC 6.75 04-49 23/09Q	USD	861,901.11	0.30
<i>United States of America</i>			<i>4,298,027.61</i>	<i>1.51</i>
1,000,000.00	AMERICAN INTL SUB A6 8.175 09-58 15/05S	USD	1,202,672.61	0.42
3,000,000.00	MORGAN STANLEY 2.375 14-21 31/03A	EUR	3,095,355.00	1.09
Convertible bonds			998,835.00	0.35
<i>Mexico</i>			<i>998,835.00</i>	<i>0.35</i>
1,000,000.00	AMERICA MOVIL CV 0.00 15-20 28/05U	EUR	998,835.00	0.35
Floating rate bonds			103,888,956.05	36.59
<i>Austria</i>			<i>2,011,980.00</i>	<i>0.71</i>
2,000,000.00	RAIFFEISEN BANK FL.R 14-25 21/02A	EUR	2,011,980.00	0.71
<i>Finland</i>			<i>1,742,520.00</i>	<i>0.61</i>
1,600,000.00	MUNICIPALITY FIN C FL.R 15-49 01/04A	EUR	1,742,520.00	0.61
<i>France</i>			<i>28,919,588.74</i>	<i>10.20</i>
3,000,000.00	AXA FL.R 10-40 16/04A	EUR	3,043,140.00	1.07
3,317,000.00	AXA SA SUB -20- FL.R 05-49 29/01A	EUR	3,402,379.58	1.20
1,767,000.00	AXA SUB FL.R 04-XX 29/12A	EUR	1,821,759.33	0.64
2,200,000.00	BPCE FL.R 14-26 08/07A	EUR	2,284,678.00	0.80
1,000,000.00	CARREFOUR BANQUE FL.R 16-21 20/04Q	EUR	1,003,375.00	0.35
6,515,000.00	CNP ASSURANCES FL.R 05-XX 11/03A	EUR	6,594,678.45	2.33
1,050,000.00	CNP ASSURANCES FL.R 10-40 14/09A	EUR	1,096,231.50	0.39
700,000.00	CNP ASSURANCES FL.R 11-41 30/09A	EUR	783,286.00	0.28
2,900,000.00	LA MONDIAL PERPETUAL FL.R 06-49 15/11Q	EUR	2,813,000.00	0.99
5,312,000.00	NATEXIS BANQUE POP FL.R 05-XX 25/01A	EUR	5,367,722.88	1.90
700,000.00	RCI BANQUE SA FL.R 19-30 18/02A	EUR	709,338.00	0.25
<i>Germany</i>			<i>1,288,632.96</i>	<i>0.45</i>
1,278,000.00	HTI FUNDING GMBH FL.R 06-XX 30/06A	EUR	1,288,632.96	0.45
<i>Hungary</i>			<i>2,027,078.82</i>	<i>0.71</i>
500,000.00	OTP BANK NYRT FL.R 19-29 15/07A	EUR	514,402.50	0.18
1,632,000.00	OTP BANK REGS SUB FL.R 06-XX 07/11Q	EUR	1,512,676.32	0.53
<i>Iceland</i>			<i>572,794.37</i>	<i>0.20</i>
6,000,000.00	ISLANDSBANKI HF. FL.R 19-29 26/06Q	SEK	572,794.37	0.20
<i>Ireland</i>			<i>3,067,465.00</i>	<i>1.08</i>
2,000,000.00	ALLIED IRISH BK SUB FL.R 15-25 26/11A	EUR	2,067,540.00	0.73
1,000,000.00	FCA BANK SPA FL.R 18-21 17/06Q	EUR	999,925.00	0.35
<i>Italy</i>			<i>2,105,860.00</i>	<i>0.74</i>
1,000,000.00	MEDIOBANCA SUB FL.R 11-21 13/06Q	EUR	1,063,760.00	0.37
1,000,000.00	UNICREDIT SPA EMTN FL.R 13-25 28/10A	EUR	1,042,100.00	0.37
<i>Jersey Island</i>			<i>2,390,558.81</i>	<i>0.84</i>
2,000,000.00	HSBC BK FUNDING FL.R 04-XX 29/04A	GBP	2,390,558.81	0.84
<i>Spain</i>			<i>4,623,827.00</i>	<i>1.63</i>
500,000.00	BANCO MARE NOSTRUM FL.R 16-26 16/11A	EUR	583,375.00	0.21
1,000,000.00	BANKIA SA FL.R 19-29 15/02A	EUR	1,086,710.00	0.38
3,050,000.00	CAIXA SABADELL PREF FL.R 06-XX 14/04Q	EUR	2,953,742.00	1.04
<i>Sweden</i>			<i>2,350,169.00</i>	<i>0.83</i>
1,300,000.00	NORDEA BANK AB FL.R 15-25 10/11	EUR	1,319,539.00	0.47
1,000,000.00	SEB FL.R 14-26 28/05A	EUR	1,030,630.00	0.36
<i>Switzerland</i>			<i>4,184,680.00</i>	<i>1.47</i>
2,000,000.00	CREDIT SUISSE FL.R 13-25 18/09A	EUR	2,081,560.00	0.73
2,000,000.00	UBS AG SUB FL.R 14-26 12/02A	EUR	2,103,120.00	0.74
<i>The Netherlands</i>			<i>4,295,502.00</i>	<i>1.51</i>
900,000.00	DELTA LLOYD LEVENSFV FL.R 12-42 29/08A	EUR	1,114,128.00	0.39

AXIOM LUX - AXIOM OPTIMAL FIX (launched as at 11/01/2019)

Securities portfolio as at 31/12/2019

Expressed in EUR

Quantity	Denomination	Quotation currency	Market value	% of net assets
2,000,000.00	ING BANK NV FL.R 14-26 25/02A	EUR	2,080,880.00	0.73
100,000.00	NIBC BANK N.V. FL.R 18-20 30/07Q	EUR	100,054.00	0.04
1,000,000.00	RABOBANK NEDERLAND FL.R 06-21 20/09Q	EUR	1,000,440.00	0.35
<i>United Kingdom</i>			<i>18,042,284.69</i>	<i>6.35</i>
3,000,000.00	BARCLAYS BK PLC FL.R 18-20 15/01Q	EUR	3,000,420.00	1.06
1,000,000.00	BARCLAYS PLC FL.R 15-25 11/11A	EUR	1,018,640.00	0.36
3,011,000.00	COFINOGA FDING TWO FL.R 04-49 15/01Q	EUR	2,734,364.37	0.96
800,000.00	LEGAL & GENERAL FL.R 19-49 26/11S	GBP	958,593.26	0.34
800,000.00	LLOYDS TSB B EMTN FL.R 09-XX 21/01S	GBP	1,712,473.01	0.60
2,039,000.00	NATL WESTMINS.BK SUB. FL.R 99-XX 31/12A	EUR	2,030,334.25	0.72
1,269,000.00	PRUDENTIAL SUB FL.R 13-63 19/12S	GBP	1,817,170.26	0.64
1,400,000.00	STANDARD CHARTERED FL.R XX 14/07A	GBP	1,678,909.54	0.59
3,000,000.00	STANDARD CHARTERED FL.R 13-25 21/10A	EUR	3,091,380.00	1.08
<i>United States of America</i>			<i>26,266,014.66</i>	<i>9.26</i>
1,000,000.00	ALLFIRST PFD CAP TR FL.R 99-XX 31/12Q	USD	850,779.51	0.30
1,000,000.00	AMERICAN EXPRESS -B- FL.R 14-XX 15/11S	USD	898,084.64	0.32
2,000,000.00	AMERICAN INTL GROUP FL.R 07-67 15/03A	GBP	1,997,391.87	0.70
528,000.00	BAC CAP TRUST XIV FL.R 07-XX 30/09Q	USD	434,756.84	0.15
1,000,000.00	BANK OF NY MELLON CORP FL.R 15-49 20/12S	USD	902,155.91	0.32
1,000,000.00	CITIGROUP CAP XVIII FL.R 07-67 28/06S	GBP	1,062,134.89	0.37
3,371,000.00	DEUTSCHE POSTBANK SUB.FL.R 04-XX 23/12A	EUR	3,385,714.42	1.20
234,000.00	DZ BANK CAP FDG REGD FL.R 03-49 11/11Q	EUR	234,610.74	0.08
856,000.00	DZ BANK CAPITAL FUND FL.R 05-99 31/12Q	EUR	844,863.44	0.30
2,000,000.00	EVEREST REINSURANCE FL.R 07-37 15/05Q	USD	1,731,848.55	0.61
1,000,000.00	GS CAPITAL II FL.R 07-XX 01/12Q	USD	784,899.78	0.28
2,135,000.00	HSB GROUP INC FL.R 97-27 15/07Q	USD	1,702,293.99	0.60
1,000,000.00	ILFC E CAP TR II FL.R 05-65 21/12Q	USD	721,603.57	0.25
2,380,000.00	ILFC E-CAPITAL 144A FL.R 05-65 21/12Q	USD	1,685,612.47	0.59
298,000.00	JPM CHASE FL.R 08-XX 29/04Q	USD	268,292.91	0.09
1,700,000.00	JPMORGAN CHASE FL.R 17-37 02/02Q	USD	1,325,167.03	0.47
2,000,000.00	LIBERTY MUTUAL GROUP FL.R 19-59 23/05A	EUR	2,092,260.00	0.75
650,000.00	MELLON CAPITAL IV FL.R 07-XX 20/12Q	USD	547,624.27	0.19
2,000,000.00	REINSURANCE GROUP FL.R 05-65 15/12Q	USD	1,746,717.15	0.62
2,000,000.00	SUNTRUST PFD CAP FL.R 07-XX 15/06Q	USD	1,601,986.64	0.56
1,900,000.00	USB REALTY FL.R 06-XX 31/12Q	USD	1,447,216.04	0.51
Other transferable securities			4,195,837.90	1.48
Bonds			3,992,550.90	1.41
<i>Austria</i>			<i>2,011,090.00</i>	<i>0.70</i>
2,000,000.00	RAIFFEISEN BANK INTL 0.25 18-21 05/07A	EUR	2,011,090.00	0.70
<i>Jersey Island</i>			<i>1,036,660.00</i>	<i>0.37</i>
1,000,000.00	LHC THREE PLC 4.125 17-24 15/08S	EUR	1,036,660.00	0.37
<i>Spain</i>			<i>45,181.50</i>	<i>0.02</i>
993,000.00	BCO POLULAR ESPANOL 8.00 11-21 29/07Q	EUR	45,181.50	0.02
<i>United Kingdom</i>			<i>899,619.40</i>	<i>0.32</i>
750,000.00	HEATHROW FINANCE PLC 4.125 19-29 01/09S	GBP	899,619.40	0.32
Floating rate bonds			203,287.00	0.07
<i>Slovenia</i>			<i>203,287.00</i>	<i>0.07</i>
200,000.00	NOVA LJUBLJANSKA BANKA FL.R 19-29 19/11A	EUR	203,287.00	0.07
Shares/Units of UCITS/UCIS			27,411,434.13	9.65
Units in investment funds			27,411,434.13	9.65
<i>France</i>			<i>18,246,666.24</i>	<i>6.42</i>
96.00	UNION + - C CAP	EUR	18,246,666.24	6.42
<i>Luxembourg</i>			<i>9,164,767.89</i>	<i>3.23</i>
4,309.60	AXIOM CONTINGENT CAPITAL CLASSE Z	EUR	5,592,527.42	1.97
3,551.46	AXIOM OPTIMAL CRITERIA C EUR	EUR	3,572,240.47	1.26
Money market instruments			4,000,388.93	1.41
Bonds			4,000,388.93	1.41
<i>France</i>			<i>4,000,388.93</i>	<i>1.41</i>
2,000,000.00	BELLON SA ZCP 070120	EUR	2,000,237.25	0.71
2,000,000.00	FIMALAC SA ZCP 130320	EUR	2,000,151.68	0.70
Total securities portfolio			265,623,254.60	93.55

