

**SALAR FUND PLC**  
**UNAUDITED CONDENSED**  
**FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD FROM**  
**1 JANUARY 2021**  
**TO**  
**30 JUNE 2021**

**UNAUDITED FINANCIAL STATEMENTS**

**30 June 2021**

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**FUND INFORMATION**

**DIRECTORS**

Elizabeth Beazley (Irish Resident) \*  
Teddy Otto (Irish Resident) Chairperson\*  
Nicholas Curtis (UK Resident)\*  
Tom Seymour Mead (UK Resident)\*  
All Directors are non-executive  
\*Independent Director

**REGISTERED OFFICE**

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Windmill Lane  
Dublin 2  
D02 F206  
Ireland

**INVESTMENT MANAGER  
AND DISTRIBUTOR**

CQS (UK) LLP (appointed 6 April 2021)  
4<sup>th</sup> Floor  
One Strand  
London  
WC2N 5HR  
England

Ferox Capital LLP (resigned 6 April 2021)  
16 Berkeley Street  
London  
W1J 8DZ  
England

**ADMINISTRATOR**

BNP Paribas Fund Administration Services (Ireland) Limited  
Trinity Point  
10-11 Leinster Street South  
Dublin D02 EF85  
Ireland

**DEPOSITARY**

BNP Paribas Securities Services, Dublin Branch  
Trinity Point  
10-11 Leinster Street South  
Dublin D02 EF85  
Ireland

**LEGAL ADVISORS AS TO IRISH LAW**

Pinsent Masons  
1 WML  
Windmill Lane  
Dublin 2, D02 F206  
Ireland

**FUND INFORMATION (Continued)**

LEGAL ADVISORS AS TO UK LAW	Dechert LLP 160 Queen Victoria Street London, EC4V 4QQ England
LEGAL ADVISORS AS TO US LAW	Dechert LLP One International Place 40 <sup>th</sup> Floor 100 Oliver Street Boston Massachusetts 02110-2605 U.S.A.
AUDITORS	Ernst & Young Chartered Accountants Ernst & Young Building Harcourt Centre Harcourt Street Dublin 2 Ireland
COMPANY SECRETARY	Pinsent Masons Corporate Services Ireland Limited 1 WML Windmill Lane Dublin 2, D02 F206 Ireland

## INVESTMENT MANAGER'S REPORT

### Period 1 January 2021 to 30 June 2021

Salar transitioned from Ferox to CQS in April 2021

Salar Fund PLC returned 1.69% net to the A1 USD Share Class.

All comments below refer to the investments in the period between 1 January 2021 to 30 June 2021.

The first half of 2021 has finished well. By the end of February, risk assets had strengthened significantly as market attention focused on the roll out of vaccines and the prospect of economies reopening. By the end of the quarter, technology stocks had underperformed and oil prices rallied with WTI prices ending at \$64 per barrel.

Recovery from the economic downfalls of the Covid-19 pandemic continued into the second quarter of the year, with many countries beginning to lift the Covid-19 restrictions. Markets showed sensitivity to inflation and interest rate news, with some short-lived volatility in equity indices, particularly the technology heavy Nasdaq. Commodity prices rose, particularly those of oil, which rose even further to \$74 per barrel. Equity markets have been strong, especially in the US with the prospect of continued fiscal stimulus from the Biden administration.

In January, Salar gained 0.76%. There were some significant swings in January, however these swings were helpful to Salar and contributed to performance. The US did not show strength in comparison to Asia and Europe.

February saw continued volatility. The Fund recorded another positive month, adding 1.28%. Asia and Europe did better than the US in our portfolio. Our Japanese ASCOT portfolio (call options on convertibles), for example, began to awaken after a long slumber: Salar made 80bps from Japan.

In March, Salar gained 0.03%. The Fund has notably less US tech than the Focus Index and more Europe (DJ EuroStoxx up 7.8%). This was undoubtedly the right way round in March, with tech names taking a large hit, leading us to outperform the Index significantly.

April saw Salar flat on the month. Whilst the US continued to dominate, we also saw the largest Asian issue for over 10 years (\$3bn with a concurrent \$6bn stock placement in Meituan), and strong issuance in Europe, whilst Japan continued to be very quiet. For Salar specifically, after a strong first quarter there was weakness in Japan, as it struggled with its vaccine rollout. This was the main drag on the portfolio with many names down 5-10%, overall costing 55bps. Europe provided most of the positive return, but there were no significant losses.

In May, Salar was down (0.47%). A seemingly calm month-end has covered up some intra-month volatility. For Salar there were few standouts, regionally the losses came from the US, with other regions broadly flat. There was an agreed takeover of Deutsche Wohnen, which made 0.20% for the Fund as the bonds rallied nearly 20bps. No names made or lost more than 0.10% and only two positions more than 0.05%.

**INVESTMENT MANAGER'S REPORT**

In June, Salar was up 0.13% and new issuance continued at pace. Salar underperformed the Refinitiv Convertible Bond Global Focus Index this month, given its low exposure to US tech and greater proportional exposure to Europe, Japan and Asia. However, the US was the greatest performer making 30bps over the month. Japan lost 25bps, whilst Europe and Asia made small gains. Given the small overall moves, it is perhaps not surprising that very few individual names stood out, with only one name gaining 10bps (recent large Meituan issue in Asia), and no significant losses.

Global issuance was strong throughout this first half with \$98.9bn new issues. The majority came from the US with \$55.9bn, followed by Asia and Europe, which added \$24.1bn and \$18.9bn respectively.

**CQS**

**August 2021**

**UNAUDITED STATEMENT OF FINANCIAL POSITION**  
**As at 30 June 2021**

	Notes	Unaudited 30 June 2021 US\$	Audited 31 December 2020 US\$
<b>Assets</b>			
Financial assets at fair value through profit or loss	3(ii)		
- transferable securities		249,207,806	329,828,193
- financial derivative instruments		7,307,892	18,643,156
Cash and cash equivalents	6,2(e)	21,111,668	43,504,221
Due from brokers	7	20,146,935	20,491,286
Subscription proceeds due		1,190,510	205,942
Interest receivable		277,317	–
Other receivables and prepayments		99,023	23,995
<b>Total assets</b>		<u>299,341,151</u>	<u>412,696,793</u>
<b>Liabilities</b>			
Financial liabilities at fair value through profit or loss	3(ii)		
- financial derivative instruments		4,838,474	6,354,621
Due to broker	7	13,655,801	8,166,912
Redemptions payable		138,503	25,501,209
Performance fee payable	5	494,246	4,242,100
Investment management fee payable	5	284,762	390,771
Administration fee payable	5	30,598	34,193
Depository fee payable	5	11,518	13,979
Audit fee payable	5	28,412	73,350
Interest payable		761,684	844,639
Dividends payable		–	45,595
Equalisation payable		390	1,597
Middle office fees payable	5	–	5,196
Accrued expenses and other payables		477,659	228,426
<b>Total liabilities (excluding net assets attributable to holders of redeemable participating shares)</b>		<u>20,722,047</u>	<u>45,902,588</u>
<b>Net assets attributable to holders of redeemable participating shares</b>		<u>278,619,104</u>	<u>366,794,205</u>

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

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME**  
**For the financial period ended 30 June 2021**

	Notes	For the financial period from 1 January 2021 to 30 June 2021 US\$	For the financial period from 1 January 2020 to 30 June 2020 US\$
<b>Income</b>			
Interest income		1,132,544	4,523,926
Other income		12,871	12,245
Net gain/(loss) on transferable securities, financial derivative instruments and foreign exchange	3(i)	11,116,145	(17,468,288)
Net effect of share class hedging		<u>(4,023,223)</u>	<u>(26,411,141)</u>
<b>Total income/(loss)</b>		<u>8,238,337</u>	<u>(39,343,258)</u>
<b>Expenses</b>			
Investment management fee	4	1,777,193	2,993,293
Performance fees	4	494,328	350,382
Dividends on securities sold short		509,565	277,205
Administration fees	4	196,513	316,516
Transaction expenses	10	42,942	47,694
Depository fee	4	13,968	125,654
Middle office fees		72,310	47,120
Other operating expenses		<u>876,139</u>	<u>983,491</u>
<b>Total expenses</b>		<u>3,982,958</u>	<u>5,141,355</u>
<b>Finance costs</b>			
Interest expense		<u>(1,999,687)</u>	<u>(3,824,037)</u>
<b>Total finance costs</b>		<u>(1,999,687)</u>	<u>(3,824,037)</u>
<b>Profit/(loss) before taxation</b>		2,255,692	(48,308,650)
<b>Taxation</b>			
Withholding tax on dividends		<u>–</u>	<u>(12,968)</u>
<b>Net income/(loss) attributable to holders of redeemable participating shares</b>		<u>2,255,692</u>	<u>(48,321,618)</u>

There are no recognised gains or losses other than those dealt with in the Unaudited Statement of Comprehensive Income. All amounts in respect of the financial period ended 30 June 2021 arose solely from continuing operations.

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

**UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES**  
**For the financial period ended 30 June 2021**

	<b>For the financial period from 1 January 2021 to 30 June 2021 US\$</b>	<b>For the financial period from 1 January 2020 to 30 June 2020 US\$</b>
Net assets at the beginning of the financial period	366,794,205	903,707,909
Net income/(loss) attributable to holders of redeemable participating shares	2,255,692	(48,321,618)
Issue of redeemable participating shares	90,760,179	77,953,057
Redemption of redeemable participating shares	<u>(181,190,972)</u>	<u>(436,738,138)</u>
<b>Net assets attributable to holders of redeemable participating shares at the end of the financial period</b>	<b><u>278,619,104</u></b>	<b><u>496,601,210</u></b>

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

**UNAUDITED STATEMENT OF CASH FLOWS**  
**For the financial period ended 30 June 2021**

	For the financial period from 1 January 2021 to 30 June 2021 US\$	For the financial period from 1 January 2020 to 30 June 2020 US\$
<b>Cash flows from operating activities:</b>		
Net income/(loss) attributable to holders of redeemable participating shares	2,255,692	(48,321,618)
<b>Adjustments to reconcile net income attributable to holders of redeemable participating shares to net cash provided by operating activities:</b>		
Net decrease in financial assets at fair value through profit or loss	91,955,651	459,636,524
Net (decrease)/increase in financial liabilities at fair value through profit or loss	(1,516,147)	4,531,944
Net decrease/(increase) in due from/to brokers	5,833,240	(46,509,461)
Net (increase)/decrease in other receivables	(352,345)	812,207
Net decrease in other payables	(3,789,370)	(1,002,833)
<b>Net cash provided by operating activities</b>	<u>94,386,721</u>	<u>369,146,763</u>
<b>Cash flows from financing activities:</b>		
Proceeds from issue of redeemable participating shares	89,774,404	77,155,269
Payments on redemptions of redeemable participating shares	<u>(206,553,678)</u>	<u>(430,118,450)</u>
<b>Net cash used in financing activities</b>	<u>(116,779,274)</u>	<u>(352,963,181)</u>
Net (decrease)/increase in cash and cash equivalents	(22,392,553)	16,183,582
Cash and cash equivalents at beginning of the financial period	<u>43,504,221</u>	<u>58,656,656</u>
<b>Cash and cash equivalents at end of the financial period</b>	<u><u>21,111,668</u></u>	<u><u>74,840,238</u></u>
<b>Supplementary cash flow information:</b>		
Interest received	855,227	5,336,220
Interest paid	(2,082,643)	(3,800,609)
Dividends received	–	(12,968)
Dividends paid	(555,160)	(329,259)

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

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS**

**For the financial period ended 30 June 2021**

1. ORGANISATION

Salar Fund plc (the "Fund") is an investment fund with variable capital and limited liability incorporated in Ireland on 27 November 2007 and authorised by the Central Bank of Ireland (the "Central Bank") pursuant to the European Communities (Undertaking for Collective Investment in Transferable Securities) ("UCITS") Regulations, 2011 (as amended) and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) UCITS Regulations 2019 (the "Regulations"). The Fund commenced trading on 1 February 2008.

The Fund's investment objective is to generate capital growth, whilst seeking to preserve capital, through a variety of risk/reward strategies generally in the convertible bond markets.

On 6 April 2021, CQS (UK) LLP (the "Investment Manager") replaced Ferox Capital LLP in managing the ICAV's investment activities with the administration of the ICAV delegated to BNP Paribas Fund Administration Services (Ireland) Limited (the "Administrator").

