

PALLADIUM FCP  
Mutual Fund under Luxembourg Law  
R.C.S. Luxembourg N° K1320  
Semi-Annual Report and unaudited financial statements  
(Partial report dedicated to the Swiss Market)  
as at December 31, 2019

No subscription can be received on the basis of financial reports. Subscriptions are only valid if made on the basis of the current prospectus and relevant Key Investor Information Document ("KIID") which will be accompanied by a copy of the latest available annual report and audited financial statements and a copy of the latest available semi-annual report, if published after such annual report.

# PALLADIUM FCP

---

## Table of Contents

Organisation .....	3
General Information.....	4
Statement of Net Assets as at December 31, 2019 .....	7
Statement of Operations and Changes in Net Assets for the period ended December 31, 2019 .....	8
Statement of changes in the number of units for the period ended December 31, 2019 .....	9
Statistics .....	10
PALLADIUM FCP - CAIRN MEDIUM RISK STRATA UCITS CREDIT FUND.....	11
Securities Portfolio as at December 31, 2019 .....	11
Portfolio breakdown .....	15
Top Ten Holdings.....	15
Notes to the Financial Statements as at December 31, 2019 .....	16
Additional information regarding the Transparency of Securities Financing Transactions .....	22
Additional information .....	23

# PALLADIUM FCP

---

## Organisation

### Management Company:

Mediobanca Management Company S.A.  
2, boulevard de la Foire  
L-1528 Luxembourg  
Grand-Duchy of Luxembourg

### Board of Directors of the Management Company

Giovanni Mancuso  
Chairman of the Board  
Independent Director  
151, rue Pierre Krier  
L-1880 Luxembourg  
Grand-Duchy of Luxembourg

Fabio Ventola  
Chief Executive Officer  
Mediobanca Management Company S.A.  
2, boulevard de la Foire  
L-1528 Luxembourg  
Grand-Duchy of Luxembourg

Giovanni Lainati  
Independent Director  
42, am Bongert  
L-1270 Luxembourg  
Grand-Duchy of Luxembourg

Stefano Biondi  
Chief Executive Officer  
Mediobanca International (Luxembourg) S.A.  
4, boulevard Joseph II  
L-1840 Luxembourg  
Grand-Duchy of Luxembourg

### Depositary Bank, Transfer and Registrar Agent and Administrative Agent:

BNP Paribas Securities Services, Luxembourg Branch  
60, avenue J.F. Kennedy  
L-1855 Luxembourg  
Grand-Duchy of Luxembourg

### Delegated Investment Managers:

Mediobanca SGR S.p.A.  
Piazzetta Bossi, 1  
I-20121 Milano  
Italy

Cairn Capital Limited  
27 Knightsbridge  
London SW1X 7LY  
United Kingdom

### Distributors:

CheBanca! S.p.A.  
Viale Bodio, 37 - Palazzo 4  
I-20158 Milano  
Italy

Allfunds Bank, S.A.U., Milan Branch  
Via Santa Margherita, 7  
I-20121 Milano  
Italy

Mediobanca - Banca di Credito Finanziario S.p.A.  
Piazzetta Enrico Cuccia, 1  
I-20121 Milano  
Italy

ONLINE Sim S.p.A.  
Via Santa Maria Segreta, 7/9  
I-20123 Milano  
Italy

BANCA IFIGEST S.p.A.  
Piazza Santa Maria Soprarno, 1  
I-50125 Firenze  
Italy

Cairn Capital Limited  
27 Knightsbridge  
London SW1X 7LY  
United Kingdom

### Auditor of the Management Company and of the Fund:

Ernst & Young S.A.  
35E, avenue J.F. Kennedy  
L-1855 Luxembourg  
Grand-Duchy of Luxembourg

### Legal Advisors:

Arendt & Medernach S.A.  
41A, avenue J.F. Kennedy  
L-2082 Luxembourg  
Grand-Duchy of Luxembourg

### Representative and Paying Agent in Switzerland:

BNP Paribas Securities Services, Paris, Succursale de Zurich  
Selnaustrasse 16  
8002 Zurich  
Switzerland

### Place of performance and jurisdiction:

Both the place of performance and the place of jurisdiction for units in the sub-fund offered or distributed in or from Switzerland shall be the seat of the Swiss representative.

# PALLADIUM FCP

---

## General Information

PALLADIUM FCP (the "Fund") is a Mutual Fund established in Luxembourg in accordance with Part I of the Law of December 17, 2010 on Undertakings for Collective Investment, as amended.

