

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

KATLA FUND

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

R.C.S. Luxembourg B96002

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 information document (KID). 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

16, Boulevard Royal
L-2449 LUXEMBOURG

Board of Directors

Chairman

Margret SVEINSDOTTIR
Advisor
Tjarnarmýri 17
IS-170 SELTJARNARNES

Directors

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

Íris Björk HREINSDOTTIR
Attorney at Law / Legal Counsel
ARION BANK HF
19, Borgartun
IS-105 REYKJAVIK

Management Company and Domiciliary Agent

BLI - BANQUE DE LUXEMBOURG INVESTMENTS
Société Anonyme
Acting under the commercial name
CONVENTUM THIRD PARTY SOLUTIONS
16, Boulevard Royal
L-2449 LUXEMBOURG

Board of Directors of the Management Company

Chairman

Nicolas BUCK
Chief Executive Officer
AVANTERRA
Société Anonyme
33-39, Rue du Puits Romain
L-8070 BERTRANGE

Directors

Michèle BIEL
Administrateur Directeur
BLI - BANQUE DE LUXEMBOURG INVESTMENTS
Société Anonyme
16, Boulevard Royal
L-2449 LUXEMBOURG
(until 30th April 2022)

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

KATLA FUND

Organisation (continued)

Fernand GRULMS
Independent Director
2, Rue Nicolas Flener
L-8228 MAMER
(until 30th April 2022)

Gary JANAWAY
Member of the Executive Committee
EUROPEAN FUND ADMINISTRATION
Société Anonyme
2, Rue d'Alsace
L-1122 LUXEMBOURG

Fanny NOSETTI - PERROT
Chief Executive Officer
BLI - BANQUE DE LUXEMBOURG INVESTMENTS
Société Anonyme
16, Boulevard Royal
L-2449 LUXEMBOURG
(since 5th July 2022)

Guy WAGNER
Chief Investment Officer
BLI - BANQUE DE LUXEMBOURG INVESTMENTS
Société Anonyme
16, Boulevard Royal
L-2449 LUXEMBOURG

Conducting Officers of the Management Company

Michèle BIEL
Administrateur Directeur
(until 30th April 2022)

Georges ENGEL
Directeur
(until 30th April 2022)

Dieter HEIN
Directeur
(until 30th April 2022)

Cédric LENOBLE
Chief Operating and Chief Financial Officer

Fanny NOSETTI - PERROT
Chief Executive Officer

Nico THILL
Deputy Chief Executive Officer
(since 1st May 2022)

Guy WAGNER
Chief Investment Officer

Investment Manager

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

KATLA FUND

Organisation (continued)

**Depositary,
Central Administration and
Primary Paying Agent**

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

Central Administration's Subcontractor

EUROPEAN FUND ADMINISTRATION
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
19, Borgartun
IS-105 REYKJAVIK

KATLA FUND

Report of the Board of Directors

Market Development and Outlook

We weren't too optimistic going into 2022, seeing the world economies bracing for the end of Covid and its impediments when we got the Russian invasion of Ukraine. Energy and commodity prices soared, shortages emerged again, and inflation continued to rise. It was clear that central banks needed to act quickly and surely, which they did. The US FED raised the key interest rate by 0.25 percent in March 2022 and continued to do so, continuing to 4.5 by end of 2022. The MSCI World ended up dropping 12.8% over the year in EUR terms.

The constraints and general uncertainty caused by the war caused major and potentially long-lasting disruptions in global commodity and energy markets. Trade restrictions and rising interest rates also led to a rapid deterioration in economic growth prospects, especially in Europe. With the uncertainty surrounding the progress of the war, market participants believed that central banks would raise interest rates slowly as uncertainty was high. It was therefore a surprise to many how large and fast the rate hikes were during the year and how harsh the monetary authorities were. The rapid increase in key interest rates led to rising bond market yield, risk aversion and uncertainty taking hold with both stocks and bonds falling. The technology sector was under attack, but for the year the Nasdaq index fell by 32%. Companies in the energy sector, on the other hand, rose somewhat in line with rising energy prices, MSCI Energy index rose by almost 48% last year.

