

AXA IM Strategies PLC
**(including Sub-funds AXA IM Loan Fund, AXA IM European Middle-Market
Debt Fund, AXA IM Global Loan Opportunity Fund and AXA IM Global
Secured Assets Fund I)**
(An umbrella investment company with variable capital)

**Annual Report and Audited Consolidated Financial Statements
for the year ended 31 December 2018**

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General Information

Directors

Jonathan Law (British)*
Donnacha O'Connor (Irish)
Adrian Wrafter (Irish)*

*Independent and non-executive directors

Alternative Investment Fund Manager

AXA Investment Managers Paris
Coeur Defense Tour B
La Defense 4
100 Esplanade du General de Gaulle
92932 Paris la Defense Cedex
France

Depository

BNY Mellon Trust Company (Ireland) Limited
One Dockland Central
Guild Street
IFSC
Dublin 1
Ireland

Legal Advisors as to matters of Irish Law

Dillon Eustace
33 Sir John Rogerson's Quay
Dublin 2
Ireland

Company Secretary

The Bank of New York Mellon (Ireland) Limited
Riverside II
Sir John Rogerson's Quay
Grand Canal Dock
Dublin 2
Ireland

Administrator, Registrar & Transfer Agent

BNY Mellon Fund Services (Ireland)
Designated Activity Company
One Dockland Central
Guild Street
IFSC
Dublin 1
Ireland

Independent Auditors

PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
One Spencer Dock
North Wall Quay
Dublin 1
Ireland

Listing Agent

Dillon Eustace
33 Sir John Rogerson's Quay
Dublin 2
Ireland

Registered Office

Riverside II
Sir John Rogerson's Quay
Grand Canal Dock
Dublin 2
Ireland

The Directors of AXA IM Strategies PLC herewith submit their report together with the audited Consolidated Financial Statements for the year ended 31 December 2018.

Principal activities and review of the development of the business

AXA IM Strategies PLC (the "Company") is an umbrella investment company with variable capital and with segregated liability between Sub-funds incorporated with limited liability in Ireland, on 23 November 2009, with registration number 477895 and authorised by the Central Bank as an investment company pursuant to Part XXIV of the Companies Act 2014.

During the year ended 31 December 2018 the Company included two open-ended investment Sub-funds, AXA IM Loan Fund and AXA IM Global Loan Opportunity Fund, one limited liquidity Sub-fund, AXA IM European Middle-Market Debt Fund and one closed-ended Sub-Fund, AXA IM Global Secured Assets Fund I. AXA IM Global Secured Assets Fund I was registered with the Central Bank of Ireland on 22 October 2018 and launched on 8 November 2018. In order to seek to achieve their objectives, the Sub-funds subscribe all their assets, through a Profit Participation Note, in AXA IM Loan Limited, AXA IM European Middle-Market Debt DAC, AXA IM Global Loan Opportunity Fund DAC and AXA IM Global Secured Assets DAC (the "Subsidiaries"), (collectively with the Company and Sub-funds, referred to as the "Group"). The Subsidiaries are wholly owned trading subsidiaries of the Company which have been incorporated for the sole purpose of serving as an investment vehicle for the Sub-funds.

Results for the year and state of affairs at 31 December 2018

The results for the year and the state of affairs of the Group at 31 December 2018 are set out on pages 45 and 47. At the year end, the Group's Net Assets Attributable to Holders of Redeemable Participating Shares (the "Shareholders") amounted to €1,837,802,238 (2017: €1,340,821,792). All Classes of Redeemable Participating Shares are together referred to as the "Shares".

AXA IM Loan Fund

The results for the year and the state of affairs of the AXA IM Loan Fund at 31 December 2018 are set out in the consolidated statement of comprehensive income, company statement of financial position and notes to the financial statements. At the year end the Sub-fund's Net Assets Attributable to Holders of Redeemable Participating Shares (the "Shareholders") amounted to €916,621,789 (2017: €988,000,375).

AXA IM European Middle-Market Debt Fund

The results for the year and the state of affairs of the AXA IM European Middle-Market Debt Fund at 31 December 2018 are set out in the consolidated statement of comprehensive income, company statement of financial position and notes to the financial statements. At the year end the Sub-fund's Net Assets Attributable to Holders of Redeemable Participating Shares (the "Shareholders") amounted to €637,801,030 (2017: €327,894,830).

AXA IM Global Loan Opportunity Fund

The results for the year and the state of affairs of the AXA IM Global Loan Opportunity Fund at 31 December 2018 are set out in the consolidated statement of comprehensive income, company statement of financial position and notes to the financial statements. At the year end the Sub-fund's Net Assets Attributable to Holders of Redeemable Participating Shares (the "Shareholders") amounted to US\$44,262,587 (2017: US\$29,931,846).

AXA IM Global Secured Assets Fund I

The results for the period and the state of affairs of the AXA IM Global Secured Assets Fund I at 31 December 2018 are set out in the consolidated statement of comprehensive income, company statement of financial position and notes to the financial statements. At the period end the Sub-fund's Net Assets Attributable to Holders of Redeemable Participating Shares (the "Shareholders") amounted to £219,610,225 (2017: n/a).

Dividends

Dividends declared and paid per sub-fund during the year ended 31 December 2018 and 31 December 2017 have been disclosed in note 18.

Future developments

The Group will continue to pursue its investment objective as outlined in note 1.

Political contributions

The Group did not make any political contributions during the year ended 31 December 2018 or the year ended 31 December 2017.

Significant events during the year

AXA IM Global Secured Assets Fund I was registered with the Central Bank of Ireland on 22 October 2018 and commenced its operations on 8 November 2018.

AXA IM Global Secured Assets Fund I Class A GBP Distribution Shares were launched on 8 November 2018.

Important events since the year end

Subsequent to year end, the Board of Directors resolved to liquidate AXA IM Global Loan Opportunity Fund and to dispose of all of the Fund's assets.

A new supplement to the Prospectus dated 8 December 2016 was issued on 22 February 2019 to reflect the authorisation of the Central Bank of a new Sub-Fund, AXA IM Secured Finance Fund I.

AXA IM Secured Finance Fund I commenced its operations on 11 March 2019.

Subsequently, an additional supplement to the Prospectus dated 8 December 2016 was issued on 20 March 2019 to reflect the authorisation of the Central Bank of a new Sub-Fund, AXA IM Private Financing Fund I.

There were no other significant events since the year ended.

Investment objectives

The investment objectives of each sub-fund are stated in note 1. Investment in the Group carries with it a degree of risk including but not limited to the risks referred to in note 9 of these Consolidated Financial Statements. For a more detailed description of risks associated with investment in the Group, please refer to the Prospectus.

Directors

At 31 December 2018, Mr. Jonathan Law, Mr. Donnacha O'Connor and Mr. Adrian Wrafter are Directors of the Company. Donnacha O'Connor is also a partner of Dillon Eustace, who acts as Irish legal advisors to the Company.

Directors' interests

None of the other Directors had any interests in the Group at the year end.

Principal risks and uncertainties

The principal risks and uncertainties facing the Group relate to the financial instruments held by it and are set out in note 9 to the Consolidated Financial Statements.

Books of account

The Directors are responsible for ensuring that proper books and accounting records as outlined in Section 281 to 285 of the Companies Act 2014 are kept by the Group. To achieve this, the Directors have appointed an experienced third party Sub-fund administrator to ensure that the requirements of Section 281 to 285 of the Companies Act 2014 are complied with. The books and accounting records are maintained at the Administrator's office at One Dockland Central, Guild Street, IFSC, Dublin 1, Ireland.

Independent auditors

PricewaterhouseCoopers, Chartered Accountants and Statutory Auditors have signified their willingness to continue in office in accordance with Section 383(2) of the Companies Act 2014.

Directors' Responsibilities Statement

The Directors are responsible for preparing the annual report and Consolidated Financial Statements in accordance with applicable Irish law and International Financial Reporting Standards ("IFRS") as adopted by the European Union.

The Directors are also required by the Transparency (Directive 2004/109/EC) Regulations 2007 and the Transparency Rules of the Central Bank of Ireland to include a management report containing a fair review of the business and a description of the principal risks and uncertainties facing the Group. The Directors confirm that they have complied with the above requirements in preparing the annual report and Consolidated Financial Statements.

Irish law requires the Directors to prepare Consolidated Financial Statements for each financial year giving a true and fair view of the Company's assets, liabilities and financial position at the end of the financial year and the profit or loss of the Company for the financial year. Under the law the Directors have prepared the Consolidated Financial Statements in accordance with IFRS, as adopted by the EU, IAS 27 and Irish law.

Under Irish law, the Directors shall not approve the Consolidated Financial Statements unless they are satisfied that they give a true and fair value of the Company's assets, liabilities and financial position as at the end of the financial year and the profit or loss of the Company for the financial year.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the Consolidated Financial Statements have been prepared in accordance with applicable accounting standards and identify the standards in questions, subject to any new material departures from those standards being disclosed and explained in the notes to the Consolidated Financial Statements.
- prepare the Consolidated Financial Statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to:

- correctly record and explain the transactions of the Company
- enable, at any time, the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy; and
- enable the Directors to ensure that the Consolidated Financial Statements comply with the Companies Act 2014 and enable those Consolidated Financial Statements to be audited.

The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Corporate Governance

General Principles

The European Communities (Directive 2006/46/EC) Regulations (i.e. S.I. 450 of 2009 and S.I. 83 of 2010) (the "Regulations") requires the inclusion of a corporate governance statement in the Directors' Report.

Although there is no specific statutory corporate governance code applicable to Irish collective investment schemes whose shares are admitted to trading on the Irish Stock Exchange, the Company is subject to corporate governance practices imposed by:

- (i) Companies Act 2014 which is available for inspection at the registered office of the Company;
- (ii) The Articles of Association of the Company which are available for inspection at the registered office of the Company;
- (iii) The Central Bank of Ireland in their AIFMD Handbook which can be obtained from the Central Bank of Ireland website at: <http://www.centralbank.ie/regulation/industry-sectors/funds/aifmd> and is available for inspection at the registered office of the Company; and
- (iv) Euronext Dublin ("Euronext") through the ISE Code of Listing Requirements and Procedures which can be obtained from the Euronext's website at:
http://www.ise.ie/InvestmentFunds/Listing_Rules_Publications_/Listing_Requirements_Procedures_for_Investment_Funds.pdf.

The Irish Funds (the "IF") has published a corporate governance code ("IF Code") that may be adopted on a voluntary basis by Irish authorised collective investment schemes. It should be noted that the IF Code reflects existing corporate governance practices imposed on Irish authorised collective investment schemes.

On 20 December 2012, the Directors voluntarily adopted the IF Code as the Company's corporate governance code, other than section 4.2 thereof in so far as no employee, director or partner of AXA Investment Managers Paris (in its capacity as the Company's Alternative Investment Fund Manager) has been appointed to the Board. In that respect, the Directors, having been advised by tax counsel that complying with this element of section 4.2 could lead to a material tax risk for the Company under French tax law and practice, determined that this non-compliance did not detract, in the Directors' opinion, from the appropriate governance of the Company given, among other things, the Alternative Investment Fund Manager's contributions to the Company's Board Meetings. With the exception of the above, the Directors have assessed the measures included in the IF Code as being consistent with its corporate governance practices and procedures for the financial year.

Adrian Wrafter and Jonathan Law each hold in excess of eight non-fund directorships as defined in the IF Code. However, all these directorships are non-executive directorships, primarily of special purpose vehicles. The Directors are satisfied that Mr. Wrafter and Mr. Law each has sufficient time to devote to his role as a Director of the Company.

Internal Control and Risk Management Systems in Relation to Financial Reporting

The Directors are responsible for establishing and maintaining adequate internal control and risk management systems of the Company in relation to the financial reporting process. Such systems are designed to manage rather than eliminate the risk of error or fraud in achieving the Company's financial reporting objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has procedures in place to ensure that all relevant books of account are properly maintained and are readily available; including production of annual Consolidated Financial Statements. The Board has appointed BNY Mellon Fund Services (Ireland) Designated Activity Company (the "Administrator") as the Administrator to maintain the books and records of the Company. The Administrator is authorised and regulated by the Central Bank and must comply with the rules imposed by the Central Bank. From time to time, the Board examines and evaluates the Administrator's financial accounting and reporting routines. The annual Consolidated Financial Statements are produced by the Administrator and reviewed by the Alternative Investment Fund Manager. They are required to be approved by the Board and the annual Consolidated Financial Statements are required to be filed with the Central Bank and Euronext Dublin.

Corporate Governance (continued)

General Principles (continued)

The Administrator prepares the Consolidated Financial Statements, which consolidates the financial statements of the Company with its subsidiaries. This consolidation includes all of the companies directly or indirectly controlled by the Group. Systems and controls are in place to ensure that all of the underlying subsidiaries are consolidated correctly, with appropriate elimination of inter-company balances.

The Consolidated Financial Statements are prepared by the Administrator in compliance with International Financial Reporting Standards as adopted by the EU ("IFRS") and as adopted by the Group, and the Administrator uses various internal controls and checklists to ensure that the Consolidated Financial Statements include complete and appropriate disclosures required under IFRS and relevant legislation.

The Board was responsible for the review and approval of the annual Consolidated Financial Statements as set out in the Statement of Directors' Responsibilities. The statutory Consolidated Financial statements are required to be audited by independent auditors who report annually to the Directors on their findings. The Directors monitor and evaluate the independent auditors' performance, qualifications and independence. As part of its review procedures the Board receives presentations from relevant parties including consideration of International Financial Reporting Standards and their impact on the annual Consolidated Financial Statements, and presentations and reports on the audit process. The Directors evaluate and discuss significant accounting and reporting issues as the need arises.

Dealings with Shareholders

The convening and conduct of shareholders' meetings are governed by the Articles of Association of the Company and the Irish Companies Acts. Although the Directors may convene an extraordinary general meeting of the Company at any time, the Directors were required to convene the first annual general meeting of the Company within eighteen months of incorporation and an annual general meeting within six months of the end of each accounting period.

At least twenty-one clear days' notice of every annual general meeting and any meeting convened for the passing of a special resolution must be given to shareholders and fourteen days' notice must be given in the case of any other general meeting, unless the auditors of the Company and all the shareholders of the Company entitled to attend and vote agree to shorter notice. Two shareholders present either in person or by proxy constitutes a quorum at a general meeting.

The share capital of the Company is divided into different classes of shares and the Irish Companies Acts and the Articles of Association provide that the quorum for a general meeting convened to consider any alteration to the rights attached to any class of shares, is two or more shareholders present in person or by proxy, holding or representing by proxy at least one third of the issued shares of the relevant class.

Every holder of participating shares or non-participating shares present, in person or by proxy who votes on a show of hands is entitled to one vote. On a poll, every holder of participating shares present, in person or by proxy, is entitled to one vote in respect of each share held by him or her, and every holder of non-participating shares is entitled to one vote in respect of all non-participating shares held by him or her.

At any general meeting, a resolution put to the vote of the meeting is decided on a show of hands unless, before or upon the declaration of the result of the show of hands, a poll is demanded by the chairman of the general meeting, or by at least two members or shareholders present, in person or by proxy, having the right to vote at such meeting, or any holder or holders of participating shares present, in person or by proxy, representing at least one tenth of the shares in issue having the right to vote at such meeting. Shareholders may resolve to sanction an ordinary resolution or special resolution at a shareholders' meeting.

Alternatively, a resolution in writing signed by all of the shareholders and holders of non-participating shares for the time being entitled to attend and vote on such resolution at a general meeting of the Company, will be valid and effective for all purposes as if the resolution had been passed at a general meeting of the Company duly convened and held. An ordinary resolution of the Company (or of the shareholders of a particular fund or class of shares) requires a simple majority of the votes cast by the shareholders voting, in person or by proxy, at the meeting at which the resolution is proposed. A special resolution of the Company (or of the shareholders of a particular fund or class of shares) requires a majority of not less than 75% of shareholders present, in person or by proxy, and voting in general meeting in order to pass a special resolution including a resolution to amend the Articles of Association.

Corporate Governance (continued)

Board composition and activities

In accordance with the Irish Companies Act and the Articles of Association, unless otherwise determined by an ordinary resolution of the Company in general meeting, the number of Directors may be one director at a minimum but not more than nine Directors. Currently, the Board is comprised of three non-executive Directors, two of whom are independent. Donnacha O' Connor is not an independent Director. Details of the current Directors are set out on page 2, under the heading "General Information".

The Board is responsible for the Group's overall direction and strategy and to this end it reserves the decision making power on issues such as the determination of medium and long term goals, review of managerial performance, organisational structure and capital needs and commitments to achieve the Group's strategic goals. To achieve these responsibilities, the Board meets on a quarterly basis to review the operations of the Group, address matters of strategic importance and to receive reports from the Administrator, Depositary and the Alternative Investment Fund Manager.

However, a Director may, and the Company Secretary on the requisition of a Director may, at any time summon a meeting of the Directors and ad hoc meetings in addition to the four meetings that are convened as required.

Questions arising at any meeting of the Directors are determined by the Chairman. In the case of an equality of votes, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote. The quorum necessary for the transaction of business at a meeting of the Directors is two.

Each of the Directors attended all of the Board meetings held during the financial year ended 31 December 2018 and 31 December 2017.

Diversity reporting

The Board acknowledges the importance of diversity to enhance its operations. The Board is committed to selecting those with diversity of business skills, experience, educational and professional background, geographical provenance and gender and candidates for appointment are considered based on these attributes. The Board operates under the principle that each member of the Board must have the skills, experience, knowledge and overall suitability that will enable the director to contribute individually, and as part of the Board team, to the effectiveness of the Board. Subject to that overriding principle, the Board believes that diversity of experience and approach, including educational and professional background, gender, age and geographical provenance, amongst board members is of great value when considering overall board balance in making new appointments to the Board. The Board's priority is to ensure that it continues to have strong leadership and the relevant skills to deliver the Company's business strategy. The Company does not seek to set quotas or ratios for diversity due to the small number of directors. The implementation of the Board's diversity policy is monitored by the full Board, through the Chairman, which reviews the balance of skills, knowledge, experience and diversity on the Board and leads succession planning for appointments to the Board. The full Board, through the Chairman, will ensure that all selection decisions are based on merit and that recruitment is fair and non-discriminatory. The current Board composition reflects diverse age, educational and professional backgrounds and geographical provenance.

Directors' Compliance Statement

AXA IM Loan Fund & AXA IM European Middle-Market Debt Fund

The directors, in accordance with Section 225(2)(a) of the Companies Act 2014 (the "Act"), acknowledge that they are responsible for securing the Company's compliance with its "relevant obligations." "Relevant obligations", in the context of the Company, are the Company's obligations under:

- (i) the Act, where a breach of the obligations would be a category 1 or category 2 offence;
- (ii) the Act, where a breach of the obligation would be a serious Market Abuse or Prospectus offence; and tax law.

The Directors confirm that:

- 1) A compliance policy document has been drawn up that sets out policies, that in our opinion are appropriate to the company, respecting compliance by the company with its relevant obligations
- 2) appropriate arrangements or structures have been put in place that, in their opinion, are designed to secure material compliance with the Company's relevant obligations, and
- 3) a review was conducted, during the 2018 financial year, of the arrangements or structures referred to in (2).

Corporate Governance (continued)

Audit Information Statement

The Directors confirm that during the financial year end 31 December 2018:

- a. so far as the Directors are aware, there is no relevant audit information of which the Company's statutory auditors are unaware; and
- b. the Directors have taken all steps that ought to have been taken by the Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Connected Parties

The Central Bank's AIF Rulebook (the "AIF Rulebook") deems a "Depository" and its "associated or group companies" to be "connected parties" to the Portfolio. As such, BNY Mellon Trust Company (Ireland) Limited, the Depository, and BNY Mellon Fund Services (Ireland) Designated Activity Company, the Administrator, are connected parties to the Company.

The Board is satisfied that there are arrangements (evidenced by written procedures) in place, to ensure that any transaction carried out with the Company by a promoter, manager, trustee, investment manager, alternative investment fund manager and/or associated or group companies of these ("connected parties") are carried out as if negotiated at arm's length and that all such transactions are carried out in the best interests of the shareholders. The Board is satisfied that transactions with connected parties entered into during the year complied with the obligations set out in the AIF Rulebook.

On behalf of the Board

Director

23 May 2019

Director

**REPORT FROM THE DEPOSITARY TO THE SHAREHOLDERS
DATED 23 MAY 2019**

For the period from 01 January 2018 to 31 December 2018 (the “**Period**”)

BNY Mellon Trust Company (Ireland) Limited (the “**Depositary**”, “**us**”, “**we**”, or “**our**”), in its capacity as Depositary to AXA IM Strategies PLC (the “**AIF**”), has enquired into the conduct of AXA Investment Managers Paris as the authorised alternative investment fund manager (the “**AIFM**”), in respect of the AIF, and the AIF for the Period.

This report, including the opinion, has been prepared solely for the shareholders in the AIF in accordance with the Central Bank’s AIF Rulebook (the “**AIF Rulebook**”) and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

Responsibilities of the Depositary

Our duties and responsibilities are outlined in: (i) the AIF’s constitutional documents; (ii) the investment fund legislation, as defined in the AIF Rulebook, and (iii) the European Union (Alternative Investment Fund Managers) Regulations 2013,¹ Directive 2011/61/EU, Commission Regulation No. 231 of 2013, and the AIF Rulebook. One of those duties is to enquire into the conduct of the AIFM and the AIF in each annual accounting period and report thereon to the shareholders.

Our report must state whether, in our opinion, the AIF has been managed in the Period in accordance with specified requirements of the investment fund legislation and the AIF Rulebook, as appropriate, and it is the overall responsibility of the AIFM and the AIF to comply with these provisions. If the AIFM or the AIF has not so complied, we, as Depositary, must state why we consider this to be the case and detail the actions which we have undertaken to rectify matters.

Basis of Depositary opinion

The Depositary conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties as outlined in the AIF’s constitutional documents and the investment fund legislation, and to ensure that, in all material respects, the AIF has been managed:

- (a) in accordance with the limitations imposed on the investment and borrowing powers of the authorised AIF by the constitutional document and by the Central Bank under the powers granted to the Central Bank by the investment fund legislation; and
- (b) otherwise in accordance with the provisions of the constitutional document and the investment fund legislation.

Opinion

In our opinion, the AIF has been managed during the Period, in all material respects:

- (a) in accordance with the limitations imposed on the investment and borrowing powers of the AIF by the constitutional document and by the Central Bank under the powers granted to the Central Bank by the investment fund legislation; and
- (b) otherwise in accordance with the provisions of the constitutional document and the investment fund legislation.

For and on Behalf of BNY Mellon Trust Company (Ireland) Limited,
One Dockland Central,
Guild Street,
IFSC,
Dublin 1.

¹ S.I. No. 257 of 2013.

Registered in Ireland No 223184, VAT No. IE8223184C

Registered Office: One Dockland Central, Guild Street, IFSC, Dublin 1

Directors: Mark Fitzgerald (Chairman), Alan Flanagan, Paula Kelleher C Dir (Managing Director), David Kelly, Damien McShane, Tom Young

BNY Mellon Trust Company (Ireland) Limited is regulated by the Central Bank of Ireland

Objective

AXA IM Strategies PLC (the "Company") is an umbrella investment company with variable capital and with segregated liability between Sub-funds incorporated with limited liability in Ireland with registration number 477895 and authorised by the Central Bank as an investment company pursuant to Part 24 of the Companies Act 2014. The registered office of the Company is Riverside II, Sir John Rogerson's Quay, Grand Canal Dock, Dublin 2, Ireland.

The investment objective of each Sub-fund is outlined in the Director's report and in the notes to the consolidated financial statements.

Performance Review

The returns of the classes, for the year ended 31 December 2018 are disclosed in the table below:

<u>AXA IM Loan Fund</u>	2018	2017	Launch Date
Class I EUR Distribution Shares	(0.63%)	1.61%	21 April 2010
Class A EUR Distribution Shares	(0.77%)	1.45%	17 July 2012
Class A STG Accumulation Shares	0.24%	2.25%	17 July 2012
Class A EUR Accumulation Shares	(0.78%)	1.45%	16 May 2013
Class A USD Distribution Shares	1.76%	2.41%	13 March 2016
Class A CHF Accumulation Shares	(1.38%)	0.96%	9 April 2015
Class A USD Accumulation Shares	1.76%	1.46%	13 March 2017
<u>AXA IM European Middle-Market Debt Fund</u>			
Class A EUR Distribution Shares	2.14%	2.97%	30 December 2016
<u>AXA IM Global Loan Opportunity Fund</u>			
Class A EUR Distribution Shares	(1.09%)	(0.23%)	3 November 2017
<u>AXA IM Global Secured Assets Fund I</u>			
Class A GBP Distribution Shares	(0.19%)	n/a	8 November 2018

The Net Assets of each class of shares as at the year end are disclosed in the table below:

	2018	2017
<u>AXA IM Loan Fund</u>	(In millions)	(In millions)
Class I EUR Distribution Shares	€50.20	€98.10
Class A EUR Distribution Shares	€361.39	€373.96
Class A STG Accumulation Shares	£133.50	£177.16
Class A EUR Accumulation Shares	€213.67	€182.18
Class A USD Distribution Shares	US\$28.85	US\$29.79
Class A CHF Accumulation Shares	CHF43.47	CHF110.52
Class A CHF Distribution Shares	CHF12.06	n/a
Class A STG Distribution Shares	£61.20	n/a
Class A USD Accumulation Shares	US\$61.20	US\$17.93
<u>AXA IM European Middle-Market Debt Fund</u>		
Class A EUR Distribution Shares	€637.80	€327.89
<u>AXA IM Global Loan Opportunity Fund</u>		
Class A USD Distribution Shares	US\$44.26	US\$29.93
<u>AXA IM Global Secured Assets Fund I</u>		
Class A GBP Distribution Shares	£219.61	n/a

AXA IM Strategies PLC

Alternative Investment Fund Manager's Report for the year ended 31 December 2018 (continued)

Investment Movement

AXA IM Loan Fund

Dividends of €12.7 million were declared during the year ended 31 December 2018 (2017: €13.69 million). Dividends of €3.5 million (2017: €21.47 million) were paid during the year with €9.2 million payable as at 31 December 2018 (2017: €Nil).

AXA IM European Middle-Market Debt Fund

Dividends of €24.6 million were declared during the year ended 31 December 2018 (2017: €2.7 million). Dividends of €24.6 million (2017: €2.7 million) were paid during the year with €Nil payable as at 31 December 2018 (2017: €Nil).

AXA IM Global Loan Opportunity Fund

Dividends of US\$Nil million were declared during the year ended 31 December 2018 (2017: US\$Nil). Dividends of US\$Nil million (2017: US\$Nil) were paid during the year with US\$Nil payable as at 31 December 2018 (2017: US\$Nil).

AXA IM Global Secured Assets Fund I

Dividends of £Nil million were declared during the period ended 31 December 2018 (2017: n/a). Dividends of £Nil million (2017: n/a) were paid during the period with £Nil payable as at 31 December 2018 (2017: n/a).

AXA Investment Managers Paris

May 2019

Governance

AXA IM's Remuneration Policy, which has been approved by the AXA IM Remuneration Committee, sets out the principles relating to remuneration within all entities of AXA IM and takes into account AXA IM's business strategy, objectives, and risk tolerance, as well as the long-term interests of AXA IM's shareholders, clients and employees. The AXA IM Remuneration Committee, in line with the remuneration policies and procedures set and validated at AXA Group level, ensures consistency and fair application of the Remuneration Policy within AXA IM, as well as compliance with applicable regulations. Remuneration pool allocations and awards are proposed by the Management Board and approved by the Remuneration Committee, the composition of which are available on AXA IM website.

AXA IM Remuneration Structure and the Link Between Pay and Performance

Remuneration is structured to reward:

- organizational responsibility, professional experience and individual capability to perform the duties of the role through Fixed Pay;
- short term value creation for clients and AXA IM through Cash Variable Pay based on annual performance;
- medium term value creation for clients and AXA IM through the Deferred Incentive Plan (DIP (Fund)) which is structured over a four year period;
- long term value creation for clients and AXA IM through AXA IM Performance Shares with a duration of maximum ten years;
- long term value creation for the AXA Group through the AXA LTI (made up of AXA Stock-Options and/or AXA Performance Shares).

AXA IM Variable Pay (comprising Cash Variable Pay and AXA IM Deferred Pay) and AXA LTI form the Overall Variable Pay. AXA IM ensures appropriate balance between Fixed and Overall Variable Pay and short and long term Overall Variable Pay.

Annual AXA IM Variable Pay pools are determined globally based on AXA IM profitability, taking into account current and future risks. Allocations of AXA IM Variable Pay pools to functions takes into account a range of factors such as profitability, investment performance, risk and compliance factors and other qualitative performance achievements.

In determining individual AXA IM Variable Pay levels, AXA IM considers a number of factors which may include performance results, leadership, adherence to risk and compliance policies, experience and critical skills, among other measures.

AXA IM operates an automatic deferral policy applicable to all employees, including Identified Employees, whereby a minimum level of AXA IM Deferred Pay will be awarded as a proportion of the employee's AXA IM Variable Pay, depending on whether the employee is an Identified Employee or not, and the amount of the employee's total Overall Variable Pay or Total Remuneration. AXA IM Deferred Pay will vest subject to timing schedules, performance conditions and any downward adjustment where certain conditions have been triggered.

Decision making process

The AXA IM Remuneration Committee is responsible for determining and reviewing the AXA IM remuneration guidelines, including the AXA IM Remuneration Policy Statement, as well as reviewing the annual remuneration of senior executives of the AXA IM Group and senior officers in Control Functions.

Identified Employees

The criteria used to determine whether employees are Identified Employees are broadly as follows:

- The employee is a permanent member of a governing body of an AXA IM entity.
- The employee is a Senior Manager who effectively conducts the business of an AXA IM entity.
- The employee is in a control function (risk management, compliance or internal audit) and his/her activities could potentially have a significant impact on an AXA IM entity results and/ or balance sheet.
- The employee is a risk taker.
The employee's remuneration is within the same remuneration bracket as the categories above, and the employee has a material impact on a regulated AXA IM entity or the portfolios it manages.

Identified Employees (continued)

If an employee falls within one of the categories above, the employee would be considered an Identified Employee if he/she is assessed as having a material impact on a regulated in accordance with the AXA IM Entity's risk profile or the risk profiles of the portfolios that it manages.

More details

Details of the up to date remuneration policy of the company are published online at:

https://clicktime.symantec.com/a/1/8Ft7G35-KQkKep4n2Bs1-QzwIDY5Ex- uIMSaKstQ8Bw=?d=WnXjUrUdb94dwhT_gpKFzYasTIDdn3Z5Gdg6FTvnmYNbXcn_5CVxHJkcISHK62K_m7OHEcP91Hpad7pVvv0ry6qAF9PvCES4DOxevD87UQ8AhvEKKM8L8gQxzi291tLHCDrjexItI0CJy_sN4UqFGtgfWY4_9k2VLAlcHYuSfm7tWeZ2D6UmFPibTJ00h6_2ISoLiItBxbgLa4GOZeyIfI4dMOGfnBCuVwZwUR4A9qcIgzvrxfp3KR7fVpTXsAKchwbWLjUwZSGOVBD0ErUd-Y-Jx4iIDQXHaIoxxFIwnSjGU2C70Ev_ZFQ-Qh18uQSHMxbpzvt7si6SS6t-uzIbJ2M2NwtGH8BaOHFIAhJ6DMTLED_UgUwPzArdsImqThzpmnUvt5Z2E7CqPheNZinLYViwupvhiG99QJAeEhNS01GtN0%3D&u=https%3A%2F%2Fwww.axa-im-international.com%2Fremuneration

This includes the description of how remuneration and benefits are awarded for employees, and information on the remuneration committee. The company provides a paper copy free of charge upon request.

¹ AXA IM entity includes UCITS management companies

Quantitative elements

Data provided below are those of AXA Investment Managers covering all subsidiaries of the AXA Investment Managers Group and types of portfolios as at 31 December 2018 after application of a weighted Asset Under Management allocation key.

Total amount of remuneration paid and/or awarded to staff for the year ended December 31, 2018 ⁽¹⁾	
Fixed Pay ⁽²⁾ ('000 EUR)	1,427.41
Variable Pay ⁽³⁾ ('000 EUR)	1,675.28
Number of employees ⁽⁴⁾	2,547 of which 846 for AXA IM Paris

(1) Excluding social charges, after application of the weighted Asset Under Management allocation key.

(2) Fixed Pay amount is based on Fixed Pay effective for all staff at AXA IM on January 1st, 2018

(3) Variable Pay, composed of discretionary, upfront and deferred items, includes:

- Amounts awarded for the performance of the previous year and fully paid over the financial year under review (non-deferred variable pay)
- Amounts awarded for the performance of previous years and the performance of the year under review (deferred variable pay),
- Long-Term Incentives awarded by the AXA Group.

(4) Number of employees includes Permanent and Temporary contracts excluding interns as at December 31st, 2018.

Aggregate amount of remuneration paid and / or awarded to risk takers and senior management whose activities have a significant impact on the risk profile of portfolios ⁽¹⁾			
	Risk Takers	Senior Management	Total
Fixed Pay and Variable Pay ('000 EUR) ⁽²⁾ ⁽³⁾	885.16	525.77	1,410.93
Number of employees	255 of which 106 for AXA IM Paris	71 of which 16 for AXA IM Paris	326 of which 122 for AXA IM Paris

AXA Investment Managers Paris
May 2019

Independent auditors' report to the members of AXA IM Strategies PLC

Report on the audit of the financial statements

Opinion

In our opinion, AXA IM Strategies PLC's consolidated and Company financial statements (the "financial statements"):

- give a true and fair view of the Group's, Consolidated Sub-funds' and Company's assets, liabilities and financial position as at 31 December 2018 and of the Group's and Consolidated Sub-funds' results and the Group's, Consolidated Sub-funds' and Company's cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

We have audited the financial statements, included within the Annual Report and Audited Consolidated Financial Statements, which comprise:

- the Consolidated Statement of Financial Position and Company Statement of Financial Position as at 31 December 2018;
- the Consolidated Statement of Comprehensive Income for the year then ended;
- the Consolidated Statement of Cash Flows and Company Statement of Cash Flows for the year then ended;
- the Consolidated Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares and the Company Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares for the year then ended;
- the Portfolio Statements for each of the Sub-funds as at 31 December 2018; and
- the notes to the financial statements, which include a description of the significant accounting policies.

Our opinion is consistent with our reporting to the Board of Directors.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law.

Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by IAASA's Ethical Standard were not provided to the Group or the Company.

Other than those disclosed in note 16, we have provided no non-audit services to the Company in the period from 1 January 2018 to 31 December 2018.

Our audit approach

Overview



Materiality

- Overall Group materiality: 100 basis points of consolidated total Net Assets Value ("NAV") at 31 December 2018.
- Overall Company Materiality: 100 basis points of the Net Asset Value at 31 December 2018 for each of the Company's Sub-funds.

Audit scope

- We performed an audit of the full financial information of the Group and the Company. The Company is an open-ended investment company with variable capital and engages AXA Investment Managers Paris (the "Alternative Investment Fund Manager") to manage certain duties and responsibilities with regards to the day-to-day management of the Company. We tailored the scope of our audit taking into account the types of investments within the Sub-funds and related subsidiary companies where relevant, the involvement of the third parties referred to Overleaf, the accounting processes and controls, and the industry in which the Company operates. We look at each of the Sub-funds at an individual level.

Key audit matters

- Financial assets measured at amortised cost less impairment.
- Existence of financial assets at fair value through profit or loss and financial assets at amortised cost.
- Valuation of financial assets measured at fair value through profit or loss.

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example the selection of pricing sources to value the investment portfolio. As in all of our audits, we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.

Key audit matter	How our audit addressed the key audit matter
<p>Financial assets measured at amortised cost less impairment</p> <p>Refer to Notes 2(f), 9(c) and 10 to the financial statements.</p> <p>Financial assets amounting to EUR 434,695,287 held by the AXA IM European Middle-Market Debt Fund are measured at amortised cost less impairment.</p> <p>Financial assets at amortised cost are initially measured at fair value, net of any fee income received or receivable. The fee income received or receivable is subsequently recognised over the life of the loan under the effective interest rate method.</p> <p>The Alternative Investment Fund Manager ('AIFM') Impairment Committee assesses impairment of financial</p>	<p>We understood and critically assessed with the assistance of our internal credit specialists the overall methodology applied in the measurement of ECL for financial assets at amortised cost to ensure that the provision methodology and calculation was in accordance with IFRS 9.</p> <p>We assessed the SICR triggers identified by management for appropriateness and completeness and we re-performed key aspects of the SICR calculation, ensuring that loans were allocated to the appropriate stage.</p> <p>We tested the accuracy of critical data inputs used in the ECL calculation by agreeing inputs to source systems and supporting documentation where appropriate, including selecting a sample of the loans and agreeing a sample of</p>

Key audit matter

assets at amortised cost.

2018 is the first year of adoption of IFRS 9 which, as set out in the financial statements, introduces significant changes including a new impairment model where losses are recognised on an expected, forward looking basis which includes reflecting the Group's view of potential future economic events. As a result, a new methodology encompassing estimates and judgements is required to calculate impairment provisions under IFRS 9, and there are new disclosure requirements.

As further explained in Note 2(f), IFRS 9 requires the classification of financial assets at amortised cost into one of three Stages, based on changes in credit quality since initial recognition of a loan. A significant increase in credit risk ('SICR') requires the related impairment provision to be measured using a lifetime Expected Credit Loss 'ECL' rather than 12 month ECL.

