

KEPLER LIQUID STRATEGIES ICAV
INTERIM REPORT AND UNAUDITED CONSENSUED FINANCIAL STATEMENTS

For the six months ended 30 June 2021

KEPLER LIQUID STRATEGIES ICAV
INTERIM REPORT AND UNAUDITED CONDENSED FINANCIAL STATEMENTS
For the six months ended 30 June 2021

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Words and terms defined in the Prospectus have the same meaning in the interim report and financial statements unless otherwise stated herein.

KEPLER LIQUID STRATEGIES ICAV

INTERIM REPORT AND UNAUDITED CONDENSED FINANCIAL STATEMENTS

For the six months ended 30 June 2021

General Information

Directors:

Jim Cleary*
Georg Reutter
Andrea Oman
All directors are non-executive

Registered Office of the ICAV:

5 George's Dock
IFSC
Dublin 1
Ireland

Depository :

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3rd Floor, IFSC House
IFSC
Dublin 1
Ireland

Investment Manager:

Kepler Partners LLP
9-10 Savile Row
London W1S 3PF
United Kingdom

Administrator :

Société Générale Securities Services,
SSGS (Ireland) Limited
3rd Floor, IFSC House
IFSC
Dublin 1
Ireland

Secretary:

KB Associates
5 George's Dock
IFSC
Dublin 1
Ireland

Auditor:

KPMG
1 Harbourmaster Place
IFSC
Dublin 1
Ireland

Irish Legal Advisers:

A&L Goodbody
25-28 North Wall Quay
IFSC
Dublin 1
Ireland

** Independent director*

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General Information (continued)

Background

Kepler Liquid Strategies ICAV (the “ICAV”), incorporated on 22 December 2015, is an umbrella fund with segregated liability between Funds registered as an Irish Collective Asset-management Vehicle (“ICAV”) pursuant to the Irish Collective Asset-management Vehicles Act 2015 (the “ICAV Act 2015”) on 22 December 2015 with registration number C148679. The ICAV is established as an undertaking for collective investment in transferable securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended), (the “UCITS Regulations”) and Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (the “Central Bank UCITS Regulations”).

The ICAV currently has seven Sub-Funds (“Sub-Fund(s) or ‘Fund(s)’”). These financial statements relate to KLS Arete Macro Fund.

- KLS Arete Macro Fund which was authorised by the Central Bank of Ireland on 17 April 2018 and launched on 5 July 2018.

At the financial year end, there were:

- Fourteen classes of shares in issue for KLS Arete Macro Fund; the Class F USD, Class F EUR, Class F GBP, Class SI USD, Class SI GBP, Class SI EUR, Class SI JPY, Class SI CHF, Class I USD, Class I EUR, Class I GBP, Class IG GBP, Class R USD and Class SI SEK.

KLS Arete Macro Fund currently offers twenty-seven share classes:

Class	Currency	Distribution Policy	Minimum Initial Investment	Subsequent Investment
F-USD*	USD	(Accumulating)	\$50,000,000	\$100,000
F-EUR*	EUR	(Accumulating) Hedged	€50,000,000	€100,000
F-GBP*	GBP	(Accumulating) Hedged	£50,000,000	£100,000
F-CHF*	CHF	(Accumulating) Hedged	CHF50,000,000	CHF100,000
F-SEK*	SEK	(Accumulating) Hedged	SEK500,000,000	SEK1,000,000
I-USD (Accumulating)	USD	(Accumulating)	\$1,000,000	\$100,000
I-EUR (Accumulating)	EUR	(Accumulating) Hedged	€1,000,000	€100,000
I-GBP (Accumulating)	GBP	(Accumulating) Hedged	£1,000,000	£100,000
I-CHF	CHF	(Accumulating) Hedged	CHF1,000,000	CHF100,000
I-SEK	SEK	(Accumulating) Hedged	SEK10,000,000	SEK1,000,000
I-JPY	JPY	(Accumulating) Hedged	JPY110,000,000	JPY10,000,000
I-USD (Distributing)	USD	(Distributing)	US\$1,000,000	US\$100,000
I-EUR (Distributing)	EUR	(Distributing) Hedged	€1,000,000	€100,000
I-GBP (Distributing)	GBP	(Distributing) Hedged	£1,000,000	£100,000
R-USD	USD	(Accumulating)	\$10,000	\$1,000
R-EUR	EUR	(Accumulating) Hedged	€10,000	€1,000
R-GBP	GBP	(Accumulating) Hedged	£10,000	£1,000
R-CHF	CHF	(Accumulating) Hedged	CHF10,000	CHF1,000
R-SEK	SEK	(Accumulating) Hedged	SEK100,000	SEK10,000

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Class	Currency	Distribution Policy	Minimum Initial Investment	Subsequent Investment
R-JPY	JPY	(Accumulating) Hedged	JPY1,000,000	JPY110,000
SI-USD	USD	(Accumulating)	\$50,000,000**	\$100,000
SI-EUR	EUR	(Accumulating) Hedged	€50,000,000**	€100,000
SI-GBP	GBP	(Accumulating) Hedged	£50,000,000**	£100,000
SI-CHF	CHF	(Accumulating) Hedged	CHF50,000,000**	CHF100,000
SI-SEK	SEK	(Accumulating) Hedged	SEK500,000,000**	SEK1,000,000
SI-JPY	JPY	(Accumulating) Hedged	JPY5,000,000,000**	JPY10,000,000
SJ-USD	USD	(Accumulating)	US\$50,000,000**	US\$100,000

It should be noted that the details for each Class set out in the tables above include the minimum initial and minimum subsequent subscription amounts. These amounts may be reduced or waived for all Shareholders in the relevant Class at the discretion of the Directors, the Investment Manager or the Sub-Investment Manager.

* The Directors shall close the F-USD, F-EUR, F-GBP, F-CHF and F-SEK Classes of Shares (the "F Classes") to further subscriptions on the date upon which the Fund has accepted aggregate subscriptions of \$100,000,000 from Founder Investors. The \$100,000,000 limit may be extended at the discretion of the Directors, the Investment Manager or the Sub-Investment Manager.

** The Directors, the Investment Manager and the Sub-Investment Manager may waive the minimum initial subscription amounts completely for the SI and SJ Classes during the Initial Offer Period.

The Directors are given authorisation to effect the issue of any Class and to create new Share Classes on such terms as they may from time to time determine in accordance with the Central Bank's requirements.

KLS Arete Macro Fund Investment Objectives and Policies**Investment Objective**

The investment objective of the Fund is to seek to achieve total returns through capital growth and/or income generation.

Investment Policies

The Sub-Investment Manager will pursue the investment objective of the Fund by investing primarily in a diversified portfolio of investments, which are listed and/or traded on Recognised Markets. Asset classes and instruments will be selected based on the appropriateness of each investment in expressing the macro-economic views of the Sub-Investment Manager, as well as the marginal risk of the investment in relation to the Fund's overall portfolio. The Fund will seek to benefit both from rapidly changing economic and monetary conditions globally and in Asia. The Fund will focus on investing in Asia including Japan but may also invest up to 30% of its Net Asset Value in Europe and the United States.

The Fund primarily adopts a "macro" or "top down" approach in selecting and structuring its investments across the asset classes listed below. Consistent with this approach, the Fund will typically be invested in multiple asset classes, in order to diversify the portfolio and reduce volatility. The Sub-Investment Manager constructs and maintains macro-analytical frameworks that incorporate the rapidly changing macro-economic conditions around the world, as well as the significant idiosyncrasies of certain large economies such as China and Japan. These frameworks use historical and regional comparisons, social science research and empirical due diligence in order to assist the Sub-Investment Manager in identifying the Fund's investments.

The Fund has flexibility to invest in a wide range of instruments namely, equities, bonds (which shall be Investment Grade and may be fixed and/or floating rate, of any maturity and may be issued by corporates and/or sovereigns), American depositary receipts, contract for difference, equity options, equity index futures, equity index options, options on equity index futures, interest rate futures, foreign exchange futures, foreign exchange swaps, interest rate swaps, foreign exchange forwards, bond futures, options on bond futures, eligible multiple commodity indices (which have been pre-cleared by the Central Bank) and the multi-asset options, swaps and forwards referred to in the FDI table below. FDI may be exchange-traded or over-the-counter.

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General Information (continued)

KLS Arete Macro Fund Investment Objectives and Policies (continued)

Investment Policies (continued)

In addition, as part of the overall risk management and liquidity management of the Fund, the Fund may invest up to 100% of its Net Asset Value in cash, money market instruments including treasury bills, bank deposits, certificates of deposit and commercial paper, along with fixed income and fixed income related securities issued by highly rated (Investment Grade or higher) corporate or sovereign issuers (for example US Treasuries) which are fixed rate, floating rate and variable rate for liquidity, collateral or for temporary defensive purposes. The Fund may invest up to 10% of net assets in other collective investment schemes including exchange traded funds and money market funds.

The Fund may maintain exposure to or hedge a currency based on the Sub-Investment Manager's outlook for a currency or the countries using that currency. Investing in non-US Dollar denominated securities inherently carries with it exposure to other currencies. The investment strategy of the Fund fundamentally incorporates a range of currency exposures and allows the Sub-Investment Manager to express an investment view with respect to those currency exposures through direct exposure to those currencies, hedging, not hedging or increasing the Fund's exposure to those currencies through FDI.

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Sub-Investment Manager's Report

KLS Arete Macro Fund

The KLS Arete Macro Fund returned 4.37% YTD.

Portfolio review:

January

In our last newsletter, we discussed the endogenous risks the market might face because of concentrated positioning and high leverage. During January, a phenomenon of this kind did break out: like the “Volmageddon” of February 2018, the short squeeze on a select group of US-listed small-cap stocks triggered large-scale reduction of positioning across global equity markets. The nature of financial markets makes them perfect breeding ground for this kind of “Butterfly Effects”, where self-reinforcing cycles and rapid feedback loops sometimes propel positioning to such extreme levels that the smallest and most innocuous nudge can launch an avalanche.

