

**Annual report including audited financial statements
as at 31st December 2022**

ARMONY INVESTMENT FUND

Société d'Investissement à Capital Variable
organised under the laws of Luxembourg

R.C.S. Luxembourg B204934

No subscription can be received on the basis of these financial statements. Subscriptions are only valid if made on the basis of the current prospectus and the key investor information document ("KIID") supplemented by the latest annual report including audited financial statements and the most recent unaudited semi-annual report, if published thereafter.

ARMONY INVESTMENT FUND

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ARMONY INVESTMENT FUND

Organisation

Registered office	88, Grand-Rue L-1660 LUXEMBOURG
Board of Directors	
<i>Chairman</i>	Josep SARLE GUIU FIMARGE, SOCIETAT FINANCERA D'INVERSIÓ, S.A. Bonaventura Armengol 10 Bloc 1, 5 PL AD500 Andorra la Vella ANDORRA
<i>Directors</i>	Serge D'ORAZIO 25, Cité Schmiedenacht L-4993 SANEM Oscar CASAS 23, Rue Jean-Pierre Sauvage L-2514 LUXEMBOURG
Management Company	KREDIETRUST LUXEMBOURG S.A. 88, Grand-Rue L-1660 LUXEMBOURG
Board of Directors of the Management Company	
<i>Chairman</i>	Vincent DECALF
<i>Director</i>	Clemens LANSING
<i>Managing Director</i>	Aurélien BARON
Conducting officers of the Management Company	Aurélien BARON Cyril THIEBAUT
Central Administration Agent and Domiciliary Agent	KREDIETRUST LUXEMBOURG S.A. 88, Grand-Rue L-1660 LUXEMBOURG
Delegated Central Administration Agent and Registrar and Transfer Agent	EUROPEAN FUND ADMINISTRATION S.A. 2, Rue d'Alsace L-1122 LUXEMBOURG

ARMONY INVESTMENT FUND

Organisation (continued)

Depository and Paying Agent

QUINTET PRIVATE BANK (EUROPE) S.A.
43, Boulevard Royal
L-2955 LUXEMBOURG

Investment Manager

GVC GAESCO GESTION SGIIC
Doctor Ferran, 3
Planta 1
08034 BARCELONA
SPAIN

Investment Advisor

FIMARGE, SOCIETAT FINANCERA D'INVERSIÓ, S.A.
Bonaventura Armengol 10
Bloc 1, 5 PL
AD500 Andorra la Vella
ANDORRA

Cabinet de révision agréé

DELOITTE AUDIT
Société à responsabilité limitée
20, Boulevard de Kockelscheuer
L-1821 LUXEMBOURG

ARMONY INVESTMENT FUND

Report on activities of the Board of Directors

Dear Shareholders,

ARMONY INVESTMENT FUND (the "Fund") was incorporated as a UCITS on 18th March 2016. The Fund closed the year ended 31st December 2022 with EUR 27.5 million in assets under management, a negative return of 15.0% and an annualized volatility of 15.3%.

At the end of this period the Fund has a 50.0% equities exposure, 19.3% in bonds, 16.0% in funds and the remaining is cash or cash equivalents.

Change in Organization

There are no significant changes in the Organization of the Fund.

We are grateful to the shareholders for their continued business and trust in ARMONY INVESTMENT FUND. We will continue to work relentlessly to serve the shareholders' investment objectives for many years to come.

Armony has obtained a negative return of 15.0%. Portfolio suffered a simultaneous shock in stocks and bonds. Few asset classes and sectors have been able to deliver a positive return. Even very short-term fixed income assets have lost value. The clear beneficiaries of the geopolitical and macroeconomic environment have been the raw materials and the dollar.

We were waiting for the year to be contained once economies opened. Even central banks claimed that inflation was non-structural and non-persistent.

We assumed that once the constraints on economic production faded, supply would catch up demand and inflation would decline.

The reality is that inflation over the past year was not temporary and has increased dramatically in Europe and the United States because of the pandemic and the fiscal and monetary aggressiveness of governments and central banks. Supply constrained by chain difficulties, a vigorous increase in demand after lockdowns and the increase in raw materials have been a perfect storm for inflation.

A significant portion of the portfolio was positioned in moderate-duration fixed income assets in European corporate bonds and in emerging market debt in dollars and local currency.

In an environment of inflation of levels of 10% with interest rates close to 0% in euros any maturity and type of fixed income asset has ended up losing in the year.

The forceful statements of the central banks in the second part of the year, rectifying their position on persistent inflation and their intention to eradicate it at all costs, also had a more negative effect on stock market valuations and positive in the case of the dollar, as a store of value.

In the case of part of our equity portfolio, the sharp rebound in interest rates has had a brutal effect on our quality growth share prices. Companies very recurrent in results are penalized when these are discounted at a higher interest rate. On the other hand, those companies more dependent on short-term profit, value stocks, and with not so demanding valuations are corrected to a lesser extent. Investors downgraded the valuation multiples they assign to economically sensitive and quality growth stocks. So, persistent inflation over the past year has penalized the portfolio in a remarkable way in the face of an unexpected rise in interest rates of exceptional magnitude.