Shares are issued and can be redeemed as GBP, Euro and USD shares. The Fund has four main classes of shares, Class A Shares, Class C Shares, Class E Shares and Class I Shares, which are available for investment.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) *Basis of preparation*

*Statement of compliance*

The interim report and condensed unaudited financial statements of the Fund for the financial period ended 30 June 2021 have been prepared in accordance with IAS 34 - Interim financial reporting and Irish statute comprising the Companies Act 2014, the UCITS Regulations and the Central Bank Regulations. The financial statements have been prepared under the historical cost convention, except for financial assets and liabilities classified at fair value through profit or loss that have been measured at fair value.

The interim report and condensed unaudited financial statements do not contain all of the information and disclosures required in the full annual financial statements and should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") and Irish statute comprising the Companies Act 2014, the UCITS Regulations and the Central Bank Regulations.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (Continued)**  
**For the financial period ended 30 June 2021**

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) *Basis of preparation (Continued)*

*Statement of compliance (Continued)*

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the financial period. Actual results could differ from those estimates and these differences could be material.

Management has made an assessment of the Fund's ability to continue as a going concern and is satisfied that the Fund has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Fund's ability to continue as a going concern. Therefore, the unaudited condensed interim financial statements continue to be prepared on a going concern basis.

The unaudited financial statements are presented in US dollars (US\$) and all values are rounded to the nearest US\$1 except where otherwise indicated.

*New and amended standards and interpretations*

*Relevant industry standards and amendments to existing standards effective 1 January 2021*

Definition of Material – Amendments to IAS 1 and IAS 8

The IASB has made amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors which use a consistent definition of materiality throughout International Financial Reporting Standards and the Conceptual Framework for Financial Reporting, to clarify when information is material and incorporate some of the guidance in IAS 1 about immaterial information.

In particular, the amendments which became effective 1 January 2021 clarify:

- that the reference to obscuring information addresses situations in which the effect is similar to omitting or misstating that information, and that an entity assesses materiality in the context of the financial statements as a whole, and
- the meaning of 'primary users of general purpose financial statements' to whom those financial statements are directed, by defining them as 'existing and potential investors, lenders and other creditors' that must rely on general purpose financial statements for much of the financial information they need.

The amendment to the definition of materiality had no impact on the preparation of these financial statements.

*Standards and amendments that are effective for the period beginning 1 January 2021 or later*

There are no standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the Fund.

## NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (Continued)

For the financial period ended 30 June 2021

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

(i) *Net gain or loss on financial assets and financial liabilities at fair value through profit or loss and foreign exchange*

	For the financial period from 1 January 2021 to 30 June 2021 US\$	For the financial period from 1 January 2020 to 30 June 2020 US\$
Net realised gain on financial assets and liabilities at fair value through profit or loss and foreign exchange	29,970,568	33,126,139
Movement in unrealised loss on financial assets and liabilities at fair value through profit or loss and foreign Exchange	<u>(18,854,423)</u>	<u>(50,594,427)</u>
	<u>11,116,145</u>	<u>(17,468,288)</u>

(ii) *Fair value of financial instruments*

Investments measured and reported at fair value are classified and disclosed in one of the following categories:

**Level 1** - Quoted prices that are available in active markets for identical investments as of the reporting date.

**Level 2** - Pricing inputs (the underlying information used to calculate the price) including inputs sourced from the multiple broker quotes. Investments which are included in this category include corporate bonds, convertible bonds, bond options, contracts for difference, credit default swaps, interest rate swaps, forward currency contracts, certain warrants certain and mutual funds.

**Level 3** - Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant judgement or estimation. Investments that are included in this category include convertible bonds and bond options for which only one broker quotation is available, or when observable prices are not available for these securities, the Investment Manager uses one or more valuation techniques for which sufficient and reliable data is available.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgement, and considers factors specific to the investment. Changes in the observability of valuation inputs may result in a reclassification for certain financial assets or liabilities. Reclassification impacting Level 3 investments will be reported as transfers in/out of the Level 3 category as of the beginning of the financial year in which reclassifications occur.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (Continued)**  
**For the financial period ended 30 June 2021**

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

(ii) *Fair value of financial instruments (Continued)*

The following tables summarise the valuation of the Fund's financial assets and liabilities by the above fair value hierarchy levels as of 30 June 2021 and 31 December 2020.

**As at 30 June 2021**

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
<b>Financial assets</b>				
- Debt instruments	–	239,708,110	–*	239,708,110
- Mutual Fund	–	9,499,696	–*	9,499,696
- Financial derivative instruments				
Bond options	–	5,785,781	–	5,785,781
Contracts for difference	–	63,511	–	63,511
Forward currency contracts	–	63,314	–	63,314
Warrants	–	1,380,052	–	1,380,052
Bond futures	–	15,234	–	15,234
	<u>–</u>	<u>256,515,698</u>	<u>–</u>	<u>256,515,698</u>
<b>Financial assets at fair value through profit or loss</b>				
<b>Financial liabilities</b>				
- Financial derivative instruments				
Contracts for difference	–	(242,596)	–	(242,596)
Forward currency contracts	–	(839,451)	–	(839,451)
Interest rate swaps	–	(3,699,997)	–	(3,699,997)
Bond futures	–	(56,430)	–	(56,430)
	<u>–</u>	<u>(4,838,474)</u>	<u>–</u>	<u>(4,838,474)</u>
<b>Financial liabilities at fair value through profit or loss</b>				

\*Includes all which had a value of nil market value at the reporting date

Arcandor AG KARGR 8 7/8 07/11/13  
Japan Airlines CORP JALSTM 0 03/25/11  
China Milk Products GRP CMILK 0 01/05/12  
Shree Asht Cine Vision SACV 2 7/8 12/22/12  
Ya HSIN Industrial Co Yahsin 0 01/05/09  
Kpnqwest NV Kpnqwe 10 03/15/12  
Berlian Laju Tanker TBK PT  
Sunedison Inc Sune 2 3/4 01/01/21

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (Continued)**  
**For the financial period ended 30 June 2021**

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

(ii) *Fair value of financial instruments (Continued)*

**As at 31 December 2020**

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
<b>Financial assets</b>				
- Debt instruments	–	320,205,032	–*	320,205,032
- Mutual Fund	–	9,623,161	–*	9,623,161
- Financial derivative instruments				
Bond options	–	12,132,187	–	12,132,187
Contracts for difference	–	808,553	–	808,553
Forward currency contracts	–	3,746,598	–	3,746,598
Interest rate swaps	–	6,984	–	6,984
Warrants	–	1,935,387	–	1,935,387
Bond futures	–	13,447	–	13,447
	<u>–</u>	<u>348,471,349</u>	<u>–</u>	<u>348,471,349</u>
<b>Financial assets at fair value through profit or loss</b>				
	<u>–</u>	<u>348,471,349</u>	<u>–</u>	<u>348,471,349</u>
<b>Financial liabilities</b>				
- Financial derivative instruments				
Bond options	–	(530)	–	(530)
Contracts for difference	–	(475,978)	–	(475,978)
Forward currency contracts	–	(348,379)	–	(348,379)
Interest rate swaps	–	(5,506,492)	–	(5,506,492)
Bond futures	–	(23,242)	–	(23,242)
	<u>–</u>	<u>(6,354,621)</u>	<u>–</u>	<u>(6,354,621)</u>
<b>Financial liabilities at fair value through profit or loss</b>				
	<u>–</u>	<u>(6,354,621)</u>	<u>–</u>	<u>(6,354,621)</u>

\*Includes all which had a value of nil market value at the reporting date

Arcandor AG KARGR 8 7/8 07/11/13

Japan Airlines CORP JALSTM 0 03/25/11

China Milk Products GRP CMILK 0 01/05/12

Shree Asht Cine Vision SACV 2 7/8 12/22/12

Ya HSIN Industrial Co Yahsin 0 01/05/09

Kpnqwest NV Kpnqwe 10 03/15/12

Berlian Laju Tanker TBK PT

There was 1 transfer between levels during the financial period (31 December 2020: Nil).

All other assets and liabilities held by the Fund at the reporting dates 30 June 2021 and 31 December 2020 are carried at amortised cost; their carrying values are a reasonable approximation of fair value. Cash and cash equivalents have been classified at level 1, due to the liquid nature of the asset. All other assets and liabilities held, outside of those discussed above, have been classified at level 2.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (Continued)**  
**For the financial period ended 30 June 2021**

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

(ii) *Fair value of financial instruments (Continued)*

Certain financial instruments may be recorded using valuation techniques with unobservable market data or are priced to incorporate low levels of market activity. These include convertible bonds with a fair value of US\$Nil (31 December 2020: US\$Nil) and an equity instrument with a fair value of US\$Nil (31 December 2020: US\$Nil).

An equity instrument with a fair value of US\$Nil (31 December 2020: US\$Nil) has been valued using last available quoted price as it is in default and illiquid.

The Directors have reviewed the reasonableness of Level 3 valuations and are satisfied that they represent the fair value of the instruments held by the Fund at 30 June 2021 and 31 December 2020. Furthermore, given the nature of inputs used on determining fair value, sensitivity analysis would not be relevant. There were no significant movements between Level 1 and Level 2 during the financial period.

*The changes in investments measured at fair value for which Level 3 inputs have been used to determine fair value are as follows:*

	US\$
Balance at 1 January 2021	–
Purchases	–
Sales	65,332
Losses:	–
Realised	(793,677)
Transfer from Level 2 to Level 3	18,000
Change in unrealised	(841,008)
	<hr/>
Balance at 30 June 2021	–

	US\$
Balance at 1 January 2020	–
Purchases	2,953
Sales	–
Losses:	–
Realised	–
Transfer from Level 1 to Level 3	–
Change in unrealised	(2,953)
	<hr/>
Balance at 31 December 2020	–

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (Continued)**

**For the financial period ended 30 June 2021**

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

(iii) *Derivative contracts*

Typically, derivative contracts serve as components of the Fund's investment strategy and are utilised primarily to structure and hedge investments to enhance performance and reduce risk to the Fund (the Fund does not designate any derivatives as hedges for hedge accounting purposes as described under IFRS 9). The derivative contracts that the Fund holds or issues are bond options, index options, equity options, equity leap options, contracts for difference ("CFDs"), forward currency contracts, interest rate swaps and warrants.

*Contracts for difference*

CFDs represent OTC agreements that obligate two parties to exchange cash flows at specified intervals based upon or calculated by reference to changes in specified prices or rates for a specified amount of an underlying asset or otherwise deemed notional amount. The payment flows are usually netted against each other, with the difference being paid by one party to the other. Therefore amounts required for the future satisfaction of the CFD may be greater or less than the amount recorded. The ultimate gain or loss depends upon the prices at which the underlying financial instruments of the CFD are valued at the CFD's settlement date and is included in the Statement of Comprehensive Income.

*Forward currency contracts*

Forward currency contracts are OTC agreements entered into by the Fund which represent a firm commitment to buy or sell an underlying asset, or currency at a specified value and point in time based upon an agreed or contracted quantity. The realised/unrealised gain or loss is equal to the difference between the value of the contract at the onset and the value of the contract at settlement date/financial period-end date and is included in the Statement of Comprehensive Income.

*Futures contracts*

A futures contract obligates one party to sell and the other party to purchase a specific instrument for an agreed price on an agreed future date. Initial margin deposits made with respect to futures contracts are recognised as assets due from the Fund's broker (the Fund's agent in acquiring the futures position). Subsequent changes in the daily valuation of open contracts are recognised as unrealised gains or losses in the Statement of Comprehensive Income. Variation margin payments are made or received on traded futures as appreciation or depreciation occurs. Futures contracts are valued using quoted daily settlement prices established by the exchange on which they trade. Realised gains or losses are recorded when a contract is closed and are included in the Statement of Comprehensive Income.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (Continued)**

**For the financial period ended 30 June 2021**

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

(iii) *Derivative contracts (Continued)*

*Options*

The Fund purchases put and call options through listed exchanges and OTC markets. Options purchased by the Fund provide the Fund with the opportunity to purchase (call options) or sell (put options) the underlying asset at an agreed-upon value either on or before the expiration date of the option. Options are valued in accordance with the accounting policy stated in Note 2 and the resulting movement in the unrealised gain or loss is recorded in the Statement of Comprehensive Income.