The world economy grew in 2022 with global GDP gaining around 3.2%, vs. 6.0% in 2021, according to the IMF. Parallely, company revenue and profits gained moderately over the year, with stock valuations coming down with markets.

Growth forecasts assume that the world's largest economies will enter a short period of recession around the middle of 2023. Inflation is generally expected to peak during the year, in cases where it has not already peaked.

US FED rates are likely to peak in Q1 around 5%, with prospects for them coming down again being reliant on inflation and economic development in the coming months.

We are vaguely optimistic about global stock markets in 2023 as economies continue to battle inflation and wage pressure challenges.

KATLA FUND - GLOBAL EQUITY

KATLA FUND - GLOBAL EQUITY returned -16.2% (EUR) in 2022 compared with -12.8% (EUR) return of the benchmark, the MSCI World Index. The Sub-Fund underperformed the benchmark by 3.4%.

The whole year of 2022 the fund was positioned with an underweight on US equities while overweighting Europe, with the underperformance was largely derived from no exposure to Energy sector. At the beginning of 2023, the Sub-Fund is still underweight US and overweight Europe with overweight on Consumers, Communication Services and Information Technology.

Board Activity

Similarly, to 2021, during 2022 the Board has ensured that all relevant stakeholders took necessary action to perform their tasks ensuring not only compliance with regulations, bearing in mind its objective to limit or even decrease the total expense ratio of the SICAV, but also ensuring they took good care of the health of their employees.

2022 was another extremely challenging year, as was 2021. We had to remain agile and continuously adapt our way of working, overseeing, performing while ensuring respect at all-time of laws and regulations issued in previous years but also during the year.

KATLA FUND

Report of the Board of Directors (continued)

In February 2022, several countries (including the US, UK and EU) imposed sanctions against entities and individuals in Russia as a result of the official recognition of Donetsk People Republic and Lugansk People Republic by Russian Federation. Announcement of potential additional sanctions have been made following military operations initiated by Russia against Ukraine on February 24, 2022. The situation, together with growing turmoil from fluctuations in commodity prices and foreign exchange rates and the potential to adversely impact global economies, has driven a sharp increase in volatility across markets. Although neither the Fund performance, going concern nor operations, at the date of this report, have been significantly impacted by the above.

The Board is also in permanent discussion with the portfolio manager regarding ESG topics and SFDR mandatory disclosures and classification and carefully monitors the evolution of the legal environment as well as quality (and quantity) of available data.

The Board has been continuously working with the SICAV's management company to ensure that the SICAV is at all times in line with best market practice and that the interests of investors are safeguarded. In 2022, the Board met at least on a quarterly basis (via video conference but also restarted in-person meetings) and has been throughout the year in permanent communication with relevant stakeholders (ensuring proper BCP/DRP has been implemented). No matter came to the attention of the Board indicating that the service providers of the SICAV have not been and are not able to fulfil their duties.

Finally, and as always, the Board would like to thank you for investing in our SICAV. The Board is grateful for your continued commitment towards the SICAV.

Luxembourg, 23rd January 2023

The Board of Directors

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

Independent auditor's report

To the Shareholders of
KATLA FUND
Luxembourg

Opinion

We have audited the financial statement of KATLA FUND (the "Fund"), which comprise the statement of net assets, the statement of investment and other net assets as at 31 December 2022, and the statement of operations and other changes in the net assets for the year then ended, and the 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 as at 31 December 2022, and of the results of their operations and changes in their 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 (the "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 included 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 these 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 and each of its sub-funds’ 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 any of its sub-funds 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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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 of 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 of 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 or any of its sub-funds' 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 or any of its sub-funds 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 the Board of Directors 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.