ARMONY INVESTMENT FUND

Report on activities of the Board of Directors (continued)

Portfolio activity

On the fixed income market,

Over the year we have been buying new bonds to take advantage of the higher yields offered by issuers in the banking sector such as Caixabank, Bankinter, ABN Amro, Cooperative Rabobank and Erste Bank, which have improved capital buffers and will clearly benefit in the future from an environment of higher rates. We have also incorporated issuers such as Cellnext, Total Energies, Intercontinental hotels, Elis and Informa to give the portfolio greater potential for appreciation in the future in the face of a higher interest rates.

On the stock market,

During the year we have sold Sap, Anheuser Bush, Siemens Healthineers, Coloplast, Homeserve, Automatic Data processing, Cellavision, NovoNordisk and Icon to fund Allfunds, LVMH, Visa and Universal Music.

In the more strategic part of the portfolio we have bought BNP Paribas, M&G PLC, Teradyne and Wizz Air Holding, Ryanair Holdings and Spain T-Bill with maturing Jan 23. We have increased our stake in companies exposed to the strong global tourism turnaround: Carnival Corp, Dufry, JC Decaux and Wizz Air Holding. The UCITS fund Aberdeen Global Asian Local Currency Short term bond was liquidated. We amortised our position in UK Treasury Sept 22 and an Australian Bond Nov22. We sold our positions in Boskalis, due to a Bid that was presented to the stock by the main shareholder, and Shell Plc, due to the high oil prices which we find out are not sustainable. We sold the US treasury Bond maturing Mar23. We have bought and sold a position on future Eurostoxx 50.

Outlook

The change of discourse of central banks in the face of persistent inflation have two implications. First, it means an increase in price and a consequent lower demand for credit. Second, bond markets face lower liquidity because of shrinking central bank balance sheets. In fact, in the coming years we will witness a quantitative tightening to restore the strength of their balance sheets.

The market focus could shift from inflation to growth. In the past, interest rate hikes have dragged economies into recession due to the consequent impact of higher credit prices and this time this trigger could be helped by a loss of purchasing power derived from inflation. Although the labor market remains strong, the erosion of the results of the companies will end up impacting the labor market with higher unemployment that will feed the fall in results of those companies with less resistant business models.

This year the labor market is going to determine if the looming recession is going to be mild or not. We think U.S. economy will tread water with low growth and economies in Europe likely to contract. Emerging market economies should recover modestly.

Fortunately, inflation growth is declining in recent months and will keep moderating as the economic recession erodes demand.

Stock prices, inverted yield curves, purchasing managers indices below 50 are some leading indicators signaling an economic recession.

The recession was already announced by September 2022 and it has not happened yet. There are probably two factors which Econometric Models of the last decades are not taking into account, and then are missing. Number one is that this the interest rate hike that we are living is, in fact, more a "interest rate normalization", than a "hike" itself. Probably the models would have worked properly if the interest rate hike had been, for instance, from 3.5% to 7.0%, instead of going from 0% to the current 2.5% and soon the very likely 3.5%. Number two is the post pandemic situation, which is not again in

ARMONY INVESTMENT FUND

Report on activities of the Board of Directors (continued)

the last decade models, and which is ensuring a higher global demand than expected, mainly in services.

Investing implications

A moderation of inflation means the end of hiking rates is near the end. If inflation has peaked, fixed income has already attractive valuations, although lower quality bonds may be penalized in price if the economic recession materializes. Government bonds should peak before credit spreads. In this regard, we have been investing in good quality issuers and increasing the duration to obtain a higher return when falling inflation causes interest rates to fall. Now, markets are not anticipating a recession that would hurt corporate health. We know that higher rates impact financial markets with long lags.

During the year we have maintained our weight in emerging debt. Unfortunately, our exposure to emerging debt markets (Pictet Funds) has not performed as expected. If economic data disappoints in the United States, emerging currencies should appreciate against the USD.

The zero covid policy in China augurs a recovery of its economy and we see a good opportunity to increase our exposure to equity emerging markets. Attractive valuations are going to be backed by a new fiscal impulse.

Our equity portfolio continues to be a mix between high-quality, recurring growth companies and those with the highest discounts. The major part of our equity portfolio has robust business fundamentals and only a small part is facing company specific headwinds. Next year, we expect that lower interest rates may soon argue for a rerating of our stocks by Wall Street.

The most strategic part of the portfolio will remain anchored in “value” stocks, which have been performing much better than “growth” stocks since November 2020, when the current “value” cycle started, just when the Pfizer vaccine was announced. “Value” stocks can keep the current outperformance at least until interest rates fully normalize.

Learnings

The first learning lesson of the year is not only considering a base case scenario but also think about different events that could move markets. We should be more reactive in case of negative tail risks.

The second learning is to be patient. We knew interest rates were too low and a fixed income portfolio was an asymmetrical asset class. The gain we could get was a lot lower than the pain we have suffered.

Luxembourg, 30th January 2023

The Board of Directors

Note: The information in this report represents historical data and is not an indication of future results.