At the beginning of January, we had been positioned constructively based on our global growth outlook, and to take advantage of the structural opportunity in Hong Kong equities. We had been aware of the potential endogenous risks but recognized the near impossibility of forecasting timing, and instead focused on risk management. In January, our risk management system with liquidity as its linchpin again proved its merits as we were able to quickly reduce our equity futures positions when this risk flared up, enabling us to keep a significant portion of our profits. Just as importantly, the liquidity of our positions also enables us to quickly rebuild our positions to express our longer-term macro themes, if and when we deem shorter-term risks to have receded.

In January our USD “steepener” positions also performed as the global reflationary scenario gained more support with developments on the US political and the global pandemic fronts.

The retail trading activity in the US equity markets shone a light on a more deep-rooted issue: as policy makers deploy ever more stimulus measures and governments become ever more involved in managing the economy, more finely-targeted tools and more administrative measures are urgently needed.

Western economies had been constructed on the principles of small government and reliance on market mechanisms – the “Invisible Hand” – for allocating resources, financial and otherwise. As a consequence, the tools that policy makers have for managing the economy are few and blunt. When deployed in scale these tools quickly begin to have significant side effects. For example, extraordinarily accommodative monetary policies almost certainly exacerbate inequality. Central bankers’ usual exculpatory remark that social equity had been deteriorating long before easy monetary policies is akin to one refusing to acknowledge the effects of excessive alcohol consumption on aging by stating that aging had already started as soon as one was born. Similarly, debates need to take place on what set of fiscal measures can achieve a better balance between shorter and longer-term goals. Improvements though will almost inevitably require more fine-targeting, more administrative measures and more “visible hands”.

Not coincidentally, China faces a different set of challenges as the country moves in the opposite direction: trying to give market forces a larger role in allocating resources. One needs to look no further than China’s monetary policy to appreciate the complexity of finding a pragmatic approach for these profound transitions. China’s monetary policy targets both the prices and the quantities of liquidity and credit. For short-term rates, there are more than four measures that don’t always move in the same direction, and the PBOC’s daily open market operations varies day to day between injecting and withdrawing liquidity, by varying amounts, often with no clearly discernible patterns. While this approach exasperates market watchers trying to divine the central bank’s intentions and invites criticism of a whack-a-mole approach, it’s necessary and perhaps the best possible approach to balance a plethora of sometimes conflicting goals.

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Sub-Investment Manager's Report

KLS Arete Macro Fund (continued)

February

Key macro developments during February included a significant increase in the likelihood of a new round of large fiscal stimulus to be deployed by the US government, and continued speedy rollout of vaccines across the US. These two developments, among other factors, contributed to a relatively sharp inflection in inflation expectations and a significant rise in USD yields toward the end of February, albeit from a very low base. This led to volatility in equity prices and a rotation from highly valued growth stocks to more cyclical stocks.

Our USD rates steepeners and long positions in USD index futures performed well in the environment. In addition, in the earlier part of February we had repositioned our equity positions toward more “value”, including positions in Chinese property developers, Japan’s Nikkei and Europe’s Stoxx 50 Index. These moves cushioned our portfolio from the global equity markets selloff at the end of February.

Western central bankers’ mandate is to manage consumer price inflation and that is where their attention has historically been squarely focused on. When it comes to asset price inflation, their attitudes range from fundamentalist stances that it is not the government’s job to pervert market forces, to professing impotence at containing asset “bubbles”, to expressing oblique concerns about “financial conditions”.

Yet when we think about the elementary reasons why consumer inflation needs to be managed, that once out of control it seriously disrupts the real economy by making forward planning extremely difficult, it should follow that the world has changed enough that runaway asset price inflation has just as deleterious effects as runaway consumer price inflation. Many growth companies today rely on their equity valuations to fund capex and compensate their employees through stock options. Households spending today is perhaps just as tied to the values of homes and stock trading and retirement accounts as to salaries. If asset prices get out of control, these essential activities will certainly be disrupted.

East Asian economies serve up both painful lessons and potential prescriptions for dealing with asset price inflation. The bursting of the real estate bubble in Japan in the late 1980s has had profound impacts on the Japanese economy. China, itself facing extremely frothy real estate prices and other asset bubbles, has rolled out a plethora of ever more finely calibrated measures, from requiring a lengthy period within which a divorcee cannot purchase a second home to modulating the issuances of “hot” mutual funds run by popular managers.

But it’s clear that Western governments do not have the flexibility in governance systems to allow for China’s kind of administrative management of asset prices, through the “visible hand”. Does this then mean that assets prices in the West will just continue their inexorable rise indefinitely, fuelled by ever more monetary and fiscal stimuli? Interestingly, recent episodes seem to suggest otherwise. As these torrents of liquidity rush into asset markets such as equities, the endogenous risks in these markets also rapidly build up. At core these endogenous risks stem from crowding and leverage, but the lack of “visible hands” to temper these create significant market fragility, leading to episodes such as this January’s US long/short hedge fund de-grossing and the “Volmageddon” of February 2018. The rapid rise in USD yields in February also had significant elements of endogenous risks.

These events introduce additional volatility and put downward pressure on asset valuation. “The Invisible Hand”, therefore, seems to be alive and well in asset markets at least to some extent, although its modus operadi may be different from the way it regulates prices for goods and services.

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KLS Arete Macro Fund (continued)

March

March saw some significant volatility in financial markets, triggered first by rapidly rising interest rates and then toward the end of the month, by the forced de-leveraging of a large equity portfolio with significant weightings in China growth names. As March drew to a close, however, just as it had happened so often in the recent past, the combination of steadily improving economic fundamentals and extraordinarily accommodative monetary policies steamrolled over these “noises” and “incidents” and propelled equity markets to new highs, although certain sectors, such as the China growth names, underperformed.

One of the key macro themes we had been trading on over the last few quarters, global reflation expressed through USD rates steepeners, long USD positions, and overweighing the more cyclical parts of global equity markets, performed well in the environment. Just as importantly, the very high level of liquidity of our portfolio enabled us to effectively mitigate risks that had been hard to quantify when they initially emerged.

As we begin the second quarter of 2021, it seems we are doomed to repeat the same, inescapable, Ouroboros-like cycles of policy easing leading to needs for even more policy easing, driving asset prices ever higher. The same dynamics and patterns are also playing out across different time and spatial horizons, as though we are in a Mandelbrot Set.

There is perhaps great virtue in the humility to recognize the near impossibility of knowing when and how this powerful cycle ends, and to be content to earn carry, to buy dips, and even to employ leverage.

In our past newsletters we have discussed at length the attendant risks with the current policy setup, ranging from endogenous market risks stemming from crowded positioning and excessive leverage of all kinds, to social and political tensions arising from inequality, partially a by-product of monetary easing. We are heartened to see more emphasis being put on fiscal policies, although they carry their own set of possibilities for excesses and risks.

As we have focused a great deal on the directions from which potential risks may emerge but still have no confidence in assessing the potential timing of such risks, we have come to rely heavily on the liquidity of our positions as a key linchpin of our risk management approach.

April

April saw some retracements in the sharp upward moves in USD rates and USD exchange rates in March. As a consequence we gave back some of the gains we had generated in 1Q in our steepener and other USD rates positions, and our long USD index and other FX positions.

On the equities front, we incurred losses in our long China banks and developers baskets, and our long Nikkei futures positions. Those losses were more than made up by profits in our long S&P and Eurostoxx 50 futures, and our short large-cap China Internet basket positions. These positions at a high level expressed our global reflationary views, with the latter also reflecting the potential impact from China's anti-monopoly policy initiatives.

With US President Biden's speech last week outlining the ambitious \$1.8 trillion American Families Plan, close on the heels of the \$1.9 trillion American Rescue Plan passed in early March, and ahead of a separate infrastructure plan that's expected to be around \$2 trillion, the embrace of a “big government” philosophy by the US is unmistakable. Following the lead of the US, it is likely that other Western governments will also follow suit.

KEPLER LIQUID STRATEGIES ICAV

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For the six months ended 30 June 2021

Sub-Investment Manager's Report

KLS Arete Macro Fund (continued)

April (continued)

More than two thousand years ago in China, the debate between “big government” and “small government” also raged, with Confucianism espousing an active and morally upright big government, and Taoism advocating a “do nothing” kind of small government. That debate came to a decisive conclusion during the reign of Emperor Wu of Han Dynasty around 1st century BC., when he banned all the other schools and sanctified Confucianism as the only governing philosophy to follow (“罢黜百家，独尊儒术”).

In the more than two thousand years since, although there were many backs and forths, Confucianism and the idea of a big centralized government have become entrenched in China, and have come to strongly influence other East Asian countries such as Japan and Korea.

In the modern era, “big governments” in East Asia have propelled the stunning economic rises of Japan, Korea and China, through top-down economic planning and industrial policies driven by powerful ministries (think Japan's MITI and MOF, and China's NDRC), close collaboration between the government and the corporate sector (Japan's Keiretsus, Korea's Chaebols and China's SOEs), and in more recent years staggering amounts of monetary and fiscal stimuli in order to keep the growth going.

Just like the “small government” approach championed during the Reagan/Thatcher era and even affirmed by political leaders on the left like Bill Clinton, the “big government” approach has its risks and potentials for excess. Yet through centuries East Asian countries have developed deep-rooted cultural values and governance systems in order to mitigate these risks. For example, in Japan strong social contracts partially predicated on cultural homogeneity have been key in creating a relatively egalitarian and harmonious society. In China, there is also the added feature of a powerful and highly efficient governance system. Yet despite all these, issues and risks abound in the “big government” economies of East Asia.

In the West, from the time after the GFC when the central banks became the “only game in town”, to when the floodgate was opened on the fiscal side last year by the COVID pandemic, the economic powers and influences of governments have quickly expanded. While this has been critical in supporting the economy and protecting livelihoods, its side effects are clearly evident and mushrooming, from rapidly rising inequality, to asset bubbles, to economic and market distortions, all with the potential to further stoke social and political tensions.

One can probably make an argument that at the most fundamental level the social and cultural milieu in the West is much more inhospitable to big governments. It will be interesting to see what measures Western countries will deploy to deal with the side effects of big government, and how this “convergence” move between the West and the East will evolve.

