IVO FUNDS

Société d'Investissement à Capital Variable

R.C.S. Luxembourg B 193811

Annual Report including the Financial Statements, revised

up to 31 December 2019

Contents

Organisation and administration

Head Office

28-32, Place de la gare, L-1616 Luxembourg

Board of Directors Chairman:

Michael ISRAEL, CEO, IVO CAPITAL PARTNERS

Directors:

Jean-Bernard QUILLON, Independent Director

Yann CESBRON, Independent Director

Roland VIGNE, Manager, IVO CAPITAL PARTNERS

Sydney OURY, Deputy General Manager, IVO CAPITAL PARTNERS

Nicolas CRESSOT, Manager, IVO CAPITAL PARTNERS

Romain LIPPE, Assistant Manager, IVO CAPITAL PARTNERS

Management Company

IVO CAPITAL PARTNERS
4, Avenue Bertie Albrecht, 75008 Paris, France

Domiciliation Agent and Administrative Agent

Société Générale Bank & Trust (operations centre)

28-32, Place de la gare L-1616 Luxembourg

Registrar

Société Générale Bank & Trust (operations centre)

28-32, Place de la gare L-1616 Luxembourg

Custodian Bank

Société Générale Bank & Trust
11, Avenue Emile Reuter, L-2420 Luxembourg

Distributor

IVO CAPITAL PARTNERS
4 Avenue Bertie Albrecht
75008 Paris, France

Approved Audit Firm

Deloitte Audit, Limited Liability Company
20 Boulevard de Kockelscheuer, L-1821 Luxembourg

General information

IVO FUNDS is an Investment Company with Variable Share Capital ("SICAV") under Luxembourg Law with multiple sub-funds incorporated in Luxembourg on 29 December 2014 for an unlimited period as a Public Limited Company.

The SICAV is subject in particular to the provisions of Part I of the Act of 17 December 2010, as amended ("2010 Act") and the Law of 10 August 1915 on commercial companies, as amended.

The minimum capital of the SICAV amounts to EUR 1,250,000, - (one million two hundred and fifty thousand euros) and must be reached within six months from the date of approval of the SICAV. The capital of the SICAV is at all times equal to the sum of the value of the net assets of the sub-funds and is represented by fully paid up shares without par value.

The statutes of the SICAV (hereinafter the "Articles") were published in the Mémorial C, Recueil des Sociétés et Associations (hereinafter the "Mémorial") on 26 January 2015 and have been filed with the Registrar of the District Court of and in Luxembourg. They can be viewed electronically on the Luxembourg Trade and Companies Register website (www.rcsl.lu). The copy of the Articles is also available, upon request and without charge, at the head office of the SICAV and available on the website www.fundsquare.net.

The SICAV was registered in the Luxembourg Trade and Companies Register under number B 193811.

The Annual General Meeting will be held in Luxembourg at the head office of the SICAV, or any other location to be specified at the meeting on the last Wednesday of April at 10:00 am.

If this day is not a Business Day in Luxembourg, the Annual General Meeting will be held on the next Business Day. The fiscal year begins on 1 January and ends on 31 December each year.

SICAV's Board of Directors Report

After a turbulent end to 2018 on the financial markets, the main asset classes started 2019 on the upside, with most regaining at least half of their December losses. Deteriorating financial markets and uncertainties about the health of the global economy prompted the US Federal Bank (Fed) to relax its strategy, which helped support the markets at the beginning of the year, particularly the US high-yield bond market, which had been severely affected in the last quarter of 2018. In particular, Jerome Powell made a statement to the American Economic Association in early January indicating that the level of inflation – still moderate – should allow the Fed to be "patient" about future key rate increases, a message confirmed at the Federal Open Market Committee (FOMC) meeting on 29 January. While the consensus predicted one or two rate increases in 2019, only 3% of the analysts surveyed expect an increase in the year and nearly 18% expect a decrease. From an economic point of view, the International Monetary Fund (IMF) was still predicting at the beginning of 2019 a solid 4 to 5% growth per year on average over the next 5 years for emerging countries, even if there are risks: the slowdown of the Chinese economy, Brexit and the risk of a slowdown in world trade, among others. Regarding trade tensions between the United States and China, the latest round of negotiations in early January was encouraging according to reports, and an agreement could be reached before the 2 March deadline.

As in January, most asset classes were up in February. High-Yield emerging bond markets were no exception to the rule and ended the month with a 0.9% increase in euro terms, following the fall in credit spreads [-13 basis points (bps) to 465 bps for the CEMBI HY+ index in euro, compiled by JP Morgan Bank], partially offset by a slight increase in US sovereign rates (+5 bps to 2.11% for the US 5-year). After the beginning of the month marked by the end of the shutdown in the United States, the Sino-American trade conflict sparked debates and the prospects for a future agreement continued to favour emerging countries, particularly China. The average credit spread on Chinese issuers narrowed from 41bps to 552bps this month. Conversely, in Russia, the possible introduction of new sanctions by the US Senate is affecting credit spreads, particularly on bank securities.

In March, the Fed revised its growth and inflation expectations downwards and a majority of governors now believe that there will be no more key rate increases in 2019 and only one in 2020. The "quantitative tightening" is expected to be completed in September. Moreover, statements by some members also suggest that the Fed could let inflation rise above its 2% target, which has only rarely been reached over the last decade, in order to support economic growth. All these developments contributed to a decline of around 30 bps in US sovereign yields across the entire curve in the second half of the month. The fall in US sovereign rates favoured all dollar bond markets, particularly emerging country corporate issues, which closed the month with an increase despite a slight rise in credit spreads (+14 bps to 479 bps for the average credit spread on the CEMBI HY+ index). Performance varied considerably from one country to another. Credit spreads on Chinese issuers continue to narrow, helped in particular by progress in the negotiations for a trade agreement with the United States and encouraging macroeconomic publications (the manufacturer Purchasing Manager Index (PMI) is back above 50). Conversely, Turkish issuers faced high volatility following a new intervention of the Central Bank in the foreign exchange markets in the build-up to local elections that were risky for the ruling party.

As in previous months, April turned out to be positive for the financial markets as a whole, despite the return of volatility at the end of the month in Argentina and then in the first days of May on most asset classes following the resurgence of trade tensions between China and the United States. Over the period under review (from 29 March to 3 May), US sovereign rates rose slightly (+10 bps for the 5-year rate, to 2.33%) for both fundamental (rebound in US manufacturing production in March) and technical reasons (high supply following the first multi-tranche issue by Saudi Aramco for $12 billion, which was added to the traditional US Treasury auctions). For emerging country corporate bond markets, credit spreads narrowed more on average than US rates eased (-17 bps for the CEMBI HY+, to 462 bps). However, there are significant differences between countries. The Russian CEMBI HY+ had the best performance of the month (-54 bps, at 409 bps), greatly aided by the significant appreciation of oil prices. Conversely, the Argentine CEMBI HY+ recorded the worst performance among the emerging countries, as the economic recession and soaring inflation have raised fears of a return of populism in the November general elections, despite the ambitious reform policy implemented by President Macri in 2015.

While the United States and China seemed relatively close to an agreement, the situation deteriorated again at the beginning of May following the new tariff increase decided by the Trump administration. China retaliated by increasing its own tariffs from 10% to 25% on $60 billion worth of US products. The increase in trade tensions had a negative impact on most risky assets, while safe havens mostly performed positively, notably US Treasury bills and the investment grade market, as well as gold. US sovereign rates ended the month down significantly (-41 bps to 1.9% for the 5-year rate, which fell below 2% for the first time since 2017). Conversely, credit spreads on emerging country corporate bond markets have risen significantly (+65 bps to 527 bps for the CEMBI HY+). The worst performances are attributable to China for obvious reasons (+62 bps to 565 bps for the Chinese CEMBI HY+) and Turkey after the election for mayor of Istanbul was cancelled, which has raised fears of a new authoritarian drift in the country (+103 bps to 741 bps for the Turkish CEMBI HY+). Argentine corporate bonds have recovered some of last month's losses (relatively stable credit spreads at 779 bps in a context of a sharp fall in underlying rates). The end-of-month announcement of retaliatory trade measures by the United States against Mexico had a limited impact on the country's emissions.

The Fed's accommodating message, which could lower its key rate before the end of 2020, continues to support international bond markets, which have just had one of the best semesters in their history. For emerging markets, credit spreads on CEMBI HY+ narrowed by 35 bps in June. The best performances were achieved by Turkey (-145 bps) as the economic situation normalised with the opposition finally winning the local elections in Istanbul, and by Ukraine (-143 bps) as the new president has reiterated his commitment to cooperate with the IMF and a new programme could be launched before the end of the year. In Argentina, the political game continues and President Macri's surprise alliance with the moderate Peronist Pichetto, which broadens the potential voter base of the incumbent president for the November elections, has been well-received by the markets. In the Persian Gulf, tensions between Iran and the United States worsened following the destruction of an American drone by the Iranian army, resulting in a slight rise in oil prices compared to the level at the end of May, with moderate effects on credit spreads for oil service sector issuers for the time being.

The beginning of the summer was relatively calm on the financial markets until the end of July and the return to the centre of attention of the Fed's monetary policy on the one hand and the trade dispute between the United States and China on the other. The Fed's decision to lower its key rate by 25 bps was anticipated. Less expected was the message delivered by Fed director Jerome Powell, who insisted that this did not represent the beginning of an easing cycle. The following day, President Trump's decision to implement a new series of tariffs on $300 billion of Chinese products also contributed to renewed market volatility. Volatility affects equity markets more so than bond markets, which are benefiting from the significant fall in sovereign rates (-11 bps to 1.66% for the US 5-year sovereign rate). In emerging markets, credit spreads on the CEMBI HY+ ended the month slightly higher (+7 bps to 498 bps). However, performance varied from country to country. As with last month, Ukraine achieved the best results (-82 bps to 467 bps) after the new president reiterated his commitment to cooperating with the IMF, and Turkey (-26 bps to 587 bps), following the surprisingly positive market reaction to the rate cut introduced by the Central Bank of Turkey (CBRT). The worst-performing countries were Indonesia (+146 bps to 684 bps), which was negatively affected by the poor individual performances of several issuers, and China (+21 bps to 587 bps) which stalled in early August following the implementation of new protective measures by the United States. In Argentina, credit spreads moved slightly (+20 bps to 716 bps) in the run-up to the 11 August mandatory primaries.