The Management regulations in force were signed on February 21, 2019. The mention of their deposit with the Luxembourg Trade and Companies Register (the "R.C.S.") was published in the RESA on February 28, 2019.

The assets of the Fund are the joint and indivisible property of the participants and are segregated from the assets of the Management Company. All the units have equal rights. No restrictions are established on the amount of the assets or on the number of units representing Fund's assets. The net assets of the Fund must amount to at least EUR 1,250,000.

### 1. Periodic reports

The accounting year of the Fund starts on July 1 and terminates on June 30.

### 2. Unitholders' information

#### a) Net asset value

The net asset value per class of units is available at the registered office of the Management Company of the Fund and is published in "Il sole 24 Ore".

#### b) Subscription and redemption prices

The subscription and redemption prices of each class of units are rendered public each day at the counters of the Depository Bank and in banks offering financial services.

#### c) Notification to the unitholders

The other information addressed to the unitholders is published in the "Registre de Commerce et des Sociétés" in Luxembourg if this publication is prescribed by the management regulations or the prospectus. Moreover, they might be published in any newspaper published in the Grand-Duchy of Luxembourg and other newspaper(s) that the Board of Directors of the Management Company may determine.

d) The Fund's documentation (article of incorporation, prospectus, annual and semi-annual reports, KIID, information on the management fees) is available free of charge at the registered office of the representative in Switzerland.

The list of changes in the portfolio of the sub-fund is available free of charge upon request at the registered office of the Management Company of the Fund and at the registered office of the representative in Switzerland.

## Risk Measurement and Global Exposure

The Management Company uses a risk management process that enables it to monitor and measure at any time the risk of the portfolio positions and their contribution to the overall risk profile of the sub-fund. In accordance with the law of December 17, 2010, as amended, and the applicable regulatory requirements of the Commission de Surveillance du Secteur Financier "CSSF", the Management Company reports to the CSSF on a regular basis on the risk management process.

The Value at Risk (VaR) approach is used to monitor and measure the global exposure of the sub-fund PALLADIUM FCP - CAIRN MEDIOBANCA STRATA UCITS CREDIT FUND.

# PALLADIUM FCP

## General Information (continued)

For the period ended December 31, 2019, the VaR methodology, the information on the utilization of the VaR limit (the lowest, the highest and the average VaR), the model and the parameters used for its calculation as well as the average level of leverage are detailed as follows:

Sub-Fund Name	PALLADIUM FCP - CAIRN MEOBANCA STRATA UCITS CREDIT FUND
Global Exposure - Methodology	Absolute VaR
<b>Information on the VaR:</b>	
Regulatory Limit	20%
VaR Model used	Parametric
Lowest VaR	0.29%
Highest VaR	1.68%
Average VaR	1.48%
Historical Data Serie Size	164
Price Return Frequency	Weekly
Decay Factor	0.99
Time Horizon	1 month
Confidence Level	99%

Leverage	
Expected Maximum level of leverage	
Gross approach	600%
Net approach	400%
Average observed level of leverage	
Gross approach	62.80%
Net approach	36.90%

## Remuneration

PALLADIUM FCP adopted the Remuneration Policy of Mediobanca Management Company S.A. (the "Management Company").

The Remuneration Policy is aimed at ensuring that any relevant conflicts of interest can be managed appropriately at all times and sets out practices for those categories of staff, including senior management, risk takers, control functions, and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profile of the sub-fund, that are consistent with and promote sound and effective risk management and do not encourage risk-taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the sub-fund.

This Remuneration Policy is in line with the business strategy, objectives, values and interests of the Management Company, the Funds under management and the investors in those Funds and includes measures to avoid conflicts of interest. In addition, the remuneration policy adopted applies the principles laid out under the UCITS Directive.

### *Identified staff*

The UCITS Directive requires the Management Company to identify the categories of staff whose professional activities have a material impact on the risk profiles of the sub-fund.

The identified staff for the purpose of this Remuneration Policy are Mr. Fabio Gabriele and Mr. Fabio Ventola as Conducting Officers of Mediobanca Management Company S.A., Mr. Stefano Biondi as Board Member of Mediobanca Management Company S.A., Mr. Giovanni Mancuso and Mr. Giovanni Lainati as Independent Members of the Board of Mediobanca Management Company S.A., and Mr. Giorgio Paleari as Head of Internal Audit of the Parent Company (Mediobanca S.p.A.).