AXIOM LUX - AXIOM OPTIMAL FIX (launched as at 11/01/2019)

Statement of Operations and Changes in Net Assets from 11/01/2019 to 31/12/19

Expressed in EUR

Income		12,516,947.45
Net dividends	Note 2	1,403,936.78
Net interest on bonds	Note 2	8,558,681.64
Bank interest on cash accounts		51,807.13
Income on reverse repurchase agreements		178.23
Interest on dynamic portfolio swaps / credit default swaps		2,502,343.67
Expenses		2,923,101.42
Amortisation of formation expenses	Note 2	4,833.61
Management Company fees	Note 4	2,487,337.15
Depositary fees	Note 5	68,764.36
Taxe d'abonnement	Note 3	122,749.10
Administration fees	Note 5	60,555.17
Domiciliation fees		6,256.64
Professional fees		12,588.41
Bank interest on overdrafts		65,070.44
Legal fees		10,174.91
Transaction fees	Note 6	15,246.79
Interest on dynamic portfolio swaps / credit default swaps		23,493.07
Other expenses	Note 7	46,031.77
Net income from investments		9,593,846.03
Net realised profit / loss on:		
- sales of investment securities		62,030.38
- forward foreign exchange contracts		-4,358,169.71
- financial futures		-1,166,684.95
- swaps		-2,931,102.21
- foreign exchange		1,800,045.75
Net realised profit		2,999,965.29
Movement in net unrealised appreciation / depreciation on:		
- securities	Note 2	5,901,576.85
- forward foreign exchange contracts	Note 2	-227,179.97
- financial futures	Note 2	275,559.65
- swaps	Note 2	14,334.62
Increase in net assets as a result of operations		8,964,256.44
Dividends paid	Note 9	-1,102,106.61
Subscription capitalisation shares		324,227,724.81
Subscription distribution shares		26,493,104.06
Redemption capitalisation shares		-74,098,154.87
Redemption distribution shares		-545,298.20
Increase in net assets		283,939,525.63
Net assets at the beginning of the period		0.00
Net assets at the end of the period		283,939,525.63

AXIOM LUX

- AXIOM OBLIGATAIRE (launched as at 25/01/2019)

AXIOM LUX - AXIOM OBLIGATAIRE (launched as at 25/01/2019)

Financial Statements as at 31/12/2019

Statement of Net Assets as at 31/12/2019

Expressed in EUR

Assets		216,902,068.83
Securities portfolio at market value	Note 2	204,168,433.06
<i>Cost price</i>		<i>193,709,189.78</i>
<i>Unrealised profit on the securities portfolio</i>		<i>10,459,243.28</i>
Cash at banks and liquidities		7,989,770.80
Interest receivable		2,267,640.47
Formation expenses	Note 2	52,348.45
Brokers receivable		2,366,545.57
Subscriptions receivable		57,330.48
Liabilities		2,429,164.06
Administration fees payable	Note 5	33,060.36
Performance fees payable	Note 4	188,017.41
Redemptions payable		160,432.49
Unrealised net depreciation on forward foreign exchange contracts	Note 2	1,262,793.36
Unrealised net depreciation on swaps	Note 2	427,663.35
Management Company fees payable		302,207.77
Depositary fees payable	Note 5	18,336.48
Other liabilities		36,652.84
Net asset value		214,472,904.77

Changes in number of shares outstanding from 25/01/2019 to 31/12/2019

	Shares outstanding as at 25/01/2019	Shares issued	Shares redeemed	Shares outstanding as at 31/12/2019
C - EUR - Capitalisation	0.0000	68,689.4558	16,716.7793	51,972.6765
D - EUR - Distribution	0.0000	3,443.4761	972.4036	2,471.0725
R - EUR - Capitalisation	0.0000	17,813.8139	4,157.7452	13,656.0687
BC - USD - Capitalisation	0.0000	2,040.1516	339.9699	1,700.1817
M - CHF - Capitalisation	0.0000	955.5345	59.0010	896.5335
E - GBP - Capitalisation	0.0000	148.0000	81.0000	67.0000
Z - EUR - Capitalisation	0.0000	757.9967	0.0000	757.9967
I - EUR - Capitalisation	0.0000	28,397.8241	10,067.9017	18,329.9224
J - EUR - Capitalisation	0.0000	35,112.6910	3,099.4666	32,013.2244

AXIOM LUX - AXIOM OBLIGATAIRE (launched as at 25/01/2019)

Changes in number of shares outstanding from 25/01/2019 to 31/12/2019

	Shares outstanding as at 25/01/2019	Shares issued	Shares redeemed	Shares outstanding as at 31/12/2019
G - EUR - Capitalisation	0.0000	14,440.4095	1,939.0000	12,501.4095

Key figures

Period / Year ending as at: **31/12/19**

Total Net Assets	EUR	214,472,904.77
C - EUR - Capitalisation		
Number of shares		51,972.6765
Net asset value per share	EUR	2,001.09
D - EUR - Distribution		
Number of shares		2,471.0725
Net asset value per share	EUR	1,603.02
Dividend per share		43.10
R - EUR - Capitalisation		
Number of shares		13,656.0687
Net asset value per share	EUR	1,850.62
BC - USD - Capitalisation		
Number of shares		1,700.1817
Net asset value per share	USD	2,168.02
M - CHF - Capitalisation		
Number of shares		896.5335
Net asset value per share	CHF	1,895.17
E - GBP - Capitalisation		
Number of shares		67.0000
Net asset value per share	GBP	2,082.92
Z - EUR - Capitalisation		
Number of shares		757.9967
Net asset value per share	EUR	2,220.98
I - EUR - Capitalisation		
Number of shares		18,329.9224
Net asset value per share	EUR	1,205.79
J - EUR - Capitalisation		
Number of shares		32,013.2244
Net asset value per share	EUR	1,211.92
G - EUR - Capitalisation		
Number of shares		12,501.4095
Net asset value per share	EUR	1,091.31

AXIOM LUX - AXIOM OBLIGATAIRE (launched as at 25/01/2019)