August opened with a further deterioration in the trade dispute between the United States and China following the Trump administration's implementation of a series of economic protection measures against the world's second largest economy. The level of credit spreads subsequently diverged on both the CEMBI HY+ China index and the US High Yield in the first half of the month. Argentina experienced the highest volatility among emerging countries this month, following the presidential primaries in the October during which opposition candidate Alberto Fernandez outstripped outgoing centre-right president Mauricio Macri by a wide margin. Fears of a return of populism in Argentina, uncertainty related to the transition period and the possibility of a sovereign debt default led to a sharp fall in overall Argentine assets.

The decline was exacerbated by technical factors, including reduced liquidity in the financial markets during August and the fact that most major emerging asset managers are already overweight on Argentina. Credit spreads on the Argentine CEMBI HY+ widened from 716 bps to 1596 bps during the month—a particularly high level not seen in a major emerging country since Russia in 2014. In this context, the IVO fund ended the month with an underperformance compared to the CEMBI HY+ index.

At the start of the month, the announcement that trade negotiations between the United States and China had resumed as well as the relaunch of the European Central Bank's (ECB) quantitative easing programme contributed to an improvement in market sentiment for most asset classes. The escalation of geopolitical tensions in the Gulf following the attack on a Saudi oil complex by the Iran-supported Yemeni rebellion finally had a limited impact on the markets, barring a very temporary increase in oil prices. For emerging country corporate bonds, credit spreads on the CEMBI HY+ narrowed by 37 basis points (bps) during the month, more than offsetting the increase in yields on US sovereign debt (+18 bps, to 1.6% for 5-year sovereign). The performance of CEMBI HY+ issuers varied depending on the country. The best performances were achieved in Turkey (-118 bps to 516 bps) and Argentina (decline from the peak at the end of August, but credit spreads remain above 1,200 bps). Chinese and Russian issuers recorded a more modest performance (-10 bps at 665 bps and -23 bps at 381 bps, respectively). In Turkey, the economic situation is gradually returning to normal, with a further sharp fall in inflation in September, which returned to a single-digit level for the first time in two years (9.3%), while the PMI index rose above the 50 threshold in the same time period. In Argentina, credit spreads narrowed sharply after the August sell-off, but in our opinion remain at historically attractive levels. Like President Macri before him, opposition candidate Alberto Fernandez has declared that he is in favour of sovereign debt restructuring with a maturity extension without a formal discount, as seen in Uruguay in 2003. However, the outcome of future tripartite negotiations with the IMF and international bondholders remains uncertain.

The month of October was relatively lively for the emerging countries, with the major event being the agreement in principle reached by the United States and China on "phase 1" of a comprehensive future trade agreement, an event that was welcomed by the markets. Emerging bond markets achieved a positive performance during October, primarily due to the narrowing of credit spreads over the period under review (-23 bps on average on the CEMBI HY+, at 517 bps), following positive developments regarding the Chinese-American trade dispute and the easing of US monetary policy. US sovereign rates remained relatively stable. Performances were fairly homogeneous, with credit spreads narrowing between 20 and 40 bps on average in the primary regions, with Argentine and Mexican issuers achieving the best performances this month. In Argentina, Peronist candidate Alberto Fernandez won the presidential election, and will be in charge of negotiating the restructuring of the public debt. The end of the uncertainty linked to the election is positive news in and of itself, as are midterm legislative election results obtained by the centre-right, which should enable it to retain a relative majority in the Chamber of Deputies, and thus constitute an effective opposition. Developments to be monitored in the coming weeks are the composition of Fernandez's Cabinet as well as the progress of restructuring negotiations with creditors, including the IMF, which is seeking to involve other international creditors in the effort. An organised and rapid restructuring of public debt would have a favourable impact on the credit spreads of local private issuers. In Turkey, President Erdogan launched a new military operation against Syrian Kurdistan, but thanks to an armistice reached two weeks after the start of hostilities, economic sanctions were not imposed against Turkey. There were therefore no investment opportunities in terms of spreads on Turkish companies in the wake of these events. Many public demonstrations took place across the globe, primarily for economic reasons, notably in Chile, Ecuador, Lebanon and Iraq, resulting in some volatility. This volatility primarily affected the sovereign bonds of the most fragile of the countries concerned, notably Lebanon, and to a lesser extent Ecuador, where our position was slightly strengthened.

November was generally positive for emerging credit, as illustrated by the slight narrowing of credit spreads (-14 bps on the CEMBI HY+). The Fed cut key rates at the end of October and signalled a halt to its accommodative policy, although US futures markets stubbornly forecast a further rate cut in 2020. This downward trend in interest rates in the United States and emerging countries (notably Brazil, Turkey and Russia) where credit spreads remain attractive (CEMBI HY+ of 504 bps) remains a driving force for emerging corporate bonds.

However, November was witness to a certain number of events. Firstly, at the beginning of the month, emerging markets benefited from a favourable development in U.S.–China relations: on November 7, both sides accepted the possibility that a potential trade agreement would include a reduction in customs tariffs. This future agreement, dubbed "Phase 1" by President Trump, has yet to be realised and ratified by both sides. This news contributed to a moderate tightening of Chinese credit spreads (-36 bps on average over November), and to the S&P 500 Index reaching an all-time high at the end of November. However, we believe that the uncertainty surrounding the trade war is far from over, as demonstrated by the "Hong Kong Human Rights and Democracy Act." Supported in Congress by Republicans and Democrats and then ratified by President Trump, this piece of legislation authorises the implementation of sanctions against representatives from China and Hong Kong in the event of human rights violations, which has clearly enraged Beijing. Argentina is next, where the presidential candidate Alberto Fernandez is preparing to formally take power on 10 December. Although he has quite strongly criticised the International Monetary Fund in the past, Alberto Fernandez spoke over the phone to Kristalina Georgieva, the new IMF Managing Director, showing the elected candidate's willingness to negotiate. On 6 December, Alberto Fernandez finally unveiled his cabinet, which consists more of traditional Peronists and his allies than Kirchnerists. We will also be closely following the first bills to be passed by this new administration, as well as the progress of negotiations with the IMF and international creditors. It must also be noted that the rest of Latin America is facing growing unrest. Protest movements persist in Chile, where demonstrators are demanding economic and social measures, while in Bolivia, Evo Morales, who has been legitimately elected president three times in the past, was forced to resign due to irregularities in his fourth candidacy and seek political asylum in Mexico. In Colombia, general discontent with President Duque's policies, whose disapproval rating is said to be more than 70% according to the local press, has turned into demonstrations by hundreds of thousands of people campaigning for more social justice and against the government's economic reforms. Moreover, in Ecuador, eleven days of demonstrations have made way for a more favourable social climate following the agreement between the government and indigenous peoples to restore fuel subsidies.

Like most asset classes, bond markets in emerging countries recorded a positive performance during the month of December. The United States and China reached a final compromise on "phase 1" of their trade agreement, and the US government subsequently suspended the tariff increase planned for December, thus contributing to improved market sentiment across asset classes. As far as the Federal Reserves' monetary policy is concerned, the announcement that conditions would remain the same in 2020 also contributed to a lesser extent to market performance in December. In emerging markets, performance was positive and consistent, with credit spreads on the CEMBI HY+ narrowing by 31bps on average to 473bps. The best performance this month was recorded by Argentine (-250 bps to 957 bps) and Ukrainian (-42 bps to 508 bps) high-yield issuers. The new Argentine president Alberto Fernandez and his cabinet, which includes many of his allies and relatively few Kirchnerists, took office at the beginning of the month. Few details have been revealed about the terms of the upcoming sovereign debt restructuring other than the fact that negotiations are currently underway and that the government intended to make debt service payments in December as an act of good faith - a development that was very well-received by the markets. The transportation of Russian gas to Western Europe via Ukraine will resume now that the country has reached an agreement with Gazprom. This represents a positive development for Naftogaz and for the Ukrainian economy in general. In other countries, the Ecuadorian parliament finally voted in favour of President Moreno's tax reform, paving the way for a future IMF payment. In addition, after months of prevarication, the United States finally voted in favour of the new free trade agreement with Mexico, which will have a moderate impact on Mexican bonds. As for raw materials, the price of Brent, which is driven by the US-China agreement, and the commitment of OPEC members and Russia to further reduce their production in 2020, rose by 5.7%, reaching $66 by the end of the year, thus having a positive impact on resource issuers in the sector.

Faced with the rapid spread of the coronavirus, most emerging countries have managed to implement social distancing measures at a relatively early stage during the local spread of the epidemic compared to developed countries (if we look specifically at the official number of deaths), particularly in Latin America, which is a positive development for the future, but such measures are insufficient on their own.

In Argentina, after several social distancing measures were put in place during March (closure of schools and borders, as well as elderly confinement), a total confinement was implemented on 20 March, when there were only three deaths. In comparison, Spain, a country whose population is around the same size, declared a total confinement when the number of deaths reached 133. Social distancing measures have also been put in place in the main countries with which we collaborate, notably in Mexico and Peru, and slightly later in Turkey. Meanwhile, the situation in Brazil and Indonesia is less clear. In Brazil in particular, Bolsanaro's federal government tends to minimise how dangerous the epidemic actually is, but several states have already put in place social distancing, or even, confinement measures, such as the state of Sao Paulo - the most populous state in the country.

At the purely health level, the following advantages pertain to emerging countries: (i) confinement measures have generally been implemented at a relatively early stage compared to Europe and the United States; (ii) a young population; and (iii) an ability to sustain the poorest members of the population at a much more affordable cost than in developed countries. By contrast, the following disadvantages are observed in emerging countries in relation to health: (i) a health system with a much lower quality in general compared to developed countries; (ii) a much higher social proximity (population density) for some countries (African countries, India and Indonesia, for example); and (iii) little testing capacity. Some countries may also manipulate the results of such tests, as has been seen in Indonesia and perhaps also in Turkey.

If the solution to the crisis requires Korean-style measures (massive testing programme and movement restrictions), many emerging countries should witness a delayed exit from confinement, and therefore from the crisis, when compared to developed countries, with the notable exception of Russia. If the solution to the crisis can only be achieved by eliminating the virus from the population, some countries have taken the right course of action (Argentina, Chile, Morocco, Peru, etc.). Once again, the heterogeneity of these environments must be considered but, in general, our analyses are not based on the hypothesis that emerging countries are less affected in terms of health than developed countries. In terms of health, we are particularly focused on Brazil, India, Turkey and Indonesia.

