

**Unaudited semi-annual report
as at 30th June 2019**

KATLA FUND

An investment company with variable share capital incorporated
under the laws of the Grand Duchy of Luxembourg

R.C.S. Luxembourg B96002

CONVENTUM
ASSET MANAGEMENT

Subscriptions may be made only on the basis of the prospectus including the articles of incorporation and the fact sheets of each of the Sub-Funds and the key investor information document (KIID). The prospectus may only be distributed if accompanied by the most recent annual report and the most recent half-year report, if the half-year report is more recent than the annual report.

KATLA FUND

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KATLA FUND

Organisation

Registered office

9, Boulevard Prince Henri
L-1724 LUXEMBOURG

Board of Directors

Chairman

Margret SVEINSDOTTIR
Head of Asset Management
ARION BANK HF.
Borgartun 19
IS-105 REYKJAVIK

Directors

Eric CHINCHON
Independent Director
16, Rue Jean-Pierre Brasseur
L-1258 LUXEMBOURG

Andri V. SIGURDSSON
Partner
Laekjargata - Legal Services ehf.
Laekjargata 2
IS - 101 REYKJAVIK

Management Company and Domiciliary Agent

CONVENTUM ASSET MANAGEMENT
Société Anonyme
9, Boulevard Prince Henri
L-1724 LUXEMBOURG

Board of Directors of the Management Company

Chairman

Ruth BÜLTMANN
Independent director
40, Rue d'Ernster
L-6977 OBERANVEN

Directors

Michèle BIEL
General Manager
CONVENTUM ASSET MANAGEMENT
Société Anonyme
9, Boulevard Prince Henri
L-1724 LUXEMBOURG

Fernand GRULMS
Independent director
2, Rue Nic. Flener
L-8228 MAMER

General Managers of the Management Company

Michèle BIEL
General Manager
CONVENTUM ASSET MANAGEMENT
Société Anonyme
9, Boulevard Prince Henri
L-1724 LUXEMBOURG

KATLA FUND

Organisation (continued)

Georges ENGEL
General Manager
CONVENTUM ASSET MANAGEMENT
Société Anonyme
9, Boulevard Prince Henri
L-1724 LUXEMBOURG

Rita HERRMANN
General Manager
CONVENTUM ASSET MANAGEMENT
Société Anonyme
9, Boulevard Prince Henri
L-1724 LUXEMBOURG
(until 28th February 2019)

Investment Manager

STEFNIR ASSET MANAGEMENT COMPANY HF.
Borgartun 19
IS-105 REYKJAVIK

Depositary, Central Administration and Primary Paying Agent

Société Anonyme
14, Boulevard Royal
BANQUE DE LUXEMBOURG
L-2449 LUXEMBOURG

Central Administration's Subcontractor

EUROPEAN FUND ADMINISTRATION S.A.
Société Anonyme
2, Rue d'Alsace
L-1122 LUXEMBOURG

Independent auditor

ERNST & YOUNG
Société Anonyme
35E, Avenue John F. Kennedy
L-1855 LUXEMBOURG

Global Distributor

ARION BANK HF
Borgartun 19
IS-105 REYKJAVIK

KATLA FUND - GLOBAL VALUE

Statement of net assets (in EUR)

as at 30th June 2019

Assets

Securities portfolio at market value	178,055,720.47
Cash at banks	10,211,298.03
Prepaid expenses	5,040.90
Total assets	<u>188,272,059.40</u>

Liabilities

Payable on redemptions of shares	5,199,900.00
Expenses payable	816,571.77
Total liabilities	<u>6,016,471.77</u>

Net assets at the end of the period	<u><u>182,255,587.63</u></u>
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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	1,051,588.0148	EUR	173.31	<u>182,255,587.63</u>
				<u>182,255,587.63</u>