Expected credit loss (ECL) allowances on financial assets at amortised cost was €11.2 million at 31 December 2018. The ECL calculation is an estimation, involving Probabilities of Default ('PD'), Loss Given Default ('LGD') and Exposures at Default ('EAD') and require significant management estimates and judgement.

We focussed on those areas which, in our view, required the greatest level of management judgement in estimating the ECL Provision relating to Financial Assets at amortised cost including:

1. The determination of when there has been a significant increase in credit risk (SICR).
2. The methodology and assumptions used for deriving the 12-month and lifetime PD rates and the LGD rates used in the ECL calculation.

How our audit addressed the key audit matter

payments due per underlying loan agreements to cash receipts records

We assessed the PD rates and the LGD rates used by comparing them to international rating agency historic corporate default data and corporate recovery rates.

No material misstatements were identified by our performance of the above procedures.

Existence of Financial assets at fair value through profit or loss and financial assets at amortised cost

Refer to the Portfolio Statement in the financial statements.

The financial assets held by the AXA IM Loan Fund, AXA IM Global Loan Opportunity Fund and the AXA IM European Middle-Market Debt Fund at 31 December 2018 mainly consisted of loans and investments in private debt funds.

The financial assets held by the AXA IM Global Secured Assets Fund I at 31 December 2018 mainly consisted of asset backed securities, bonds, collateralised loan obligations, collateralised mortgage obligations and commercial mortgage backed securities.

We focussed on the existence of these assets as they represent the principal assets included in the Consolidated Statement of Financial Position as at 31 December 2018.

We obtained an understanding of the design of controls over the recognition and recording of loans and tested the operating effectiveness of these controls.

We performed an independent confirmation exercise of loans held by the AXA IM Loan Fund and the AXA IM Global Loan Opportunity Fund as at 30 November 2018 and the loans held by the AXA IM European Middle-Market Debt Fund as at 30 September 2018 (the 'audit confirmation dates'). These dates were selected to coincide with the Sub-fund NAV reporting dates.

For the AXA IM Loan Fund, IM Global Loan Opportunity Fund and the AXA IM European Middle-Market Debt Fund the following procedures were performed:

- Confirmations were obtained from the underlying loan agent or counterparty as appropriate and we agreed the balances confirmed to the Sub-funds' accounting records at the respective audit confirmation dates.
- For loans where we did not receive a confirmation, we

<i>Key audit matter</i>	<i>How our audit addressed the key audit matter</i>
	<p>performed alternative procedures by obtaining the signed loan agreements and agreeing the principal amounts to the Sub-funds' accounting records.</p> <ul style="list-style-type: none"> • For loan purchases between the audit confirmation dates and 31 December 2018, we obtained a sample of loan agreements and agreed the principal amount to the Sub-funds' accounting records. • For loan sales between the audit confirmation dates and 31 December 2018, we agreed a sample of the sales proceeds per the Sub-funds records to supporting documentation from the loan agent or counterparty as appropriate. <p>We obtained confirmations of the investments held in private debt funds by the AXA IM European Middle-Market Debt Fund from the investment managers of the underlying funds at 31 December 2018 and agreed the confirmations to the accounting records.</p> <p>For the AXA IM Global Secured Assets Fund I, we obtained a confirmation of the financial assets held from the Sub-fund's depository as at 31 December 2018 and agreed the confirmation to the accounting records. No material misstatements were identified by our performance of the above procedures.</p>
<p><i>Valuation of financial assets measured at fair value through profit or loss</i></p> <p>Refer to Notes 2(e) and 10 to the financial statements.</p> <p>The AXA IM Loan Fund, the AXA IM European Middle-Market Debt Fund and the AXA IM Global Loan Opportunity Fund and the AXA IM Global Secured Assets Fund I have loans and bonds, asset backed securities, collateralised loan obligations and mortgage obligations, commercial mortgage backed securities at 31 December 2018 where the fair value has been estimated using consensus prices from third party broker quotes and market makers.</p> <p>AXA IM European Middle-Market Debt Fund also holds investments in private debt funds at 31 December 2018. The fair value of these investments is based on the unaudited net asset values from underlying administrators.</p> <p>We focused on the valuation of financial assets at fair value through profit and loss because they represent the principal element of the net assets for the AXA IM Loan Fund, AXA IM European Middle-Market Debt Fund and the AXA IM Global Loan Opportunity Fund and a material element of the net assets of the AXA IM Global Secured Assets Fund I.</p>	<p>We agreed prices to a third party vendor source. Where we could not obtain an independent price, we confirmed the valuation used to recent observable purchase prices.</p> <p>We assessed the reliability of prices through checking the frequency of the pricing, the number of independent quotes and the range of quotes available.</p> <p>We obtained a confirmation from the underlying administrator of the NAVs for the investments in private debt funds, and agreed the NAV per share to audited coterminous financial statements.</p> <p>No matters were noted from this testing.</p>

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which it operates.

As at 31 December 2018 there are 4 Sub-funds operating. The Group's and Company's Statement of Financial Position, the Group's Statement of Comprehensive Income, the Group's and Company's Statement of Cash Flows and the Group's and

Company's Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares are an aggregation of the positions and results of the Sub-funds.

The Group consists of the Company and 4 subsidiary companies each held through a sub-fund of the Company. We performed an audit of the full financial information of the Company and all subsidiary companies. The directors control the affairs of the Company and are responsible for the overall investment policy which is determined by them. The Company engages the Alternative Investment Fund Manager to manage certain duties and responsibilities with regards to the day to day management of the Company. The Alternative Investment Fund Manager has delegated certain responsibilities to BNY Mellon Fund Services (Ireland) Designated Activity Company (the 'Administrator' of the Company'). The financial statements, which remain the responsibility of the directors, are prepared on their behalf by the Administrator. The Company has appointed BNY Mellon Trust Company (Ireland) Limited (the "Depository") to act as Depository of the Company's assets. In establishing the overall approach to our audit we assessed the risk of material misstatement at a Sub-fund level, taking into account the nature, likelihood and potential magnitude of any misstatement. As part of our risk assessment, we considered the Company's interaction with the Administrator, and we assessed the control environment in place at the Administrator.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements of each of the Company's Sub-funds as follows:

	<i>Consolidated financial statements</i>	<i>Company financial statements</i>
<i>Overall materiality and how we determined it</i>	100 basis points (2017: 50 basis points) of consolidated Net Assets Value ("NAV") at 31 December 2018 for each of the Company's Sub-funds.	100 basis points (2017: 50 basis points) of Net Assets Value ("NAV") at 31 December 2018 for each of the Company's Sub-funds.
<i>Rationale for benchmark applied</i>	We have applied this benchmark because the main objective of the Company is to provide investors with a total return taking account of the capital and income returns.	We have applied this benchmark because the main objective of the Company is to provide investors with a total return at a Sub-fund level taking account of the capital and income returns.

We agreed with the Board of Directors that we would report to them misstatements identified during our audit above 10 basis points of each Sub-fund's NAV, for NAV per share impacting differences (2017: 5 basis points of each Sub-fund's NAV, for NAV per share impacting differences) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's, Company's and Sub-funds' ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group's, Company's and Sub-funds' ability to continue as going concerns.

Reporting on other information

The other information comprises all of the information in the Annual Report and Audited Consolidated Financial Statements other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the Companies Act 2014 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (Ireland) and the Companies Act 2014 require us to also report certain opinions and matters as described below:

Directors' Report

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.
- Based on our knowledge and understanding of the Group and Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

Corporate governance statement

- In our opinion, based on the work undertaken in the course of the audit of the financial statements, the description of the main features of the internal control and risk management systems in relation to the financial reporting process included in the Corporate Governance Statement, is consistent with the financial statements and has been prepared in accordance with section 1373(2)(c) of the Companies Act 2014.
- Based on our knowledge and understanding of the Company and its environment obtained in the course of the audit of the financial statements, we have not identified material misstatements in the description of the main features of the internal control and risk management systems in relation to the financial reporting process included in the Corporate Governance Statement.
- In our opinion, based on the work undertaken during the course of the audit of the financial statements, the information required by section 1373(2)(a), (b), (e) and (f) of the Companies Act 2014 and regulation 6 of the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017 is contained in the Corporate Governance Statement.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 5, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's, Company's and Sub-funds' ability to continue as going concerns, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered

material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:

https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf.

This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2014 opinions on other matters

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
- The Company financial statements are in agreement with the accounting records.

Companies Act 2014 exception reporting

Directors' remuneration and transactions

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.

Appointment

We were appointed by the directors on 23 March 2010 to audit the financial statements for the year ended 31 December 2010 and subsequent financial periods. The period of total uninterrupted engagement is 9 years, covering the years ended 31 December 2010 to 31 December 2018.

Pat Candon
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Dublin
23 May 2019

AXA IM Strategies PLC
AXA IM Loan Fund
Portfolio Statement as at 31 December 2018

Currency	Description	Interest Rate	Maturity Date	Fair Value €	% of Total Net Assets
Financial assets at fair value through profit or loss					
Loans					
Australia (2017: n/a)					
EUR	Genesis Care Finance PTY LTD Facility B2	3.50%	30-Oct-25	993,130	0.11%
				<u>993,130</u>	<u>0.11%</u>
Austria (2017: n/a)					
EUR	AI Alpine AT Bidco Facility B (EUR)	3.50%	31-Oct-25	2,553,253	0.28%
				<u>2,553,253</u>	<u>0.28%</u>
Belgium (2017: 0.42%)					
EUR	House of Finance NV (The) Facility B	4.25%	20-Dec-24	7,345,580	0.80%
				<u>7,345,580</u>	<u>0.80%</u>
British Virgin Islands (2017: 0.49%)					
EUR	Nomad Foods Europe Midco Limited Facility B3	2.75%	15-May-24	4,741,488	0.52%
				<u>4,741,488</u>	<u>0.52%</u>
Canada (2017: 1.15%)					
USD	Bausch Health Companies Inc. Initial Term Loan	5.38%	2-Jun-25	3,119,424	0.34%
EUR	Concordia International Corp Initial Euro Term Loans	6.25%	6-Sep-24	384,969	0.04%
USD	Concordia International Corp Term Loan	7.89%	6-Sep-24	361,048	0.04%
USD	Knowlton Development Corporation Inc Initial	6.73%	22-Dec-25	3,420,374	0.37%
				<u>7,285,815</u>	<u>0.79%</u>
Denmark (2017: 0.53%)					
EUR	Evergood 4 APS Facility B2 - Dotplay	3.75%	6-Feb-25	468,455	0.05%
EUR	Evergood 4 APS First Lien Term Loan B	0.00%	6-Feb-25	2,498,425	0.27%
				<u>2,966,880</u>	<u>0.32%</u>
Finland (2017: n/a)					
EUR	Terveys- ja hoivapalvelut Suomi Oy Facility B	4.25%	11-Aug-25	1,991,260	0.22%
				<u>1,991,260</u>	<u>0.22%</u>
France (2017: 10.12%)					
EUR	Alpha Bidco SAS Extended Facility B1	3.25%	30-Jun-25	3,489,977	0.38%
EUR	Altran Technologies Facility B (EUR)	2.75%	20-Mar-25	3,751,968	0.41%
EUR	Assystem Technologies Services Senior Facility B	4.25%	27-Sep-24	4,758,696	0.52%
EUR	Cab & Bio Lam LCD Additional Term Facility 3	4.00%	1-Dec-25	3,480,648	0.38%
EUR	Cab & Bio Lam LCD Facility B	4.00%	14-Jun-24	996,250	0.11%
EUR	Ceva Sante Animale Facility B2	3.00%	30-Jun-21	6,533,042	0.71%

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC
AXA IM Loan Fund (continued)
Portfolio Statement as at 31 December 2018 (continued)

Currency	Description	Interest Rate	Maturity Date	Fair Value €	Total Net Assets
Financial assets at fair value through profit or loss (continued)					
Loans (continued)					
France (continued)					
EUR	Elsan SAS Facility B2	3.75%	31-Oct-22	5,979,360	0.65%
EUR	Financiere Abra SAS Facility B1 (EUR)	4.25%	22-Oct-25	2,197,104	0.24%
EUR	Financiere Abra SAS Facility B2 EUR	4.25%	22-Oct-25	3,097,244	0.34%
EUR	Financiere Colisee Facility B2	3.75%	20-Jun-24	2,132,143	0.23%
EUR	Financiere Sun SAS New Facility B	3.00%	14-Mar-23	2,294,009	0.25%
GBP	Financiere Verdi I SAS Facility B1	5.66%	21-Jul-23	2,345,549	0.26%
EUR	Flamingo LUX II Senior Facility B3	3.25%	7-Sep-23	1,028,846	0.11%
EUR	Generale De Sante Facility B1A	3.13%	3-Oct-22	1,593,302	0.17%
EUR	HomeVI Senior Facility B	3.00%	31-Oct-24	1,569,179	0.17%
EUR	Horizon Holdings II SAS Facility B4	2.75%	28-Oct-22	3,302,362	0.36%
EUR	Kapla Holding Facility B	3.50%	17-Feb-25	995,630	0.11%
EUR	Kirk Beauty One Gmbh - Douglas Gmbh Facility B1	3.50%	12-Aug-22	993,826	0.11%
EUR	Kirk Beauty One Gmbh - Douglas Gmbh Facility B4	3.50%	12-Aug-22	677,702	0.07%
EUR	Kirk Beauty One Gmbh - Douglas Gmbh Facility B5	3.50%	12-Aug-22	150,600	0.02%
EUR	Laboratoire HRA-Pharma Facility B	3.50%	19-Sep-24	5,999,629	0.65%
EUR	Nemera First Lien Term Loan	0.00%	5-Dec-25	1,386,346	0.15%
EUR	NewCo Sab Bidco Facility B	3.00%	22-Apr-24	7,285,725	0.79%
EUR	Novacap Group Bidco Additional Facility B3	3.50%	22-Jun-23	509,063	0.06%
EUR	Novacap Group Bidco Facility B	3.50%	22-Jun-23	7,214,755	0.79%
EUR	Oberthur Technologies SA Facility B	3.75%	10-Jan-24	7,853,342	0.86%
EUR	Obol France 3 SAS Term Loan B	3.25%	11-Apr-23	6,651,953	0.73%
EUR	Odyssey Investissement SAS Additional Facility B	3.75%	24-Apr-25	990,830	0.11%
EUR	Odyssey Investissement SAS Facility B	3.75%	25-Apr-25	2,972,490	0.32%
EUR	Sam Bidco Facility B1	3.00%	13-Dec-24	1,972,220	0.22%
EUR	SFR Group SA Refinancing Term Loan B11	3.00%	31-Jul-25	10,486,589	1.14%
EUR	Talbot Participation SAS Facility B	3.25%	31-Mar-25	1,280,500	0.14%
EUR	Technicolor S.A. First Incremental Euro Term Loan	3.00%	6-Dec-23	1,849,432	0.20%
EUR	Thom Europe Facility B	4.50%	7-Aug-24	5,541,900	0.60%
EUR	Verallia Packaging Facility C Loan	2.75%	1-Aug-25	4,665,770	0.51%
EUR	ZF Bidco Senior Facility B	4.00%	29-Apr-24	9,547,441	1.04%
				127,575,422	13.91%
Germany (2017: 7.46%)					
EUR	Antin Aude Bidco GMBH Facility B	4.75%	19-Aug-22	2,858,804	0.31%
EUR	Blitz F18 675 GmbH New Facility B2	3.75%	30-Jul-25	1,519,168	0.17%
EUR	Colouroz Investment 1 GMBH Initial Euro Term Loan (Second Lien)	8.25%	6-Sep-22	864,069	0.09%
EUR	Colouroz Investment 1 GMBH New First Lien Initial Term Loan	3.75%	7-Sep-21	3,712,455	0.41%
EUR	CTC AcquiCo GmbH Facility B1	2.75%	7-Mar-25	5,190,178	0.57%

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC
AXA IM Loan Fund (continued)
Portfolio Statement as at 31 December 2018 (continued)

Currency	Description	Interest Rate	Maturity Date	Fair Value €	Total Net Assets
Financial assets at fair value through profit or loss (continued)					
Loans (continued)					
Germany (continued)					
EUR	Eagle Eschborn GmbH Facility B	3.00%	25-Jul-24	1,858,594	0.20%
EUR	Ineos Styrolution Group GmbH New 2024 Euro Term Loan	2.50%	29-Mar-24	2,540,492	0.28%
EUR	Kirk Beauty One GmbH - Douglas GmbH Facility B2	3.50%	12-Aug-22	507,065	0.06%
EUR	Kirk Beauty One GmbH - Douglas GmbH Facility B3	3.50%	12-Aug-22	965,916	0.11%
EUR	Kirk Beauty One GmbH - Douglas GmbH Facility B7	3.50%	12-Aug-22	413,131	0.05%
EUR	Kirk Beauty One GmbH - Douglas GmbH Facility B8	3.25%	12-Aug-22	1,828,125	0.20%
EUR	Minimax Viking GmbH (fka MX Mercury Beteiligungen GmbH) Facility B2C	3.25%	31-Jul-25	1,980,050	0.22%
EUR	Nidda Healthcare GmbH Facility D (EUR) Loan	4.00%	21-Aug-24	1,315,213	0.14%
EUR	Nidda Healthcare Holding AG Facility B1 EUR	3.50%	21-Aug-24	562,064	0.06%
EUR	Nidda Healthcare Holding AG Facility B2	3.50%	21-Aug-24	325,643	0.04%
EUR	Nidda Healthcare Holding AG Facility C EURO	3.50%	21-Aug-24	1,052,293	0.11%
GBP	Nidda Healthcare Holding AG Facility C GBP	5.39%	21-Aug-24	5,921,296	0.65%
EUR	Springer Nature Deutschland GMBH Initial Term Loan B14	3.75%	24-Aug-22	11,742,838	1.28%
EUR	Techem GmbH New Facility B1	3.75%	31-Jul-25	7,510,378	0.82%
EUR	Tele Columbus AG Facility A2	3.00%	15-Oct-24	5,717,414	0.62%
EUR	UnityMedia Hessen GmbH & Co KG Facility C	2.75%	15-Jan-27	4,963,000	0.54%
EUR	Weener Plastics Group BV Facility B	3.75%	16-May-25	1,106,471	0.12%
				64,454,657	7.05%
Ireland (2017: 0.49%)					
Isle of Man (2017: 0.13%)					
EUR	GVC Holdings Plc Facility B1	2.75%	2-Mar-23	1,324,173	0.14%
EUR	GVC Holdings Plc Facility B2 (Eur)	2.75%	29-Mar-24	3,953,000	0.43%
GBP	GVC Holdings Plc Facility B2 (GBP)	4.53%	29-Mar-24	4,223,025	0.46%
				9,500,198	1.03%
Jersey (2017: 0.20%)					
EUR	Capri Acquisitions BidCo Limited Initial Euro Term Loan	3.25%	1-Nov-24	1,970,840	0.22%
				1,970,840	0.22%
Luxembourg (2017: 4.87%)					
EUR	Akita Bidco Sarl Facility B1	4.00%	10-Nov-25	4,460,625	0.49%
EUR	Albea Beauty Holdings SA Facility B2 (Eur)	3.25%	22-Apr-24	3,529,926	0.39%
EUR	Altice Financing SA October 2017 EUR Term Loan	2.75%	2-Feb-26	2,870,839	0.31%
EUR	Archroma Finance Sarl Term Loan B1 Eur	3.75%	12-Aug-24	4,443,750	0.48%

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC
AXA IM Loan Fund (continued)
Portfolio Statement as at 31 December 2018 (continued)

Currency	Description	Interest Rate	Maturity Date	Fair Value €	Total Net Assets
Financial assets at fair value through profit or loss (continued)					
Loans (continued)					
Luxembourg (continued)					
EUR	Auris LuxCo First Lien Term Loan B	0.00%	24-Jul-25	6,042,909	0.66%
EUR	Auris Luxembourg III SARL Facility B6	3.50%	17-Jan-22	1,453,070	0.16%
EUR	CCP Lux Holding Sarl Senior EUR Facility B Loan	3.75%	10-Jan-25	2,114,293	0.23%
EUR	Diaverum Sarl Facility B	3.25%	4-Jul-24	6,794,410	0.74%
EUR	Evergood 4 APS Facility B1E Loan	3.00%	6-Feb-25	4,528,622	0.49%
EUR	Ion Trading Finance Limited Initial Euro Term Loan	4.25%	21-Nov-24	2,856,440	0.31%
USD	Laird America Inc Facility B	7.02%	9-Jul-25	1,140,670	0.12%
EUR	Saphilux Sarl Facility B EUR	3.75%	18-Jul-25	1,050,226	0.11%
GBP	Saphilux Sarl Facility B GBP Loan	5.35%	11-Jul-25	993,929	0.11%
EUR	SIG Combibloc PurchaseCo Sarl Facility B Loan	2.50%	2-Oct-25	2,702,027	0.29%
EUR	Soppa Holdings Sarl First Lien B Tranche 1	4.00%	1-Jan-24	3,701,920	0.40%
EUR	Soppa Holdings Sarl First Lien B Tranche 2	4.00%	1-Jan-24	719,961	0.08%
EUR	Soppa Holdings Sarl First Lien B Tranche 3	4.00%	1-Jan-24	634,947	0.07%
EUR	Soppa Holdings Sarl First Lien B Tranche 4	4.00%	1-Jan-24	1,397,619	0.15%
EUR	Tackle Sarl New Facility B	3.50%	8-Aug-22	4,315,413	0.47%
				55,751,596	6.06%
Netherlands (2017: 6.95%)					
EUR	Acta BV Facility B	4.00%	12-Dec-25	1,704,291	0.19%
EUR	BCPE Max Dutch Bidco BV Term Loan B	4.75%	31-Oct-25	1,091,154	0.12%
EUR	CDS Holdco III BV Facility F Loan	3.75%	31-Dec-24	8,015,754	0.87%
EUR	Coty BV Term B EUR Loan	2.50%	7-Apr-25	2,801,814	0.31%
EUR	Fugue Finance B. V. Initial Euro Term Loan (First Lien)	3.25%	30-Aug-24	7,919,495	0.86%
EUR	Gamma Infrastructure III B.V. Facility B	3.50%	9-Jan-25	1,139,422	0.12%
EUR	GTT Communications BV EMEA Term Loan	3.25%	31-May-25	4,375,822	0.48%
EUR	Ignition Midco BV Facility B	4.75%	30-Jun-25	2,723,083	0.30%
EUR	Keter Group BV Facility B4	5.25%	31-Oct-23	792,500	0.09%
EUR	MacDermid Agricultural Solutions Holdings BV Euro Tranche C-5 Term Loan	3.50%	7-Jun-23	6,727,040	0.73%
EUR	NEP Europe Finco BV Initial Euro Term Loan	3.50%	20-Oct-25	2,637,787	0.29%
EUR	Peer Holding III BV Facility B	3.25%	8-Mar-25	5,815,719	0.63%
EUR	Petrus Bidco BV Facility B	3.00%	18-Jul-24	1,970,000	0.21%
EUR	Sapphire Bidco BV Facility B (First Lien)	3.25%	5-May-25	5,942,063	0.65%
EUR	Sigma Bidco BV Facility B1	3.50%	2-Jul-25	10,524,197	1.15%
EUR	Starfruit Finco BV Initial Euro Term Loan	3.75%	1-Oct-25	2,787,436	0.30%
EUR	Stars Group Holdings BV Euro Term Loan	3.75%	10-Jul-25	3,220,198	0.35%
EUR	Sunshine Investments BV Facility B1 Loan	3.25%	28-Mar-25	7,334,506	0.80%
GBP	Sunshine Investments BV Facility B2	4.89%	22-Jan-25	3,940,623	0.43%

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC
AXA IM Loan Fund (continued)
Portfolio Statement as at 31 December 2018 (continued)

Currency	Description	Interest Rate	Maturity Date	Fair Value €	% of Total Net Assets
Financial assets at fair value through profit or loss (continued)					
Loans (continued)					
Netherlands (continued)					
EUR	WP/AV CH Holdings III BV Facility B Loan	3.50%	12-Jun-24	1,321,107	0.14%
EUR	Ziggo Secured Finance Partnership Term Loan F	3.00%	15-Apr-25	7,763,040	0.85%
				90,547,051	9.87%
Spain (2017: 1.14%)					
EUR	Dorna Sports SL B2 Euro Term Loan	2.75%	3-May-24	5,829,088	0.64%
EUR	Euskaltel SA Facility B4	2.75%	27-Nov-24	1,999,746	0.22%
EUR	HNVR Holdco Limited Facility B	3.25%	12-Sep-23	3,336,632	0.36%
EUR	Invictus Media S.L.U. Facility A1 Loan	4.00%	21-Jun-24	1,891,376	0.21%
EUR	Invictus Media S.L.U. Facility A2 Loan	4.00%	26-Jun-24	1,186,847	0.13%
				14,243,689	1.56%
Sweden (2017: 1.54%)					
EUR	Unilabs Diagnostics AB Facility B2	2.75%	19-Apr-24	3,146,130	0.34%
EUR	Verisure Holding AB (PUBL) Facility B1F	3.50%	21-Oct-22	2,631,253	0.29%
EUR	Verisure Holding AB Facility B1E	3.00%	21-Oct-22	10,264,610	1.12%
				16,041,993	1.75%
Switzerland (2017: 0.62%)					
EUR	Swissport International AG New Euro Term Loan	4.75%	8-Feb-22	4,336,330	0.47%
				4,336,330	0.47%
United Kingdom (2017: 6.24%)					
GBP	Amphora Finance Limited Facility B	5.48%	30-May-25	8,369,932	0.91%
USD	Canary Finco Limited Facility B (First Lien)	7.11%	15-Mar-24	5,528,097	0.60%
GBP	Eagle Bidco Limited Facility B	5.48%	12-May-22	3,603,046	0.39%
GBP	EG Finco Limited Term B	5.66%	6-Feb-25	2,886,689	0.31%
EUR	EG Finco Limited Term B1	4.00%	7-Feb-25	5,489,562	0.60%
EUR	Froneri International PLC Facility B1	2.63%	31-Jan-25	4,956,250	0.54%
GBP	Greenrock Midco Limited First Lien Initial GBP Term B Loan	5.16%	28-Jun-24	5,525,339	0.60%
EUR	Ineos Finance PLC 2024 Euro Term Loan	2.50%	1-Apr-24	3,830,241	0.42%
GBP	Jackpotjoy Plc Facility B (GBP)	5.98%	5-Dec-24	7,341,951	0.80%
EUR	Misys Limited Euro Term Loan (First Lien)	4.25%	13-Jun-24	2,058,856	0.22%
EUR	Onex Eagle Acquisition Company Limited Facility B Tranche 2 Loan	4.75%	12-Mar-22	1,795,500	0.20%
EUR	PI UK Holdco III Limited Second Lien Facility 2	7.00%	5-Jan-26	1,487,340	0.16%
EUR	PI UK Holdco II Limited Facility B2	3.25%	3-Jan-25	6,130,797	0.67%
EUR	Rubix Group Finco Limited Facility B1	4.25%	12-Sep-24	8,506,270	0.93%
EUR	Synlab Bondco Plc Term Loan Facility	3.00%	1-Jul-22	5,496,008	0.60%
GBP	Virgin Media SFA Finance Limited L Facility	3.98%	15-Jan-27	8,189,967	0.89%
				81,195,845	8.84%

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC
AXA IM Loan Fund (continued)
Portfolio Statement as at 31 December 2018 (continued)

Currency	Description	Interest Rate	Maturity Date	Fair Value €	% of Total Net Assets
Financial assets at fair value through profit or loss (continued)					
Loans (continued)					
United States (2017: 52.05%)					
USD	Advantage Sales & Marketing Inc First Lien Initial Term Loan	5.77%	23-Jul-21	1,520,801	0.17%
USD	Advantage Sales & Marketing Inc Incremental Term B-2 Loan	5.77%	23-Jul-21	807,099	0.09%
USD	Air Medical Group Holdings Inc 2018 Term Loan	5.68%	28-Apr-22	1,991,483	0.22%
GBP	Air Newco LLC GBP Term B Loan	5.49%	31-May-24	2,586,993	0.28%
USD	Albertson's LLC Replacement 2017-1 Term B-5 Loan	5.82%	21-Dec-22	2,971,944	0.32%
USD	Albertson's LLC Replacement 2017-1 Term B-6 Loan	5.69%	22-Jun-23	344,606	0.04%
USD	Alliance Healthcare Services Inc Second Lien Initial Term Loan	12.52%	24-Apr-24	3,394,130	0.37%
USD	Allied Universal Holdco LLC Incremental Term Loan	6.77%	28-Jul-22	3,368,554	0.37%
USD	Allied Universal Holdco LLC Initial Term Loan (First Lien)	6.27%	28-Jul-22	5,069,323	0.55%
USD	Allied Universal Holdco LLC Second Lien Initial Term Loan	11.02%	28-Jul-23	2,473,429	0.27%
EUR	Allnex (Luxembourg) & Cy SCA Retired - Tranche B-3 Term Loan	4.75%	3-Oct-19	5,760,067	0.63%
USD	Alorica Inc New Term B Loan	6.27%	30-Jun-22	284,930	0.03%
USD	Alorica Inc Term Loan A-1	6.27%	30-Jun-21	2,977,789	0.32%
USD	Amneal Pharmaceuticals LLC Initial Term Loan	6.06%	4-May-25	3,216,129	0.35%
USD	ASHCO LLC Initial Term Loan	7.52%	25-Sep-24	2,469,476	0.27%
USD	Aveanna Healthcare LLC First Lien Initial New Term Loan	8.02%	18-Mar-24	1,624,471	0.18%
USD	Aveanna Healthcare LLC First Lien Term Loan	6.77%	13-Mar-24	3,197,218	0.35%
USD	Aveanna Healthcare LLC Second Lien Initial Term Loan	10.52%	13-Mar-25	1,670,822	0.18%
USD	Bausch Health Companies Inc. First Incremental Term Loan	5.13%	27-Nov-25	2,748,325	0.30%
USD	Berry Global Inc Term S Loan	4.14%	8-Feb-20	3,273,941	0.36%
USD	Berry Global Inc Term T Loan	4.14%	6-Jan-21	1,984,618	0.22%
USD	Blackhawk Network Holdings, Inc. First Lien Term Loan	5.52%	15-Jun-25	2,479,027	0.27%
EUR	Boxer Parent Company Inc Initial Euro Term Loan	4.75%	2-Oct-25	2,972,490	0.32%
USD	BW NHHC Holdco Inc First Lien Initial Term Loan	7.47%	15-May-25	3,716,793	0.41%
USD	Calpine Construction Finance Company L P Term B Loan	5.02%	15-Jan-25	1,569,198	0.17%
USD	Calpine Corporation Term Loan (2017)	4.28%	31-Dec-19	8,152,142	0.89%
USD	Camelot US Acquisition I Co 2017-2 Refinancing Term Loan	5.77%	3-Oct-23	4,249,458	0.46%
USD	CCS-CMGC Holdings Inc First Lien Initial Term Loan	8.02%	1-Oct-25	3,308,739	0.36%
USD	CCS-CMGC Holdings Inc Initial Term Loan	11.52%	25-Sep-26	861,654	0.09%
USD	Cengage Learning Inc Term B Loan	6.75%	7-Jun-23	1,568,653	0.17%
USD	CenturyLink Inc Initial Term B Loan	5.27%	31-Jan-25	6,573,514	0.72%

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC
AXA IM Loan Fund (continued)
Portfolio Statement as at 31 December 2018 (continued)

Currency	Description	Interest Rate	Maturity Date	Fair Value €	% of Total Net Assets
Financial assets at fair value through profit or loss (continued)					
Loans (continued)					
United States (continued)					
USD	Champ Acquisition Corporation Initial Term Loan	7.98%	17-Dec-25	1,224,686	0.13%
USD	Change Healthcare Holdings LLC Closing Date Term Loan	5.27%	1-Mar-24	3,371,633	0.37%
USD	Checkout Holding Corp New Money DIP Term Loan	12.51%	14-Jun-19	616,980	0.07%
USD	Checkout Holding Corp Roll-Up DIP Term Loan	0.00%	14-Jun-19	1,295,659	0.14%
USD	Checkout Holding Corp Term B Loan (First Lien)	6.21%	9-Apr-21	1,004,625	0.11%
USD	Colorado Buyer Inc. Second Lien Initial Term Loan	9.63%	1-May-25	1,200,630	0.13%
EUR	Convatec Healthcare D Sarl Euro Term A Loan	2.00%	25-Oct-21	1,590,250	0.17%
USD	Covia Holdings Corporation Initial Term Loan	6.55%	1-Jun-25	2,577,192	0.28%
USD	Creative Artists Agency LLC Amendment No 7 Refinancing Term Loan	7.50%	15-Feb-24	4,698,456	0.51%
EUR	Crown European Holdings SA Euro Term Loan B	2.38%	3-Apr-25	2,724,448	0.30%
EUR	Crown Finance US Inc Initial Euro Tranche Term Loan	2.63%	28-Feb-25	2,422,320	0.26%
USD	Crown Subsea Communications Holding Inc Initial Term Loans	8.35%	3-Nov-25	1,056,751	0.12%
USD	CSC Holdings LLC October 2018 Incremental Term Loan	4.75%	15-Jan-26	3,613,307	0.39%
USD	CSC SW Holdco, Inc. (fka CSC Serviceworks, Inc.) Term B-1 Loan	5.69%	14-Nov-22	3,146,102	0.34%
USD	CSM Bakery Solutions LLC Term Loan (Second Lien)	10.16%	5-Jul-21	787,298	0.09%
USD	Deck Chassis Acquisition Inc. Initial Term Loan (Second Lien)	8.53%	15-Jun-23	835,411	0.09%
USD	Dell International LLC Refinancing Term B Loan	4.53%	7-Sep-23	3,141,257	0.34%
USD	Deluxe Entertainment Services Group Inc Initial Term Loan	8.03%	28-Feb-20	7,428,169	0.81%
EUR	Diebold Nixdorf Incorporated New Euro Term B Loan	3.00%	6-Nov-23	614,638	0.07%
USD	Diplomat Pharmacy Inc Initial Term B Loan	7.03%	20-Dec-24	409,746	0.04%
USD	DJO Finance LLC Initial Term Loan	5.77%	8-Jun-20	2,586,275	0.28%
USD	Donnelley Financial Solutions, Inc. 2017 Refinancing Term Loan	7.50%	29-Sep-23	265,181	0.03%
USD	Dorna Sports SL B2 USD Term Loan	5.88%	12-Apr-24	1,030,787	0.11%
USD	DTZ US Borrower LLC Closing Date Term Loan	5.77%	21-Aug-25	5,839,518	0.64%
USD	Eastern Power LLC Term Loan B	6.27%	2-Oct-23	2,592,266	0.28%
EUR	Eircom Finco S.a.r.l 2017 Term Loan B	3.25%	19-Apr-24	7,238,220	0.79%
USD	Envision Healthcare Corporation Initial Term Loan	6.27%	10-Oct-25	3,561,685	0.39%
USD	Epicor Software Corporation Term B Loan	5.78%	1-Jun-22	2,438,215	0.27%
USD	Exela Intermediate LLC 2018 Repriced Term Loan	9.29%	12-Jul-23	2,502,487	0.27%
EUR	Filtration Group Corporation Initial Euro Term Loan	3.50%	31-Mar-25	2,587,369	0.28%
EUR	Financial & Risk US Holdings Inc Initial Euro Term Loan	4.00%	1-Oct-25	1,641,743	0.18%
USD	Finastra USA Inc Dollar Term Loan (Second Lien)	10.05%	13-Jun-25	802,922	0.09%
USD	Finastra USA Inc First Lien Dollar Term Loan	6.30%	13-Jun-24	1,525,927	0.17%
USD	Flavors Holdings Inc Tranche B Term Loan (First Lien)	8.55%	3-Apr-20	1,901,325	0.21%

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC
AXA IM Loan Fund (continued)
Portfolio Statement as at 31 December 2018 (continued)