May

Inflation surged to the forefront of investor concerns during May, and debates raged over whether the nascent inflationary pressure seen in some US economic data were “transitory” or otherwise. This led to a burst of volatility in equity markets during the 1st and 2nd weeks of May. Our long positions in equity index futures were whipsawed and led to most of our losses during May. These losses were partially reduced by our long exposure in the Chinese currency, and our short positions in Chinese Internet and education equity baskets.

KEPLER LIQUID STRATEGIES ICAV

INTERIM REPORT AND UNAUDITED CONDENSED FINANCIAL STATEMENTS

For the six months ended 30 June 2021

Sub-Investment Manager's Report

KLS Arete Macro Fund (continued)

May (continued)

Today, monetary and fiscal policies of unprecedented scale have combined with pandemic-related economic shocks, on both the downside and the upside, to create a potent brew of cross currents in financial markets. The ensuing confusion has led to periodic bursts of volatility.

When trying to speculate on what the future may hold, the experience of East Asian economies may serve as a partial guide: massive amounts of policy stimulus over the years had not led to sustained consumer price inflationary pressure, but had mostly inflated asset prices. With the Western policy makers still focused very much on consumer inflation, it seems to suggest that we are still in the early stages of the government stimulus cycle in the West.

Of course, there are considerable differences in governance systems and social and cultural contexts between the East and the West. These differences may yet prove to be the crucial factors in charting a different course for the “big governments” in the West versus their counterparts in the East.

June

The major macro event in June was the FOMC meeting which surprised on the hawkish side. This led to a rapid unwinding of rates steepener positions as the USD yield curve flattened. In addition, “reflationary” trades such as long commodities and cyclical equities pulled back, while reasonably valued growth stocks outperformed.

The liquidity of the “reflationary” trades in our books, including our USD rates steepener position and long commodity and cyclical equity index positions, effectively mitigated our losses from this surprising change in the tone of the FOMC. Our positioning in Chinese equity indices, which emphasized a mid-cap equity index that benefited from longer-term growth themes and accelerating sector rotations, and eschewed large cap equities that had benefited the most from ever more concentrated capital seeking safety in numbers, contributed the largest gains for us during June.

Although the June FOMC meeting caused some volatility in our portfolio, it was rich in messaging that will significantly inform our trading going forward. The most important takeaway for us was that, more than consumer inflation, policy makers would have to begin address the other side effects of their profligate policies. These other side effects include speculative bubbles fed by moral hazards, and asset inflations that exacerbate social tensions and threaten to destabilize financial markets and seriously harm the real economy, similar to what happened during the Great Financial Crisis.

Under our “convergence” framework, we have long suspected that as Western policy makers embark on the move to “bigger” governments, and become more active in using monetary and fiscal policies to sustain economic growth, they will have to develop and adopt new policy tools that enable them to more precisely target their policies and curb spill overs.

Their path will be similar to the one trodden by their counterparts in East Asia, where big governments have a much longer history, and policy makers have been focused much longer on fighting asset inflation. The difference though is that Western policy makers operate under significantly different governance and regulatory environments.

Ocean Arete Limited
30 June 2021

KEPLER LIQUID STRATEGIES ICAV

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For the six months ended 30 June 2021

Condensed Statement of Financial Position

		KLS Arete Macro Fund	KLS Arete Macro Fund
		As at	As at
		30-Jun-2021	31-Dec-2020
	Notes	USD	USD
Assets			
Cash and cash equivalents		435,039,819	304,993,727
Balances due from broker		60,372,688	40,182,528
Financial assets at fair value through profit or loss			
- Equities	9	220,798,584	152,013,745
- Bonds	9		10,000,000
- Investment funds	9	5,198,504	-
- Warrants	9	620,994	23,776
- Money market	9	363,922,754	272,981,608
- CFDs	9	-	12,829
- Options	9	195,501	439,243
- Futures	9	6,945,229	7,323,933
- Forward currency contracts	9	1,509,466	22,245,158
Receivable for investments sold		6,708,794	1,054,273
Coupon receivable		1,147,513	-
Subscriptions receivable		1,767,241	12,045,832
Dividends receivable		902,041	-
Total assets		1,105,129,128	823,316,652
Liabilities			
Bank overdraft		(21,293,646)	(7,321,557)
Balances due to broker		(1,897,844)	(1,717,650)
Financial liabilities at fair value through profit or loss			
- CFDs	9	(305)	(6,060)
- Options	9	(86,297)	(2,003,952)
- Futures	9	(3,331,750)	(124,935)
- Forward currency contracts	9	(19,486,026)	(35,306,306)
Payable for investments purchased		(21,542,092)	(14,877,144)
Coupon payable		(20,087)	(18,282)
Dividend Payable		(67,753)	-
Redemptions payable		(207,940)	(40,050)
Accrued expenses		(9,491,888)	(16,736,754)
Total liabilities (excluding net assets attributable to holders of redeemable participating shares)		(77,425,628)	(78,152,690)
Net assets attributable to holders of redeemable participating shares		1,027,703,500	745,163,962

The accompanying notes and schedule of investments form an integral part of these financial statements.

KEPLER LIQUID STRATEGIES ICAV

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Condensed Statement of Comprehensive Income

		<u>KLS Arete Macro Fund</u>	<u>KLS Arete Macro Fund</u>
		Period ended	Period ended
		30-Jun-2021	30-Jun-2020
	Notes	USD	USD
Income			
Dividend income		2,460,910	1,044,715
Interest income		62,996	312,111
Money Market income		-	1,133,504
Net (loss)/gain on financial instruments at fair value through profit or loss	5	23,499,063	37,062,447
Other income		-	6,344
Total investment (loss)/gain		(4,944,387)	39,559,121
Expenses			
Investment management fees		(4,944,387)	(2,465,340)
Performance fees		(7,578,975)	(8,690,210)
Depositary and trustee fees		(120,195)	(60,805)
Administration and transfer agent fees		(207,345)	(111,251)
Directors' fees		(3,254)	(5,005)
Audit fees		(7,460)	(6,844)
Transactions fees		(2,809,409)	(1,456,538)
Consultancy fees		(979)	(3,531)
Fund registration fees		(32,309)	(26,639)
Risk management fees		(133,322)	(69,356)
Tax reporting fees		(3,586)	(5,449)
MIFD II fees		(9,263)	-
Other fees		(172,738)	(133,502)
Total expenses		(16,023,222)	(13,034,470)
Operating gain		9,999,747	26,524,651
Withholding tax		(180,282)	(103,851)
Interest expense		(262,487)	(186,434)
Increase in net assets attributable to holders of redeemable participating shares from operations		9,556,978	26,234,366

The accompanying notes and schedule of investments form an integral part of these financial statements.

KEPLER LIQUID STRATEGIES ICAV

INTERIM REPORT AND UNAUDITED CONDENSED FINANCIAL STATEMENTS

For the six months ended 30 June 2021

Condensed Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares

		KLS Arete Macro Fund	KLS Arete Macro Fund
		Period ended 30-Jun-2021	Period ended 30-Jun-2020
	Notes	USD	USD
Net assets attributable to holders of redeemable participating shares at beginning of the period		745,163,962	444,102,030
Redeemable participating shares issued	6	339,404,880	161,450,774
Redeemable participating shares redeemed	6	(66,422,321)	(82,628,952)
		272,982,560	78,821,822
Increase in net assets attributable to holders of redeemable participating shares from operations		9,556,978	26,234,366
Net assets attributable to holders of redeemable participating shares at end of the period		1,027,703,500	549,158,218

The accompanying notes and schedule of investments form an integral part of these financial statements

KEPLER LIQUID STRATEGIES ICAV

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Condensed Statement of Cash Flows

	KLS Arete Macro Fund	KLS Arete Macro Fund
	Period ended	Period ended
	30-Jun-2021	30-Jun-2020
	USD	USD
Operating activities		
Increase in assets attributable to holders of redeemable participating shares	9,556,978	26,234,366
<i>Adjustments to reconcile increase in assets attributable to holders of participating redeemable shares resulting from operations to cash provided by/(used in) operating activities</i>		
Net movement in financial assets/liabilities at fair value through profit or loss	(147,677,188)	(39,243,659)
Net movement in dividends receivable/payable	(834,288)	11,310
Net movement in coupon receivable/payable	(1,145,708)	(92,763)
Net movement in balances due from/to broker	(20,009,966)	380,563
Net movement in accrued expenses	(7,244,866)	4,136,590
Net cash (used in) operating activities	(167,355,038)	(8,573,593)
Financing activities		
Proceeds from redeemable participating shares issued	349,683,471	152,266,964
Payments for redeemable participating shares redeemed	(66,254,431)	(82,946,691)
Net cash provided by financing activities	283,429,041	69,320,273
Net increase in cash and cash equivalents	116,074,003	60,746,680
Cash and cash equivalents at beginning of the financial period	297,672,170	200,019,143
Cash and cash equivalents at end of the financial period	413,746,173	260,765,823
<i>Cash Breakdown</i>		
Cash	435,039,819	269,718,983
Overdraft	(21,293,646)	(8,953,160)
	413,746,173	260,765,823
<u>Supplementary information:</u>		
Interest received	62,996	312,111
Interest paid	(262,487)	(186,434)
Dividends received	2,460,910	1,044,715

The accompanying notes and schedule of investments form an integral part of these financial statements

KEPLER LIQUID STRATEGIES ICAV

INTERIM REPORT AND UNAUDITED CONDENSED FINANCIAL STATEMENTS

For the six months ended 30 June 2021

Notes to the Financial Statements (continued)

1. General information

Kepler Liquid Strategies ICAV (the “ICAV”) is an open-ended umbrella Irish collective asset management vehicle with variable capital and segregated liability between Funds. The financial statements of the Kepler Liquid Strategies ICAV have been prepared in accordance with the ICAV Act 2015, and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended) and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (the “Central Bank UCITS Regulations”).

2. Basis of preparation

The condensed financial statements of the ICAV are prepared under the going concern basis and on the historical cost basis, except that financial instruments classified as at fair value through profit or loss are held at fair value.

The condensed financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting and should be read in conjunction with the annual audited financial statements for the year ended 31 December 2020, which have been prepared under International Financial Reporting Standards (“IFRS”) as adopted by the European Union (“EU”).