Securities portfolio as at 31/12/2019

Expressed in EUR

Quantity	Denomination	Quotation currency	Market value	% of net assets
Transferable securities admitted to an official stock exchange listing and/or dealt in on another regulated market			154,235,055.35	71.91
Shares			1,086,286.66	0.51
<i>United Kingdom</i>			<i>1,086,286.66</i>	<i>0.51</i>
578,000.00	NATIONAL WESTMINSTER BK 9 NON CUM PRF-A-	GBP	1,086,286.66	0.51
Bonds			22,190,071.59	10.35
<i>Greece</i>			<i>7,619,838.85</i>	<i>3.55</i>
5,500,000.00	EUROBANK ERGASIAS SA 2.75 17-20 02/11A	EUR	5,621,082.50	2.62
2,000,000.00	HELLENIC TBILL ZCP 31-01-20	EUR	1,998,756.35	0.93
<i>Jersey Island</i>			<i>4,060,071.19</i>	<i>1.89</i>
2,000,000.00	HBOS CAP FUND.LP 6.85 03-XX 23/03Q	USD	1,825,247.22	0.85
2,131,000.00	HYBRID CAP.FD.1 SUB 8.00 05-XX 30/06Q	USD	165,373.97	0.08
2,000,000.00	MAIN CAPITAL FUNDING 5.75 06-XX 30/06A	EUR	2,069,450.00	0.96
<i>Spain</i>			<i>4,557,570.00</i>	<i>2.13</i>
1,300,000.00	CAJA DE SEGUROS 8.00 16-26 17/02A	EUR	1,374,750.00	0.64
3,000,000.00	IBERCAJA S.A.U. FL.R XX 06/01Q	EUR	3,182,820.00	1.49
<i>United Kingdom</i>			<i>5,952,591.55</i>	<i>2.78</i>
3,025,000.00	ESURE GROUP PLC 6.75 14-24 19/12S	GBP	3,668,091.40	1.71
1,760,000.00	TP ICAP 5.25 17-24 26/01S	GBP	2,284,500.15	1.07
Convertible bonds			4,150,882.47	1.94
<i>France</i>			<i>4,071,974.39</i>	<i>1.90</i>
3,500,000.00	ORANGE SA CV 0.375 17-21 27/06S	GBP	4,071,974.39	1.90
<i>Luxembourg</i>			<i>78,908.08</i>	<i>0.04</i>
4,600,000.00	ESPERITO SANTO REGS CV 3.125 13-18 02/12S in default	EUR	25,990.00	0.01
4,432,000.00	ESPIRITO SANTO CV REGS9.75 11-25 19/12A	EUR	52,918.08	0.03
Floating rate bonds			115,667,674.71	53.92
<i>Austria</i>			<i>5,376,640.00</i>	<i>2.51</i>
4,000,000.00	BAWAG GROUP AG FL.R 18-XX XX/XXS	EUR	4,291,640.00	2.00
1,000,000.00	RAIFFEISEN BANK SUB FL.R 17-XX 15/12S	EUR	1,085,000.00	0.51
<i>Belgium</i>			<i>4,081,575.00</i>	<i>1.90</i>
5,000,000.00	DEXIA FUNDING LUX-DY- FL.R 06-XX 02/11A	EUR	411,825.00	0.19
4,500,000.00	FORTIS BK SUB CV FL.R 07-XX 19/12Q	EUR	3,669,750.00	1.71
<i>Cayman Islands</i>			<i>529,581.50</i>	<i>0.25</i>
350,000.00	BA-CA FINANCE SUB. FL.R 04-XX 28/10S	EUR	308,714.00	0.15
250,000.00	BA-CA FINANCE SUB. FL.R 05-XX 22/03A	EUR	220,867.50	0.10
<i>Denmark</i>			<i>6,682,898.40</i>	<i>3.12</i>
1,050,000.00	DANSKE CV FL.R 18-99 26/06S	USD	1,003,678.40	0.47
1,242,000.00	SAXO BANK AS FL.R 19-XX XX/XXS	EUR	1,300,995.00	0.61
1,755,000.00	SAXO BANK AS FL.R 19-29 03/07A	EUR	1,833,975.00	0.86
2,500,000.00	SAXO BANK REGS SUB FL.R 14-XX 26/02S	EUR	2,544,250.00	1.18
<i>France</i>			<i>9,090,302.00</i>	<i>4.24</i>
1,000,000.00	AXA PERPETUAL SUB. FL.R 04-XX 29/04A	EUR	1,036,900.00	0.48
4,600,000.00	CASINO GUICHARD FL.R 14-24 07/03A	EUR	4,206,976.00	1.97
2,400,000.00	NATEXIS BANQUE POP FL.R 05-XX 25/01A	EUR	2,425,176.00	1.13
2,000,000.00	SOCIETE GENERALE FL.R 85-49 01/07A	EUR	1,421,250.00	0.66
<i>Germany</i>			<i>5,701,434.00</i>	<i>2.66</i>
1,200,000.00	HTI FUNDING GMBH FL.R 06-XX 30/06A	EUR	1,209,984.00	0.56
4,500,000.00	IKB DEUTSCHE INDUSTBK FL.R 18-28 31/01A	EUR	4,491,450.00	2.10
<i>Ireland</i>			<i>4,144,499.88</i>	<i>1.93</i>
3,884,000.00	PERMANENT TSB PLC FL.R 15-XX 01/04A	EUR	4,144,499.88	1.93
<i>Italy</i>			<i>3,907,838.00</i>	<i>1.82</i>
700,000.00	UNICREDIT FL.R 14-XX 10/09S	EUR	750,113.00	0.35
750,000.00	UNICREDIT FL.R 19-49 19/03S	EUR	879,277.50	0.41
2,100,000.00	UNICREDIT SPA FL.R 17-49 03/12S	EUR	2,278,447.50	1.06
<i>Jersey Island</i>			<i>66,312.75</i>	<i>0.03</i>
75,000.00	RZB FINANCE SUB FL.R 04-XX 15/06S	EUR	66,312.75	0.03
<i>Luxembourg</i>			<i>19,304,761.48</i>	<i>9.00</i>
3,000,000.00	AROUNDTOWN SA FL.R 19-XX XXA	GBP	3,727,810.23	1.74
4,000,000.00	BIL FL.R 14-XX 30/06A	EUR	4,130,840.00	1.93
6,500,000.00	EMERALD BAY SA FL.R 17-20 08/10U	EUR	6,369,350.00	2.96
8,250,000.00	FORTFINLUX SA REG-S FL.R 02-XX 29/11Q	EUR	5,076,761.25	2.37
<i>Portugal</i>			<i>3,118,444.00</i>	<i>1.45</i>
2,800,000.00	BANCO COMERCIAL PORT FL.R 19-XX XX/XXQ	EUR	3,118,444.00	1.45

AXIOM LUX - AXIOM OBLIGATAIRE (launched as at 25/01/2019)

Securities portfolio as at 31/12/2019

Expressed in EUR

Quantity	Denomination	Quotation currency	Market value	% of net assets
<i>Spain</i>			13,009,809.80	6.07
4,200,000.00	BANCO BILBAO VI FL.R 18-XX 24/03Q	EUR	4,591,902.00	2.15
500,000.00	BANCO SANTANDER SA FL.R 14-XX 12/03A	EUR	505,845.00	0.24
3,550,000.00	BANCO SANTANDER SA FL.R 17-XX XX/XXQ	EUR	3,204,656.00	1.49
245,000.00	CAIXA TERRASSA FL.R 05-XX 10/08A	EUR	201,938.80	0.09
4,400,000.00	CAIXABANK SA FL.R 18-XX 23/03Q	EUR	4,505,468.00	2.10
<i>Switzerland</i>			903,656.12	0.42
900,000.00	CS GROUP REGS FL.R 13-XX 11/12S	USD	903,656.12	0.42
<i>The Netherlands</i>			16,717,677.42	7.79
4,000,000.00	ABN AMRO FL.R 15-XX 22/03S	EUR	4,142,360.00	1.93
2,300,000.00	ASR NEDERLAND FL.R 17-XX 19/10S	EUR	2,460,356.00	1.15
1,800,000.00	ING GROEP NV FL.R 16-XX 21/11S	USD	1,717,320.27	0.80
1,900,000.00	KPN FL.R 13-73 14/03A	GBP	2,269,932.15	1.06
2,000,000.00	NIBC BANK NV FL.R 17-XX XX/XXS	EUR	2,107,400.00	0.98
3,700,000.00	VAN LANSCH KEMP WM FL.R 19-XX XX/XXS	EUR	4,020,309.00	1.87
<i>United Kingdom</i>			19,736,547.78	9.19
400,000.00	BARCLAYS PLC FL.R 19-XX XX/XXQ	GBP	534,461.55	0.25
1,100,000.00	BARCLAYS PLC SUB FL.R 15-XX 15/09Q	GBP	1,442,923.23	0.67
3,200,000.00	J SAINSBURY PLC FL.R 15-49 30/01S	GBP	3,944,835.08	1.84
350,000.00	LLOYDS BANK GROUP FL.R 86-XX 28/02S	USD	264,175.94	0.12
3,550,000.00	LLOYDS TSB B EMTN FL.R 09-XX 21/01S	GBP	7,599,098.96	3.53
1,750,000.00	NATIONAL WEST BK B FL.R 85-XX 09/08S	USD	1,345,543.43	0.63
13,000,000.00	RSA INSURANCE GROUP FL.R 17-XX XX/XXQ	SEK	1,299,041.19	0.61
2,700,000.00	SAINSBURY'S BANK PLC FL.R 17-27 23/11S	GBP	3,306,468.40	1.54
<i>United States of America</i>			3,295,696.58	1.54
3,300,000.00	AMERICAN INTL GROUP FL.R 07-67 15/03A	GBP	3,295,696.58	1.54
Units in investment funds			11,140,139.92	5.19
<i>Guernsey</i>			11,140,139.92	5.19
9,492,757.00	AXIOM EUR FIN DEBT FD GBP	GBP	11,140,139.92	5.19
Other transferable securities			10,016,714.26	4.67
Bonds			2,846,794.00	1.33
<i>France</i>			1,584,772.50	0.74
1,500,000.00	QUATRIM 5.8750 19-24 31/01A	EUR	1,584,772.50	0.74
<i>Jersey Island</i>			1,036,660.00	0.48
1,000,000.00	LHC THREE PLC 4.125 17-24 15/08S	EUR	1,036,660.00	0.48
<i>Spain</i>			225,361.50	0.11
2,080,000.00	BANCO POPULAR ESPA 8.25 11-21 19/10Q	EUR	94,640.00	0.04
2,873,000.00	BCO POLULAR ESPANOL 8.00 11-21 29/07Q	EUR	130,721.50	0.07
Floating rate bonds			7,169,920.26	3.34
<i>France</i>			74,250.00	0.03
90,000.00	CREDIT INDUSTRIEL FL.R 90-99 26/12A	EUR	74,250.00	0.03
<i>Italy</i>			538,025.00	0.25
500,000.00	FINECO BANK SPA FL.R 19-XX XX.XXS	EUR	538,025.00	0.25
<i>Luxembourg</i>			4,901,520.00	2.29
3,600,000.00	BANQUE INTERNATIONALE 5.25 19-XX XX/XXS	EUR	3,680,172.00	1.72
1,200,000.00	PROMONTORIA MMB SASU 8.00 19-XX XX/XXS	EUR	1,221,348.00	0.57
<i>Portugal</i>			23,472.00	0.01
4,800,000.00	BANCO ESPIRITO DEF FL.R 13-23 28/11A in default	EUR	23,472.00	0.01
<i>Slovenia</i>			304,930.50	0.14
300,000.00	NOVA LJUBLJANSKA BANKA FL.R 19-29 19/11A	EUR	304,930.50	0.14
<i>Spain</i>			72,800.00	0.03
1,600,000.00	BANCO POP ESPAN SUB 1 FL.R 09-19 22/12Q	EUR	72,800.00	0.03
<i>The Netherlands</i>			0.00	0.00
2,268,000.00	SNS REAAL GROEP-EMTN- FL.R 07-XX 17/07A	EUR	0.00	0.00
<i>United Kingdom</i>			1,254,922.76	0.59
980,000.00	NATIONWIDE BUILD 5.875 19-XX XX/XXA	GBP	1,254,922.76	0.59
Shares/Units of UCITS/UCIS			4,933,236.15	2.30
Units in investment funds			4,933,236.15	2.30
<i>Luxembourg</i>			4,933,236.15	2.30
45.00	UC AXIOM GL COCO BDS UCITS ETF INS EUR H	EUR	4,933,236.15	2.30