To the Shareholders of
Armony Investment Fund
88, Grand-Rue
L-1660 LUXEMBOURG

REPORT OF THE *REVISEUR D'ENTREPRISES AGREE*

Opinion

We have audited the financial statements of Armony Investment Fund (the “Fund”) and of its sub-fund, which comprise the statement of net assets and the statement of investments and other net assets as at 31st December 2022 and the statement of operations and other changes in net assets for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund and of its sub-fund as at 31st December 2022, and of the results of its operations and changes in its net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the “*Commission de Surveillance du Secteur Financier*” (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the “Responsibilities of the “*réviseur d’entreprises agréé*” for the Audit of the Financial Statements” section of our report. We are also independent of the Fund in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our report of the *“réviseur d’entreprises agréé”* thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors of the Fund for the Financial Statements

The Board of Directors of the Fund is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the Fund is responsible for assessing the Fund’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Fund either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the *“réviseur d’entreprises agréé”* for the Audit of the Financial Statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the *“réviseur d’entreprises agréé”* that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law dated 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law dated 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund.
- Conclude on the appropriateness of the Board of Directors of the Fund use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the *"réviseur d'entreprises agréé"* to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the *"réviseur d'entreprises agréé"*. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For Deloitte Audit, *Cabinet de révision agréé*

Nicolas Hennebert, *Réviseur d'entreprises agréé*
Partner

24th April 2023

ARMONY - AGECA FUND

Statement of net assets (in EUR)

as at 31st December 2022

Assets

Securities portfolio at market value	23,414,215.95
Cash at banks	4,054,417.60
Income receivable on portfolio	49,557.46
Unrealised gain on forward foreign exchange contracts	38,524.96
Prepaid expenses	1,191.80
Total assets	27,557,907.77

Liabilities

Expenses payable	36,984.24
Total liabilities	36,984.24
Net assets at the end of the year	27,520,923.53

Breakdown of net assets per share class

Share class	Number of shares	Currency of share class	NAV per share in currency of share class	Net assets per share class (in EUR)
A Class	259,063.491	EUR	106.23	27,520,923.53
				27,520,923.53

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

ARMONY - AGECA FUND

Statement of operations and other changes in net assets (in EUR)

from 1st January 2022 to 31st December 2022

Income

Dividends, net	216,347.64
Interest on bonds and other debt securities, net	162,258.18
Other commissions received	6,359.80
Other income	8,701.70
Total income	393,667.32

Expenses

Advisory and management fees	168,743.75
Depositary fees	14,294.85
Banking charges and other fees	14,922.43
Transaction fees	23,852.33
Central administration costs	27,618.35
Professional fees	14,966.64
Other administration costs	19,834.73
Subscription duty ("taxe d'abonnement")	11,957.36
Bank interest paid	7,318.66
Other expenses	17,345.17
Total expenses	320,854.27

Net investment income	72,813.05
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Net realised gain/(loss)

- on securities portfolio	1,189,063.50
- on futures contracts	5,520.00
- on forward foreign exchange contracts	-113,369.75
- on foreign exchange	-42,660.61
Realised result	1,111,366.19

Net variation of the unrealised gain/(loss)

- on securities portfolio	-6,042,450.27
- on forward foreign exchange contracts	38,524.96
Result of operations	-4,892,559.12

Subscriptions	103,017.50
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Redemptions	-181,328.19
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Total changes in net assets	-4,970,869.81
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Total net assets at the beginning of the year	32,491,793.34
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Total net assets at the end of the year	27,520,923.53
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The accompanying notes are an integral part of these financial statements.

ARMONY - AGECA FUND

Statistical information (in EUR)
as at 31st December 2022

Total net assets	Currency	31.12.2020	31.12.2021	31.12.2022	
	EUR	29,769,230.37	32,491,793.34	27,520,923.53	
Net asset value per share class	Currency	31.12.2020	31.12.2021	31.12.2022	
A Class	EUR	114.31	125.05	106.23	
Number of shares		outstanding at the beginning of the year	issued	redeemed	outstanding at the end of the year
A Class		259,827.491	890.000	-1,654.000	259,063.491