3. Significant accounting policies

The same accounting policies, presentation and methods of computation are followed in these condensed financial statements as were applied in the preparation of the ICAV’s financial statements for the financial year ended 31 December 2020.

4. Exchange rates

The financial statements are prepared in USD for KLS Arete Macro Fund. The following exchange rates at 30 June 2020 have been used to translate assets and liabilities denominated in other currencies:

Currency	As at 30-Jun-2021	As at 31-Dec-2020
	USD	USD
AUD	0.75074	0.68850
BRL	-	0.18212
CAD	0.80756	0.73420
CHF	1.08096	1.05534
CNH	0.15460	0.00000
CNY	0.15476	0.14155
CZK	0.04649	-
DKK	-	0.15069
EUR	1.18590	1.12315
GBP	1.38144	1.23559
HKD	0.12877	0.12902
HUF	0.00338	-
IDR	0.00007	0.00007
INR	0.01345	0.01324

KEPLER LIQUID STRATEGIES ICAV

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For the six months ended 30 June 2021

Notes to the Financial Statements (continued)

4. Exchange rates (continued)

	As at 30-Jun-2021	As at 31-Dec-2020
Currency	USD	USD
JPY	0.00900	0.00927
KRW	0.00089	0.00083
MXN	0.05022	0.00000
MYR	0.24102	-
NOK	0.11621	-
NZD	0.68880	-
PHP	0.02049	0.02007
PLN	0.26267	0.25280
SEK	0.11693	0.10733
SGD	0.74327	
TWD	0.03589	0.03389
ZAR	0.07002	0.05755

5. Net gain/(loss) on financial assets at fair value through profit or loss

	KLS Arete Macro Fund	KLS Arete Macro Fund
	Period ended	Period ended
	30-Jun-2021	30-Jun-2020
	USD	USD
Net realised gain on investments	61,045,935	46,179,988
Net realised (loss)/gain on foreign exchange	(18,452,050)	(3,696,731)
Net unrealised (loss) on investments	(13,648,293)	(2,358,286)
Net unrealised (loss)/gain on foreign exchange	(5,446,529)	(3,062,524)
	<u>23,499,063</u>	<u>37,062,447</u>

6. Redeemable participating shares issued and redeemed during the financial period

The net assets attributable to holders of redeemable participating shares in the Fund are at all times equal to the net asset value of the Fund. Participating shares, which comprise the capital of the ICAV, are in substance a liability of the ICAV to shareholders. The shares are freely transferable and are all entitled to participate equally in profit and distributions (if any) of the Fund and in the assets in the event of termination. The participating shares carry no preferential or pre-emptive rights and are in registered form.

The movement in the number of participating shares was as follows:

KEPLER LIQUID STRATEGIES ICAV

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For the six months ended 30 June 2021

Notes to the Financial Statements (continued)

6. Redeemable participating shares issued and redeemed during the financial period (continued)

KLS Arete Macro Fund

As at 30 June 2021	At beginning of financial period	Issued	Redeemed	At end of financial period	Net Asset Value per Share	Net Asset Value
Class F USD	83,130	-	-	83,130	126.47	10,513,219
Class F EUR	224,917	-	(1,775)	223,142	119.39	26,641,438
Class F GBP	110,973	-	(12,249)	98,724	122.01	12,045,723
Class I USD	726,047	527,000	(99,420)	1,153,627	121.58	140,262,793
Class I EUR	814,679	250,976	(112,588)	953,067	115.81	110,376,605
Class I GBP	173,520	76,351	(39,148)	210,723	118.13	24,893,264
Class I CHF	-	13,125	-	13,125	98.84	1,297,366
Class IG GBP	375,861	59,958	(12,500)	423,319	115.71	48,982,169
Class R USD	8,259	15,310	(2,357)	21,212	111.32	2,361,393
Class R EUR	-	1,078	-	1,078	99.26	107,001
Class R SEK	-	1,000	-	1,000	100.40	100,398
Class SI JPY	1,285,832	103,640	-	1,389,472	11,453.57	15,914,406,054
Class SI USD	319,864	1,081,830	(138,953)	1,262,741	122.41	154,577,629
Class SI EUR	378,243	115,207	(28,329)	465,121	117.95	54,862,777
Class SI GBP	348,017	312,238	(41,905)	618,350	119.97	74,184,864
Class SI CHF	1,478	24,361	-	25,839	112.28	2,901,298
Class SI SEK	987,812	-	-	987,812	1,065.21	1,052,231,375

As at 31 December 2020	At beginning of financial year	Issued	Redeemed	At end of financial year	Net Asset Value per Share	Net Asset Value
Class F USD	583,274	856	(501,000)	83,130	121.17	10,073,131
Class F EUR	251,050	838	(26,971)	224,917	114.80	25,821,021
Class F GBP	120,388	-	(9,415)	110,973	117.07	12,991,344
Class I USD	359,911	545,502	(179,366)	726,047	116.78	84,785,782
Class I EUR	557,879	410,320	(153,520)	814,679	111.65	90,957,196
Class I GBP	326,077	143,303	(295,860)	173,520	113.56	19,704,428
Class IG GBP	-	402,855	(26,994)	375,861	111.26	41,818,541
Class R USD	-	8,259	-	8,259	107.06	884,243
Class SI JPY	864,553	421,279	-	1,285,832	11,003.86	14,149,115,301
Class SI USD	46,926	331,262	(58,324)	319,864	117.42	37,557,988
Class SI EUR	450,748	98,400	(170,905)	378,243	113.55	42,948,794
Class SI GBP	160,511	284,063	(96,557)	348,017	115.30	40,124,936
Class SI CHF	-	1,478	-	1,478	108.24	159,976
Class SI SEK	-	987,812	-	987,812	1,024.28	1,011,797,628
Class SJ USD	250,000	-	(250,000)	-	-	-

KEPLER LIQUID STRATEGIES ICAV

INTERIM REPORT AND UNAUDITED CONDENSED FINANCIAL STATEMENTS

For the six months ended 30 June 2021

Notes to the Financial Statements (continued)

6. Redeemable participating shares issued and redeemed during the financial year (continued)

KLS Arete Macro Fund (continued)

As at 30 June 2020	At beginning of financial period	Issued	Redeemed	At end of financial period	Net Asset Value per Share	Net Asset Value
Class F USD	583,274	-	(1,000)	582,274	117.15	68,213,052
Class F EUR	251,050	-	(23,320)	227,730	111.62	25,419,021
Class F GBP	120,388	-	(5,140)	115,248	113.60	13,092,626
Class I USD	359,911	277,183	(38,319)	598,775	113.65	68,050,339
Class I EUR	557,879	266,376	(108,870)	715,385	108.94	77,931,849
Class I GBP	326,077	14,688	(290,072)	50,693	111.37	5,645,677
Class IG GBP	-	321,644	(15,767)	305,877	108.59	33,215,900
Class R USD	-	395	-	395	106.07	41,897
Class SI JPY	864,553	207,573	-	1,072,126	10,710.55	11,483,055,552
Class SI USD	46,926	63,039	(41,795)	68,170	115.44	7,869,595
Class SI EUR	450,748	70,904	(69,897)	451,755	110.58	49,955,181
Class SI GBP	160,511	161,230	(76,467)	245,274	112.49	27,590,446
Class SI CHF	-	1,478	-	1,478	105.40	155,787
Class SJ USD	250,000	-	-	250,000	110.42	27,605,683

Capital management:

The ICAV's capital is represented by the redeemable shares outstanding.

The ICAV is required under UCITS regulations to have an initial capital of at least EUR 300,000, and the ICAV has met this requirement. The ICAV's objectives in managing the redeemable shares are to ensure a stable base and to manage liquidity risk arising from redemptions.

The ICAV is not subject to other externally imposed capital requirements.

The minimum authorised share capital of the ICAV is EUR 2 represented by 2 Subscriber Shares of no par value at EUR 1 each. The maximum authorised share capital of the ICAV is 500,000,300,002 Shares of no par value represented by 2 Subscriber Shares of no par value, 300,000 Capitalisation Shares of no par value and 500,000,000,000 Shares of no par value initially designated as unclassified Shares.

The Subscriber Shares and the Capitalisation Shares entitle the shareholders to attend and vote at general meetings of the ICAV but do not entitle the shareholders to participate in the profits or assets of the ICAV except for a return of capital on a winding-up. The Shares entitle the shareholders to attend and vote at general meetings of the ICAV and to participate in the profits and assets of the ICAV. There are no pre-emption rights attaching to the Shares.

The dealing day for each shareclass for KLS Arete Macro Fund is each Business Day or such other days as the Directors may determine and notify to Shareholders in advance provided that there shall be at least one Dealing Day per fortnight. All Classes of Shares shall be issued at the Net Asset Value per Share calculated at the Valuation Point being 10.00pm (Irish time) on the Dealing Day, or such other time or Business Day as the Directors may determine and notify in advance to Shareholders, provided that there shall always be a Valuation Point for every Dealing Day.

KEPLER LIQUID STRATEGIES ICAV

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For the six months ended 30 June 2021

Notes to the Financial Statements (continued)

7. Tax

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

However, Irish tax may arise on the happening of a "chargeable event" in the ICAV. A chargeable event includes any distribution payments to shareholders or any encashment, redemption, cancellation or transfer of shares, and the holding of shares at the end of each eight year period beginning with the acquisition of the shares.

No Irish Tax will arise on the ICAV in respect of chargeable events in respect of:

- A shareholder who is neither Irish resident nor ordinarily resident in Ireland for tax purposes, at the time of the chargeable event, provided that appropriate valid declarations in accordance with the provisions of the Taxes Consolidation Act, 1997, as amended, are held by the ICAV.
- Certain exempted Irish resident shareholders who have provided the ICAV with the necessary signed statutory declarations.

Dividends, interest and capital gains (if any) received on investments made by the ICAV may be subject to withholding taxes imposed by the country from which the investment income or capital gains are received and such taxes may not be recoverable by the ICAV.

8. Financial Risk Management

The Investment Manager use the same risk management techniques and continuous risk monitoring as set out in ICAV's audited financial statements for the year ended 31 December 2020. These condensed financial statements should be read in tandem with the audited financial statements.