*Bond options*

Bond options represent OTC contracts with major multinational counterparties which allow the Fund to invest solely in the optionality component of a predetermined specific notional amount of a convertible bond. Bond options are valued in accordance with the accounting policy stated in Note 2 and the resulting movement in the unrealised gain or loss is recorded in the Statement of Comprehensive Income.

*Interest rate swaps*

Interest rate swaps represent OTC agreements that obligate two parties to exchange a series of cash flows at specified intervals based upon or calculated by reference to changes in specified prices or rates for a specified amount of an underlying asset or otherwise determined notional amount. The payment flows are usually netted against each other, with the difference being paid by one party to the other. The realised gain or loss depends upon the prices at which the underlying financial instruments of the swap are valued at the swap's settlement date and is included in the Statement of Comprehensive Income. Interest rate swaps are fair valued with the resulting movement recorded in the Statement of Comprehensive Income.

*Warrants*

A warrant is a derivative security that gives the holder the right to purchase securities (usually equity) from the issuer at a specific price within a certain time frame. Warrants which are traded on an active market are valued at the quoted price.

The Fund may purchase warrants to speculate on the price movements of the financial instrument underlying the warrant, or for use as an economic hedge against certain equity positions held in the Fund's portfolio holdings. The Fund purchases warrants through listed markets. Warrants purchased by the Fund provide the Fund with the opportunity to purchase the underlying asset at an agreed-upon value either on (European style) or at any time before (American style) the expiration of the warrant.

The prices paid with regard to purchasing warrants are marked to market in accordance with Note 2 and the resulting gains or losses are recorded in the Statement of Comprehensive Income within net gain/(loss) on securities, derivative instruments and foreign exchange.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (Continued)**

**For the financial period ended 30 June 2021**

4. FEES AND EXPENSES

*Investment Management Fee*

Pursuant to the investment management agreement, the Investment Manager receives from the Fund an investment management fee equal to 1/12 of 1 per cent per month of the net asset value ("NAV") of the Class A1, Class C1 and Class E1 Shares, an investment management fee equal to 1/12 of 1.5 per cent per month of the NAV of the Class A2, Class C2 and Class E2 Shares, an investment management fee equal to 1/12 of 2.0 per cent per month of Class E3 Shares and an investment management fee equal to 1/12 of 0.75 per cent per month of the NAV of Class I Shares (before deduction of that month's investment management fee and before deduction of any accrued performance fees) as at the last valuation point in each month accrued daily and payable monthly in arrears.

Total investment management fee accrued at the reporting date and amounts charged during the financial period are disclosed in the statement of financial position and the statement of comprehensive income respectively.

*Performance Fee*

The Investment Manager is also entitled to receive an annual performance fee in respect of each Class in the Fund, except for management share classes. The performance fee is calculated in respect of each calendar year by reference to the NAV per share of the class concerned as at the last valuation point prior to the commencement of that calendar year and the NAV per share of that class as at the last valuation point in that calendar year (a "Calculation Period"). The first Calculation Period shall be from close of the relevant initial offer period to the last valuation point in the relevant year and the initial offer price of the relevant Class shall be the starting NAV per share for the calculation of the Hurdle and the High Water Mark.

The Investment Manager will be entitled to a performance fee in respect of each Class A, C and E equal to 10 per cent of the increase in the adjusted GAV of the relevant Class at the end of the Calculation Period above the High Water Mark and the relevant Hurdle during the calculation period.

The Performance Fee shall accrue at each Valuation Point and, accordingly, the NAV will be adjusted to reflect such fee. The Performance Fee will be calculated by the Administrator and verified by the Fund and the Depositary.

Notwithstanding the foregoing, any accrued Performance Fee referable to Shares redeemed prior to the end of the Calculation Period shall crystallise and become payable to the Investment Manager following such redemption.

This crystallising Performance Fee is calculated as a pro-rated proportion of the uncrystallised Performance Fee which forms part of the Redemption Price per Share at which the relevant Shareholder redeemed.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (Continued)**

**For the financial period ended 30 June 2021**

4. FEES AND EXPENSES (Continued)

*Performance Fee (Continued)*

The Performance Fee is only payable on an increase in the Adjusted GAV per Share above the High Water Mark plus the Hurdle.

The Performance Fee (save any Performance Fee paid upon a redemption) shall be paid after the end of the Calculation Period in arrears. The Depositary shall verify the calculation of the Performance Fee prior to payment at the end of each Calculation Period.

Investors should note that where a Performance Fee is payable, it will be based on net realised and unrealised gains and losses at the end of each Calculation Period; as a result, a Performance Fee may be paid on unrealised gains that are never subsequently realised.

The performance fee in respect of each Class I Share in any Calculation Period is equal to 15 per cent of the increase in the adjusted gross asset value of the relevant class at the end of the Calculation Period above the sum of the high water mark and the relevant hurdle during the Calculation Period. The performance fee shall accrue at each valuation point and, accordingly, the NAV will be adjusted to reflect such fee. No performance fee will accrue or be paid until the NAV exceeds the high water mark. The performance fee shall be paid after the end of the Calculation Period in arrears.

The high water mark of the Class I Shares is the greater of (i) the initial offer price per share of the relevant share class; or (ii) the all-time highest NAV per share of the relevant class calculated on the last valuation point of a prior Calculation Period.

The hurdle of the Class I Shares is 5 per cent per annum. The hurdle will be added to the high water mark, and, in any Calculation Period, the adjusted gross asset value must exceed the hurdle plus high water mark before a performance fee can be paid. For periods of less than 1 year, the hurdle shall be pro-rated over the relevant period by multiplying by the number of actual days invested and dividing by 365. This adjustment to the hurdle shall apply both to new subscription amounts and to redemption amounts.

**Hurdle**

For each Calculation Period, the Hurdle in respect of:

i. Class A \$ Shares, Class C \$ Shares, Class D \$ Shares and Class E \$ Shares shall be the percentage rate achieved by compounding on a rolling daily basis to the end of the Calculation Period 100 per cent plus the US Dollar 90 Day LIBOR percentage interest rate Bloomberg ticker (US0003);

ii. Class A GBP Shares, Class C GBP Shares and the Class E GBP Shares shall be the percentage rate achieved by compounding on a rolling daily basis to the end of the Calculation Period 100 per cent plus the GBP 90 Day LIBOR percentage interest rate Bloomberg ticker (BP0003); and

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (Continued)**

**For the financial period ended 30 June 2021**

4. FEES AND EXPENSES (Continued)

*Performance Fee (Continued)*

**Hurdle (Continued)**

i. Class A Euro Shares, Class C Euro Shares, and the Class E Euro Shares shall be the percentage rate achieved by compounding on a rolling daily basis to the end of the Calculation Period 100 per cent plus the Euro 90 Day LIBOR percentage interest rate Bloomberg ticker (EE0003).

The Hurdle shall be calculated on the first Business Day of each calendar quarter in the Calculation Period, or in the case of the first Calculation Period, on the first Business Day after the relevant initial offer period;

In respect of a Share issued otherwise than on the first Dealing Day in a Calculation Period, the Hurdle will be prorated by reference to the number of days from the date of issue of that Share to the end of the Calculation Period.

With respect to each calendar quarter, the relevant LIBOR interest rate will be determined by the Administrator on the first Business Day in each calendar quarter (the "LIBOR Determination Date") in accordance with the provisions contained in the prospectus.

**Equalisation of Performance Fees – Class A Shares, Class C Shares, Class D Shares and Class I Shares**

The Subscription Price at which Shares will be issued on any Dealing Day (other than the first Dealing Day in any Calculation Period) will be the NAV per Share of such Class before accrual for the Performance Fee (if any). The difference between the Subscription Price of a Share and the NAV per Share of that Class after accrual for the Performance Fee per Share is referred to as an "Equalisation Credit". An adjustment will then be made at the end of each Calculation Period to compensate for the difference between the amount of Performance Fee accrued in respect of that Class Share at the time of subscription and the Performance Fee payable in respect of that Class Share at the end of the Calculation Period.

The Directors have resolved that Salar Fund Plc will no longer operate income equalisation for the class of Shares that have UK reporting fund status, currently this is related to the E Share Class.

**Adjustments – Class A Shares, Class C Shares, Class D Shares and Class I Shares**

At the end of each Calculation Period, the Performance Fee per Share will be calculated in respect of all Shares subscribed for on each Dealing Day during that Calculation Period, as described above.

If the Performance Fee per Share calculated (at the end of the Calculation Period) in respect of any such Share subscribed for on a Dealing Day is less than the Performance Fee per Share accrued in respect of that Share on that Dealing Day, the difference per Share multiplied by the number of Shares of that Class subscribed for by the holder of that Share on that Dealing Day will be applied to subscribe for additional Shares of the relevant Class to be issued to that Shareholder.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (Continued)**  
**For the financial period ended 30 June 2021**

4. FEES AND EXPENSES (Continued)

*Performance Fee (Continued)*

**Adjustments – Class A Shares, Class C Shares, Class D Shares and Class I Shares (Continued)**

If the Performance Fee per Share calculated (at the end of the Calculation Period) in respect of any such Shares of that Class subscribed for on a Dealing Day is greater than the Performance Fee per Share accrued in respect of that Share on that Dealing Day, such number of such Shares of that Class held by the holder of that Share as have an aggregate Net Asset Value equal to the difference per Share multiplied by the number of Shares of that Class subscribed for by the holder of that Share will be redeemed by the Fund at par value (the aggregate par value being retained by the Fund) and an amount equal to the aggregate Net Asset Value of the Shares so redeemed will be paid to the Investment Manager as a Performance Fee (a “Performance Fee Redemption”).

**Performance Fee Methodology – Class E Shares**

The Performance Fee calculation in respect of each Calculation Period will be equal to the aggregate of the Performance Fees determined in respect of each separate subscription of Shares, accrued daily. Since Performance Fees are aggregated and applied to the Share Class as a whole, the actual Performance Fee incurred for each separate subscription is determined by the change in NAV per Share of the Share Class. There may be occasions where an investor effectively pays for which it has gained no benefit or where some investors are subsidising other investors. If the Investment Management Agreement is terminated other than at the end of a Calculation Period, the Performance Fee will be calculated as if such Calculation Period ended on the date of such termination. The Calculation Period for Shares that are redeemed shall terminate on the effective date of redemption. In the event of a partial redemption, Shares shall be redeemed on a first in, first out basis, for the purposes of calculating the Performance Fee. Investors should note that any depreciation in the NAV per Share of the Class E Shares over a Calculation Period will not cause a reduction in, or otherwise affect, the calculation of the Performance Fee in respect of the relevant Class in any subsequent Calculation Period.

Total performance fee accrued at the reporting date and amounts charged during the financial period are disclosed in the statement of financial position and the statement of comprehensive income respectively

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (Continued)**  
**For the financial period ended 30 June 2021**

4. FEES AND EXPENSES (Continued)

*Administration Fee*

The administration fee rate charged will not exceed 0.10 per cent per annum of the NAV of the Fund from 1 March 2019 for two years. Subsequent to the 1 March 2021, the administration fee charged will not exceed 0.11 per cent per annum of the NAV of the Fund. Up to the 31 March 2021, the administrator was also eligible to receive a middle office fee of 0.015 per cent per annum of the NAV of the Fund subject to a minimum annual fee of US\$80,000 (plus VAT, if any thereon). Effective 31 March 2021 the administrator ceased providing middle office services to the Fund with the Investment Manager taking the function in-house.

Total administration fee accrued at the reporting date and amounts charged during the financial period are disclosed in the statement of financial position and the statement of comprehensive income respectively.

*Depositary Fee*

The Depositary is entitled to receive out of the net assets of the Fund an annual fee, accrued at each valuation point and payable monthly in arrears, which shall not exceed 0.04 per cent per annum of the NAV of the Fund subject to a minimum annual fee of US\$30,000 (plus VAT, if any) thereon.

Total depositary fee accrued at the reporting date and amounts charged during the financial period are disclosed in the statement of financial position and the statement of comprehensive income respectively.