Ernst & Young
Société anonyme
Cabinet de révision agréé



Nadia Faber

Luxembourg, 20 March 2023

KATLA FUND - GLOBAL EQUITY

Statement of net assets (in EUR)

as at 31st December 2022

Assets

Securities portfolio at market value	210,589,710.52
Cash at banks	2,963,466.00
Receivable on issues of shares	10,638.61
Bank interest receivable	176.30
Total assets	213,563,991.43

Liabilities

Bank overdrafts	10.95
Payable on redemptions of shares	15,588.22
Bank interest payable	6.80
Expenses payable	905,954.85
Total liabilities	921,560.82
Net assets at the end of the year	212,642,430.61

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	856,520.8799	EUR	221.57	189,782,749.93
B	102,921.8192	EUR	222.11	22,859,680.68
				212,642,430.61

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

KATLA FUND - GLOBAL EQUITY

Statement of operations and other changes in net assets (in EUR) from 1st January 2022 to 31st December 2022

Income	
Dividends, net	2,107,469.60
Bank interest	35,838.47
Total income	<u>2,143,308.07</u>
Expenses	
Management fees	3,525,380.04
Depositary fees	199,254.41
Banking charges and other fees	62,133.14
Transaction fees	420,541.72
Central administration costs	115,719.34
Professional fees	19,579.07
Other administration costs	19,844.75
Subscription duty ("taxe d'abonnement")	107,013.42
Bank interest paid	16,848.13
Other expenses	61.17
Total expenses	<u>4,486,375.19</u>
Net investment loss	-2,343,067.12
Net realised gain/(loss)	
- on securities portfolio	2,206,704.13
- on forward foreign exchange contracts	6,689.56
- on foreign exchange	170,327.41
Realised result	<u>40,653.98</u>
Net variation of the unrealised gain/(loss)	
- on securities portfolio	<u>-42,753,182.48</u>
Result of operations	<u>-42,712,528.50</u>
Subscriptions	32,939,197.76
Redemptions	-39,040,040.41
Total changes in net assets	<u>-48,813,371.15</u>
Total net assets at the beginning of the year	<u>261,455,801.76</u>
Total net assets at the end of the year	<u><u>212,642,430.61</u></u>

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

KATLA FUND - GLOBAL EQUITY

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

Total net assets	Currency	31.12.2020	31.12.2021	31.12.2022
	EUR	196,345,812.20	261,455,801.76	212,642,430.61

Net asset value per share class	Currency	31.12.2020	31.12.2021	31.12.2022
A	EUR	195.21	264.48	221.57
B	EUR	-	-	222.11

Number of shares	outstanding at the beginning of the year	issued	redeemed	outstanding at the end of the year
A	988,562.2737	37,799.1705	-169,840.5643	856,520.8799
B	-	104,721.8192	-1,800.0000	102,921.8192

KATLA FUND - GLOBAL EQUITY

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					
CAD	120,000	Descartes Systems Gr (The) Inc	5,177,449.61	7,832,791.41	3.68
CHF	30,000	Straumann Holding AG	3,441,970.58	3,208,801.48	1.51
DKK	67,000	Coloplast A/S B	7,458,268.52	7,316,072.51	3.44
DKK	57,000	DSV A/S	8,201,361.96	8,404,863.43	3.95
DKK	120,000	Novo Nordisk AS B	9,631,487.01	15,136,701.74	7.12
			<u>25,291,117.49</u>	<u>30,857,637.68</u>	<u>14.51</u>
EUR	10,000	ASML Holding NV	4,369,569.81	5,038,000.00	2.37
EUR	33,000	Deutsche Boerse AG Reg	4,494,609.57	5,326,200.00	2.50
EUR	42,000	Ferrari NV	7,655,526.55	8,408,400.00	3.95
EUR	145,000	Kone Oyj B	8,074,228.97	7,003,500.00	3.29
EUR	10,000	LVMH Moët Hennessy L Vuit SE	6,008,938.30	6,799,000.00	3.20
EUR	330,000	Universal Music Group NV	6,308,712.28	7,428,300.00	3.49
			<u>36,911,585.48</u>	<u>40,003,400.00</u>	<u>18.80</u>
GBP	165,000	Diageo Plc	7,559,727.94	6,785,855.90	3.19
GBP	70,000	London StockExchange Gr Plc	6,188,765.55	5,628,344.93	2.65
			<u>13,748,493.49</u>	<u>12,414,200.83</u>	<u>5.84</u>
NOK	125,000	Bakkafrost P/F Reg	6,797,446.20	7,323,785.48	3.44
USD	18,000	Adobe Inc Reg	8,172,692.71	5,674,776.34	2.67
USD	95,000	AlphabetInc C	7,980,743.93	7,896,716.47	3.71
USD	70,000	Amazon.com Inc	8,257,113.52	5,508,454.73	2.59
USD	35,000	Autodesk Inc	7,345,029.28	6,127,172.23	2.88
USD	110,000	Charles Schwab Corp	7,690,530.09	8,579,886.65	4.04
USD	17,000	Costco Wholesale Corp	8,413,451.95	7,270,129.75	3.42
USD	115,000	General Mills Inc	9,185,714.34	9,033,444.19	4.25
USD	35,000	Intuitive Surgical Inc	7,678,336.69	8,700,407.51	4.09
USD	50,000	Keysight Technologies Inc Reg	7,839,452.17	8,013,021.69	3.77
USD	4,000	Lululemon Athletica Inc	1,184,362.71	1,200,543.35	0.56
USD	85,000	Meta Platforms Inc A	11,562,042.78	9,582,556.56	4.51
USD	42,500	Microsoft Corp	9,893,048.02	9,548,316.08	4.49
USD	20,000	Moody's Corp	3,915,215.40	5,220,291.35	2.46
USD	47,500	Visa Inc A	8,709,158.83	9,245,023.19	4.35
USD	50,000	Waste Management Inc	5,655,993.61	7,348,353.55	3.46
			<u>113,482,886.03</u>	<u>108,949,093.64</u>	<u>51.25</u>
Total investments in securities			<u>204,850,948.88</u>	<u>210,589,710.52</u>	<u>99.03</u>
Cash at banks				2,963,466.00	1.39
Bank overdrafts				-10.95	0.00
Other net assets/(liabilities)				-910,734.96	-0.42
Total				<u>212,642,430.61</u>	<u>100.00</u>