At the economic level, companies in emerging countries are entering this crisis in generally good financial health and better prepared at the balance sheet level for volatile environments. From a historical perspective, debt leverage levels are low and average cash levels are strong (few maturities in 2020). Emerging currencies are much better valued than they were at the time of the great financial crisis of 2007-2008, which occurred at the height of the commodity boom, thereby limiting the risk of an explosion in debt leverage due to the effects of foreign exchange. While most companies in the business environment (excluding consumer goods and telecoms) are certainly heading for a deterioration of earnings, at least for the second quarter of 2020, we see companies in emerging countries as generally well-positioned enough to survive the economic slowdown, far more so than is suggested by the current level of bond prices, which reflect aberrant underlying default and recovery rates.

As regards the oil sector, the chances that oil prices will remain at these historically low levels for a prolonged period of time are slim, for several reasons. On the demand side, the end of confinement will mean that consumption will resume. A drastic change in consumption habits is not expected in the short or medium term as some predict (the 2009 crisis delayed the energy transition instead of accelerating it). On the supply side, the longer prices remain low, the more we see an adjustment in production capacity in mechanical terms. First, at the oil deposit level (where the unit extraction cost is higher than the current price), then at the production company level (where the operating cash flow does not cover capital expenditure. In addition, most oil producing states require high prices to maintain a balanced budget, and therefore have an interest in finding an agreement to limit production in order to prevent their sovereign debt levels from exploding. This is particularly the case in Saudi Arabia and to a lesser extent in Russia (which have fiscal breakeven prices of $80 and $40 per barrel respectively). Likewise, the United States has no interest in seeing the collapse of an industry that employs a large number of people and represents a considerable proportion of GDP.

The alignment of interests over the long term is likely to lead to a compromise. Despite the inherent problems that the situation would cause, particularly in terms of anti-monopoly legislation, the inclusion of the United States in an agreement would be historic.

During March 2020, the rapid spread of the Covid-19 coronavirus pandemic led to the implementation of confinement measures, which pushed the world into a deep, but, perhaps, brief recession in the first half of 2020. This brought an end to a prosperous period for financial markets, which in March 2020 recorded one of the worst performances in their history, despite the unprecedented economic and monetary stimulus measures announced by the world's major economic powers.

At the same time, Saudi Arabia's potentially temporary decision to increase its crude oil production following the failure of OPEC+ negotiations to extend their quota policy has led to a drastic drop in the price per barrel and in all other values linked to the oil sector.

Following this double shock, almost all asset classes ended the quarter with a sharp drop, particularly those most sensitive to the risk aversion context such as equities, high yield credit and emerging markets. Conversely, sovereign bonds and "investment grade" bond markets, which should be the direct beneficiaries of central bank largesse, performed best. In high-yield bond markets, particularly in emerging markets, the fall in asset prices was exacerbated by the depletion of liquidity, leading to a disruption between credit risk and valuations. Firstly, the situation places issuers from Latin America, emerging Europe and Africa, which are more sensitive to capital movements from developed countries (motivated mainly by ratings and postal codes), at a disadvantage compared to issuers from Asian countries (China, South Korea, Philippines in particular). This is because they benefit from (i) a less volatile local investor base, and (ii) the apparent good management of the pandemic at the local level, or, at least, the good management of the region's powerhouse: China.

Operationally speaking, to ensure the health and safety of our employees:

• Our teams work remotely (in Mexico and Paris), except for two people from the trading team and one person from the sales team, who work from the Paris office at separate workstations while also respecting barrier gestures

• Our offices have put in place additional sanitary and cleaning measures

Luxembourg, 15 April 2020 The Board of Directors

Deloitte.

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To the Shareholders of
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REPORT FROM THE CERTIFIED AUDITOR

Opinion

We have audited the financial statements of IVO FUNDS (the "SICAV") and each of its sub-funds, including the statement of assets and status of investments and other net assets as of 31 December 2019 as well as the statement of operations and statement of changes in net assets for the year then ended, the notes to the financial statements, and a summary of significant accounting policies.

In our opinion, the attached financial statements fairly present the financial situation of the SICAV and of each of its sub-funds as of 31 December 2019 and of the results of its operations and changes in net assets for the year then ended, in accordance with legal and regulatory requirements relating to the preparation and presentation of financial statements applicable in Luxembourg.

Basis of opinion

We conducted our audit in accordance with the law of 23 July 2016 on the auditing profession (the law of 23 July 2016) and the international auditing standards (ISA) as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier (CSSF). Our responsibilities under the law of 23 July 2016 and ISA standards as adopted for Luxembourg by the CSSF are more fully described in the "Responsibilities of the Certified Auditor for the audit of financial statements" section of this report. Furthermore, we are independent of the SICAV in accordance with the Code of Ethics of Professional Accountants of the International Accounting Standards Board (the IESBA Code) as adopted for Luxembourg by the CSSF as well as the rules of ethics applicable to the audit of financial statements and we have complied with our other responsibilities under these rules. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other concerns

The responsibility regarding additional information rests with the SICAV’s Board of Directors. This additional information consists of the information contained in the annual report but does not include the financial statements and our auditor's report on these financial statements.

Our opinion regarding the financial statements does not extend to additional information and we express no assurance on this information.

Concerning our audit of the financial statements, our responsibility is to read the additional information and, in doing so, to assess whether there is a significant inconsistency between these and the financial statements or the knowledge we have gained during the course of our audit, or if the additional information appears otherwise to contain a significant anomaly. If, in light of the work we have done, we conclude that there is a significant anomaly in the additional information, we shall be obliged to report this fact. We have nothing to report on this regards.

Responsibilities of the SICAV's Board of Directors and corporate governance officials for the financial statements

The SICAV’s Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with legal and regulatory requirements relating to the drawing and presentation of financial statements applicable in Luxembourg as well as an internal control deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the SICAV is responsible for assessing the ability of the SICAV to continue as a going concern, for communicating going concern issues, if any, and for applying the going concern accounting principle, unless the Board of Directors of the SICAV intends to liquidate the SICAV or cease trading or if no other realistic solution is found.

Responsibility of the Certified Auditor for the financial statements

Our objectives are to obtain reasonable assurance that the financial statements taken as a whole are free from material misstatement, whether due to fraud or error, and to issue a Certified Auditor's report containing our opinion. Reasonable assurance is a high level of assurance, which does not, however, ensure that an audit carried out in accordance with the law of 23 July 2016 and the ISAs as adopted for Luxembourg by the CSSF may always detect any material misstatement that may exist. Misstatements may result from fraud or error and are considered material when it is reasonable to expect that, individually or collectively, they could affect the economic decisions that users of financial statements make based on them.

Within the framework of an audit carried out in accordance with the law of 23 July 2016 and the ISAs as adopted for Luxembourg by the CSSF, we exercise our professional judgment and show critical thinking throughout this audit. Additionally:

- We identify and assess the risks for material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain sufficient appropriate audit evidence to form an opinion. The risk of not detecting a material misstatement due to fraud is higher than that of a material misstatement due to error, because fraud may involve collusion, falsification, wilful misrepresentation, or circumvention of internal control;
- We obtain an understanding of the internal control aspects relevant to the audit in order to design audit procedures that would suit the circumstances and not for the purpose of expressing an opinion on the effectiveness of the SICAV's internal control;
- We evaluate the adequacy of the accounting policies used and the reasonableness of the accounting estimates made by the SICAV's Board of Directors, as well as the related information provided by them;
- We draw conclusions regarding the adequacy of the SICAV's Board of Directors' use of the going concern accounting principle and, depending on the evidence gathered, whether or not there is any material uncertainty related to events or situations that could cast significant doubt on the SICAV's ability to continue as a going concern.

If we conclude that a material uncertainty exists, we are required to draw the attention of the readers of our report to the information provided in the financial statements about that uncertainty or, if that information is not adequate, to express an amended opinion. Our conclusions are based on the evidence obtained up to the date of our report. However, future events or situations may cause the SICAV to cease trading;

• We evaluate the overall presentation, form and content of the financial statements, including the information disclosed in the notes, and assess whether the financial statements present fairly the underlying transactions and events.

We communicate the scope and expected timeframe of the audit work and our significant findings to those responsible for corporate governance, including any material weaknesses in internal control that we have identified during our audit.

For Deloitte Audit. Certified audit firm

p.p. V.Ng Wing Lit

Emmanuelle Miette, Certified Auditor

Partner

Luxembourg, 15 April 2020

Financial Statement

(expressed in the currency of the sub-fund)

	Notes	IVO FUNDS - IVO FIXED INCOME EUR	IVO FUNDS – IVO GLOBAL OPPORTUNITIES EUR	IVO FUNDS – IVO FIXED INCOME SHORT DURATION EUR
ASSETS				
Securities portfolio at acquisition cost		420,093,654	-	4,516,169
Net unrealised appreciation/(depreciation)		(4,553,611)	-	(23,744)
Securities portfolio at market value	2.2	415,540,043	-	4,492,425
Bank assets	2.2	10,969,990	1,899,844	4,650,745
Receivable on subscriptions		1,158,389	-	-
Receivable on sale of securities		1,752,106	-	-
Interests on receivable debentures		8,464,742	-	80,796
Unrealised gain on forward exchange contracts	2.5, 7	3,041,879	-	18,355
Formation expenses, net	2.7	2,509	-	-
		440,929,658	**1,899,844**	**9,242,321**
LIABILITIES				
Payable on redemptions		1,070,515	-	-
Payable management and marketing fee	3	1,057,961	-	-
Payable performance fee	3	503,710	-	-
Payable custodian bank and paying agent fee	4	32,243	19	127
Payable subscription tax	6	25,704	87	721
Payable administrative and domiciliary agent fee	5	29,946	165	304
Payable registrar agent fee	5	6,070	267	424
Payable professional fees		65,915	22	13
Payable interests and bank charges		4,603	-	-
Unrealised loss from forward exchange contracts	2.5, 7	367,254	-	3,046
		3,163,921	**560**	**4,635**
NET ASSETS		**437,765,737**	**1,899,284**	**9,237,686**

Financial Statement (cont.)