# PALLADIUM FCP

---

## General Information (continued)

### *Structure of remuneration*

1. Fixed remuneration
2. Variable remuneration

The Management Company dedicates itself to collective asset management by managing a fund portfolio. Therefore, the variable component is predominantly established on a quantitative basis according to the actual profitability of the Management Company, taking into account any risk alignments.

The amount of individual bonuses may vary at the discretion of the management, according to assessments made regarding compliance with the business model, the attainment of targets and the absence of any critical situations or other prejudicial factors (i.e. in relation to Risks, Compliance and Anti-Money Laundering and Human Resources).

To measure performance, this discretion will be accompanied by a performance measurement system introduced at the start of each financial year in line with the allocated budget. The system will be quantitative and qualitative in nature and will consider corrective elements linked to the areas of compliance referred to above. The guidelines for the incentive scheme are determined in accordance with the policies of Mediobanca S.p.A. and the Mediobanca Group.

During its last accounting period ended December 31, 2019, the Management Company remunerated staff members as follows:

Total fixed remuneration*:	EUR 358,025.05
Total variable remuneration**:	EUR 74,254.37
Total remuneration:	EUR 432,279.42

Number of beneficiaries 6

Aggregate amount for senior management, fund managers, control functions and other risk takers whose professional activities have a material impact on the risk profiles of the Management Company and identified in the remuneration policy as "identified staff":

Total fixed remuneration*:	EUR 190,087.50
Total variable remuneration**:	EUR 50,000.00
Total remuneration of identified staff:	EUR 240,087.50

Aggregated amount of remuneration for other members of staff EUR 192,191.92.

\* Benefit in Kind are excluded

\*\* This amount is the variable remuneration paid to the different staff members for the period ended December 31, 2019, in compliance with the remuneration policy.

### *EU delegates*

For the management of the sub-fund PALLADIUM FCP - CAIRN MEDIOBANCA STRATA UCITS CREDIT FUND the gross total remuneration paid during the period July 1, 2019 - December 31, 2019 by CAIRN CAPITAL LIMITED to the personnel (5 people) is equal to EUR 531,636, only composed of the fixed component equal to EUR 531,636.

# PALLADIUM FCP

## Statement of Net Assets as at December 31, 2019

	Notes	PALLADIUM FCP - CAIRN MEOBANCANCA STRATA UCITS CREDIT FUND EUR
<b>Assets</b>		
Investments in securities at cost		195,983,308.57
Unrealised gain / (loss) on securities		3,690,023.79
Investments in securities at market value		199,673,332.36
Cash at bank		14,663,921.50
Receivable on subscriptions		7,789,985.76
Receivable on investment sold		602,400.00
Interests and dividends receivable		1,499,185.76
Formation expenses		108,463.91
Net unrealised gain on forward foreign exchange contracts	7	752,364.45
<b>Total assets</b>		<b>225,089,653.74</b>
<b>Liabilities</b>		
Bank overdraft		6,541.20
Accrued expenses		469,802.73
Payable on redemptions		50,046.00
Payable on securities purchased		7,346,362.50
Net unrealised loss on swap contracts and contracts for difference	7	2,322,740.92
<b>Total liabilities</b>		<b>10,195,493.35</b>
<b>Net assets at the end of the period</b>		<b>214,894,160.39</b>

The accompanying notes form an integral part of the financial statements.