*Directors' Fees*

The Directors may be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings of the Fund or in connection with the business of the Fund. The total Directors' expenses for the financial period were US\$954 (30 June 2020: US\$810), the total Directors' fees for the financial period were US\$69,706 (30 June 2020: US\$27,190) and US\$Nil (31 December 2020: US\$Nil) was prepaid at financial period end. The Fund also paid US\$36,787 (30 June 2020: US\$32,696) to Carne Global Financial Services Limited ("Carne"), an independent governance firm; in respect of director support services for, Elizabeth Beazley and Teddy Otto. These costs are for services provided directly to the Directors which are payable by the Fund and do not constitute 'other services' as defined by the Central Bank.

Nicholas Curtis received a director's fee for the period ending 30 June 2021 amounting to of €10,000 (30 June 2020: €10,000). Tom Seymour Mead received a director's fee for the period ending 30 June 2021 amounting to €4,250 (30 June 2020: Nil).

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents represents the cash balances held with BNP Paribas Luxembourg and the Umbrella Cash Account held with BNP Paribas Securities Services, Dublin Branch. The fund operates under a Fund Asset Model whereby a collection account is held in the name of the Fund to collect subscription monies and pay redemption monies. The monies held in the collection accounts are considered an asset of the Fund and are disclosed in the statement of financial position within cash and cash equivalents.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (Continued)**  
**For the financial period ended 30 June 2021**

6. DUE FROM AND TO BROKERS

Amounts due from and to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the reporting date, respectively.

The majority of the amounts due from and due to brokers are held with the Depositary. There is a right of offset based on the master netting agreement in place between long and short positions subject to meeting eligibility criteria however none met this and the unaudited financial statements have been presented on a gross basis at 30 June 2021 and 31 December 2020.

Margin accounts with brokers represent cash deposits with counterparties as collateral against open bond options, warrants and forward currency contracts. The Fund also transferred cash as collateral for transactions involving borrowed securities.

	<b>30 June 2021 US\$</b>	<b>31 December 2020 US\$</b>
<b>Due from brokers</b>		
Cash balance with broker	16,102,357	17,095,331
Receivable for investments sold	<u>4,044,578</u>	<u>3,395,955</u>
<b>Total</b>	<u>20,146,935</u>	<u>20,491,286</u>
	<b>30 June 2021 US\$</b>	<b>31 December 2020 US\$</b>
<b>Due to brokers</b>		
Cash overdraft with broker	77,905	485,052
Collateral	3,443,012	7,681,860
Payable for investments purchased	<u>10,134,884</u>	<u>—</u>
<b>Total</b>	<u>13,655,801</u>	<u>8,166,912</u>

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (Continued)**  
**For the financial period ended 30 June 2021**

7. SHARE CAPITAL AND REDEEMABLE PARTICIPATING SHARES

The authorised share capital of the Fund is 500 billion shares of no par value and €300,002 divided into 300,002 redeemable non-participating shares of €1.00 each. Non-participating shares do not entitle the holders thereof to any dividend and on a winding up entitle the holders thereof to receive the amount paid up thereon but do not otherwise entitle them to participate in the assets of the Fund.

Voting Shares have the right to vote at general meetings of the Fund. The holders of Shares which are designated as Non-Voting Shares shall be entitled to receive notice to attend and speak at all general meetings of the Fund but not to vote on any resolution proposed thereat. Management Shares rank pari passu with the Class A Shares, Class C Shares, Class E Shares Class I Shares and Class S Shares in all respects save that no investment management fees or performance fees will be payable by the Fund to the Investment Manager in respect of the assets attributable to the Management Shares. More details of the fees relating to each class of shares can be found in Note 5.

The Directors have the power to allot shares in the capital of the Fund on such terms and in such manner as they may think fit. Of the 300,002 non-participating shares, two are currently in issue which were taken by the subscribers to the Fund and are held by the Investment Manager and nominees of the Investment Manager.

The net assets attributable to holders of redeemable participating shares are at all times equal to the net asset value of the Fund. The participating shares which comprise the equity capital of the Fund are in substance a liability of the Fund to shareholders under IAS 32- Financial Instruments Presentation, as they can be redeemed at the option of the shareholders.

*Capital management*

As a result of the ability to issue, repurchase and resell shares, the capital of the Fund can vary depending on the demand for redemptions and subscriptions to the Fund. The Fund is subject to externally imposed minimum regulatory capital requirements which is €300,000.

The Fund's objectives for managing capital are:

- To invest the capital in investments meeting the description, risk exposure and expected return indicated in its prospectus.
- To achieve consistent returns while safeguarding capital by investing in diversified portfolio, by participating in derivative and other capital markets and by using various investment strategies and hedging techniques.
- To maintain sufficient liquidity to meet the expenses of the Fund, and to meet redemption requests as they arise.
- To maintain sufficient size to make the operation of the Fund cost-efficient.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (Continued)**  
**For the financial period ended 30 June 2021**

8. CONTINGENCIES

Since the financial year ended 31 December 2014, it became apparent that US Internal Revenue Code (IRC) Section 305(c) applies to certain US convertible bonds held by the fund. Under Section 305(c), a change in a conversion rate occurring on an ex-dividend creates a taxable deemed distribution which is subject to withholding rates. There were uncertainties surrounding the computation and application of these rules. In April 2016, proposed regulations were issued to clarify the amount and timing of these deemed distributions and provide guidance on withholding agents' obligations. However, these proposed regulations are forward looking and will be relied upon for deemed distributions occurring on or after 1 January 2018. As such, it is undetermined if the Internal Revenue Service will enforce collection of Section 305(c) withholding tax on deemed distributions prior to this date. Further, the regulations are still only proposed as they were not finalized in 2016. A contingent 305(c) liability has been calculated for the financial period ended 30 June 2021 however, given that the outflow of economic resources required to settle any Section 305(c) obligation cannot be estimated with reasonable certainty, no liability has been recognized nor disclosed in the financial statements.

9. EXCHANGE RATES

The following exchange rates have been used to translate assets and liabilities into the functional currency of the Fund, US\$:

	<b>30 June 2021 Rate</b>	<b>31 December 2020 Rate</b>
<b>Currency</b>		
Australian Dollar	1.334	1.300
Danish Krone	6.276	6.087
Euro	0.844	0.818
Hong Kong Dollar	7.766	7.754
Japanese Yen	111.086	103.295
Pound Sterling	0.725	0.733
Swiss Franc	0.926	0.885
Singapore Dollar	1.346	1.321
South African Rand	14.317	14.672
Swedish Krona	8.560	8.218
Taiwan Dollar	27.875	28.094

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (Continued)**  
**For the financial period ended 30 June 2021**

10. TRANSACTION COSTS

In order to achieve its investment objective, a Fund will incur transaction costs in relation to trading activity on its portfolio. Disclosed in the table below are separately identifiable transaction costs incurred by the Fund. These include brokerage commissions and broker fees on exchange traded future contracts.

	<b>30 June 2021</b>	<b>30 June 2020</b>
	<b>US\$</b>	<b>US\$</b>
Transaction costs	42,942	47,694

Not all transaction costs are separately identifiable. For fixed income investments and forward currency contracts, transaction costs will be included in the purchase and sales price of the investment, and not separately disclosed as transaction costs by way of this note.

11. SOFT COMMISSION ARRANGEMENTS

There were no soft commission arrangements in place during the financial period ended 30 June 2021 (2020: Nil).

12. TRANSACTIONS INVOLVING CONNECTED PERSONS

Chapter 10 of the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations, 2019 (the “Central Bank Regulations”) headed ‘Transactions involving Connected Persons’ states in regulation 43 that a responsible person shall ensure that any transaction between a UCITS and the management company or depositary to a UCITS; and the delegates or sub-delegates of such a management company or depositary (excluding any non-group company sub-custodians appointed by a depositary); and any associated or group company of such a management company, depositary, delegate or sub-delegate (“connected persons”) is conducted at arm’s length and is in the best interests of the unitholders of the UCITS.

The Board of Directors of the Fund is satisfied that there are arrangements (evidenced by written procedures) in place, to ensure that the obligations set out in regulation 43 of the Central Bank Regulations are applied to all transactions with connected persons; and the Board of Directors is satisfied that transactions with connected persons entered into during the financial period complied with the obligations set out in this paragraph.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (Continued)**  
**For the financial period ended 30 June 2021**

13. RELATED PARTIES

In accordance with IAS 24-Related Party Disclosures, the related parties of the Fund and the required disclosure relating to material transactions with parties are outlined below.

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

The Fund regards the Investment Manager, the Directors and Ferox Investments ICAV as related parties. The Fund has an investment in Ferox Investments ICAV. The investment in Ferox Investments ICAV does not earn any management or performance fees and so does not contribute to the management or performance fee earned on Ferox Investments ICAV.

Nicholas Curtis held 3,194.48 Shares on 30 June 2021 (30 June 2020: 3,194.48 Shares).

Elizabeth Beazley and Teddy Otto are employees of Carne Global Financial Services Limited. Nicholas Curtis resigned as Director of Ferox Capital Management Limited on 2 September 2020. Tom Seymour Mead was a Director of Ferox Capital Management Limited until 6 April 2021.

Details of fees with related parties are set out in Note 4. Ferox Master Fund Limited ("Ferox Master") used the same Investment Manager as the Fund and is therefore considered a connected person.

The Fund holds 57,546 shares (2020: 57,546) Chinook Global Convertible Bond Fund Class M EUR Shares valued at US\$9,499,696 (2020: US\$9,623,161).

The Fund uses affiliates of the Investment Manager and the same investment advisors as the Ferox Investments ICAV.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (Continued)**  
**For the financial period ended 30 June 2021**

14. DISTRIBUTIONS TO SHAREHOLDERS

Shares are available either as income Class distribution Shares (“Qualifying Shares”), nonincome Class distribution Shares or accumulation Shares. Qualifying Shares are paid dividends in the manner set out below and Accumulation Shares and non-income Class distribution Shares will not pay dividends. The Directors can declare dividends in respect of the Qualifying Shares in respect of some or all of the net income arising from the assets attributable to such Shares. Dividends can be distributed on a bi-annual basis, or at such other times determined by the Directors, in accordance with the provisions of the Prospectus and Articles. Distributions to shareholders are recorded in the Unaudited Statement of Comprehensive Income. During the period no dividends were approved or paid. (30 June 2020: Nil).

15. SIGNIFICANT EVENTS DURING THE FINANCIAL PERIOD

CQS (UK) LLP replaced Ferox Capital LLP as Investment Manager effective the 6 April 2021.

There were no other significant events during the financial period that require amendments to or disclosure in the financial statements.

16. NET ASSET VALUE HISTORY

	<b>30 June</b>	<b>31 December</b>
	<b>2021</b>	<b>2020</b>
<b>Class A1 US\$ Shares (Accumulation)</b>		
Net asset value (\$)	10,521,336	10,114,633
Net asset value per share (\$)	183.98	180.92
<b>US\$ Management Shares (Accumulation)</b>		
Net asset value (\$)	1,124,687	1,098,590
Net asset value per share (\$)	146.10	142.71
<b>Class C1 US\$ Shares (Distribution - income)</b>		
Net asset value (\$)	82,119	80,754
Net asset value per share (\$)	151.56	149.04
<b>Class C1 US\$ Shares (Distribution - non-income)</b>		
Net asset value (\$)	15,821	15,557
Net asset value per share (\$)	169.17	166.35
<b>Class E1 US\$ Shares (Accumulation)</b>		
Net asset value (\$)	10,818,446	9,563,570
Net asset value per share (\$)	164.61	161.88

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (Continued)**  
**For the financial period ended 30 June 2021**

16. NET ASSET VALUE HISTORY (Continued)

	<b>30 June 2021</b>	<b>31 December 2020</b>
<b>Class E2 US\$ Shares (Accumulation)</b>		
Net asset value (\$)	2,123,286	2,016,639
Net asset value per share (\$)	156.78	154.48
<b>Class E3 US\$ Shares (Accumulation)</b>		
Net asset value (\$)	536,544	1,114,373
Net asset value per share (\$)	148.96	147.14
<b>Euro Management Shares (Accumulation) <sup>1</sup></b>		
Net asset value (€)	1,733,646	1,700,163
Net asset value per share (€)	115.98	113.74
<b>Class A1 Euro Shares (Accumulation) <sup>1</sup></b>		
Net asset value (€)	2,486,890	2,445,858
Net asset value per share (€)	171.43	169.24
<b>Class C1 Euro Shares (Distribution - income) <sup>1</sup></b>		
Net asset value (€)	701,473	650,896
Net asset value per share (€)	138.56	136.80
<b>Class E1 Euro Shares (Accumulation) <sup>1</sup></b>		
Net asset value (€)	158,151,831	130,873,905
Net asset value per share (€)	165.09	163.01
<b>Class E1 Euro Shares (Distribution – income) <sup>1</sup></b>		
Net asset value (€)	1,641,142	2,048,585
Net asset value per share (€)	114.77	113.31
<b>Class E2 Euro Shares (Accumulation) <sup>1</sup></b>		
Net asset value (€)	18,039,431	18,843,872
Net asset value per share (€)	155.93	154.30