ARMONY - AGECA FUND

Statement of investments and other net assets (in EUR) as at 31st December 2022

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets *
Investments in securities					
Transferable securities admitted to an official stock exchange listing					
Shares					
CHF	15,000	Dufry AG Reg	712,583.55	585,089.70	2.13
CHF	7,500	Holcim Ltd Reg	289,977.47	363,724.94	1.32
CHF	2,184	Kardex Holding Reg	260,555.95	336,243.50	1.22
CHF	500	Roche Holding Ltd Pref	129,758.20	147,120.71	0.53
			1,392,875.17	1,432,178.85	5.20
DKK	3,238	Coloplast A/S B	403,657.29	353,573.77	1.28
EUR	2,200	Air Liquide SA	154,815.14	291,280.00	1.06
EUR	1,000	Airbus SE	61,897.54	111,020.00	0.40
EUR	67,224	Allfunds Group Ltd	659,865.57	438,636.60	1.59
EUR	6,963	Amadeus IT Group SA A	352,117.80	338,053.65	1.23
EUR	680	ASML Holding NV	405,984.20	342,584.00	1.25
EUR	10,000	Axa SA	218,133.32	260,550.00	0.95
EUR	51,432	Banco Santander Reg SA	202,038.91	144,138.18	0.52
EUR	2,172	Bayer AG Reg	192,277.49	104,961.90	0.38
EUR	3,000	BNP Paribas SA A	151,440.00	159,750.00	0.58
EUR	1,100	Carl Zeiss Meditec AG	96,892.29	129,690.00	0.47
EUR	5,000	Cie de Saint-Gobain SA	182,200.53	228,250.00	0.83
EUR	12,213	Dermapharm Holding SE Bearer	568,291.07	458,231.76	1.67
EUR	11,000	Enagas SA	287,292.44	170,775.00	0.62
EUR	39,137	Grifols SA B	473,592.29	306,442.71	1.11
EUR	5,219	Henkel AG & Co KGaA Pref	528,673.03	339,339.38	1.23
EUR	9,600	Interpump Group SpA	379,909.42	404,736.00	1.47
EUR	15,000	JC Decaux SE	269,528.88	265,800.00	0.97
EUR	381	LVMH Moët Hennessy L Vuit SE	238,265.60	259,041.90	0.94
EUR	4,400	Michelin SA	88,316.80	114,334.00	0.42
EUR	1,200	Muenchener Rueckver AG REG	195,540.00	364,800.00	1.33
EUR	6,007	Revenio Group Corp	280,587.11	231,870.20	0.84
EUR	30,000	Ryanair Holdings Plc	360,589.02	366,300.00	1.33
EUR	2,000	Sixt AG Pref	92,988.35	109,000.00	0.40
			6,441,236.80	5,939,585.28	21.59
GBP	13,618	Avon Protection Plc Reg	302,761.74	164,948.97	0.60
GBP	8,598	Diploma Plc Reg	230,745.69	268,933.39	0.98
GBP	57,000	M&G PLC Reg	150,759.83	120,646.26	0.44
GBP	11,440	Prudential Plc	162,935.58	145,335.06	0.53
GBP	10,000	Wizz Air Holdings Plc	280,786.99	214,589.66	0.78
GBP	9,373	XP Power Ltd Reg	514,421.93	214,917.04	0.78
			1,642,411.76	1,129,370.38	4.11
HKD	30,000	China Literature Ltd Reg	218,309.08	109,106.79	0.40
JPY	1,600	Fanuc Corp	215,250.72	225,343.29	0.82
JPY	4,500	Nidec Corp	153,240.64	218,523.20	0.79
JPY	15,000	Toyota Motor Corp	137,239.69	193,046.40	0.70
			505,731.05	636,912.89	2.31
SEK	20,139	Assa Abloy AB B	408,375.47	404,978.87	1.47
SEK	14,751	Atlas Corp A	129,619.03	163,233.01	0.59
SEK	6,224	HMS Networks AB	254,550.23	190,005.31	0.69
			792,544.73	758,217.19	2.75
USD	5,468	Alphabet Inc C	409,695.74	454,518.38	1.65
USD	35,000	Carnival Corp	666,220.48	264,274.67	0.96
USD	3,500	Citigroup Inc	142,602.03	148,302.03	0.54
USD	4,348	Edwards Lifesciences Corp	408,262.82	303,905.83	1.10
USD	2,621	Fox Factory Hg Corp Reg	252,483.39	224,004.71	0.81
USD	10,000	Invesco Ltd	258,682.02	168,532.48	0.61
USD	286	Jackson Financial Inc	8,650.11	9,321.22	0.03

* Minor differences may arise due to rounding in the calculation of percentages.

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

ARMONY - AGECA FUND

Statement of investments and other net assets (in EUR) (continued)