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

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

KATLA FUND - GLOBAL EQUITY

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

Industrial classification

(in percentage of net assets)

Technologies	28.66 %
Cyclical consumer goods	17.21 %
Industrials	16.93 %
Healthcare	16.16 %
Non-cyclical consumer goods	10.88 %
Financials	9.19 %
Total	<u>99.03 %</u>

Geographical classification

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

United States of America	50.69 %
Denmark	14.51 %
The Netherlands	9.81 %
United Kingdom	5.84 %
Canada	4.24 %
Feroe Islands	3.44 %
Finland	3.29 %
France	3.20 %
Germany	2.50 %
Switzerland	1.51 %
Total	<u>99.03 %</u>

KATLA FUND

Notes to the financial statements

as at 31st December 2022

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 information documents ("KID") of the SICAV, (also published on www.conventumtps.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. The financial statements of the SICAV have been prepared on a going concern basis.

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 31st December 2022

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 and are disclosed in the statement of operations and other changes in net assets.

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 EQUITY are fully amortised.

If the launch of a Sub-Fund occurs after the launch date of the SICAV, the formation expenses related 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. Net realised gains or losses on foreign exchange are disclosed in the statement of operations and other changes in net assets.

h) Transaction fees

Transaction costs disclosed under the item "Transaction fees" in the expenses of the statement of operations and other changes in net assets are mainly composed of broker fees incurred by the SICAV and of fees relating to transactions paid to the depositary as well as of transaction fees on financial instruments and derivatives and of fees relating to term deposits.

Note 3 - Management fees

The SICAV has appointed BLI - BANQUE DE LUXEMBOURG INVESTMENTS acting under the commercial name CONVENTUM THIRD PARTY SOLUTIONS 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.

KATLA FUND

Notes to the financial statements (continued)

as at 31st December 2022

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

Name of the sub-fund	Share class	Currency	Management fee
KATLA FUND - GLOBAL EQUITY	A	EUR	1.50% p.a.
	B*	EUR	0.75% p.a.

* launched on 19th September 2022

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 may be applied to Class A shares.

No subscription fee is applied to Class B shares.

No redemption fee is applied to both share classes.

A conversion fee up to 0.5% of the conversion amount may be applied to both share classes.

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. Whereas, the share classes intended exclusively for institutional investors within the meaning of article 174(2) of the Law of 2010 are subject to a reduced subscription tax of 0.01%.

