



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

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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 (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.

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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).

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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.

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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.



Audit report

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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 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 LKB 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>United Kingdom</i>				
1,750,000.00	BANCO SABADELL 6.25 10-20 26/04A	EUR	1,784,720.00	0.63
<i>Sweden</i>				
1,000,000.00	INTRUM AB 3.5000 19-26 15/07S	EUR	1,835,848.00	0.65
800,000.00	SKANDINAVISKA ENSK 0.50 18-23 13/03A	EUR	1,025,520.00	0.36
<i>The Netherlands</i>				
3,000,000.00	ABN AMRO BANK FL.R 15-25 30/06A	EUR	810,328.00	0.29
3,000,000.00	ABN AMRO BANK EMTN 6.375 11-21 27/04A	EUR	18,994,696.00	6.69
1,000,000.00	ACHMEA BV 2.75 14-21 18/02A	EUR	3,040,320.00	1.07
<i>United Kingdom</i>				
1,750,000.00	BANCO SABADELL 6.25 10-20 26/04A	EUR	3,250,740.00	1.14
<i>Sweden</i>				
1,000,000.00	INTRUM AB 3.5000 19-26 15/07S	EUR	1,033,170.00	0.36

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 LEVENSV 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 equity 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 equity 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

**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.