Currency	Description	Interest Rate	Maturity Date	Fair Value €	% of Total Net Assets
Financial assets at fair value through profit or loss (continued)					
Loans (continued)					
United States (continued)					
USD	Frontier Communications Corporation Initial Loan	5.28%	31-Mar-21	4,866,483	0.53%
EUR	Gates Global LLC Initial B-2 Euro Term Loan	3.00%	1-Apr-24	4,366,262	0.48%
USD	Gentiva Health Services Inc First Lien Closing Date Initial Term Loan	6.31%	2-Jul-25	1,868,133	0.20%
USD	Global Eagle Entertainment Inc Initial Term Loan	10.02%	6-Jan-23	1,918,099	0.21%
USD	GOBP Holdings Inc First Lien Initial Term Loan	6.55%	22-Oct-25	2,997,973	0.33%
USD	Helix Gen Funding LLC Term Loan	6.27%	3-Jun-24	70,686	0.01%
USD	Horizon Pharma, Inc. Fourth Amendment Refinancing Term Loan	5.56%	29-Mar-24	4,776,085	0.52%
EUR	Infor (US), Inc. (fka Lawson Software Inc.) Euro Tranche B-2 Term Loan	3.25%	1-Feb-22	1,935,818	0.21%
USD	Invictus US LLC Second Lien Initial Term Loan	9.25%	28-Mar-26	1,125,921	0.12%
USD	Ion Media Networks Inc Term Loan B-3	5.28%	18-Dec-20	3,576,639	0.39%
USD	IPC Corp. Term B-1 Loan (First Lien)	7.03%	6-Aug-21	968,606	0.11%
EUR	IQVIA Inc TERM B-1 EUR	2.75%	7-Mar-24	3,260,382	0.36%
USD	Isagenix International LLC Term Loan	8.55%	14-Jun-25	1,099,305	0.12%
USD	Ivanti Software Inc Loan (Second Lien)	11.35%	20-Jan-25	831,037	0.09%
USD	Jaguar Holding Company II 2018 Term Loan	5.02%	18-Aug-22	3,912,576	0.43%
USD	Lannett Company, Inc. Initial Tranche A Term Loan	7.52%	25-Nov-20	1,170,324	0.13%
EUR	Macdermid Funding LLC Euro Tranche C-6 Term Loan	3.25%	8-Jun-20	1,662,144	0.18%
USD	Macdermid Inc Tranche B-7 Term Loan	5.02%	7-Jun-20	795,779	0.09%
USD	MacDermid Incorporated Tranche B-6 Term Loan	5.52%	7-Jun-23	1,767,802	0.19%
USD	Marshall Broadcasting Group, Inc. Term A-3 Loan	4.35%	31-Dec-19	205,727	0.02%
USD	Match Group, Inc. Additional Term B-1 Loan	5.09%	16-Nov-22	3,176,587	0.35%
USD	McDermott International, Inc. Term Loan	7.52%	12-May-25	808,161	0.09%
USD	McGraw-Hill Global Education Holdings, LLC Term B Loan (First Lien)	6.52%	4-May-22	5,057,733	0.55%
EUR	Messer Industries LLC Euro Term Loan	0.00%	1-Oct-25	986,670	0.11%
USD	Midas Intermediate Holdco II, LLC 2017 Refinancing Term Loan	5.56%	18-Aug-21	2,429,247	0.27%
USD	Milk Specialties Company (d/b/a MSG Nutritional Ingredients) New Term Loan	6.52%	16-Aug-23	3,848,199	0.42%
USD	Mister Car Wash Holdings, Inc. Term Loan	5.75%	20-Aug-21	2,697,866	0.29%
USD	Motorsport Aftermarket Group Inc Exit Term Loan	13.80%	28-Apr-23	368,855	0.04%
USD	MTN Infrastructure TopCo Inc Initial Term Loan	5.52%	15-Nov-24	239,585	0.03%
USD	Neustar Inc First Lien Term Loan B3	5.02%	8-Jan-20	1,623,705	0.18%
EUR	Nielsen Finance LLC (VNU) Class B-2 Euro Term Loan	2.50%	4-Oct-23	5,327,540	0.58%
USD	NRC US Holding Company LLC Initial Term Loan	8.05%	11-Jun-24	3,021,101	0.33%
USD	Numericable U.S. LLC USD TLB-13 Incremental Term Loan	6.46%	14-Aug-26	3,282,686	0.36%
USD	Onvoy LLC First Lien Initial Term Loan	7.30%	10-Feb-24	1,905,160	0.21%
USD	Packers Holdings LLC Initial Term Loan	5.43%	4-Dec-24	1,253,576	0.14%

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC
AXA IM Loan Fund (continued)
Portfolio Statement as at 31 December 2018 (continued)

Currency	Description	Interest Rate	Maturity Date	Fair Value €	% of Total Net Assets
Financial assets at fair value through profit or loss (continued)					
Loans (continued)					
United States (continued)					
USD	Parfums Holding Company Inc Initial Term Loan (First Lien)	6.96%	30-Jun-24	3,285,074	0.36%
USD	PetSmart Inc Tranche B-2 Loan	5.38%	11-Mar-22	3,991,172	0.44%
USD	Presidio LLC Refinancing and Incremental Term Loan	5.27%	2-Feb-24	2,518,156	0.27%
USD	Prime Security Services Borrower, LLC (aka Protection 1 Security Solutions) Term B-1 Loan	5.27%	2-May-22	4,316,811	0.47%
USD	Prospect Medical Holdings Inc Term B-1 Loan	7.94%	22-Feb-24	2,280,511	0.25%
USD	Quorum Health Corporation Term Loan	9.27%	29-Apr-22	3,585,547	0.39%
USD	Research Now Group, Inc. Initial Term Loan (First Lien)	8.02%	20-Dec-24	1,695,250	0.18%
USD	Reynolds Group Holdings Inc. Incremental U.S. Term Loan	5.27%	5-Feb-23	2,455,369	0.27%
USD	RPI Finance Trust Initial Term Loan B-6	4.52%	27-Mar-23	1,747,033	0.19%
USD	Sabre GBLB Inc 2018 Other Term B Loan	4.52%	22-Feb-24	3,888,325	0.42%
USD	Securus Technologies Holdings Inc Initial Term Loan (First Lien)	7.02%	1-Nov-24	5,020,500	0.55%
USD	Select Medical Corp Repriced Term Loan B	7.00%	6-Mar-25	5,392,223	0.59%
USD	SESAC Holdco II LLC First Lien Initial Term Loan	5.51%	23-Feb-24	3,076,560	0.34%
EUR	Shilton Bidco Limited 2018 Additional Facility B1	3.25%	12-Jul-24	6,236,728	0.68%
USD	SolarWinds Holdings Inc 2018 Refinancing Term Loan	5.27%	5-Feb-24	3,216,838	0.35%
EUR	Solenis Holdings LLC First Lien Term Loan	0.00%	26-Jun-25	1,099,333	0.13%
USD	Solera LLC Dollar Term Loan	5.27%	3-Mar-23	1,440,382	0.16%
USD	Sophia LP Term B Loan	6.05%	30-Sep-22	4,406,521	0.48%
USD	SS&C Technologies Inc Term B-3 Loan	4.77%	16-Apr-25	1,734,768	0.19%
USD	SS&C Technologies Inc Term B-4 Loan	4.77%	16-Apr-25	658,021	0.07%
USD	SS&C Technologies Inc Term B-5 Loan	4.77%	16-Apr-25	176,113	0.02%
USD	Staples Inc Closing Date Term Loan	6.54%	12-Sep-24	4,818,059	0.53%
USD	Talen Energy Supply LLC Term B-1 Loan	6.52%	17-Jul-23	4,273,809	0.47%
USD	TecoStar Holdings Inc 2017 Term Loan (First Lien)	5.89%	1-May-24	1,650,068	0.18%
USD	TKC Holdings Inc Initial Term Loan (First Lien)	6.28%	1-Feb-23	4,044,816	0.44%
USD	TKC Holdings Inc Second Lien Initial Term Loan	10.53%	1-Feb-24	778,781	0.08%
USD	Tribune Media Company Term B Loan	5.52%	27-Dec-20	1,848,567	0.20%
USD	Tribune Media Company Term C Loan	5.52%	27-Jan-24	1,408,010	0.15%
USD	U.S. Renal Care Inc First Lien Initial Term Loan	7.05%	30-Dec-22	2,999,345	0.33%
USD	U.S. Renal Care Inc Second Lien Term Loan	10.80%	29-Dec-23	1,329,659	0.15%
USD	UFC Holdings, LLC Term Loan (First Lien)	5.78%	18-Aug-23	4,535,311	0.49%
USD	USIC Holdings Inc Term Loan B	5.77%	8-Dec-23	5,502,583	0.60%
USD	UTZ Quality Foods LLC First Lien Initial Term Loan	6.02%	21-Nov-24	3,664,928	0.40%
USD	VeriFone Systems Inc Second Lien Term Loan	10.64%	20-Aug-26	966,901	0.11%
USD	Vertiv Group Corporation Term B Loan	6.71%	30-Nov-23	1,488,651	0.16%
USD	Viant Medical Holdings Inc Initial Term Loan (First Lien)	6.55%	2-Jul-25	2,591,424	0.28%

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC
AXA IM Loan Fund (continued)
Portfolio Statement as at 31 December 2018 (continued)

Currency	Description	Interest Rate	Maturity Date	Fair Value €	% of Total Net Assets
Financial assets at fair value through profit or loss (continued)					
Loans (continued)					
United States (continued)					
USD	Vizient Inc Term B-4 Loan	5.27%	13-Feb-23	1,039,775	0.12%
USD	West Corporation Initial Term B Loan	6.53%	10-Oct-24	2,143,430	0.23%
USD	Western Digital Corporation New Term Loan B-4	4.26%	29-Apr-23	3,607,771	0.39%
USD	William Morris Endeavor Entertainment LLC New Term Loan B-1	5.28%	18-May-25	4,032,454	0.44%
USD	Yak Access LLC Initial Term Loan (First Lien)	7.52%	11-Jul-25	1,443,144	0.16%
				365,052,467	39.86%
Total Loans (2017: 94.41%)				858,547,494	93.66%
Bonds					
Denmark (2017: n/a)					
EUR	Tele Columbus AG 3.875% - 05/2025	3.88%	2-May-25	1,942,897	0.21%
				1,942,897	0.21%
France (2017: 0.75%)					
EUR	French Discount T-Bill Zero Coupon - 07/2019	0.00%	17-Jul-19	12,034,092	1.31%
EUR	Picard Groupe SAS Float - 11/2023	3.00%	30-Nov-23	1,453,125	0.16%
				13,487,217	1.47%
Italy (2017: 0.90%)					
EUR	Guala Closures SPA Float - 04/2024	3.50%	15-Apr-24	439,336	0.05%
EUR	Wind Tre Spa Float +2.75% - 01/2024	2.75%	20-Jan-24	8,975,000	0.98%
				9,414,336	1.03%
Total Bonds (2017: 1.64%)				24,844,450	2.71%

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC
AXA IM Loan Fund (continued)
Portfolio Statement as at 31 December 2018 (continued)
Unrealised gains on forward currency contracts

Amount receivable	Amount payable	Counterparty	Maturity Date	Unrealised gain €	% of Total Net Assets
EUR 60,400,908	GBP 53,893,737	BNY Mellon	15-Jan-19	387,980	0.04%
EUR 379,539,204	USD 433,363,746	BNY Mellon	15-Jan-19	924,418	0.10%
EUR 263,071	USD 300,569	BNY Mellon	15-Jan-19	479	0.00%
EUR 51,849,821	GBP 45,543,400	BNY Mellon	15-Jan-19	1,135,960	0.12%
CHF 56,941,993	EUR 50,031,407	BNY Mellon	15-Jan-19	504,220	0.06%
USD 30,242,612	EUR 26,156,813	BNY Mellon	15-Jan-19	264,583	0.03%
EUR 106,503	CHF 120,000	BNY Mellon	15-Jan-19	4	0.00%
Total unrealised gains on forward currency contracts (2017: 0.77%)				3,217,644	0.35%
Total financial assets at fair value through profit or loss (2017: 96.83%)				886,609,588	96.72%

Financial liabilities at fair value through profit or loss
Unrealised losses on forward currency contracts

Amount receivable	Amount payable	Counterparty	Maturity Date	Unrealised Loss €	% of Total Net Assets
USD 21,387,074	EUR 18,800,000	BNY Mellon	15-Jan-19	(114,860)	(0.01%)
GBP 243,897,132	EUR 277,544,117	BNY Mellon	15-Jan-19	(5,957,780)	(0.65%)
EUR 628,879	CHF 708,888	BNY Mellon	15-Jan-19	(254)	(0.00%)
EUR 839,554	USD 962,100	BNY Mellon	15-Jan-19	(983)	(0.00%)
EUR 2,904,277	GBP 2,615,006	BNY Mellon	15-Jan-19	(7,607)	(0.00%)
Total unrealised losses on forward currency contracts (2017: (0.25%))				(6,081,484)	(0.66%)
Total financial liabilities at fair value through profit or loss (2017: (0.25%))				(6,081,484)	(0.66%)

	Fair Value €	% of Total Net Assets
Total financial assets at fair value through profit or loss	886,609,588	96.72%
Total financial liabilities at fair value through profit or loss	(6,081,484)	(0.66%)
Cash and cash equivalents	31,349,564	3.42%
Other net assets	4,744,121	0.52%
Net Assets Attributable to Holders of Redeemable Participating Shares	916,621,789	100.00%

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC
**AXA IM European Middle-Market Debt Fund
Portfolio Statement as at 31 December 2018**

Currency	Description	Interest Rate	Maturity Date	Amortised Cost* €	% of Total Net Assets
Financial assets at amortised cost					
Loans					
France (2017: 16.51%)					
USD	Albatros Bidco SAS Facility B - USD	6.43%	30-Jan-25	21,503,055	3.37%
EUR	Babilou Group Term Loan	4.00%	1-Apr-24	10,730,970	1.69%
EUR	Financiere Mars Facility B	4.00%	31-Oct-24	9,640,733	1.51%
EUR	Linxis Group Facility B	3.75%	14-Oct-24	14,770,200	2.32%
EUR	Marle International holdings Refinancement Tranche B	3.50%	27-Jun-25	9,867,066	1.55%
EUR	Meriguet Strategie Et Developpement Tranche C	4.00%	27-Sep-24	9,836,298	1.54%
GBP	Staci Incremental Facility 2 Tranche B GBP	5.81%	5-Jul-24	9,399,722	1.47%
USD	Tecbid Inc Facility B (USD)	7.05%	25-Jul-24	9,979,270	1.56%
				105,438,507	16.53%
Germany (2017: 10.29%)					
EUR	Alligator Germany Holding Gmbh Facility B	4.75%	1-Jan-30	9,956,401	1.56%
EUR	Conet Technologies Holding GMBH Facility B	6.25%	3-Mar-25	14,569,234	2.28%
EUR	Hofmann Menu Holdings GmbH Term Loan B1	3.75%	12-Apr-24	8,878,813	1.39%
EUR	Platin 1515 GmbH Facility B	3.75%	1-Dec-24	19,041,688	2.99%
EUR	Sports Group Holding GmbH Facility B1.1	4.00%	9-Jun-22	14,532,000	2.28%
				66,978,136	10.50%
Ireland (2017: 7.37%)					
USD	A6 Audio Bidco Limited Facility B2	7.30%	30-Mar-24	25,513,529	4.00%
				25,513,529	4.00%
Italy (2017: 4.50%)					
EUR	Dinho Italy Spa Retired Facility B	4.50%	5-Aug-24	14,646,800	2.30%
EUR	Life Brian Facility B1	4.50%	15-May-25	4,214,286	0.66%
EUR	Life Brian Facility B2	4.50%	15-May-25	20,402,714	3.20%
				39,263,800	6.17%
Luxembourg (2017: n/a)					
EUR	Paradocs Holding Sarl Facility B	3.75%	3-May-24	25,427,128	3.99%
				25,427,128	3.99%
Netherlands (2017: 11.62%)					
EUR	Retina Bidco BV Facility B (EUR)	3.75%	30-May-24	14,741,205	2.31%
EUR	Tank Bidco BV Facility B1	8.75%	7-Aug-23	7,856,075	1.23%
EUR	Tank Bidco BV Facility B2	8.75%	7-Aug-23	3,334,624	0.52%
				25,931,904	4.06%

*Financial assets at amortised cost are net of impairment.

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC
AXA IM European Middle-Market Debt Fund
Portfolio Statement as at 31 December 2018 (continued)

Currency	Description	Interest Rate	Maturity Date	Amortised Cost* €	% of Total Net Assets
Financial assets at amortised cost (continued)					
Loans (continued)					
United Kingdom (2017: 19.37%)					
GBP	CX Bidco Limited Freehold Buy Back Junior	9.63%	12-Jul-23	1,043,611	0.16%
GBP	CX Bidco Limited Unitranche Junior Tranche	9.63%	12-Jul-23	3,686,656	0.58%
GBP	Element UK Bidco Limited Facility B - GBP	6.48%	19-Mar-24	26,530,293	4.16%
GBP	Wordsworth Bidco Limited Unitranche Junior Facility	8.40%	24-Aug-24	16,030,067	2.51%
				47,290,627	7.41%
Total Loans at amortised cost (2017: 69.67%)				335,843,631	52.66%
Bonds					
France (2017: n/a)					
EUR	Acteon Float - 10/2025	6.75%	28-Oct-25	20,872,372	3.27%
EUR	Neoxo SUB CLASS A 6.75% - 12/2030	6.75%	31-Dec-30	8,544,116	1.34%
EUR	Neoxo SUB CLASS B12.5% - 12/2030	12.50%	31-Dec-30	1,004,000	0.16%
EUR	Esculape Capital Float - 08/2025	6.19%	28-Aug-25	12,212,326	1.92%
USD	Opale Group L+500	7.39%	1-Jan-30	12,144,256	1.90%
				54,777,070	8.59%
Italy (2017: n/a)					
EUR	Iseo 5.7% - 09/2024	5.70%	27-Sep-24	14,534,186	2.28%
				14,534,186	2.28%
Luxembourg (2017: 4.53%)					
United Kingdom (2017: n/a)					
EUR	Grenadier Holdings PLC 4.5% - 04/2025	4.50%	6-Apr-25	29,540,400	4.63%
				29,540,400	4.63%
Total Bonds at amortised cost (2017: 4.53%)				98,851,656	15.50%
Total financial assets at amortised cost (2017: 74.20%)				434,695,287	68.16%

*Financial assets at amortised cost are net of impairment.

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC

AXA IM European Middle-Market Debt Fund
Portfolio Statement as at 31 December 2018 (continued)

Currency	Description	Interest Rate	Maturity Date	Fair Value €	% of Total Net Assets
Financial assets at fair value through profit or loss					
Funds (2017: 21.93%)					
EUR	Artemid SAS Fund	0.00%	1-Jan-30	30,298,235	4.75%
EUR	Capzantine 4 Private Debt Instrument Fund	0.00%	1-Jan-30	52,790,000	8.28%
EUR	Five Arrows Direct Lending SCSp Fund	0.00%	25-Nov-22	27,072,292	4.24%
EUR	Pemberton Asset Management SA Fund	0.00%	1-Jan-30	40,694,140	6.38%
				150,854,667	23.65%
Total Funds (2017: 21.93%)				150,854,667	23.65%
Bonds					
France					
EUR	French Discount T- Bill	0.00%	17-Jul-19	2,007,760	0.31%
				2,007,760	0.31%
Total Bonds (2017: 0.49%)				2,007,760	0.31%
Unrealised gains on forward currency contracts					
Amount receivable	Amount payable	Counterparty	Maturity Date	Unrealised gain €	% of Total Net Assets
EUR 60,298,204	GBP 53,800,168	BNY Mellon	15-Jan-19	391,106	0.06%
EUR 71,241,863	USD 81,315,092	BNY Mellon	15-Jan-19	204,463	0.03%
Total unrealised gains on forward currency contracts (2017: 0.25%)				595,569	0.09%
Total financial assets at fair value through profit or loss (2017: 22.81%)				153,457,996	24.05%
Total Financial Assets (2017: 97.49%)				588,153,283	92.21%
Cash and cash equivalents				48,098,008	7.54%
Other net assets				1,549,739	0.24%
Net Assets Attributable to Holders of Redeemable Participating Shares				637,801,030	100.00%

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC
AXA IM Global Loan Opportunity Fund
Portfolio Statement as at 31 December 2018

Currency	Description	Interest Rate	Maturity Date	Fair Value	% of Total Net Assets
Financial Assets at fair value through profit or loss					
Loans					
France (2017: 1.65%)					
EUR	Asmodee 10 18 EUR Term Loan B2 EUR 10-2025	4.25%	23-Oct-25	662,066	1.50%
EUR	Asmodee 10-2018 First Lien B TL EUR 10-2025	4.25%	23-Oct-25	469,652	1.06%
USD	Numericable 07-2018 First Lien B13 TL USD 01-2026	6.46%	14-Aug-26	642,614	1.45%
				1,774,332	4.01%
Luxembourg (2017: 3.27%)					
USD	Auris Luxembourg III Sarl aka Sivantos / Siemens Term Loan B	6.55%	20-Jul-25	577,756	1.31%
				577,756	1.31%
United Kingdom (2017: n/a)					
USD	EG Group 03 18 2018 USD 2nd Lien Term Loan USD 04-2026	10.81%	20-Apr-26	738,750	1.67%
EUR	Inspired FinCo Holdings Limited 10 18 EUR Term Loan B EUR 11-2025	3.50%	30-Nov-25	1,136,726	2.57%
USD	Laird 05-2018 First Lien B TL USD 05-2025	7.02%	9-Jul-25	521,583	1.18%
USD	Paysafe US 12 17 USD 2017 2nd Lien Term Loan USD 12-2025	9.77%	20-Dec-25	693,000	1.57%
				3,090,059	6.99%
United States (2017: 49.76%)					
USD	Advantage Sales & marketing TL B 07-2021	5.77%	23-Jul-21	956,214	2.16%
USD	Air Methods Corporation 04-2017 First Lien B1 TL USD 04-2024	6.30%	21-Apr-24	368,820	0.83%
USD	Alliance Health 10-2017 Second Lien B1 TL USD 10-2024	12.52%	24-Apr-24	970,000	2.19%
USD	Allied Universal Holdco LLC 07 15 2015 2nd Lien Term Loan	11.02%	28-Jul-23	471,250	1.06%
USD	AOC Aliancys 08 18 2018 Term Loan B USD 08-2025	6.83%	1-Aug-25	460,780	1.04%
USD	Bass Pro 12 16 Term Loan B USD 09-2024	7.52%	25-Sep-24	333,231	0.75%
USD	Blackhawk Network 06 18 2018 2nd Lien Term Loan USD 06-2026	9.50%	15-Jun-26	477,500	1.08%
USD	Catalina 04 14 1st Lien TL B USD 04-2021	6.21%	9-Apr-21	229,688	0.52%
USD	Catalina 04 14 2nd Lien Term Loan USD 04-2022	9.46%	11-Apr-22	30,000	0.07%
USD	Catalina Marketing New-Money Tranche A Loan	10.00%	12-Jun-19	141,060	0.32%
USD	Cengage Learning Inc 05 16 2016 Term Loan B USD 05-2023	6.75%	7-Jun-23	639,476	1.44%
USD	Checkout Holding Corp 12-2018 Rollup TL (FILO DIP TL) USD	5.50%	14-Jun-19	296,227	0.67%
USD	Correct Care Solutions 09-2018 First Lien B1 TL USD 09-2025	8.02%	20-Sep-25	430,844	0.97%
USD	Covia Holdings 05-2018 First Lien B TL USD 05-2025	6.55%	1-Jun-25	672,676	1.52%
USD	Cytxera 05 17 2nd Lien Term Loan USD 05-2025	9.63%	1-May-25	457,500	1.03%
USD	Dell 10 17 2017 Term Loan B USD 09-2023	4.53%	7-Sep-23	954,350	2.16%
USD	Deluxe Entertainment Services Group Inc 02 14 Term Loan 2014	8.03%	28-Feb-20	841,484	1.90%
USD	Digicert 09-2017 Second Lien 1 TL USD 09-2025	10.52%	31-Oct-25	386,668	0.87%
USD	DirectChassislink 12-2017 Second Lien B TL USD 06-2023	8.53%	15-Jun-23	238,750	0.54%
USD	DJO Global Inc 04 15 2015 Term Loan USD 04-2020	6.05%	8-Jun-20	591,300	1.34%

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC
AXA IM Global Loan Opportunity Fund
Portfolio Statement as at 31 December 2018 (continued)

Currency	Description	Interest Rate	Maturity Date	Fair Value	% of Total Net Assets
Financial Assets at fair value through profit or loss					
Loans (continued)					
United States (continued)					
USD	Epic Health / PSA 02 17 2017 1st Lien Term Loan USD 03-2024	6.77%	18-Mar-24	455,671	1.03%
USD	Epic Health 06 18 2018 Incremental Term Loan B USD 06-2024	8.02%	18-Mar-24	185,701	0.42%
USD	First Data Corporation 06 17 2022 USD Term Loan USD 07-2022	4.50%	8-Jul-22	659,960	1.49%
USD	Global Eagle Entertainment Inc 12 16 1st Lien Term Loan USD	10.02%	6-Jan-23	730,892	1.66%
USD	Global Tel*Link Corporation 11 18 2018 1st Lien Term Loan	6.96%	29-Nov-25	340,085	0.77%
USD	Helix Generation, LLC 06 17 Term Loan B USD 06-2024	6.27%	2-Jun-24	249,930	0.56%
USD	Invictus 03 18 2nd Lien Term Loan USD 03-2026	9.25%	28-Mar-26	386,129	0.87%
USD	ION Media 05 17 2017 Term Loan B USD 12-2020	5.55%	18-Dec-20	161,388	0.36%
USD	Isagenix International LLC 04-2018 First Lien B1 TL USD 04-2025	8.14%	14-Jun-25	628,336	1.42%
USD	Jordan Health 05-2018 First Lien B1 TL USD 05-2025	7.80%	15-May-25	243,139	0.55%
USD	Jostens 12-2018 First Lien B TL USD 12-2025	8.30%	12-Dec-25	233,333	0.53%
USD	Landesk Software 01 17 2017 Term Loan B USD 01-2024	6.60%	20-Jan-24	717,933	1.62%
USD	Lannett Co Inc 11 15 Term Loan A USD 10-2020	7.52%	25-Nov-20	217,314	0.49%
USD	McDermott International 05 18 2018 1st Lien Term Loan USD 05-2025	7.52%	10-May-25	459,603	1.04%
USD	MedPlast Holdings, Inc. 06 18 2018 1st Lien Term Loan USD 06-2025	6.57%	2-Jul-25	686,903	1.55%
USD	Mitchell International 11-2017 First Lien B1 TL USD 11-2024	5.76%	29-Nov-24	244,969	0.55%
USD	National Response Corporation 06 18 2018 Term Loan USD 06-2024	8.05%	11-Jun-24	242,096	0.55%
USD	Optiv Security Inc 01 17 1st Lien Term Loan USD 02-2024	5.77%	1-Feb-24	223,165	0.50%
USD	PDC Brands 06 17 1st Lien Term Loan USD 06-2024	6.96%	30-Jun-24	467,999	1.06%
USD	PetSmart 09 16 Term Loan B USD 03-2022	5.38%	11-Mar-22	391,720	0.88%
USD	Ply Gem Industries, Inc. 04 18 2018 Term Loan USD 04-2025	6.18%	12-Apr-25	603,633	1.36%
USD	Prospect Medical 02-2018 First Lien B1 TL USD 02-2024	7.94%	22-Feb-24	651,742	1.47%
USD	Quorum Software Inc 09-2018 First Lien B TL USD 09-2018	6.53%	22-Sep-25	160,833	0.36%
USD	R1 RCM 04-2018 First Lien B1 TL USD 04-2025	7.77%	8-May-25	490,037	1.11%
USD	Research Now Group 11-2017 First Lien B TL USD 11-2024	7.85%	20-Dec-24	242,241	0.55%
USD	Securus 06 17 First Lien USD 08-2024	7.02%	1-Nov-24	950,400	2.15%
USD	Solenis International LP 06 18 2018 1st Lien Term Loan USD 12-2023	6.80%	26-Dec-23	137,512	0.31%
USD	Sprint Communications, Inc. 11 18 2018 New TLB1 02-2024	5.56%	2-Feb-24	177,389	0.40%
USD	Subcom 10 18 Term Loan B USD 10-2025	8.35%	2-Nov-25	172,575	0.39%
USD	TKC Holdings Inc 01 17 2017 2nd Lien Term Loan USD 01-2024	10.35%	1-Feb-24	244,823	0.55%
USD	TKC Holdings Inc 01 17 2017 Term Loan USD 01-2023	6.26%	1-Feb-23	331,003	0.75%
USD	Travelport LLC 03 18 2018 Term Loan B USD 03-2025	5.12%	17-Mar-25	981,130	2.22%
USD	Tribune 01 17 2017 Term Loan C USD 01-2024	5.52%	27-Jan-24	979,500	2.21%
USD	US Renal Care Inc 11 15 2015 Term Loan B USD 11-2022	7.05%	30-Dec-22	463,890	1.05%

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC

AXA IM Global Loan Opportunity Fund

Portfolio Statement as at 31 December 2018 (continued)

Currency	Description	Interest Rate	Maturity Date	Fair Value	% of Total Net Assets
Financial Assets at fair value through profit or loss					
Loans (continued)					
United States (continued)					
USD	VeriFone Inc 08 18 2018 2nd Lien Term Loan USD 08-2026	10.65%	20-Aug-26	368,438	0.83%
USD	West Corporation Term Loan B	6.53%	10-Oct-24	906,474	2.05%
USD	Zotec Partners 02-2018 First Lien B1 TL USD 02-2025	7.51%	14-Feb-24	471,000	1.06%
				26,206,704	59.18%
Total Loans (2017: 54.68%)				31,648,851	71.49%
Collateralised Loan Obligations					
USD	Babson CLO Ltd 2016-II 8.97938 07/20/28		20-Jul-28	959,538	2.17%
USD	ICG US CLO Ltd 7.28362 04/21/31		21-Apr-31	942,478	2.13%
USD	KKR CLO 14 Ltd N.A. 07/15/31		15-Jul-31	667,487	1.52%
USD	Marble Point CLO XI Ltd 7.21331 12/18/30		18-Dec-30	885,401	2.00%
USD	Mountain View CLO 2017-1 LLC 7.86121 10/16/29		16-Oct-29	1,420,133	3.21%
USD	Regatta X Funding Ltd 7.90281 01/17/31		17-Jan-31	626,221	1.41%
USD	Venture XXII CLO Ltd 7.99769 01/15/31		15-Jan-31	1,350,975	3.05%
USD	Venture XXX CLO Ltd 7.81532 01/15/31		15-Jan-31	1,401,015	3.17%
				8,253,248	18.66%
Total Collateralised Loan Obligations (2017: 5.70%)				8,253,248	18.66%
Bonds					
United States (2017: n/a)					
USD	Exela Intermediate LLC / Exela Finance Inc 10 07/15/23	10.00%	15-Jul-23	623,188	1.41%
				623,188	1.41%
Total Bonds (2017: n/a)				623,188	1.41%
Total financial assets at fair value through profit or loss (2017: 60.37%)				40,525,287	91.56%

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC

AXA IM Global Loan Opportunity Fund

Portfolio Statement as at 31 December 2018 (continued)

Financial liabilities at fair value through profit or loss

Unrealised losses on forward currency contracts

Amount receivable	Amount payable	Counterparty	Maturity Date	Unrealised Loss US\$	% Total Net Assets
EUR3,407,652	USD2,984,007	BNP Paribas SA	15-Jan-19	(7,849)	(0.02%)
EUR1,141,061	USD1,000,000	BNP Paribas SA	15-Jan-19	(3,540)	(0.01%)
Total unrealised losses on forward currency contracts (2017: n/a)				(11,389)	(0.03%)
Total financial liabilities at fair value through profit or loss (2017: n/a)				(11,389)	(0.03%)
				Fair Value US\$	% of Total Net Assets
Total financial assets at fair value through profit or loss				40,525,287	91.56%
Total financial liabilities at fair value through profit or loss				(11,389)	(0.03%)
Cash and cash equivalents				3,795,678	8.58%
Other net liabilities				(46,989)	(0.11%)
Net Assets Attributable to Holders of Redeemable Participating Shares				44,262,587	100.00%

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC
AXA IM Global Secured Assets Fund I
Portfolio Statement as at 31 December 2018

Currency	Description	Interest Rate	Maturity Date	Fair Value	% of Total Net Assets
Financial Assets at fair value through profit or loss					
Asset Backed Securities					
Australia (2017: n/a)					
AUD	Latitude Australia Credit Card Master Trust Series 2018-1	5.13%	22-Mar-32	1,657,034	0.75%
				<u>1,657,034</u>	<u>0.75%</u>
Cayman Islands (2017: n/a)					
USD	Start X CLO Ltd 13.36638 03/23/20	13.37%	23-Mar-20	2,355,528	1.07%
				<u>2,355,528</u>	<u>1.07%</u>
France (2017: n/a)					
EUR	Purple Master Credit Cards 0.084 10/25/30	0.08%	25-Oct-30	4,473,315	2.04%
				<u>4,473,315</u>	<u>2.04%</u>
Germany (2017: n/a)					
EUR	Asset-Backed European Securitisation Transaction Sixteen	0.00%	21-Dec-28	9,697,985	4.42%
				<u>9,697,985</u>	<u>4.42%</u>
Indonesia (2017: n/a)					
EUR	Nansa CLO 2018-1 FR CLO 12/2200 EUR	9.40%	31-Dec-00	4,487,869	2.04%
				<u>4,487,869</u>	<u>2.04%</u>
Ireland (2017: n/a)					
EUR	Citizen Irish Auto Receivables Trust 2018 DAC N.A. 12/15/27	0.34%	15-Dec-27	7,174,157	3.27%
EUR	Citizen Irish Auto Receivables Trust 2018 DAC N.A. 12/15/27	1.84%	15-Dec-27	2,687,885	1.22%
EUR	SCF Rahoituspalvelut VII DAC 1.4 11/25/27	1.40%	25-Nov-27	5,398,039	2.46%
				<u>15,260,081</u>	<u>6.95%</u>
Netherlands (2017: n/a)					
EUR	Aurorus 2017 BV 0 08/11/78	0.00%	11-Aug-78	3,574,591	1.63%
				<u>3,574,591</u>	<u>1.63%</u>
Portugal (2017: n/a)					
EUR	Tagus - Sociedade de Titularizacao de Creditos SA/Aqua	0.74%	23-Jun-35	2,694,391	1.23%
				<u>2,694,391</u>	<u>1.23%</u>

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC
AXA IM Global Secured Assets Fund I
Portfolio Statement as at 31 December 2018 (continued)

Currency	Description	Interest Rate	Maturity Date	Fair Value	% of Total Net Assets
Financial Assets at fair value through profit or loss					
Asset Backed Securities (continued)					
United Kingdom (2017: n/a)					
GBP	Globaldrive Auto Receivables UK 2016-A PLC 1.19925 09/20/24	1.20%	20-Sep-24	6,494,381	2.96%
GBP	Income Contingent Student Loans 2 2007-2009 PLC 2.05 07/24/58	2.05%	24-Jul-58	6,345,950	2.89%
GBP	LaSer ABS 2017 PLC 1.36038 09/25/30	1.36%	25-Sep-30	5,932,132	2.70%
GBP	Motor 2016-1 PLC 1.3 11/25/25	1.30%	25-Nov-25	1,988,900	0.91%
GBP	Turbo Finance 7 PLC 1.32925 06/20/23	1.33%	20-Jun-23	7,793,911	3.55%
				<u>28,555,274</u>	<u>13.01%</u>
Total Asset Backed Securities (2017: n/a)				72,756,068	33.14%
Collateralised Loan Obligations					
Cayman Islands (2017: n/a)					
USD	Babson CLO Ltd 2016-II 8.97938 07/20/28	8.98%	20-Jul-28	1,130,109	0.51%
USD	CIFC Funding 2018-V Ltd N.A. 01/15/32	8.98%	15-Jan-32	1,478,711	0.67%
USD	ICG US CLO 2014-2 Ltd 3.88631 01/15/31	3.89%	15-Jan-31	1,847,851	0.84%
USD	Marble Point CLO XI Ltd 3.62456 12/18/30	3.62%	18-Dec-30	3,883,715	1.77%
USD	Mountain View CLO 2017-1 LLC 3.73644 10/16/29	3.74%	16-Oct-29	2,338,615	1.06%
USD	Regatta VIII Funding Ltd 8.54881 10/17/30	8.55%	17-Oct-30	1,018,563	0.46%
				<u>11,697,564</u>	<u>5.31%</u>
Ireland (2017: n/a)					
EUR	Anchorage Capital Europe 1 CLO 1.45 01/15/31	0.00%	15-Jan-31	1,105,186	0.50%
EUR	BlackRock European CLO 1 DAC 0.71 03/15/31	0.71%	15-Mar-31	3,526,639	1.61%
EUR	Carlyle Euro CLO 2017-3 DAC 0.74 01/15/31	0.74%	15-Jan-31	3,554,428	1.62%
EUR	Carlyle Global Market Strategies Euro CLO 2016-2 DAC 1.7	1.70%	18-Jan-30	1,795,643	0.82%
EUR	Harvest Clo XI DAC 0.92 06/26/30	0.92%	26-Jun-30	3,412,097	1.55%
EUR	Oak Hill European Credit Partners IV Designated Activity Co 0.73 01/20/32	0.73%	20-Jan-32	3,562,959	1.62%
				<u>16,956,952</u>	<u>7.72%</u>
Luxembourg (2017: n/a)					
EUR	Harvest CLO XVII DAC 0.87 05/11/30	0.87%	11-May-30	4,467,840	2.03%
				<u>4,467,840</u>	<u>2.03%</u>

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC
AXA IM Global Secured Assets Fund I
Portfolio Statement as at 31 December 2018 (continued)