as at 31st December 2022

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets *
USD	1,849	Microsoft Corp	337,839.45	415,407.92	1.51
USD	4,158	PayPal Holdings Inc	529,909.50	277,420.73	1.01
USD	1,500	Teradyne Inc	145,475.25	122,745.80	0.45
USD	34,252	Teva Pharma Ind Ltd ADR repr 1 Share	329,077.79	292,639.69	1.06
USD	1,903	Visa Inc A	345,469.41	370,384.82	1.35
			3,834,367.99	3,051,458.28	11.08
Total shares			15,231,133.87	13,410,403.43	48.72
Bonds					
EUR	180,000	ABN AMRO Bank NV 0.875% EMTN Ser 276 19/15.01.24	177,129.00	176,543.10	0.64
EUR	100,000	Accor SA 2.375% 21/29.11.28	83,200.00	85,138.00	0.31
EUR	122,000	Adevinta ASA 3% 20/15.11.27	124,830.40	108,281.71	0.39
EUR	103,000	Almirall SA 2.125% 21/30.09.26	103,432.60	94,429.89	0.34
EUR	188,000	Avantor Funding Inc 2.625% 20/01.11.25	193,792.28	178,255.02	0.65
EUR	200,000	Banco Bilbao Vizcaya Argent SA VAR Conv 19/29.06.Perpetual	214,360.00	194,979.00	0.71
EUR	200,000	Banco Santander SA VAR Conv 20/14.04.Perpetual	192,500.00	170,199.00	0.62
EUR	200,000	Bankinter SA VAR 20/17.10.Perpetual	190,900.00	197,267.00	0.72
EUR	120,000	BP Capital Markets Plc VAR 20/22.06.Perpetual	106,320.00	103,151.40	0.38
EUR	200,000	Caixabank SA VAR Conv Jun Sub Reg S 17/13.09.Perpetual	220,480.00	195,756.00	0.71
EUR	100,000	Catalent Pharma Solutions Inc 2.375% Sen Reg S 20/01.03.28	100,940.00	82,125.00	0.30
EUR	100,000	Cellnex Telecom SA 1% Ser 8 20/20.04.27	87,100.00	85,120.00	0.31
EUR	100,000	Cooperatieve Rabobank UA 4.125% Sen 10/14.07.25	104,615.00	102,391.00	0.37
EUR	130,000	Dometic Group AB 3% EMTN Sen Reg S 18/13.09.23	138,450.00	129,978.55	0.47
EUR	103,000	Eircom Finance DAC 3.5% Sen Reg S 19/15.05.26	104,802.50	93,366.92	0.34
EUR	100,000	Elis SA 2.875% EMTN Sen 18/15.02.26	103,445.00	95,804.50	0.35
EUR	119,000	ENI SpA VAR 20/13.10.Perpetual	124,355.00	98,940.17	0.36
EUR	100,000	Erste Group Bank AG 0.875% EMTN 20/13.05.27	90,500.00	87,576.50	0.32
EUR	200,000	HSBC Holdings Plc VAR Reg S Sub 15/29.03.Perpetual	210,100.00	198,108.00	0.72
EUR	100,000	Ineos Quattro Fin 2 Plc 2.5% 21/15.01.26	95,110.00	85,270.50	0.31
EUR	100,000	Informa Plc 2.125% EMTN 20/06.10.25	102,723.00	95,009.00	0.35
EUR	100,000	InterContinental Hotels Gr Plc 1.625% EMTN 20/08.10.24	102,138.00	95,699.00	0.35
EUR	113,000	IQVIA Inc 2.25% Sen Reg S 19/15.01.28	114,356.00	99,799.34	0.36
EUR	200,000	KBC Group NV VAR 18/31.12.Perpetual	209,402.00	173,727.00	0.63
EUR	100,000	Mapfre SA VAR Sub 17/31.03.47	104,480.00	94,458.50	0.34
EUR	125,000	NetFlix Inc 3.625% Sen Reg S 17/15.05.27	127,306.25	120,266.87	0.44
EUR	103,000	Nomad Foods BondCo Plc 2.5% 21/24.06.28	103,690.10	87,598.92	0.32
EUR	108,000	Oci NV 3.625% Sen Reg S 20/15.10.25	111,618.00	107,273.70	0.39
EUR	124,000	Organon & Co 2.875% 21/30.04.28	124,701.84	109,017.08	0.40
EUR	110,000	Prosus NV 1.539% EMTN 20/03.08.28	87,450.00	89,219.90	0.32
EUR	113,000	Repsol Intl Finance BV VAR Reg S 20/11.12.Perpetual	121,305.50	101,138.39	0.37
EUR	104,000	Silgan Holdings Inc 2.25% Sen 20/01.06.28	103,584.00	88,753.08	0.32
EUR	100,000	Spie SAS 2.63% Sen 19/18.06.26	104,180.00	94,640.00	0.34
EUR	100,000	Telefonica Europe BV VAR Sub 14/31.03.Perpetual	108,672.00	99,679.00	0.36
EUR	425,000	Teva Pharmaceutical Fin II BV 1.25% 15/31.03.23	411,931.25	420,592.75	1.53
EUR	100,000	Totalenergies SE VAR Reg S Sub 16/06.10.Perpetual	101,740.00	93,626.50	0.34
			4,905,639.72	4,533,180.29	16.48
GBP	200,000	United Kingdom 0.75% T-Gilt Stock Sen Reg S 17/22.07.23	235,179.38	222,367.62	0.81
Total bonds			5,140,819.10	4,755,547.91	17.29
Bonds in default of payment					
EUR	350,000	Thomas Cook Group Plc 6.25% Reg S Sen 16/15.06.22 **	366,275.00	** 0.00	0.00
GBP	300,000	Celine Group Hgs Ltd 5.25% Sen 14/15.07.21 **	319,176.79	** 0.00	0.00
Total bonds in default of payment			685,451.79	0.00	0.00

** See note 6

* Minor differences may arise due to rounding in the calculation of percentages.