9. Fair Value Hierarchy

IFRS 13 – Fair Value Measurement, establishes a three-tier fair value hierarchy that prioritises the inputs to valuation techniques to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and lowest priority to unobservable inputs (Level 3 measurement). Investments measured and reported at fair value are classified and disclosed in one of the following fair value hierarchy levels based on the significance of the inputs used in measuring its fair value:

Level 1-Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2-Quoted prices in markets that are not active or financial instruments for which all significant inputs are observable, either directly or indirectly. Fair value is determined through the use of models or other valuation methodologies;

Level 3-Prices or valuations that require inputs that are both significant to the fair value measurement and are unobservable. Unobservable inputs are developed based on the best information available in the circumstances and reflect the ICAV's own assumptions about how market participants would be expected to value the asset or liability.

KEPLER LIQUID STRATEGIES ICAV

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For the six months ended 30 June 2021

Notes to the Financial Statements (continued)

9. Fair Value Hierarchy (continued)

An investment is always categorised as Level 1, 2 or 3 in its entirety. In certain cases, the fair value measurement for an investment may use a number of different inputs that fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The majority of the ICAV's financial instruments are measured at fair value and it is usually possible to determine their fair values within a reasonable range of estimates. Fair value estimates are made at a specific point in time, based on market conditions and information about the financial instrument. These estimates are subjective in nature and involve uncertainties that may require significant judgement (e.g., interest rates, volatility, estimated cash flows etc.) Actual results could differ from these estimates.

In relation to assets and liabilities not measured at fair value, cash and cash equivalents have been classified as level 1 and all other assets and liabilities have been classified as level 2.

As there were no Level 3 securities held in the Fund during the financial periods ended 30 June 2021 and 30 June 2020, a table of movements in Level 3 investments is not required to be presented.

KLS Arete Macro Fund

As at 30 June 2021

	Total USD	Level 1 USD	Level 2 USD
Current assets			
Financial assets at fair value through profit or loss:			
- Equities	220,798,584	220,798,584	-
- Investment funds	5,198,504	5,198,504	-
- Warrants	620,994	-	620,994
- Money market	363,922,754	363,922,754	-
- Options	195,501	-	195,501
- Futures	6,945,229	6,945,229	-
- Forward currency contracts	1,509,466	-	1,509,466
	<u>599,191,032</u>	<u>596,865,071</u>	<u>2,325,961</u>
Current liabilities			
Financial liabilities at fair value through profit or loss:			
- Options	(86,297)	-	(86,297)
- Futures	(3,331,750)	(3,331,750)	-
- CFDs	(305)	-	(305)
- Forward currency contracts	(19,486,026)	-	(19,486,026)
	<u>(22,904,378)</u>	<u>(3,331,750)</u>	<u>(19,572,628)</u>

KEPLER LIQUID STRATEGIES ICAV

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For the six months ended 30 June 2021

Notes to the Financial Statements (continued)

9. Fair Value Hierarchy (continued)

KLS Arete Macro Fund (continued)

As at 31 December 2020

	Total USD	Level 1 USD	Level 2 USD
Current assets			
Financial assets at fair value through profit or loss:			
- Equities	152,013,745	152,013,745	-
- Bonds	10,000,000	10,000,000	-
- Money market	272,981,608	272,981,608	-
- CFDs	12,829	-	12,829
- Warrants	23,776	-	23,776
- Options	439,243	-	439,243
- Futures	7,323,933	7,323,933	-
- Forward currency contracts	22,245,158	-	22,245,158
	465,040,292	442,319,286	22,721,006
Current liabilities			
Financial liabilities at fair value through profit or loss:			
- Options	(2,003,952)	-	(2,003,952)
- Futures	(124,935)	(124,935)	-
- CFDs	(6,060)	-	(6,060)
- Forward currency contracts	(35,306,306)	-	(35,306,306)
	(37,441,253)	(124,935)	(37,316,318)

10. Distributions

It is not the present intention of the Directors to declare or pay dividends (30 June 2020: None).

11. Soft commissions

There were no soft commission arrangements in place for the financial period ended 30 June 2021 (30 June 2020: None).

12. Related party and connect person transactions

The Directors and Investment Manager are related parties to the ICAV.

Georg Reutter is head of research at Kepler Partners LLP and is an employee of the Investment Manager. Fees payable to the Directors and Investment Manager at the period end are included in accrued expenses in the Condensed Statement of Financial Position. The fees earned by the Directors and Investment Manager are disclosed in the Condensed Statement of Comprehensive Income. The Directors will seek to ensure any conflict of interest of which they are aware is resolved fairly.

Andrea Oman is an employee and shareholder of KB Associates which is the ICAV Secretary and provides a range of services to the ICAV. During the period ended 30 June 2021, Director's fees charged amounted to EUR 3,750 (30 June 2020 EUR; 3,750) with EUR 3,750 outstanding at the period end (30 June 2020: EUR 2,850).

At 30 June 2021 and 31 December 2020, the Directors who served at any stage during the financial period held no shares in the ICAV.

The Central Bank UCITS Regulations require that any transaction carried out with the ICAV by a manager or depositary; and the delegates or sub-delegates of a manager or depositary; and/or associated or group companies of these ("connected persons") are carried out as if conducted at arm's length and are in the best interests of the shareholders.

KEPLER LIQUID STRATEGIES ICAV

INTERIM REPORT AND UNAUDITED CONDENSED FINANCIAL STATEMENTS

For the six months ended 30 June 2021

Notes to the Financial Statements (continued)

12. Related party and connect person transactions (continued)

The Directors are satisfied that there are arrangements, evidenced by written procedures, in place to ensure that this requirement is applied to transactions with connected persons, and that transactions with connected persons during the period complied with this requirement.

13. Significant events during the financial period

Since the start of the COVID-19 pandemic in January 2020, there have been approximately 180 million cases worldwide, as of June 2021. There is still a great amount of uncertainty surrounding the virus, with record number of cases being recorded in numerous regions. Additionally, the emergence of COVID-19 variants have had far reaching consequences, with announcements of further lockdowns and travel restrictions to curb their spread. While the final fiscal ramifications of the pandemic are still unknown, there have been many advances made to curb and control outbreaks, which has meant that many jurisdictions are able to proceed with their ‘phased returns’ to ease lockdowns and reopen their economies. Thanks to vaccination efforts the global economic outlook is much more optimistic than this time last year, with the IMF predicting global growth of 6% for 2021 and 4.4% for 2022.

All service providers have enacted their respective business continuity plans and the Board of Directors will continue to monitor this situation closely. There have been no significant operational issues affecting the ICAV or its service providers since the COVID-19 pandemic began.

An updated supplement was issued for KLS Arete Macro Fund on 1 January 2021.

An updated Prospectus and Supplements issued on 5 March 2021 to reflect SFDR disclosures.

KLS Arete Macro Fund launched Class I CHF (Accumulating) Hedged on 12 April 2021, Class R EUR (Accumulating) Hedged on 9 March 2021 and Class R SEK (Accumulating) Hedged on 14 March 2021.

There are no other significant events during the financial period which require disclosure in these financial statements.

14. Subsequent Events

The Directors have considered the implications of the Covid-19 outbreak on the financial statements including impacts subsequent to the financial period ended 30 June 2021 and are accordingly satisfied that the ICAV will be able to continue in operation and meet its liabilities as they fall due. However, the Directors will continue to monitor the impact of Covid-19. There are no other events subsequent to the financial period end which require disclosure in these financial statements.

15. Approval of financial statements

The board of directors approved and authorised for issue the financial statements on 19 August 2021.

KEPLER LIQUID STRATEGIES ICAV

INTERIM REPORT AND UNAUDITED CONDENSED FINANCIAL STATEMENTS

For the six months ended 30 June 2021

Schedule of Investments of KLS Arete Macro Fund

Asset description	Quantity	Ccy	Fair value USD	% TNA
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
<i>Exchange Traded Equities</i>				
<i>Cayman Islands</i>				
Alibaba Group Holding Ltd	841,600	HKD	23,846,273	2.32%
Alibaba Group Holding-Sp Adr	90,098	USD	20,432,424	1.99%
Pinduoduo Inc Adr	85,300	USD	10,834,806	1.05%
Wuxi Biologics Inc	547,500	HKD	10,034,162	0.98%
Xiaomi Corporation Class B	1,716,000	HKD	5,967,235	0.58%
Smoores International Holdings Limited	759,000	HKD	4,208,303	0.41%
Anta Sports Products Ltd	165,000	HKD	3,884,653	0.38%
Wharf Real Estate Investment	613,000	HKD	3,564,596	0.35%
Ctrip Com International Ltd	100,093	USD	3,549,298	0.35%
Rlx Tech Sp Adr A	316,600	USD	2,763,918	0.27%
Country Garden Services Holdings Co.	249,000	HKD	2,690,626	0.26%
China Mengniu Dairy Co	305,000	HKD	1,844,283	0.18%
Ever Sunshine Lifestyle Services Group	616,000	HKD	1,529,607	0.15%
Sino Biopharmaceutical	1,215,000	HKD	1,192,404	0.12%
Meituan	28,600	HKD	1,180,186	0.11%
Zhihu Incorporation Adr	85,000	USD	1,152,600	0.11%
Huazhu Group Ltd Adr	19,831	USD	1,047,275	0.10%
Tencent Holdings Ltd	11,900	HKD	895,060	0.09%
Xpeng Inc	40,000	HKD	850,033	0.08%
Tongcheng Elong Holdings Limited	326,800	HKD	818,221	0.08%
China Feihe Limited	305,000	HKD	658,364	0.06%
Weimob Inc	279,000	HKD	615,177	0.06%
Iqiyi Inc Adr A	37,990	USD	591,884	0.06%
Agora Inc A Adr	14,000	USD	587,440	0.06%
Futu Holdings Ltd Adr	2,900	USD	519,361	0.05%
Huazhu Group Ltd	96,500	HKD	517,648	0.05%
Trip Com Group Ltd	14,200	HKD	504,765	0.05%
Xinyi Solar Holdings Ltd	230,000	HKD	496,471	0.05%
China Hongqiao Group Ltd	344,500	HKD	466,764	0.05%
Haidilao International Holding Ltd	76,000	HKD	400,340	0.04%
Li Ning Co Ltd	32,000	HKD	390,706	0.04%
Baozun Inc Adr A	10,800	USD	382,752	0.04%
Jd Com Inc	7,300	HKD	287,134	0.03%
Netease Inc	8,600	HKD	194,830	0.02%
Jiumaojiu International Holdings Ltd	38,000	HKD	155,389	0.02%
Full Truck Alliance Company Limited	6,000	USD	122,280	0.01%
Did Global Inc Adr	3,000	USD	42,420	-
Pop Mart International Group Limited	2,800	HKD	27,768	-
Baidu Inc	650	HKD	16,693	-
			109,264,149	10.64%