(expressed in the currency of the sub-fund)

	Notes	Consolidated EUR
ASSETS		
Securities portfolio at acquisition cost		424,609,823
Net unrealised appreciation/(depreciation)		(4,577,355)
Securities portfolio at market value	2.2	420,032,468
Bank assets	2.2	17,520,579
Receivable on share subscriptions		1,158,389
Receivable on sale of securities		1,752,106
Interests on receivable debentures		8,545,538
Unrealised gain on forward exchange contracts	2.5, 7	3,060,234
Formation expenses, net	2.7	2,509
		452,071,823
LIABILITIES		
Payable on redemptions		1,070,515
Payable management and marketing fee	3	1,057,961
Payable performance fee	3	503,710
Payable custodian bank and paying agent fee	4	32,389
Payable subscription tax	6	26,512
Payable administrative and domiciliary agent fee	5	30,415
Payable registrar agent fee	5	6,761
Payable professional fees		65,950
Payable interests and bank charges		4,603
Unrealised loss from forward exchange contracts	2.5, 7	370,300
		3,169,116
NET ASSETS		**448,902,707**

Results of Operations and Changes in Net Assets

(expressed in the currency of the sub-fund)

	Notes	IVO FUNDS - IVO FIXED INCOME	IVO FUNDS – IVO GLOBAL OPPORTUNITIES	IVO FUNDS – IVO FIXED INCOME SHORT DURATION
		EUR	EUR	EUR
Net assets, beginning of the financial year		**191,190,08 8**	**-**	**-**
REVENUES				
Interest on debentures	2.6	23,528,728	- 309	14
Bank interest	2.6	78,486	-	
Other income		45	- -	
		23,607,259	- **-** **309**	**14**
CHARGES				
Payable management and marketing fee	3	3,352,484	-	-
Payable performance fee	3	880,246	-	-
Payable custodian bank and paying agent fee	4	77,100	19	127
Payable subscription tax	6	82,325	87	721
Payable administrative and domiciliary agent fee	5	56,809	165	304
Payable registrar agent fee	5	50,753	266	424
Payable professional fees		221,017	179	170
Payable interests and bank charges		30,445	-	-
Amortisation on formation expenses	2.7	8,956	-	-
Transaction fees	2.2.5	10,363	-	-
Other fees		1,607	-	-
		4,772,105	**716**	**1,746**
Net profits/(losses) on investments		**18,835,154**	**(716)**	**12,563**
Net Profit/(Loss) on				
- sale of securities	2.3	12,656,614	-	(490)
- exchange		62,049	-	(12,296)
- forward foreign exchange contracts	2.5	(13,287,889)	-	10,086
		(569,226)	**-**	**(2,700)**
Net realised income for the financial year / period		**18,265,928**	**(716)**	**9,863**
Change in net unrealised appreciation/ (depreciation) on				
- securities		3,741,779	-	(23,744)
- forward foreign exchange contracts	2.5, 7	3,865,772	-	15,309
		7,607,551	**-**	**(8,435)**
Net result of operations		**25,873,479**	**(716)**	**1,428**
Net capital movements				
Subscriptions		288,516,639	1,900,000	9,236,258
Redemptions		(66,914,005)	-	-
		221,602,634	**1,900,000**	**9,236,258**
distributed dividend	10	(900,464)	-	-
Net assets at the end of the financial year		**437,765,737**	**1,899,284**	**9,237,686**

Results of Operations and Changes in Net Assets (cont.)

(expressed in the currency of the sub-fund)

	Notes	Consolidated EUR
Net assets, beginning of the financial year		**191,190,088**
REVENUES		
Interest on debentures	2.6	23,543,037
Bank interest	2.6	78,486
Other income		45
		23,621,568
CHARGES		
Payable management and marketing fee	3	3,352,484
Payable performance fee	3	880,246
Payable custodian bank and paying agent fee	4	77,246
Payable subscription tax	6	83,133
Payable administrative and domiciliary agent fee	5	57,278
Payable registrar agent fee	5	51,443
Payable professional fees		221,366
Payable interests and bank charges		30,445
Amortisation on formation expenses	2.7	8,956
Transaction fees	2.2.5	10,363
Other fees		1,607
		4,774,567
Net profits/(losses) on investments		**18,847,001**
Net Profit/(Loss) on		
- sale of securities	2.3	12,656,124
- exchange		49,753
- forward foreign exchange contracts	2.5	(13,277,803)
		(571,926)
Net realised income for the financial year / period		**18,275,075**
Change in net unrealised appreciation/ (depreciation) on		
- securities		3,718,035
- - forward foreign exchange contracts	2.5, 7	3,881,081
		7,599,116
Net result of operations		**25,874,191**
Net capital movements		
Subscriptions		299,652,897
Redemptions		(66,914,005)
		232,738,892
Distributed dividend	10	(900,464)
Net assets at the end of the financial year		**448,902,707**

Statistical information

IVO FUNDS - IVO FIXED INCOME

	Currency	31/12/19	31/12/18	31/12/17
EUR - I (cap) Class				
Amount of issued shares		1,376,364.76	744,457.72	419,277.95
Net asset value per share	EUR	126.72	116.32	120.77
USD-I (cap) HDG Class				
Amount of issued shares		178,601.65	78,486.56	2,321.86
Net asset value per share	USD	110.60	99.45	100.81
EUR - R (cap) Class				
Amount of issued shares		734,587.15	477,717.40	460,286.93
Net asset value per share	EUR	124.24	114.94	119.97
EUR - IVO (cap) Class				
Amount of issued shares		133,434.63	122,622.31	99,434.09
Net asset value per share	EUR	132.57	121.32	125.68
EUR - D (dis) Class				
Amount of issued shares		379,882.71	71,549.99	-
Net asset value per share	EUR	97.26	95.96	-
EUR - W (cap) Class				
Amount of issued shares		928,922.92	216.870.92	-
Net asset value per share	EUR	105.76	97.08	-
EUR - Z (cap) Class				
Amount of issued shares		15,279.17	695.04	-
Net asset value per share	EUR	105.93	98.20	-
Net asset value	EUR	437,765,737	191,190,088	118,549,015

IVO FUNDS – IVO GLOBAL OPPORTUNITIES

	Currency	31/12/19	31/12/18	31/12/17
EUR - I (cap) Class				
Amount of issued shares		15.000.00	-	-
Net asset value per share	EUR	99.96	-	-
EUR - R (cap) Class				
Amount of issued shares		4,000.00	-	-
Net asset value per share	EUR	99.95	-	-
Net asset value	EUR	1,899,284	-	-

Statistical information (cont.)

IVO FUNDS – IVO FIXED INCOME SHORT DURATION

	Currency	31/12/19	31/12/18	31/12/17
EUR - I (cap) Class				
Amount of issued shares		43,300.00	-	-
Net asset value per share	EUR	100.15	-	-
EUR - R (cap) Class				
Amount of issued shares		8,595.76	-	-
Net asset value per share	EUR	100.14	-	-
EUR-S (cap) Class				
Amount of issued shares		19,001.30	-	-
Net asset value per share	EUR	100.14	-	-
EUR - Z (cap) Class				
Amount of issued shares		11,530.00	-	-
Net asset value per share	EUR	100.14	-	-
USD-Z (cap) HDG Class				
Amount of issued shares		11,000.00	-	-
Net asset value per share	USD	100.29	-	-
Net asset value	EUR	9,237,686	-	-

IVO FUNDS - IVO FIXED INCOME

Securities investment portfolio

Nominal Amount / Value	Description	Original Currency	Acquisition Cost EUR	Appraised Value EUR	% of net assets
Securities admitted to official listing on a stock exchange or traded on a regulated market					
	Debentures				
8,428,000	ABM INVESTAMA TBK PT 7.125% 01/08/2022	USD	6,630,757	6,313,229	1.44
14,510,000	AES ARGENTINA GENERACION SA - REGS - 7,75% 02/02/2024	USD	11,158,736	10,932,719	2.51
16,975,000	AJECORP BV - REGS - 6,5% 14/05/2022	USD	13,064,802	14,798,874	3.39
2,400,000	ALDESA FINANCIAL SERVICES SA - REGS - 7,25% 01/04/2021	EUR	1,377,541	2,174,580	0.50
13,080,000	ANDRADE GUTIER INT SA 9.5% 30/12/2024	USD	12,005,312	12,173,547	2.79
1,560	ANDRADE GUTIERREZ INTERNATIONAL SA - REGS - 11% 20/08/2021	USD	-	1,401	0.00
10,215,000	ARAGVI FINANCE INTERNATIONAL DAC - REGS - 12% 09/04/2024	USD	9,373,376	9,736,419	2.22
1,000,000	AUTOPISTAS DEL SOL SA/COSTA RICA - REGS - 7,375% 30/12/2030	USD	782,755	830,020	0.19
10,500,000	BAYPORT MANAGEMENT LTD 11,5% 14/06/2022	USD	9,642,964	9,914,759	2.26
1,000,000	BAYPORT MANAGEMENT 10.5% 19/12/2022	USD	899,483	891,808	0.20
10,000,000	BORR DRILLING LTD 3,875% CV 23/05/2023	USD	7,517,378	6,762,049	1.54
9,000,000	BRAIT SE 2,75% CV 18/09/2020	GBP	9,496,649	10,501,859	2.40
2,000,000	BRASKEM IDESA SAPI 7.45% 15/11/2029	USD	1,828,408	1,902,788	0.43
2,250,000	CANACOL ENERGY LTD - REGS - 7,25% 03/05/2025	USD	1,879,172	2,118,167	0.48
5,000,000	CAPEX SA - REGS - 6,875% 15/05/2024	USD	3,475,538	3,796,526	0.87
15,000,000	CASINO GUICHARD PERRACHON SA FRN 31/12/2099	EUR	9,919,325	8,203,950	1.87
3,596,000	CIA GENERAL DE COMBUSTIBLES SA - REGS - 9,5% 07/11/2021	USD	2,970,320	2,699,707	0.62
15,350,000	CIMPOR FINANCIAL OPERATIONS BV - REGS - 5,75% 17/07/2024	USD	11,335,185	11,388,948	2.61
1,474,000	COLOMBIA TELECOMUNICACIONES SA ESP - REGS - FRN 31/12/2099	USD	1,345,759	1,331,590	0.30
650,000	COMPANIA GENERAL COMBUST 9.7% 12/07/2021 DIRTY	USD	227,348	223,481	0.05
18,647,810	CONSTELLATION OIL SERVICES HOLDING SA - REGS - 0% 09/11/2024	USD	7,076,017	7,345,543	1.68
188,000	CSN RESOURCES SA - REGS - 6,5% 21/07/2020	USD	150,606	170,382	0.04
7,700,000	DNO ASA 8,375% 29/05/2024	USD	6,942,233	6,878,415	1.57
5,900,000	DNO ASA 8,75% 31/05/2023	USD	5,157,299	5,362,509	1.22
8,880,000	DOCUFORMAS SA 10.25% 24/07/2024	USD	7,919,737	8,050,699	1.84
2,600,000	DOCUFORMAS SAPI DE CV - REGS - 9,25% 11/10/2022	USD	2,143,404	2,352,531	0.54
9,650,096	DTEK FINANCE PLC 10,75% 31/12/2024	USD	8,569,583	8,780,943	2.01
7,000,000	DTEK RENEWABLES FINANCE BV - REGS - 8.5% 12/11/2024	EUR	6,933,850	7,036,890	1.61
8,000,000	EA PARTNERS I BV 6,875% 28/09/2020	USD	5,181,882	3,099,332	0.71
1,523,865	ELESTON HOLDING 0% 15/01/2022	USD	1,192,617	460,472	0.11
4,700,000	ELLAKTOR VALUE PLC - REGS - 6.375% 15/12/2024	EUR	4,773,925	4,884,099	1.12
7,625,962	ETERNA CAPITAL PTE LTD 8% 20/09/2022	USD	5,526,461	3,784,991	0.86
6,230,661	ETERNA CAPITAL PTE LTD 7,5% 11/12/2022	USD	5,324,199	4,422,076	1.01
5,254,000	FINANCIERA INDEPENDENCIA SAB DE CV SOFOM ENR - REGS - 8% 19/07/2024	USD	4,336,410	4,381,157	1.00
1,000,000	FIRST QUANTUM MINERALS LTD - REGS - 6.5% 01/03/2024	USD	879,426	895,599	0.20
2,000,000	FIRST QUANTUM MINERALS LTD - REGS - 7.25% 15/05/2022	USD	1,825,353	1,801,461	0.41
985,000	FRONTERA ENERGY CORP - REGS - 9,7% 25/06/2023	USD	889,463	926,497	0.21
8,781,902	GENEL ENERGY FINANCE 2 PLC FRN 22/12/2022	USD	7,989,373	8,244,191	1.88
2,692,000	GENERACION MEDITERRANEA SA / GENERACION FRIAS SA / CENTRAL TERMICA ROCA SA - REGS - 9,625% 27/07/2023	USD	2,206,289	1,513,995	0.35
4,500,000	GENNEIA SA - REGS - 8.75% 20/01/2022	USD	2,518,931	3,161,025	0.72
7,500,000	GLOBAL LIMAN ISLETMELERI - REGS - 8,125% 14/11/2021	USD	6,662,317	6,546,147	1.50
10,109,000	GP INVESTMENTS LTD 10% 31/12/2099	USD	3,611,649	3,573,723	0.82
7,200,000	GRUPO IDESA SA DE CV - REGS - 7,875% 18/12/2020	USD	4,601,634	5,381,495	1.23