Currency	Description	Interest Rate	Maturity Date	Fair Value	% of Total Net Assets
Financial Assets at fair value through profit or loss					
Collateralised Loan Obligations (continued)					
Netherlands (2017: n/a)					
EUR	Alme Loan Funding IV BV 0.75 01/15/32	0.75%	15-Jan-32	2,666,542	1.21%
EUR	Ares European CLO VII BV 1.5 10/15/30	1.50%	15-Oct-30	1,114,483	0.51%
EUR	Ares European CLO VIII BV 1.6 02/17/30	1.60%	17-Feb-30	2,655,673	1.21%
EUR	Contego CLO IV DAC 0.88 01/23/30	0.88%	23-Jan-30	1,796,478	0.82%
EUR	Jubilee CLO 2017-XVIII BV 0.87 01/15/30	0.87%	15-Jan-30	1,692,902	0.77%
				<u>9,926,078</u>	<u>4.52%</u>
Total Collateralised Loan Obligations (2017: n/a)				43,048,434	19.58%
Collateralised Mortgage Obligations					
France (2017: n/a)					
EUR	BPCE Home Loans FCT 2018 0.134 10/31/53	0.00%	31-Oct-53	5,563,895	2.53%
EUR	SapphireOne Mortgages FCT 2016-1 1.934 02/25/61	1.93%	25-Feb-61	1,802,418	0.82%
				<u>7,366,313</u>	<u>3.35%</u>
Netherlands (2017: n/a)					
EUR	Dutch Property Finance 2017-1 BV 0.363 01/28/48	0.36%	28-Jan-48	6,609,515	3.01%
EUR	Hypenn Rmbs IV BV 0.102 10/17/97	0.10%	17-Oct-97	1,728,342	0.79%
EUR	Saecure 15 BV 0.082 01/30/92	0.08%	30-Jan-92	4,303,611	1.96%
				<u>12,641,468</u>	<u>5.76%</u>
Spain (2017: n/a)					
EUR	FT RMBS Prado III 0.339 03/15/56	0.34%	15-Mar-56	4,204,222	1.91%
				<u>4,204,222</u>	<u>1.91%</u>
United Kingdom (2017: n/a)					
GBP	Hawksmoor Mortgages 2016-1 PLC 2.29213 05/25/53	2.29%	25-May-53	9,912,082	4.51%
GBP	Residential Mortgage Securities 28 Plc 2.05638 06/15/46	2.06%	15-Jun-46	825,157	0.38%
				<u>10,737,239</u>	<u>4.89%</u>
Total Collateralised Mortgage Obligations (2017: n/a)				34,949,242	15.91%
Commercial Mortgage Backed Securities					
Cayman Islands (2017: n/a)					
USD	Khartaphu 0.0 07JUN23	3.25%	7-Jun-23	9,422,111	4.29%
USD	Versutus Zero Coupon	0.00%	31-Dec-22	785,411	0.36%
				<u>10,207,522</u>	<u>4.65%</u>

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC

AXA IM Global Secured Assets Fund I

Portfolio Statement as at 31 December 2018 (continued)

Currency	Description	Interest Rate	Maturity Date	Fair Value	% of Total Net Assets
Financial Assets at fair value through profit or loss					
Commercial Mortgage Backed Securities (continued)					
Ireland (2017: n/a)					
EUR	Oranje European Loan Conduit NO 32 DAC 1 11/22/28	0.00%	22-Nov-28	7,363,785	3.35%
				<u>7,363,785</u>	<u>3.35%</u>
Total Commercial Mortgage Backed Securities (2017: n/a)				<u>17,571,307</u>	<u>8.00%</u>
Bonds					
Bermuda (2017: n/a)					
USD	Akibare Re Ltd 2.78496 04/07/22	4.20%	7-Apr-22	383,989	0.17%
USD	Akibare Re Ltd 4.7805 04/07/20	4.78%	7-Apr-20	389,644	0.18%
USD	Eden Re II Ltd 0 03/22/23	0.00%	22-Mar-23	2,355,527	1.07%
				<u>3,129,160</u>	<u>1.42%</u>
United Kingdom (2017: n/a)					
GBP	Wetherby II 18 IDX/LKD BDS 18/02/2026 GBP	0.00%	18-Feb-26	10,000,000	4.55%
				<u>10,000,000</u>	<u>4.55%</u>
United States (2017: n/a)					
USD	Citigroup Global Markets Holdings Inc/United States	0.00%	20-Sep-23	15,703,518	7.15%
				<u>15,703,518</u>	<u>7.15%</u>
Total Bonds (2017: n/a)				<u>28,832,678</u>	<u>13.12%</u>

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC

AXA IM Global Secured Assets Fund I

Portfolio Statement as at 31 December 2018 (continued)

Unrealised gains on forward currency contracts						% of
Amount	Amount		Maturity	Unrealised		Total
receivable	payable	Counterparty	Date	gain		Net
				£		Assets
GBP 24,344,061	USD 30,910,000	BNP Paribas SA	21-Feb-19	132,454		0.06%
GBP 1,740,338	AUD 3,050,000	BNP Paribas SA	21-Feb-19	57,049		0.03%
GBP 4,711,876	EUR 5,200,000	BNP Paribas SA	21-Feb-19	36,112		0.02%
Total unrealised gains on forward currency contracts (2017: n/a)				225,615		0.11%
Total financial assets at fair value through profit or loss (2017: n/a)				197,383,344		89.86%
Financial liabilities at fair value through profit or loss						% of
Unrealised losses on forward currency contracts						Total
Amount	Amount		Maturity	Unrealised		Net
receivable	payable	Counterparty	Date	Loss		Assets
				£		
GBP 19,096,288	USD 24,503,822	BNP Paribas SA	21-Feb-19	(97,401)		(0.04%)
GBP 98,150,556	EUR 110,115,000	BNP Paribas SA	21-Feb-19	(863,233)		(0.39%)
Total unrealised losses on forward currency contracts (2017: n/a)				(960,634)		(0.43%)
Total financial liabilities at fair value through profit or loss (2017: n/a)				(960,634)		(0.43%)
				Fair Value		% of
				£		Total Net
Total financial assets at fair value through profit or loss				197,383,344		89.86%
Total financial liabilities at fair value through profit or loss				(960,634)		(0.43%)
Cash and cash equivalents				173,004,255		78.78%
Other net liabilities				(149,816,740)		(68.21%)
Net Assets Attributable to Holders of Redeemable Participating Shares				219,610,225		100.00%

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2018

		Consolidated AXA IM Loan Fund 31 December 2018 €	Consolidated AXA IM European Middle- Market Debt Fund 31 December 2018 €	Consolidated AXA IM Global Loan Opportunity Fund 31 December 2018 US\$	Consolidated AXA IM Global Secured Assets Fund I 31 December 2018 * £	Total 31 December 2018 €
Income	Notes					
Net gains on financial assets and liabilities at fair value through profit or loss	2,5	4,867,595	7,374,832	(67,060)	(245,343)	11,908,255
Interest income on assets at amortised cost	2	-	20,630,326	-	-	20,630,326
Total net income		4,867,595	28,005,158	(67,060)	(245,343)	32,538,581
Less expenses						
Management fees	3,8	(5,376,703)	(1,592,332)	(226,603)	(89,051)	(7,261,567)
Administration and depositary fees	3	(599,943)	(234,858)	(145,328)	(25,744)	(986,946)
Legal fees	8	(40,423)	(10,056)	(5,027)	(740)	(55,572)
Audit fees	16	(54,298)	(70,383)	(59,074)	(4,882)	(180,214)
Directors' fees	8	(32,480)	-	(30,383)	(4,306)	(63,071)
Impairment provision		-	(8,354,975)	-	-	(8,354,975)
Other expenses	15	(436,075)	(394,627)	(135,420)	(19,623)	(967,538)
Total operating expenses		(6,539,922)	(10,657,231)	(601,835)	(144,346)	(17,869,883)
Operating profit		(1,672,327)	17,347,927	(668,895)	(389,689)	14,668,698
Finance costs						
Dividends paid to holders of redeemable participating shares	18	(12,677,035)	(24,565,350)	-	-	(37,242,385)
Operating (loss)/profit after finance costs		(14,349,362)	(7,217,423)	(668,895)	(389,689)	(22,573,687)
Taxation	12	(250)	(250)	(364)	(86)	(905)
(Decrease)/increase in Net Assets Attributable to Holders of Redeemable Participating Shares from Operations after Taxation		(14,349,612)	(7,217,673)	(669,259)	(389,775)	(22,574,592)

* AXA IM Global Secured Assets Fund I was registered with the Central Bank of Ireland on 22 October 2018 and commenced its operations on 8 November 2018.

All recognised gains and losses for the year arose solely from continuing operations.

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC
Consolidated Statement of Comprehensive Income

		Consolidated AXA			Total 31 December 2017 €
		Consolidated AXA IM Loan Fund 31 December 2017 €	IM European Middle-Market Debt Fund 31 December 2017 €	Consolidated AXA IM Global Loan Opportunity Fund 31 December 2017* US\$	
For the year ended 31 December 2017					
Income	Notes				
Net gains on financial assets and liabilities at fair value through profit or loss	2,5	3,411,701	(821,561)	(11,356)	9,601,759
Interest income on assets at amortised cost	2	-	7,021,671	-	-
Total net income		3,411,701	6,200,110	(11,356)	9,601,759
Less expenses					
Management fees	3,8	(4,875,018)	(527,202)	(15,157)	(5,415,637)
Administration and depositary fees	3	(698,108)	(200,767)	(9,863)	(907,606)
Legal fees	8	(110,473)	(14,909)	(822)	(126,110)
Audit fees	16	(70,947)	(69,808)	(7,896)	(147,744)
Directors' fees	8	(32,214)	-	(5,922)	(37,456)
Other expenses	15	(407,523)	(650,851)	(17,138)	(1,073,544)
Total operating expenses		(6,194,283)	(1,463,537)	(56,798)	(7,708,097)
Operating profit		(2,782,582)	4,736,573	(68,154)	1,893,662
Finance costs					
Dividends paid to holders of redeemable participating shares	18	(13,688,314)	(2,700,000)	-	(16,388,314)
Operating profit/(loss) after finance costs		(16,470,896)	2,036,573	(68,154)	(14,494,652)
Taxation	12	(250)	(262)	-	(512)
(Decrease)/increase in Net Assets Attributable to Holders of Redeemable Participating Shares from Operations after Taxation		(16,471,146)	2,036,311	(68,154)	(14,495,164)

* AXA IM Global Loan Opportunity Fund was registered with the Central Bank of Ireland on 23 October 2017 and commenced its operations on 3 November 2017.

All recognised gains and losses for the year arose solely from continuing operations.

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC
Consolidated Statement of Financial Position as at 31 December 2018

		Consolidated AXA		Consolidated AXA	Consolidated AXA	Total
		Consolidated AXA	IM European	Consolidated AXA	Consolidated AXA	As at 31
		IM Loan Fund	Middle-Market	IM Global Loan	IM Global Secured	As at 31
		31 December	Debt Fund	Opportunity Fund	Assets Fund I	As at 31
		2018	31 December	31 December	31 December	31 December
		2018	2018	2018	2018*	2018
	Notes	€	€	US\$	£	€
Assets						
Financial assets at fair value through profit or loss	2,9	886,609,588	153,457,996	40,525,287	197,383,344	1,295,415,536
Financial assets at amortised cost	2,9	-	434,695,287	-	-	434,695,287
Cash and cash equivalents	13	31,349,564	48,098,008	3,795,678	173,004,255	275,506,654
Interest receivable	2	2,810,211	3,688,355	405,392	298,571	7,185,808
Receivables for investments sold	2	56,006,285	-	4,751,012	-	60,162,185
Withholding tax receivable		84,069	-	-	-	84,069
Collateral held		6,251,508	-	-	-	6,251,508
Other assets		90,691	67,578	36,523	22,741	215,552
Total assets		983,201,916	640,007,224	49,513,892	370,708,911	2,079,516,599
Liabilities						
Financial liabilities at fair value through profit or loss	2,9	6,081,484	-	11,389	960,634	7,161,660
Payables for investments purchased	2	48,459,743	-	4,867,532	-	52,717,568
Subscriptions received in advance		-	-	-	150,000,000	167,110,500
Dividends payable	18	9,195,079	-	-	-	9,195,079
Corporation tax payable	12	-	4	364	85	417
Accrued expenses	14	2,843,821	2,206,190	372,020	137,967	5,529,137
Total Liabilities (excluding Net Assets Attributable to Holders of Redeemable Participating Shares)		66,580,127	2,206,194	5,251,305	151,098,686	241,714,361
Net Assets Attributable to Holders of Redeemable Participating Shares		916,621,789	637,801,030	44,262,587	219,610,225	1,837,802,238

* AXA IM Global Secured Assets Fund I was registered with the Central Bank of Ireland on 22 October 2018 and commenced its operations on 8 November 2018.

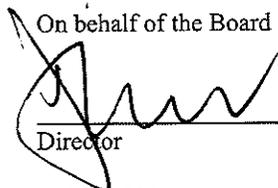
The accompanying notes form an integral part of these consolidated financial statements.

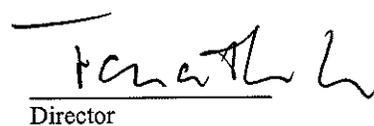
AXA IM Strategies PLC

Consolidated Statement of Financial Position as at 31 December 2018 (continued)

		Consolidated AXA IM Loan Fund 31 December 2018	Consolidated AXA IM European Middle-Market Debt Fund 31 December 2018	Consolidated AXA IM Global Loan Opportunity Fund 31 December 2018	Consolidated AXA IM Global Secured Assets Fund I 31 December 2018*
	Notes				
Net Asset Value per Redeemable Participating Share					
Class I EUR Distribution Shares	7	€0.96	-	-	-
	(52,320,555)				
Class A EUR Distribution Shares	7	€0.96	€100.30	-	-
	(384,744,830)				
Class A STG Accumulation Shares	7	£1.23	-	-	-
	(108,140,853)				
Class A EUR Accumulation Shares	7	€1.13	-	-	-
	(188,700,748)				
Class A USD Distribution Shares	7	US\$0.96	-	US\$0.98	-
	(75,031,550)				
Class A CHF Accumulation Shares	7	CHF1.04	-	-	-
	(41,902,521)				
Class A STG Distribution Shares	7	£0.98	-	-	-
	(62,600,000)				
Class A CHF Distribution Shares	7	CHF0.97	-	-	-
	(12,500,000)				
Class A GBP Distribution Shares	7	-	-	-	£998.12
	(220,025)				

On behalf of the Board


Director


Director

23 May 2019

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC
Consolidated Statement of Financial Position as at 31 December 2017

		Consolidated AXA IM Loan Fund 31 December 2017 €	Consolidated AXA IM European Middle-Market Debt Fund 31 December 2017 €	Consolidated AXA IM Global Loan Opportunity Fund 31 December 2017* US\$	Total As at 31 31 December 2017 €
Assets	Notes				
Financial assets at fair value through profit or loss	2,9	956,674,930	74,800,737	18,071,226	1,046,524,989
Financial assets at amortised cost	2,9	-	244,872,407	-	244,872,407
Cash and cash equivalents	13	126,822,025	7,201,181	25,595,732	155,338,772
Interest receivable	2	2,454,125	1,631,617	8,541	4,092,855
Receivables for investments sold	2	10,829,742	-	4,172,019	14,304,108
Withholding tax receivable		58,875	-	-	58,875
Collateral held		954,000	-	-	954,000
Other assets		69,593	34,671	-	104,264
Total assets		1,097,863,290	328,540,613	47,847,518	1,466,250,270
Liabilities					
Financial liabilities at fair value through profit or loss	2,9	2,466,264	-	-	2,466,264
Payables for investments purchased	2	103,674,927	-	17,858,036	118,546,709
Corporation tax payable	12	-	262	-	262
Withdrawal payable		504,299	-	-	504,299
Accrued expenses	14	3,217,425	645,521	57,636	3,910,944
Total Liabilities (excluding Net Assets Attributable to Holders of Redeemable Participating Shares)		109,862,915	645,783	17,915,672	125,428,478
Net Assets Attributable to Holders of Redeemable Participating Shares		988,000,375	327,894,830	29,931,846	1,340,821,792

* AXA IM Global Loan Opportunity Fund was registered with the Central Bank of Ireland on 23 October 2017 and commenced its operations on 3 November 2017.

The accompanying notes form an integral part of these consolidated financial statements.

		Consolidated AXA IM Loan Fund 31 December 2017	Consolidated AXA IM European Middle-Market Debt Fund 31 December 2017	Consolidated AXA IM Global Loan Opportunity Fund 31 December 2017*
	Notes			
Net Asset Value per Redeemable Participating Share				
Class I EUR Distribution Shares	7	€0.99	-	-
	(99,036,982)			
Class A EUR Distribution Shares	7	€0.99	€101.48	-
	(379,151,583)			
Class A STG Accumulation Shares	7	£1.23	-	-
	(143,863,644)			
Class A EUR Accumulation Shares	7	€1.14	-	-
	(159,585,886)			
Class A USD Distribution Shares	7	CHF0.99	-	1.00
	(30,000,000)			
Class A CHF Accumulation Shares	7	€1.05	-	-
	(105,063,928)			
Class A USD Accumulation Shares	7	\$1.01	-	-

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC
Company Statement of Financial Position as at 31 December 2018

		AXA IM Loan Fund	AXA IM European Middle-Market Debt Fund	AXA IM Global Loan Opportunity Fund	AXA IM Global Secured Assets Fund I	Total As at
	Notes	31 December 2018 €	31 December 2018 €	31 December 2018 US\$	31 December 2018* £	31 December 2018 €
Assets						
Financial assets at fair value through profit or loss	2	932,807,841	639,837,585	44,530,535	219,725,467	1,856,387,617
Cash and cash equivalents	13	1,549,326	9	130	150,000,000	168,659,949
Other assets		2,790	33,161	36,522	22,740	93,232
Total assets		934,359,957	639,870,755	44,567,187	369,748,207	2,025,140,798
Liabilities						
Financial liabilities at fair value through profit or loss	2	5,966,624	-	-	-	5,966,624
Subscriptions received in advance		-	-	-	150,000,000	167,110,500
Dividends payable	18	9,195,079	-	-	-	9,195,079
Accrued expenses		2,582,989	2,071,264	305,596	138,239	5,075,578
Total Liabilities (excluding Net Assets Attributable to Holders of Redeemable Participating Shares)		17,744,692	2,071,264	305,596	150,138,239	187,347,781
Net Assets Attributable to Holders of Redeemable Participating Shares		916,615,265	637,799,491	44,261,591	219,609,968	1,837,793,017

* AXA IM Global Secured Assets Fund I was registered with the Central Bank of Ireland on 22 October 2018 and commenced its operations on 8 November 2018.

The Company has taken advantage of the exemption in Section 304(2) of the Companies Act 2014 not to present its individual Statement of Comprehensive Income. The decrease in net assets attributable to holders of Redeemable Participating Shares from operations after taxation for the individual Company was €22,559,526 for the year ended 31 December 2018 (2017: €14,494,652).

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC

Company Statement of Financial Position as at 31 December 2018 (continued)

		AXA IM Loan Fund	AXA IM European Middle-Market Debt Fund	AXA IM Global Loan Opportunity Fund	AXA IM Global Secured Assets Fund I
		31 December 2018	31 December 2018	31 December 2018	31 December 2018*
Net Asset Value per Redeemable Participating Share	Notes				
Class I EUR Distribution Shares	7	€0.96	-	-	-
	(52,320,555)				
Class A EUR Distribution Shares	7	€0.96	€100.30	-	-
	(384,744,830)				
Class A STG Accumulation Shares	7	£1.23	-	-	-
	(108,140,853)				
Class A EUR Accumulation Shares	7	€1.13	-	-	-
	(188,700,748)				
Class A USD Distribution Shares	7	US\$0.96	-	US\$0.98	-
	(75,031,550)				
Class A CHF Accumulation Shares	7	CHF1.04	-	-	-
	(41,902,521)				
Class A STG Distribution Shares	7	US\$0.98	-	-	-
	(62,600,000)				
Class A CHF Distribution Shares	7	US\$0.97	-	-	-
	(12,500,000)				
Class A GBP Distribution Shares	7	-	-	-	£998.12
	(220,025)				

On behalf of the Board

Director

23 May 2019

Director

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC

Company Statement of Financial Position as at 31 December 2017

		AXA IM Loan Fund	AXA IM European Middle-Market Debt Fund	AXA IM Global Loan Opportunity Fund	Total As at
		31 December 2017	31 December 2017	31 December 2017*	31 December 2017
	Notes	€	€	US\$	€
Assets					
Financial assets at fair value through profit or loss	2	994,077,543	-	16,683,918	1,007,971,546
Financial assets at amortised cost	2	-	328,487,607	-	328,487,607
Cash and cash equivalents	13	137	(16,613)	13,300,838	11,060,171
Other assets		9,972	-	-	9,972
Total assets		994,087,652	328,470,994	29,984,756	1,347,529,296
Liabilities					
Financial liabilities at fair value through profit or loss	2	2,466,263	-	-	2,466,263
Withdrawal payable		504,299	-	-	504,299
Accrued expenses		3,122,489	576,952	52,910	3,743,504
Total Liabilities (excluding Net Assets Attributable to Holders of Redeemable Participating Shares)		6,093,051	576,952	52,910	6,714,066
Net Assets Attributable to Holders of Redeemable Participating Shares		987,994,601	327,894,042	29,931,846	1,340,815,230

* AXA IM Global Loan Opportunity Fund was registered with the Central Bank of Ireland on 23 October 2017 and commenced its operations on 3 November 2017.

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC

Company Statement of Financial Position as at 31 December 2017 (continued)

		AXA IM Loan Fund	AXA IM European Middle-Market Debt Fund	AXA IM Global Loan Opportunity Fund
		31 December 2017	31 December 2017	31 December 2017*
Net Asset Value per Redeemable Participating Share	Notes			
Class I EUR Distribution Shares	7	€0.99	-	-
	(99,036,982)			
Class A EUR Distribution Shares	7	€0.99	€101.48	-
	(379,151,583)			
Class A STG Accumulation Shares	7	£1.23	-	-
	(143,863,644)			
Class A EUR Accumulation Shares	7	€1.14	-	-
	(159,585,886)			
Class A USD Distribution Shares	7	US\$0.99	-	US\$1.00
	(30,000,000)			
Class A CHF Accumulation Shares	7	CHF1.05	-	-
	(105,063,928)			
Class A USD Accumulation Shares	7			
	(17,669,073)	US\$1.01	-	-

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC

Consolidated Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares
For the year ended 31 December 2018

	Consolidated AXA IM Loan Fund	Consolidated AXA IM European Middle-Market Debt Fund	Consolidated AXA IM Global Loan Opportunity Fund	Consolidated AXA IM Global Secured Assets Fund I	Total
	31 December 2018 €	31 December 2018 €	31 December 2018 US\$	31 December 2018* £	31 December 2018 €
Net Assets Attributable to Holders of Redeemable Participating Shares at beginning of the year	988,000,375	327,894,830	29,931,846	-	1,340,821,792
Impairment adjustment at beginning of the year	-	(2,876,127)	-	-	(2,876,127)
(Decrease)/increase in Net Assets Attributable to Holders of Redeemable Participating Shares from Operations after Taxation	(14,349,612)	(7,217,673)	(669,259)	(389,775)	(22,574,592)
Subscriptions	215,924,587	320,000,000	15,000,000	220,000,000	797,366,887
Redemptions	(272,953,561)	-	-	-	(272,953,561)
Currency adjustment	-	-	-	-	(1,982,161)
Net Assets Attributable to Holders of Redeemable Participating Shares at end of the year	916,621,789	637,801,030	44,262,587	219,610,225	1,837,802,238

* AXA IM Global Secured Assets Fund I was registered with the Central Bank of Ireland on 22 October 2018 and commenced its operations on 8 November 2018.

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC

Consolidated Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares
For the year ended 31 December 2017

	Consolidated AXA IM Loan Fund 31 December 2017 €	Consolidated AXA IM European Middle-Market Debt Fund 31 December 2017 €	Consolidated AXA IM Global Loan Opportunity Fund 31 December 2017* US\$	Total 31 December 2017 €
Net Assets Attributable to Holders of Redeemable Participating Shares at beginning of the year	749,650,458	45,858,508	-	795,508,966
(Decrease)/Increase in Net Assets Attributable to Holders of Redeemable Participating Shares from Operations after Taxation	(16,471,146)	2,036,311	(68,154)	(14,495,164)
Subscriptions	372,667,198	280,000,011	30,000,000	679,222,705
Redemptions	(117,846,135)	-	-	(117,846,135)
Currency adjustment	-	-	-	(1,568,580)
Net Assets Attributable to Holders of Redeemable Participating Shares at end of the year	988,000,375	327,894,830	29,931,846	1,340,821,792

*AXA IM Global Loan Opportunity Fund was registered with the Central Bank of Ireland on 23 October 2017 and commenced its operations on 3 November 2017.

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC

Company Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares
For the year ended 31 December 2018

	AXA IM Loan Fund 31 December 2018 €	AXA IM European Middle-Market Debt Fund 31 December 2018 €	AXA IM Global Loan Opportunity Fund 31 December 2018 US\$	AXA IM Global Secured Assets Fund I 31 December 2018* £	Total 31 December 2018 €
Net Assets Attributable to Holders of Redeemable Participating Shares at beginning of the year	987,994,601	327,894,042	29,931,846	-	1,340,815,230
Impairment adjustment at beginning of the year	-	(2,876,127)	-	-	(2,876,127)
(Decrease)/increase in Net Assets Attributable to Holders of Redeemable Participating Shares from Operations after Taxation	(14,350,362)	(7,218,424)	(670,255)	(390,032)	(22,577,227)
Subscriptions	215,924,587	320,000,000	15,000,000	220,000,000	797,366,887
Redemptions	(272,953,561)	-	-	-	(272,953,561)
Currency adjustment	-	-	-	-	(1,982,185)
Net Assets Attributable to Holders of Redeemable Participating Shares at end of the year	916,615,265	637,799,491	44,261,591	219,609,968	1,837,793,017

* AXA IM Global Secured Assets Fund I was registered with the Central Bank of Ireland on 22 October 2018 and commenced its operations on 8 November 2018.

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC

**Company Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares
For the year ended 31 December 2017**

	AXA IM Loan Fund 31 December 2017 €	AXA IM European Middle-Market Debt Fund 31 December 2017 €	AXA IM Global Loan Opportunity Fund 31 December 2017* US\$	Total 31 December 2017 €
Net Assets Attributable to Holders of Redeemable Participating Shares at beginning of the year	749,650,458	45,858,508	-	795,508,966
(Decrease)/increase in Net Assets Attributable to Holders of Redeemable Participating Shares from Operations after Taxation	(16,476,920)	2,035,523	(68,154)	(14,501,726)
Subscriptions	372,667,198	280,000,011	30,000,000	679,222,705
Redemptions	(117,846,135)	-	-	(117,846,135)
Currency adjustment	-	-	-	(1,568,580)
Net Assets Attributable to Holders of Redeemable Participating Shares at end of the year	987,994,601	327,894,042	29,931,846	1,340,815,230

* AXA IM Global Loan Opportunity Fund was registered with the Central Bank of Ireland on 23 October 2017 and commenced its operations on 3 November 2017.

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC
Consolidated Statement of Cash Flows
For the year ended 31 December 2018

	Consolidated AXA IM Loan Fund 31 December 2018	Consolidated AXA IM European Middle- Market Debt Fund 31 December 2018	Consolidated AXA IM Global Loan Opportunity Fund 31 December 2018	Consolidated AXA IM Global Secured Assets Fund I 31 December 2018*	Total 31 December 2018
	€	€	US\$	£	€
Cash flows from operating activities					
Interest received on investments: at fair value through profit or loss	41,274,679	3,813,453	2,354,618	194,730	60,275,987
Interest received on investments: at amortised cost	-	16,724,687	-	-	3,813,453
Interest paid on cash and cash equivalents	65,441	(499,514)	(38,286)	(212,085)	(703,841)
Net fees earned on purchase/sale of investments	794,747	1,424,965	92,282	-	2,300,435
Net realised loss on forward currency contracts and foreign currencies and net foreign exchange loss	(11,001,150)	(4,880,830)	536,067	(41,097)	(15,458,846)
Collateral received	(5,297,508)	-	-	-	(5,297,508)
Other expenses paid	(7,532,737)	(773,205)	(322,659)	(28,847)	(8,620,322)
Cash provided by operating activities	18,303,472	15,809,556	2,622,022	(87,299)	36,309,358
Taxes paid	(25,194)	(508)	-	-	(25,702)
Net cash provided by operating activities	18,278,278	15,809,048	2,622,022	(87,299)	36,283,656
Cash flows from investing activities					
Payments on purchase of investments and settlement of forwards	(565,140,961)	(329,843,402)	(94,234,734)	(214,214,922)	(1,216,065,672)
Proceeds from sale of investments and settlement of forwards	511,901,152	59,496,531	54,812,658	17,306,476	638,625,133
Net cash used in investment activities	(53,239,809)	(270,346,871)	(39,422,076)	(196,908,446)	(577,440,539)
Cash flows from financing activities					
Proceeds from redeemable participating shares issued	215,924,587	320,000,000	15,000,000	220,000,000	794,141,087
Payments for redeemable participating shares redeemed	(272,953,561)	-	-	-	(272,953,561)
Subscriptions received in advance	-	-	-	150,000,000	167,110,500
Dividends paid	(3,481,956)	(24,565,350)	-	-	(28,047,306)
Net cash provided by financing activities	(60,510,930)	295,434,650	15,000,000	370,000,000	660,250,720
Net increase in cash and cash equivalents	(95,472,461)	40,896,827	(21,800,054)	173,004,255	119,093,837
Cash and cash equivalents at beginning of the year	126,822,025	7,201,181	25,595,732	-	155,338,772
Currency adjustment	-	-	-	-	1,074,045
Cash and cash equivalents at end of the year	31,349,564	48,098,008	3,795,678	173,004,255	275,506,654

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC

Consolidated Statement of Cash Flows
for the Year Ended 31 December 2017

	Consolidated AXA IM Loan Fund 31 December 2017 €	Consolidated AXA IM European Middle-Market Debt Fund 31 December 2017 €	Consolidated AXA IM Global Loan Opportunity Fund 31 December 2017* US\$	Total 31 December 2017 €
Cash flows from operating activities				
Interest received on investments	33,575,485	5,044,191	3,152	38,622,301
Bank interest paid	6,469	(23,318)	492	(16,439)
Net fees earned on purchase/sale of investments	1,855,989	905,868	-	2,761,857
Net realised loss on forward currency contracts and foreign currencies and net foreign exchange loss	48,262,443	1,931,856	-	50,194,299
Collateral received	(5,630,000)	-	-	(5,630,000)
Other expenses paid	(4,130,561)	(834,520)	838	(4,964,384)
Cash provided by operating activities	73,939,825	7,024,077	4,482	80,967,634
Taxes paid	1,659	-	-	1,659
Net cash provided by operating activities	73,941,484	7,024,077	4,482	80,969,293
Cash flows from investing activities				
Payments on purchase of investments and settlement of forwards	(776,018,052)	(313,784,188)	(4,420,000)	(1,093,483,119)
Proceeds from sale of investments and settlement of forwards	482,194,582	624,047	11,250	482,827,998
Net cash used in investment activities	(293,823,470)	(313,160,141)	(4,408,750)	(610,655,121)
Cash flows from financing activities				
Proceeds from redeemable participating shares issued	372,667,198	280,000,011	30,000,000	677,650,553
Payments for redeemable participating shares redeemed	(118,621,850)	-	-	(118,621,850)
Dividends paid	(21,470,691)	(2,700,000)	-	(24,170,691)
Net cash provided by financing activities	232,574,657	277,300,011	30,000,000	534,858,012
Net increase in cash and cash equivalents	12,692,671	(28,836,053)	25,595,732	5,172,184
Cash and cash equivalents at beginning of the year	114,129,354	36,037,234	-	150,166,588
Cash and cash equivalents at end of the year	126,822,025	7,201,181	25,595,732	155,338,772

* AXA IM Global Loan Opportunity Fund was registered with the Central Bank of Ireland on 23 October 2017 and commenced its operations on 3 November 2017.

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC

Company Statement of Cash Flows
For the year ended 31 December 2018

	AXA IM Loan Fund	AXA IM European Middle-Market Debt Fund	AXA IM Global Loan Opportunity Fund	AXA IM Global Secured Assets Fund I	Total
	31 December 2018	31 December 2018	31 December 2018	31 December 2018*	31 December 2018
	€	€	US\$	£	€
Cash flows from operating activities					
Realised loss on forward currency contracts and foreign currencies	8,176,879	-	(90)	33	8,176,837
Net foreign exchange gains	(3,428)	-	-	-	(3,428)
Other expenses paid	(7,399,428)	(657,074)	(290,348)	(28,847)	(8,342,619)
Cash used in operating activities	774,023	(657,074)	(290,438)	(28,814)	(169,210)
Cash flows from investing activities					
Payments on purchase of investments	(224,252,404)	(320,000,000)	(28,282,029)	(220,000,000)	(814,087,226)
Proceeds from sale of investments	285,538,500	25,239,046	271,759	28,814	311,047,365
Net cash used in investment activities	61,286,096	(294,760,954)	(28,010,270)	(219,971,186)	(503,039,861)
Cash flows from financing activities					
Proceeds from redeemable participating shares issued	215,924,587	320,000,000	15,000,000	220,000,000	794,141,087
Payments for redeemable participating shares redeemed	(272,953,561)	-	-	-	(272,953,561)
Subscriptions received in advance	-	-	-	150,000,000	167,110,500
Dividends paid	(3,481,956)	(24,565,350)	-	-	(28,047,306)
Net cash provided by financing activities	(60,510,930)	295,434,650	15,000,000	370,000,000	660,250,720
Net increase/(decrease) in cash and cash equivalents	1,549,189	16,622	(13,300,708)	150,000,000	157,041,649
Cash and cash equivalents at beginning of the year	137	(16,613)	13,300,838	-	11,060,171
Currency adjustment	-	-	-	-	558,129
Cash and cash equivalents at end of the year	1,549,326	9	130	150,000,000	168,659,949

* AXA IM Global Secured Assets Fund I was registered with the Central Bank of Ireland on 22 October 2018 and commenced its operations on 8 November 2018.

The accompanying notes form an integral part of these consolidated financial statements.

AXA IM Strategies PLC

Company Statement of Cash Flows
For the year ended 31 December 2017

	AXA IM Loan Fund 31 December 2017 €	AXA IM European Middle-Market Debt Fund 31 December 2017 €	AXA IM Global Loan Opportunity Fund 31 December 2017* US\$	Total 31 December 2017 €
Cash flows from operating activities				
Realised loss on forward currency contracts and foreign currencies	(5,564,181)	-	-	(5,564,181)
Net foreign exchange gains	(722)	-	-	(722)
Other expenses paid	(3,967,110)	(760,468)	838	(4,726,880)
Cash used in operating activities	(9,532,013)	(760,468)	838	(10,291,783)
Cash flows from investing activities				
Payments on purchase of investments	(381,480,549)	(314,868,674)	(16,700,000)	(710,256,618)
Proceeds from sale of investments	158,437,414	2,775,284	-	161,212,698
Net cash used in investment activities	(223,043,135)	(312,093,390)	(16,700,000)	(549,043,920)
Cash flows from financing activities				
Proceeds from redeemable participating shares issued	372,667,198	280,000,011	30,000,000	677,650,553
Payments for redeemable participating shares redeemed	(118,621,850)	-	-	(118,621,850)
Dividends paid	(21,470,691)	(2,700,000)	-	(24,170,691)
Net cash provided by financing activities	232,574,657	277,300,011	30,000,000	534,858,012
Net increase/(decrease) in cash and cash equivalents	(491)	(35,553,847)	13,300,838	(24,477,691)
Cash and cash equivalents at beginning of the year	628	35,537,234	-	35,537,862
Cash and cash equivalents at end of the year	137	(16,613)	13,300,838	11,060,171

* AXA IM Global Loan Opportunity Fund was registered with the Central Bank of Ireland on 23 October 2017 and commenced its operations on 3 November 2017.

The accompanying notes form an integral part of these consolidated financial statements.

1. Establishment

AXA IM Strategies PLC (the “Company”) is an umbrella investment company with variable capital and with segregated liability between Sub-funds incorporated with limited liability in Ireland with registration number 477895 and authorised by the Central Bank as an investment company pursuant to Part XXIV of the Companies Act 2014. The registered office of the Company is Riverside II, Sir John Rogerson’s Quay, Grand Canal Dock, Dublin 2, Ireland.

Each Sub-fund constitutes a separate portfolio of assets maintained in accordance with its offering documents. Sub-funds may be established as open-ended, limited liquidity or closed-ended funds. The Directors may in their absolute discretion differentiate between Classes of Shares, without limitation, as to currency of denomination of a particular Class, voting rights, dividend policy, hedging strategies if any applied to the designated currency of a particular Class, fees and expenses, subscription or redemption procedures or the minimum subscription applicable. A separate pool of assets is not maintained in respect of each Class.

AXA Investment Managers Paris (the “Alternative Investment Fund Manager”) and AXA Investment Managers, Inc. (the “Sub-Investment Manager”) have entered into a sub-investment management agreement (the “Sub-Investment Management Agreement”) whereby the Sub-Investment Manager has agreed to undertake the portfolio management of the assets of the Sub-fund and the Subsidiary.

These annual Consolidated Financial Statements consolidate the financial statements of the Company and the Subsidiaries. The financial statements of the Company, including the Sub-funds are also presented.

The Company has taken advantage of the exemption in Section 304(2) of the Companies Act 2014 not to present its individual Statement of Comprehensive Income. The decrease in net assets attributable to holders of Redeemable Participating Shares from operations after taxation for the individual Company was €22,559,526 for the year ended 31 December 2018 (2017: €14,494,652).

AXA IM Loan Fund

AXA IM Loan Fund is an open ended fund and is a Sub-fund of the Company. The investment objective of the Sub-fund is to seek to achieve consistent rates of returns through credit cycles by investing mainly in a diversified portfolio of non-investment grade assets. There is no guarantee that the Sub-fund will achieve its investment objective.

In order to seek to achieve its objective the Sub-fund subscribes almost all its assets, through a Profit Participation Note, in AXA IM Loan Limited (the “Subsidiary”) (collectively, with the Company and Sub-fund, referred to as the “Group”). The Subsidiary is a wholly owned trading subsidiary of the Company which has been incorporated for the sole purpose of serving as an investment vehicle for the Sub-fund. As a result, the Subsidiary will comply with the investment objectives and policies and restrictions provided for herein and any reference to policies or restrictions applicable to the Sub-fund are also applicable to the Subsidiary.