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Asset description	Quantity	Ccy	Fair value USD	% TNA
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)				
<i>Exchange Traded Equities (continued)</i>				
<i>China</i>				
Jiangsu Hengrui Medicine C A	730,054	CNY	7,684,719	0.75%
Aier Eye Hospital Group Co Ltd	543,002	CNY	5,968,885	0.58%
Byd Co Ltd-H	170,800	HKD	5,107,898	0.50%
Sz Mindray Bio Medical Electronics Co	68,107	CNY	5,063,304	0.49%
Bank Of China -H-	11,947,000	HKD	4,292,943	0.42%
Midea Group Co	338,099	CNY	3,736,933	0.36%
Industrial & Commercial Bank Of China	6,157,000	HKD	3,615,981	0.35%
China Construction Bank H	4,375,000	HKD	3,442,797	0.33%
Air China Limited H	3,896,000	HKD	2,865,149	0.28%
China Southn Air-H-	4,546,000	HKD	2,822,075	0.27%
Inner Mongolia Yili Industrial Group Co	482,543	CNY	2,752,286	0.27%
Hz Tigermed Con ---Shs -A-	87,600	CNY	2,622,356	0.26%
China Mercht Bk -A-	301,572	CNY	2,530,847	0.25%
Agricultural Bank Of China-H	6,011,000	HKD	2,090,271	0.20%
Hefei Meiya Optoelectronic Technology	173,747	CNY	1,500,361	0.15%
Wuhan Raycus Fiber Laser Technology	84,637	CNY	1,495,028	0.15%
China Eastern Airlines Co-H	3,478,000	HKD	1,473,729	0.14%
Shenzhen Inovance Technology Co Ltd	122,049	CNY	1,403,605	0.14%
Zhejiang Sanhua Intelligent Co Shs -A-	374,063	CNY	1,389,152	0.14%
Hongfa Technology Co Ltd -A-	137,678	CNY	1,336,866	0.13%
Haier Smart Home Co Ltd-A	332,005	CNY	1,332,195	0.13%
Ginlong Technologies Co Ltd	47,492	CNY	1,328,293	0.13%
Wuhan Jingce Electronic Group Co Ltd	139,214	CNY	1,323,753	0.13%
Luxshare Precision Industr-A	169,500	CNY	1,207,489	0.12%
Jiangsu Hengli Hydraulic Co Ltd	83,897	CNY	1,116,340	0.11%
Kweichow Moutai Co Ltd -A-	3,301	CNY	1,051,410	0.10%
Focus Media A Shs	684,000	CNY	996,785	0.10%
Weichai Power -A-	359,156	CNY	993,947	0.10%
Contemporary Amperex Technology	9,993	CNY	827,643	0.08%
Wuliangye Yibin -A-	17,055	CNY	786,798	0.08%
Shangai Jin Jang International Hotels	79,218	CNY	698,672	0.07%
Longi Green Energy Technology Co.	50,120	CNY	689,565	0.07%
China Tourism Group Duty Free CoP	14,509	CNY	674,309	0.07%
Zhuhai Gree Electric Appliances Inc	82,344	CNY	664,394	0.06%
Btg Hotels Group Co Ltd-A	165,882	CNY	612,951	0.06%
Tianjin Zhonghuan Semicond-A	87,000	CNY	520,071	0.05%
Sany Heavy Industry -A-	113,977	CNY	513,119	0.05%
Foshan Haitan Flavoursing And Food	23,411	CNY	467,517	0.05%
Zhejiang Dingli Machinery Co Ltd	51,044	CNY	463,943	0.05%
Jonjee High-Tech Industria-A	50,400	CNY	327,976	0.03%
Anhui Zhongding Sealing Shs -A-	147,800	CNY	276,501	0.03%
Proya Cosmetics Co Ltd A	8,654	CNY	263,633	0.03%
Changchun Hi & New	4,200	CNY	251,719	0.02%
Wanhua Chemical Group Co Ltd	13,700	CNY	230,879	0.02%
Spring Airlines Co Ltd-A	22,600	CNY	199,148	0.02%
Ganfeng Lithium Co Ltd	12,000	HKD	179,280	0.02%

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FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)				
<i>Exchange Traded Equities (continued)</i>				
<i>China (continued)</i>				
Maxscend Microelectronics Co.	2,100	CNY	174,805	0.02%
Joyoung Co Ltd -A	30,100	CNY	151,451	0.01%
Cosco Shipping Holdings Co Ltd	53,000	HKD	133,517	0.01%
Bank Of Ningbo Co Ltd -A	22,100	CNY	133,376	0.01%
Zijin Mining Group Co Ltd-H	70,000	HKD	94,122	0.01%
Zte Corp -H	29,600	HKD	92,448	0.01%
Zijin Mining Group Co Ltd-A	31,800	CNY	47,721	-
Angang Steel Co Ltd-H	74,000	HKD	46,891	-
Zylox Tonbridge Medical Technology	2,000	HKD	10,999	-
Joynn Laboratories Co Ltd	120	HKD	1,932	-
Aluminum Corp Of China Ltd-H	180	HKD	107	-
			82,080,884	8.02%
<i>France</i>				
Kering	4,527	EUR	3,956,361	0.38%
Lvmh Moet Hennessy Louis Vuitton	2,797	EUR	2,193,355	0.21%
			6,149,716	0.59%
<i>Hong Kong</i>				
Mtr Corp -H-	444,136	HKD	2,473,969	0.24%
China Resources Beer Holding Co.	176,000	HKD	1,581,062	0.15%
Cspc Pharmaceutical Group Lt -H-	902,000	HKD	1,305,765	0.13%
Galaxy Entertainment Group L -H-	141,000	HKD	1,128,632	0.11%
			6,489,428	0.63%
<i>Sweden</i>				
Oatly Group Ab Adr	1,500	USD	36,690	-
			36,690	-
<i>Switzerland</i>				
Cie Financiere Richemont Sa	103,275	CHF	12,497,715	1.22%
The Swatch Group	8,016	CHF	2,750,274	0.27%
			15,247,989	1.49%
<i>United States</i>				
Yum China Holdings Inc	23,450	HKD	1,529,729	0.15%
			1,529,729	0.15%
Total Exchange Traded Equities - 21.52% (31 December 2020: 20.40%)			220,798,584	21.52%
<i>Investment funds</i>				
<i>Ishares Ftse/Xinhua China 2</i>	112,206	USD	5,198,504	0.51%
Total Investment funds - 0.51% (31 December 2020: 0.00%)			5,198,504	0.51%
<i>Warrants</i>				
Compagnie Financiere Richemont Sa Warrant 22/11/2023	91,476	CHF	61,307	0.01%
Csi 500 Net Total Retrutn	162,453	USD	559,687	0.05%
Total Warrants - 0.06% (31 December 2020: 0.00%)			620,994	0.06%

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Asset description	Quantity	Ccy	Fair value USD	% TNA
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)				
<i>Money Market</i>				
Usa 0% 07/10/2021	38,000,000	USD	37,995,862	3.70%
Usa 0% 30/09/2021	30,000,000	USD	29,996,778	2.92%
Usa 0% 30/12/2021	28,000,000	USD	27,993,098	2.72%
Usa 0% 28/10/2021	20,000,000	USD	19,997,026	1.95%
Usa 0% 04/11/2021	20,000,000	USD	19,996,938	1.95%
Usa 0% 12/11/2021	20,000,000	USD	19,996,650	1.95%
Usa 0% 18/11/2021	20,000,000	USD	19,996,402	1.95%
Usa 0% 26/11/2021	20,000,000	USD	19,996,300	1.95%
Usa 0% 02/12/2021	20,000,000	USD	19,996,044	1.95%
Usa 0% 27/01/2022	20,000,000	USD	19,994,896	1.95%
Usa 0% 24/02/2022	20,000,000	USD	19,994,216	1.95%
Usa 0% 24/03/2022	20,000,000	USD	19,993,166	1.95%
Usa 0% 21/04/2022	20,000,000	USD	19,992,242	1.95%
Usa 0% 19/05/2022	20,000,000	USD	19,988,372	1.94%
Usa 0% 21/10/2021	18,000,000	USD	17,997,761	1.75%
Usa 0% 09/09/2021	10,000,000	USD	9,999,125	0.97%
Usa 0% 16/09/2021	10,000,000	USD	9,999,118	0.97%
Usa 0% 14/10/2021	10,000,000	USD	9,998,760	0.97%
Total Money Market - 35.44% (31 December 2020: 36.61%)			363,922,754	35.44%

Asset description	Counterparties	Maturity Date	Quantity	Strike Price	Fair Value USD	% TNA
<i>Options</i>						
2Ea/202107/C/4300.	Morgan Stanley	09/07/2021	97	4,300	77,600	0.01%
Scv/202107/C/4300.	Morgan Stanley	30/07/2021	24	4,300	57,000	0.01%
2Ea/202107/C/4290.	Morgan Stanley	09/07/2021	30	4,290	32,250	-
2Ea/202107/C/4295.	Morgan Stanley	09/07/2021	30	4,295	27,750	-
2E/202112/C/99.25	Morgan Stanley	10/12/2021	3	99	300	-
3E/202112/C/99.	Morgan Stanley	10/12/2021	3	99	263	-
2E/202109/P/98.875	Morgan Stanley	10/09/2021	1	99	188	-
2E/202109/C/99.375	Morgan Stanley	10/09/2021	6	99	150	-
Total Options - 0.02% (31 December 2020: 0.06%)					195,501	0.02%