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

ARMONY - AGECA FUND

Statement of investments and other net assets (in EUR) (continued) as at 31st December 2022

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets *
<u>Transferable securities dealt in on another regulated market</u>					
Shares					
GBP	3,639	Judges Scientific Plc Reg	263,091.88	346,060.74	1.26
Total shares			263,091.88	346,060.74	1.26
<u>Money market instruments</u>					
Money market instruments					
EUR	500,000	Espana 0% T-bills Ser 12M 22/13.01.23	499,016.52	499,812.50	1.82
Total money market instruments			499,016.52	499,812.50	1.82
<u>Open-ended investment funds</u>					
Investment funds (UCITS)					
EUR	838	Carmignac Emergent A EUR Cap	1,239,349.68	887,190.60	3.22
EUR	5,813.818	Pareturn GVC Gaesco Absolute Return Fd IB Cap	999,999.95	927,513.27	3.37
EUR	15,045	Pictet Fds (LUX) Emerging Local Currency Debt HI Cap	1,648,771.86	1,383,237.30	5.03
EUR	4,188	Pictet Global Emerging Debt HI EUR Cap	1,133,973.83	994,021.80	3.61
Total investment funds (UCITS)			5,022,095.32	4,191,962.97	15.23
Tracker funds (UCITS)					
EUR	5,200	Multi Uts France Lyxor Bund Dai (-2x) Inv UCITS ETF Cap	189,852.00	210,428.40	0.76
Total tracker funds (UCITS)			189,852.00	210,428.40	0.76
Total investments in securities			27,031,460.48	23,414,215.95	85.08
Cash at banks				4,054,417.60	14.73
Other net assets/(liabilities)				52,289.98	0.19
Total				27,520,923.53	100.00

* Minor differences may arise due to rounding in the calculation of percentages.

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

ARMONY - AGECA FUND

Industrial and geographical classification of investments as at 31st December 2022

Industrial classification

(in percentage of net assets)

Investment funds	16.02 %
Industrials	14.06 %
Financials	13.74 %
Technologies	12.24 %
Healthcare	11.66 %
Cyclical consumer goods	8.46 %
Raw materials	4.32 %
Countries and governments	2.63 %
Energy	1.32 %
Non-cyclical consumer goods	0.32 %
Telecommunications services	0.31 %
Total	<u>85.08 %</u>

ARMONY - AGECA FUND

Industrial and geographical classification of investments as at 31st December 2022

Geographical classification

(by domicile of the issuer)

(in percentage of net assets)

Luxembourg	12.01 %
France	11.07 %
United States of America	10.92 %
Spain	9.05 %
United Kingdom	8.64 %
The Netherlands	5.63 %
Germany	5.48 %
Switzerland	5.20 %
Sweden	3.22 %
Japan	2.31 %
Italy	1.83 %
Ireland	1.67 %
Denmark	1.28 %
Israel	1.06 %
Panama	0.96 %
Finland	0.84 %
Singapore	0.78 %
Jersey	0.78 %
Belgium	0.63 %
Bermuda	0.61 %
Cayman Islands	0.40 %
Norway	0.39 %
Austria	0.32 %
Total	<u>85.08 %</u>

ARMONY INVESTMENT FUND

Notes to the financial statements

as at 31st December 2022

Note 1 - General information

ARMONY INVESTMENT FUND (hereinafter the "Fund") is an open-ended investment company incorporated under the laws of Luxembourg as a "Société d'Investissement à Capital Variable" in accordance with the provisions of the Part I of the amended Law of the amended 17th December 2010 concerning Undertakings for Collective Investment in Transferable Securities ("2010 Law") for an unlimited period of time.

The financial year of the Fund ends on 31st December in each year. The accounts and the financial statements of the Fund are expressed in EUR and correspond to the financial statements of the sole active Sub-Fund.

The complete prospectus, the KIID, the Articles of Incorporation, the annual reports including audited financial statements and unaudited semi-annual reports, as well as the list of the purchases and sales effected by the Fund are available at the Fund's registered office.

As from 1st June 2016, publications are made in the "Recueil électronique des sociétés et associations ("RESA")" through the website of "Registre de Commerce et des Sociétés" of Luxembourg.

Note 2 - Significant accounting policies

a) Presentation of the financial statements

The financial statements of the Fund are prepared in accordance with Luxembourg legal and regulatory requirements concerning Undertakings for Collective Investment and with generally accepted accounting principles in Luxembourg.

The financial statements of the Fund have been prepared on a going concern basis.

b) Valuation of assets

- 1) The value of any cash in hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received are deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as the Board of Directors of the Fund may consider appropriate in such case to reflect the true value thereof.
- 2) The value of all securities and/or money market instruments which are listed or traded on an official stock exchange or traded on any other Regulated Market are valued on the basis of the last available closing prices on the Valuation Day or on the basis of the last available prices on the main market on which the investments of the Sub-Fund are principally traded. The Board of Directors of the Fund approves a provider of securities prices which supply the above prices. If, in the opinion of the Board of Directors of the Fund, such prices do not truly reflect the fair market value of the relevant securities, the value of such securities is determined in good faith by the Board of Directors of the Fund either by reference to any other publicly available source or by reference to such other sources as it deems in its discretion appropriate.
- 3) Securities not listed or traded on a stock exchange or a Regulated Market are valued on the basis of the probable sales price determined prudently and in good faith by the Board of Directors of the Fund.
- 4) Securities issued by open-ended investment funds are valued at their last available Net Asset Value or in accordance with item (2) above where such securities are listed.