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (Continued)**  
**For the financial period ended 30 June 2021**

16. NET ASSET VALUE HISTORY (Continued)

	<b>30 June</b>	<b>31 December</b>
	<b>2021</b>	<b>2020</b>
<b>Class E3 Euro Shares (Accumulation) <sup>1</sup></b>		
Net asset value (€)	7,213,062	7,824,184
Net asset value per share (€)	135.02	133.90
<b>Class I Euro Shares (Accumulation) <sup>1</sup></b>		
Net asset value (€)	–	6,512,051
Net asset value per share (€)	–	113.35
<b>Class A1 Sterling Shares (Accumulation) <sup>1</sup></b>		
Net asset value (£)	713,624	1,100,570
Net asset value per share (£)	183.60	180.69
<b>Sterling Management Shares (Accumulation) <sup>1</sup></b>		
Net asset value (£)	3,876,597	3,398,491
Net asset value per share (£)	192.56	188.24
<b>Class C1 Sterling Shares (Distribution - income) <sup>1</sup></b>		
Net asset value (£)	2,166,912	2,999,999
Net asset value per share (£)	159.91	157.38
<b>Class C1 Sterling Shares (Distribution - non-income) <sup>1</sup></b>		
Net asset value (£)	529,266	819,198
Net asset value per share (£)	167.03	164.38
<b>Class C2 Sterling Shares (Distribution - income) <sup>1</sup></b>		
Net asset value (£)	263,174	259,580
Net asset value per share (£)	156.12	153.99

<sup>1</sup> Hedged share class

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (Continued)**  
**For the financial period ended 30 June 2021**

16. NET ASSET VALUE HISTORY (Continued)

	<b>30 June</b>	<b>31 December</b>
	<b>2021</b>	<b>2020</b>
<b>Class C2 Sterling Shares (Distribution - non-income) <sup>1</sup></b>		
Net asset value (£)	10,635	10,490
Net asset value per share (£)	158.38	156.22
<b>Class E1 Sterling Shares (Accumulation) <sup>1</sup></b>		
Net asset value (£)	2,538,315	9,549,287
Net asset value per share (£)	158.63	156.12
<b>Class E3 Sterling Shares (Accumulation) <sup>1</sup></b>		
Net asset value (£)	444,320	207,321
Net asset value per share (£)	143.78	142.20
<b>Class E1 Sterling Shares (Distribution income) <sup>1</sup></b>		
Net asset value (£)	9,887,390	11,324,063
Net asset value per share (£)	127.54	125.51
<b>Class I Sterling Shares (Accumulation) <sup>1</sup></b>		
Net asset value (£)	–	68,325,712
Net asset value per share (£)	–	118.67
<b>Class E2 Sterling Shares (Accumulation) <sup>1</sup></b>		
Net asset value (£)	81,016	70,186
Net asset value per share (£)	113.50	111.96

<sup>1</sup> Hedged share class

17. CHANGES TO THE PROSPECTUS

The Fund has appointed CQS (UK) LLP as investment manager and distributor. The Investment Manager is authorised and regulated by the FCA.

18. EFFICIENT PORTFOLIO MANAGEMENT

The Fund may, for the purposes of efficient portfolio management, enter into derivative contracts. Derivative contracts open at 30 June 2021 were bond options, equity index options, contracts for difference, forward currency contracts, interest rate swaps, warrants, bond futures and commodity futures and are disclosed in the schedule of investments and Note 3. Forward currency contracts were held for the purposes of hedging currency fluctuations between the currency of denomination of the non-base share classes and the base currency. The Fund did not engage in stock lending or transactions using repos during the financial period.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (Continued)**

**For the financial period ended 30 June 2021**

19. SUBSEQUENT EVENTS

Subsequent to financial period end, there have been subscriptions and redemptions of US\$13,009,514 and US\$9,389,972 on the Fund.

20. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Directors on 26 August 2021.

**APPENDIX 1**  
**SCHEDULE OF INVESTMENTS**  
**30 June 2021**

Investments are disclosed by their country of incorporation which may not necessarily be their country of risk.

	Quantity	Fair Value US\$	Net Assets %
<b>ASSETS</b>			
<b>EQUITIES</b>			
<b>INDONESIA</b>			
BERLIAN LAJU TANKER*	19,178,743	-	0.00%
<b>TOTAL INDONESIA (2020: 0.00%)</b>		<u>-</u>	<u>0.00%</u>
<b>TOTAL EQUITIES (2020: 0.00%)</b>		<u>-</u>	<u>0.00%</u>
<b>MUTUAL FUNDS</b>			
<b>IRELAND</b>			
CHINOOK GLOBAL CONVERTIBLE BOND FUND	57,546	9,499,696	3.41%
<b>TOTAL IRELAND (2020: 2.62%)</b>		<u>9,499,696</u>	<u>3.41%</u>
<b>TOTAL MUTUAL FUNDS (2020: 2.62%)</b>		<u>9,499,696</u>	<u>3.41%</u>
<b>CONVERTIBLE BONDS</b>			
<b>AUSTRALIA</b>			
FLIGHT CENTRE LTD 2.5% 17/11/2027	1,000,000	797,493	0.29%
<b>TOTAL AUSTRALIA (2020: 0.28%)</b>		<u>797,493</u>	<u>0.29%</u>
<b>BRITISH VIRGIN ISLANDS (2020: 0.29%)</b>			
<b>FRANCE</b>			
TOTAL SE 0.5% 02/12/2022	4,600,000	4,678,522	1.68%
<b>TOTAL FRANCE (2020: 4.56%)</b>		<u>4,678,522</u>	<u>1.68%</u>

\* Cost of Position; \$Nil

**APPENDIX 1**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**30 June 2021**

	Quantity	Fair Value US\$	Net Assets %
<b>ASSETS (Continued)</b>			
<b>CONVERTIBLE BONDS (Continued)</b>			
<b>GERMANY</b>			
ARCANDOR AG 8.875% 11/07/2013**	5,000,000	-	0.00%
BASF SE BASGR 0.925% 09/03/2023	4,000,000	4,012,600	1.44%
DELIVERY HERO AG 0.875% 15/07/2025	2,100,000	2,627,833	0.94%
DEUTSCHE LUFTHANSA AG 2% 17/11/2025	2,000,000	2,541,848	0.91%
TAG IMMOBILIEN AG TEGGR 0.625% 27/08/2026	2,500,000	3,079,022	1.11%
TUI AG 5% 16/04/2028	500,000	620,443	0.22%
<b>TOTAL GERMANY (2020: 6.34%)</b>		<u>12,881,746</u>	<u>4.62%</u>
<b>HONG KONG (2020: 0.46%)</b>			
<b>INDIA</b>			
SHREE ASHT CINE VISION SACV 2.875% 22/12/2012***	220,000	-	0.00%
<b>TOTAL INDIA (2020: 0.00%)</b>		<u>-</u>	<u>0.00%</u>
<b>ITALY</b>			
LAGFIN SCA 2% 02/07/2025	1,400,000	2,037,528	0.73%
<b>TOTAL ITALY (2020: 1.11%)</b>		<u>2,037,528</u>	<u>0.73%</u>
<b>JERSEY</b>			
CORNWALL JERSEY LTD 0.75% 16/04/2026	2,000,000	2,681,119	0.96%
<b>TOTAL JERSEY (2020: 0.00%)</b>		<u>2,681,119</u>	<u>0.96%</u>
<b>NETHERLANDS</b>			
DUFRIY ONE BV 0.75% 30/03/2026	1,200,000	1,287,118	0.46%
KPNQWEST NV 10% 15/03/2012****	1,000,000	-	0.00%
<b>TOTAL NETHERLANDS (2020: 0.00%)</b>		<u>1,287,118</u>	<u>0.46%</u>
<b>SINGAPORE</b>			
SINGAPORE AIRLINES LTD 1.625% 03/12/2025	2,000,000	1,651,427	0.59%
SUNTEC REIT SUNSP 1.75% 05/09/2021	5,000,000	3,690,956	1.33%
<b>TOTAL SINGAPORE (2020: 2.26%)</b>		<u>5,342,383</u>	<u>1.92%</u>
<b>SOUTH AFRICA (2020: 2.49%)</b>			

\*\* Cost of Position; \$1,094

\*\*\* Cost of Position; \$127,666

\*\*\*\* Cost of Position; €219

**SALAR FUND PLC**

**APPENDIX 1  
SCHEDULE OF INVESTMENTS (Continued)  
30 June 2021**

	Quantity	Fair Value US\$	Net Assets %
<b>ASSETS (Continued)</b>			
<b>CONVERTIBLE BONDS (Continued)</b>			
<b>SPAIN (2020: 1.93%)</b>			
<b>SWEDEN</b>			
CELLINK AB 2.875% 19/03/2026	4,000,000	486,569	0.17%
<b>TOTAL SWEDEN (2020: 0.00%)</b>		<u>486,569</u>	<u>0.17%</u>
<b>SWITZERLAND</b>			
SWISS PRIME SITE AG 0.25% 16/06/2023	4,120,000	4,493,760	1.61%
SWISS PRIME SITE AG 0.325% 16/01/2025	1,450,000	1,587,135	0.57%
<b>TOTAL SWITZERLAND (2020: 2.32%)</b>		<u>6,080,895</u>	<u>2.18%</u>
<b>UNITED ARAB EMIRATES</b>			
ABU DHABI NATIONAL OIL 0.7% 04/06/2024	5,000,000	5,036,850	1.81%
<b>TOTAL UNITED ARAB EMIRATES (2020: 0.00%)</b>		<u>5,036,850</u>	<u>1.81%</u>
<b>UNITED KINGDOM</b>			
BP CAPITAL MARKETS PLC 1% 28/04/2023	1,000,000	1,425,954	0.51%
IWG GROUP HOLDINGS 0.5% 09/12/2027	1,800,000	2,428,830	0.87%
J SAINSBURY PLC 2.875% 29/12/2049	7,200,000	10,134,124	3.64%
OCADO GROUP PLC 0.75% 18/01/2027	1,200,000	1,693,575	0.61%
<b>TOTAL UNITED KINGDOM (2020: 5.56%)</b>		<u>15,682,483</u>	<u>5.63%</u>
<b>UNITED STATES</b>			
COUPA SOFTWARE INC 0.375% 15/06/2026	300,000	347,586	0.13%
DEXCOM INC DXCM 0.25% 15/11/2025	1,000,000	1,045,540	0.38%
ENVESTNET INC ENV 0.75% 15/08/2025	1,000,000	993,740	0.36%
ETSY INC 0.25% 15/06/2028	585,000	646,097	0.23%
FORTIVE CORPORATION 0.875% 15/02/2022	1,000,000	1,002,370	0.36%
JPMORGAN CHASE FINANCIAL 0.25% 01/05/2023	1,500,000	1,622,310	0.58%
LIBERTY BROADBAND CORP LBRDA 1.25% 30/09/2050	2,000,000	2,025,340	0.73%
LIBERTY BROADBAND CORP LBRDA 2.75% 30/09/2050	1,400,000	1,486,492	0.53%
LIBERTY MEDIA CORP 2.75% 01/12/2049	2,000,000	2,102,002	0.75%
PURE STORAGE INC PSTG 0.125% 15/04/2023	1,600,000	1,680,048	0.60%
SPLUNK INC 0.5% 15/09/2023	1,700,000	1,981,826	0.71%
SUNEDISON INC 2.75% 01/01/2021*****	1,800,000	-	0.00%
<b>TOTAL UNITED STATES (2020: 9.63%)</b>		<u>14,933,351</u>	<u>5.36%</u>
<b>VIETNAM</b>			
VINGROUP JSC 3% 20/04/2026	1,200,000	1,340,940	0.48%
<b>TOTAL VIETNAM (2020: 0.56%)</b>		<u>1,340,940</u>	<u>0.48%</u>
<b>TOTAL CONVERTIBLE BONDS (2020: 37.79%)</b>		<u>73,266,997</u>	<u>26.29%</u>