IVO FUNDS - IVO FIXED INCOME

Securities investment portfolio (cont.)

Nominal Amount / Value	Description	Original Currency	Acquisition Cost EUR	Appraised Value EUR	% of net assets
Securities admitted to official listing on a stock exchange or traded on a regulated market (cont.)					
	Debentures (cont.)				
2,000,000	HKN ENERGY LTD 11% 06/03/2024	USD	1,878,415	1,829,256	0.42
1,000,000	HTA GROUP LTD/MAURITIUS - REGS - 9,125% 08/03/2022	USD	902,543	923,238	0.21
15,250,000	INTERNATIONAL AIRPORT FINANCE SA 12% 15/03/2033	USD	14,739,506	14,987,117	3.43
5,516,000	IRSA PROPIEDADES COMERCIALES SA - REGS - 8,75% 23/03/2023	USD	4,702,489	4,348,475	0.99
4,000,000	KENBOURNE INVEST SA - REGS - 6.875% 26/11/2024	USD	3,611,412	3,717,096	0.85
9,058,001	LATINA OFFSHORE LTD 8,875% 15/10/2022	USD	6,551,503	7,189,228	1.64
3,919,000	LIQUID TELECOMMUNICATIONS FINANCING PLC - REGS - 8.5% 13/07/2022	USD	3,531,506	3,559,499	0.81
5,000,000	MOGO FINANCE 9.5% 10/07/2022	EUR	4,800,000	4,723,800	1.08
4,600,000	MSU ENERGY SA / UGEN SA / UENSA SA - REGS - 6.875% 01/02/2025	USD	3,234,142	2,513,710	0.57
4,892,000	NITROGENMUVEK 7% 14/05/2025	EUR	4,281,256	4,264,870	0.97
3,750,000	NOVA AUSTRAL SA 8.25% 26/05/2021	USD	2,180,370	1,736,943	0.40
7,195,402	ODEBRECHT DRILLING NORBE VIII/IX LTD - REGS - 6,35% 01/12/2021	USD	2,402,259	2,429,608	0.56
143,568	ODEBRECHT OFFSHORE DRILLING FINANCE LTD - REGS - FRN 01/12/2026	USD	30,591	31,981	0.01
20,191	ODEBRECHT OIL & GAS FINANCE LTD - REGS - 0% 31/12/2099	USD	492	168	0.00
2,000,000	OI SA 10% 27/07/2025	USD	1,679,167	1,611,724	0.37
2,000,000	PAMPA ENERGIA SA - REGS - 7.375% 21/07/2023	USD	1,647,913	1,682,405	0.38
1,450,000	PAMPA ENERGIA SA - REGS - 7.5% 24/01/2027	USD	1,024,059	1,101,729	0.25
8,710,000	PAMPA ENERGIA SA - REGS - 9.125% 15/04/2029	USD	6,531,309	6,674,149	1.52
6,800,000	PETROPAVLOVSK 2016 LTD - REGS - 8,125% 14/11/2022	USD	5,447,518	6,240,068	1.43
1,450,000	PRUMO PARTICIPACOES E IN 7.5% 31/12/2031	USD	1,343,171	1,343,443	0.31
12,350,000	RONESANS GAYRIMENKUL YATIRIM AS - REGS - 7,25% 26/04/2023	USD	9,373,669	10,072,869	2.30
4,000,000	SEPLAT PETROLEUM DEVELOPMENT CO PLC - REGS - 9,25% 01/04/2023	USD	3,537,662	3,735,376	0.85
7,160,000	SHELF DRILLING HOLDINGS LTD - REGS - 8,25% 15/02/2025	USD	5,965,057	6,084,118	1.39
6,347,000	SHELF DRILLING HOLDINGS LTD - 144A - 8,25% 15/02/2025	USD	5,153,718	5,393,282	1.23
8,715,000	SILKNET JSC 11% 02/04/2024	USD	8,107,786	8,671,910	1.98
4,000,000	SIXSIGMA NETWORKS MEXICO SA DE CV - REGS - 7,5% 02/05/2025	USD	3,379,651	3,600,891	0.82
3,500,000	TELECOM ARGENTINA SA 8% 18/07/2026	USD	2,824,203	2,980,129	0.68
7,600,000	TELECOMMUNICATIONS SERVICES OF TRINIDAD & TOBAGO LTD - REGS - 8.875% 18/10/2029	USD	6,882,337	6,756,857	1.54
2,090,000	TIZIR LTD 9,5% 19/07/2022	USD	1,830,141	1,966,192	0.45
9,500,000	TRANSOCEAN INC 7,5% 15/04/2031	USD	6,841,884	6,588,303	1.50
3,500,000	TRANSPORTADORA DE GAS DEL SUR SA - REGS - 6.75% 02/05/2025	USD	2,609,608	2,749,924	0.63
6,275,000	TRINIDAD PETROLEUM HOLDI 9.75% 15/06/2026	USD	5,502,961	6,227,371	1.42
6,500,000	UNIGEL LUXEMBOURG SA 8.75% 01/10/2026	USD	5,858,141	5,922,731	1.35
6,139,941	USJ ACUCAR E ALCOOL SA - REGS - 10.5% 09/11/2023	USD	3,862,758	4,123,579	0.94
10,200,000	VALARIS PLC 7.75% 01/02/2026	USD	6,783,693	5,158,383	1.18
1,200,000	YPF ENERGIA ELECTRICA SA - REGS - 10% 25/07/2026	USD	706,298	921,504	0.21
4,547,000	YPF SA - REGS - 6.95% 21/07/2027	USD	3,198,026	3,604,991	0.82
3,500,000	YPF SA - REGS - 8.5% 27/06/2029	USD	2,384,139	2,819,020	0.64
4,000,000	YPF SA - REGS - 8,5% 28/07/2025	USD	3,280,456	3,361,140	0.77
	Total Debentures		**375,945,275**	**377,397,670**	**86.21**

IVO FUNDS - IVO FIXED INCOME

Securities investment portfolio (cont.)

Nominal Amount / Value	Description	Original Currency	Acquisition Cost EUR	Appraised Value EUR	% of net assets
Securities admitted to official listing on a stock exchange or traded on a regulated market (cont.)					
	Supranational, governmental, and public domestic issuances, debt instruments				
7,000,000	ARGENTINE REPUBLIC GOVERNMENT INTERNATIONAL BOND 7,82% 31/12/2033	EUR	8,847,431	5,584,284	1.27
23,486,335	PROVINCIA DE BUENOS AIRES/GOVERNMENT BONDS - REGS - FRN 01/05/2020	EUR	3,552,996	2,389,848	0.55
Total Supranational, governmental, and public domestic issuances, debt instruments			**12,400,427**	**7,974,132**	**1.82**
Total Securities admitted to official listing on a stock exchange or traded on a regulated market			**388,345,702**	**385,371,802**	**88.03**
Other securities					
	Debentures				
1,250,000	BRISTOW GROUP INC 0% 15/10/2022 DEFAULTED	USD	258,464	74,588	0.02
4,200,000	EA PARTNERS II BV 0% 01/06/2021 DEFAULTED	USD	1,864,626	1,862,649	0.42
1,300,000	ODEBRECHT FINANCE LTD - REGS - 0% 26/06/2042 DEFAULTED	USD	385,712	70,327	0.02
3,000,000	PETROLEOS DE VENEZUELA SA - REGS - 0% 17/02/2022 DEFAULTED	USD	752,764	217,657	0.05
2,000,000	PETROLEOS DE VENEZUELA SA - REGS - 0% 17/05/2035 DEFAULTED	USD	493,946	146,370	0.03
1,000,000	PETROLEOS DE VENEZUELA SA - REGS - 0% 17/11/2021 DEFAULTED	USD	247,851	71,813	0.02
	Total Debentures		**4,003,363**	**2,443,404**	**0.56**
Total Other securities			**4,003,363**	**2,443,404**	**0.56**
Collective Investment Undertakings					**Open**
	Collective Investment Undertakings				
200	AMUNDI 3 M - I2	EUR	1,986,436	1,986,087	0.45
13,001.3	IVO FIXED INCOME SHORT DURATION CLASS EUR S C NON DISTRIBTNG	EUR	1,300,000	1,301,560	0.30
4,000	PALATINE ASSET MANAGEMENT - PALATINE INSTITUTIONS	EUR	10,217,573	10,214,096	2.33
600	SG MONETAIRE PLUS - I	EUR	14,240,580	14,223,094	3.25
	Total Open Collective Investment Undertakings		**27,744,589**	**27,724,837**	**6.33**
Total Collective Investment Undertakings			**27,744,589**	**27,724,837**	**6.33**
Total Investments			**420,093,654**	**415,540,043**	**94.92**