ARMONY INVESTMENT FUND

Notes to the financial statements (continued)

as at 31st December 2022

- 5) The liquidating value of futures, forward or options contracts that are not traded on exchanges or on other organised markets are determined pursuant to the policies established by the Board of Directors of the Fund, on a basis consistently applied.
- 6) The liquidating value of futures, forward or options contracts traded on exchanges or on other organised markets are based upon the last available settlement prices of these contracts on exchanges and organised markets on which the particular futures, forward or options contracts are traded; provided that if a futures, forward or options contract could not be liquidated on such Valuation Day with respect to which a Net Asset Value is being determined, then the basis for determining the liquidating value of such contract is such value as the Board of Directors of the Fund may deem fair and reasonable.

c) Acquisition cost of securities in the portfolio

The acquisition cost of the securities held by the Sub-Fund that are denominated in currencies other than the reference currency of the Sub-Fund is converted into this currency at the exchange rate prevailing on the date of purchase.

d) Net realised gain/(loss) on securities portfolio

The realised gains and losses on securities portfolio are calculated on the basis of the average acquisition cost and are disclosed net in the statement of operations and other changes in net assets.

e) Investment income

Dividend income is recorded at the ex-date, net of any withholding tax.

Interest income accrued and payable are recorded, net of any withholding tax.

f) Valuation of forward foreign exchange contracts

Open forward foreign exchange contracts are valued at forward market rates for the remaining period from valuation date to the maturity of the contracts. Net unrealised gains or losses of open contracts are disclosed in the statement of net assets. Net variation of unrealised gains or losses and net realised gains or losses are disclosed in the statement of operations and other changes in net assets.

g) Formation expenses

Formation expenses are amortised on a straight-line basis over a period of 5 years.

If the launch of a Sub-Fund occurs after the launch date of the Fund, the costs of formation in relation to the launch of the new Sub-Fund is charged to such Sub-Fund alone and may be amortised over a maximum of five years with effect from the Sub-Fund's launch date.

h) Conversion of foreign currencies

Cash at banks, other net assets, liabilities and the market value of the securities in portfolio expressed in currencies other than the reference currency of the Sub-Fund are converted into this currency at the exchange rate prevailing on the date of the financial statements. Income and expenses expressed in currencies other than the reference currency of the Sub-Fund are converted into this currency at the exchange rate prevailing on the date of the transaction. Net realised gains or losses on foreign exchange are disclosed in the statement of operations and other changes in net assets.

ARMONY INVESTMENT FUND

Notes to the financial statements (continued)

as at 31st December 2022

Note 3 - Advisory and management fees

Pursuant to the Management Company Agreement, the Fund has appointed KREDIETRUST LUXEMBOURG S.A. as its designated management company within the meaning of the 2010 Law. The Management Company is responsible, subject to the overall supervision of the Directors, for the provision of investment management services, administrative services and marketing services to the Fund.

As remuneration for the services of Management Company, KREDIETRUST LUXEMBOURG S.A. is entitled to receive an annual fee of 0.05% of the average of the net assets of the Sub-Fund with an annual minimum of EUR 25,000 per Sub-Fund to be paid at the end of each quarter.

Under an agreement concluded with the Management Company, GVC GAESCO GESTION SGIIC has been appointed as the Investment Manager to the Sub-Fund and FIMARGE, SOCIETAT FINANCERA D'INVERSIÓ, S.A. has been appointed as the Investment Advisor to the Sub-Fund.

In consideration of their services, the Board of Directors of the Fund decided to share the management fee of 0.50% between GVC GAESCO GESTION SGIIC and FIMARGE, SOCIETAT FINANCERA D'INVERSIÓ, S.A., being the Investment Advisor for a certain portion of the Sub-Fund's total net assets. The Sub-Fund is charged 0.50% for Investment Management fees and Investment Advisory fees.

Note 4 - Management fee retrocession

Management fee retrocessions received by the Fund and related to its investments in UCITS or other UCIs are disclosed under the item "Other commissions received" in the statement of operations and other changes in net assets.

Note 5 - Management fees of the target funds

The investment policy of the Sub-Fund is to invest in the shares or units of UCITS and or other UCI (including ETFs) and that entails a double payment of fees (such as subscription and redemption fees, management fees ...) The total management fee calculated based on actual management fees costs paid on behalf of fund holdings, may vary up to 2.5% of their respective net assets.

Note 6 - Bonds in default of payment

The Fund has suffered the default of Thomas Cook Group and Celine Group.

The Fund is invested in the following related securities:

Name:	Thomas Cook Group Plc 6.25% Reg S Sen 16/15.06.22
ISIN:	XS1531306717
Quantity held:	350,000

Given that the last available price was very low (bid:1 ask: 2.5), that limited information on the ongoing liquidation was available and that the Creditor Information Sheet report stated that a distribution for unsecured creditors was unlikely, by circular resolution as of 9th September 2021, the Board of Directors of the Fund resolved to evaluate the bond at 0.