The Sub-fund generally invests directly or indirectly in a diversified portfolio of senior secured assets (such as, without limitation, loans, through, for example, loan assignments and loan participations, floating rate notes (“FRNs”) and bonds) across industries, sectors, geographies and markets. The Sub-fund may also pursue other transactions involving subordinated or unsecured assets that are consistent with the theme of taking exposure on a diversified set of non-investment grade assets.

AXA IM European Middle-Market Debt Fund

AXA IM European Middle-Market Debt Fund is a limited liquidity fund and is a Sub-fund of the Company. The investment objective of the Sub-fund is to seek to achieve returns through credit cycles by investing mainly in a diversified portfolio of western European middle market loans and bonds. There is no guarantee that the Sub-fund will achieve its investment objective.

In order to seek to achieve its objective the Sub-fund intends to subscribe all its assets, through the Profit Participation Note, in AXA IM European Middle-Market Debt DAC (the “Subsidiary”). The Subsidiary is a wholly owned trading subsidiary of the Company which has been incorporated for the sole purpose of serving as an investment vehicle for the Sub-fund. As a result, the Subsidiary will comply with the investment objectives and policies and restrictions provided for herein and any reference to policies or restrictions applicable to the Sub-fund are also applicable to the Subsidiary.

1. Establishment (continued)

AXA IM European Middle-Market Debt Fund (continued)

The Sub-fund generally invests directly or indirectly in a diversified portfolio of senior secured assets (such as, without limitation, loans, through, for example, loan assignments and, floating rate notes (FRNs), unitranche debt, the senior part of stripped unitranche debt and bonds) and also in subordinated assets, mezzanine assets and unsecured assets such as payment-in-kind (PIK) loans and other junior instruments of middle market western European corporates across industries, sectors, countries and markets (“Debt Instruments”).

Unless terminated earlier in accordance with the provisions of this Supplement, or extended as provided for herein, the term of the Fund will be the day falling sixteen (16) years from the Initial Closing Date (the “Term”) and will run to December 2032. During this period Shareholders shall have a right to request a partial or total redemption of their Shares at any time from the end of the Ramp-Up Period by the giving of not less than sixty (60) Business Days’ notice in writing to the Company or its designee (or such other period as the Directors may determine and notify in advance to the Shareholders) in such form as the Directors or the Administrator may determine and notify to Shareholders.

AXA IM Global Loan Opportunity Fund

AXA IM Global Loan Opportunity Fund is an open ended fund and is a Sub-fund of the Company. The investment objective of the Sub-Fund is to seek to achieve income generation and capital appreciation by investing in secured and unsecured debt instruments. There is no guarantee that the Sub-fund will achieve its investment objective.

In order to seek to achieve its objective the Sub-Fund intends to subscribe all its assets, through the Profit Participation Note, in AXA IM Global Loan Opportunity Fund Designated Activity Company (the “Subsidiary”). The Subsidiary is a wholly owned trading subsidiary of the Company which has been incorporated for the sole purpose of serving as an investment vehicle for the Sub-Fund. As a result, the Subsidiary will comply with the investment objectives and policies and restrictions provided for herein and any reference to policies or restrictions applicable to the Fund are also applicable to the Subsidiary.

The Sub-Fund generally invests directly or indirectly in a diversified portfolio of senior secured assets (such as, loans, through, for example, loan assignments and loan participations, floating rate notes (FRNs) and bonds) across industries, sectors, geographies and markets. The Sub-Fund will further pursue investments in subordinated or unsecured assets that are consistent with the theme of taking exposure on a diversified set of non-investment grade assets.

AXA IM Global Secured Assets Fund I

AXA IM Global Secured Assets Fund I is a closed-ended fund and is a Sub-fund of the Company. The investment objective of the Sub-Fund is to seek to achieve a return of Libor + 4%, net of fees and costs, over a rolling three year period, by investing in secured debt instruments, including, without limitation, instruments such as Asset Backed Securities (“ABS”), Collateralised Loan Obligations (“CLO”), Warehouse Financing, Infrastructure Debt, CRE Debt and leveraged loans. There is no guarantee that the Fund will achieve its investment objective at any point in time.

In order to seek to achieve its objective the Sub-Fund intends to subscribe all its assets, through the Profit Participation Note, in AXA IM Global Secured Assets Designated Activity Company (the “Subsidiary”). The Subsidiary is a wholly owned trading subsidiary of the Company which has been incorporated for the sole purpose of serving as an investment vehicle for the Fund. As a result, the Subsidiary will comply with the investment objectives and policies and restrictions provided for herein and any reference to policies or restrictions applicable to the Fund are also applicable to the Subsidiary.

The Sub-Fund generally invests directly or indirectly in a diversified portfolio of liquid and illiquid assets such as ABS, CLO, Warehouse Financing, Infrastructure Debt, CRE Debt and leveraged loans (such as, loans, through, for example, loan assignments and loan participations, floating rate notes (FRNs) and bonds) across industries, sectors, geographies and type of underlying assets.

Unless terminated earlier in accordance with the provisions of the Prospectus, or extended, the term of the Fund will be the day falling ten (10) years from the Initial Closing Date (the “Term”) and will end on 8 November 2028. During this period Shareholders shall not be entitled to request the redemption of their Shares.

2. Accounting Policies

Basis of Preparation

These Consolidated Financial Statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union and interpretations adopted by the International Accounting Standards Board (“IASB”). The significant accounting policies have been applied consistently by the Group.

The Consolidated Financial Statements have been prepared on a historical cost basis, except for financial assets and liabilities at fair value through profit or loss and for financial assets at amortised cost. Other financial assets and liabilities and non-financial assets and liabilities are stated at amortised historical cost or redemption amount (redeemable participating shares).

The preparation of Consolidated Financial Statements in accordance with IFRS as adopted by the European Union 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 Consolidated Financial Statements and the reported amounts of income and expenses during the year. Actual results could differ from those estimates.

(a) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Group and the Subsidiaries

The amendments to IFRS 10 Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28), effective for periods starting on or after January 1 2016, clarify that an investment entity should consolidate a subsidiary which is not an investment entity and whose main purpose and activity is to provide services in support of the investment entity’s investment activities.

However, the amendments confirm that if the subsidiaries are themselves investment entities, the investment entities parent should measure its investment in the subsidiary at fair value through profit or loss.

The Directors’ are satisfied that AXA IM Loan Fund, AXA IM European Middle-Market Debt Fund, AXA IM Global Loan Opportunity Fund and AXA IM Global Secured Assets Fund I (the “Sub-funds”) are investment funds and meet the definition of an investment entity.

In order to seek to achieve the objectives, the Sub-funds subscribe all its assets, through a Profit Participation Note, in AXA IM Loan Limited, AXA IM European Middle-Market Debt DAC, AXA IM Global Loan Opportunity Fund DAC and AXA IM Global Secured Assets DAC (the “Subsidiaries”) (collectively with the Company and the Sub-funds, referred to as the “Group”). The Subsidiaries are wholly owned trading subsidiaries of the Company which has been incorporated for the sole purpose of serving as an investment vehicle for the Sub-funds. The Subsidiaries invest the funds received from the subscription of the Profit Participating Notes (“PPNs”) in the Eligible Assets. The Subsidiaries provides investment management services to the Sub-funds, including the buying and selling of assets and managing the portfolio on a fair value basis.

The Directors’ are satisfied that the Subsidiaries do not meet the definition of an investment entity and therefore it is appropriate for the Sub-funds to consolidate the Subsidiaries underneath.

2. Accounting Policies (continued)

(b) Standards and amendments to existing standards adopted during the year

The following new standards, amendments to existing standards and interpretations became effective during the year and were adopted to the extent applicable:

IFRS 9, Financial instrument: Classification and Measurement

The Company adopted IFRS 9, *Financial instruments: Classification and Measurement* on its effective date 1 January 2018. IFRS 9 replaces IAS 39 *Financial Instruments: Recognition and Measurement* and introduces new requirements for classification and measurement, impairment and hedge accounting. IFRS 9 is not applicable to items that have already been derecognised at 1 January 2018, the date of initial application.

a) *Classification and measurement*

The Company has assessed the classification of financial instruments as at the date of initial application and has applied such classification retrospectively. Based on that assessment:

- All financial assets previously held at fair value continue to be measured at fair value.
- Debt instruments and equity instruments, other than investments in subsidiaries and associates, are acquired for the purpose of generating short-term profit. Therefore, they meet the held-for-trading criteria and are required to be measured at FVPL.
- Financial assets previously classified as loans and receivables are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. Thus, such instruments continue to be measured at amortised cost less impairment under IFRS 9.

b) *Impairment*

IFRS 9 requires the Company to record Estimated Credit Losses (“ECLs”) on all of its financial assets measured at amortised cost, including loans and receivables, either on a 12-month or lifetime basis. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

IFRS 9 outlines a ‘stage’ model for impairment based on changes in credit quality since initial recognition. ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). Given the exposure of the fund to credit risk, this amendment has had a material impact on the financial statements and therefore recognises a loss allowance based on lifetime ECLs at each reporting date.

c) *Adoption*

The classification and measurement requirements of IFRS 9 have been adopted using the modified retrospective approach as of the date of initial application on 1 January 2018, and the Company has chosen to take advantage of the option not to restate comparatives. Therefore, the 2017 figures are presented and measured under IAS 39.

The application of the ECL model under IFRS 9 has not significantly changed the carrying amounts of the Company’s amortised cost financial assets. An ECL allowance of €2,876,127 has been recorded as at 1 January 2018 against the Company’s financial assets amortised cost compared to no impairment recorded under IAS 39.

AXA IM Loan Fund, AXA IM Global Loan Opportunity Fund and AXA IM Global Secured Assets Fund I’s financial instruments are all measured at fair value and continue to be measured at fair value under IFRS 9.

2. Accounting Policies (continued)

(b) Standards and amendments to existing standards adopted during the year

IFRS 15, Revenue from Contracts with Customers

The Company has adopted IFRS 15, *Revenue from Contracts with Customers* on its effective date of 1 January 2018. IFRS 15 establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The adoption of IFRS 15 has had no material impact on the financial statements of the Company.

(c) Standards and amendments to existing standards that are not yet effective

The following new standard, amendments to existing standards and interpretations in issue are not yet effective for the year ended 31 December 2018 and have not been applied in preparing these Consolidated Financial Statements. See below for the standard and applicable dates:

IFRIC Interpretation 23 - Uncertainty over Income Tax Treatment

The interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of IAS 12 and does not apply to taxes or levies outside the scope of IAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately;
- The assumptions an entity makes about the examination of tax treatments by taxation authorities;
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates;
- How an entity considers changes in facts and circumstances.

An entity must determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed.

The interpretation is effective for annual reporting periods beginning on or after 1 January 2019, but certain transition reliefs are available. Management is currently assessing the impact to the consolidated financial statements.

At the date of authorisation of the audited consolidated financial statements there were a number of other Standards and Interpretations which were in issue but not yet effective. Management anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the audited consolidated financial statements of the Company.

(d) Income Recognition

Interest on financial instruments held at fair value through profit or loss for the year are credited to net gains on financial assets and liabilities at fair value through profit or loss in the Consolidated Statement of Comprehensive Income. Interest income from financial assets at amortised cost is recognised using the effective interest method in the Consolidated Statement of Comprehensive Income as Interest Income. Interest income on financial assets at fair value is recorded at the coupon amount receivable.

2. Accounting Policies (continued)

(e) Valuation of Investments

In the current year the Company has adopted IFRS 9 *Financial instruments Classification and Measurement*. See note 2(b) for an explanation of the impact. Comparative figures for the year ended 31 December 2017 have not been restated. Therefore, financial instruments in the comparative year are still accounted for in accordance with IAS 39 *Financial Instruments: Recognition and Measurement*.

Financial assets and liabilities at fair value through profit or loss

The Group classifies its investments as financial assets and liabilities at fair value through profit or loss. This category has two sub-categories: (a) financial assets and liabilities held for trading; and (b) those designated by management at fair value through profit or loss at inception. Financial assets or liabilities held for trading are acquired or incurred principally for the purpose of selling or repurchasing in the short term. Derivatives are also categorised as held for trading as the Group does not designate any derivatives as hedges in a hedging relationship.

The fair value of investments which are quoted, listed or traded on an exchange are valued at closing price.

The value of any security or loan which is not quoted, listed or dealt in on an exchange or which is so quoted, listed or dealt but for which no such quotation or value is available or the available quotation or value is not representative of the fair market value shall be the probable realization value as estimated with care and good faith by management. The Group's policy is to obtain a marked to market valuation of the assets from an independent valuation counterparty; if no such valuation is available, the Group will seek to obtain one or more broker prices as valuations for the securities. If no such broker prices are available, then the Group may appoint the Investment Manager as the competent person for the purposes of valuing the securities. Where reliable market quotations are not available for fixed income securities the value of such securities may be determined using matrix methodology compiled by the Directors whereby such securities are valued by reference to the valuation of other securities which are comparable in rating, yield, due date and other characteristics.

All financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are included in 'Net gains on financial assets and liabilities at fair value through profit or loss' in the Consolidated Statement of Comprehensive Income.

Financial assets and financial liabilities designated at fair value through profit or loss at inception are financial instruments that are not classified as held for trading but are managed, and their performance is evaluated on a fair value basis in accordance with the Group's documented investment strategy.

Subsequent to initial recognition all financial assets and liabilities at fair value through profit or loss are measured at fair value.

Gains and losses arising from changes in the fair value of the 'financial assets/liabilities at fair value through profit or loss' category are included in the Consolidated Statement of Comprehensive Income in the year in which they arise.

The Group's policy requires the Alternative Investment Fund Manager and the Directors to evaluate the information about these financial assets and liabilities on a fair value basis together with other related financial information.

As at 31 December 2018 and 31 December 2017 the financial assets and liabilities at fair value through profit or loss were held for trading.

In respect of the AXA IM Loan Fund as at 31 December 2018, €52,386,491, 5.93% (2017: €59,296,807, 6.21%) of the financial assets at fair value through profit or loss were held in positions which were not regularly traded or had pricing inputs in markets that were not considered to be active. These assets were fair valued using bid prices from Markit.

2. Accounting Policies (continued)

(e) Valuation of Investments (continued)

In respect of the AXA IM European Middle-Market Debt Fund as at 31 December 2018 €150,854,667, 25.49% (2017: €72,368,882, 96.75%) of the financial assets at fair value through profit or loss were held in positions which were not regularly traded or had pricing inputs in markets that were not considered to be active. These assets were valued based on confirmation of unaudited net asset value from the underlying administrator.

In respect of the AXA IM Global Loan Opportunity Fund US\$13,117,932, 32.37% (2017: US\$2,368,392, 13.10%) of the financial assets at fair value through profit or loss were held in positions which were not regularly traded or had pricing inputs in markets that were not considered to be active. These assets were fair valued using bid prices from Markit.

In respect of the AXA IM Global Secured Assets Fund I £45,109,963, 12.17% (2017: n/a) of the financial assets at fair value through profit or loss were held in positions which were not regularly traded or had pricing inputs in markets that were not considered to be active. These assets were fair valued using bid prices from Markit.

The Sub-funds' invest in and trade through the Subsidiaries by means of a Profit Participating Note which are held at fair value in AXA IM Loan Fund, AXA Global Loan Opportunity Fund and AXA IM Global Secured Assets Fund I. The Profit Participating Note is held at amortised cost for AXA IM European Middle-Market Debt Fund.

Recognition and derecognition of assets

Regular-way purchases and sales of investments are recognised on the trade date, which is the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Group has transferred substantially all risks and rewards of ownership.

Financial assets and liabilities are offset and the net amount reported in the Consolidated Statement of Financial Position when there is a legally enforceable right to set-off the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liability simultaneously. No netting occurred during the year ended 31 December 2018 or 31 December 2017.

(f) Financial assets at amortised costs less impairment

Financial assets at amortised cost less impairment: IAS 39

The Group recognises some of its assets held for a 'Buy and Hold' strategy at amortised cost less impairment. They are initially measured at fair value, net of any fee income received or receivable. Fee income received or receivable is subsequently amortised. The discount or premium is subsequently amortised over the life of the asset under the effective interest method.

The assets are assessed for impairment every quarter by the Alternative Investment Fund Manager as to whether there is objective evidence that a loan is impaired. If there is objective evidence (such as significant financial difficulty of the debtor, missed interest payments, a breach of loan contract or a loan covenant, or it has become probable that the debtor will enter bankruptcy) the loan is tested for impairment. The amount of the loss is measured as the difference between the loan's carrying amount and the present value of estimated future cash flows discounted at the loan's original effective interest rate. The carrying amount of the loan is reduced through the use of an allowance account. Any losses arising due to impairment are included in the Consolidated Statement of Comprehensive Income in the year in which they arise.

Financial assets at amortised cost less impairment: IFRS 9

IFRS 9 replaces the 'incurred loss' model in IAS 39 with a forward-looking 'expected credit loss' (ECL) model. This requires considerable judgement about how changes in economic factors affect ECLs, which will be determined on a probability-weighted basis.

The new impairment model applies to financial assets measured at amortised cost from 1 January 2018.

2. Accounting Policies (continued)

(f) Financial assets at amortised costs less impairment (continued)

Financial assets at amortised cost less impairment: IFRS 9 (continued)

IFRS 9 outlines a 'stage' model for impairment based on changes in credit quality since initial recognition.

The amount of the ECL is measured as the difference between the loan's carrying amount and the present value of estimated future cash flows discounted at the loan's original effective interest rate. The carrying amount of the loan is reduced through the use of an allowance account. Any losses arising due to impairment are included in the Consolidated Statement of Comprehensive Income in the year in which they arise.

The Company has estimated that application of IFRS 9's impairment requirements would have resulted in an impairment provision of €2,876,127 as at 1 January 2018 for AXA IM European Middle-Market Debt Fund (2017: €Nil (calculated in accordance with IAS 39)).

Expected credit loss measurement

- IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:
- A financial asset that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by Management.
- If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial asset is moved to 'Stage 2' but is not yet deemed to be credit-impaired.
- If the financial asset is credit-impaired, the financial asset is then moved to 'Stage 3'.
- Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Assets in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis.
- A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward- looking information.

Significant increase in credit risk

Management presume a financial asset to have experienced a significant increase in credit risk (credit deterioration) when the rating of the borrower has fallen when there is a downgrade of three notches or more for an asset rated B- or above, and a downgrade of one notch for an asset measured CCC+ and below.

The fair value of financial assets held at amortised cost as at 31 December 2018 was €434,695,287 (2017: €247,003,938).

Recognition and derecognition of assets

Regular-way purchases and sales of financial assets at amortised cost are recognised on the trade date, which is the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Group has transferred substantially all risks and rewards of ownership. Subsequent to initial recognition all financial assets and liabilities at amortised cost are measured at at amortised cost respectively, in accordance with the policy above.

(g) Realised and Unrealised Gains and Losses

All realised and unrealised gains and losses on securities are recognised as net gains on financial assets and liabilities at fair value through profit or loss in the Consolidated Statement of Comprehensive Income. The cost of securities sold is accounted for on a first-in first-out basis.

2. Accounting Policies (continued)

(h) Foreign Currency

Items included in the Sub-funds financial statements are measured using the currency of the primary economic environment in which it operates (the "Functional Currency"). AXA IM Loan Fund and AXA IM European Middle-Market Debt Fund are presented in Euro ("€"), AXA IM Global Loan Opportunity Fund in US Dollar ("US\$") and AXA IM Global Secured Assets Fund I in British Pound ("£") reflecting the fact that the Subsidiaries portfolios are mainly invested in €, US\$ and £ respectively, are hedged in €, US\$ and £ and transactions are denominated primarily in €, US\$ and £ respectively. The Group's Functional Currency is € and the Group has also selected € as the currency in which it presents its Consolidated Financial Statements.

Transactions during the year denominated in foreign currencies have been translated at the rates of exchange ruling at the dates of the transactions. Assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Consolidated Statement of Financial Position date. For foreign currency investment transactions and for foreign currency investments held at the year end the resulting profits or losses are recognised as net gains on financial assets and liabilities at fair value through profit or loss in the Consolidated Statement of Comprehensive Income.

(i) Cash and Cash Equivalent, Cash Collateral and Restricted Cash

Cash and cash equivalents and cash collateral include cash on hand with original maturities of three months or less. Restricted cash is transferred from a Subsidiary to a Sub-fund to cover the payment of the dividend declared and unpaid at the year end. Cash and cash equivalents also includes cash invested in money market funds held with Goldman Sachs.

(j) Profit Participating Note Agreement

The Sub-funds invest their assets in the Subsidiaries. In consideration, the Sub-funds and the Subsidiaries have entered into a Profit Participation Note Agreement whereby the Subsidiaries will grant a profit participation right to the Sub-funds which entitles the Sub-funds to the payment of an interest linked to the net profits/losses of the Subsidiaries arising on the underlying assets of the Subsidiaries. Payments may be made on or before notified payment dates and the Sub-funds may also be entitled to a payment, equivalent to the liquidation surplus arising on the liquidation of the Subsidiaries.

"Interest" means (i) the amount of 100% of the greater of the accumulated net profits/losses (before calculating the Interest) of the Subsidiaries computed as of any time of determination under generally applicable accounting standards then applicable to the Subsidiary less an annual reserved profit for the Subsidiaries of up to €1,000 (the US\$ and GBP equivalent of €1,000 in the case of AXA IM Global Loan Opportunity Fund and AXA IM Global Secured Assets Fund, respectively) at the discretion of the Subsidiaries; and (ii) the accumulated taxable profits/losses (before calculating the Interest) of the Subsidiaries having properly accrued for all other income (including any gains or losses or deemed gains, if any) and expense items as computed under Irish taxation principles less an annual reserved profit for the Subsidiaries of up to €1,000 (each) (the US\$ and GBP equivalent of €1,000 in the case of AXA IM Global Loan Opportunity Fund and AXA IM Global Secured Assets Fund, respectively) at the discretion of the Subsidiaries, as may be adjusted to allow for the Interest and/or any return of principal to be paid to the Sub-Funds from time to time.

The Subsidiaries may pay the Interest to the Sub-Funds from time to time at its discretion. The Subsidiaries may at any time compulsorily redeem the Profit Participating Notes, in whole or in part. The interest on the Profit Participating Notes has been eliminated in the Consolidated Financial Statements.

The Sub-funds' invest in and trade through the Subsidiaries by means of a Profit Participating Note which are held at fair value in AXA IM Loan Fund, AXA Global Loan Opportunity Fund, AXA IM Global Secured Assets Fund I and AXA IM European Middle-Market Debt Fund (31 December 2017: the Profit Participating Note was held at amortised cost for AXA IM European Middle-Market Debt Fund).

2. Accounting Policies (continued)

(j) Profit Participating Note Agreement (continued)

During the year the AXA IM Loan Fund transferred €235,253,918 (2017: €383,001,357) to the AXA IM Loan Fund Limited and received repayment of principal totaling €296,233,465 (2017: €141,106,525). At 31 December 2018 the principal amount outstanding plus accrued interest was €930,957,883 (2017: €992,421,029).

During the year the AXA IM European Middle-Market Debt Fund transferred €320,000,000 (2017: €314,868,674) to the AXA IM European Middle-Market Debt DAC and received repayment of principal totaling €25,295,001 (2017: €2,775,284). At 31 December 2018 the principal amount outstanding plus accrued interest was €639,836,041 (2017: €328,452,937).

During the year the AXA IM Global Loan Opportunity Fund transferred US\$28,005,155 (2017: US\$16,700,000) to the AXA IM Global Loan Opportunity Fund DAC and received repayment of principal totaling US\$456,024 (2017: US\$Nil). At 31 December 2018 the principal amount outstanding plus accrued interest was US\$44,529,119 (2017: US\$16,683,918).

During the year the AXA IM Global Secured Assets Fund I transferred £220,245,959 (2017: £Nil) to the AXA IM Global Secured Assets DAC and received repayment of principal totaling £520,765 (2017: £Nil). At 31 December 2018 the principal amount outstanding plus accrued interest was £219,725,195 (2017: £Nil).

(k) Dividends to Holders of Redeemable Participating Shares

Proposed dividends to holders of redeemable participating shares are recognised in the Consolidated Statement of Comprehensive Income when they are appropriately authorised and no longer at the discretion of the Company.

(l) Redeemable Participating Shares

Redeemable participating shares are redeemable at the holder's option and do have identical rights. Such shares are classified as financial liabilities. Redeemable participating shares can be put back to the Sub-fund at any time for cash equal to a proportionate share of the Sub-fund's Net Asset Value Attributable to the share class. The redeemable participating shares are carried at the redemption amount that is payable at the Consolidated Statement of Financial Position date if the holder exercises the right to put the share back to the Sub-fund.

(m) Interest income/(expense)

Interest income/(expense) is recognised in the Statement of Comprehensive Income on accrual basis using an effective yield basis.

(n) Receivables for Investments Sold/Payables for Investments Purchased

Receivables for investments sold and payable for investments purchased represent obligations of the Group to receive proceeds from the sale of or purchase the securities at trade date market prices. Possession of securities owned is maintained by major multinational agent banks as at 31 December 2018 and 2017.

The Group has adopted trade date accounting in respect of its financial assets and liabilities at fair value through profit or loss. Committed trades arise in cases where a trade has been entered into before the Consolidated Statement of Financial Position date but which has not yet settled.

Unsettled purchase trades are recorded within the 'Payable for investments purchased' line within liabilities and unsettled sell trades are recorded within the 'Receivables for investments sold' line within assets.

2. Accounting Policies (continued)

(o) Taxation

Under current Irish law and practice, the Sub-funds qualify as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended. On that basis Irish tax is not chargeable to the Sub-funds on their income or capital gains.

The Company will not be liable to Irish tax in respect of its income and gains, other than on the occurrence of a chargeable event. A chargeable event includes any distribution to Shareholders or any encashment, redemption or transfer of shares or appropriation or cancellation of shares, or a deemed disposal of shares every 8 years beginning from the date of the acquisition of those shares, but does not occur in respect of:

- (a) Shareholders who are neither Irish Resident nor Irish Ordinary Resident for tax purposes at the time of the chargeable event and who have provided the Company with a relevant declaration to that effect; and
- (b) certain exempted Irish tax resident Shareholders who have provided the Company with the necessary signed statutory declarations.

A chargeable event does not include:

- any transaction in relation to shares held in a recognised clearing system as designated by order of the Revenue Commissioners of Ireland;
- an exchange by a Shareholder, effected by way of an arm's length bargain where no payment is made to the Shareholder of shares in the Company for other shares in the Company;
- an exchange of shares arising on a qualified amalgamation or reconstruction of a Sub-fund with another Sub-fund; or
- a transfer by a Shareholder of the entitlement to a Share where the transfer is between spouses and former spouses, subject to certain conditions.

In the absence of an appropriate declaration, the Company will be liable for Irish tax on the occurrence of a chargeable event and the Company reserves its right to withhold such taxes from Shareholders. Capital gains, dividends and interest received by the Company may be subject to taxes, including withholding taxes in the countries in which the issuers of investments are located. Such taxes may not be recoverable by the Company or its Shareholders.

3. Alternative Investment Fund Manager, Administration and Depositary Fees

The Company has appointed AXA Investment Managers Paris (the "Alternative Investment Fund Manager") as the Alternative Investment Fund Manager of the Group. BNY Mellon Trust Company (Ireland) Limited (the "Depositary") carries out the custodial functions around the safekeeping of assets, trustee duties and the operation and maintenance of bank accounts. The Company has delegated its administration and share registration functions to BNY Mellon Fund Services (Ireland) Designated Activity Company (the "Administrator").

AXA IM Loan Fund

The Sub-fund shall pay the Alternative Investment Fund Manager an annual fee 0.425% in respect of Class I EUR Distribution Shares and 0.55% of the Net Asset Value in respect of all the other classes of the Fund, which accrues daily and is payable monthly in arrears. The Alternative Investment Fund Manager is entitled to be reimbursed by the Sub-fund for reasonable and properly vouched out-of-pocket expenses incurred by it and any VAT on fees and expenses payable to or by it.

With respect to the Sub-fund, the Administrator is entitled to an annual fee of up to 0.08% on the first €100 million of the Net Asset Value, 0.075% on the Net Asset Value from €100 million to €300 million and 0.07% on any Net Asset Value, greater than €300 million. This is subject to a minimum annual fee of €85,000 and in each case plus any applicable VAT. The fee is calculated and accrued on a monthly basis and is payable monthly in arrears. The Administrator is entitled, in addition, to an annual fee of up to €3,500 per Class in respect of any Class the Reference Currency of which is the Base Currency and €4,725 per annum for any other Class. In addition, with respect to the Subsidiary, the Administrator is entitled to an annual administration fee of 0.03% of the Net Asset Value of the Subsidiary, subject to a minimum annual fee of €40,000, in each case plus any applicable VAT, calculated and accrued on a monthly basis and is payable monthly in arrears.

3. Alternative Investment Fund Manager, Administration and Depositary Fees (continued)

AXA IM Loan Fund (continued)

The Administrator is reimbursed out of the assets of the Sub-fund to its reasonable and properly vouched out-of-pocket expenses.

The Depositary is entitled to an annual fee of 0.02% of the Net Asset Value of the Sub-fund, subject to a minimum annual fee of €14,000 for the Sub-fund and in each case plus any applicable VAT. The fee is calculated and accrued on a monthly basis and is payable monthly in arrears. The Depositary is also entitled to be reimbursed all reasonable and properly vouched out-of-pocket expenses as agreed in advance with the Company and any reasonable and properly vouched out-of-pocket expenses of any sub-custodians appointed by the Depositary, which fees will be charged at normal commercial rates.

During the period the AXA IM Loan Fund was charged management fees of €5,376,703 (2017: €4,875,018), of which €1,821,967 (2017: €2,574,898) were payable at year end.

During the period the AXA IM Loan Fund and AXA IM Loan Limited were charged administration and depositary fees of €599,943 (2017: €698,108), of which €569,321 (2017: €504,299), was payable at year end.

AXA IM European Middle-Market Debt Fund

For each investment in Debt Instruments made on a co-investment basis ("Co-Invested Debt Instruments"), the Sub-fund shall pay to the AIFM semi-annually within 10 Business Days of the 31 March and the 30 September a fee equal to 0.30% of the notional amount of such Co-Invested Debt Instruments.

As at 31 December 2018, AXA IM European Middle-Market Debt Fund had Co-Invested Debt Instruments with a value of €30,401,067 (2017: €32,476,105).

For each other investment in Debt Instruments not made on a co-investment basis ("Non Co-Invested Debt Instrument(s)"), the Fund shall pay to the AIFM an annual fee equal to:

- (i) 0.50% of the notional amount of the Non Co-Invested Debt Instruments having an aggregate notional amount of less than four hundred million euros (€400,000,000); and
- (ii) 0.40% of the notional amount of the Non Co-Invested Debt Instruments having an aggregate notional amount equal to or in excess of four hundred million euros (€400,000,000).

The Alternative Investment Fund Manager is entitled to be reimbursed by the Sub-fund for reasonable and properly vouched out-of-pocket expenses incurred by it and any VAT on fees and expenses payable to or by it.

With respect to the Sub-fund, The Administrator is entitled to a one-off acceptance fee of €12,500 payable following the launch of the Fund, plus an annual fee of up to 0.04% of the Net Asset Value, subject to an annual fixed fee of €5,000 per set of financial statements, in each case plus any applicable VAT. The fee is calculated and accrued on a quarterly basis and is payable quarterly in arrears.

As transfer agent for the Fund, the Administrator is entitled to a fee of €120 per investor account, plus a fee of €20 per transaction. The Administrator shall be entitled out of the assets of the Sub-fund to its reasonable and properly vouched out-of-pocket expenses.

The Depositary is entitled to an annual fee for its services to the Fund under the Depositary Agreement, which shall be determined as follows:

- If the Net Asset Value of the Fund is below one hundred and twenty five million euros (€125,000,000), the Depositary is entitled to an annual fee of 0.03% of the Net Asset Value of the Fund, in any case plus any applicable VAT;
- If the Net Asset Value of the Fund is between one hundred and twenty five million euros (€125,000,000) and two hundred and fifty million euros (€250,000,000), the Depositary is entitled to an annual fee of 0.02% of the Net Asset Value of the Fund, in any case plus any applicable VAT;

3. Alternative Investment Fund Manager, Administration and Depositary Fees (continued)

AXA IM European Middle-Market Debt Fund (continued)

- If the Net Asset Value of the Fund exceeds two hundred fifty million euros (€250,000,000), the Depositary is entitled to an annual fee of 0.0150% of the Net Asset Value of the Fund, in any case plus any applicable VAT.

During the year the AXA IM European Middle-Market Debt Fund was charged management fees of €1,592,332 (2017: €527,202), of which €1,592,332 (2017: €378,533) were payable at year end.

During the year the AXA IM European Middle-Market Debt Fund and AXA IM European Middle-Market Debt DAC were charged administration and depositary fees of €234,858 (2017: €200,767), of which €324,360 (2017: €32,883) was payable at year end.

AXA IM Global Loan Opportunity Fund

The Sub-fund shall pay the Alternative Investment Fund Manager an annual management fee up to a maximum of 0.65% of the Net Asset Value of each Class, which shall accrue daily and shall be payable monthly in arrears and a performance fee as specified in each Class Supplement. The actual management fee and the performance fee to be charged to each Class will be specified in the respective Class Supplement. The Alternative Investment Fund Manager is entitled to be reimbursed by the Fund for reasonable and properly vouched out-of-pocket expenses incurred by it and any VAT on fees and expenses payable to or by it.

With respect to the Sub-fund, the Administrator is entitled to an annual fee of up to 0.06% of the Net Asset Value, subject to a minimum annual fee of US\$85,000, plus any applicable VAT. The fee is calculated and accrued on a monthly basis and is payable monthly in arrears.

The Administrator is entitled, in addition, to an annual fee of up to US\$5,000 per Class in respect of any Class the Reference Currency of which is the Base Currency and US\$7,500 per annum for any other Class.

As transfer agent for the Fund, the Administrator is entitled to an annual fee of US\$95 per investor account, plus an annual fee of US\$15 per transaction.

In addition, with respect to the Subsidiary, the Administrator is entitled to an annual fee of 0.025% of the Net Asset Value of the Subsidiary, subject to a minimum annual fee of US\$57,500 plus any applicable VAT, calculated and accrued on a monthly basis and is payable monthly in arrears.

The Administrator shall be entitled out of the assets of the Sub-fund to its reasonable and properly vouched out-of-pocket expenses.

The Depositary is entitled to an annual fee of 0.02% of the Net Asset Value of the Fund, subject to a minimum annual fee of US\$25,000 for the Fund, plus any applicable VAT. The fee is calculated and accrued on a monthly basis and is payable monthly in arrears.

The Depositary is also entitled to be reimbursed all reasonable and properly vouched out-of-pocket expenses as agreed in advance with the Company and any reasonable and properly vouched out-of-pocket expenses of any sub-custodians appointed by the Depositary, which fees will be charged at normal commercial rates.

During the year the AXA IM Global Loan Opportunity Fund was charged management fees of US\$226,603 (2017: US\$15,157), of which US\$162,487 (2017: US\$15,157) were payable at year end.

During the year the AXA IM Global Loan Opportunity Fund and AXA IM Global Loan Opportunity Fund DAC were charged administration and depositary fees of US\$145,328 (2017: US\$9,863), of which US\$50,014 (2017: US\$9,863) was payable at year end.

3. Alternative Investment Fund Manager, Administration and Depositary Fees (continued)

AXA IM Global Secured Assets Fund I

The Sub-fund shall pay the Alternative Investment Fund Manager an annual management fee up to a maximum of 0.50% of the Net Asset Value of each Class, which shall accrue daily and shall be payable monthly in arrears. The actual management fee to be charged to each Class will be specified in the respective Class Supplement. The Alternative Investment Fund Manager is entitled to be reimbursed by the Fund for reasonable and properly vouched out-of-pocket expenses incurred by it and any VAT on fees and expenses payable to or by it.

With respect to the Sub-fund, the Administrator is entitled to an annual fee of up to 0.06% of the Net Asset Value, subject to a minimum annual fee of £70,000, plus any applicable VAT. The fee is calculated and accrued on a quarterly basis and is payable quarterly in arrears.

The Administrator is entitled, in addition, to an annual fee of up to £4,200 per Class in respect of any Class the Reference Currency of which is the Base Currency and £6,200 per annum for any other Class.

As transfer agent for the Fund, the Administrator is entitled to an annual fee of £80 per investor account, plus an annual fee of £12.50 per transaction.

In addition, with respect to the Subsidiary, the Administrator is entitled to an annual fee of 0.03% of the Net Asset Value of the Subsidiary, subject to a minimum annual fee of £60,000 plus any applicable VAT, calculated and accrued on a quarterly basis and is payable quarterly in arrears.

The Administrator shall be entitled out of the assets of the Sub-fund to its reasonable and properly vouched out-of-pocket expenses.

The Depositary is entitled to an annual fee of 0.02% of the Net Asset Value of the Fund, subject to a minimum annual fee of £20,000 for the Fund, plus any applicable VAT. The fee is calculated and accrued on a quarterly basis and is payable quarterly in arrears.

The Depositary is also entitled to be reimbursed all reasonable and properly vouched out-of-pocket expenses as agreed in advance with the Company and any reasonable and properly vouched out-of-pocket expenses of any sub-custodians appointed by the Depositary, which fees will be charged at normal commercial rates.