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 - Events

Russia - Ukraine Crisis

In February 2022, a number of countries (including the US, UK and EU) imposed sanctions against certain entities and individuals in Russia as a result of the official recognition of the Donetsk People Republic and Lugansk People Republic by the Russian Federation. Announcements of potential additional sanctions have been made following military operations initiated by Russia against the Ukraine on 24th February 2022.

KATLA FUND

Notes to the financial statements (continued)

as at 31st December 2022

The situation, together with growing turmoil from fluctuations in commodity prices and foreign exchange rates, and the potential to adversely impact global economies, has driven a sharp increase in volatility across markets. The Board of Directors regards these events for the SICAV and its Sub-Fund KATLA FUND - GLOBAL EQUITY as non-adjusting events after the reporting period.

Although neither the SICAV's and its Sub-Fund's performance and going concern nor operations, at the date of this report, have been significantly impacted by the above, the Board of Directors continues to monitor the evolving situation and its impact on the financial position of the SICAV and of its Sub-Fund KATLA FUND - GLOBAL EQUITY.

Note 8 - Subsequent events

There are no significant subsequent event.

KATLA FUND

Additional information (unaudited)

as at 31st December 2022

1 - Risk management

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

In terms of risk management, the Management Company of the SICAV decided to adopt the commitment approach as a method of determining the global exposure.

2 - Remuneration

The remuneration policy of BLI - Banque de Luxembourg Investments is aligned with that in force within its parent company, Banque de Luxembourg. This policy complies with the regulatory provisions and the values with which BLI - Banque de Luxembourg Investments is identified in the long term.

BLI - Banque de Luxembourg Investments respects an appropriate balance between the fixed and variable components of its employees' total remuneration. The fixed component represents a sufficiently major proportion of the total remuneration so that the policy can be exercised with complete freedom regarding the variable components, especially the option not to pay any variable component. BLI - Banque de Luxembourg Investments reserves the right to revoke any variable remuneration award if it is found to have been granted under conditions of misconduct. In such cases, BLI - Banque de Luxembourg Investments may demand the reimbursement of all or part of the amount allocated, up to three years after its payment.

The development of employees' remuneration is based on their accumulated experience and the assumption of new responsibilities, but also to an annual assessment of each employee by the management. It is based on qualitative rather than quantitative criteria. Where quantitative criteria are taken into account, they are expressed and assessed more in relation to the achievement of collective targets. In no case is the amount of the bonus correlated with the financial performance of an employee.

In accordance with Article 5 of the Regulation (EU) 2019/2088 of the European Parliament and the Council of 27th November 2019 on sustainability-related disclosures in the financial services sector, the remuneration policy of BLI - Banque de Luxembourg Investments includes consideration of sustainability risks.

In concrete terms, BLI - Banque de Luxembourg Investments considers that the transition to a balanced and sustainable economy is an integral part of its objectives and that each employee has an active role to play. As sustainability factors are integrated in the qualitative assessment criteria of the remuneration in the same way as the other relevant criteria, each employee actively participates in the achievement of BLI - Banque de Luxembourg Investments' sustainability objectives.

The remuneration policy of BLI - Banque de Luxembourg Investments is reviewed each year and its implementation is assessed annually by an independent body.

BLI - Banque de Luxembourg Investments has delegated the investment management to the following external portfolio manager: STEFNIR ASSET MANAGEMENT COMPANY HF. (the "Investment Manager").

BLI - Banque de Luxembourg Investments ensures that its delegate Investment Manager is subject to regulatory requirements on remuneration disclosure for its staff that are equally as effective as those applicable to the management company and/or that appropriate arrangements are in place.

BLI - Banque de Luxembourg Investments further informs that it did not pay any remuneration to the staff of its delegate Investment Manager.

KATLA FUND

Additional information (unaudited) (continued)

as at 31st December 2022

During the financial year 2022, a total remuneration of EUR 9,532 mio has been paid to an average of 64 employees with a variable component weighted 30 %. Total remuneration paid to 20 identified risk takers was EUR 5,409 mio with a variable component weighted 43%.

Details of the updated remuneration policy, including in particular a description of how remuneration and benefits are calculated, the identity of the persons responsible for awarding remuneration and benefits, the composition of the remuneration committee and the integration of sustainability factors, are available free of charge upon request by investors on www.conventumtps.lu.