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

KATLA FUND - GLOBAL VALUE

Statement of investments and other net assets (in EUR) as at 30th June 2019

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<u>Investments in securities</u>					
<u>Transferable securities admitted to an official stock exchange listing</u>					
Shares					
CAD	175,000	Descartes Systems Gr (The) Inc	3,189,690.81	5,695,048.41	3.13
DKK	78,000	De Sammenslut Vognmaend AS	3,539,461.76	6,736,423.61	3.70
DKK	29,000	Genmab A/S	3,874,952.29	4,689,750.66	2.57
DKK	115,000	Novo Nordisk AS B	4,051,280.09	5,153,929.19	2.83
			11,465,694.14	16,580,103.46	9.10
EUR	45,000	Deutsche Boerse AG Reg	5,021,505.00	5,598,000.00	3.07
EUR	175,000	Industria de Diseno Textil SA	4,665,345.00	4,628,750.00	2.54
EUR	90,000	Vonovia SE	2,866,641.19	3,780,000.00	2.07
			12,553,491.19	14,006,750.00	7.68
GBP	250,000	St James's Place Plc	3,277,946.01	3,066,820.94	1.68
JPY	55,000	Nidec Corp	4,779,694.50	6,601,027.47	3.62
NOK	145,000	Aker BP ASA	4,595,994.67	3,652,226.96	2.00
SEK	145,000	Lundin Petroleum AB	2,882,306.58	3,951,184.00	2.17
USD	74,000	Akamai Technologies Inc	4,547,023.48	5,208,009.13	2.86
USD	4,400	Alphabet Inc C	4,262,603.82	4,176,696.23	2.29
USD	3,000	Amazon.com Inc	4,436,434.64	4,988,925.97	2.74
USD	160,000	Bank of America Corp	3,329,916.90	4,074,822.17	2.24
USD	3,500	Booking Holdings Inc Reg	5,437,592.13	5,762,259.59	3.16
USD	100,000	Boston Scientific Corp	3,248,012.49	3,774,479.67	2.07
USD	120,000	Centene Corp	5,782,403.49	5,526,301.92	3.03
USD	38,000	Cigna Corp Reg	5,140,601.20	5,257,662.25	2.89
USD	65,000	Citigroup Inc	3,601,982.49	3,997,497.15	2.19
USD	90,000	Cognizant Tec Solutions Corp	6,080,718.92	5,010,187.06	2.75
USD	35,000	Constellation Brands Inc	5,257,927.13	6,053,306.40	3.32
USD	36,000	Facebook Inc A	4,905,652.14	6,101,694.92	3.35
USD	126,000	Hartford Fin Serv Gr Inc (The)	4,437,185.31	6,165,557.21	3.38
USD	46,500	Intercontinental Exchang Inc	2,065,097.76	3,509,449.37	1.93
USD	45,000	Lamb Weston Holdings Inc Reg S	2,431,142.90	2,503,907.97	1.37
USD	120,000	Lazard Ltd A	4,279,399.63	3,624,132.78	1.99
USD	30,000	Lear Corp	3,204,071.90	3,669,184.16	2.01
USD	45,000	Medtronic Plc Reg	3,893,231.34	3,848,731.01	2.11
USD	130,000	Morgan Stanley	5,483,872.95	5,001,580.75	2.75
USD	91,000	T-Mobile US Inc	4,455,653.08	5,924,949.50	3.25
USD	50,000	The Walt Disney Co	4,889,899.68	6,131,553.53	3.37
USD	152,000	Trimble Inc	4,437,959.17	6,021,533.33	3.30
USD	55,000	United Technologies Corp	5,699,181.31	6,288,750.33	3.45
USD	55,000	Worldpay Inc A Reg	3,320,271.74	5,919,250.02	3.25
USD	40,000	XPO Logistics Inc	2,929,295.36	2,030,736.81	1.11
			107,557,130.96	120,571,159.23	66.16
Total shares			150,301,948.86	174,124,320.47	95.54

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

KATLA FUND - GLOBAL VALUE

Statement of investments and other net assets (in EUR) (continued) as at 30th June 2019

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<u>Open-ended investment funds</u>					
Tracker funds (UCITS)					
EUR	220,000	Xtrackers Nikkei 225 UCITS ETF 1D Dist	3,331,250.00	3,931,400.00	2.16
Total tracker funds (UCITS)			3,331,250.00	3,931,400.00	2.16
Total investments in securities			153,633,198.86	178,055,720.47	97.70
Cash at banks				10,211,298.03	5.60
Other net assets/(liabilities)				-6,011,430.87	-3.30
Total				182,255,587.63	100.00

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

KATLA FUND - GLOBAL VALUE

Industrial and geographical classification of investments as at 30th June 2019

Industrial classification

(in percentage of net assets)

Financials	22.48 %
Technologies	17.68 %
Healthcare	15.50 %
Cyclical consumer goods	13.82 %
Industrials	11.88 %
Non-cyclical consumer goods	4.69 %
Energy	4.17 %
Telecommunications services	3.25 %
Investment funds	2.16 %
Real estate	2.07 %
Total	<u>97.70 %</u>

Geographical classification

(by domicile of the issuer)
(in percentage of net assets)

United States of America	62.06 %
Denmark	9.10 %
Germany	5.14 %
Japan	3.62 %
Canada	3.13 %
Spain	2.54 %
Sweden	2.17 %
Luxembourg	2.16 %
Ireland	2.11 %
Norway	2.00 %
Bermuda	1.99 %
United Kingdom	1.68 %
Total	<u>97.70 %</u>

KATLA FUND

Notes to the financial statements

as at 30th June 2019

Note 1 - General information

KATLA FUND (the "SICAV") is an Investment Company with Variable Capital ("*Société d'Investissement à Capital Variable*" - SICAV) with multiple Sub-Funds organized under Luxembourg law. The SICAV is governed under the Council Directive 2009/65/EC as amended and the provisions of Part I of the law of 17th December 2010 as amended.