\*\*\*\*\* Cost of Position; \$Nil

**APPENDIX 1**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**30 June 2021**

	Quantity	Fair Value US\$	Net Assets %
<b>ASSETS (Continued)</b>			
<b>ZERO COUPON CONVERTIBLE BONDS</b>			
<b>AUSTRALIA</b>			
AFTERPAY LTD 0% 12/03/2026	2,000,000	1,380,767	0.50%
<b>TOTAL AUSTRALIA (2020: 0.00%)</b>		<u>1,380,767</u>	<u>0.50%</u>
<b>BELGIUM</b>			
SAGERPAR 0% 01/04/2026	5,500,000	6,560,548	2.35%
UMICORE SA 0% 23/06/2025	1,000,000	1,324,043	0.48%
<b>TOTAL BELGIUM (2020: 1.01%)</b>		<u>7,884,591</u>	<u>2.83%</u>
<b>BRITISH VIRGIN ISLANDS (2020: 1.74%)</b>			
<b>CHINA</b>			
ANGANG STEEL CO LTD 0% 25/05/2023	16,000,000	2,190,956	0.79%
BEST PATH GLOBAL 0% 01/06/2022	34,000,000	4,466,090	1.60%
CHINA MILK PRODUCTS GRP 0% 05/01/2012*****	3,000,000	-	0.00%
HANSOH PHARMACEUTICAL 0% 22/01/2026	3,000,000	2,826,690	1.01%
MEITUAN 0% 27/04/2027	4,000,000	4,345,520	1.56%
MICROPORT SCIENTIFIC 0% 11/06/2026	2,000,000	2,050,920	0.74%
PHARMARON BEIJING CO 0% 18/06/2026	1,300,000	1,445,561	0.52%
PINDUODUO INC PDD 0% 01/12/2025	2,700,000	2,797,281	1.00%
SHANGHAI PORT GROUP BVI 0% 09/08/2021	4,500,000	4,644,630	1.67%
XIAOMI BEST TIME INTL 0% 17/12/2027	1,500,000	1,618,125	0.58%
ZHEJIANG EXPRESSWAY CO 0% 20/01/2026	1,300,000	1,620,176	0.58%
<b>TOTAL CHINA (2020: 2.91%)</b>		<u>28,005,949</u>	<u>10.05%</u>
<b>FRANCE</b>			
CARREFOUR SA 0% 27/03/2024	3,000,000	3,119,880	1.12%
CIE GENERALE DES ESTABLI MLFP 0% 01/10/22	2,600,000	2,793,960	1.00%
ENGIE SA 0% 02/06/2024	3,007,400	2,948,093	1.06%
SAFRAN SA 0% 01/04/2028	630,000	1,365,526	0.49%
SCHNEIDER ELECTRIC SE 0% 15/06/2026	2,500,000	5,810,661	2.08%
VEOLIA ENVIRONNEMENT SA 0% 01/01/2025	4,000,000	1,528,474	0.55%
<b>TOTAL FRANCE (2020: 9.54%)</b>		<u>17,566,594</u>	<u>6.30%</u>
<b>GERMANY</b>			
OLIVER CAPITAL SARL 0% 29/12/2023	3,000,000	3,815,331	1.37%
RAG-STIFTUNG 0% 16/03/2023	4,000,000	4,894,253	1.76%
<b>TOTAL GERMANY (2020: 3.35%)</b>		<u>8,709,584</u>	<u>3.13%</u>

\*\*\*\*\* Cost of Position; \$Nil

**SALAR FUND PLC**

**APPENDIX 1  
SCHEDULE OF INVESTMENTS (Continued)  
30 June 2021**

	Quantity	Fair Value US\$	Net Assets %
<b>ASSETS (Continued)</b>			
<b>ZERO COUPON CONVERTIBLE BONDS (Continued)</b>			
<b>HONG KONG</b>			
CHINA CONCH VENTURE 0% 05/09/2023	10,000,000	1,416,705	0.51%
CITIGROUP GLOBAL MARKET FUND LC 0% 25/07/2024	9,000,000	1,265,544	0.46%
FINE PERFECTION INVSTMNT CHMERC 0% 17/04/2022	2,353,000	2,574,017	0.92%
SINO BIOPHARMACEUTICAL 0% 17/02/2025	1,600,000	1,835,363	0.66%
UNIVERSE TREK LTD FRESHK 0% 15/06/2026	1,400,000	1,399,832	0.50%
<b>TOTAL HONG KONG (2020: 4.58%)</b>		8,491,461	3.05%
<b>ISRAEL</b>			
NICE LTD NICEIT 0% 09/15/25	2,300,000	2,464,059	0.88%
WIX LTD WIX 0% 08/15/25	1,400,000	1,466,514	0.53%
<b>TOTAL ISRAEL (2020: 1.45%)</b>		3,930,573	1.41%
<b>ITALY</b>			
SNAM SPA SRGIM 0% 20/03/2022	5,000,000	6,282,340	2.26%
<b>TOTAL ITALY (2020: 2.97%)</b>		6,282,340	2.26%
<b>JAPAN</b>			
DMG MORI CO LTD 0% 16/07/2024	110,000,000	1,014,943	0.36%
JAPAN AIRLINES CORP 0% 25/03/2011*****	370,000,000	-	0.00%
MERCARI INC 0% 14/07/2026	60,000,000	555,987	0.20%
MERCARI INC 0% 14/07/2028	60,000,000	555,976	0.20%
SUZUKI MOTOR CORPORATION 0% 31/03/2023	630,000,000	6,789,300	2.44%
TOA CORPORATION 0% 13/12/2024	200,000,000	2,425,151	0.87%
<b>TOTAL JAPAN (2020: 4.07%)</b>		11,341,357	4.07%
<b>MALAYSIA</b>			
CERAH CAPITAL LTD KNBZMK 0% 08/08/2024	2,600,000	2,596,100	0.93%
<b>TOTAL MALAYSIA (2020: 1.25%)</b>		2,596,100	0.93%
<b>NETHERLANDS</b>			
AMERICA MOVIL BV 0% 02/03/2024	7,500,000	9,150,864	3.28%
<b>TOTAL NETHERLANDS (2020: 0.00%)</b>		9,150,864	3.28%
<b>NEW ZEALAND (2020: 0.35%)</b>			
<b>SINGAPORE</b>			
ADM AG HOLDING LTD 0% 08/26/23	1,000,000	1,068,840	0.38%
SGX TREASURY I PTE LTD 0% 01/03/2024	2,600,000	3,189,182	1.15%
<b>TOTAL SINGAPORE (2020: 0.90%)</b>		4,258,022	1.53%
<b>SOUTH KOREA (2020: 0.31%)</b>			

\*\*\*\*\* Cost of Position; \$Nil

**SALAR FUND PLC**

**APPENDIX 1  
SCHEDULE OF INVESTMENTS (Continued)  
30 June 2021**

	Quantity	Fair Value US\$	Net Assets %
<b>ASSETS (Continued)</b>			
<b>ZERO COUPON CONVERTIBLE BONDS (Continued)</b>			
<b>SPAIN</b>			
CRITERIA CAIXA SA 0% 22/06/2025	3,700,000	4,525,211	1.62%
<b>TOTAL SPAIN (2020: 0.00%)</b>		<u>4,525,211</u>	<u>1.62%</u>
<b>SWEDEN (2020: 1.60%)</b>			
<b>SWITZERLAND</b>			
CEMBRA MONEY BANK AG 0% 09/07/2026	3,800,000	4,239,248	1.52%
ELIOTT CAPITAL SARL ELICAP 0% 30/12/2022	5,000,000	6,116,691	2.20%
<b>TOTAL SWITZERLAND (2020: 4.55%)</b>		<u>10,355,939</u>	<u>3.72%</u>
<b>TAIWAN</b>			
GLOBALWAFERS CO LTD 0% 01/06/2026	1,800,000	1,945,584	0.70%
UNITED MICROELECTRONICS 0% 07/07/2026	1,500,000	1,539,750	0.55%
WIN SEMICONDUCTORS CORP 0% 14/01/2026	1,400,000	1,465,198	0.53%
YA HSIN INDUSTRIAL CO 0% 05/01/2009*****	4,125,000	-	0.00%
<b>TOTAL TAIWAN (2020: 0.23%)</b>		<u>4,950,532</u>	<u>1.78%</u>
<b>UNITED KINGDOM</b>			
BARCLAYS BANK PLC 0% 18/02/2025	1,200,000	1,371,180	0.49%
<b>TOTAL UNITED KINGDOM (2020: 1.55%)</b>		<u>1,371,180</u>	<u>0.49%</u>
<b>UNITED STATES</b>			
AIRBNB INC 0% 15/03/2026	3,000,000	2,800,830	1.00%
BEYOND MEAT INC 0% 15/03/2027	600,000	614,466	0.22%
CABLE ONE INC 0% 15/03/2026	2,200,000	2,208,800	0.79%
CYBERARK SOFTWARE LTD 0% 15/11/2024	1,200,000	1,311,000	0.47%
DRAFTKINGS INC 0% 15/03/2028	1,500,000	1,357,770	0.49%
FORD MOTOR COMPANY 0% 15/03/2026	800,000	885,241	0.32%
JP MORGAN CHASE BANK 0% 10/06/2024	2,300,000	3,028,702	1.09%
JP MORGAN CHASE BANK 0% 18/02/2024	2,200,000	2,862,948	1.03%
JP MORGAN CHASE BANK NA 0% 28/12/2023	4,800,000	4,880,832	1.75%
MORGAN STANLEY FIN LLC 0% 17/12/2021	6,000,000	7,130,231	2.56%
PELTON INTERACTIVE INC 0% 15/02/2026	962,000	935,401	0.33%
RINGCENTRAL INC 0% 15/03/2026	1,900,000	1,927,968	0.69%
SPOTIFY USA INC 0% 15/03/2026	3,000,000	2,830,680	1.02%
TWITTER INC 0% 15/03/2026	3,000,000	2,865,180	1.03%
<b>TOTAL UNITED STATES (2020: 7.15%)</b>		<u>35,640,049</u>	<u>12.79%</u>
<b>TOTAL ZERO COUPON CONVERTIBLE BONDS (2020: 49.51%)</b>		<u><u>166,441,113</u></u>	<u><u>59.74%</u></u>

\*\*\*\*\* Cost of Position; \$825

**APPENDIX 1**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**30 June 2021**

	Counterparty	Strike Price	Quantity	Fair Value US\$	Net Assets %
<b>ASSETS (Continued)</b>					
<b>BOND OPTIONS</b>					
<b>JAPAN</b>					
ANA 0% 2022	Mizuho	20.00	1,000,000,000	-	0.00%
ANA 0% 2022	Mizuho	35.00	170,000,000	-	0.00%
ANA 0% 2022	Nomura	35.00	920,000,000	-	0.00%
ANA 0% 2022	Nomura	40.00	200,000,000	-	0.00%
ANA 0% 2022	Nomura	50.00	610,000,000	-	0.00%
ANA 0% 2024	Mizuho	40.00	850,000,000	41,297	0.02%
ANA 0% 2024	Mizuho	43.00	300,000,000	17,141	0.01%
ANA 0% 2024	Mizuho	50.00	100,000,000	7,705	0.00%
ANA 0% 2024	Nomura	60.00	650,000,000	68,505	0.03%
BUNKA SHUTTER 0% 2023	Nomura	55.00	150,000,000	206,145	0.07%
CHUGOKU 2022	Mizuho	30.00	500,000,000	6,006	0.00%
CHUGOKU ELECTRIC 0% 2022	SMBC	45.00	500,000,000	9,832	0.00%
COSMO ENERGY 0% 2022	Mizuho	110.00	800,000,000	156,744	0.06%
EDION 0% 2025	Mizuho	80.00	300,000,000	254,451	0.09%
HIS 0% 2024	Mizuho	50.00	600,000,000	35,934	0.01%
HOSIDEN 0% 2024	Nomura	70.00	200,000,000	3,288	0.00%
JAPAIR 0% 04/03/2022	Mizuho	0.65	250,000,000	8,986	0.00%
JAPAN AIRPORT TERMINAL 0% 2022	Mizuho	30.00	800,000,000	11,790	0.00%
JAPAN AIRPORT TERMINAL 0% 2022	Mizuho	40.00	500,000,000	10,404	0.00%
JAPAN AIRPORT TERMINAL 0% 2022	Mizuho	45.00	850,000,000	20,264	0.01%
KANSAI 0% 2022	Credit Suisse	50.00	330,000,000	122,853	0.04%
KYUSHU 0% 2022	Daiwa	55.00	1,000,000,000	27,932	0.01%
KYUSHU 0% 2022	Mizuho	40.00	500,000,000	8,940	0.00%
KYUSHU 0% 2022	Nomura	65.00	800,000,000	27,695	0.01%
LIXIL 0% 2022	Daiwa	40.00	100,000,000	5,501	0.00%
LIXIL 0% 2022	Mizuho	40.00	600,000,000	33,009	0.01%
LIXIL 0% 2022	Nomura	45.00	1,060,000,000	61,530	0.02%
LIXIL 0% 2022	Nomura	80.00	60,000,000	4,752	0.00%
MARUWA 0% 2025	Mizuho	90.00	350,000,000	58,846	0.02%
MEDIPAL HOLD 0% 2022	Mizuho	45.00	260,000,000	129,288	0.05%
MENICON 0% 2025	Daiwa	50.00	100,000,000	175,065	0.06%
MITSUBISHI CHEMICAL 0% 2022	Mizuho	35.00	200,000,000	17,487	0.01%
MITSUBISHI CHEMICAL 0% 2022	Mizuho	40.00	600,000,000	54,476	0.02%