3 - 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.

4 - Sustainability-related disclosures

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, it is noted that:

- for the Sub-Fund KATLA FUND - GLOBAL EQUITY, referred to under article 8, the (unaudited) RTS annex is presented on the pages hereafter.

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: SICAV Katla fund – Global Equity

Legal entity identifier: 549300MVB7NQQVQ82VL86

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

Yes

No

It made **sustainable investments with an environmental objective:** ___%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:** ___%

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



To what extent were the environmental and/or social characteristics promoted by this financial product met?

In general, the environmental and/or social characteristics were met to the investment manager's satisfaction. The sustainability indicators of the environmental and social characteristics of the portfolio showed improvement over the period.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

	scale	
Environmental	(0-10)	
• Climate change and greenhouse gas emissions	7,1	higher better
• Resource depletion, including water	7,7	higher better
• Waste and pollution	3,4	lower better
Social		

- Working conditions, including no child labour or slavery 6,8 higher better
- Health and safety 2,2 lower better
- Employee relations and diversity 8,7 higher better

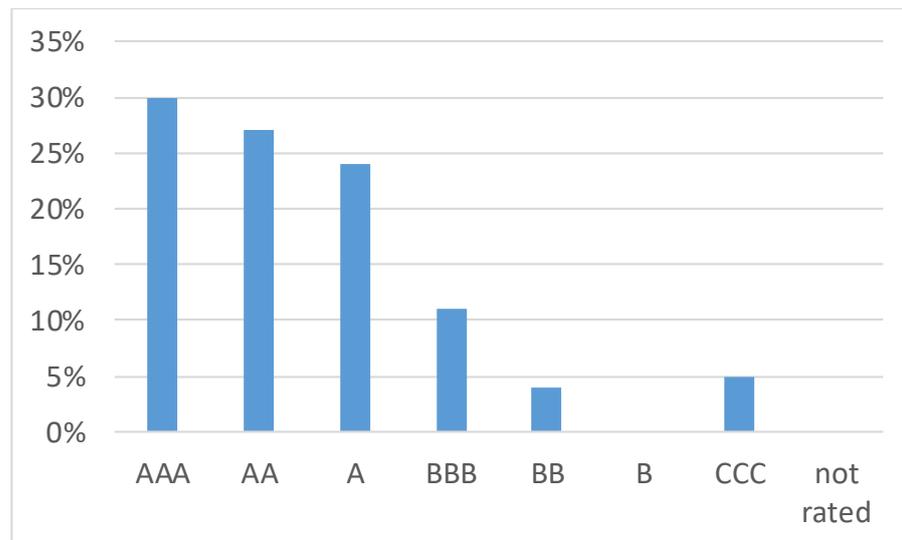
● **How did the sustainability indicators perform?**

Indicators	MSCI avg Score		Scale
Carbon emission score	9,40	higher better	1-10
Carbon emission performance relative to peers *	5,63	higher better	1-10
Water Stress Score Quartile**	1,86	lower better	1-4
Natural Capital Theme Score	7,32	higher better	1-10
Pollution & Waste Theme Score	1,03	lower better	1-10
MSCI Toxic Emissions & Waste Score Quartile	3,44	lower better	1-10
BESG Waste Management Issue Percentile	10,59	lower better	1-100
Company's Social Pillar Score Quartile **	2,17	lower better	1-4
MSCI Social Pillar Score	5,31	higher better	1-10
MSCI Health & Safety Exposure Score	2,19	lower better	1-10
MSCI Labor Management Employee Satisfaction Score	8,72	higher better	1-10

