



AXIOM LUX

Société d'Investissement à Capital Variable

Audited annual report

as at 31/12/2019

RCS Luxembourg B196052

AXIOM LUX

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>Depository, 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

AXIOM LUX

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

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

*PricewaterhouseCoopers, Société coopérative, 2 rue Gerhard Mercator, B.P. 1443, L-1014 Luxembourg
T : +352 494848 1, F : +352 494848 2900, www.pwc.lu*

*Cabinet de révision agréé. Expert-comptable (autorisation gouvernementale n°10028256)
R.C.S. Luxembourg B 65 477 - TVA LU25482518*

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 equity 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 equity 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 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

EQUITY SWAPS (EOS):

As at December 31, 2019, the open positions on Equity Swaps (EQS) 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
N/A*	NOK	31/03/2020	NOK OIBOR 1 MONTH	AXIOM NOK INDEX	SGR SOCIETE GENERALE PARIS	0.00
N/A*	SEK	31/03/2020	SEK STIBOR OVERNIGHT	AXIOM SEK INDEX	SGR SOCIETE GENERALE PARIS	0.00
N/A*	CZK	31/03/2020	CZK PRIBOR OVERNIGHT	AXIOM CZK INDEX	SGR SOCIETE GENERALE PARIS	0.00
N/A*	DKK	31/03/2020	DKK CIBOR OVERNIGHT	AXIOM DKK INDEX	SGR SOCIETE GENERALE PARIS	0.00
N/A*	HUF	30/03/2020	HUF BUBOR OVERNIGHT	AXIOM HUF INDEX	SGR SOCIETE GENERALE PARIS	0.00
N/A*	TRY	31/03/2020	TRY LIBOR OVERNIGHT	AXIOM TRY INDEX	SGR SOCIETE GENERALE PARIS	0.00
						106,680.92

AXIOM OPTIMAL FIX

Notional	Ccy	Maturity	sub-fund pays	sub-fund receives	Counterparty	Unrealised result (in EUR)
2,000,000.00	USD	20/09/2020	IBX USD CONTINGENT LIQUID DVPT M	USD LIBOR 3 MONTHS	GOLDMAN SACHS INTERNATIONAL	-10,805.12
3,000,000.00	EUR	20/09/2020	IBX EUR CONTINGENT LIQUID DVPT M	EUR EURIBOR 3 MONTHS	GOLDMAN SACHS INTERNATIONAL	-22,673.10
						-33,478.22

AXIOM OBLIGATAIRE

Notional	Ccy	Maturity	sub-fund pays	sub-fund receives	Counterparty	Unrealised result (in EUR)
N/A*	EUR	31/03/2020	EUR OIS	AXIOM EUR INDEX	SGR SOCIETE GENERALE PARIS	0.00
						0.00

* This Equity swap is available but “dormant” as at 31 December 2019.

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	Cash	-18.701,93	-	OTC
AXIOM EQUITY	EUR	Caceis Bank	Cash	-2.510,00	-	OTC
AXIOM OPTIMAL FIX	EUR	JP Morgan	Cash	-75.000,00	-	OTC
	EUR	Caceis Bank	Cash	-	41.353,72	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.

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.

Other notes to the financial statements (continued)

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%
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.

Other notes to the financial statements (continued)

Note 4 - Management Company and Performance fees (continued)

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.

- 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.

Other notes to the financial statements (continued)

Note 4 - Management Company and Performance fees (continued)

Performance fees (continued)

- 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.

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.

Other notes to the financial statements (continued)

Note 4 - Management Company and Performance fees (continued)

Performance fees (continued)

- AXIOM OBLIGATAIRE (continued)

- 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

- 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.

Other notes to the financial statements (continued)

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”)

TOTAL EQUITY SWAPS (“EQS”)	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 EQS’s 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 EQS.