During the period AXA IM Global Secured Assets Fund I was charged management fees of £89,051 (2017: n/a), of which £89,051(2017: n/a) were payable at period end.

During the period the AXA IM Global Loan Opportunity Fund and AXA IM Global Loan Opportunity Fund DAC were charged administration and depositary fees of £25,744 (2017: n/a), of which £25,744 (2017: n/a), was payable at period end.

Details of Alternative Investment Fund Manager's fees, administration and custody fees incurred by the Group during the year ended 31 December 2018 are shown in the Consolidated Statement of Comprehensive Income.

4. Derivative Contracts

The Subsidiaries may employ, utilise, acquire or dispose of derivative instruments and use techniques of all kinds for the investment or efficient portfolio management of the Subsidiaries' assets but will primarily limit these types of transactions to the hedging of currency exposure. The Subsidiaries will only transact over the counter derivatives with rated entities and in accordance with certain counterparty investment restrictions. In respect of the AXA IM Loan Fund there were 28 (2017: 24), in respect of AXA IM European Middle-Market Debt Fund there were 2 (2017: 3), in respect of AXA IM Global Loan Opportunity Fund there were 2 (2017: Nil) and in respect of AXA IM Global Secured Assets Fund I there were 24 (2017: n/a) open forward contracts held respectively as at 31 December 2018.

The realised and unrealised gains or losses arising from financial derivative transactions are included in 'Net gains on financial assets and liabilities at fair value through profit or loss' in the Consolidated Statement of Comprehensive Income.

5. Realised and Unrealised Gain/ (Loss) on Financial Assets and Liabilities at Fair Value Through Profit or Loss

<u>AXA IM Loan Fund</u>	31 December 2018	31 December 2017
	€	€
Interest income	41,696,206	33,706,081
Realised loss on financial assets and liabilities at fair value through profit or loss	(13,878,471)	(72,181,940)
Realised (loss)/gain on forward currency contracts and foreign currencies	(15,907,037)	57,267,367
Net change in unrealised depreciation on financial assets and liabilities at fair value through profit or loss	(3,789,972)	(5,414,408)
Net change in unrealised depreciation on forward currency contracts and foreign currencies	(3,253,131)	(9,965,399)
	4,867,595	3,411,701

<u>AXA IM European Middle-Market Debt Fund</u>	31 December 2018	31 December 2017
	€	€
Interest income	3,813,453	6,796,966
Realised gain/(loss) on financial assets and liabilities at fair value through profit or loss	-	(4,542,797)
Realised (loss)/gain on forward currency contracts and foreign currencies	3,561,379	3,747,661
Net change in unrealised appreciation on financial assets and liabilities at fair value through profit or loss	-	198,280
	7,374,832	6,200,110

<u>AXA IM Global Loan Opportunity Fund</u>	31 December 2018	31 December 2017*
	US\$	US\$
Interest income	2,713,183	3,644
Realised loss on financial assets and liabilities at fair value through profit or loss	(2,533,035)	(15,000)
Realised gain/(loss) on forward currency contracts and foreign currencies	212,720	-
Net change in unrealised (depreciation)/appreciation on financial assets and liabilities at fair value through profit or loss	(466,598)	-
Net change in unrealised appreciation on forward currency contracts and foreign currencies	6,670	-
	(67,060)	(11,356)

* AXA IM Global Loan Opportunity Fund was registered with the Central Bank of Ireland on 23 October 2017 and commenced its operations on 3 November 2017.

5. Realised and Unrealised Gain/ (Loss) on Financial Assets and Liabilities at Fair Value Through Profit or Loss (continued)

<u>AXA IM Global Secured Assets Fund I</u>	31 December 2018*
	£
Interest income	281,216
Realised gain on financial assets and liabilities at fair value through profit or loss	249,282
Realised loss on forward currency contracts and foreign currencies	(776,114)
Net change in unrealised appreciation on financial assets and liabilities at fair value through profit or loss	654
Net change in unrealised depreciation on forward currency contracts and foreign currencies	(381)
	<u>(245,343)</u>

* AXA IM Global Secured Assets Fund I was registered with the Central Bank of Ireland on 22 October 2018 and commenced its operations on 8 November 2018.

6. Net Assets Attributable to Holders of Redeemable Participating Shares

<u>AXA IM Loan Fund</u>	Net Assets Attributable to Holders of Redeemable Participating Shares	Number of Redeemable Participating Shares in Issue	Net Asset Value per Redeemable Participating Share
31 December 2018			
Class I EUR Distribution Shares	€50,196,064	52,320,555	€0.96
Class A EUR Distribution Shares	€361,386,184	378,385,803	€0.96
Class A STG Accumulation Shares	£133,495,068	108,140,853	£1.23
Class A EUR Accumulation Shares	€213,669,050	188,700,748	€1.13
Class A USD Distribution Shares	US\$28,849,393	30,000,000	US\$0.96
Class A CHF Accumulation Shares	CHF43,468,216	41,902,521	CHF1.04
Class A USD Accumulation Shares	US\$0	-	US\$0.00
Class A CHF Distribution Shares	CHF12,064,513	12,500,000	CHF0.97
Class A STG Distribution Shares	£61,203,367	62,600,000	£0.98
31 December 2017			
Class I EUR Distribution Shares	€98,104,992	99,036,982	€0.99
Class A EUR Distribution Shares	€373,956,620	379,151,583	€0.99
Class A STG Accumulation Shares	£177,161,276	143,863,644	£1.23
Class A EUR Accumulation Shares	€182,175,339	159,585,886	€1.14
Class A CHF Accumulation Shares	CHF110,514,769	105,063,928	CHF1.05
Class A USD Accumulation Shares	€17,927,287	17,669,073	€1.01
31 December 2016			
Class I EUR Distribution Shares	€99,425,403	99,036,982	€1.00
Class A EUR Distribution Shares	€284,257,732	283,843,467	€1.00
Class A STG Accumulation Shares	£120,203,352	99,810,781	£1.20
Class A EUR Accumulation Shares	€144,724,658	128,615,157	€1.13
Class A CHF Accumulation Shares	CHF82,139,281	78,833,529	CHF1.04
Class B EUR Accumulation Shares	€3,800,830	3,778,254	€1.01

AXA IM Strategies PLC**Notes to the Financial Statements for the year ended 31 December 2018 (continued)****6. Net Assets Attributable to Holders of Redeemable Participating Shares (continued)****AXA IM European Middle-Market Debt Fund**

	Net Assets Attributable to Holders of Redeemable Participating Shares	Number of Redeemable Participating Shares in Issue	Net Asset Value per Redeemable Participating Share
31 December 2018			
Class A EUR Distribution Shares	€637,801,030	6,359,027	€100.30
31 December 2017			
Class A EUR Distribution Shares	€327,894,830	3,231,171	€101.48
31 December 2016			
Class A EUR Distribution Shares	€45,858,508	455,432	€100.69

AXA IM Global Loan Opportunity Fund

	Net Assets Attributable to Holders of Redeemable Participating Shares	Number of Redeemable Participating Shares in Issue	Net Asset Value per Redeemable Participating Share
31 December 2018			
Class A USD Distribution Shares	US\$44,261,591	45,031,550	US\$0.98
31 December 2017			
Class A USD Distribution Shares	US\$29,931,846	30,027,049	US\$1.00

AXA IM Global Secured Assets Fund I

	Net Assets Attributable to Holders of Redeemable Participating Shares	Number of Redeemable Participating Shares in Issue	Net Asset Value per Redeemable Participating Share
31 December 2018			
Class A GBP Distribution Shares	£219,610,225	220,025	£998.12

7. Redeemable Shares

The authorised share capital of the AXA IM Strategies PLC is 500,000,000,000 Participating Shares of no par value and €2 divided into 2 redeemable non-participating shares of €1.00 each. The minimum issued share capital of AXA IM Strategies PLC is 2 redeemable non-participating shares of €1.00 each. The maximum issued share capital of the AXA IM Strategies PLC is 2 redeemable non-participating Shares of €1.00 each and 500,000,000,000 Participating Shares of no par value.

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 AXA IM Strategies PLC. The Directors have the power to allot shares in the capital of AXA IM Strategies PLC on such terms and in such manner as they may think fit.

There are two non-participating shares currently in issue which were initially taken by the subscribers to AXA IM Strategies PLC and are now held by two related companies within the AXA Group.

7. **Redeemable Shares (continued)**

AXA IM Loan Fund

Transactions in the issued Shares during the year ended 31 December 2018 and 31 December 2017 were as follows:

	Class I EUR Distribution Shares	Class A EUR Distribution Shares	Class A STG Accumulation Shares	Class A EUR Accumulation Shares
Shares in issue 1 January 2018	99,036,982	379,151,583	143,863,644	159,585,886
Subscriptions for year	3,003,905	41,536,095	-	76,799,731
Redemptions for year	(49,720,331)	(42,301,876)	(35,722,791)	(47,684,869)
Shares in issue 31 December 2018	52,320,556	378,385,803	108,140,853	188,700,748
	Class A USD Distribution Shares	Class A CHF Accumulation Shares	Class A USD Accumulation Shares	Class A CHF Distribution Shares
Shares in issue 1 January 2018	30,000,000	105,063,928	17,669,073	-
Subscriptions for year	-	-	3,427,131	12,500,000
Redemptions for year	-	(63,161,406)	(21,096,204)	-
Shares in issue 31 December 2018	30,000,000	41,902,522	-	12,500,000
	Class A STG Distribution Shares			
Shares in issue 1 January 2018	-			
Subscriptions for year	62,600,000			
Redemptions for year	-			
Shares in issue 31 December 2018	62,600,000			
	Class I EUR Distribution Shares	Class A EUR Distribution Shares	Class A STG Accumulation Shares	Class A EUR Accumulation Shares
Shares in issue 1 January 2017	99,036,982	283,843,467	99,810,781	128,615,157
Subscriptions for year	-	101,522,298	44,052,863	125,316,878
Redemptions for year	-	(6,214,182)	-	(94,346,149)
Shares in issue 31 December 2017	99,036,982	379,151,583	143,863,644	159,585,886
	Class A USD Distribution Shares	Class A CHF Accumulation Shares	Class B EUR Accumulation Shares	Class A USD Accumulation Shares
Shares in issue 1 January 2017	-	78,833,529	3,778,254	-
Subscriptions for year	30,000,000	26,230,399	-	17,954,634
Redemptions for year	-	-	(3,778,254)	(285,561)
Shares in issue 31 December 2017	30,000,000	105,063,928	-	17,669,073

7. **Redeemable Shares (continued)**

AXA IM European Middle-Market Debt Fund

AXA IM European Middle-Market Debt Fund comprises of Class A EUR Distribution Shares which were issued on 30 December 2016.

Transactions in the issued Shares during the year ended 31 December 2018 and 31 December 2017 were as follows:

	Class A EUR Distribution Shares
Shares in issue 1 January 2018	3,231,171
Subscriptions for year	3,127,856
Redemptions for year	-
Shares in issue 31 December 2018	<u><u>6,359,027</u></u>
	Class A EUR Distribution Shares
Shares in issue 1 January 2017	455,432
Subscriptions for year	2,775,739
Redemptions for year	-
Shares in issue 31 December 2017	<u><u>3,231,171</u></u>

AXA IM Global Loan Opportunity Fund

AXA IM Global Loan Opportunity Fund comprises of Class A USD Accumulation Shares and Class A USD Distribution Shares which were issued on 3 November 2017. Class A USD Distribution Shares was the only share class in issue as at 31 December 2018 and 31 December 2017.

	Class A USD Distribution Shares
Shares in issue 1 January 2018	30,027,049
Subscriptions for year	15,004,501
Redemptions for year	-
Shares in issue 31 December 2018	<u><u>45,031,550</u></u>
	Class A USD Distribution Shares
Shares in issue 1 January 2017	-
Subscriptions for year	30,027,049
Redemptions for year	-
Shares in issue 31 December 2017*	<u><u>30,027,049</u></u>

*AXA IM Global Loan Opportunity Fund was registered with the Central Bank of Ireland on 23 October 2017 and commenced its operations on 3 November 2017.

7. Redeemable Shares (continued)

AXA IM Global Secured Assets Fund I

AXA IM Global Secured Assets Fund I comprises of Class A GBP Distribution Shares were issued on 8 November 2018.

Transactions in the issued Shares during the year ended 31 December 2018 were as follows:

	Class A GBP Distribution Shares
Shares in issue 1 January 2018	-
Subscriptions for year	220,025
Redemptions for year	-
Shares in issue 31 December 2018*	<u><u>220,025</u></u>

* AXA IM Global Secured Assets Fund I was registered with the Central Bank of Ireland on 22 October 2018 and commenced its operations on 8 November 2018.

The rights attaching to the Shares issued in any Class or Sub-fund may, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the Shareholders of three-quarters of the issued Shares of that Class or Sub-fund, or with the sanction of an ordinary resolution passed at a general meeting of the Shareholders of that Class or Sub-fund.

A resolution in writing signed by all the Shareholders and holders of non-participating shares for the time being entitled to attend and vote on such resolution at a general meeting of the Company shall be as valid and effective for all purposes as if the resolution had been passed at a general meeting of the Company duly convened and held and if described as a special resolution shall be deemed to be a special resolution.

The rights attaching to the Shares are not deemed to be varied by the creation, allotment or issue of any further Shares ranking pari passu with Shares already in issue. There are no rights of pre-emption upon the issue of Shares in the Company.

8. Related Party Transactions

At 31 December 2018, Mr. Jonathan Law, Mr. Donnacha O'Connor and Mr. Adrian Wrafter are Directors of the Company. Donnacha O'Connor is also a partner of Dillon Eustace, who acts as Irish legal advisors to the Company.

During the year Donnacha O'Connor, Jonathan Law and Adrian Wrafter charged the Group Directors' fees of €63,071 (2017: €37,456), of which €24,846 (2017: €13,288) was a payable at year end.

During the year fees of €55,572 (2017: €126,110) were paid by the Group to Dillon Eustace respect of legal fees incurred.

Details of all the management fees charged during the year and management fees payable as at 31 December 2018 per sub-fund are disclosed in note 3.

The Sub-funds invest their assets in their Subsidiaries. In consideration, the Sub-funds and their subsidiaries has entered into a Profit Participation Note Agreement whereby the Subsidiaries will grant a profit participation right to the Sub-funds which entitles the Sub-funds to the payment of a return linked to the net profits/losses of the Subsidiaries arising on the underlying assets of the Subsidiaries.

8. Related Party Transactions (continued)

During the year the AXA IM Loan Fund transferred €235,253,918 (2017: €383,001,357) to its subsidiary by means of the Profit Participating Note. During the year the AXA IM European Middle-Market Debt Fund transferred €320,000,000 (2017: €325,168,674) to the AXA IM European Middle-Market Debt Fund DAC. During the year the AXA IM Global Loan Opportunity Fund transferred US\$45,182,515 (2017: US\$10,700,000) to the AXA IM Global Loan Opportunity Fund DAC. During the year the AXA IM Global Secured Assets Fund I transferred £220,245,959 (2017: n/a) to the AXA IM Global Secured Assets DAC.

Payments are made on or before notified payment dates and the Sub-funds may also be entitled to a payment equivalent to the liquidation surplus arising on the liquidation of their Subsidiaries.

9. Risks Associated with Financial Instruments

The Group's activities expose it to a variety of financial risks: market risk (including other price risk, interest rate risk and currency risk), credit risk and liquidity risk.

The Group is also exposed to operational risks such as settlement and custody risk. Custody risk is the risk of loss of financial assets and liabilities held in custody occasioned by the insolvency or negligence of the custodian. Although an appropriate legal framework is in place that eliminates the risk of loss of value of the financial assets and liabilities held by the custodian, in the event of its failure, the ability of the Group to transfer the financial assets and liabilities might be temporarily impaired.

The Group's overall risk management programme seeks to maximise the returns derived for the level of risk to which the Group is exposed and seeks to minimise potential adverse effects on the Group's financial performance. All investments present a risk of loss of capital. The maximum loss of capital on debt securities is limited to the fair value of those positions. The maximum loss of capital on forward currency contracts is limited to the notional contract values of those positions.

(a) Market Risk

The Group uses different methods to measure and manage the various types of risk to which it is exposed; these methods are explained below.

Market risk embodies the potential for both losses and gains and includes price risk, currency risk and interest rate risk as detailed below.

i) Price Risk

Market price risk arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the Group might suffer through holding market positions in the face of price movements caused by factors specific to the individual investment or factors affecting all instruments traded in the market.

The global financial markets are subject to significant volatility which impact on the value of assets in which the Group invests. Global markets are connected and subject to contagion from various market sectors which may historically have appeared unrelated and, as such, are difficult for the Directors or the Alternative Investment Fund Manager to predict.

Some of the markets and asset classes in which the Group may invest may be less regulated than those in developed markets and may prove to be illiquid, insufficiently liquid or highly volatile from time to time. This may affect the price at which the Group may liquidate positions to make distributions to the Company under the Profit Participation Note Agreement (as defined in note 2(j)) or to enable the Company to meet shareholder payments or other funding requirements.

9. Risks Associated with Financial Instruments (continued)

(a) Market Risk (continued)

i) Price Risk (continued)

Price risk is mitigated by the Group's Alternative Investment Fund Manager by constructing a diversified portfolio of loans traded on various markets. The analysis and management of price risks are monitored and assessed at all stages in the investment selection process.

AXA IM Loan Fund

If the value of the transferable securities within financial assets at fair value through profit or loss at 31 December 2018 had increased by 5% with all other variables held constant, this would have increased Net Assets Attributable to Holders of Redeemable Participating Shares by approximately €44,026,405 (2017: €47,710,433).

Conversely, if their value had decreased by 5%, this would have decreased Net Assets Attributable to Holders of Redeemable Participating Shares by approximately €44,026,405 (2017: €47,710,433). This represents management's best estimate of a reasonable shift in value, having regard to historic market trends.

AXA IM European Middle-Market Debt Fund

If the value of the transferable securities within financial assets at fair value through profit or loss at 31 December 2018 had increased by 5% with all other variables held constant, this would have increased Net Assets Attributable to Holders of Redeemable Participating Shares by approximately €7,672,900 (2017: €3,740,037).

Conversely, if their value had decreased by 5%, this would have decreased Net Assets Attributable to Holders of Redeemable Participating Shares by approximately €7,672,900 (2017: €3,740,037). This represents management's best estimate of a reasonable shift in value, having regard to historic market trends.

AXA IM Global Loan Opportunity Fund

If the value of the transferable securities within financial assets at fair value through profit or loss at 31 December 2018 had increased by 5% with all other variables held constant, this would have increased Net Assets Attributable to Holders of Redeemable Participating Shares by approximately US\$2,025,695 (2017: US\$903,561).

Conversely, if their value had decreased by 5%, this would have decreased Net Assets Attributable to Holders of Redeemable Participating Shares by approximately US\$2,025,695 (2017: US\$903,561). This represents management's best estimate of a reasonable shift in value, having regard to historic market trends.

AXA IM Global Secured Assets Fund I

If the value of the transferable securities within financial assets at fair value through profit or loss at 31 December 2018 had increased by 5% with all other variables held constant, this would have increased Net Assets Attributable to Holders of Redeemable Participating Shares by approximately £9,821,136 (2017: n/a).

Conversely, if their value had decreased by 5%, this would have decreased Net Assets Attributable to Holders of Redeemable Participating Shares by approximately £9,821,136 (2017: n/a). This represents management's best estimate of a reasonable shift in value, having regard to historic market trends.

9. Risks Associated with Financial Instruments (continued)**(a) Market Risk (continued)****i) Price Risk (continued)**

The Group's financial assets were concentrated in the following industries as at 31 December 2018 and 31 December 2017:

AXA IM Loan Fund

Industry Type	2018 Fair Value €	% of Financial Assets	2017 Fair Value €	% of Financial Assets
Air transport	-	-	24,300,992	2.56
Building and development	-	-	21,352,992	2.25
Business equipment and services	171,893,383	19.46	148,766,196	15.68
Cable and satellite television	42,201,390	4.78	78,830,870	8.31
Chemical/plastics	65,070,554	7.37	53,572,475	5.64
Drugs	18,046,387	2.04	31,188,892	3.29
Electronics/electric	21,639,443	2.45	26,877,938	2.83
Food products	47,800,495	5.41	27,503,515	2.90
Food service	-	-	22,815,789	2.40
Food/drug retailers	27,632,346	3.13	29,938,084	3.15
Health care	141,520,732	16.02	111,687,445	11.77
Industrial equipment	-	-	27,915,610	2.94
Leisure goods/Activities/Movies	48,856,197	5.53	57,582,497	6.07
Publishing	29,314,875	3.32	48,216,687	5.08
Retailers (except food & drug)	22,061,327	2.50	36,003,350	3.79
Telecommunications	48,088,324	5.44	55,406,948	5.84
Utilities	23,144,740	2.62	-	-
Other*	176,121,750	19.94	147,078,442	15.50
Total	883,391,944	100.00	949,038,722	100.00

*No individual industry types are greater than 2% of the Net Assets.

9. **Risks Associated with Financial Instruments (continued)**

(a) **Market Risk (continued)**

i) **Price Risk (continued)**

AXA IM European Middle-Market Debt Fund

	2018	% of	2017	% of
Industry Type	Amortised Cost	Financial	Amortised Cost	Financial
	€	Assets	€	Assets
Aerospace and Defense	21,503,055	3.66	-	-
Automotive	-	-	9,952,733	3.12
Beverage and Tobacco	26,530,293	4.52	-	-
Building and Development	28,877,987	4.91	9,987,670	3.13
Business equipment and services	100,971,500	17.18	13,609,587	4.27
Containers and glass products	23,968,956	4.08	-	-
Electronics/electrical	25,513,529	4.34	24,333,656	7.63
Food products	33,360,206	5.68	33,890,275	10.63
Health care	77,367,925	13.17	49,321,799	15.47
Industrial equipment	14,532,000	2.47	15,000,000	4.70
Retailers (other than food/drug)	24,381,939	4.15	14,965,578	4.69
Not classified	47,731,498	8.12	73,811,109	23.15
Other*	9,956,400	1.69	-	-
Total	434,695,287	73.98	244,872,407	76.80
	2018	% of	2017	% of
	Fair Value	Financial	Fair Value	Financial
	€	Assets	€	Assets
Fund of Funds	152,862,427	26.02	73,971,746	23.20
Total	152,862,427	26.02	73,971,746	23.20
Total Financial Assets	587,557,714	100.00	318,844,153	100.00

*No individual industry types are greater than 2% of the Net Assets.

9. **Risks Associated with Financial Instruments (continued)**

(a) **Market Risk (continued)**

i) **Price Risk (continued)**

AXA IM Global Loan Opportunity Fund

Industry Type	2018 Fair Value US\$	% of Financial Assets	2017 Fair Value US\$	% of Financial Assets
Air Freight and Logistics	1,349,950	3.33	-	-
Chemicals	984,420	2.43	-	-
Commercial Services and Supplies	2,505,073	6.18	1,482,335	8.20
Diversified Financial Services	1,137,460	2.81	-	-
Diversified Telecommunication Services	2,034,263	5.02	2,989,460	16.54
Electrical Equipment	954,350	2.35	-	-
Food and Staples Retailing	-	-	489,600	2.71
Financial intermediaries	-	-	1,705,173	9.44
Health Care Technology	961,038	2.37	-	-
Healthcare Equipment and Supplies	3,289,850	8.12	1,984,170	10.98
Healthcare Providers and Services	1,967,097	4.85	1,783,555	9.87
Household Durables	-	-	1,457,610	8.07
IT Services	-	-	1,184,688	6.56
Leisure Products	1,973,203	4.87	488,750	2.70
Media	3,102,506	7.66	1,044,285	5.78
Oil, Gas and Consumable Fuels	1,132,279	2.79	-	-
Personal Products	-	-	1,007,080	5.57
Professional Services	1,136,726	2.80	-	-
Real Estate Management and Development	-	-	493,035	2.73
Software	2,826,591	6.97	1,707,735	9.45
Not classified	8,253,248	20.37	-	-
Other*	6,917,234	17.07	253,750	1.40
Total	40,525,287	100.00	18,071,226	100.00

*No individual industry types are greater than 2% of the Net Assets.

AXA IM Global Secured Assets Fund I

Industry Type	2018 Fair Value £	% of Financial Assets
Financial intermediaries	197,157,729	100.00
Total	197,157,729	100.00

9. Risks Associated with Financial Instruments (continued)**(a) Market Risk (continued)****i) Price Risk (continued)****Sensitivity Analysis**

Spread duration measures the price impact on the Level 3 investments all of which carry a floating rate of interest and indicates the approximate percentage increase or decrease in the market value of the investment for the assessed level of change in market spreads.

The tables below contain the sensitivity analysis for the Groups Level 3 investments based on spread duration as at 31 December 2018 and 31 December 2017:

AXA IM Loan Fund

31 December 2018		Spread Duration
Issuer	Asset	
Air Newco LLC	GBP Term B Loan	4.48
Alliance Healthcare Services Inc	Second Lien Initial Term Loan	5.32
Aveanna Healthcare LLC	First Lien Term Loan	4.16
Aveanna Healthcare LLC	Second Lien Initial Term Loan	4.40
Camelot US Acquisition I Co	2017-2 Refinancing Term Loan	3.98
CCS-CMGC Holdings Inc	Initial Term Loan	5.00
Checkout Holding Corp	Delayed Draw Term Loan	3.97
Checkout Holding Corp	New Money DIP Delayed Draw Term Loan	0.45
Checkout Holding Corp	New Money DIP Term Loan	0.45
Checkout Holding Corp	Roll-Up DIP Term Loan	0.45
Colouroz Investment 1 GMBH	Initial Euro Term Loan (Second Lien)	3.08
Comete Holding	Facility B	5.49
Deck Chassis Acquisition Inc.	Initial Term Loan (Second Lien)	3.63
Financiere Colisee	Facility B2	4.90
Financiere Verdi I SAS	Facility B1	3.97
Flavors Holdings Inc	Tranche B Term Loan (First Lien)	1.14
Gamma Infrastructure III B.V.	Facility B	5.40
Gentiva Health Services Inc	First Lien Closing Date Initial Term Loan	5.07
Invictus Media S.L.U.	Facility A1 Loan	2.89
Invictus Media S.L.U.	Facility A2 Loan	2.89
MacDermid Incorporated	Tranche B-6 Term Loan	3.89
Marshall Broadcasting Group, Inc.	Term A-3 Loan	0.94
Motorsport Aftermarket Group Inc	Exit Term Loan	4.33
Nemera	First Lien Term Loan	5.82
Packers Holdings LLC	Initial Term Loan	4.82
Parfums Holding Company Inc	Initial Term Loan (First Lien)	4.38
Solenis Holdings LLC	First Lien Term Loan	5.35
Talbot Participation SAS	Facility B	5.60
Weener Plastics Group BV	Facility B	5.61
Yak Access LLC	Initial Term Loan (First Lien)	4.12

9. Risks Associated with Financial Instruments (continued)**(a) Market Risk (continued)****i) Price Risk (continued)**Sensitivity Analysis (continued)AXA IM Loan Fund (continued)

31 December 2017		Spread
Issuer	Asset	Duration
Alliance Healthcare Services Inc	Initial Term Loan	0.10
Aveanna Healthcare LLC	First Lien Term Loan	0.04
Canary Finco Limited	Facility B (First Lien)	0.04
CDS Holdco III BV	Facility B Commitment	0.03
ContextMedia Health LLC	Closing Date Term Loan	0.07
Diplomat Pharmacy Inc	Initial Term B Loan	0.05
Direct ChassisLink Inc	Second Lien Term Loan	0.06
Financiere Lully C - Lully Finance LLC	Initial Term B-1 Loan (Second Lien)	0.09
IPC Corp	First Lien Term B-1 Loan	0.05
Jackpotjoy Plc	Facility B GBP	0.05
Lannett Company, Inc.	Initial Tranche A Term Loan	0.05
Lions Gate Entertainment Corp	Term A Loan	0.02
Marshall Broadcasting Group Inc	Term Loan A-2	0.02
Match Group Inc	New Term Loan B	0.03
Milk Specialties Company	New Term Loan	0.04
Nexstar Broadcasting Inc	Term A-2 Loan	0.02
SESAC Holdco II LLC	First Lien Initial Term Loan	0.03
Sitel Worldwide Corporation	First Lien Euro Term B-2 Loan	0.06
Trinet HR Corporation	Incremental Tranche A Term Loan (First Lien)	0.02
U.S. Renal Care Inc	Second Lien Term Loan	0.08
Velocity Pooling Vehicle LLC	Dip Loan	0.12
William Morris Endeavor Entertainment LLC	Second Lien Term Loan	0.07
WXXA-TV LLC	Term A-2 Loan	0.02

AXA IM European Middle-Market Debt Fund

There was no spread duration applicable to the securities held on AXA IM European Middle-Market Debt Fund.

9. Risks Associated with Financial Instruments (continued)**(a) Market Risk (continued)****i) Price Risk (continued)****Sensitivity Analysis (continued)****AXA IM Global Loan Opportunity Fund**

31 December 2018		Spread
Issuer	Asset	Duration
Allied Universal Holdco LLC	SecondLien	3.46
AOC Aliancys	TermLoan	5.05
Blackhawk Network	SecondLien	5.15
Checkout Holding Corp	TermLoan	0.45
Checkout Holding Corp	TermLoan	0.45
Checkout Holding Corp	TermLoan	0.45
Checkout Holding Corp	TermLoan	3.97
Correct Care Solutions	TermLoan	4.92
DirectChassislink	SecondLien	3.63
Epic Health / PSA	TermLoan	4.16
Epic Health / PSA	TermLoan	4.07
Euro Garages Ltd	SecondLien	4.99
Global Eagle Entertainment Inc	TermLoan	2.98
Inspired Finco Holdings Limited	TermLoan	5.87
Invictus	SecondLien	5.16
Jostens	TermLoan	5.06
Laird	TermLoan	5.19
MedPlast	TermLoan	5.10
National Response Corporation	TermLoan	4.25
Optiv Security Inc	TermLoan	4.19
Paysafe US	SecondLien	4.93
PDC Brands	TermLoan	4.38
Ply Gem Industries, Inc.	TermLoan	4.88
Prospect Medical	TermLoan	4.02
Quroum Software Inc	TermLoan	5.16
R1 RCM	TermLoan	4.78
Research Now Group	TermLoan	4.51
Solenis International LP	TermLoan	4.09
Subcom	TermLoan	4.26
Zotec Partners	TermLoan	4.07
31 December 2017		Spread
Issuer	Asset	Duration
Alliance Health	Second Lien Term Loan	0.10
DirectChassislink	Second Lien Term Loan	0.06
Diplomat Pharmacy	TermLoan	0.05
Learfield	TermLoan	0.03
Epic Health / PSA	TermLoan	0.04

9. Risks Associated with Financial Instruments (continued)**(a) Market Risk (continued)****i) Price Risk (continued)*****Sensitivity Analysis (continued)******AXA IM Global Secured Assets Fund I***

31 December 2018		Spread
Issuer	Asset	Duration
Akibare Re Ltd	Other	4.32
Akibare Re Ltd	Other	1.15
ALME Loan Funding	First Senior	1.23
Anchorage Capital Europe CLO	Second senior	2.14
Ares European CLO	Second senior	3.50
Ares European CLO	Second senior	2.01
Asset-Backed European Securitisation Transaction	Other	3.99
Aurorus	Other	2.67
Babson CLO Ltd/Cayman Islands	Mezzanine	1.62
BlackRock European CLO	First Senior	1.23
BPCE Home Loans FCT	Other	0.17
Carlyle Euro CLO	First Senior	2.85
Carlyle Global Market Strategies Euro CLO	Second senior	0.48
CIFC Funding Ltd	Mezzanine	0.79
Citigroup Inc	Other	0.39
Citizen Irish Auto Receivables Trust	Other	5.66
Citizen Irish Auto Receivables Trust	Mezzanine	8.11
Contego CLO	First Senior	6.35
Deutsche Bank AG	First Senior	5.11
Dutch Property Finance	Other	3.85
Eden Re II Ltd	Other	6.73
European Loan Conduit	Other	6.10
FT RMBS Prado	First Senior	4.50
Globaldrive Auto Receivables	First Senior	4.64
Harvest CLO	First Senior	4.64
Harvest CLO	First Senior	3.62
Hawksmoor Mortgages	First Senior	4.14
Hypenn RMBS	First Senior	3.50
ICG US CLO Ltd	Second senior	4.17
Income Contingent Student Loans	Other	5.10
Jubilee CLO	First Senior	4.64
Khartaphu	Mezzanine	3.70
LaSer ABS	First Senior	3.66
Latitude Australia Credit Card Master Trust	Mezzanine	3.54
Marble Point CLO Management LLC	First Senior	0.65
Motor Ltd	First Senior	1.34
Mountain View Funding CLO	First Senior	1.33
Nansa	Other	1.01

9. Risks Associated with Financial Instruments (continued)**(a) Market Risk (continued)****i) Price Risk (continued)****Sensitivity Analysis (continued)****AXA IM Global Secured Assets Fund (continued)**

31 December 2018		Spread
Issuer	Asset	Duration
Oak Hill European Credit Partners	First Senior	2.47
Purple Master Credit Cards	Other	0.61
Regatta Funding Ltd	Mezzanine	1.08
Residential Mortgage Securities Ltd	First Senior	3.18
SapphireOne Mortgages FCT	Mezzanine	4.00
SCF Rahoituspalvelut Kimi	Mezzanine	4.27
Start CLO Ltd	Other	3.27
Stichting Saecure Holding BV	Other	1.27
Turbo Finance	First Senior	4.22
Versutus	Other	3.95
Wetherby	Other	4.72

ii) Foreign Currency Risk

Foreign currency risk exists where assets and liabilities are denominated in currencies other than the currency of the share class. The Group may use forward currency contracts for the purpose of economically hedging its foreign currency risk exposure. There were 56 (2017:27) open forward contracts held as at 31 December 2018. Refer to the Portfolio Statement for further details on the open forward currency contracts as at 31 December 2018 and 31 December 2017 for AXA IM Loan Fund, AXA IM European Middle-Market Debt Fund, AXA IM Global Loan Opportunity Fund and AXA IM Global Secured Assets Fund I.

The Group's currency risk is managed on a daily basis by the Alternative Investment Fund Manager in accordance with policies and procedures in place. The analysis and management of market risks are monitored and assessed at all stages in the investment selection process. The Group's overall currency positions and exposures are monitored on a regular basis by the Directors and Alternative Investment Fund Manager.

AXA IM Loan Fund

If the exchange rate at 31 December 2018 between the Group's functional currency and all other currencies had weakened by 5% with all other variables held constant, this would have decreased Net Assets Attributable to Holders of Redeemable Participating Shares of the Company by approximately €513,293 (2017: increased by €117,006). Conversely, if the exchange rate between the Group's functional currency and all other currencies had strengthened by 5% with all other liabilities held constant, this would have increased Net Assets Attributable to Holders of Redeemable Participating Shares of the Company by approximately €513,293 (2017: decreased by €117,006).

AXA IM European Middle-Market Debt Fund

If the exchange rate at 31 December 2018 between the Group's functional currency and all other currencies had weakened by 5% with all other variables held constant, this would have decreased Net Assets Attributable to Holders of Redeemable Participating Shares of the Company by approximately €123,984 (2017: increased by €46,504). Conversely, if the exchange rate between the Group's functional currency and all other currencies had strengthened by 5% with all other liabilities held constant, this would have increased Net Assets Attributable to Holders of Redeemable Participating Shares of the Company by approximately €123,984 (2017: decreased by €46,504).

9. Risks Associated with Financial Instruments (continued)

(a) Market Risk (continued)

ii) Foreign Currency Risk (continued)

AXA IM Global Loan Opportunity Fund

If the exchange rate at 31 December 2018 between the Group's functional currency and all other currencies had weakened by 5% with all other variables held constant, this would have increased Net Assets Attributable to Holders of Redeemable Participating Shares of the Company by approximately US\$2,128 (2017: n/a). Conversely, if the exchange rate between the Group's functional currency and all other currencies had strengthened by 5% with all other liabilities held constant, this would have decreased Net Assets Attributable to Holders of Redeemable Participating Shares of the Company by approximately US\$2,128 (2017: n/a). The Fund had no exposure to foreign currency as at 31 December 2017 as all of its assets were held in the base currency of the sub-fund, United States Dollars.

AXA IM Global Secured Assets Fund I

If the exchange rate at 31 December 2018 between the Group's functional currency and all other currencies had weakened by 5% with all other variables held constant, this would have increased Net Assets Attributable to Holders of Redeemable Participating Shares of the Company by approximately £2,639,287 (2017: n/a). Conversely, if the exchange rate between the Group's functional currency and all other currencies had strengthened by 5% with all other liabilities held constant, this would have decreased Net Assets Attributable to Holders of Redeemable Participating Shares of the Company by approximately £2,639,287 (2017: n/a).

The analysis is based on the assumptions that the relevant foreign exchange rates increased/decreased by 5%, with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the foreign exchange rates, having regard to historical volatility of those rates.