AXIOM LUX - AXIOM OBLIGATAIRE (launched as at 25/01/2019)

Securities portfolio as at 31/12/2019

Expressed in EUR

Quantity	Denomination	Quotation currency	Market value	% of net assets
Money market instruments			34,983,427.30	16.31
Bonds			34,983,427.30	16.31
	<i>France</i>		<i>34,983,427.30</i>	<i>16.31</i>
5,000,000.00	BELLON SA ZCP 070120	EUR	5,000,593.13	2.33
2,000,000.00	ELIS SA HOLDELIS SA ZCP 080420	EUR	1,990,891.67	0.93
2,000,000.00	ELIS SA HOLDELIS SA ZCP 270120	EUR	1,995,105.34	0.93
5,000,000.00	EUROFINS ZCP 290120	EUR	5,001,228.77	2.33
3,000,000.00	EUROP MOBIL GRP ZCP 130120	EUR	2,997,495.43	1.40
5,000,000.00	FIMALAC SA ZCP 130320	EUR	5,000,460.74	2.33
5,000,000.00	KORIAN SA ZCP 240120	EUR	5,000,750.11	2.33
5,000,000.00	SOFIPROTEOL. ZCP 060120	EUR	5,000,688.98	2.33
3,000,000.00	VERALLIA PACKAGING ZCP 090320	EUR	2,996,213.13	1.40
Total securities portfolio			204,168,433.06	95.20

AXIOM LUX - AXIOM OBLIGATAIRE (launched as at 25/01/2019)

Statement of Operations and Changes in Net Assets from 25/01/2019 to 31/12/19

Expressed in EUR

Income		7,672,551.38
Net dividends	Note 2	721,995.73
Net interest on bonds	Note 2	6,880,357.37
Bank interest on cash accounts		11,235.36
Other financial income		8,974.20
Interest on dynamic portfolio swaps / credit default swaps		49,988.72
Expenses		3,535,461.87
Amortisation of formation expenses	Note 2	7,155.23
Management Company fees	Note 4	3,055,827.34
Depositary fees	Note 5	50,559.40
Taxe d'abonnement	Note 3	87,127.68
Administration fees	Note 5	55,114.03
Performance fees	Note 4	175,492.48
Domiciliation fees		4,405.76
Professional fees		7,986.00
Bank interest on overdrafts		24,226.96
Legal fees		8,344.94
Transaction fees	Note 6	7,746.12
Interest on dynamic portfolio swaps / credit default swaps		7,194.44
Other expenses	Note 7	44,281.49
Net income from investments		4,137,089.51
Net realised profit / loss on:		
- sales of investment securities		659,563.40
- forward foreign exchange contracts		-1,195,676.76
- swaps		456,013.34
- foreign exchange		268,222.08
Net realised profit		4,325,211.57
Movement in net unrealised appreciation / depreciation on:		
- securities	Note 2	10,459,243.28
- forward foreign exchange contracts	Note 2	-1,262,793.36
- swaps	Note 2	-427,663.35
Increase in net assets as a result of operations		13,093,998.14
Dividends paid	Note 9	-123,157.14
Subscription capitalisation shares		255,412,262.30
Subscription distribution shares		5,326,048.84
Redemption capitalisation shares		-57,697,677.17
Redemption distribution shares		-1,538,570.20
Increase in net assets		214,472,904.77
Net assets at the beginning of the period		0.00
Net assets at the end of the period		214,472,904.77

AXIOM LUX

- **AXIOM OPTIMAL CRITERIA** (launched as at
21/08/2019)

AXIOM LUX - AXIOM OPTIMAL CRITERIA (launched as at 21/08/2019)

Financial Statements as at 31/12/2019

Statement of Net Assets as at 31/12/2019

Expressed in EUR

Assets		14,484,728.80
Securities portfolio at market value	Note 2	13,719,277.87
<i>Cost price</i>		13,717,597.59
<i>Unrealised profit on the securities portfolio</i>		1,680.28
Cash at banks and liquidities		538,473.93
Interest receivable		148,258.61
Formation expenses	Note 2	15,332.49
Dividends receivable		557.78
Unrealised net appreciation on financial futures	Note 2	62,828.12
Liabilities		92,744.79
Bank overdrafts		68,882.27
Administration fees payable	Note 5	1,179.35
Unrealised net depreciation on forward foreign exchange contracts	Note 2	11,976.10
Management Company fees payable		6,101.67
Depositary fees payable	Note 5	1,528.28
Other liabilities		3,077.12
Net asset value		14,391,984.01

Changes in number of shares outstanding from 21/08/2019 to 31/12/2019

	Shares outstanding as at 21/08/2019	Shares issued	Shares redeemed	Shares outstanding as at 31/12/2019
C - EUR - Capitalisation	0.0000	14,301.4644	0.0000	14,301.4644

Key figures

Period / Year ending as at: **31/12/19**

Total Net Assets	EUR	14,391,984.01
C - EUR - Capitalisation		
Number of shares		14,301.4644
Net asset value per share	EUR	1,006.33

AXIOM LUX - AXIOM OPTIMAL CRITERIA (launched as at 21/08/2019)

Securities portfolio as at 31/12/2019

Expressed in EUR

Quantity	Denomination	Quotation currency	Market value	% of net assets
Transferable securities admitted to an official stock exchange listing and/or dealt in on another regulated market			13,538,404.87	94.07
Shares			102,476.62	0.71
<i>United States of America</i>			<i>102,476.62</i>	<i>0.71</i>
1,000.00	ASSURED GUARANTY MUNI 6.875 PFD SHS	USD	24,080.18	0.17
100.00	US BANCORP	USD	78,396.44	0.54
Bonds			8,954,765.52	62.22
<i>British Virgin Islands</i>			<i>177,811.13</i>	<i>1.24</i>
200,000.00	RADIANT ACCESS 4.60 17-XX 18/05S	USD	177,811.13	1.24
<i>Cayman Islands</i>			<i>409,330.00</i>	<i>2.84</i>
400,000.00	HUTCH WHAMPOA FIN 14 1.375 14-21 31/10A	EUR	409,330.00	2.84
<i>Finland</i>			<i>941,813.50</i>	<i>6.54</i>
700,000.00	NORDEA BANK 2.00 14-21 17/02A	EUR	717,713.50	4.98
200,000.00	OP CORPORATE BANK PLC 5.75 12-22 28/02A	EUR	224,100.00	1.56
<i>France</i>			<i>3,154,488.29</i>	<i>21.92</i>
400,000.00	AXA SUB 5.50 13-XX 22/01S	USD	360,705.57	2.51
200,000.00	BNP PARIBAS 2.25 14-21 13/01A	EUR	205,216.00	1.43
600,000.00	BPCE 0.625 16-20 20/04A	EUR	601,692.00	4.18
100,000.00	DASSAULT SYSTEM 0.00 19-22 16/09A	EUR	100,185.50	0.70
200,000.00	ELECT.DE FRANCE 6.00 14-14 22/01S	USD	213,149.22	1.48
100,000.00	ENGIE EMTN 5.95 11-11 16/03A	EUR	192,552.50	1.34
600,000.00	HSBC FRANCE 0.625 15-20 03/12A	EUR	604,998.00	4.20
600,000.00	SOCIETE GENERALE 4.00 13-23 07/06A	EUR	673,209.00	4.67
100,000.00	UMG GROUPE VYV 1.625 19-29 02/07A	EUR	103,770.00	0.72
100,000.00	UNIBAIL RODAMCO SE 1.75 19-49 01/07A	EUR	99,010.50	0.69
<i>Germany</i>			<i>180,756.35</i>	<i>1.26</i>
200,000.00	ALLIANZ SE 5.50 12-XX 26/09S	USD	180,756.35	1.26
<i>Ireland</i>			<i>181,178.62</i>	<i>1.26</i>
200,000.00	CLOVERIE EMTN 4.75 16-XX 20/01S	USD	181,178.62	1.26
<i>Poland</i>			<i>202,052.00</i>	<i>1.40</i>
200,000.00	SANTANDER BANK POLSKA 0.75 18-21 20/09A	EUR	202,052.00	1.40
<i>Sweden</i>			<i>202,582.00</i>	<i>1.41</i>
200,000.00	SKANDINAVISKA ENSK 0.50 18-23 13/03A	EUR	202,582.00	1.41
<i>Switzerland</i>			<i>192,581.74</i>	<i>1.34</i>
200,000.00	UBS AG SUB 5.125 14-24 15/05A	USD	192,581.74	1.34
<i>The Netherlands</i>			<i>1,216,548.00</i>	<i>8.45</i>
600,000.00	ABN AMRO BANK 0.75 15-20 09/06A	EUR	602,970.00	4.19
200,000.00	COOP RABOBANK 6.875 10-20 19/03A	EUR	203,116.00	1.41
400,000.00	SABIC CAPITAL 2.75 13-20 20/11A	EUR	410,462.00	2.85
<i>United Kingdom</i>			<i>1,303,683.40</i>	<i>9.06</i>
500,000.00	AVIVA PLC 0.625 16-23 27/10A	EUR	510,472.50	3.55
250,000.00	CLOSE BROTHERS GROUP 2.75 18-23 26/04S	GBP	307,097.13	2.13
200,000.00	HSBC HOLDINGS REG S 7.00 08-38 07/04A	GBP	350,516.32	2.44
100,000.00	PENSION INSURANCE SUB 6.50 14-24 03/07A	GBP	135,597.45	0.94
<i>United States of America</i>			<i>791,940.49</i>	<i>5.50</i>
2,000.00	BOK FINANCIAL CORP 5.375 16-56 30/06Q	USD	46,548.49	0.32
600,000.00	MICROSOFT 2.125 13-21 06/12S	EUR	625,059.00	4.34
100,000.00	PHILIP MORRIS 3.125 13-33 03/06A	EUR	120,333.00	0.84
Convertible bonds			199,767.00	1.39
<i>Mexico</i>			<i>199,767.00</i>	<i>1.39</i>
200,000.00	AMERICA MOVIL CV 0.00 15-20 28/05U	EUR	199,767.00	1.39
Floating rate bonds			4,281,395.73	29.75
<i>Finland</i>			<i>435,630.00</i>	<i>3.03</i>
400,000.00	MUNICIPALITY FIN C FL.R 15-49 01/04A	EUR	435,630.00	3.03
<i>France</i>			<i>684,225.44</i>	<i>4.75</i>
200,000.00	CREDIT LOGEMENT FL.R 17-29 28/11A	EUR	203,188.00	1.41
150,000.00	CREDIT LOGEMENT SUB FL.R 06-XX 16/03A	EUR	123,061.50	0.86
400,000.00	SCOR SE FL.R 18-XX XX/XXS	USD	357,975.94	2.48
<i>Germany</i>			<i>715,542.00</i>	<i>4.97</i>
600,000.00	COMMERZBANK AG FL.R 18-20 04/12Q	EUR	601,884.00	4.18
100,000.00	HANNOVER RE FL.R 14-XX 26/06A	EUR	113,658.00	0.79
<i>Luxembourg</i>			<i>183,363.03</i>	<i>1.27</i>
200,000.00	SWISS RE FINANCE FL.R 19-XX 04/09A	USD	183,363.03	1.27