**APPENDIX 1**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**30 June 2021**

	Counterparty	Strike Price	Quantity	Fair Value US\$	Net Assets %
<b>ASSETS (Continued)</b>					
<b>BOND OPTIONS (Continued)</b>					
<b>JAPAN (Continued)</b>					
mitsubishi chemical 0% 2022	Nomura	35.00	500,000,000	43,718	0.02%
mitsubishi chemical 0% 2022	Nomura	40.00	810,000,000	73,542	0.03%
mitsubishi chemical 0% 2024	Mizuho	43.00	100,000,000	59,433	0.02%
mitsubishi chemical 0% 2024	Mizuho	45.00	160,000,000	95,871	0.03%
mitsubishi chemical 0% 2024	JP Morgan	50.00	300,000,000	183,406	0.07%
na goya railr 0% 2022	Mizuho	45.00	400,000,000	79,861	0.03%
na goya railroad 0% 2024	Nomura	35.00	160,000,000	29,886	0.01%
na goya railroad 0% 2024	Nomura	40.00	140,000,000	27,051	0.01%
nichicon 0% 2024	Nomura	50.00	100,000,000	61,023	0.02%
nichicon 0% 2024	Nomura	48.00	300,000,000	181,227	0.07%
nichicon cor 0% 2024	Nomura	51.00	200,000,000	122,658	0.04%
nippon flour 0% 2025	Nomura	45.00	200,000,000	41,864	0.02%
osaka soda (daiso) 0% 2022	Mizuho	50.00	250,000,000	23,721	0.01%
osaka soda (daiso) 0% 2022	Nomura	60.00	500,000,000	52,831	0.02%
park24 0% 2025	Nomura	40.00	500,000,000	27,433	0.01%
resorttrust 0% 2021	Mizuho	48.00	1,000,000,000	-	0.00%
resorttrust 0% 2021	Mizuho	90.00	530,000,000	4,021	0.00%
resorttrust 0% 2021	Nomura	55.00	230,000,000	453	0.00%
sanei architecture 0% 2022	Nomura	110.00	1,550,000,000	190,712	0.07%
sanei architecture 0% 2022	Nomura	120.00	300,000,000	40,637	0.01%
sbi 0% 2023	Mizuho	70.00	400,000,000	160,637	0.06%
screen 0% 2022	Nomura	50.00	1,050,000,000	423,098	0.15%
senko 0% 2022	Daiwa	65.00	300,000,000	488,012	0.18%
senko 0% 2022	Mizuho	52.00	300,000,000	485,423	0.17%
senko 0% 2025	Daiwa	50.00	200,000,000	142,129	0.05%
shizuoka bank float 2023	JP Morgan	100.00	10,000,000	41,245	0.02%
takashimaya 0% 2028	Nomura	50.00	300,000,000	74,807	0.03%
teijin 0% 2021	Mizuho	45.00	250,000,000	23,592	0.01%
teijin 0% 2021	Nomura	45.00	250,000,000	23,592	0.01%
toa corp 0% 2024	Mizuho	125.00	200,000,000	651,491	0.23%

**APPENDIX 1**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**30 June 2021**

	<b>Counterparty</b>	<b>Strike Price</b>	<b>Quantity</b>	<b>Fair Value US\$</b>	<b>Net Assets %</b>
<b>ASSETS (Continued)</b>					
<b>BOND OPTIONS (Continued)</b>					
<b>JAPAN (Continued)</b>					
TOHO HOLDINGS 0% 2023	Nomura	45.00	800,000,000	41,311	0.02%
TOHO HOLDINGS 0% 2023	Nomura	50.00	200,000,000	12,087	0.00%
TORAY 0% 2021	Nomura	30.00	860,000,000	68,808	0.03%
TORAY 0% 2021	Nomura	35.00	450,000,000	36,341	0.01%
ZENRIN 0% 2023	Nomura	90.00	750,000,000	-	0.00%
<b>TOTAL JAPAN (2020: 3.01%)</b>				<b>5,597,787</b>	<b>2.01%</b>
<b>TAIWAN</b>					
ZHEN DING TEWCHNOLOGY 0% 2025	JP Morgan	215.00	3,000,000	187,994	0.07%
<b>TOTAL TAIWAN (2020: 0.30%)</b>				<b>187,994</b>	<b>0.07%</b>
<b>TOTAL BOND OPTIONS (2020: 3.31%)</b>				<b>5,785,781</b>	<b>2.08%</b>

**APPENDIX 1**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**30 June 2021**

	<b>Counterparty</b>	<b>Quantity</b>	<b>Fair Value US\$</b>	<b>Net Assets %</b>
<b>ASSETS (Continued)</b>				
<b>CONTRACTS FOR DIFFERENCE</b>				
<b>JAPAN</b>				
SUZUKI MOTOR BNP SWAP 31/12/2049	BNP Paribas	(74,200)	46,087	0.02%
TOA CORP BNP SWAP 31/12/2049	BNP Paribas	(193,000)	17,373	0.00%
<b>TOTAL JAPAN (2020: 0.22%)</b>			<b>63,460</b>	<b>0.02%</b>
<b>SWEDEN (2020: 0.00%)</b>				
<b>UNITED KINGDOM</b>				
SAINSBURY BNP SWAP 31/12/2049	BNP Paribas	(133,000)	51	0.00%
<b>TOTAL UNITED KINGDOM (2020: 0.00%)</b>			<b>51</b>	<b>0.00%</b>
<b>TOTAL CONTRACTS FOR DIFFERENCE (2020 : 0.22%)</b>			<b>63,511</b>	<b>0.02%</b>
<b>INTEREST RATE SWAPS</b>				
<b>JAPAN (2020: 0.00%)</b>				
<b>WARRANTS</b>				
<b>CAYMAN ISLANDS</b>				
ARLO XIV LTD 0% 24/09/2024	BNP Paribas	1,000,000,000	62,831	0.02%
ARLO XIV LTD 0% 22/08/2022	BNP Paribas	1,000,000,000	45,909	0.02%
WESSEX LTD WSXLTD 0% 23/12/2025	BNP Paribas	200,000,000	177,334	0.06%
<b>TOTAL CAYMAN ISLANDS (2020: 0.06%)</b>			<b>286,074</b>	<b>0.10%</b>
<b>JAPAN</b>				
ANA 0% 17/08/2022	BNP Paribas	200,000,000	9,182	0.00%
ARATA CORP 0% 24/07/2023	BNP Paribas	400,000,000	48,609	0.02%
J LINK LTD JLINKL 0% 20/11/2023	BNP Paribas	500,000,000	136,029	0.05%
NIPPON FLOUR 0% 20/06/2025	BNP Paribas	800,000,000	194,437	0.07%
TAKUMI CAPITAL LTD 0% 13/02/2023	BNP Paribas	100,000,000	15,753	0.01%
WESSEX LTD WSXLTD 0% 13/02/2023	BNP Paribas	1,000,000,000	139,526	0.05%
WESSEX LTD WSXLTD 0% 21/05/2024	BNP Paribas	200,000,000	289,405	0.11%
WESSEX LTD WSXLTD 0% 17/10/2024	BNP Paribas	700,000,000	94,518	0.03%
<b>TOTAL JAPAN (2020: 0.47%)</b>			<b>927,459</b>	<b>0.34%</b>

**APPENDIX 1**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**30 June 2021**

	Counterparty	Quantity	Fair Value US\$	Net Assets %		
<b>ASSETS (Continued)</b>						
<b>INTEREST RATE SWAPS (Continued)</b>						
<b>UNITED STATES</b>						
ASAHI HOLDINGS 0% 2026	BNP Paribas	1,000,000	166,519	0.06%		
<b>TOTAL UNITED STATES (2020: 0.00%)</b>			<u>166,519</u>	<u>0.06%</u>		
<b>TOTAL WARRANTS (2020: 0.53%)</b>			<u>1,380,052</u>	<u>0.50%</u>		
<b>FUTURES CONTRACT</b>						
<b>BOND FUTURES</b>						
<b>UNITED STATES</b>						
US 5YR NOTE (CBT) SEPTEMBER 21	BNP Paribas	(150)	15,234	0.01%		
<b>TOTAL UNITED STATES (2020: 0.00%)</b>			<u>15,234</u>	<u>0.01%</u>		
<b>TOTAL BOND FUTURES (2020: 0.00%)</b>			<u>15,234</u>	<u>0.01%</u>		
<b>TOTAL FUTURES CONTRACT (2020: 0.06%)</b>			<u>15,234</u>	<u>0.01%</u>		
<b>FORWARD CURRENCY CONTRACTS</b>						
Currency Bought	Amount Bought	Currency Sold	Amount Sold	Contract Date	Unrealised Gain US\$	Net Assets %
<b>(Counterparty: BNP Paribas)</b>						
EUR	1,742,519	AUD	2,750,000	21/07/2021	3,650	0.00%
EUR	9,893,553	CHF	10,800,000	21/07/2021	52,235	0.02%
EUR	100,483	CHF	110,000	26/07/2021	191	0.00%
EUR	3,497,808	GBP	3,000,000	26/07/2021	6,306	0.00%
GBP	301,147	EUR	350,000	23/07/2021	714	0.00%
GBP	86,052	EUR	100,000	23/07/2021	218	0.00%
<b>TOTAL FORWARD CURRENCY CONTRACTS (2020: 1.02%)</b>					<u>63,314</u>	<u>0.02%</u>
<b>TOTAL ASSETS (2020: 95.00%)</b>			<u>256,515,698</u>	<u>92.07%</u>		