IVO FUNDS - IVO FIXED INCOME

Economic and geographical breakdown of investments

Economic breakdown	%
Financial services	31.37
Oil and Gas Producers	18.08
General Industries	6.71
Investment funds	6.33
Industrial transportation	5.21
Chemicals	3.99
Electricity	3.03
Gas, water and multiple community services	2.84
Real estate investment trusts	2.30
Technology - material and equipment	2.19
Distribution - Food and products	1.87
Governments	1.82
Oil - Equipment, Services & Distribution	1.82
Mobile telecommunications	3.04
Agrifood	1.34
Real estate investments and services	0.99
Wired telecommunications	0.67
Industrial metals and mineral extraction	0.66
Mines	0.45
Alternative Energy Sources	0.21
	94.92

Geographical breakdown	%
Argentine	14.41
Netherlands	8.73
Luxembourg	8.57
France	7.91
Mexico	5.86
United Kingdom	5.56
Cayman Islands	5.12
Bermuda	4.00
Turkey	3.80
Spain	3.42
Jersey	3.31
Trinidad and Tobago	2.97
Norway	2.80
Mauritius	2.68
Malta	2.40
Ireland	2.22
Georgia	1.98
Singapore	1.87
Brazil	1.62
Indonesia	1.44
Canada	1.31
Hungary	0.97
Nigeria	0.85
Chile	0.40
Colombia	0.30
Costa Rica	0.19
Liberia	0.11
Venezuela	0.10
United States of America	0.02
	94.92

IVO FUNDS – IVO FIXED INCOME SHORT DURATION

Securities investment portfolio

Nominal Amount / Value	Description	Original Currency	Acquisition Cost EUR	Appraised Value EUR	% of net assets
Securities admitted to official listing on a stock exchange or traded on a regulated market					
	Debentures				
200,000	ABU DHABI NATIONAL ENERGY CO PJSC - REGS - 3.625% 12/01/2023	USD	185,051	183,410	1.99
200,000	AES ARGENTINA GENERACION SA - REGS - 7,75% 02/02/2024	USD	143,818	150,692	1.63
200,000	AJECORP BV - REGS - 6,5% 14/05/2022	USD	172,962	174,361	1.89
200,000	ARAGVI FINANCE INTERNATIONAL DAC - REGS - 12% 09/04/2024	USD	192,821	190,629	2.06
200,000	BANCOLOMBIA SA 5.125% 11/09/2022	USD	189,627	187,811	2.03
200,000	BAYPORT MANAGEMENT LTD 11,5% 14/06/2022	USD	191,498	188,853	2.04
200,000	COMPANIA GENERAL COMBUST 9.7% 12/07/2021 DIRTY	USD	69,953	68,763	0.74
200,000	DNO ASA 8,75% 31/05/2023	USD	183,389	182,049	1.97
200,000	DOCUFORMAS SA 10.25% 24/07/2024	USD	183,045	181,322	1.96
200,000	DTEK FINANCE PLC 10,75% 31/12/2024	USD	183,198	181,987	1.97
200,000	ELLAKTOR VALUE PLC - REGS - 6.375% 15/12/2024	EUR	204,560	207,834	2.25
200,000	FIRST QUANTUM MINERALS LTD - REGS - 7.25% 15/05/2022	USD	183,405	180,146	1.95
200,000	GREENKO DUTCH BV - REGS - 4.875% 24/07/2022	USD	180,831	179,118	1.94
200,000	HYUNDAI CAPITAL SERVICES INC - REGS - 3.75% 05/03/2023	USD	185,634	183,816	1.99
200,000	ITAU UNIBANCO HOLDING SA/CAYMAN ISLAND - REGS - 5.5% 06/08/2022	USD	189,716	188,387	2.04
200,000	KOC HOLDING AS - REGS - 5,25% 15/03/2023	USD	184,394	182,926	1.98
200,000	MEDCO STRAITS SERVICES PTE LTD - REGS - 8.5% 17/08/2022	USD	191,515	189,645	2.05
200,000	MOGO FINANCE 9.5% 10/07/2022	EUR	192,000	188,952	2.05
200,000	PETROPAVLOVSK 2016 LTD - REGS - 8,125% 14/11/2022	USD	185,923	183,768	1.99
200,000	SAN MIGUEL CORP 4.875% 26/04/2023	USD	181,109	179,396	1.94
200,000	SAZKA GROUP AS 4.125% 20/11/2024	EUR	209,500	210,116	2.28
200,000	SBERBANK OF RUSSIA VIA SB CAPITAL SA - REGS - 5.125% 29/10/2022	USD	190,797	189,112	2.05
200,000	SEPLAT PETROLEUM DEVELOPMENT CO PLC - REGS - 9,25% 01/04/2023	USD	189,161	186,769	2.02
200,000	TELECOM ARGENTINA SA - REGS - 6.5% 15/06/2021	USD	170,983	172,766	1.87
200,000	TURKIYE IS BANKASI AS - REGS - 5% 25/06/2021	USD	181,279	179,797	1.95
	Total Debentures		**4,516,169**	**4,492,425**	**48.63**
Total Securities admitted to official listing on a stock exchange or traded on a regulated market			**4,516,169**	**4,492,425**	**48.63**
Total Investments			**4,516,169**	**4,492,425**	**48.63**

IVO FUNDS – IVO FIXED INCOME SHORT DURATION

Economic and geographical breakdown of investments

Economic breakdown	%
Financial services	18.26
Banks	8.29
Oil and Gas Producers	8.03
Gas, water and multiple community services	3.62
General Industries	2.73
Industrial metals and mineral extraction	1.95
Beverages	1.94
Alternative Energy Sources	1.94
Mobile telecommunications	1.87
	48.63

Geographical breakdown	%
Argentine	4.26
United Kingdom	4.22
Luxembourg	4.09
Turkey	3.93
Netherlands	3.83
Czech Republic	2.27
Ireland	2.06
Singapore	2.05
Cayman Islands	2.04
Mauritius	2.04
Colombia	2.03
Nigeria	2.02
South Korea (Republic of)	1.99
United Arab Emirates	1.99
Jersey	1.99
Norway	1.97
Mexico	1.96
Canada	1.95
Philippines	1.94
	48.63

Notes to the Financial Statements

1 - Activities

The Board of Directors has appointed, under its own responsibility and control, IVO CAPITAL PARTNERS as management company of the SICAV.

IVO CAPITAL PARTNERS is a société anonyme (public limited company) established under French law for a term of 99 years and approved by the Autorité des Marchés Financiers on 21 June 2013. Its head office is located at 4, Avenue Bertie Albrecht - 75008 Paris - France. Its subscribed and paid-up share capital is 250,000 EUR. Its core business is portfolio management.

The SICAV's main objective is to achieve medium-term growth in the assets of each sub-fund.

The objective of the SICAV is to provide shareholders with active professional management of diversified portfolios of eligible financial assets.

As of 31 December 2019, the SICAV has 3 sub-funds:

• IVO FUNDS - IVO FIXED INCOME
• IVO FUNDS – IVO GLOBAL OPPORTUNITIES
• IVO FUNDS – IVO FIXED INCOME SHORT DURATION

As of 31 December 2019, the SICAV can issue 20 share classes:

• IVO FUNDS - IVO FIXED INCOME:
- "EUR-I (cap)" class denominated in EUR and intended for institutional investors,
- "EUR-R (cap)" class denominated in EUR and intended for all types of investors,
- “USD-I (cap) HDG" class denominated in USD and intended for institutional investors,
- “EUR-IVO (cap)" class denominated in EUR and intended for IVO Capital Partners employees and their families,
- "EUR-D (dis)" class denominated in EUR and intended for all types of investors,
- "EUR-W (cap)" class denominated in EUR and intended for institutional investors,
- "EUR-Z (cap)" class denominated in EUR and intended for all types of investors and more particularly (i) marketing networks having received the prior agreement of the Management Company or (ii) distributors and/or intermediaries providing an a) independent advisory service and/or b) individual management under mandate within the meaning of Directive 2014/65/EU of 15 May 2014 on markets in financial instruments of 15 May 2014 and amending Directive 2002/92/EC and Directive 2011/61/EU (the "2014/65/EU Directive").

• IVO FUNDS – IVO GLOBAL OPPORTUNITIES:
- "EUR-R (cap)" class denominated in EUR and intended for all types of investors,
- "EUR-I (cap)" class denominated in EUR and intended for institutional investors,
- “USD-I (cap) HDG" class denominated in USD and intended for institutional investors,
- "EUR-S (cap)" class denominated in EUR and intended for IVO Capital Partners employees and their families.

• IVO FUNDS – IVO FIXED INCOME SHORT DURATION:
- "EUR-I (cap)" class denominated in EUR and intended for institutional investors,
- "EUR-I (cap)" class denominated in EUR and intended for institutional investors,
- "USD-R (cap) HDG" class denominated in USD and intended for all types of investors,
- "EUR-S (cap)" class denominated in EUR and intended for IVO Capital Partners employees and their families,
- "EUR-D (dis)" class denominated in EUR and intended for all types of investors,
- "EUR-I (cap)" class denominated in EUR and intended for institutional investors,
- "USD-Z (cap) HDG" class denominated in USD and intended for all types of investors,
- "CHF-Z (cap) HDG" class denominated in CHF and intended for all types of investors,
- "GBP-Z (cap) HDG" class denominated in GBP and intended for all types of investors.

Notes to the Financial Statements (cont.)

The investment objective of the IVO FUNDS – IVO FIXED INCOME sub-fund is to outperform the following benchmark over the recommended three-year investment horizon:

- EURIBOR 3 months.

The management objective of IVO FUNDS - IVO GLOBAL OPPORTUNITIES is to increase the net asset value over the recommended investment period of 5 years by investing in equities, bonds without rating constraints and currencies mainly but not exclusively in emerging countries, with the objective of achieving an annual return of more than 5% over the recommended investment period.

The management objective of IVO FUNDS – IVO FIXED INCOME SHORT DURATION is to generate income and capital growth over the long term by investing primarily in a portfolio of debt securities as more fully described in the SICAV's prospectus.