AXA IM Loan Fund

The following tables set out the total exposure to foreign currency risk and the net exposure to foreign currencies as at 31 December 2018 and 31 December 2017:

31 December 2018	Monetary assets	Monetary liabilities	Net Exposure
	€	€	€
Sterling*	59,133,426	(60,043,821)	(910,395)
US Dollar*	390,092,665	(399,448,126)	(9,355,461)
Total	449,226,091	(459,491,947)	(10,265,856)

31 December 2017	Monetary assets	Monetary liabilities	Net Exposure
	€	€	€
Sterling*	46,959,200	(46,826,096)	133,104
US Dollar*	529,891,116	(527,684,094)	2,207,022
Total	576,850,316	(574,510,190)	2,340,126

*Includes nominal of forwards employed to hedge Class A STG Accumulation Shares and Class A USD Distribution Shares.

9. **Risks Associated with Financial Instruments (continued)**

(a) **Market Risk (continued)**

ii) **Foreign Currency Risk (continued)**

AXA IM European Middle-Market Debt Fund

The following tables set out the total exposure to foreign currency risk and the net exposure to foreign currencies as at 31 December 2018 and 31 December 2017:

31 December 2018	Monetary assets	Monetary liabilities	Net Exposure
	€	€	€
Sterling	57,725,135	(59,907,098)	(2,181,963)
US Dollar	70,739,675	(71,037,401)	(297,726)
Total	128,464,810	(130,944,499)	(2,479,689)

31 December 2017	Monetary assets	Monetary liabilities	Net Exposure
	€	€	€
Sterling	51,432,138	(50,796,188)	635,950
US Dollar	35,284,721	(34,990,600)	294,121
Total	86,716,859	(85,786,788)	930,071

AXA IM Global Loan Opportunity Fund

The following tables set out the total exposure to foreign currency risk and the net exposure to foreign currencies as at 31 December 2018:

31 December 2018	Monetary assets	Monetary liabilities	Net Exposure
	US\$	US\$	US\$
Euro	6,780,203	(6,737,735)	42,468
Swiss Franc	100	-	100
Total	6,780,303	(6,737,735)	42,568

AXA IM Global Loan Opportunity Fund had no exposure to foreign currency as at 31 December 2017 as all of its assets were held in the base currency of the sub-fund, United States Dollars and as such no table has been presented.

AXA IM Global Secured Assets Fund I

The following tables set out the total exposure to foreign currency risk and the net exposure to foreign currencies as at 31 December 2018:

31 December 2018	Monetary assets	Monetary liabilities	Net Exposure
	£	£	£
Australian Dollar	4,736,675	-	4,736,675
Euro	108,580,860	(110,115,000)	(1,534,140)
US Dollar	74,087,030	(24,503,822)	49,583,208
Total	187,404,565	(134,618,822)	52,785,743

9. Risks Associated with Financial Instruments (continued)

(a) Market Risk (continued)

ii) Foreign Currency Risk (continued)

The following exchange rates were applied as at 31 December 2018:

€1 = £0.89761	US\$1 = €0.87474	£1 = €1.11407
€1 = US\$1.14320	US\$1 = £0.78518	£1 = US\$1.27360
€1 = CAD1.56131	US\$1 = CAD1.3657	£1 = CAD1.7358
	US\$1 = CHF1.0144	£1 = AUD1.8086

The following exchange rates were applied as at 31 December 2017:

€1 = £0.8876	US\$1 = €0.8328	£1 = €1.12658
€1 = US\$1.2008	US\$1 = £0.7392	£1 = US\$1.35280
€1 = CAD1.4783	US\$1 = CAD1.2529	£1 = CAD1.7001
	US\$1 = CHF1.0259	£1 = AUD1.7323

iii) Interest Rate Risk

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

The Group mainly holds investments in floating interest rate loans. Any change to these interest rates may result in income either increasing or decreasing. Prices of loans held can be impacted by domestic rates of interest. The Group's performance therefore will depend in part on fluctuations in market interest rates.

The Company accrues interest on the profit participating debt issued by the Company to the Subsidiaries. However, as the interest accrued is based on the underlying return of the Company, this does not expose the Company to any form of interest rate risk.

AXA IM Loan Fund

If the interest rates that the Group applies to its cash and cash equivalents and cash collateral balance and its financial assets and liabilities at fair value through profit or loss at 31 December 2018 had increased by 1% with all other variables held constant, this would have increased Net Assets Attributable to Holders of Redeemable Participating Shares by approximately €9,164,098 (2017: €10,834,968) over a period of one year. Conversely, had the interest rates decreased by 1%, this would have decreased Net Assets Attributable to Holders of Redeemable Participating Shares by approximately €9,164,098 (2017: €10,834,968) over the same period. This represents management's best estimate of a reasonable possible shift in the interest rates, having regard to historical volatility of those rates.

AXA IM European Middle-Market Debt Fund

If the interest rates that the Group applies to its cash and cash equivalents and cash collateral balance, its financial assets and liabilities at fair value through profit or loss and its financial assets at amortised cost at 31 December 2018 had increased by 1% with all other variables held constant, this would have increased Net Assets Attributable to Holders of Redeemable Participating Shares by approximately €6,362,513 (2017: €3,268,909) over a period of one year. Conversely, had the interest rates decreased by 1%, this would have decreased Net Assets Attributable to Holders of Redeemable Participating Shares by approximately €6,362,513 (2017: €3,268,909) over the same period. This represents management's best estimate of a reasonable possible shift in the interest rates, having regard to historical volatility of those rates.

9. Risks Associated with Financial Instruments (continued)**(a) Market Risk (continued)****iii) Interest Rate Risk (continued)**AXA IM Global Loan Opportunity Fund

If the interest rates that the Group applies to its cash and cash equivalents and cash collateral balance and its financial assets and liabilities at fair value through profit or loss at 31 December 2018 had increased by 1% with all other variables held constant, this would have increased Net Assets Attributable to Holders of Redeemable Participating Shares by approximately US\$443,208 (2017: US\$180,712) over a period of one year. Conversely, had the interest rates decreased by 1%, this would have decreased Net Assets Attributable to Holders of Redeemable Participating Shares by approximately US\$443,208 (2017: US\$180,712) over the same period. This represents management's best estimate of a reasonable possible shift in the interest rates, having regard to historical volatility of those rates.

AXA IM Global Secured Assets Fund I

If the interest rates that the Group applies to its cash and cash equivalents and cash collateral balance and its financial assets and liabilities at fair value through profit or loss at 31 December 2018 had increased by 1% with all other variables held constant, this would have increased Net Assets Attributable to Holders of Redeemable Participating Shares by approximately £9,821,136 (2017: n/a) over a period of one year. Conversely, had the interest rates decreased by 1%, this would have decreased Net Assets Attributable to Holders of Redeemable Participating Shares by approximately £9,821,136 (2017: n/a) over the same period. This represents management's best estimate of a reasonable possible shift in the interest rates, having regard to historical volatility of those rates.

The following tables detail the interest rate profile of the Sub-fund's financial assets (being those held at fair value and at amortised cost) and financial liabilities as at 31 December 2018 and 31 December 2017:

AXA IM Loan Fund**31 December 2018**

	Fixed	Floating	Non-interest bearing	Total
	€	€	€	€
Financial assets				
Euro	1,942,896	489,877,952	15,251,829	507,072,677
Sterling	-	55,928,339	-	55,928,339
US Dollar	-	323,608,572	-	323,608,572
Total	1,942,896	869,414,863	15,251,829	886,609,588
Financial liabilities				
Euro	-	-	(6,081,484)	(6,081,484)
Total	-	-	(6,081,484)	(6,081,484)

9. **Risks Associated with Financial Instruments (continued)**(a) **Market Risk (continued)**iii) **Interest Rate Risk (continued)***AXA IM Loan Fund (continued)*

31 December 2017		Fixed	Floating	Non-interest bearing	Total
		€	€	€	€
Financial assets					
Euro	-	384,978,126	13,473,638	398,451,764	
Sterling	-	38,063,568	-	38,063,568	
US Dollar	-	520,159,598	-	520,159,598	
Total	-	943,201,292	13,473,638	956,674,930	
Financial liabilities					
Euro	-	-	(2,466,264)	(2,466,264)	
Total	-	-	(2,466,264)	(2,466,264)	

AXA IM European Middle-Market Debt Fund

31 December 2018		Fixed	Floating	Non-interest bearing	Total
		€	€	€	€
Financial assets					
Euro	39,088,516	420,630,980	2,603,328	462,322,824	
Sterling	-	56,690,349	-	56,690,349	
US Dollar	-	69,140,109	-	69,140,109	
Total	39,088,516	546,461,439	2,603,328	588,153,283	

31 December 2017		Fixed	Floating	Non-interest bearing	Total
		€	€	€	€
Financial assets					
Euro	-	234,309,239	2,431,855	236,741,094	
Sterling	-	48,956,277	-	48,956,277	
US Dollar	-	33,975,773	-	33,975,773	
Total	-	317,241,289	2,431,855	319,673,144	

9. **Risks Associated with Financial Instruments (continued)**(a) **Market Risk (continued)**iii) **Interest Rate Risk (continued)***AXA IM Global Loan Opportunity Fund*

31 December 2018		Non-interest bearing		
	Fixed	Floating	bearing	Total
Financial assets	US\$	US\$	US\$	US\$
Euro	-	2,268,444	-	2,268,444
US Dollar	623,188	37,633,655	-	38,256,843
Total	623,188	39,902,099	-	40,525,287
Financial liabilities				
US Dollar	-	-	11,389	11,389
Total	-	-	11,389	11,389

31 December 2017		Non-interest bearing		
	Fixed	Floating	bearing	Total
Financial assets	US\$	US\$	US\$	US\$
US Dollar	-	18,071,226	-	18,071,226
Total	-	18,071,226	-	18,071,226

AXA IM Global Secured Assets Fund I

31 December 2018		Non-interest bearing		
	Fixed	Floating	bearing	Total
Financial assets	£	£	£	£
Australian Dollar	-	1,657,034	-	1,657,034
Euro	5,398,039	93,228,981	-	98,627,020
Sterling	1,988,900	37,529,228	-	39,518,128
US Dollar	-	30,530,243	27,050,919	57,581,162
Total	7,386,939	162,945,486	27,050,919	197,383,344
Financial liabilities				
Sterling	-	(960,634)	-	(960,634)
Total	-	(960,634)	-	(960,634)

9. **Risks Associated with Financial Instruments (continued)**

(a) **Market Risk (continued)**

iii) **Interest Rate Risk (continued)**

The following tables detail the Sub-fund's exposure to interest rate risks as at 31 December 2018 and 31 December 2017. It includes the Sub-fund's assets and trading liabilities at fair values, categorised by the earlier of contractual re-pricing or maturity date:

AXA IM Loan Fund

31 December 2018	Up to 1 year €	1-3 years €	Over 3 years €	Non interest bearing €	Total €
Assets					
Financial assets at fair value through profit or loss	7,672,706	66,104,916	797,580,229	15,251,737	886,609,588
Cash and cash equivalents	31,349,564	-	-	-	31,349,564
Interest receivable	-	-	-	2,810,211	2,810,211
Receivable for investments sold	-	-	-	56,006,285	56,006,285
Withholding tax receivable	-	-	-	84,069	84,069
Collateral held	-	-	-	6,251,508	6,251,508
Other assets	-	-	-	90,691	90,691
Total assets	39,022,270	66,104,916	797,580,229	80,494,501	983,201,916
Liabilities					
Financial liabilities at fair value through profit or loss	-	-	-	6,081,484	6,081,484
Payable for investments purchased	-	-	-	48,459,743	48,459,743
Dividends payable	-	-	-	9,195,079	9,195,079
Accrued expenses	-	-	-	2,843,821	2,843,821
Total liabilities	-	-	-	66,580,127	66,580,127
Total interest sensitivity gap	39,022,270	66,104,916	797,580,229	13,914,374	

9. **Risks Associated with Financial Instruments (continued)**(a) **Market Risk (continued)**iii) **Interest Rate Risk (continued)***AXA IM Loan Fund (continued)*

31 December 2017	Up to 1 year	1-3 years	Over 3 years	Non interest bearing	Total
Assets					
Financial assets at fair value through profit or loss	6,204,116	77,282,360	865,552,246	7,636,208	956,674,930
Cash and cash equivalents	126,822,025	-	-	-	126,822,025
Interest receivable	-	-	-	2,454,125	2,454,125
Receivable for investments sold	-	-	-	10,829,742	10,829,742
Withholding tax receivable	-	-	-	58,875	58,875
Collateral held	-	-	-	954,000	954,000
Other assets	-	-	-	69,593	69,593
Total assets	133,026,141	77,282,360	865,552,246	22,002,543	1,097,863,290
Liabilities					
Financial liabilities at fair value through profit or loss	-	-	-	2,466,264	2,466,264
Payable for investments purchased	-	-	-	103,674,927	103,674,927
Withdrawal payable	-	-	-	504,299	504,299
Accrued expenses	-	-	-	3,217,425	3,217,425
Total liabilities	-	-	-	109,862,915	109,862,915
Total interest sensitivity gap	133,026,141	77,282,360	865,552,246	(87,860,372)	

9. **Risks Associated with Financial Instruments (continued)**(a) **Market Risk (continued)**iii) **Interest Rate Risk (continued)***AXA IM European Middle-Market Debt Fund*

31 December 2018	Up to 1 year €	1-3 years €	Over 3 years €	Non interest bearing €	Total €
Assets					
Financial assets at fair value through profit or loss	2,007,760	-	150,854,667	595,569	153,457,996
Financial assets at amortised cost	-	-	434,695,287	-	434,695,287
Cash and cash equivalents	48,098,008	-	-	-	48,098,008
Interest receivable	-	-	-	3,688,355	3,688,355
Other assets	-	-	-	67,578	67,578
Total assets	50,105,768	-	585,549,954	4,351,502	640,007,224
Liabilities					
Corporation tax payable	-	-	-	4	4
Accrued expenses	-	-	-	2,206,190	2,206,190
Total liabilities	-	-	-	2,206,194	2,206,194
Total interest sensitivity gap	50,105,768	-	585,549,954	2,145,308	
31 December 2017	Up to 1 year €	1-3 years €	Over 3 years €	Non interest bearing €	Total €
Assets					
Financial assets at fair value through profit or loss	-	-	73,971,746	828,991	74,800,737
Financial assets at amortised cost	-	-	244,872,407	-	244,872,407
Cash and cash equivalents	7,201,181	-	-	-	7,201,181
Interest receivable	-	-	-	1,631,617	1,631,617
Other assets	-	-	-	34,671	34,671
Total assets	7,201,181	-	318,844,153	2,495,279	328,540,613
Liabilities					
Corporation tax payable	-	-	-	262	262
Accrued expenses	-	-	-	645,521	645,521
Total liabilities	-	-	-	645,783	645,783
Total interest sensitivity gap	7,201,181	-	318,844,153	1,849,496	

9. **Risks Associated with Financial Instruments (continued)**(a) **Market Risk (continued)**iii) **Interest Rate Risk (continued)***AXA IM Global Loan Opportunity Fund*

31 December 2018	Up to 1 year US\$	1-3 years US\$	Over 3 years US\$	Non interest bearing US\$	Total US\$
Assets					
Financial assets at fair value through profit or loss	1,902,015	2,248,774	36,374,498	-	40,525,287
Cash and cash equivalents	3,795,678	-	-	-	3,795,678
Interest receivable	-	-	-	405,392	405,392
Receivable for investments sold	-	-	-	4,751,012	4,751,012
Other assets	-	-	-	36,523	36,523
Total assets	5,697,693	2,248,774	36,374,498	5,192,927	49,513,892
Liabilities					
Financial liabilities at fair value through profit or loss	-	-	-	11,389	11,389
Payables for investments purchased	-	-	-	4,867,532	4,867,532
Corporation tax payable	-	-	-	364	364
Accrued expenses	-	-	-	372,020	372,020
Total liabilities	-	-	-	5,251,305	5,251,305
Total interest sensitivity gap	5,697,693	2,248,774	36,374,498	(58,378)	
31 December 2017					
	Up to 1 year US\$	1-3 years US\$	Over 3 years US\$	Non interest bearing US\$	Total US\$
Assets					
Financial assets at fair value through profit or loss	-	488,750	17,582,476	-	18,071,226
Cash and cash equivalents	25,595,732	-	-	-	25,595,732
Interest receivable	-	-	-	8,541	8,541
Other assets	-	-	-	4,172,019	4,172,019
Total assets	25,595,732	488,750	17,582,476	4,180,560	47,847,518
Liabilities					
Payables for investments purchased	-	-	-	17,858,036	17,858,036
Accrued expenses	-	-	-	57,636	57,636
Total liabilities	-	-	-	17,915,672	17,915,672
Total interest sensitivity gap	25,595,732	488,750	17,582,476	(13,735,112)	

9. Risks Associated with Financial Instruments (continued)**(a) Market Risk (continued)****iii) Interest Rate Risk (continued)***AXA IM Global Secured Assets Fund I*

31 December 2018	Up to 1 year £	1-3 years £	Over 3 years £	Non interest bearing £	Total £
Assets					
Financial assets at fair value through profit or loss	-	2,745,171	194,412,558	225,615	197,383,344
Cash and cash equivalents	173,004,255	-	-	-	173,004,255
Interest receivable	-	-	-	298,571	298,571
Other assets	-	-	-	22,741	22,741
Total assets	173,004,255	2,745,171	194,412,558	546,927	370,708,911
Liabilities					
Financial liabilities at fair value through profit or loss	-	-	-	960,634	960,634
Subscriptions received in advance	-	-	-	150,000,000	150,000,000
Corporation tax payable	-	-	-	85	85
Accrued expenses	-	-	-	137,967	137,967
Total liabilities	-	-	-	151,098,686	151,098,686
Total interest sensitivity gap	173,004,255	2,745,171	194,412,558	(150,551,759)	

(b) Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Group may invest in illiquid assets for which there is no established resale market. The Group might only be able to liquidate these assets at disadvantageous prices, should it become necessary. Illiquidity in certain assets could make it difficult for the Group to liquidate assets under favourable terms, thereby resulting in losses or a decrease in the Net Asset Value of the Group.

The Group's liquidity risk is managed in accordance with policies and procedures in place. The analysis and management of liquidity risks are monitored and assessed at all stages in the investment selection process. The Group's overall liquidity risks are monitored on a regular basis by the Directors and Alternative Investment Fund Manager.

9. **Risks Associated with Financial Instruments (continued)**

(b) **Liquidity Risk (continued)**

At 31 December 2018 and 31 December 2017, the Sub-fund's financial assets and liabilities classified into relevant maturity periods at the Consolidated Statement of Financial Position date to the contractual maturity date were as follows:

AXA IM Loan Fund

31 December 2018	Less than 1 month	1-3 months	3 months to 1 year	Over 1 year	Total
	€	€	€	€	€
Assets					
Financial assets at fair value through profit or loss	3,217,644	-	19,706,798	863,685,146	886,609,588
Cash and cash equivalents	31,349,564	-	-	-	31,349,564
Receivable for investments sold	-	56,006,285	-	-	56,006,285
Interest receivable	2,810,211	-	-	-	2,810,211
Withholding tax receivable	84,069	-	-	-	84,069
Collateral held	-	6,251,508	-	-	6,251,508
Other assets	90,691	-	-	-	90,691
Total assets	37,552,179	62,257,793	19,706,798	863,685,146	983,201,916
Liabilities					
Financial liabilities at fair value through profit or loss	6,081,484	-	-	-	6,081,484
Payable for investments purchased	-	-	48,459,743	-	48,459,743
Dividends payable	9,195,079	-	-	-	9,195,079
Accrued expenses	-	2,843,821	-	-	2,843,821
Net Assets Attributable to Holders of Redeemable Participating Shares	-	916,621,789	-	-	916,621,789
Total liabilities	15,276,563	919,465,610	48,459,743	-	983,201,916

9. Risks Associated with Financial Instruments (continued)**(b) Liquidity Risk (continued)***AXA IM Loan Fund (continued)*

31 December 2017	Less than 1 month	1-3 months	3 months to 1 year	Over 1 year	Total
	€	€	€	€	€
Assets					
Financial assets at fair value through profit or loss	7,636,208	5,837,430	366,686	942,834,606	956,674,930
Cash and cash equivalents	126,822,025	-	-	-	126,822,025
Receivable for investments sold	-	10,829,742	-	-	10,829,742
Interest receivable	2,454,125	-	-	-	2,454,125
Withholding tax receivable	58,875	-	-	-	58,875
Collateral held	-	954,000	-	-	954,000
Other assets	69,593	-	-	-	69,593
Total assets	137,040,826	17,621,172	366,686	942,834,606	1,097,863,290
Liabilities					
Financial liabilities at fair value through profit or loss	2,466,264	-	-	-	2,466,264
Payable for investments purchased	-	86,507,662	17,167,265	-	103,674,927
Withdrawal payable	-	504,299	-	-	504,299
Accrued expenses	-	3,217,425	-	-	3,217,425
Net Assets Attributable to Holders of Redeemable Participating Shares	-	988,000,375	-	-	988,000,375
Total liabilities	2,466,264	1,078,229,761	17,167,265	-	1,097,863,290

AXA IM European Middle-Market Debt Fund

31 December 2018	Less than 1 month	1-3 months	3 months to 1 year	Over 1 year	Total
	€	€	€	€	€
Assets					
Financial assets at fair value through profit or loss	595,569	-	-	152,862,427	153,457,996
Financial assets at amortised cost	25,427,128	-	29,540,400	379,727,759	434,695,287
Cash and cash equivalents	48,098,008	-	-	-	48,098,008
Interest receivable	3,688,355	-	-	-	3,688,355
Other assets	67,578	-	-	-	67,578
Total assets	77,876,638	-	29,540,400	532,590,186	640,007,224
Liabilities					
Corporation tax payable	-	4	-	-	4
Accrued expenses	-	2,206,190	-	-	2,206,190
Net Assets Attributable to Holders of Redeemable Participating Shares	-	-	-	637,801,030	637,801,030
Total liabilities	-	2,206,194	-	637,801,030	640,007,224

9. **Risks Associated with Financial Instruments (continued)**

(b) **Liquidity Risk (continued)**

AXA IM European Middle-Market Debt Fund (continued)

31 December 2017	Less than 1 month	1-3 months	3 months to 1 year	Over 1 year	Total
	€	€	€	€	€
Assets					
Financial assets at fair value through profit or loss	828,991	1,602,864	-	72,368,882	74,800,737
Financial assets at amortised cost	-	-	-	244,872,407	244,872,407
Cash and cash equivalents	7,201,181	-	-	-	7,201,181
Interest receivable	1,631,617	-	-	-	1,631,617
Other assets	34,671	-	-	-	34,671
Total assets	9,696,460	1,602,864	-	317,241,289	328,540,613
Liabilities					
Corporation tax payable	-	262	-	-	262
Accrued expenses	-	645,521	-	-	645,521
Net Assets Attributable to Holders of Redeemable Participating Shares	-	-	-	327,894,830	327,894,830
Total liabilities	-	645,783	-	327,894,830	328,540,613

AXA IM Global Loan Opportunity Fund

31 December 2018	Less than 1 month	1-3 months	3 months to 1 year	Over 1 year	Total
	US\$	US\$	US\$	US\$	US\$
Assets					
Financial assets at fair value through profit or loss	-	-	1,902,015	38,623,272	40,525,287
Cash and cash equivalents	3,795,678	-	-	-	3,795,678
Receivables for investments sold	4,751,012	-	-	-	4,751,012
Interest receivable	405,392	-	-	-	405,392
Other assets	36,523	-	-	-	36,523
Total assets	8,988,605	-	1,902,015	38,623,272	49,513,892
Liabilities					
Financial liabilities at fair value through profit or loss	11,389	-	-	-	11,389
Payables for investments purchased	-	4,867,532	-	-	4,867,532
Corporation tax payable	-	364	-	-	364
Accrued expenses	-	372,020	-	-	372,020
Net Assets Attributable to Holders of Redeemable Participating Shares	-	44,262,587	-	-	44,262,587
Total liabilities	11,389	49,502,503	-	-	49,513,892

9. **Risks Associated with Financial Instruments (continued)**(b) **Liquidity Risk (continued)***AXA IM Global Loan Opportunity Fund (continued)*

31 December 2017	Less than 1 month	1-3 months	3 months to 1 year	Over 1 year	Total
	US\$	US\$	US\$	US\$	US\$
Assets					
Financial assets at fair value through profit or loss	-	-	-	18,071,226	18,071,226
Cash and cash equivalents	25,595,732	-	-	-	25,595,732
Receivables for investments sold	4,172,019	-	-	-	4,172,019
Interest receivable	8,541	-	-	-	8,541
Other assets	-	-	-	-	-
Total assets	29,776,292	-	-	18,071,226	47,847,518
Liabilities					
Payables for investments purchased	-	17,858,036	-	-	17,858,036
Accrued expenses	-	57,636	-	-	57,636
Net Assets Attributable to Holders of Redeemable Participating Shares	-	29,931,846	-	-	29,931,846
Total liabilities	-	47,847,518	-	-	47,847,518

AXA IM Global Secured Assets Fund I

31 December 2018	Less than 1 month	1-3 months	3 months to 1 year	Over 1 year	Total
	£	£	£	£	£
Assets					
Financial assets at fair value through profit or loss	-	-	-	197,383,344	197,383,344
Cash and cash equivalents	173,004,255	-	-	-	173,004,255
Receivable for investments sold	-	-	-	-	-
Interest receivable	298,571	-	-	-	298,571
Other assets	22,741	-	-	-	22,741
Total assets	173,325,567	-	-	197,383,344	370,708,911
Liabilities					
Financial liabilities at fair value through profit or loss	-	960,634	-	-	960,634
Subscriptions received in advance	150,000,000	-	-	-	150,000,000
Corporation tax payable	-	85	-	-	85
Accrued expenses	-	137,967	-	-	137,967
Net Assets Attributable to Holders of Redeemable Participating Shares	-	-	-	219,610,225	219,610,225
Total liabilities	150,000,000	1,098,686	-	219,610,225	370,708,911

The amounts in the table are the contractual undiscounted cash flows. Balances due within one year equal their carrying balances as the impact of discounting is not significant.

9. Risks Associated with Financial Instruments (continued)

(c) Credit Risk

The Group is exposed to credit/counterparty risk on parties with whom it trades and bears the risk of settlement default. Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Group. It also represents the financial risk associated with a security issuer failing to discharge an obligation or commitment, or filing for bankruptcy.

Financial assets which potentially expose the Group to counterparty credit risk consist principally of investments in loans, bonds, cash balances and deposits with and receivables from brokers or agent banks and other receivables.

The extent of the Group's exposure to counterparty credit risk in respect of these financial assets approximates their carrying value as recorded in the Group's Consolidated Statement of Financial Position.

The Group is exposed to a credit risk on parties with whom it trades and also bears the risk of settlement default. The Group minimises concentration of credit risk by undertaking transactions with several counterparties or agent banks. Credit risk arising on transactions with brokers or agent banks relates to transactions awaiting settlement. Risks relating to unsettled transactions are considered small due to the credit quality of the brokers used. Trades pending balances are primarily due from Bank of America, Barclays Bank Plc, Credit Suisse, JP Morgan, Jefferies International, Citibank, Deutsche Bank, Goldman Sachs and Morgan Stanley and are thus considered at minimal risk for default. In the prior year the pending trade balances were primarily with Bank of America, Barclays Bank Plc, Credit Suisse, JP Morgan, Jefferies International, Citibank, Deutsche Bank, Goldman Sachs and Morgan Stanley. As delivery versus payment is the standard procedure for trade settlements, there is no significant credit risk arising from transaction settlements.

There is no limit on the amounts that may be held by agent banks or counterparties. Credit Risk is managed by imposing restrictions and investment guidelines on the Alternative Investment Fund Manager as outlined in the Prospectus.

Expected credit loss

The estimation of credit exposure is complex and requires the use of models, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. Management measures credit risk using Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD) and this is the approach used for the purposes of measuring Expected Credit Loss (ECL) under IFRS 9.

Credit risk grading

Management uses internal credit risk gradings that reflect its assessment of the probability of default of individual counterparties. The credit ratings are calibrated such that the risk of default increases at each higher risk grade. The rating for each financial asset is determined at the borrower level. Management will incorporate any updated or new information/credit assessments on an ongoing basis. All information is assessed by the quarterly AXA Impairment Committee and the rating of each borrower is approved by the Committee. This will determine the updated internal credit rating and PD.

Expected credit loss measurement

- IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:
- A financial asset that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by Management.
- If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial asset is moved to 'Stage 2' but is not yet deemed to be credit-impaired.
- If the financial asset is credit-impaired, the financial asset is then moved to 'Stage 3'.
- Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Assets in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis.
- A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward- looking information.

9. Risks Associated with Financial Instruments (continued)

(c) Credit Risk (continued)

Expected credit loss (continued)

Significant increase in credit risk

Management presume a financial asset to have experienced a significant increase in credit risk (credit deterioration) when the rating of the borrower has fallen when there is a downgrade of three notches or more for an asset rated B- or above, and a downgrade of one notch for an asset measured CCC+ and below.

Definition of default and credit-impaired assets

Management define a borrower as in default, when it meets one or more of the following criteria:

Quantitative criteria

The borrower is more than 30 days past due on its contractual payments.

Qualitative criteria

The borrower meets unlikelihood to pay criteria, which indicates the borrower is in significant financial difficulty.

These are instances where:

- The borrower is in long-term forbearance
- The borrower is insolvent
- The borrower is in breach of financial covenants
- An active market for that financial asset has disappeared because of financial difficulties
- Concessions have been made by the lender relating to the borrower's financial difficulty
- It is becoming probable that the borrower will enter bankruptcy

The default definition has been applied consistently to model the Probability of Default (PD), Exposure at Default (EAD) and Loss given Default (LGD) throughout the expected loss calculations.

Measuring ECL - Explanation of inputs, assumptions and estimation techniques

The Expected Credit Loss (ECL) is measured on either a 12-month (12M) or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Expected credit losses are the product of the Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD), defined as follows:

- The PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.
- EAD is based on the amounts the Company expects to be owed at the time of default.
- Loss Given Default (LGD) represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, seniority of claim and availability of collateral or other credit support.

The ECL is determined by projecting the PD, LGD and EAD for each individual exposure. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month).

Forward-looking information incorporated in the ECL model

The assessment of SICR and the calculation of ECL both incorporate forward-looking information. Management has performed historical analysis and identified the key economic variables impacting credit risk and expected credit losses for each portfolio. These economic variables and their associated impact on the PD, EAD and LGD vary by borrower. Expert judgment has also been applied in this process. Forecasts of these economic variables are provided by the AXA Credit Risk team on a quarterly basis.

9. **Risks Associated with Financial Instruments (continued)**

(c) **Credit Risk (continued)**

Expected credit loss (continued)

The expected credit loss allowance as at 31 December 2018 and 1 January 2018 for AXA IM European Middle-Market Debt Fund is shown in the table below.

AXA IM European Middle-Market Debt Fund

ECL Allowance - IFRS 9	Stage 1	Stage 2	Stage 3	Total
	€	€	€	31 December
	12-month ECL	Lifetime ECL	Lifetime ECL	2018
				€
Loss allowance as as at 1 January 2018:				
Opening adjustment	2,876,127	-	-	2,876,127
Movements with P&L impact	-	-	-	-
Transfer from Stage 1 to Stage 2	(241,957)	4,531,961	-	4,290,004
New financial assets originated or purchased	3,374,514		-	3,374,514
Change to model assumptions and methodologies	690,457	-	-	690,457
Loss allowance as at 31 December 2018	6,699,141	4,531,961	-	11,231,102

The carrying amount of financial assets not subject to IFRS 9's impairment requirements best represents the maximum credit risk exposure at the Consolidated Statement of Financial Position date. At 31 December 2018 and 31 December 2017, the Sub-fund's financial assets exposed to credit risk amounted to the following:

AXA IM Loan Fund

	31 December	31 December
	2018	2017
	€	€
Loans	858,547,494	932,803,557
Bonds	24,844,450	16,235,165
Forward currency contracts	3,217,644	7,636,208
Cash	31,349,564	126,822,025
Interest receivable	2,810,211	2,454,125
Receivables for investments sold	56,006,285	10,829,742
Total	976,775,648	1,096,780,822

9. **Risks Associated with Financial Instruments (continued)**

(c) **Credit Risk (continued)**

AXA IM European Middle-Market Debt Fund

	31 December 2018	31 December 2017
	€	€
Loans	335,843,631	229,930,988
Private Debt Funds	150,854,667	72,368,882
Bonds	100,859,416	16,544,283
Forward currency contracts	595,569	828,991
Cash	48,098,008	7,201,181
Interest receivable	3,688,355	1,631,617
Total	<u>639,939,646</u>	<u>328,505,942</u>

AXA IM Global Loan Opportunity Fund

	31 December 2018	31 December 2017
	US\$	US\$
Loans	31,648,851	16,366,053
Bonds	623,188	-
Collateralised Loan Obligations	8,253,248	1,705,173
Cash	3,795,678	25,595,732
Interest receivable	405,392	8,541
Receivables for investments sold	4,751,012	4,172,019
Total	<u>49,477,369</u>	<u>47,847,518</u>

AXA IM Global Secured Assets Fund I

	31 December 2018
	£
Asset Backed Securities	72,756,068
Bonds	28,832,678
Collateralised Loan Obligations	43,048,434
Collateralised Mortgage Obligations	34,949,242
Commercial Mortgage Backed Securities	17,571,307
Forward currency contracts	225,615
Cash	173,004,255
Interest receivable	298,571
Total	<u>370,686,170</u>

The Group held three undrawn and no partial delayed draw loan positions as at 31 December 2018 (2017: 3). The total commitment amount under these delayed draw loan positions at 31 December 2018 was €1,574,499 (2017: €8,144,994). €1,574,499 (2017: €7,680,991) of these delayed draw loan positions remained undrawn as at 31 December 2018. The combined market value of the delayed draw loan positions was €Nil (2017: €464,009).

AXA IM Loan Fund and AXA IM European Middle-Market Debt Fund invested cash in money market funds held with Goldman Sachs. Goldman Sachs had a Moody's credit rating of A3 as at 31 December 2018 (2017: Aaa).

9. **Risks Associated with Financial Instruments (continued)**

(c) **Credit Risk (continued)**

The ratings for investments held at 31 December 2018 and 31 December 2017 were as follows:

AXA IM Loan Fund

	31 December 2018 Fair Value €	31 December 2018 % of Total Investments	31 December 2017 Fair Value €	31 December 2017 % of Total Investments
Ba1	3,141,257	0.36	17,442,634	1.84
Ba2	32,672,640	3.70	48,777,653	5.14
Ba3	50,826,293	5.75	95,458,316	10.06
Baa3	3,607,771	0.41	1,788,223	0.19
B1	173,724,206	19.67	237,160,114	24.99
B2	329,128,116	37.26	339,587,148	35.78
B3	172,896,970	19.57	191,586,521	20.19
Ca	1,004,625	0.11	4,339,825	0.46
Caa1	7,364,745	0.83	799,467	0.08
Caa2	1,901,325	0.22	1,909,274	0.20
NR	107,123,995	12.13	10,189,547	1.07
	883,391,944	100.00	949,038,722	100.00

AXA IM European Middle-Market Debt Fund

	31 December Fair Value €	31 December % of Total Investments	31 December Fair Value €	31 December % of Total Investments
AA	2,007,760	1.31	-	-
NR	150,854,667	98.69	73,971,746	100.00
	152,862,427	100.00	73,971,746	100.00
	31 December Amortised Cost €	31 December % of Total Investments	31 December Amortised Cost €	31 December % of Total Investments
BB	25,513,529	5.87	-	-
BB-	31,143,788	7.16	19,987,670	8.16
B+	28,908,754	6.65	-	-
B	263,241,720	60.56	224,884,737	91.84
B-	74,696,798	17.18	-	-
CCC	11,190,698	2.57	-	-
	434,695,287	100.00	244,872,407	100.00

9. Risks Associated with Financial Instruments (continued)**(c) Credit Risk (continued)***AXA IM Global Loan Opportunity Fund*

	31 December 2018 Fair Value US\$	31 December 2018 % of Total Investments	31 December 2017 Fair Value US\$	31 December 2017 % of Total Investments
B1	6,230,987	15.38	4,350,795	24.08
B2	10,879,722	26.85	7,084,613	39.20
B3	3,369,472	8.31	2,189,065	12.11
Ba2	837,349	2.07	489,600	2.71
Ba3	11,521,431	28.43	1,002,080	5.55
Baa3	954,350	2.35	-	-
Caa1	2,663,817	6.57	-	-
Caa2	1,102,741	2.72	747,710	4.14
NR	2,705,731	6.68	2,207,363	12.21
WR	259,688	0.64	-	-
	40,525,287	100.00	18,071,225	100.00

AXA IM Global Secured Assets Fund I

	31 December 2018 Fair Value £	31 December 2018 % of Total Investments
A1	2,694,391	1.37
A2	5,398,039	2.74
Aa2	8,518,835	4.32
Aaa	82,579,992	41.89
Ba3	3,627,383	1.84
Baa2	2,687,885	1.36
NR	91,651,203	46.49
	197,157,729	100.00

Transactions involving derivative financial instruments are usually with counterparties with whom the Company signed master netting agreements. Master netting agreements provide for the net settlement of contracts with the same counterparty in the event of default. The impact of the master netting agreements is to reduce credit risk from the amounts shown as financial assets on the Consolidated Statement of Financial Position.

The credit risk associated with financial assets subject to a master netting agreement is eliminated only to the extent that financial liabilities due to the same counterparty will be settled after the assets are realised. The exposure to credit risk reduced by master netting agreements may change significantly within a short period of time as a result of transactions subject to the arrangement. The corresponding assets and liabilities have not been offset in the Consolidated Statement of Financial Position.