<i>Futures</i>						
Dollar Inde 0921	Morgan Stanley	15/09/2021	866		725,420	0.07%
Hscai Futur 0721	Morgan Stanley	29/07/2021	(131)		83,937	0.01%
Nasdaq 100 0921	Morgan Stanley	17/09/2021	1,011		6,075,245	0.59%
S&P 500 Emini 0921	Morgan Stanley	17/09/2021	3		6,803	-
90 Day Sterling 1222	Morgan Stanley	21/12/2022	191		1,783	-
90 Day Euro\$ 1224	Morgan Stanley	16/12/2024	(375)		27,716	-
Us Long Bon 0921	Morgan Stanley	30/09/2021	4		12,077	-
Us 10 Yr Note F 0921	Morgan Stanley	30/09/2021	11		8,536	-
Us 5 Yr Not 0921	Morgan Stanley	30/09/2021	(11)		3,699	-
90 Day Euro\$ 0323	Morgan Stanley	13/03/2023	(1)		13	-
Total Futures - 0.67% (31 December 2020: 1.00%)					6,945,229	0.67%

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Asset description	Counterparties	Maturity Date	Fair value USD	% TNA
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)				
<i>Forward foreign currency contracts</i>				
Buy CNH 50,435,700 Sell USD 7,300,000	Morgan Stanley	21/09/2023	454,489	0.04%
Buy CNH 95,517,302 Sell USD 14,400,000	Morgan Stanley	13/10/2021	265,201	0.03%
Sell USD 14,400,000 Buy CNH 95,420,678	Morgan Stanley	13/10/2021	250,366	0.02%
Sell USD 1,600,000 Buy CNH 10,521,902	Morgan Stanley	13/10/2021	15,475	-
Sell USD 5,500,000 Buy CNH 36,061,735	Morgan Stanley	13/10/2021	36,720	-
Sell USD 7,100,000 Buy CNH 46,690,289	Merill Lynch	02/12/2021	44,361	-
Buy USD 74,600,000 Sell HKD 578,300,692	Morgan Stanley	21/08/2024	114,871	0.01%
Buy USD 5,000,000 Sell HKD 38,768,000	Morgan Stanley	21/08/2024	6,682	-
Buy USD 3,000,000 Sell JPY 330,789,000	Morgan Stanley	01/07/2021	22,886	-
Buy USD 3,000,000 Sell JPY 328,140,000	Morgan Stanley	10/08/2021	45,631	-
Buy USD 1,200,000 Sell JPY 131,352,000	Morgan Stanley	10/08/2021	17,388	-
Sell CNH 19,410,300 Buy USD 3,000,000	Morgan Stanley	26/08/2021	9,882	-
Sell CNH 19,410,300 Buy USD 3,000,000	Morgan Stanley	26/08/2021	9,882	-
Sell CNH 16,020,000 Buy USD 2,500,000	Morgan Stanley	15/09/2021	35,531	-
Buy USD 2,000,000 Sell CNH 13,027,000	Morgan Stanley	31/03/2022	22,554	-
Buy USD 1,200,000 Sell HKD 9,310,200	Morgan Stanley	24/08/2021	846	-
Sell EUR 2,500,000 Buy USD 3,047,095	Morgan Stanley	15/09/2021	78,091	0.01%
Sell EUR 2,400,000 Buy USD 2,884,320	Morgan Stanley	31/08/2021	34,966	-
Sell EUR 2,400,000 Buy USD 2,865,720	Morgan Stanley	22/09/2021	15,059	-
Buy USD 761,030 Sell CHF 700,000	Morgan Stanley	02/07/2021	4,365	-
Sell EUR 88,700 Buy USD 105,752	Morgan Stanley	02/07/2021	572	-
Sell CNH 99,292,500 Buy USD 15,000,000	Morgan Stanley	23/06/2022	11,450	-
Sell CNH 99,292,500 Buy USD 15,000,000	Merill Lynch	23/06/2022	11,450	-
Buy USD 74,606 Sell EUR 62,700	Morgan Stanley	06/07/2021	250	-
Buy USD 501,379 Sell GBP 362,100	Morgan Stanley	06/07/2021	498	-
Total Forward foreign currency contracts - 0.11% (31 December 2020: 2.96%)			1,509,466	0.11%
Total financial assets at fair value through profit and loss - 58.33% (31 December 2020: 62.38%)			599,191,032	58.33%

Asset description	Counterparties	Maturity Date	Quantity	Fair value USD	% TNA
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS					
<i>Futures</i>					
90 Day Euro\$ 0324	Morgan Stanley	18/03/2024	1	(1)	-
90 Day Euro\$ 0322	Morgan Stanley	14/03/2022	1	(13)	-
Us 10 Yr Note F 0921	Morgan Stanley	30/09/2021	(8)	(737)	-
Us Long Bon 0921	Morgan Stanley	30/09/2021	(2)	(7,525)	-
90 Day Euro\$ 1223	Morgan Stanley	18/12/2023	414	(9,180)	-
Us 5 Yr Not 0921	Morgan Stanley	30/09/2021	9	(3,862)	-
S&P 500 Emini 0921	Morgan Stanley	17/09/2021	614	(4,586)	-
S&P 500 Emini 0921	Morgan Stanley	17/09/2021	614	(137,334)	(0.01%)
Ftse China 0721	Morgan Stanley	29/07/2021	(10,315)	(271,344)	(0.03%)
Euro Stoxx 50 0921	Morgan Stanley	17/09/2021	2,873	(2,897,037)	(0.28%)
90 Day Sterling 1223	Morgan Stanley	20/12/2023	(191)	(132)	-
Total Futures - (0.32%) (31 December 2020: (0.02%))				(3,331,750)	(0.32%)

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Asset description	Counterparties	Maturity Date	Quantity	Strike Price	Fair Value USD	% TNA
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)						
Options						
1M/202107/C/132.	Morgan Stanley	02/07/2021	(87)	132	(50,297)	(0.01%)
Scv/202107/C/4400.	Morgan Stanley	30/07/2021	(24)	4400	(11,100)	(0.01%)
Scv/202107/P/4100.	Morgan Stanley	30/07/2021	(24)	4100	(24,900)	(0.01%)
Total Options - (0.03%) (31 December 2019: (0.03%))					(86,297)	(0.03%)
CFD's						
<u>Cayman Islands</u>						
Alibaba Group Holding Ltd	Morgan Stanley			(45,600)	-	-
Geely Automobile Holdings Ltd	Morgan Stanley			(446,000)	-	-
Kuaishou Technology	Morgan Stanley			(25,700)	-	-
Meituan	Morgan Stanley			(380,900)	-	-
Jd Com Inc	Morgan Stanley			(15,200)	-	-
Tencent Holdings Ltd	Morgan Stanley			(113,100)	-	-
Baidu Ads	Merill Lynch			(8,553)	-	-
Bilibili Inc Adr	Morgan Stanley			(3,738)	-	-
Ke Holdings Inc Adr	Morgan Stanley			(13,600)	-	-
Tal Education Group	Morgan Stanley			(28,771)	-	-
Weibo Sp Ads-A Repres.1 Act.	Morgan Stanley			(11,200)	-	-
Yatsen Holding Limited	Morgan Stanley			(57,000)	-	-
<u>China</u>						
Great Wall Motor Company-H	Morgan Stanley			(471,500)	-	-
Yanzhou Coal Mining H	Morgan Stanley			(700,000)	-	-
Guangzhou Automobile Group Co Ltd	Morgan Stanley			(832,000)	-	-
Beij Orient Ywt A	Merill Lynch			56,000	(1)	-
Beij Orient Ywt A	Merill Lynch			(56,000)	(304)	-
					(305)	-
<u>France</u>						
Kering	Morgan Stanley			(540)	-	-
<u>Hong Kong</u>						
Lenovo Group Ltd -H-	Morgan Stanley			(7,278,000)	-	-
<u>United Kingdom</u>						
Burberry Group	Morgan Stanley			17,900	-	-
Total CFD's - (0.00%) (31 December 2020: (0.00%))					(305)	-
Forward foreign currency contracts						
Buy JPY 326,321,700 Sell USD 3,000,000	Morgan Stanley	01/07/2021			(63,092)	(0.01%)
Buy CNH 16,107,750 Sell USD 2,500,000	Morgan Stanley	15/09/2021			(22,032)	-
Buy EUR 2,400,000 Sell USD 2,947,560	Morgan Stanley	31/08/2021			(98,206)	(0.01%)
Buy CNH 15,374,400 Sell USD 2,400,000	Morgan Stanley	01/09/2021			(32,558)	-
Sell USD 1,500,000 Buy CNH 9,730,316	Morgan Stanley	31/03/2022			(22,977)	-
Buy EUR 2,500,000 Sell USD 3,051,055	Morgan Stanley	15/09/2021			(82,051)	(0.01%)
Buy SEK 1,046,653,300 Sell USD 125,952,438	Morgan Stanley	15/09/2021			(3,445,239)	(0.34%)

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Schedule of Investments of KLS Arete Macro Fund (continued)