*over 5 better than average within respective industry

**average 2,0

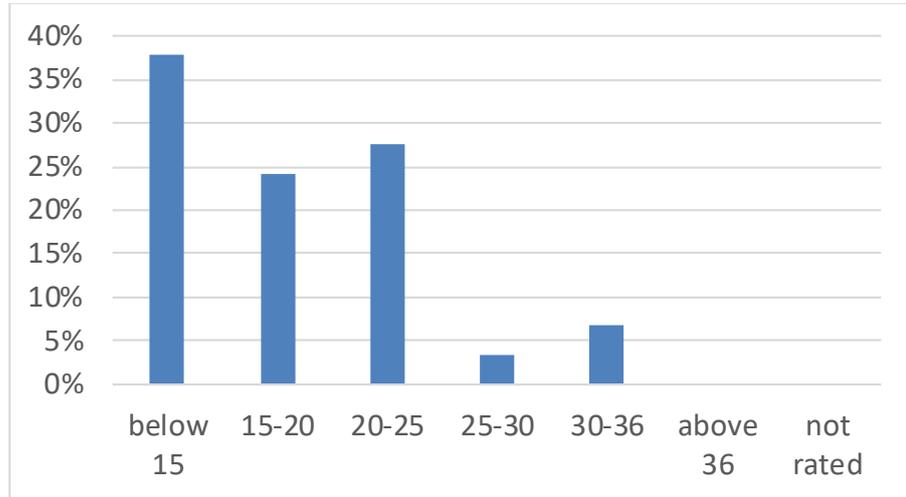
MSCI ESG rating distribution of the portfolio at December 31st 2022



One investment in the fund (META Platforms) was downgraded in December 2022 by MSCI from B to CCC, but holds a Sustianalytics rating of 34,54. The Investment manager deems the downgrade, and the rationale for the downgrade, by MSCI not to prompt discharge of the investment.

The fund has an overall MSCI rating of AA at end of 2022. The objective is to hold a minimum of AA MSCI rating.

Sustanalytics rating distribution of the portfolio at December 31st 2022



Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **...and compared to previous periods?**

N/A

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives**

N/A

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

N/A

— **How were the indicators for adverse impacts on sustainability factors taken into account? N/A**

— **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details: N/A**

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

The fund tracks the Mandatory PAI factors for informational and data tracking reasons.

End of year performance averages:

Total GHG Emissions/EVIC	72,1	MT CO ₂ -eq/EVIC (M€)
Carbon Footprint/EVIC	11,4	MT CO ₂ -eq/EVIC (M€)
GHG Intensity	44,1	MT CO ₂ -eq/Sales (M€)
Exposure to Fossil Fuel Sectors	-	%
Non-Renewable Energy Consumption	51,3	%
Non-Renewable Energy Production	-	%
Energy Consumption Intensity	69,5	MWh/Sales (M€)
Number of Sites Env. Sensitive Areas	-	Number of Sites
Emissions to Water	-	1k MT
Hazardous Waste	4,8	1k MT
UNGC Violations (Latest)	N	Y/N
Policies for Monitoring UNGC Compliance	70,4	Ratio
Mean Gender Pay Gap	4,5	%
Median Gender Pay Gap	-	%
Board Gender Diversity	37,8	% Female Members/Total Members
Exposure to Controversial Weapons (Latest)	N	Y/N



What were the top investments of this financial product?

Largest investments	Sector	% Assets	Country
NOVO NORDISK A/S-B	Health Care	7,1	DE
META PLATFORMS INC-CLASS A	Communication Services	4,5	US
MICROSOFT CORP	Information Technology	4,5	US
VISA INC-CLASS A SHARES	Information Technology	4,3	US
GENERAL MILLS INC	Consumer Staples	4,2	US
INTUITIVE SURGICAL INC	Health Care	4,1	US
SCHWAB (CHARLES) CORP	Financials	4,0	US
FERRARI NV	Consumer Discretionary	4,0	IT
DSV A/S	Industrials	4,0	DE
KEYSIGHT TECHNOLOGIES IN	Information Technology	3,8	US
ALPHABET INC-CL C	Communication Services	3,7	US
DESCARTES SYSTEMS GRP/THE	Information Technology	3,7	CA
UNIVERSAL MUSIC GROUP NV	Communication Services	3,5	NE
WASTE MANAGEMENT INC	Industrials	3,5	US
BAKKAFROST P/F	Consumer Staples	3,4	FO

What was the proportion of sustainability-related investments?