At the end of each financial year ended on 31st December, the SICAV publishes an audited annual report, as well as, at the end of each semester, an unaudited half-yearly report. The accounts and the financial statements of the SICAV are expressed in EUR and correspond to the financial statements of the sole Sub-Fund open.

The Net Asset Value, issue, redemption and conversion price of each class of shares are available every full bank working day in Luxembourg at the SICAV's registered office.

The following documents are made available to the public at the registered office of the SICAV and at the registered office of the Management Company:

- The Prospectus of the SICAV, including the Articles of Incorporation and the fact sheets,
- The key investor information documents ("KIID") of the SICAV, (also published on www.conventum.lu),
- The financial reports of the SICAV.

The complaints handling procedure setup in accordance with the CSSF Regulation relating to the out-of-court resolution of complaints is available at the SICAV's registered office free of charge upon request.

Note 2 - Significant accounting policies

a) Presentation of the financial statements

The financial statements of the SICAV are prepared in accordance with the Luxembourg legal and regulatory requirements concerning undertakings for collective investment and with generally accepted accounting principles in Luxembourg.

b) Valuation of assets

The assets' values are determined as follows:

The value of cash on hand or on deposit, bills and notes due on demand, accounts receivable, prepaid expenses, dividends, and interest declared or due but not yet received consists of the nominal value of these assets, unless it is unlikely that this value is received, in which event, the value is determined by deducting an amount which the SICAV deems adequate to reflect the real value of these assets.

The value of all transferable securities, money-market instruments and financial derivative instruments that are listed on a stock exchange or traded on another regulated market that operates regularly, and is recognised and open to the public, is determined based on the most recent available price.

In the case of SICAV investments that are listed on a stock exchange or traded on another regulated market that operates regularly, is recognised and open to the public and traded by market makers outside the stock exchange on which the investments are listed or of the market on which they are traded, the Board of Directors may determine the main market for the investments in question that will be then evaluated at the last available price on that market.

KATLA FUND

Notes to the financial statements (continued)

as at 30th June 2019

Money market instruments and fixed-interest securities, the residual maturity of which is less than one year, may be valued on the basis of amortised cost, a method that consists after purchase in taking into account a straight-line amortisation to arrive at the redemption price at the security's maturity.

The value of securities representative of an open-ended undertaking for collective investment is determined according to the last official net asset value per unit or according to the last estimated net asset value if it is more recent than the official net asset value, and provided that the SICAV is assured that the valuation method used for this estimate is consistent with that used for the calculation of the official net asset value.

c) Acquisition cost of securities in the portfolio

The acquisition cost of the securities held by each 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.

e) Investment portfolio income

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

f) Formation expenses

The formation expenses of the Sub-Fund KATLA FUND - GLOBAL VALUE are fully amortised.

If the launch of a Sub-Fund occurs after the launch date of the SICAV, the costs of formation in relation to the launch of the new Sub-Fund shall be charged to such Sub-Fund alone and may be amortised over a maximum of 5 years with effect from the Sub-Fund's launch date.

g) Conversion of foreign currencies

Cash at banks, other net assets and 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.

Note 3 - Management fees

The SICAV has appointed CONVENTUM ASSET MANAGEMENT as Management Company.

The Management Company may delegate, under its responsibility and its control, the management of the assets of one or several Sub-Funds of the SICAV to one or several Investment Managers.

The Management Company has appointed STEFNIR ASSET MANAGEMENT COMPANY HF. as Investment Manager of the Sub-Funds. The Investment Manager STEFNIR ASSET MANAGEMENT COMPANY HF. is entitled to receive an annual commission at the rates indicated below:

- KATLA FUND - GLOBAL VALUE 1.50%

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Notes to the financial statements (continued)

as at 30th June 2019

The management fee is payable quarterly and is calculated on the basis of the average net assets of each Sub-Fund for the relevant quarter.

Note 4 - Subscription, redemption and conversion fees

A subscription fee up to 2% of the subscription amount and a conversion fee up to 0.5% of the conversion amount may be applied.

No redemption fee is applied.

Note 5 - Subscription duty ("Taxe d'abonnement")

The SICAV is governed by Luxembourg law.

Pursuant to the legislation and regulations in force, the SICAV is subject to an annual "*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 amended law of 17th December 2010 the net assets invested in undertakings for collective investment already subject to the "*taxe d'abonnement*" are exempt from this tax.

Note 6 - Statement of changes in investments

The statement of changes in investments for the period in reference to the report is available free of charge at the registered office of the SICAV.

Note 7 – Event

By circular resolution as of 15th March 2019 the Board of Directors resolved to adopt a Personal Data Protection Policy in order to fulfill the GDPR requirements.

The Board of Directors also decided to appoint Mr Andri V.SIGURDSSON as Data Protection Coordinator of the SICAV.

In the context of GDPR the Board of Directors performed a high level assessment of the duties and obligations of the SICAV.

KATLA FUND

Additional information

as at 30th June 2019

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 SICAV 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.