As of 31 December 2019, three sub-funds are in business with the 14 classes active:

- IVO FUNDS - IVO FIXED INCOME "EUR-I (cap)" class denominated in EUR,
- IVO FUNDS - IVO FIXED INCOME "USD-I (cap) HDG" class denominated in USD,
- IVO FUNDS - IVO FIXED INCOME "EUR-R (cap)" class denominated in EUR,
- IVO FUNDS - IVO FIXED INCOME "EUR-IVO (cap)" class denominated in EUR,
- IVO FUNDS - IVO FIXED INCOME "EUR-D (dis)" class denominated in EUR,
- IVO FUNDS - IVO FIXED INCOME "EUR-W (cap)" class denominated in EUR,
- IVO FUNDS - IVO FIXED INCOME "EUR-Z (cap)" class denominated in EUR,
- IVO FUNDS - IVO GLOBAL OPPORTUNITIES "EUR-I (cap)" class denominated in EUR,
- IVO FUNDS - IVO GLOBAL OPPORTUNITIES "EUR-R (cap)" class denominated in EUR,
- IVO FUNDS- IVO FIXED INCOME SHORT DURATION "EUR-I (cap)" class denominated in EUR,
- IVO FUNDS- IVO FIXED INCOME SHORT DURATION "EUR-R (cap)" class denominated in EUR,
- IVO FUNDS- IVO FIXED INCOME SHORT DURATION "EUR-S (cap)" class denominated in EUR,
- IVO FUNDS- IVO FIXED INCOME SHORT DURATION "EUR-Z (cap)" class denominated in EUR,
- IVO FUNDS- IVO FIXED INCOME SHORT DURATION "USD-I (cap)" class denominated in USD.

By circular resolution dated 27 September 2019, the Board of Directors resolved to create 2 new sub-funds:

- IVO FUNDS - IVO GLOBAL OPPORTUNITIES (launch date: 13 December 2019),
- IVO FUNDS- IVO FIXED INCOME SHORT DURATION (launch date: 06 December 2019).

2 - Significant Accounting Policies

2.1 Presentation of Financial Statements

The SICAV's financial statements are prepared in accordance with accounting principles generally accepted in Luxembourg and with the regulations in force in Luxembourg concerning Collective Investment Undertakings in transferable securities.

The consolidated statement of assets, the statement of operations, and the consolidated statement of changes in net assets are expressed in euro (EUR).

2.2 Assets Valuation

2.2.1 The valuation of securities (i) listed or traded on a Regulated Market under the Law of 2010 or (ii) traded on another market of an EU member state which is regulated, operating regularly, recognised and open to the public, or (iii) admitted to official listing on a stock exchange in a state that is not part of the EU or traded on another market of a state which is not part of the EU, regulated, and is recognised and open to the public (all three can also be called “Regulated Market”), is based on the last known closing price on the Valuation Day and if these securities are traded on several markets, based on the last known closing price on the main market of these values on the Valuation Day. If the last known closing price on the Valuation Day is not representative, the valuation shall be based on the probable sales value price as estimated prudently and in good faith by the SICAV’s Board of Directors;

Notes to the Financial Statements (cont.)

Securities that are unlisted or not traded on a Regulated Market shall be valued on the basis of the probable sales value price as estimated prudently and in good faith by the SICAV's Board of Directors;

2.2.2 The liquidation value of futures and options contracts that are not traded on Regulated Markets shall be equal to their net settlement value determined in accordance with policies established by the SICAV's Board of Directors, on a basis coherently applied to each type of contract. The liquidation value of futures and options contracts traded on Regulated Markets shall be based on the last available price settlement for such contracts on Regulated Markets on which such futures or options contracts are traded by the SICAV; provided that if a futures or options contract could not be liquidated on the day on which the net assets are valued, the basis used to determine the liquidation value of this contract shall be determined by the SICAV's Board of Directors in a fair and reasonable manner;

2.2.3 If possible in practice, liquid assets, monetary market instruments, and all other instruments may be valued at the last known closing price on the Valuation Day or according to the straight-line depreciation method. In case of straight-line depreciation, portfolio positions shall be regularly reviewed under the supervision of the SICAV's Board of Directors to determine if there is a gap between the valuation method according to the last known closing prices and that of the straight-line depreciation. If there is a gap that may result in significant dilution or harming to the shareholders, appropriate corrective action may be taken, including, if necessary, calculating the net asset value using the last known closing prices;

2.2.4 The value of any cash on hand or on deposit, bills and notes payable on demand, accounts receivable, prepaid expenses, dividends, and interest declared or accrued but not yet received, is given by the nominal value of such assets unless it proofs to be unlikely that such value will be affected (in the latter case, the value shall be determined by deducting a certain amount that appears to be appropriate to the directors of the SICAV to reflect the actual value of such assets).

2.2.5 The transaction costs incurred by the Fund in connection with the purchase or sale of transferable securities, money market instruments, derivatives and other eligible assets mainly consist of basic fees, miscellaneous transaction fees, stamp duties, brokerage commissions, preservation fees, VAT, stock exchange taxes, RTO fees (receipt and transmission of orders) and dilution fees. In accordance with prevailing bond market practices, a spread between buying and selling rates is applied when buying or selling securities and other financial instruments. As a result, there will be a difference between the buying and selling prices set by the dealer in any transaction, which represents the broker's compensation.

2.3 Net income or loss on investments

The net income or loss on sales of securities is calculated based on the average cost of acquisition.

2.4 Foreign Currency conversion

Values expressed in a currency other than the currency of denomination of the sub-fund or share class in question are converted at the exchange rate on the Valuation Day. If exchange rates are not available, they are determined prudently and in good faith pursuant to procedures established by the SICAV's Board of Directors.

The revenues and expenses denominated in a currency other than that of the sub-funds are converted into the currencies of the sub-funds based on the exchange rates prevailing on the transaction date. The resulting gains or losses are recognised under results of operations and changes in net assets.

2.5 Valuation of forward foreign exchange contracts

Forward exchange contracts are valued on the basis of forward exchange rates prevailing at the date of valuation. The unrealised gain or loss on forward exchange contracts are recognised in the statement of assets.

The net realized capital gain/loss includes net earnings on contracts which have been settled or offset by other contracts. The change in unrealized gains and losses is reported in the results of operations and changes in net assets.

Notes to the Financial Statements (cont.)

2.6 Revenues

Bank interest and interest on bonds are recorded on a prorata temporis basis and entered in the result of operations and changes in net assets. Dividends are credited on the date the shares are first listed as "ex-dividend".

2.7 Formation expenses

The costs associated with the set-up and launch of the SICAV are estimated at EUR 50,000 and shall be amortised over the first five financial years.

3 - Management, marketing and performance fees

The Board of Directors resolves to modify the calculation and payment frequency for the performance fee of the IVO FUNDS-IVO FIXED INCOME Sub-Fund from quarterly to annual basis in order to comply with the IOSCO principles (FR 09/16).

Management fees have been waived for the 2 sub-funds launched in 2019 and are 0.

As remuneration for its management and marketing services, the Management Company shall receive from the SICAV on its own account an annual commission rate of:

Sub-fund	Classes	Tax
IVO FUNDS - IVO FIXED INCOME	EUR-I (cap)	1% including tax and VAT per annum
	USD-I (CAP) HDG	1% including tax and VAT per annum
	EUR-R (cap)	1.5% including tax and VAT per annum
	EUR-IVO (cap)	0.75% including tax and VAT per annum
	EUR-D (dis)	1.1% including tax and VAT per annum
	EUR-W (cap)	0.6 % including tax and VAT per annum
	EUR-Z (cap)	1.1 % including tax and VAT per annum
IVO FUNDS – IVO GLOBAL OPPORTUNITIES	EUR-I (cap)	1% including tax and VAT per annum
	EUR-R (cap)	2% including tax and VAT per annum
IVO FUNDS – IVO FIXED INCOME SHORT DURATION	EUR-I (cap)	0.65 % including tax and VAT per annum
	EUR-R (cap)	1.25% including tax and VAT per annum
	EUR-S (cap)	0.15% including tax and VAT per annum
	EUR-Z (cap)	0.75% including tax and VAT per annum
	USD-Z (cap) HDG	0.75% including tax and VAT per annum

The Management Company receives for the EUR-I (cap) share class of sub-fund IVO FUNDS - IVO FIXED INCOME, a performance fee (variable management fees) equivalent to 15% of the outperformance of the class in relation to the 3 month EURIBOR + 400 BP.

The Management Company receives for the USD-I (cap) HDG share class of sub-fund IVO FUNDS - IVO FIXED INCOME, a performance fee (variable management fees) equivalent to 15% of the outperformance of the class + 400 BP.

The Management Company receives for the EUR-R (cap) share class of sub-fund IVO FUNDS - IVO FIXED INCOME, a performance fee (variable management fees) equivalent to 15% of the outperformance of the class in relation to the 3 month EURIBOR + 200 BP.

The Management Company shall receive for the EUR-D (dis) share class of sub-fund IVO FUNDS - IVO FIXED INCOME, a performance fee (variable management fee) equivalent to 15% of the outperformance of the class in relation to the 3 month EURIBOR + 400 BP.

The Management Company shall receive for the EUR-W (cap) share class of sub-fund IVO FUNDS - IVO FIXED INCOME, a performance fee (variable management fee) equivalent to 10% of the outperformance of the class in relation to the 3 month EURIBOR + 400 BP.

Notes to the Financial Statements (cont.)

The Management Company shall receive for the EUR-Z (cap) share class of sub-fund IVO FUNDS - IVO FIXED INCOME, a performance fee (variable management fee) equivalent to 15% of the outperformance of the class in relation to the 3 month EURIBOR + 200 BP.

The Management Company shall receive, for the EUR-I (cap) class of shares of the IVO FUNDS - IVO GLOBAL OPPORTUNITIES Sub-fund, a performance fee (variable management fees) equal to 15% of the outperformance in excess of 5% per calendar year of the share class.

The Management Company shall receive, for the EUR-R (cap) class of shares of the IVO FUNDS - IVO GLOBAL OPPORTUNITIES sub-fund, a performance fee (variable management fees) equal to 15% of the outperformance in excess of 5% per calendar year of the share class.

4 - Custodian and Paying Agent Commissions

As compensation for its custodian bank services rendered to the SICAV, the Custodian Bank shall receive a quarterly fee from the SICAV, calculated on the average net asset values of the assets of the various sub-funds for the current quarter (minimum of EUR 5,000).