AXIOM LUX - AXIOM OPTIMAL CRITERIA (launched as at 21/08/2019)

Securities portfolio as at 31/12/2019

Expressed in EUR

Quantity	Denomination	Quotation currency	Market value	% of net assets
	<i>Spain</i>		<i>125,979.27</i>	<i>0.88</i>
200,000.00	BANCO SANTANDER FL.R 17-23 19/01Q	AUD	125,979.27	0.88
	<i>Sweden</i>		<i>100,662.00</i>	<i>0.70</i>
100,000.00	SWEDBANK AB FL.R 17-27 22/11A	EUR	100,662.00	0.70
	<i>Switzerland</i>		<i>210,474.00</i>	<i>1.46</i>
200,000.00	ZUERCHER KANTONALB FL.R 15-27 15/06A	EUR	210,474.00	1.46
	<i>The Netherlands</i>		<i>501,520.00</i>	<i>3.48</i>
500,000.00	ING BK FL.R 18-20 26/11Q	EUR	501,520.00	3.48
	<i>United Kingdom</i>		<i>937,808.45</i>	<i>6.53</i>
200,000.00	LEGAL & GENERAL FL.R 18-48 14/11S	GBP	268,569.07	1.87
200,000.00	LEGAL & GENERAL FL.R 19-49 26/11S	GBP	239,648.31	1.67
300,000.00	PRUDENTIAL SUB FL.R 13-63 19/12S	GBP	429,591.07	2.99
	<i>United States of America</i>		<i>386,191.54</i>	<i>2.68</i>
300,000.00	JPMORGAN CHASE FL.R 17-37 02/02Q	USD	233,853.01	1.62
200,000.00	USB REALTY FL.R 06-XX 31/12Q	USD	152,338.53	1.06
Other transferable securities			180,873.00	1.26
Bonds			180,873.00	1.26
	<i>United States of America</i>		<i>180,873.00</i>	<i>1.26</i>
200,000.00	PROLOGIS EURO FINANCE L 1.5 19-49 10/09A	EUR	180,873.00	1.26
Total securities portfolio			13,719,277.87	95.33

AXIOM LUX - AXIOM OPTIMAL CRITERIA (launched as at 21/08/2019)

Statement of Operations and Changes in Net Assets from 21/08/2019 to 31/12/19

Expressed in EUR

Income		96,658.60
Net dividends	Note 2	1,520.34
Net interest on bonds	Note 2	94,722.42
Bank interest on cash accounts		415.84
Expenses		32,302.75
Amortisation of formation expenses	Note 2	872.40
Management Company fees	Note 4	20,342.96
Depositary fees	Note 5	1,820.56
Taxe d'abonnement	Note 3	3,581.02
Administration fees	Note 5	1,184.61
Domiciliation fees		94.20
Professional fees		85.80
Bank interest on overdrafts		2,172.03
Transaction fees	Note 6	1,193.30
Other expenses	Note 7	955.87
Net income from investments		64,355.85
Net realised profit / loss on:		
- securities		-1,396.24
- forward foreign exchange contracts		-28,493.95
- financial futures		40,426.06
- foreign exchange		-3,611.39
Net realised profit		71,280.33
Movement in net unrealised appreciation / depreciation on:		
- securities	Note 2	1,680.28
- forward foreign exchange contracts	Note 2	-11,976.10
- financial futures	Note 2	62,828.12
Increase in net assets as a result of operations		123,812.63
Subscription capitalisation shares		14,268,171.38
Increase in net assets		14,391,984.01
Net assets at the beginning of the period		0.00
Net assets at the end of the period		14,391,984.01

AXIOM LUX

**Notes to the financial statements - Schedule of derivative
instruments**

AXIOM LUX

FORWARD FOREIGN EXCHANGE CONTRACTS

As at 31/12/2019, the following forward foreign exchange contract was outstanding :

The contracts that are followed by * relate to specifically to foreign exchange risk hedging of shares.

AXIOM LUX - AXIOM CONTINGENT CAPITAL (launched as at 11/01/2019)

Currency purchased	Quantity purchased	Currency sale	Quantity sale	Maturity date	Unrealised (in EUR)	Counterparty
EUR	1,853,854.47	GBP	1,620,000.00	16/01/20	-57,143.83	CACEIS Bank, Luxembourg Branch
GBP	2,690,000.00	EUR	3,078,313.91	16/01/20	94,844.21 *	CACEIS Bank, Luxembourg Branch
EUR	4,602,123.84	USD	5,100,000.00	16/01/20	62,711.89	CACEIS Bank, Luxembourg Branch
USD	700,000.00	EUR	631,057.02	16/01/20	-7,992.66	CACEIS Bank, Luxembourg Branch
GBP	50,000.00	EUR	59,438.90	16/01/20	-458.27 *	CACEIS Bank, Luxembourg Branch
USD	800,000.00	EUR	718,261.81	16/01/20	-6,188.26	CACEIS Bank, Luxembourg Branch
GBP	600,000.00	EUR	702,946.52	16/01/20	4,821.09	CACEIS Bank, Luxembourg Branch
					90,594.17	

AXIOM LUX - AXIOM EQUITY (launched as at 11/01/2019)

Currency purchased	Quantity purchased	Currency sale	Quantity sale	Maturity date	Unrealised (in EUR)	Counterparty
EUR	23,340.03	PLN	99,900.00	22/01/20	-131.85	CACEIS Bank, Luxembourg Branch
GBP	885,000.00	EUR	1,039,953.00	22/01/20	3,797.41	CACEIS Bank, Luxembourg Branch
EUR	281,202.14	SEK	2,938,000.00	22/01/20	1,669.29	CACEIS Bank, Luxembourg Branch
CHF	451,000.00	EUR	413,723.51	22/01/20	1,246.48	CACEIS Bank, Luxembourg Branch
EUR	106,418.58	DKK	795,000.00	22/01/20	16.23	CACEIS Bank, Luxembourg Branch
NOK	115,000.00	EUR	11,438.23	22/01/20	207.53	CACEIS Bank, Luxembourg Branch
					6,805.09	

AXIOM LUX - AXIOM OPTIMAL FIX (launched as at 11/01/2019)

Currency purchased	Quantity purchased	Currency sale	Quantity sale	Maturity date	Unrealised (in EUR)	Counterparty
EUR	2,301,893.31	HKD	20,000,000.00	16/01/20	17,599.17	CACEIS Bank, Luxembourg Branch
EUR	563,848.96	SEK	6,100,000.00	16/01/20	-16,583.44	CACEIS Bank, Luxembourg Branch
EUR	28,894,953.97	GBP	25,250,000.00	16/01/20	-890,667.73	CACEIS Bank, Luxembourg Branch
EUR	67,678,291.69	USD	75,000,000.00	16/01/20	922,233.54	CACEIS Bank, Luxembourg Branch
USD	107,000.00	EUR	96,554.36	16/01/20	-1,314.52 *	CACEIS Bank, Luxembourg Branch
USD	19,330,000.00	EUR	17,442,951.71	16/01/20	-237,474.58 *	CACEIS Bank, Luxembourg Branch
CHF	8,700,000.00	EUR	7,932,274.78	16/01/20	72,300.59 *	CACEIS Bank, Luxembourg Branch
EUR	248,181.05	USD	278,000.00	16/01/20	736.26 *	CACEIS Bank, Luxembourg Branch
USD	4,000,000.00	EUR	3,619,909.50	16/01/20	-59,541.75	CACEIS Bank, Luxembourg Branch
EUR	158,236.53	CHF	173,000.00	16/01/20	-934.80 *	CACEIS Bank, Luxembourg Branch
EUR	298,264.64	USD	330,000.00	16/01/20	4,538.40 *	CACEIS Bank, Luxembourg Branch
USD	1,800,000.00	EUR	1,620,862.30	16/01/20	-18,696.81	CACEIS Bank, Luxembourg Branch
GBP	2,500,000.00	EUR	2,941,782.13	16/01/20	7,249.58	CACEIS Bank, Luxembourg Branch
USD	5,000,000.00	EUR	4,489,136.29	16/01/20	-38,676.61	CACEIS Bank, Luxembourg Branch
GBP	1,500,000.00	EUR	1,757,366.29	16/01/20	12,052.73	CACEIS Bank, Luxembourg Branch
					-227,179.97	

AXIOM LUX - AXIOM OBLIGATAIRE (launched as at 25/01/2019)

Currency purchased	Quantity purchased	Currency sale	Quantity sale	Maturity date	Unrealised (in EUR)	Counterparty
EUR	49,073,988.97	GBP	42,714,000.00	16/01/20	-1,312,577.90	CACEIS Bank, Luxembourg Branch
GBP	136,000.00	EUR	156,250.00	16/01/20	4,177.32 *	CACEIS Bank, Luxembourg Branch
CHF	1,608,000.00	EUR	1,463,481.23	16/01/20	15,985.11 *	CACEIS Bank, Luxembourg Branch
EUR	1,265,493.10	SEK	13,702,000.00	16/01/20	-38,291.45	CACEIS Bank, Luxembourg Branch
USD	3,888,000.00	EUR	3,498,605.24	16/01/20	-37,927.79 *	CACEIS Bank, Luxembourg Branch
EUR	7,329,254.03	USD	8,145,000.00	16/01/20	79,528.13	CACEIS Bank, Luxembourg Branch
EUR	610,813.71	GBP	530,000.00	16/01/20	-14,387.48	CACEIS Bank, Luxembourg Branch
GBP	2,200,000.00	EUR	2,541,883.30	16/01/20	53,264.60	CACEIS Bank, Luxembourg Branch
EUR	237,516.87	USD	264,000.00	16/01/20	2,534.92 *	CACEIS Bank, Luxembourg Branch
EUR	1,401,296.20	GBP	1,200,000.00	16/01/20	-14,245.30	CACEIS Bank, Luxembourg Branch