N/A

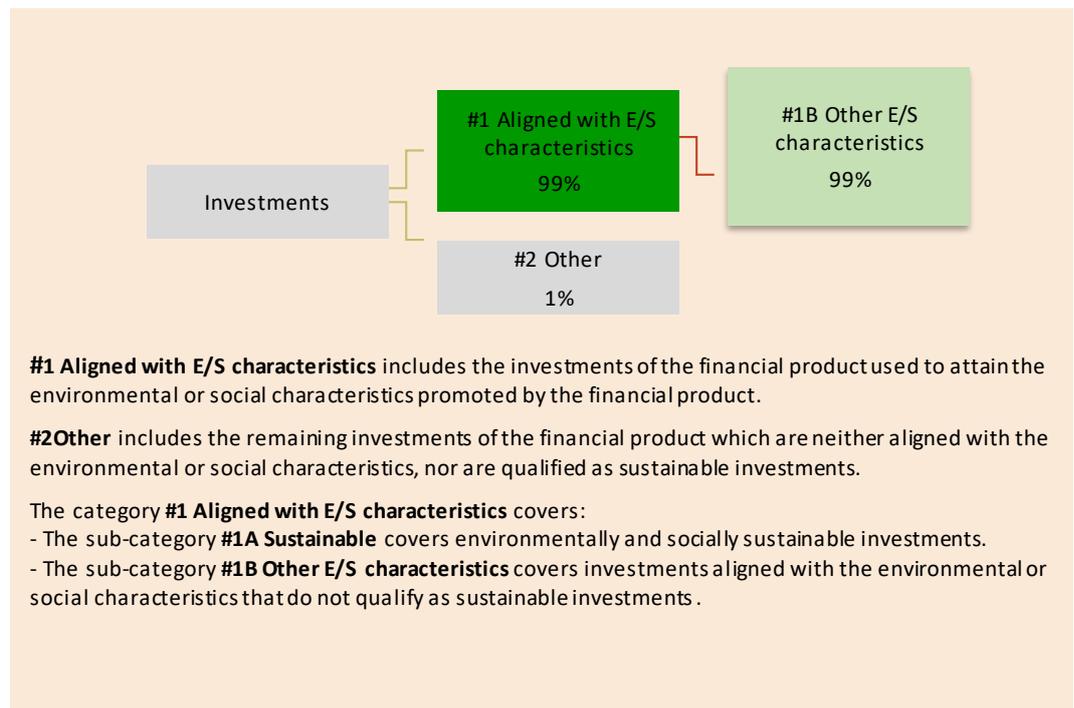
Asset allocation describes the share of investments in specific assets.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



● What was the asset allocation?



*Investments means the sub-fund's net assets of the sub-fund

● **In which economic sectors were the investments made?**

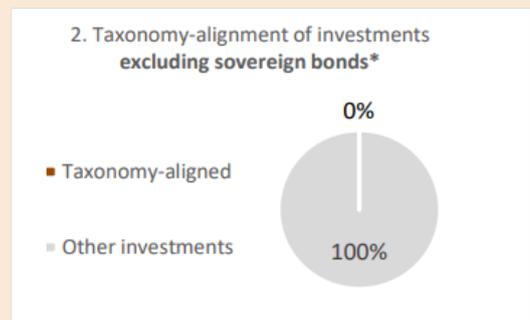
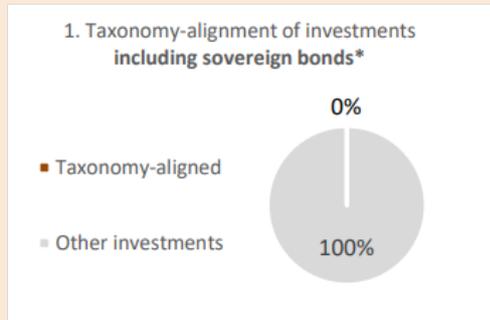
- 12% Communication Services
- 10% Consumer Discretionary
- 14% Consumer Staples
- 12% Financials
- 16% Health Care
- 11% Industrials
- 24% Information Technology



To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

N/A

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

N/A

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

N/A



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

N/A



What was the share of socially sustainable investments?

N/A



What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

“Others” consist of cash position at year end.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

No actions required



How did this financial product perform compared to the reference benchmark?

N/A

- ***How does the reference benchmark differ from a broad market index?***

N/A

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

N/A

- ***How did this financial product perform compared with the reference benchmark?***

N/A

- ***How did this financial product perform compared with the broad market index?***

N/A

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.