In addition, any reasonable expenses and costs advanced, including, but not limited to, telephone, telex, fax, electronic transmission, and postage expenses incurred by the Custodian Bank as part of its functions and the corresponding fees shall be borne by the relevant SICAV sub-fund. The Custodian Bank charges further transaction costs related to purchase and sale of assets. As a paying agent, the Custodian Bank may charge the commission applicable in the Grand Duchy of Luxembourg.

5 - Domiciliation Agent, Administrative Agent, and Registrar Agent Commissions

As compensation for its administrative agent’s and administrative services (accounting, bookkeeping, calculation of net value recorder agent functions, secretariat) rendered to the SICAV, the delegated administrative agent shall receive a quarterly fee from the SICAV, calculated on the average net asset values of the assets of the SICAV's various sub-funds in the current quarter.

As compensation for its Administrative Agent services rendered to the SICAV, the delegated administrative agent shall receive the following commission:

- 0.015 % 0-50 millions
- 0.01 % 50 to 200 millions
- 0.005% over 200 million.

In addition, the SICAV shall remunerate them with a fixed annual basis per sub-fund of €20,000 for a daily net asset value, €18,000 for a weekly net asset value of €15,000 for a monthly net asset value.

In addition, any reasonable expenses and advanced costs, including, but not limited to, telephone, telex, fax, electronic transmission and postage expenses incurred by the Administrator in connection with its functions and correspondent’ costs, shall be borne by the relevant SICAV sub-fund. Moreover, the administrative agent is authorised to charge transaction fees in connection with the issuance, conversion, and redemption of shares.

As compensation for its activity as Registrar rendered to the SICAV, the delegated agent receives a fixed minimum fee of EUR 5,000 per annum from the SICAV. In addition, the delegated agent receives a fixed commission for all types of transactions carried out in connection with the Registrar's activity.

As compensation for its activity as Domiciliary Agent rendered to the SICAV, the delegated agent receives a fixed fee of EUR 2,000 per annum from the SICAV for the first sub-fund and EUR 2,500 per annum for each additional sub-fund.

Notes to the Financial Statements (cont.)

6 - Subscription tax

In Luxembourg, the SICAV is liable to a 0.05% per annum tax on its net assets. This tax is reduced to 0.01% per annum of the net assets allocated to classes of shares reserved for institutional investors. This tax is payable quarterly and the taxable base consists of the net assets of the SICAV at the close of the quarter. The subscription tax is not payable on the shares of assets invested in UCI already subject to the application of this tax. No stamp duty or other tax shall be payable in Luxembourg on the issuance of SICAV shares.

7 - Forward foreign exchange contracts

As of 31 December 2019, the SICAV holds the following forward foreign exchanged contracts:

IVO FUNDS - IVO FIXED INCOME

Purchases		Sales		Due date	Unrealized gains / (losses) EUR
EUR	4,880,719	GBP	4,190,000	31-Jan-20	(59,063)
EUR	4,433,969	GBP	3,800,000	31-Jan-20	(46,017)
EUR	51,363,797	USD	58,000,000	31-Jan-20	(207,909)
USD	19,626,170	EUR	17,505,079	31-Jan-20	(54,265)
EUR	46,203,151	USD	51,900,000	28-Feb-20	147,016
EUR	10,782,979	USD	12,000,000	28-Feb-20	134,552
EUR	42,154,357	USD	47,000,000	31-mar-20	526,207
EUR	9,057,725	USD	10,000,000	31-mar-20	201,182
EUR	3,571,062	USD	4,000,000	31-mar-20	28,145
EUR	53,496,438	USD	60,000,000	30-Apr-20	432,841
EUR	49,380,499	USD	55,000,000	29-may-20	854,627
EUR	9,777,778	USD	11,000,000	29-may-20	71,664
EUR	57,895,112	USD	65,000,000	30-Jun-20	645,645
					2,674,625

IVO FUNDS – IVO FIXED INCOME SHORT DURATION

Purchases		Sales		Due date	Unrealized gains / (losses) EUR
USD	1,101,506	EUR	982,461	31-Jan-20	(3,046)
EUR	2,663,447	USD	3,000,000	31-mar-20	6,174
EUR	1,780,984	USD	2,000,000	30-Apr-20	12,181
					15,309

The counterparty of these foreign exchange forward contracts is Société Générale.

8 - Exchange Rates

The exchange rate used as of 31 December 2018 is as follows:

1 EUR =	0.84735	GBP	1 EUR =1.12250	USD

Notes to the Financial Statements (cont.)

9 - Changes in the composition of the securities portfolio

The list of changes in the composition of the securities portfolio is held free of charge at the disposal of the Shareholders at the offices of the Custodian Bank and at the registered office of the SICAV.

10 - Dividend distribution

At the Annual General Meeting held on 24 April 2019, the Board of Directors resolved to pay an interim dividend to shareholders holding EUR-D class shares in the IVO FUNDS- IVO FIXED INCOME sub-fund. The amount of EUR 2.96 per share held was paid on 30 April 2019.

By resolution of 15 July 2019, the Board of Directors resolved to pay an interim dividend to shareholders holding EUR-D class shares in the IVO FUNDS-IVO FIXED INCOME sub-fund. The amount of EUR 3.95 per share held was paid on 23 July 2019.

11 - Post-Closing Information

Change of name from Société Générale Bank & Trust S.A. to Société Générale Luxembourg on 27 January 2020.

After the end of 2019, COVID-19 spread around the world. The long-term consequences of the pandemic are unknown at this time and will likely affect the performance of the financial markets as well as the asset management industry and the Fund. The Fund's Board of Directors is closely monitoring the situation and its potential impact on the Fund.

The fund's net asset values and other unaudited financial information are available at http://www.ivocapital.com/

Thanks to these measures, all our teams have been able to continue working with no interruptions and the IVO fund is therefore able to ensure the continuity of its operations in compliance with the prospectus and investment policy.

Finally, given these exceptional market conditions, we have implemented a "swing price policy" in order to reduce the portfolio reorganisation costs for investors linked to subscriptions or redemptions, by allocating all or part of these costs to new and/or existing investors.

Unaudited information

1 - Overall risk management

In regards to risk management, the Board of Directors of the Management Company has chosen the commitment approach to determine the overall risk.

2 - SFT Regulations

The SICAV does not use instruments that fall within the scope of Regulation (EU) 2015/ on transparency of securities financing transactions and of reuse.

3 - Compensation policy

In accordance with the provisions contained in Directive 2014/91/EU on managers of undertakings for collective investment in transferable securities (hereinafter referred to as the "OPCVM/FIA V Directive") and Directive 2011/61/EU on managers of alternative investment funds (hereinafter referred to as the "AIFM Directive"), IVO CP has established, implemented and maintains a regulatory framework related to the remuneration of its employees.

Adoption and review of the compensation policy

The compensation policy is validated by IVO CP's management, in the exercise of its supervisory functions, and was reassessed and validated in 2020.

The management body of the Portfolio Management Company, in the exercise of its supervisory functions, adopted the compensation policy in 2014 and has reviewed the general principles of this policy at least once a year.

Monitoring the effective implementation of the compensation policy

The management body of the SGP, in the exercise of its supervisory functions, shall ensure the effective implementation of this policy at least once a year. It is responsible for it and supervises it.

The control functions (risk control, compliance) are included in the review of the compensation system implemented by IVO CP, the supervisory function retains responsibility for the control of compensation policies and practices, it also controls the results of the review.

The external compliance officer (AGAMA Conseil) has set up a specific point concerning remuneration in its annual control plan.

The activities and compensations concerned

• The activities concerned:

This policy applies within the framework of UCITS and FIA fund management activities.

Where the SGP offers one of the ancillary services mentioned in Article 6(3) of the UCITS Directive or in Article 6(4) of the GFIA Directive (advisory, RTO, discretionary management), the variable compensation linked to these ancillary services must comply with the principles of the UCITS / AIFM Directive and the principles defined in the Markets in Financial Instruments Directive (MIFID).

• The compensations concerned:

The compensation policy applies to the following compensations:

- The fixed portion of the relevant employee's compensation, which rewards the employee's ability to satisfactorily meet the criteria defined for their position

- The variable portion of the relevant employee's compensation, which aims to acknowledge individual performance, contributions and behaviour.

Unaudited information (cont.)

Dividends or any other similar distributions received by shareholders as owners of SGP shares are not covered by this policy insofar as they do not have a significant effect leading to circumvention of the regulations.

Similarly, compensation in the form of profit-sharing and incentives from SGP does not fall within the scope of this policy. The Management Company does not offer deferred interest compensation.

Application of the proportionality principle:

SGP ensures that its financial position is not adversely affected by the total variable compensation granted in respect of a given financial year and/or by the variable compensation paid or acquired during the financial year.

In accordance with the regulatory provisions of the UCITS V & AIFM directives, IVO CP applies the proportionality principle in the implementation of the remuneration policy.

Size	The SGP's regulatory capital is comfortable Assets under management are less than 500 million euros. The SGP employs less than 15 people.
Internal Organisation	The SGP is a simplified joint stock company The SGP's internal governance is ensured by the three managers.
Nature and complexity of the business	The SGP is authorised to manage UCITS, FIA funds and management mandates. Incidentally, the SGP can also manage investment advisory, RTO, brokerage and arbitration mandates. Within the financial management framework, IVO CP only uses simple financial instruments (listed shares, listed bonds, UCITS) and does not use simple financial instruments (financial contracts).
The different personnel categories	The SGP is entrepreneurial. Only corporate officers may contract on behalf of the company.

Specific principles relating to the variable portion of compensation

No employee will receive a variable compensation above 100 000 €, IVO CP thus benefiting from the proportionality principle and not applying the payment in instruments, retention of instruments, deferral and penalty for annual variable compensation principles.

Internal body responsible for allocating compensations

IVO CP applies the proportionality principle and has not set up a Compensation Committee (assets under management of less than 1.25 billion euros and fewer than 50 employees).

In accordance with the principle of proportionality, the body that annually supervises compensation is the Executive Management.

Unaudited information (cont.)

Following these individual interviews, the IVO CP directors determine the amount of the variable portion and any bonuses paid to employees. IVO CP's senior management is responsible for preparing compensation decisions, including those that have an impact on the risk and risk management of the SGP and the funds managed.

Compensations

"T" Year	**2018**	**2019**
All employees	K€	K€
Fixed compensation	678	855
Total variable compensation	135	165
of which non-deferred variable compensation	135	165
of which deferred variable compensation	0	0
Total	**813**	**1,020**

IVO FUNDS

Audited annual report, including audited financial statements