AXIOM LUX

FORWARD FOREIGN EXCHANGE CONTRACTS

AXIOM LUX - AXIOM OBLIGATAIRE (launched as at 25/01/2019)

Currency purchased	Quantity purchased	Currency sale	Quantity sale	Maturity date	Unrealised (in EUR)	Counterparty
CHF	73,000.00	EUR	66,514.81	16/01/20	650.02 *	CACEIS Bank, Luxembourg Branch
EUR	399,781.30	GBP	340,000.00	16/01/20	-1,287.54	CACEIS Bank, Luxembourg Branch
GBP	3,500.00	EUR	4,187.60	16/01/20	-58.96 *	CACEIS Bank, Luxembourg Branch
USD	59,000.00	EUR	52,797.37	16/01/20	-281.95 *	CACEIS Bank, Luxembourg Branch
CHF	19,000.00	EUR	17,356.35	16/01/20	124.91 *	CACEIS Bank, Luxembourg Branch
					-1,262,793.36	

AXIOM LUX - AXIOM OPTIMAL CRITERIA (launched as at 21/08/2019)

Currency purchased	Quantity purchased	Currency sale	Quantity sale	Maturity date	Unrealised (in EUR)	Counterparty
EUR	1,144,354.61	GBP	1,000,000.00	16/01/20	-35,273.97	CACEIS Bank, Luxembourg Branch
EUR	2,526,656.22	USD	2,800,000.00	16/01/20	34,430.05	CACEIS Bank, Luxembourg Branch
EUR	122,814.05	AUD	202,000.00	16/01/20	-3,622.78	CACEIS Bank, Luxembourg Branch
EUR	288,997.29	GBP	250,000.00	16/01/20	-5,908.53	CACEIS Bank, Luxembourg Branch
EUR	234,322.37	GBP	200,000.00	16/01/20	-1,600.87	CACEIS Bank, Luxembourg Branch
					-11,976.10	

AXIOM LUX

FINANCIAL FUTURES

As at 31/12/2019, the following futures contracts were outstanding :

AXIOM LUX - AXIOM CONTINGENT CAPITAL (launched as at 11/01/2019)

Quantity (purchase/(sale))	Denomination	Currency	Market value (in EUR) (in absolute value)	Unrealised (in EUR)	Broker
Futures on bonds					
-5	EURO-OAT-FUTURES-EUX 03/20	EUR	813,850.00	10,350.00	CACEIS Bank, Paris
-8	US 10 YEARS NOTE 03/20	USD	915,256.12	9,131.40	CACEIS Bank, Paris
				19,481.40	

AXIOM LUX - AXIOM EQUITY (launched as at 11/01/2019)

Quantity (purchase/(sale))	Denomination	Currency	Market value (in EUR) (in absolute value)	Unrealised (in EUR)	Broker
Futures on index					
-41	DJ.STOXX600.BK(EUX) 03/20	EUR	292,535.00	2,510.00	CACEIS Bank, Paris
				2,510.00	

AXIOM LUX - AXIOM OPTIMAL FIX (launched as at 11/01/2019)

Quantity (purchase/(sale))	Denomination	Currency	Market value (in EUR) (in absolute value)	Unrealised (in EUR)	Broker
Futures on bonds					
-9	LONG GILT FUTURE-LIF 03/20	GBP	1,395,432.82	21,348.91	CACEIS Bank, Paris
-75	US TREASURY BOND 03/20	USD	10,416,898.66	254,210.74	CACEIS Bank, Paris
				275,559.65	

AXIOM LUX - AXIOM OPTIMAL CRITERIA (launched as at 21/08/2019)

Quantity (purchase/(sale))	Denomination	Currency	Market value (in EUR) (in absolute value)	Unrealised (in EUR)	Broker
Futures on bonds					
-4	EURO BOBL FUTURE 03/20	EUR	534,520.00	2,960.00	CACEIS Bank, Paris
-2	EURO BUND FUTURE 03/20	EUR	340,980.00	4,820.00	CACEIS Bank, Paris
-3	EURO BUXL FUTURE 03/20	EUR	595,140.00	21,060.00	CACEIS Bank, Paris
-9	LONG GILT FUTURE-LIF 03/20	GBP	1,395,432.82	21,348.91	CACEIS Bank, Paris
-3	US TREASURY BOND 03/20	USD	416,675.95	9,924.84	CACEIS Bank, Paris
-6	US 5 YEARS NOTE-CBT 03/20	USD	633,992.20	2,714.37	CACEIS Bank, Paris
				62,828.12	

AXIOM LUX

CREDIT DEFAULT SWAPS (CDS):

As at December 31, 2019, the open positions on Credit Default Swaps (CDS) were as follows:

AXIOM CONTINGENT CAPITAL

Descriptions/ underlying	Buyer/ Seller	Ccy	Notional	Maturity	Counterparty	Unrealised result (in EUR)
UNITED KINGDOM 4.25 0 JUN 7 2	BUY	USD	2,000,000.00	20/06/2023	JP MORGAN PLC	-50,741.86
						- 50,741.86

AXIOM OPTIMAL FIX

Descriptions/ underlying	Buyer/ Seller	Ccy	Notional	Maturity	Counterparty	Unrealised result (in EUR)
SOCIETE GENERALE EUR MM SU	SELL	EUR	2,000,000.00	20/06/2020	GOLDMAN SACHS INTERNATIONAL	7,833.79
COMMERZBANK AG EUR MM SU	SELL	EUR	2,000,000.00	20/06/2020	GOLDMAN SACHS INTERNATIONAL	7,346.89
BCO SANTANDER SA EUR MM SU	SELL	EUR	2,000,000.00	20/06/2020	JP MORGAN PLC	7,703.42
DANSKE BK A S EUR MM SU	SELL	EUR	3,000,000.00	20/12/2020	JP MORGAN PLC	20,391.46
BCO BILBAO VIZCA EUR MM SU	SELL	EUR	3,000,000.00	20/06/2021	JP MORGAN PLC	4,537.27
						47,812.83

AXIOM OBLIGATAIRE

Descriptions/ underlying	Buyer/ Seller	Ccy	Notional	Maturity	Counterparty	Unrealised result (in EUR)
TKOFP SENIOR TIKEHAU EUR MM SN	SELL	EUR	4,000,000.00	20/12/2024	JP MORGAN PLC	-342,130.68
TKOFP SENIOR TIKEHAU EUR MM SN	SELL	EUR	1,000,000.00	20/12/2024	JP MORGAN AG FRANKFURT	-85,532.67
						-427,663.35

AXIOM LUX

DYNAMIC PORTFOLIO SWAPS:

As at December 31, 2019, the open positions on Dynamic Portfolio Swaps were as follows:

AXIOM EQUITY

Notional	Ccy	Maturity	sub-fund pays	sub-fund receives	Counterparty	Unrealised result (in EUR)
386,560.44	EUR	31/03/2020	EUR OIS	AXIOM EUR INDEX	SGR SOCIETE GENERALE PARIS	12,637.86
-377,681.47	CHF	31/03/2020	CHF OVERNIGHT COMPOUNDED RATE	AXIOM CHF INDEX	SGR SOCIETE GENERALE PARIS	4,988.21
-647,836.81	GBP	31/03/2020	GBP OVERNIGHT COMPOUNDED RATE	AXIOM GBP INDEX	SGR SOCIETE GENERALE PARIS	85,880.33
635,168.87	PLN	31/03/2020	PLN WIBOR OVERNIGHT	AXIOM PLN INDEX	SGR SOCIETE GENERALE PARIS	3,174.52
						106,680.92

AXIOM OPTIMAL FIX

Notional	Ccy	Maturity	sub-fund pays	sub-fund receives	Counterparty	Unrealised result (in EUR)
2,000,00 0.00	USD	20/09/2020	IBX USD CONTINGENT LIQUID DVPT M	USD LIBOR 3 MONTHS	GOLDMAN SACHS INTERNATIONAL	-10,805.12
3,000,00 0.00	EUR	20/09/2020	IBX EUR CONTINGENT LIQUID DVPT M	EUR EURIBOR 3 MONTHS	GOLDMAN SACHS INTERNATIONAL	-22,673.10
						-33,478.22

AXIOM LUX

Other notes to the financial statements

AXIOM LUX

Other notes to the financial statements

Note 1 - General

AXIOM LUX (the “Company”) is an open-ended collective investment company (“*société d’investissement à capital variable*” or “SICAV”) established under the laws of the Grand Duchy of Luxembourg and registered under part I of the Luxembourg law of December 17, 2010, as amended, concerning undertakings for collective investment. The Company qualifies as an Undertaking for Collective Investment in Transferable Securities under the Directive 2009/65/EC of the European Parliament and of the Council of July 13, 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities. The Company was initially incorporated on March 27, 2015 and is managed by Axiom Alternative Investments on the basis of freedom of services pursuant to chapter 15 of the law.

The Company is registered with the *Registre de Commerce et des Sociétés, Luxembourg*, under number B196052 and is established at 5, allée Scheffer, L-2520 Luxembourg.

The Management Company was incorporated as a French Private Limited Liability Company (*société à responsabilité limitée*). The Management Company is registered with the Registre de Commerce et des Sociétés de Paris under number RCS 492.625.470. The Management Company is authorised and supervised by the Autorité des Marchés Financiers as a Portfolio Manager under Licence number GP 0600039 since December 1, 2006.