ARMONY INVESTMENT FUND

Notes to the financial statements (continued)

as at 31st December 2022

Name:	Celine Group Hgs Ltd 5.25% Sen 14/15.07.21
ISIN:	XS1081972850
Quantity held:	300,000

Given that the last available price was very low (bid:1 ask: 2.5), that limited information on the ongoing liquidation was available and that the KPMG report (for Irish branch) stated that unsecured and other creditors would get nihil, by circular resolution dated 25th August 2021, the Board of Directors of the Fund resolved to evaluate the bond at 0.

At the date of the financial statements, these bonds are valued at 0 and their accrued interests have been written down to 0.

Note 7 - Depositary fees

The remuneration for depositary services are included under the item "Depositary fees" disclosed in the statement of operations and other changes in net assets.

Note 8 - Central administration costs

The item "Central administration costs" disclosed in the statement of operations and other changes in net assets is mainly composed of administration agent and domiciliary agent fees.

Note 9 - Subscription duty ("*taxe d'abonnement*")

The Fund is governed by Luxembourg Law.

Pursuant to the legislation and regulations in force, the Fund is subject to an annual subscription duty ("*taxe d'abonnement*") of 0.05% which is payable quarterly and calculated on the basis of the net assets of each Sub-Fund on the last day of each quarter.

Pursuant to Article 175 (a) of the 2010 Law the net assets invested in undertakings for collective investment already subject to the "*taxe d'abonnement*" are exempt from this tax.

Note 10 - Forward foreign exchange contracts

As at 31st December 2022, the Fund is committed in the following forward foreign exchange contract with QUINTET PRIVATE BANK (EUROPE) S.A., Luxembourg:

Currency	Purchases	Currency	Sales	Maturity	Unrealised result (in EUR)
EUR	2,399,619.41	USD	2,522,000.00	04.01.2023	38,524.96
					38,524.96

Note 11 - Statement of changes in the investments portfolio

The statement of changes in investments for the period covered by the report is available free of charge at the registered office of the Fund.

ARMONY INVESTMENT FUND

Notes to the financial statements (continued)

as at 31st December 2022

Note 12 - Events

There are no significant events.

Note 13 - Subsequent events

Krediettrust Luxembourg S.A. ("KTL") has decided to step down as a Management Company and Administrative Agent of the Fund by the end of June 2023.

The Board of Directors of the Fund decided to appoint NS Partners Europe, S.A. (NSPE), as the new Management Company of the Fund as from end of June 2023 subject to the CSSF's approval.

Moreover, the Central Administration services will be performed by European Fund Administration S.A. (EFA) who is already servicing Armony Investment Fund by delegation from KTL as from end of June 2023 subject to the CSSF's approval.

ARMONY INVESTMENT FUND

Additional information (unaudited)

as at 31st December 2022

1 - Risk management

As required by Circular CSSF 11/512 as amended, the Board of Directors of the Fund needs to determine the global risk exposure of the Fund by applying either the commitment approach or the VaR ("Value at Risk") approach.

In terms of risk management, the Board of Directors of the Fund decided to adopt the commitment approach as a method of determining the global exposure.

2 - Remuneration

Total KTL staff member remuneration is split into a fixed and a variable remuneration:

-Fixed	EUR 1,799,298.06
-Variable	EUR 108,750.00

Number of employees:

-15,80 headcounts

Aggregated remuneration of the conducting officers remuneration is EUR 409,453.97.

Details of the management company's updated remuneration policy, including a description of how remuneration and benefits are calculated, are available on the website <https://www.quintet.com/en-LU/Pages/Regulatory-affairs>.

Remuneration GVC GAESCO GESTION SGIIC for the year 2022:

Fixed:	EUR 2,511,851.77
Variable:	EUR 200,040.00

Number of employees: 42

Aggregated remuneration of the conducting officers is EUR 903,855.69.

3 - Remuneration of the Board of Directors of the Fund

The members of the Board of Directors of the Fund are entitled to receive a fixed amount of remuneration per annum.

For 2022, the remuneration amounted to EUR 16,250.00.

The remuneration of the Board of Directors of the Fund is included under the item "Other expenses" disclosed in the statement of operations and other changes in net assets.

4 - Information concerning the transparency of securities financing transactions and of reuse of cash collateral (regulation EU 2015/2365, hereafter "SFTR")

During the reporting period, the Fund did not engage in transactions which are subject to the publication requirements of SFTR. Accordingly, no information concerning the transparency of securities financing transactions and of reuse of cash collateral should be reported.

ARMONY INVESTMENT FUND

Additional information (unaudited) (continued)

as at 31st December 2022

5 - Information related to the EU Regulations 2019/2088 and of the Council of 27th November 2019 on sustainability-related disclosures in the financial services sector (hereafter “SFDR”)

In accordance with the requirements of the EU Regulations 2019/2088 and of the Council of 27th November 2019 on sustainability-related disclosures in the financial services sector (the “SFDR”) as amended, the Fund is categorised under SFDR Article 6.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.