9. **Risks Associated with Financial Instruments (continued)**(c) **Credit Risk (continued)***AXA IM Loan Fund***Offsetting of financial assets and derivatives assets**

31 December 2018	Gross and net amounts of assets presented in the Consolidated Statement of Financial Position	Amounts not offset in the Consolidated Statement of Financial Position		Net amount €
		Financial instruments €	Cash collateral received €	
Description	€	€	€	€
Derivatives assets - Over the counter				
- Forward currency contracts	3,217,644	(3,217,644)	-	-
Total	3,217,644	(3,217,644)	-	-

Offsetting of derivative liabilities

Description	Gross and net amounts of liabilities presented in the Consolidated Statement of Financial Position	Amounts not offset in the Consolidated Statement of Financial Position		Net amount €
		Financial instruments €	Cash collateral pledged €	
	€	€	€	€
Derivatives liabilities - Over the counter				
- Forward currency contracts	6,081,484	(3,217,644)	(2,863,840)	-
Total	6,081,484	(3,217,644)	(2,863,840)	-

Offsetting of financial assets and derivatives assets

31 December 2017	Gross and net amounts of assets presented in the Consolidated Statement of Financial Position	Amounts not offset in the Consolidated Statement of Financial Position		Net amount €
		Financial instruments €	Cash collateral received €	
Description	€	€	€	€
Derivatives assets - Over the counter				
- Forward currency contracts	7,636,208	(1,654,588)	-	5,981,620
Total	7,636,208	(1,654,588)	-	5,981,620

9. **Risks Associated with Financial Instruments (continued)**(c) **Credit Risk (continued)***AXA IM Loan Fund (continued)*

Offsetting of derivative liabilities		Amounts not offset in the Consolidated Statement of Financial Position			
31 December 2017		Gross and net amounts of liabilities presented in the Consolidated Statement of Financial Position	Financial instruments	Cash collateral pledged	Net amount
Description		€	€	€	€
Derivatives liabilities - Over the counter					
- Forward currency contracts	2,466,264	(1,654,588)	-		811,676
Total	2,466,264	(1,654,588)	-	-	811,676

AXA IM European Middle-Market Debt Fund

Offsetting of financial assets

31 December 2018		Gross and net amounts of assets presented in the Consolidated Statement of Financial Position	Amounts not offset in the Consolidated Statement of Financial Position		Net amount
Description		€	Financial instruments	Cash collateral received	€
Derivatives assets - Over the counter					
- Forward currency contracts	595,569	-	-		595,569
Total	595,569	-	-	-	595,569

Offsetting of financial assets

31 December 2017		Gross and net amounts of assets presented in the Consolidated Statement of Financial Position	Amounts not offset in the Consolidated Statement of Financial Position		Net amount
Description		€	Financial instruments	Cash collateral received	€
Financial assets	828,991	-	-		828,991
Total	828,991	-	-	-	828,991

As at 31 December 2018 and 31 December 2017 AXA IM European Middle-Market Debt Fund had no liabilities for offsetting.

9. **Risks Associated with Financial Instruments (continued)**

(c) **Credit Risk (continued)**

AXA IM Global Loan Opportunity Fund

Offsetting of derivative liabilities

Description	Gross and net amounts of liabilities presented in the Consolidated Statement of Financial Position US\$	Amounts not offset in the Consolidated Statement of		Net amount US\$
		Financial instruments US\$	Cash collateral pledged US\$	
Derivatives liabilities - Over the counter				
- Forward currency contracts	11,389	-	-	11,389
Total	11,389	-	-	11,389

As at 31 December 2018, AXA IM Global Opportunity Fund had no assets for offsetting.

As at 31 December 2017, AXA IM Global Opportunity Fund had no assets or liabilities for offsetting.

AXA IM Global Secured Assets Fund I

Description	Gross and net amounts of assets presented in the Consolidated Statement of Financial Position US\$	Amounts not offset in the Consolidated Statement of		Net amount US\$
		Financial instruments US\$	Cash collateral received US\$	
Derivatives assets - Over the counter				
- Forward currency contracts	225,615	(225,615)	-	-
Total	225,615	(225,615)	-	-

Offsetting of derivative liabilities

Description	Gross and net amounts of liabilities presented in the Consolidated Statement of Financial Position US\$	Amounts not offset in the Consolidated Statement of		Net amount US\$
		Financial instruments US\$	Cash collateral pledged US\$	
Derivatives liabilities - Over the counter				
- Forward currency contracts	960,634	(225,615)	-	735,019
Total	960,634	(225,615)	-	735,019

10. Fair Value of Financial Instruments

IFRS 7 requires the Group to classify the fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in determining the measurements.

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

- Level 1 inputs are quoted prices (unadjusted) in active market for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability. This includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly (i.e. as prices) or indirectly (i.e. derived from prices) observable from market data;
- Level 3 inputs are unobservable inputs for the asset or liability. This includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs could have a significant impact on the instrument's valuation.

Investment in the Profit Participation Notes by AXA IM Loan Fund, AXA IM Global Loan Opportunity Fund and AXA IM Global Secured Assets Fund I are classified as Level 2. Investments in the Profit Participation Note by AXA IM European Middle-Market Debt Fund are classified as Level 3.

AXA IM Loan Fund

31 December 2018	Level 1	Level 2	Level 3	Total
	€	€	€	€
Financial assets at fair value through profit or loss				
- Loans	-	806,161,003	52,386,491	858,547,494
- Bonds	-	24,844,450	-	24,844,450
Unrealised gains on forward currency contracts	-	3,217,644	-	3,217,644
Unrealised losses on forward currency contracts	-	(6,081,484)	-	(6,081,484)
	-	828,141,613	52,386,491	880,528,104

31 December 2017	Level 1	Level 2	Level 3	Total
	€	€	€	€
Financial assets at fair value through profit or loss				
- Loans	-	873,506,750	59,296,807	932,803,557
- Bonds	-	16,235,165	-	16,235,165
Unrealised gains on forward currency contracts	-	7,636,208	-	7,636,208
Unrealised losses on forward currency contracts	-	(2,466,264)	-	(2,466,264)
	-	894,911,859	59,296,807	954,208,666

10. Fair Value of Financial Instruments (continued)

AXA IM European Middle-Market Debt Fund

31 December 2018	Level 1	Level 2	Level 3	Total
	€	€	€	€
Financial assets at fair value through profit or loss				
- Private Debt Funds	-	-	150,854,667	150,854,667
- Bonds	-	2,007,760	-	2,007,760
Unrealised gain on forward currency contracts	-	595,569	-	595,569
	-	2,603,329	150,854,667	153,457,996

31 December 2017	Level 1	Level 2	Level 3	Total
	€	€	€	€
Financial assets at fair value through profit or loss				
- Private Debt Funds	-	-	72,368,882	72,368,882
- Bonds	-	1,602,864	-	1,602,864
Unrealised gain on forward currency contracts	-	828,991	-	828,991
	-	2,431,855	72,368,882	74,800,737

AXA IM Global Loan Opportunity Fund

31 December 2018	Level 1	Level 2	Level 3	Total
	US\$	US\$	US\$	US\$
Financial assets at fair value through profit or loss				
- Loans	-	18,530,919	13,117,932	31,648,851
- Bonds	-	623,188	-	623,188
- Collateralised Loan Obligations	-	8,253,248	-	8,253,248
Unrealised loss on forward currency contracts	-	(11,389)	-	(11,389)
	-	27,395,966	13,117,932	40,513,898

31 December 2017	Level 1	Level 2	Level 3	Total
	US\$	US\$	US\$	US\$
Financial assets at fair value through profit or loss				
- Loans	-	13,997,661	2,368,392	16,366,053
- Collateralised Loan Obligations	-	1,705,173	-	1,705,173
	-	15,702,834	2,368,392	18,071,226

10. Fair Value of Financial Instruments (continued)

AXA IM Global Secured Assets Fund I

31 December 2018	Level 1	Level 2	Level 3	Total
	£	£	£	£
Financial assets at fair value through profit or loss				
- Asset Backed Securities	-	65,912,671	6,843,397	72,756,068
- Bonds	-	773,634	28,059,044	28,832,678
- Collateralised Loan Obligations	-	43,048,434	-	43,048,434
- Collateralised Mortgage Obligations	-	34,949,242	-	34,949,242
- Commercial Mortgage Backed Securities	-	7,363,785	10,207,522	17,571,307
Unrealised gain on forward currency contracts	-	225,615	-	225,615
Unrealised loss on forward currency contracts	-	(960,634)	-	(960,634)
	-	151,312,747	45,109,963	196,422,710

As at 31 December 2018 and 31 December 2017, none of the financial assets recognised at fair value were traded on any exchange and hence prices and volume of trades on any given day were completely unobservable. Therefore no active market existed for these financial assets and none of the financial assets held by the Company were categorised as Level 1 as at the 31 December 2018 and 31 December 2017.

Investments included in Level 3 include those for which there is currently no active market. Some of the inputs used in valuing such instruments may not be market observable and are therefore estimated based on assumptions. Such investments are valued by the administrator or the Alternative Investment Fund Manager unless the Directors are aware of good reasons why such a valuation would not be the most appropriate indicator of fair value. Such valuations may differ significantly from the values that would have been used had ready markets existed, and the difference could be material.

The following table shows all movements in Level 3 of the fair value hierarchy for financial assets recognised at fair value during the year:

AXA IM Loan Fund

Financial assets at fair value through profit or loss	Investments in Loans	
	31 December 2018	31 December 2017
	€	€
Opening balance	59,296,807	-
Transfers between levels	(8,877,917)	18,964,501
Purchases	24,691,812	40,643,211
Sales	(23,743,970)	-
Total gains and losses		
- unrealised	(1,148,921)	(310,905)
FX adjustments	2,168,680	-
Closing balance	52,386,491	59,296,807
Change in unrealised gains for Level 3 assets held at year end and included in net gains on financial assets and liabilities at fair value through profit or loss in the Consolidated Statement of Comprehensive Income	(1,148,921)	(310,905)

During 2018 the transfer of certain loans between Level 3 to Level 2 of €8,877,917 was due to an increase in the liquidity of the underlying loans and an availability of multiple pricing contributors. During 2017, the €18,964,501 transfer between levels was due to movement from Level 3 to Level 2 due to reduced liquidity of certain underlying loans.

10. Fair Value of Financial Instruments (continued)

AXA IM European Middle-Market Debt Fund

Financial assets at amortised cost - IFRS 9*	Stage 1	Stage 2	Stage 3	Total 31 December 2018
	€ 12-month ECL	€ Lifetime ECL	€ Lifetime ECL	
Gross carrying amount as at 1 January 2018	244,872,407	-	-	244,872,407
Transfer from Stage 1 to Stage 2	(13,969,035)	13,969,035	-	-
Financial assets derecognised during period other than write-offs	(47,044,163)	-	-	(47,044,163)
New financial assets originated or purchased	216,005,053	27,500,000	-	243,505,053
Amortisation	308,103	-	-	308,103
Total gains and losses	4,604,237	(319,248)	-	4,284,989
	404,776,602	41,149,787	-	445,926,389

*The above amounts are prior to the ECL provision as of 31 December 2018

Loans and receivables at amortised cost - IAS 39	31 December 2017
	€
Opening balance	9,800,000
Purchases	240,505,256
Sales	(479,571)
Total gains and losses	
- unrealised	-
FX adjustments	(4,953,278)
Impairment	-
Closing balance	244,872,407
Change in unrealised (losses) for Level 3 assets held at year end and included in net gains on financial assets and liabilities at fair value through profit or loss in the Consolidated Statement of Comprehensive Income	-

Financial assets at fair value through profit or loss	Investments in Private Debt Funds	
	31 December 2018	31 December 2017
	€	€
Opening balance	72,368,882	-
Purchases	81,818,787	72,368,882
Sales	(8,407,304)	-
Total gains and losses		
- unrealised	5,074,302	-
Closing balance	150,854,667	72,368,882
Change in unrealised (losses) for Level 3 assets held at year end and included in net gains on financial assets and liabilities at fair value through profit or loss in the Consolidated Statement of Comprehensive Income	5,074,302	-

10. Fair Value of Financial Instruments (continued)

AXA IM Global Loan Opportunity Fund

Financial assets at fair value through profit or loss	Investments in Loans	
	31 December 2018 US\$	31 December 2017 US\$
Opening balance	2,368,392	-
Purchases	15,329,994	2,364,211
Sales	(4,251,618)	-
Total gains and losses		
- unrealised	(472,324)	4,181
- realised	8,788	-
FX adjustments	134,700	-
Closing balance	13,117,932	2,368,392
Change in unrealised (losses) for Level 3 assets held at year end and included in net gains on financial assets and liabilities at fair value through profit or loss in the Consolidated Statement of Comprehensive Income	(472,324)	4,181

AXA IM Global Secured Assets Fund I

Financial assets at fair value through profit or loss	Investments in Loans
	31 December 2018 £
Opening balance	-
Transfers between levels	-
Purchases	45,188,551
Sales	-
Total gains and losses	
- unrealised	(78,588)
- realised	-
Closing balance	45,109,963
Change in unrealised gains for Level 3 assets held at year end and included in net gains on financial assets and liabilities at fair value through profit or loss in the Consolidated Statement of Comprehensive Income	(78,588)

10. Fair Value of Financial Instruments (continued)

The valuation techniques and significant amounts of unobservable inputs used in the value measurement of the Company's Level 3 loans are outlined in the table below:

AXA IM Loan Fund

Fair Value as at 31 December 2018	Valuation Technique	Unobservable Inputs	Input Range
€ 52,386,491	Market Approach	Market price is reliable if: - Compared using clustering analysis, the discount margin of the loan at maturity is within the tolerance of the benchmark of comparable assets (Geo zone, rating, sector).	-100: +100 bps

Fair Value as at 31 December 2017	Valuation Technique	Unobservable Inputs	Input Range
€ 59,296,807	Market Approach	Market price is reliable if: - Compared using clustering analysis, the discount margin of the loan at maturity is within the tolerance of the benchmark of comparable assets (Geo zone, rating, sector).	-100: +100 bps

AXA IM European Middle-Market Debt Fund

Fair Value as at 31 December 2018	Valuation Technique	Unobservable Inputs	Input Range
€ 150,854,667	Net Asset Value	Valuation of underlying loans.	n/a
Amortised Cost			
31 December 2018			
€ 434,695,287	Amortised cost	Market price is reliable if: - Compared using clustering analysis, the discount margin of the loan at maturity is within the tolerance of the benchmark of comparable assets (Geo zone, rating, sector).	-100: +100 bps

10. Fair Value of Financial Instruments (continued)

AXA IM European Middle-Market Debt Fund (continued)

Fair Value as at 31 December 2017	Valuation € Technique	Unobservable Inputs	Input Range
72,368,882	Market Approach	Market price is reliable if: - Compared using clustering analysis, the discount margin of the loan at maturity is within the tolerance of the benchmark of comparable assets (Geo zone, rating, sector).	-100: +100 bps
Amortised Cost 31 December 2017	€ 244,872,407	Amortised cost	

AXA IM Global Loan Opportunity Fund

Fair Value as at 31 December 2018	Valuation US\$ Technique	Unobservable Inputs	Input Range
13,117,932	Market Approach	Market price is reliable if: - Compared using clustering analysis, the discount margin of the loan at maturity is within the tolerance of the benchmark of comparable assets (Geo zone, rating, sector).	-100: +100 bps

Fair Value as at 31 December 2017	Valuation US\$ Technique	Unobservable Inputs	Input Range
2,368,392	Market Approach	Market price is reliable if: - Compared using clustering analysis, the discount margin of the loan at maturity is within the tolerance of the benchmark of comparable assets (Geo zone, rating, sector).	-100: +100 bps

10. Fair Value of Financial Instruments (continued)*AXA IM Global Secured Assets Fund I*

Fair Value as at 31 December 2018	Valuation € Technique	Unobservable Inputs	Input Range
45,109,963	Market Approach	Market price is reliable if: - Compared using clustering analysis, the discount margin of the bonds at maturity is within the tolerance of the benchmark of comparable assets (Geo zone, rating, sector).	-100: +100 bps

11. Assets and Liabilities not carried at Fair Value but for which Fair Value is disclosed*AXA IM Loan Fund*

The following table provides an analysis of the Company's assets and liabilities not measured at fair value at 31 December 2018 and 31 December 2017 but for which value is disclosed.

31 December 2018	Level 1 €	Level 2 €	Level 3 €	Total €
Assets				
Cash and cash equivalents	31,349,564	-	-	31,349,564
Interest receivable	-	2,810,211	-	2,810,211
Receivable for investments sold	-	56,006,285	-	56,006,285
Withholding tax receivable	-	84,069	-	84,069
Collateral held	-	6,251,508	-	6,251,508
Other assets	-	90,691	-	90,691
Total	31,349,564	65,242,764	-	96,592,328
Liabilities				
Payables for investments purchased	-	48,459,743	-	48,459,743
Dividends payable	-	9,195,079	-	9,195,079
Accrued expenses	-	2,843,821	-	2,843,821
Net Assets Attributable to Holders of Redeemable Participating Shares	-	916,621,789	-	916,621,789
Total	-	977,120,432	-	977,120,432

11. Assets and Liabilities not carried at Fair Value but for which Fair Value is disclosed (continued)*AXA IM Loan Fund (continued)*

31 December 2017	Level 1	Level 2	Level 3	Total
	€	€	€	€
Assets				
Cash and cash equivalents	126,822,025	-	-	126,822,025
Interest receivable	-	2,454,125	-	2,454,125
Receivable for investments sold	-	10,829,742	-	10,829,742
Withholding tax receivable	-	58,875	-	58,875
Collateral held	-	954,000	-	954,000
Other assets	-	69,593	-	69,593
Total	126,822,025	14,366,335	-	141,188,360
Liabilities				
Payables for investments purchased	-	103,674,927	-	103,674,927
Withdrawal payable	-	504,299	-	504,299
Accrued expenses	-	3,217,425	-	3,217,425
Net Assets Attributable to Holders of Redeemable Participating Shares	-	988,000,375	-	988,000,375
Total	-	1,095,397,026	-	1,095,397,026

AXA IM European Middle-Market Debt Fund

31 December 2018	Level 1	Level 2	Level 3	Total
	€	€	€	€
Assets				
Financial assets at amortised cost	-	-	434,695,287	434,695,287
Cash and cash equivalents	48,098,008	-	-	48,098,008
Interest receivable	-	3,688,355	-	3,688,355
Other assets	-	67,578	-	67,578
Total	48,098,008	3,755,933	434,695,287	486,549,228
Liabilities				
Corporation tax payable	-	4	-	4
Accrued expenses	-	2,206,190	-	2,206,190
Net Assets Attributable to Holders of Redeemable Participating Shares	-	637,801,030	-	637,801,030
Total	-	640,007,224	-	640,007,224

11. Assets and Liabilities not carried at Fair Value but for which Fair Value is disclosed (continued)*AXA IM European Middle-Market Debt Fund (continued)*

31 December 2017	Level 1	Level 2	Level 3	Total
	€	€	€	€
Assets				
Financial assets at amortised cost	-	-	244,872,407	244,872,407
Cash and cash equivalents	7,201,181	-	-	7,201,181
Interest receivable	-	1,631,617	-	1,631,617
Other assets	-	34,671	-	34,671
Total	7,201,181	1,666,288	244,872,407	253,739,876
Liabilities				
Corporation tax payable	-	262	-	262
Accrued expenses	-	645,521	-	645,521
Net Assets Attributable to Holders of Redeemable Participating Shares	-	327,894,830	-	327,894,830
Total	-	328,540,613	-	328,540,613

AXA IM Global Loan Opportunity Fund

31 December 2018	Level 1	Level 2	Level 3	Total
	US\$	US\$	US\$	US\$
Assets				
Cash and cash equivalents	3,795,678	-	-	3,795,678
Interest receivable	-	405,392	-	405,392
Receivables for investments sold	-	4,751,012	-	4,751,012
Other assets	-	36,523	-	36,523
Total	3,795,678	5,192,927	-	8,988,605
Liabilities				
Payables for investments purchased	-	4,867,532	-	4,867,532
Corporation tax payable	-	364	-	364
Accrued expenses	-	372,020	-	372,020
Net Assets Attributable to Holders of Redeemable Participating Shares	-	44,262,587	-	44,262,587
Total	-	49,502,503	-	49,502,503

11. Assets and Liabilities not carried at Fair Value but for which Fair Value is disclosed (continued)

AXA IM Global Loan Opportunity Fund (continued)

31 December 2017	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Assets				
Cash and cash equivalents	25,595,732	-	-	25,595,732
Interest receivable	-	8,541	-	8,541
Receivables for investments sold	-	4,172,019	-	4,172,019
Total	25,595,732	4,180,560	-	29,776,292
Liabilities				
Payables for investments purchased	-	17,858,036	-	17,858,036
Accrued expenses	-	57,636	-	57,636
Net Assets Attributable to Holders of Redeemable Participating Shares	-	29,931,846	-	29,931,846
Total	-	47,847,518	-	47,847,518

AXA IM Global Secured Assets Fund I

31 December 2018	Level 1 £	Level 2 £	Level 3 £	Total £
Assets				
Cash and cash equivalents	173,004,255	-	-	173,004,255
Interest receivable	-	298,571	-	298,571
Other assets	-	22,741	-	22,741
Total	173,004,255	321,312	-	173,325,567
Liabilities				
Subscriptions received in advance	-	150,000,000	-	150,000,000
Corporation tax payable	-	85	-	85
Accrued expenses	-	137,967	-	137,967
Net Assets Attributable to Holders of Redeemable Participating Shares	-	219,610,225	-	219,610,225
Total	-	369,748,277	-	369,748,277

AXA IM Strategies PLC

Notes to the Financial Statements for the year ended 31 December 2018 (continued)

12. Taxation

<u>AXA IM Loan Fund</u>	31 December 2018 €	31 December 2017 €
Profit before tax on ordinary activities of the Subsidiary	1,000	1,000
Profit before tax multiplied by standard rate of corporation tax in the Republic of Ireland of 12.5%	125	125
Effects of:		
Higher rate of tax applicable under Section 110 TCA, 1997	125	125
Tax for the year	250	250

The corporation tax for the year ended 31 December 2018 is €250 (2017: €250). The amount outstanding at the year end was €Nil (2017: €Nil).

<u>AXA IM European Middle-Market Debt Fund</u>	31 December 2018 €	31 December 2017 €
Profit before tax on ordinary activities of the Subsidiary	1,001	-
Profit before tax multiplied by standard rate of corporation tax in the Republic of Ireland of 12.5%	125	131
Effects of:		
Higher rate of tax applicable under Section 110 TCA, 1997	125	131
Tax for the year	250	262

The corporation tax for the year ended 31 December 2018 is €250 (2017: €Nil). The amount outstanding at the year end was €4 (2017: €Nil).

<u>AXA IM Global Loan Opportunites Fund</u>	31 December 2018 US\$	31 December 2017 US\$
Profit before tax on ordinary activities of the Subsidiary	1,459	-
Profit before tax multiplied by standard rate of corporation tax in the Republic of Ireland of 12.5%	182	-
Effects of:		
Higher rate of tax applicable under Section 110 TCA, 1997	182	-
Tax for the year	364	-

The corporation tax for the year ended 31 December 2018 is US\$364 (2017: US\$Nil). The amount outstanding at the year end was US\$364 (2017: US\$Nil).

12. Taxation (continued)

AXA IM Global Secured Assets Fund I

	31 December 2018 £
Profit before tax on ordinary activities of the Subsidiary	342
Profit before tax multiplied by standard rate of corporation tax in the Republic of Ireland of 12.5%	43
Effects of: Higher rate of tax applicable under Section 110 TCA, 1997	43
Tax for the year	86

The corporation tax for the year ended 31 December 2018 is £86 (2017: n/a). The amount outstanding at the year end was £85 (2017: n/a).

The Subsidiaries are qualifying companies within the meaning of Section 110 of the Taxes Consolidation Act, 1997. As such the profits are chargeable to corporation tax under Case III of Schedule D at a rate of 25% but are computed in accordance with the provisions applicable to Case I of Schedule D.

13. Cash and Cash Equivalents, Restricted Cash and Cash Collateral

All cash and cash equivalents and restricted cash balances at the year end were held at Bank of New York Mellon, Brussels. Cash and cash equivalents also includes cash invested in money market funds held with Goldman Sachs. The money market fund balances held at Goldman Sachs as at 31 December 2018 were €4,144,596 (2017: €114,503,076) for AXA IM Loan Fund and €Nil (2017: €4,354,222) for AXA IM European Middle-Market Debt Fund.

Cash collateral of €6,251,508 was held as at 31 December 2018 (2017: €954,000).

For collateral other than cash, if the party to whom the collateral is provided has the right by contract or custom to sell or re-pledge the collateral, as the case was in the year ended 31 December 2018, the Group classifies that asset in its Consolidated Statement of Financial Position separately from other assets and identifies the asset as pledged collateral. Where the party to whom the collateral is provided does not have the right to sell or re-pledge a disclosure of the collateral provided is made in the notes to the Consolidated Financial Statements.

AXA IM Loan Fund

There was restricted cash held as at 31 December 2018 of €1,574,499 (2017: €7,680,991). The restricted cash in place as at 31 December 2018 was for Aveanna Healthcare LLC First Lien Delayed Draw New Term Loan, Checkout Holding Corp Delayed Draw Term Loan and Checkout Holding Corp New Money DIP Delayed Draw Term Loan. The restricted cash in place as at 31 December 2017 was for the Allied Universal Holdco LLC delayed draw term loan.

AXA IM European Middle-Market Debt Fund

There was no restricted cash held as at 31 December 2018 (2017: €Nil).

AXA IM Global Loan Opportunity Fund

There was no restricted cash held as at 31 December 2018 (2017: US\$Nil).

AXA IM Global Secured Assets Fund I

There was no restricted cash held as at 31 December 2018 (2017: n/a).

14. Accrued Expenses

	Consolidated AXA IM Loan Fund		AXA IM Loan Fund	
	31 December	31 December	31 December	31 December
	2018	2017	2018	2017
	€	€	€	€
Management fee payable	1,821,967	2,574,898	1,821,967	2,574,898
Administration and depositary fees payable	569,321	103,340	363,777	198,276
Audit fee payable	66,558	35,212	66,558	35,212
Other payables	385,975	503,975	330,687	314,103
Total	2,843,821	3,217,425	2,582,989	3,122,489

	Consolidated AXA IM European Middle-Market Debt Fund		AXA IM European Middle-Market Debt Fund	
	31 December	31 December	31 December	31 December
	2018	2017	2018	2017
	€	€	€	€
Management fee payable	1,592,332	378,533	1,592,332	378,533
Administration and depositary fees payable	324,360	101,452	187,891	32,883
Audit fee payable	94,167	71,336	94,167	71,336
Other payables	195,331	94,200	196,874	94,200
Total	2,206,190	645,521	2,071,264	576,952

	Consolidated AXA IM Global Loan Opportunity Fund		AXA IM Global Loan Opportunity Fund	
	31 December	31 December	31 December	31 December
	2018	2017	2018	2017
	US\$	US\$	US\$	US\$
Management fee payable	162,487	15,157	162,487	15,157
Administration and depositary fees payable	58,014	5,137	58,014	7,808
Audit fee payable	40,364	7,896	40,364	7,896
Other payables	111,155	29,446	44,731	22,049
Total	372,020	57,636	305,596	52,910

	Consolidated AXA IM Global Secured Assets Fund I		AXA IM Global Secured Assets Fund I	
	31 December	31 December	31 December	31 December
	2018	2017	2018	2017
	£	£	£	£
Management fee payable	89,051	-	89,051	-
Administration and depositary fees payable	25,744	-	25,744	-
Audit fee payable	4,882	-	4,882	-
Other payables	18,290	-	18,562	-
Total	137,967	-	138,239	-

15. Other Expenses

	Consolidated AXA IM Loan Fund		AXA IM Loan Fund	
	31 December	31 December	31 December	31 December
	2018	2017	2018	2017
	€	€	€	€
Corporate services	28,000	28,000	-	-
Trustee fees	199,981	184,808	199,981	184,808
Secretarial fees	8,045	7,979	8,045	7,979
Financial statement fees	3,520	3,491	3,520	3,491
Transfer agency fees	8,962	7,581	8,962	7,581
Miscellaneous	187,567	175,664	38,457	174,913
Total	436,075	407,523	258,965	378,772
	Consolidated AXA IM European Middle-Market Debt Fund		AXA IM European Middle-Market Debt Fund	
	31 December	31 December	31 December	31 December
	2018	2017	2018	2017
	€	€	€	€
Corporate services	29,150	31,225	-	4,987
Trustee fees	113,181	57,326	113,181	57,326
Secretarial fees	29,158	28,920	29,158	28,920
Financial statement fees	5,028	4,987	5,028	4,987
Transfer agency fees	3,619	5,759	3,619	5,759
Miscellaneous	214,491	522,634	59,610	505,149
Total	394,627	650,851	210,596	607,128
	Consolidated AXA IM Global Loan Opportunity Fund		AXA IM Global Loan Opportunity Fund	
	31 December	31 December	31 December	31 December
	2018	2017	2018	2017
	US\$	US\$	US\$	US\$
Corporate services	47,119	4,726	-	-
Secretarial fees	42,648	5,809	42,648	5,809
Financial statement fees	5,027	822	5,027	822
Miscellaneous	40,626	5,781	40,626	5,781
Total	135,420	17,138	88,301	12,412
	Consolidated AXA IM Global Secured Assets Fund I		AXA IM Global Secured Assets Fund I	
	31 December	31 December	31 December	31 December
	2018	2017	2018	2017
	£	£	£	£
Secretarial fees	17,426	-	17,426	-
Financial statement fees	622	-	622	-
Transfer agency fees	925	-	925	-
Miscellaneous	650	-	650	-
Total	19,623	-	19,623	-

16. Auditors' Remuneration

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

	Consolidated AXA IM Loan Fund		Consolidated AXA IM European Middle-Market Debt Fund	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	€	€	€	€
Auditors' remuneration Group				
Statutory audit of Group's financial	38,000	50,260	50,000	53,260
Other non-audit services	-	-	-	-
Total	38,000	50,260	50,000	53,260
Auditors' remuneration Company				
Statutory audit of Company's financial	13,260	13,260	13,260	13,260
Other non-audit services	-	-	-	-
Total	13,260	13,260	13,260	13,260
	Consolidated AXA IM Global Loan Opportunity Fund		Consolidated AXA IM Global Secured Assets Fund I	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	US\$	US\$	£	£
Auditors' remuneration Group				
Statutory audit of Group's financial	20,000	13,260	5,000	-
Other non-audit services	-	-	-	-
Total	20,000	13,260	5,000	-
Auditors' remuneration Company				
Statutory audit of Company's financial	13,260	13,260	13,260	-
Other non-audit services	-	-	-	-
Total	13,260	13,260	13,260	-

PricewaterhouseCoopers also received €2,500 in respect of non-audit services provided during the year ended 31 December 2018 (2017: €5,000).

17. Efficient Portfolio Management

The Group may employ techniques and instruments relating to transferable securities and money market instruments provided that such techniques and instruments are used for efficient portfolio management purposes and are in accordance with the Group's investment policy. Examples of such techniques and instruments would be futures, put and call options, swaps and when issued securities and such derivatives may be exchange traded and/or over-the counter contracts.

Any such technique or instrument must be one which (alone or in combination with one or other techniques or instruments) is reasonably believed by the Alternative Investment Fund Manager to be economically appropriate to the efficient portfolio management of the Group, i.e. the use of a technique or instrument may only be undertaken for the purpose of one or more of the following: (a) a reduction in risk, (b) a reduction in cost, or (c) an increase in capital or income returns to the Group. The open derivative instruments held by the Group at the year end are shown in the Portfolio Statements.

18. Dividends to Holders of Redeemable Participating Shares

AXA IM Loan Fund

Dividends of €12.7 million were declared during the year ended 31 December 2018 (2017: €13.69 million). Dividends of €3.5 million (2017: €21.47 million) were paid during the year with €9.2 million payable as at 31 December 2018 (2017: €Nil).

AXA IM European Middle-Market Debt Fund

Dividends of €24.6 million were declared during the year ended 31 December 2018 (2017: €2.7 million). Dividends of €24.6 million (2017: €2.7 million) were paid during the year with €Nil payable as at 31 December 2018 (2017: €Nil).

AXA IM Global Loan Opportunity Fund

Dividends of US\$Nil million were declared during the year ended 31 December 2018 (2017: US\$Nil). Dividends of US\$Nil million (2017: US\$Nil) were paid during the year with US\$Nil payable as at 31 December 2018 (2017: US\$Nil).

AXA IM Global Secured Assets Fund I

Dividends of £Nil million were declared during the period ended 31 December 2018 (2017: n/a). Dividends of £Nil million (2017: n/a) were paid during the period with £Nil payable as at 31 December 2018 (2017: n/a).

19. Reconciliation of Net Asset Value

The following table shows the reconciliation of the net assets attributable to holders of redeemable participating shares:

AXA IM European Middle-Market Debt Fund

	31 December 2018	31 December 2017
	€	€
Net Assets Attributable to Holders of Redeemable Participating Shares per Trading NAV	645,516,146	330,025,572
Adjustment to financial assets at amortised cost - amortisation	(3,515,986)	(2,130,742)
Expected credit loss impairment charge*	(4,199,130)	-
Net Assets Attributable to Holders of Redeemable Participating Shares per consolidated financial statements	<u>637,801,030</u>	<u>327,894,830</u>

Reconciliation of net asset value per share as at 31 December 2018 and 31 December 2017 is as follows:

Net asset value per share per Trading NAV	101.51	102.14
Adjustment to financial assets at amortised cost	(0.54)	(0.66)
Expected credit loss impairment charge	(0.66)	-
Net asset Value per share per consolidated financial statements	<u>100.30</u>	<u>101.48</u>

*The above amount is the difference between the Trading NAV and the ECL Calculation as per Note 9(c).

20. Significant Events during the Year

AXA IM Global Secured Assets Fund I was registered with the Central Bank of Ireland on 22 October 2018 and commenced its operations on 8 November 2018.

AXA IM Global Secured Assets Fund I Class A GBP Distribution Shares were launched on 8 November 2018.

21. Important Events since the Year End

Subsequent to year end, the Board of Directors resolved to liquidate AXA IM Global Loan Opportunity Fund and to dispose of all of the Fund's assets.

A new supplement to the Prospectus dated 8 December 2016 was issued on 22 February 2019 to reflect the authorisation of the Central Bank of a new Sub-Fund, AXA IM Secured Finance Fund I.

AXA IM Secured Finance Fund I commenced its operations on 11 March 2019.

Subsequently, an additional supplement to the Prospectus dated 8 December 2016 was issued on 20 March 2019 to reflect the authorisation of the Central Bank of a new Sub-Fund, AXA IM Private Financing Fund I.

There were no other significant events since the year end.

22. Contingent Liabilities

There were no contingent liabilities as at 31 December 2018 or as at 31 December 2017.

23. Soft Commissions

There were no soft commissions paid during the year ended 31 December 2018 or during the year ended 31 December 2017.

24. Purchase and Sales

A full list of the Group's purchases and sales is available from the Administrator upon request and free of charge.

25. Approval of Financial Statements

The Directors approved the Consolidated Financial Statements on 23 May 2019, on which date the Consolidated Financial Statements were authorised for issue.

AXA IM Strategies PLC**Total Expense Ratios (“TER”) (Unaudited)**

The commissions and costs incurred in managing the Group must be disclosed in the figure known internationally as the “Total Expense Ratio (TER)”. The basis of the calculation of TER uses the Net Assets of each sub fund excluding the impact any Profit Participating Right Agreement with AXA IM Strategies PLC.

	TER (all expenses)	TER (all expenses excluding management fees)	Management fees
<u><i>AXA IM Loan Fund</i></u>			
Class I EUR Distribution Shares	0.50%	0.10%	0.40%
Class A EUR Distribution Shares	0.64%	0.10%	0.54%
Class A STG Accumulation Shares	0.65%	0.10%	0.55%
Class A EUR Accumulation Shares	0.65%	0.10%	0.55%
Class A USD Distribution Shares	0.65%	0.10%	0.55%
Class A CHF Accumulation Shares	0.65%	0.10%	0.55%
Class A STG Distribution Shares	0.65%	0.10%	0.55%
Class A CHF Distribution Shares	0.65%	0.10%	0.55%
<u><i>AXA IM European Middle-Market Debt Fund</i></u>			
Class A EUR Distribution Shares	0.36%	0.08%	0.27%
<u><i>AXA IM Global Loan Opportunity Fund</i></u>			
Class A USD Distribution Shares	1.13%	0.63%	0.50%
<u><i>AXA IM Global Secured Assets Fund I</i></u>			
Class A GBP Distribution Shares	n/a	n/a	n/a

SUPPLEMENT
AU
RAPPORT ANNUEL
DE
AXA IM Strategies PLC
POUR DISTRIBUTION EN SUISSE

Ce supplément au Rapport Annuel de AXA IM Strategies PLC (le “Fonds”), qui fait partie du et doit être lu en liaison avec le Rapport Annuel.

Le Prospectus et le rapport annuel du fonds peuvent être obtenus exclusivement par des investisseurs qualifiés gratuitement auprès du représentant. Le lieu d'exécution et le for en relation avec les parts du fonds distribuées en Suisse aux investisseurs qualifiés se trouvent au siège du représentant.

Représentant en Suisse: FIRST INDEPENDENT FUND SERVICES LTD., Klausstrasse 33, CH-8008 Zurich.

L'Agent payeur: NPB Neue Privat Bank AG, Limmatquai 1, CH-8022 Zurich