As at December 31, 2019, the sub-funds are active:

Sub-funds	Currency
AXIOM CONTINGENT CAPITAL (launched on 11/01/2019)*	EUR
AXIOM EQUITY (launched on 11/01/2019)*	EUR
AXIOM OPTIMAL FIX (launched on 11/01/2019)*	EUR
AXIOM OBLIGATAIRE (launched on 25/01/2019)	EUR
AXIOM OPTIMAL CRITERIA (launched on 21/08/2019)*	EUR

*The above sub-funds were created by the way of mergers with French FCP based on the net asset values calculated on January 11, 2019, except for AXIOM OBLIGATAIRE (based on the net asset value calculated on January 25, 2019). The exchange ratio of these mergers have been one to one.

During the year, the sub-funds were liquidated:

Sub-funds	Currency
AXIOM OBLIGATAIRE LUX (liquidated as at 17/01/2019)	EUR
AXIOM EQUITY LONG SHORT (launched as at 11/01/2019 and liquidated as at 11/06/2019)	EUR

A remaining amount of cash representing EUR 8,049.06 is still present as at 31/12/2019 for the sub-fund AXIOM EQUITY LONG SHORT liquidated during the year and not included in the combined Statement of Net Assets.

The sub-fund Share Classes have been issued in registered from:

Share Class	Ccy	Target Investor
C	EUR	All investors
R	EUR	All investors for whom distribution, promotion and subscription to the sub-fund is done primarily through the network of distribution platforms dedicated to wealth management advisors and financial advisors
M	CHF**	All investors wishing to have full and systematic hedging against currency risk
BC	USD**	All investors wishing to have full and systematic hedging against currency risk
Z	EUR	UCIT, investment funds and accounts managed by Axiom Alternative Investments and the staff of Axiom Alternative Investments

** For the Classes of Shares denominated in currencies other than EUR, the sub-fund will enter into currency hedging transactions in order to cover the currency risks.

Other notes to the financial statements (continued)

Note 2 - Summary of significant accounting principles

The Company's financial statements have been prepared and presented in accordance with the Luxembourg regulations relating to undertakings for collective investment in transferable securities.

a. Combined statements

The various items appearing in the combined financial statements of the Company are equal to the sum of the corresponding items in the financial statements of each sub-fund and are drawn up in EUR.

b. Conversion of items expressed in foreign currencies

The Company's financial statements are expressed in EUR.

Transaction and acquisition costs denominated in foreign currencies are converted into the accounting currency of each sub-fund based on the exchange rate in force on the date of the transaction or acquisition. Assets and liabilities denominated in foreign currencies are converted into the accounting currency of each sub-fund based on the exchange rate in force at the end of the financial period. Any resulting gains or losses are recognised in the Statement of Operations and Changes in Net Assets.

c. Valuation of investments

Securities listed on a Stock Exchange or traded on any other regulated market are valued at the last available closing price on such stock exchange or market. If a security is listed on several Stock Exchanges or markets, the last available price on the Stock Exchange or market which constitutes the main market for such security will be prevailing.

Unlisted securities or financial instruments are valued on the basis of their value realisation as determined by the Board of Directors or their delegate using valuation principles in order to reach a proper and fair valuation.

Investment funds are valued at their net asset value.

d. Net realized gain or loss on sales of investments

Net realised gain or loss on sales of investments are calculated on the basis of the average cost of the investments sold.

e. Valuation of financial futures

Financial futures are valued at the last settlement or close price on the stock exchanges or regulated markets. Unrealised appreciation and depreciation on financial futures are recorded in the statement of net assets and their variations in the statement of operations and other changes in net assets.

For the details of outstanding financial futures, please refer to the section "Other notes to the financial statements - Schedule of derivative instruments".

f. Valuation of forward foreign exchange contracts

Forward foreign exchange contracts are valued at forward market rates for the remaining period from valuation date to the maturity of the contracts. Realised and movements in unrealised profits and losses are recorded in the statement of operations and other changes in net assets.

For the details of outstanding forward foreign exchange contracts, please refer to the section "Other notes to the financial statements - Schedule of derivative instruments".

Other notes to the financial statements (continued)

Note 2 - Summary of significant accounting principles (continued)

g. Valuation of Swaps and CDS

Swaps are valued at their fair market value based upon the last known price of the underlying asset(s).

CDS are market to model daily based upon spread of the market makers as the unrealised appreciation/depreciation is recorded under “Unrealised appreciation/depreciation on swaps”, in the Statement of Net Assets. The movement in such amounts is recorded under “Movement in net unrealised appreciation/(depreciation) on swaps” and the realised under “Net realised profit/(loss) on swaps” in the Statement of Operations and Changes in Net Assets.

For the details of outstanding swaps contracts, please refer to the section “Other notes to the financial statements - Schedule of derivative instruments”.

h. Collateral

As at 31 December 2019, the collateral received or paid which is composed of margin deposits for financial futures and options and collateral held or paid in order to reduce exposure on OTC derivatives is detailed as follows:

Name of sub-funds	Sub-fund currency	Counterparty	Type of collateral	Collateral received in	Collateral paid in	Cleared/ OTC
AXIOM CONTINGENT CAPITAL	EUR	JP Morgan	Cash		138.532,99	OTC
	EUR	Caceis Bank France	Cash	19,481.40	22,441,16	Cleared
AXIOM EQUITY	EUR	Caceis Bank France	Cash	2.510,00	28,602.20	Cleared
AXIOM OPTIMAL FIX	EUR	JP Morgan	Cash	75.000,00		OTC
	EUR	Caceis Bank Luxembourg	Cash		300,000.00	OTC
	EUR	Caceis Bank France	Cash	281,613.99	245,200.51	Cleared
AXIOM OPTIMAL CRITERIA	EUR	Caceis Bank France	Cash	68,882.27	74,878.51	Cleared
AXIOM OBLIGATAIRE	EUR	JP Morgan	Cash		431,973.07	OTC

i. Dividend and Interest income

Dividend income is accounted for on an ex-dividend basis, net of withholding tax. Interest income is recognised on an accrual basis.

j. Formation expenses

Set-up costs and expenses are charged to the Company and are written off over a period of five years.

For the purpose of this report, and considering the liquidation of AXIOM OBLIGATAIRE LUX and AXIOM EQUITY LONG SHORT, the formation expenses have been fully amortized.

Other notes to the financial statements (continued)

Note 2 - Summary of significant accounting principles (continued)

k. Cross-investments between sub-funds

A Sub-Fund may subscribe, acquire and/or hold units to be issued or issued by one or more Sub-Funds of the Fund.

The cross-investments within the Fund are as follow:

For the Sub-Fund AXIOM OPTIMAL FIX (owner) is detailed as follows:

Target Sub-Funds	Ccy	Market Value In EUR	%
AXIOM CONTINGENT CAPITAL SICAV - Classe Z	EUR	5,592,527.42	0.02
AXIOM OPTIMAL CRITERIA - C EUR	EUR	3,572,240.47	0.01

As at December 31, 2019, the total of cross-investments within Sub-Funds investments amounts to EUR 9,164,767.89. The total combined NAV at year-end without cross-investments amounts to EUR 538,097,303.70.

Note 3 - Taxation

Under current law and practice, the Company is not liable to any Luxembourg income tax, nor are dividends paid by the Company liable to any Luxembourg withholding tax.

However, any Class reserved to retail investors is liable in Luxembourg to a “*taxe d’abonnement*” of 0.05% per annum of its net assets and those reserved to institutional investors is liable in Luxembourg to a “*taxe d’abonnement*” of 0.01% per annum of its net assets. Such tax being payable quarterly and calculated on the total net asset value of each Class at the end of the relevant quarter.

The “*taxe d’abonnement*” is not applicable for underlying funds which already pay it.

Note 4 - Management Company and Performance fees

The Management Company is entitled to receive from the Company a Management Company fee calculated and accrued on each valuation day as a percentage of the net assets attributable to the relevant Class of Shares and payable monthly in arrears.

Management fees

Sub-funds	Class of Shares	Effective rate (per annum)
AXIOM CONTINGENT CAPITAL	C	0.80%
	R	1.30%
	E	0.80%
	Z	0.05%
AXIOM EQUITY	C	2.00%
	R	2.50%
AXIOM OPTIMAL FIX	C	1.00%
	R	1.50%
	CHF	1.00%
	D	1.00%
	B	1.00%
	Z	0.05%
	H	0.90%

Other notes to the financial statements (continued)

Note 4 - Management Company and Performance fees (continued)

Management fees (continued)

Sub-funds	Class of Shares	Effective rate (per annum)
AXIOM OBLIGATAIRE	C	2.00%
	D	2.00%
	R	2.50%
	BC	2.00%
	M	2.00%
	E	2.00%
	Z	0.05%
	I	1.20%
	J	0.75%
	G	0.75%
AXIOM OPTIMAL CRITERIA	C	0.50%

In addition, the Management Company may also be entitled to receive a performance fee for each Class of Shares, accrued on each valuation day and payable at the end of the performance period (i.e. year). The performance fees are based on a comparison between the performance of the sub-fund and its benchmark index over the reference period.

In the event that a shareholder redeems prior to the end of a performance period, any accrued but unpaid performance fees relating to those shares shall be paid.

Performance fees

The Management Company is entitled to receive a performance fee applicable to the share classes of the sub-funds and as disclosed in the prospectus.

- AXIOM CONTINGENT CAPITAL

No Performance fee for the sub-fund.

- AXIOM EQUITY

Performance fees are based on a comparison between the performance of the sub-fund and its benchmark index (defined hereafter) over the reference period.

The benchmark index is the Stoxx Europe 600 Banks Net Return.

Performance fees are calculated over a 12-month reference period coinciding with the financial year.

Performance is calculated by comparing the variation of the assets of the sub-fund with that of a benchmark fund which has accurately tracked the benchmark index over the period and registered the same subscription and redemption variations as the actual sub-fund.

- If, over the reference period, the performance of the sub-fund performance (with coupons reinvested) exceeds that of the benchmark fund, then the performance fees shall amount to 20% of the differential between the sub-fund's performance and that of its benchmark fund.

- If, over the reference period, the performance of the sub-fund is lower than that of the benchmark fund, then the performance fees will be zero. Over the following reference period, performance fees will not be subject to a provision until the underperformance accumulated by the sub-fund's net assets (relative to its benchmark fund) during the previous reference period is compensated for.