Asset description	Counterparties	Maturity Date	Fair Value USD	% TNA
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)				
<i>Forward foreign currency contracts (continued)</i>				
Buy CHF 3,434,100 Sell USD 3,828,006	Morgan Stanley	15/09/2021	(108,628)	(0.01%)
Sell USD 218,330,601 Buy GBP 154,697,600	Morgan Stanley	15/09/2021	(4,310,571)	(0.42%)
Sell USD 143,992,514 Buy JPY 15,830,398,800	Morgan Stanley	15/09/2021	(1,421,568)	(0.14%)
Buy EUR 186,945,100 Sell USD 227,082,026	Morgan Stanley	15/09/2021	(5,065,745)	(0.49%)
Sell USD 4,408,659 Buy GBP 3,159,000	Morgan Stanley	15/09/2021	(38,267)	-
Buy EUR 4,065,200 Sell USD 4,857,068	Morgan Stanley	15/09/2021	(29,231)	-
Sell USD 814,770 Buy CHF 749,600	Morgan Stanley	15/09/2021	(2,899)	-
Sell CNH 50,521,336 Buy USD 7,300,000	Morgan Stanley	21/09/2023	(467,655)	(0.05%)
Sell CNH 44,820,750 Buy USD 6,500,000	Morgan Stanley	13/10/2021	(381,531)	(0.04%)
Sell CNH 44,801,250 Buy USD 6,500,000	Morgan Stanley	13/10/2021	(378,538)	(0.04%)
Sell CNH 47,692,365 Buy USD 6,900,000	Morgan Stanley	13/10/2021	(422,423)	(0.04%)
Sell CNH 47,696,781 Buy USD 6,900,000	Morgan Stanley	13/10/2021	(423,101)	(0.04%)
Sell CNH 97,632,994 Buy USD 14,400,000	Morgan Stanley	13/10/2021	(590,033)	(0.06%)
Sell CNH 48,728,160 Buy USD 7,200,000	Morgan Stanley	13/10/2021	(281,454)	(0.03%)
Sell CNH 47,880,270 Buy USD 7,100,000	Merill Lynch	13/10/2021	(226,447)	(0.02%)
Buy USD 2,800,000 Sell HKD 21,756,700	Morgan Stanley	21/08/2024	(2,263)	-
Sell CNH 10,972,662 Buy USD 1,650,000	Morgan Stanley	13/10/2021	(34,682)	-
Buy USD 6,200,000 Sell HKD 48,157,260	Morgan Stanley	24/08/2021	(2,655)	-
Buy USD 1,050,000 Sell CNH 6,964,757	Morgan Stanley	13/10/2021	(19,331)	-
Buy USD 19,000,000 Sell CNH 127,771,200	Morgan Stanley	31/03/2022	(395,157)	(0.04%)
Buy USD 19,000,000 Sell CNH 128,506,500	Morgan Stanley	31/03/2022	(506,773)	(0.05%)
Buy USD 24,000,000 Sell CNH 161,484,000	Morgan Stanley	31/03/2022	(512,625)	(0.05%)
Buy USD 1,500,000 Sell CNH 10,053,750	Morgan Stanley	31/03/2022	(26,119)	-
Buy USD 2,400,000 Sell HKD 18,638,081	Morgan Stanley	24/08/2021	(585)	-
Buy USD 1,900,000 Sell CNH 12,600,800	Morgan Stanley	31/03/2022	(12,751)	-
Buy USD 20,000,000 Sell CNH 132,820,000	Morgan Stanley	23/06/2022	(49,644)	-
Sell CNH 15,616,800 Buy USD 2,400,000	Morgan Stanley	01/09/2021	(4,769)	-
Sell AUD 2,400,000 Buy USD 1,796,160	Merill Lynch	23/09/2021	(4,337)	-
Sell GBP 114,600 Buy USD 158,473	Morgan Stanley	06/07/2021	(49)	-
Buy USD 108,825 Sell EUR 91,800	Morgan Stanley	06/07/2021	(40)	-
Total Forward foreign currency contracts - (1.89%) (31 December 2020: (4.74%))			(19,486,026)	(1.89%)
Total financial liabilities at fair value through profit and loss - (2.24%) (31 December 2020: (5.00%))			(22,904,378)	(2.24%)
Cash and cash equivalents			413,746,173	40.25%
Other assets and liabilities			37,670,673	3.66%
Net assets attributable to holders of redeemable participating shares			1,027,703,500	100.00%
Analysis of Portfolio			% of Total Assets	
Transferable securities admitted to an official stock exchange			20.45%	
Money market instruments			32.93%	
FDI dealt in on a regulated market			0.63%	
OTC derivatives			0.21%	
			54.22%	

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**Schedule of Significant Portfolio Movements of KLS Arete Macro Fund
for the six months ended 30 June 2021**

Purchases	Cost USD	% of total purchases	Sales	Proceeds USD	% of total sales
Ishares FTSE/Xinhu	100,747,200	7.13%	Ishares FTSE/Xinhu	92,929,187	11.57%
Alibaba Grp-Adr	74,661,852	5.28%	Invesco Qqq Etf	54,561,846	6.79%
Invesco Qqq Etf	54,596,346	3.86%	Alibaba Grp-Adr	48,304,500	6.01%
USA 0% 07/10/2021	37,997,384	2.69%	Tencent Holdings Ltd	31,120,545	3.87%
Alibaba Grp Rg	37,124,960	2.63%	China Ld & Inv -H-	24,903,943	3.10%
USA 0% 29/04/2021	29,999,267	2.12%	Alibaba Grp Rg	24,209,697	3.01%
USA 0% 03/06/2021	29,997,680	2.12%	Meituan	20,818,444	2.59%
USA 0% 30/09/2021	29,997,435	2.12%	Sector Finl Spdr F	20,470,826	2.55%
USA 0% 30/12/21	27,996,029	1.98%	China Resources	17,978,911	2.24%
China Ld & Inv -H-	24,621,973	1.74%	China Life Ins Co H	15,193,658	1.89%
Tencent Holdings Ltd	23,175,074	1.64%	Lvmh	13,573,636	1.69%
Meituan	21,615,128	1.53%	China Pacific Insura	13,057,031	1.63%
USA 0% 15/04/2021	19,999,620	1.42%	Bank Of China	11,886,741	1.48%
USA 0% 28/10/2021	19,999,330	1.42%	Ind&Comm Bk Of China	11,336,865	1.41%
USA 0% 10/06/2021	19,999,250	1.42%	Xinjiang Gold Scce A	11,042,530	1.37%
USA 0% 22/04/2021	19,999,229	1.42%	Aia Group Ltd -H-	10,910,451	1.36%
USA 0% 12/11/2021	19,998,960	1.42%	Hsbc Holdings	10,846,206	1.35%
USA 0% 04/11/2021	19,998,536	1.42%	Sun Hung Kai Prp -H-	10,772,224	1.34%
USA 0% 27/05/2021	19,998,444	1.42%	Ping An Ins Grp Co-H	10,379,415	1.29%
USA 0% 26/11/2021	19,998,279	1.42%	Kweichow Moutai A	9,500,301	1.18%
USA 0% 01/22	19,997,702	1.42%	China Construction	9,496,099	1.18%
USA 0% 18/11/2021	19,997,616	1.42%	Longfor Grp	8,732,771	1.09%
USA 0% 12/21	19,997,305	1.42%	Ck Asset Rg	8,533,906	1.06%
USA 0% 24/02/2022	19,996,729	1.42%	Midea Group Co	8,516,472	1.06%
USA 0% 24/03/2022	19,993,540	1.41%	Vestas Wind System	8,146,815	1.01%
USA 0% 21/04/2022	19,991,935	1.41%			
USA 0% 5/22	19,989,183	1.41%			
Sector Finl Spdr F	19,869,542	1.41%			
USA 0% 21/10/2021	17,998,095	1.27%			
China Resources	16,725,399	1.18%			
China Pacific Insura	16,107,226	1.14%			
China Life Ins Co H	15,836,991	1.12%			

KEPLER LIQUID STRATEGIES ICAV**INTERIM REPORT AND UNAUDITED CONDENSED FINANCIAL STATEMENTS****For the six months ended 30 June 2021****Supplementary Information****Establishment expenses**

In accordance with IFRS, all establishment expenses must be debited to the Statement of Comprehensive Income in the first year of operations, resulting in a difference between the published Net Asset Value of the Fund' share classes, which amortise the fees over a period of five years from the launch date of the relevant Fund, and the Net Asset Value in these financial statements. This difference will be reduced each financial year for five years until the establishment expenses are fully amortised in the published Net Asset Value.

	Expense - NAV	Expense - FS	Difference in NAV
Total set up costs	(22,304)		
Year 1 (2018)	2,303	(22,304)	20,001
Year 2 (2019)	6,893		13,108
Year 3 (2020)	4,453		8,655
Year 4 (2021)	5,304		3,351
Year 5 (2022)	3,351		-

KEPLER LIQUID STRATEGIES ICAV

INTERIM REPORT AND UNAUDITED CONDENSED FINANCIAL STATEMENTS

For the six months ended 30 June 2021

Information for investors in Switzerland

1. The Country of Domicile

The country of domicile of the fund is Ireland.

2. Representative in Switzerland

ARM Swiss Representatives S.A., Route de Cité-Ouest 2, 1196 Gland, is the representative in Switzerland for the Shares distributed in Switzerland.

3. Paying Agent in Switzerland

Banque Cantonale de Genève, Quai de l'Île 17, 1204 Geneva, Switzerland is the paying agent in Switzerland for the Shares distributed in Switzerland.

4. Place where the relevant documents may be obtained

The Prospectus, the Key Investor Information Document (KIID), the constitutional documents as well as the annual, semi-annual reports and a full listing of purchases and sales may be obtained free of charge from the representative in Switzerland.

5. Publications

Publications in respect of the Fund must be made in Switzerland and are available on the electronic platform "Fundinfo" (www.fundinfo.com).

6. Total Expense Ratios

The total expense ratio (TER) was calculated based on the version currently applicable of the "Guidelines on the calculation and disclosure of the Total Expense Ratio (TER) of collective investment schemes" of the Swiss Funds & Asset Management Association (SFAMA).

The TER is calculated according to the following formula: (total expenses / Annualised Figures) * 100 and has been calculated for the 12 months preceding the close of the reporting period, using annualised figures for those Funds and share classes launched during the period.

Outlined below are total expense ratios of the Fund for the period ended 30 June 2021:

	TER % (Including performance fee)	Performance fee as a percentage of the average net assets
Class F USD	3.06%	1.05%
Class F EUR	2.89%	0.95%
Class F GBP	3.15%	1.08%
Class I USD	3.27%	0.93%
Class I EUR	3.19%	0.88%
Class I GBP	3.02%	0.79%
Class I CHF ⁽¹⁾	1.41%	0.00%
Class IG GBP	3.33%	0.95%
Class R USD	3.05%	0.58%
Class R EUR ⁽²⁾	1.92%	0.00%
Class R SEK ⁽³⁾	2.61%	0.10%
Class SI JPY	3.12%	0.94%
Class SI USD	1.92%	0.36%
Class SI EUR	2.98%	0.87%
Class SI GBP	2.77%	0.77%
Class SI CHF	2.33%	0.55%
Class SI SEK	3.13%	0.95%

⁽¹⁾ From 12/04/2021

⁽²⁾ From 9/3/2021

⁽³⁾ From 14/3/2021