**APPENDIX 1**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**30 June 2021**

	Counterparty	Quantity	Fair Value US\$	Net Assets %
<b>LIABILITIES</b>				
<b>BOND OPTIONS</b>				
<b>JAPAN (2020: (0.00)%)</b>				
<b>CONTRACTS FOR DIFFERENCE</b>				
<b>HONG KONG (2020: (0.10)%)</b>				
<b>JAPAN</b>				
SENKO GROUP NOMURA SWAP 31/12/2049	Nomura	(350,000)	(242,596)	(0.09)%
<b>TOTAL JAPAN (2020: (0.03)%)</b>			<u>(242,596)</u>	<u>(0.09)%</u>
<b>TOTAL CONTRACTS FOR DIFFERENCE (2020: (0.13)%)</b>			<u>(242,596)</u>	<u>(0.09)%</u>
<b>INTEREST RATE SWAPS</b>				
<b>EUROPE</b>				
EUR INTEREST RATE SWAP 0.0160% 25/08/2023	BNP Paribas	10,000,000	(118,695)	(0.04)%
EUR INTEREST RATE SWAP 0.068% 22/09/2023	BNP Paribas	10,000,000	(135,446)	(0.05)%
EUR INTEREST RATE SWAP 0.262% 27/03/2022	BNP Paribas	25,000,000	(167,374)	(0.06)%
EUR INTEREST RATE SWAP 0.2970% 09/03/2023	BNP Paribas	10,000,000	(153,733)	(0.06)%
EUR INTEREST RATE SWAP 0.4340% 08/01/2026	BNP Paribas	7,500,000	(293,874)	(0.11)%
<b>TOTAL EUROPE (2020: (0.38)%)</b>			<u>(869,122)</u>	<u>(0.32)%</u>
<b>UNITED KINGDOM</b>				
GBP INTEREST RATE SWAP 1.1400% 19/05/2022	BNP Paribas	10,000,000	(116,743)	(0.04)%
<b>TOTAL UNITED KINGDOM (2020: (0.07)%)</b>			<u>(116,743)</u>	<u>(0.04)%</u>
<b>UNITED STATES</b>				
USD INTEREST RATE SWAP 1.298% 22/09/2022	BNP Paribas	20,000,000	(256,679)	(0.09)%
USD INTEREST RATE SWAP 2.484% 08/01/2023	BNP Paribas	35,000,000	(1,170,920)	(0.42)%
USD INTEREST RATE SWAP 3.143% 15/11/2023	BNP Paribas	20,000,000	(1,286,533)	(0.46)%
<b>TOTAL UNITED STATES (2020: (1.05)%)</b>			<u>(2,714,132)</u>	<u>(0.97)%</u>
<b>TOTAL INTEREST RATE SWAPS (2020: (1.50)%)</b>			<u>(3,699,997)</u>	<u>(1.33)%</u>

**APPENDIX 1**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**30 June 2021**

	<b>Counterparty</b>	<b>Quantity</b>	<b>Fair Value US\$</b>	<b>Net Assets %</b>
<b>LIABILITIES (Continued)</b>				
<b>FUTURES CONTRACT</b>				
<b>BOND FUTURES</b>				
<b>GERMANY</b>				
EURO-BOBL FUTURE SEPTEMBER 21	BNP Paribas	(60)	(44,789)	(0.02)%
<b>TOTAL GERMANY (2020: 0.00%)</b>			<u>(44,789)</u>	<u>(0.02)%</u>
<b>UNITED STATES</b>				
US 10YR NOTE (CBT) SEPTEMBER 21	BNP Paribas	(10)	(11,641)	(0.00)%
<b>TOTAL UNITED STATES (2020: (0.01)%)</b>			<u>(11,641)</u>	<u>(0.00)%</u>
<b>TOTAL BOND FUTURES (2020: (0.01)%)</b>			<u>(56,430)</u>	<u>(0.02)%</u>
<b>TOTAL FUTURES CONTRACT (2020: (0.01)%)</b>			<u>(56,430)</u>	<u>(0.02)%</u>

**APPENDIX 1**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**30 June 2021**

**FORWARD CURRENCY CONTRACTS**

Currency Bought	Amount Bought	Currency Sold	Amount Sold	Contract Date	Unrealised Loss US\$	Net Assets %
<b>(Counterparty: BNP Paribas)</b>						
EUR	75,669	AUD	120,000	26/07/2021	(270)	0.00%
EUR	31,529	AUD	50,000	21/07/2021	(115)	0.00%
EUR	695,092	GBP	600,000	14/07/2021	(4,210)	0.00%
EUR	5,087,620	HKD	47,150,000	21/07/2021	(40,600)	(0.02)%
EUR	2,802,608	HKD	26,000,000	27/07/2021	(25,423)	(0.01)%
EUR	11,382,607	JPY	1,500,000,000	26/07/2021	(11,530)	0.00%
EUR	1,032,105	SEK	10,500,000	26/07/2021	(3,412)	0.00%
EUR	2,124,117	SGD	3,400,000	21/07/2021	(8,799)	0.00%
EUR	311,750	SGD	500,000	26/07/2021	(1,987)	0.00%
EUR	52,044,422	USD	62,000,000	26/07/2021	(302,295)	(0.11)%
EUR	6,283,828	USD	7,500,000	21/07/2021	(51,394)	(0.02)%
EUR	2,460,226	USD	3,000,000	06/07/2021	(84,632)	(0.03)%
EUR	504,206	USD	600,000	21/07/2021	(2,334)	0.00%
EUR	421,553	USD	500,000	21/07/2021	(307)	0.00%
GBP	725,071	EUR	845,000	21/07/2021	(978)	0.00%
GBP	1,794,064	SGD	3,350,000	21/07/2021	(13,546)	0.00%
TWD	85,100,000	USD	3,287,618	26/09/2022	(121,062)	(0.05)%
TWD	52,100,000	USD	2,000,000	26/09/2022	(61,368)	(0.02)%
USD	5,000,000	TWD	2,000,000	26/09/2022	(105,189)	(0.04)%
<b>TOTAL FORWARD CURRENCY CONTRACTS (2020: (0.10)%)</b>					<b>(839,451)</b>	<b>(0.30)%</b>
<b>TOTAL LIABILITIES (2020: (1.74)%)</b>					<b>(4,838,474)</b>	<b>(1.74)%</b>
<b>NET FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (2020: 93.26%)</b>					<b>251,677,224</b>	<b>90.33%</b>

**% of total  
Gross  
Assets**

**ANALYSIS OF TOTAL GROSS ASSETS**

Transferable securities and money market instruments admitted to an official stock exchange listed or traded in a regulated market	83.25
Exchange traded financial derivatives	2.42
Over-the-counter financial derivatives	0.02
Other current assets	14.31
<b>TOTAL (2020: 100.00%)</b>	<b>100.00</b>

**APPENDIX 2**  
**STATEMENT OF SIGNIFICANT PORTFOLIO MOVEMENTS**  
**30 June 2021**

The Central Bank UCITS Regulations requires all material changes that have occurred in the disposition of the assets of the UCITS to be documented in the annual report. A material change is defined as the aggregate purchases of a security exceeding 1 per cent of the total value of purchases for the financial period or aggregate disposals greater than 1 per cent of the total value of sales for the financial period. At a minimum, the largest 20 purchases and sales must be given, or all purchases and sales if less than 20. A full listing of the portfolio changes for the financial period is available, upon request, at no extra cost from the Administrator.

<b>Purchases</b>	<b>Ccy</b>	<b>Cost US\$</b>
AMERICA MOVIL BV 0% 02/03/2024	EUR	12,952,404
SAGERPAR 0% 01/04/2026	EUR	12,005,213
STAR MICRONICS CO LTD 0% 16/6/2021	JPY	10,734,826
KEIHAN HOLDINGS CO LTD 0% 30/03/2021	JPY	10,413,353
SODICK CO LTD 0% 16/04/221	JPY	9,216,540
AIRBUS GROUP SE 0% 14/06/2021	EUR	8,279,680
NAGOYA RAILROAD 0% 11/12/224	JPY	7,477,184
SPOTIFY USA INC 0% 15/03/2026	USD	7,245,053
ORANGE SA 0.375% 27/06/2021	GBP	7,066,553
STAR MICRONICS CO LTD	JPY	6,972,786
DAINIPPON SCREEN MFG CO 0% 10/06/2022	JPY	5,267,548
SGX TREASURY I PTE LTD 0% 01/03/2024	EUR	5,143,155
MEITUAN 0% 27/04/2027	USD	5,068,800
ABU DHABI NATIONAL OIL 0.7% 04/06/2024	USD	5,023,500
RAG-STIFTUNG 0% 16/03/2023	EUR	4,600,099
CRITERIA CAIXA SA 0% 22/06/2025	EUR	4,578,747
SODICK CO LTD	JPY	4,571,450
AIRBNB INC 0% 15/03/2026	USD	4,500,000
BEST PATH GLOBAL 0% 01/06/2022	HKD	4,403,314
MORGAN STANLEY FIN LLC 0% 17/12/2021	EUR	4,381,643
ZHEJIANG EXPRESSWAY CO 0% 20/01/2026	EUR	4,297,876
HANSOH PHARMACEUTICAL 0% 22/01/2026	USD	3,990,400
MITSUBISHI CHEMICAL HLDG 0% 29/03/2024	JPY	3,869,423
SENKO GROUP HOLDINGS CO 0% 18/03/2025	JPY	3,859,846
TWITTER INC 0% 15/03/2026	USD	3,747,582
KANSAI PAINT 0 17/6/2022	JPY	3,728,674
MENICON CO LTD 0% 29/01/2025	JPY	3,707,878
CORNWALL JERSEY LTD 0.75% 16/04/2026	GBP	3,431,750
JP MORGAN CHASE BANK 0% 18/02/2024	EUR	3,365,243
AFTERPAY LTD 0% 12/03/2026	AUD	3,162,705
JP MORGAN CHASE BANK 0% 10/06/2024	EUR	3,087,267
WIN SEMICONDUCTORS CORP 0% 14/01/2026	USD	3,070,500
SUMITOMO METAL MINING CO 0% 15/03/2023	JPY	3,021,515
ENGIE SA 0% 02/06/2024	EUR	3,016,280

Financial derivative instruments are excluded from the above due to no cost being attributed to purchases and sales of such instruments.

**APPENDIX 2**  
**STATEMENT OF SIGNIFICANT PORTFOLIO MOVEMENTS (Continued)**  
**30 June 2021**

<b>Sales</b>	<b>Ccy</b>	<b>Proceeds US\$</b>
STAR MICRONICS CO LTD 0% 16/6/2021	JPY	10,621,185
SODICK CO LTD 0% 16/04/221	JPY	8,306,166
BEST PATH GLOBAL 0% 18/05/2021	HKD	7,997,073
NAGOYA RAILROAD 0% 11/12/224	JPY	7,809,026
STAR MICRONICS CO LTD	JPY	7,268,058
ORANGE SA 0.375% 27/06/2021	GBP	7,028,303
CELLNEX TELECOM SA CLNXSM 0.75% 20/11/2031	EUR	6,910,381
GEELY SWEDEN FINANCE AB 0% 19/06/2024	EUR	6,437,502
SAFRAN SA 0% 21/06/2023	EUR	5,645,565
SAGERPAR 0% 01/04/2026	EUR	5,490,183
BASF SE BASGR 0.925% 09/03/2023	USD	5,282,875
DAINIPPON SCREEN MFG CO 0% 10/06/2022	JPY	5,265,925
BP CAPITAL MARKETS PLC 1% 28/04/2023	GBP	5,005,613
SODICK CO LTD	JPY	4,699,912
JP MORGAN CHASE BANK NA 0% 28/12/2023	USD	4,369,400
ELIOTT CAPITAL SARL ELICAP 0% 30/12/2022	EUR	4,265,331
SPOTIFY USA INC 0% 15/03/2026	USD	4,062,894
KANSAI PAINT 0 17/6/2022	JPY	4,033,209
SHANGHAI PORT GROUP BVI 0% 09/08/2021	USD	4,003,700
DAIICHI KASEI CHEMICAL HLDG 0% 29/03/2024	JPY	3,968,840
JPMORGAN CHASE FINANCIAL 0.25% 01/05/2023	USD	3,883,954
MORGAN STANLEY FIN LLC 0% 17/12/2021	EUR	3,874,075
SENKO GROUP HOLDINGS CO 0% 18/03/2025	JPY	3,649,589
SCHNEIDER ELECTRIC SE 0% 15/06/2026	EUR	3,519,368
AMERICA MOVIL BV 0% 02/03/2024	EUR	3,467,941
SINGAPORE AIRLINES LTD 1.625% 03/12/2025	SGD	3,453,182

Financial derivative instruments are excluded from the above due to no cost being attributed to purchases and sales of such instruments

**APPENDIX 3  
SECURITIES FINANCING TRANSACTION REGULATION DISCLOSURE  
30 June 2021**

The Securities Financing Transaction Regulation came into effect on 12 January 2016. The purpose of the SFTR is to enhance transparency around the use of Securities Financing Transactions (SFTs) and Total Return Swaps (TRSs). It is the Board of Directors and Management's view that the Fund does not hold any instruments subject to the SFTR. The Fund does hold Contracts for Difference (CFDs). Whether CFDs are included in the definition of TRS is uncertain and clarification has been sought from ESMA on this matter. It is the Fund's current understanding that CFDs will not be in scope for the SFTR and as such are excluded from this unaudited note to the financial statements.