Other notes to the financial statements (continued)

Note 4 - Management Company and Performance fees (continued)

Performance fees (continued)

- AXIOM EQUITY (continued)

- If, over the reference period, the sub-fund's performance since the beginning of the reference period is greater than that of the benchmark fund (calculated over the same period), this outperformance will be subject to a provision for potential performance fees at the time of NAV calculation.

If the sub-fund's momentarily underperforms the benchmark fund between two NAV calculation dates, then any provision previously made will be adjusted through a reversal of provision. Such reversals cannot exceed the amount of provisions previously accumulated.

The performance fees will be paid to the Management Company at the end of the reference period, only if, over that period, the sub-fund's performance exceeds that of the benchmark fund. Any redemption made during the period will onset the advance payment of their contribution to the performance fees.

The performance fees will be charged directly to the sub-fund's profit & loss account.

No performance fees for Class Z shares.

The Board of Directors of the Company decided on 08/01/2019 not to apply any performance fees to the sub-fund for the year 2019.

- AXIOM OPTIMAL FIX

Each year, performance fees are calculated, by comparing on exercise, the evolution of the assets of the sub-fund (excluding performance fees and reinvested dividends) to the assets of a benchmark fund realizing an increase equal to 6%, and recording the same variations of subscriptions and redemptions as the sub-fund. Performance fees are calculated over a 12-month reference period coinciding with the financial year.

Performance is calculated by comparing the variation of the assets of the sub-fund with that of a benchmark fund which has accurately tracked the benchmark index over the period and registered the same subscription and redemption variations as the actual sub-fund.

- If, over the reference period, the performance of the sub-fund performance (with coupons reinvested) exceeds that of the benchmark fund, then the performance fees shall amount to 20% of the differential between the sub-fund's performance and that of its benchmark fund.

- If, over the reference period, the performance of the sub-fund is lower than that of the benchmark fund, then the performance fees will be zero. Over the following reference period, performance fees will not be subject to a provision until the underperformance accumulated by the sub-fund's net assets (relative to its benchmark fund) during the previous reference period is compensated for.

- If, over the reference period, the sub-fund's performance since the beginning of the reference period is greater than that of the benchmark fund (calculated over the same period), this outperformance will be subject to a provision for potential performance fees at the time of NAV calculation.

If the sub-fund's momentarily underperforms the benchmark fund between two NAV calculation dates, then any provision previously made will be adjusted through a reversal of provision. Such reversals cannot exceed the amount of provisions previously accumulated.

Other notes to the financial statements (continued)

Note 4 - Management Company and Performance fees (continued)

Performance fees (continued)

- AXIOM OPTIMAL FIX (continued)

The performance fees will be paid to the Management Company at the end of the reference period, only if, over that period, the sub-fund's performance exceeds that of the benchmark fund. Any redemption made during the period will onset the advance payment of their contribution to the performance fees.

The performance fees will be charged directly to the sub-fund's profit & loss account.

No performance fees for Class Z shares

- AXIOM OBLIGATAIRE

Performance fees are based on a comparison between the performance of the sub-fund and its benchmark index (defined hereafter) over the reference period.

The composite index : 40% of ICE BofAML Euro Financial Index, 40% of ICE BofAML Euro Corporate Index and 20% of ICE BofAML Contingent Capital Index.

Performance fees are calculated over a 12-month reference period coinciding with the financial year.

Performance is calculated by comparing the variation of the assets of the sub-fund with that of a benchmark fund which has accurately tracked the benchmark indices over the reference period and registered the same subscription and redemption variations as the actual sub-fund.

- If, over the reference period, the performance of the sub-fund (with coupons reinvested) exceeds that of the benchmark fund, then the performance fees shall amount to 20% of the differential between the sub-fund's performance and that of its benchmark fund.

- If, over the reference period, the performance of the sub-fund is lower than that of the benchmark fund, then the performance fees will be zero. Over the following reference period, performance fees will not be subject to a provision until the underperformance accumulated by the sub-fund's net assets (relative to benchmark fund) during the previous reference period is compensated for.

- If, over the reference period, the sub-fund's performance since the beginning of the reference period is greater than that of the benchmark fund (calculated over the same period), this outperformance will be subject to a provision for potential performance fees at the time of NAV calculation.

If the sub-fund's momentarily underperforms the benchmark fund between two NAV calculation dates, then any provision previously made will be adjusted through a reversal of provision. Such reversals cannot exceed the amount of provisions previously accumulated.

The performance fees will be paid to the Management Company at the end of the reference period, only if, over that period, the sub-fund's performance exceeds that of the benchmark fund. Any redemption made during the period will onset the advance payment of their contribution to the performance fees.

The performance fees will be charged directly to the sub-fund's profit & loss account.

No performance fees for Class Z shares

Other notes to the financial statements (continued)

Note 4 - Management Company and Performance fees (continued)

Performance fees (continued)

- AXIOM OPTIMAL CRITERIA

No Performance fee for the sub-fund.

- AXIOM EQUITY LONG SHORT

The Board of Directors of the Company decided on 08/01/2019 not to apply any performance fees to the sub-fund for the year 2019.

Note 5 - Depositary fees and Administration fees

The Depositary and the Administrative Agents receive remuneration from the Company on the basis of business practice in Luxembourg. These fees are calculated on the basis of the daily net assets of the sub-funds and are payable monthly in arrears.

Note 6 - Transaction fees

The Depositary is entitled to be reimbursed by the Company for transaction fees and expenses in relation with the buying and selling of securities and financial instruments.

Note 7 - Other expenses

As at December 31, 2019, the other expenses include mainly Directors fees and Registrar fees.

Note 8 - Changes in portfolio composition

The details of the changes in portfolio composition for the year ended December 31, 2019 are at the disposal of the Shareholders at the registered office of the Company and are available upon request free of charge.

Note 9 - Dividends

During the financial year under review, the following dividends were distributed:

Sub-fund	Shares	Dividend per share	Ccy	Ex-date	Payment date
AXIOM OPTIMAL FIX	D - EUR Shares	41.12	EUR	21/06/19	26/06/19
AXIOM OBLIGATAIRE	D - EUR Shares	43.10	EUR	21/06/19	26/06/19

Note 10 - Subsequent-events

A new sub-funds Axiom Long Short Credit may be created during the first half of 2020. It seeks to achieve the investment objective by taking long and short positions primarily in European & North American fixed income securities. Equity securities may be also considered although with a limit of 20% of the net asset value of the Compartment long exposure.

COVID-19

The Board of Directors acknowledge the existence of the current outbreak of the coronavirus COVID-19 and its potential to adversely impact the markets in which the Sub-Funds are invested. The ultimate impacts on the different Sub-Funds remain uncertain and can be expected to vary according to country, asset class, industry sector and individual securities in which they are invested.

AXIOM LUX

Unaudited Information

Remuneration Policy

Axiom Alternative Investment's Remuneration policy has been approved by the Board of Directors of the Management Company.

The provisions of the Remuneration Policy are reviewed on a regular basis and are adjusted to fit the changing regulatory framework. The remuneration policy includes a description of how remuneration and benefits are calculated.

A copy of the policy is available free of charge upon request and is available on the website: www.axiom-ai.com.

In fiscal 2019, the total remuneration (including fixed and variable deferred and non-deferred) paid by Axiom Alternative Investments to all its employees (17 employees) amounted to €2,291,000.

- Total amount of fixed compensation related to the financial year: €1,314,000
- Total amount of deferred and non-deferred variable compensation related to the financial year: €977,000

The total remuneration of senior management and members of staff of the Asset Manager whose actions have a material impact on the risk profile of the Company during the period was €3,676,000:

- Total amount of fixed remuneration related to the financial year: €1,805,000
- Total amount of deferred and non-deferred variable compensation related to the financial year: € 1,871,000.

Global exposure calculation method

All the Sub-Funds of the Company use the commitment approach in order to monitor and measure the global exposure.

AXIOM LUX

Unaudited Information (continued)

SECURITIES FINANCING TRANSACTIONS AND OF REUSE REGULATION (“SFTR”)

DYNAMIC PORTFOLIO SWAPS	AXIOM LUX - AXIOM EQUITY	AXIOM LUX - AXIOM OPTIMAL FIX
Assets used	<i>In EUR</i>	<i>In EUR</i>
In absolute terms	106,680.92	33,478.22
As a % of total net asset value	1.35%	0.00%
Transactions classified according to residual maturities	<i>In EUR</i>	<i>In EUR</i>
Less than 1 day	-	-
From 1 day to 1 week	-	-
From 1 week to 1 month	-	-
From 1 month to 3 months	-	-
From 3 months to 1 year	106,680.92	33,478.21
Above 1 year	-	-
Open maturity	-	-
The 10 largest counterparties	<i>In EUR</i>	<i>In EUR</i>
First name	Société Générale	Goldman Sachs
Gross volumes for open trades	106,680.92	33,478.21
First country of domicile	France	United States
Collateral received	<i>In EUR</i>	<i>In EUR</i>
Type:		
Cash	-	-
Quality	-	-
Currency	-	-
Classification according to residual maturities:		
Less than 1 day	-	-
From 1 day to 1 week	-	-
From 1 week to 1 month	-	-
From 1 month to 3 months	-	-
From 3 months to 1 year	-	-
Above 1 year	-	-
Open maturity	-	-
The 10 largest issuers of collateral received	<i>In EUR</i>	<i>In EUR</i>
First name	N/A	N/A
Amount	N/A	N/A
Revenue and expenditure components	<i>In EUR</i>	<i>In EUR</i>
<i>Revenue component of the sub-fund:</i>		
In absolute amount	441,509.42	3,006,863.75
In % of gross revenue	100%	100%
<i>Expenditure component of the sub-fund</i>	-	12,493.09
<i>Revenue component of the Management Company:</i>		
In absolute amount	-	-
In % of gross revenue	-	-
<i>Revenue component of third parties</i>		
In absolute amount	-	-
In % of gross revenue	-	-

There is no reuse of cash collateral related to dynamic portfolio swaps transactions. All trades open at the end of the year have been transacted through bilateral settlement.

Revenue component and expenditure component of the sub-funds include interests, dividends, realised and change in unrealised on dynamic portfolio swaps.