# PALLADIUM FCP

## Statement of Operations and Changes in Net Assets for the period ended December 31, 2019

	Notes	PALLADIUM FCP - CAIRN MEOBANCA STRATA UCITS CREDIT FUND EUR
<b>Income</b>		
Interests on bonds (net of withholding taxes)		2,058,692.34
Bank interests		5,186.61
Income on swap contracts and contracts for difference		96,667.05
<b>Total income</b>		<b>2,160,546.00</b>
<b>Expenses</b>		
Investment management fees	4	457,717.34
Management company fees	5	64,403.73
Depository bank fees	5	52,478.68
Performance fees	4	2,083.80
Administration fees	5	19,213.66
Professional fees		72,282.39
Transactions costs		29,329.79
Subscription Tax	6	32,460.92
Amortization of formation expenses		12,013.81
Bank interests and charges		41,599.11
Expenses on options, swap contracts and contracts for difference		426,367.95
Printing & publication fees		3,150.00
Other expenses		151,967.30
<b>Total expenses</b>		<b>1,365,068.48</b>
<b>Net investment income gain / (loss)</b>		<b>795,477.52</b>
Net realised gain / (loss) on:		
Investments		578,196.51
Forward foreign exchange contracts		(1,417,878.72)
Options, swap contracts and contracts for difference		(64,160.23)
Foreign exchange translations		(336,170.28)
<b>Net realised gain / (loss) for the period</b>		<b>(444,535.20)</b>
Net change in unrealised gain / (loss) on:		
Investments		3,369,282.88
Forward foreign exchange contracts		659,581.21
Options, swap contracts and contracts for difference		601,441.11
<b>Increase / (Decrease) in net assets as a result of operations</b>		<b>4,185,770.00</b>
Subscriptions		149,147,898.42
Redemptions		(2,804,248.74)
Net assets at the beginning of the period		64,364,740.71
<b>Net assets at the end of the period</b>		<b>214,894,160.39</b>

The accompanying notes form an integral part of the financial statements.



## PALLADIUM FCP

### Statement of changes in the number of units for the period ended December 31, 2019

	Number of units at the beginning of the period	Number of units subscribed	Number of units redeemed	Number of units at the end of the period
<b>PALLADIUM FCP - CAIRN MADIOBANCA STRATA UCITS CREDIT FUND</b>				
<i>Classic 1</i>	138,816.16	655,831.06	13,951.69	780,695.54
<i>Classic 4</i>	-	4,256.76	-	4,256.76
<i>Classic 5</i>	-	2,764.92	-	2,764.92
<i>Classic 7</i>	-	30,008.11	-	30,008.11
<i>Institutional 1</i>	1,000.00	768,327.97	13,504.52	755,823.45
<i>Institutional 4</i>	1,000.00	5,646.80	-	6,646.80
<i>Institutional 5</i>	-	3,900.00	-	3,900.00
<i>Management</i>	498,000.00	-	-	498,000.00

# PALLADIUM FCP

## Statistics

Sub-fund	Date	Number of Outstanding Units		Total Net Assets (in EUR)	Net Asset Value per Unit (in EUR)	
<b>PALLADIUM FCP - CAIRN MEDIATEBANCA STRATA UCITS CREDIT FUND</b>	June 30, 2019	138,816.16	Classic 1	64,364,740.71	100.76	Classic 1
		-	Classic 4		-	Classic 4
		-	Classic 5		-	Classic 5
		-	Classic 7		-	Classic 7
		1,000.00	Institutional 1		100.67	Institutional 1
		1,000.00	Institutional 4		100.63	Institutional 4
		-	Institutional 5		-	Institutional 5
		498,000.00	Management		100.75	Management
	December 31, 2019	780,695.54	Classic 1	214,894,160.39	103.15	Classic 1
		4,256.76	Classic 4		100.80	Classic 4
		2,764.92	Classic 5		100.96	Classic 5
		30,008.11	Classic 7		101.76	Classic 7
		755,823.45	Institutional 1		103.39	Institutional 1
		6,486.80	Institutional 4		103.18	Institutional 4
780.00	Institutional 5	90.92	Institutional 5			
498,000.00	Management	103.85	Management			

# PALLADIUM FCP

## PALLADIUM FCP - CAIRN MEDIOBANCA STRATA UCITS CREDIT FUND

### Securities Portfolio as at December 31, 2019

Name	Currency	Quantity / Nominal	Market Value in EUR	% of net assets
<b>Transferable securities admitted to an official exchange listing</b>				
<b>Bonds and other debt instruments</b>				
<b>Asset backed securities</b>				
ACLO 1X DRR 19-23/03/2032 FRN	EUR	2,500,000.00	2,489,750.00	1.16
ALHA 2019-1 A 19-30/11/2028 FRN	EUR	2,500,000.00	2,482,798.25	1.16
ANORI 2019-1 D 19-25/09/2035 FRN	EUR	1,000,000.00	1,005,785.80	0.47
ANORI 2019-SP D 19-25/12/2032 FRN	EUR	1,000,000.00	1,000,007.20	0.47
ARBR 7X F 20-15/03/2033 FRN	EUR	1,125,000.00	1,051,875.00	0.49
ARESE 12X D 19-20/04/2032 FRN	EUR	1,000,000.00	993,600.00	0.46
ARESE 13X D 20-20/07/2032 FRN	EUR	1,000,000.00	1,000,000.00	0.47
BABSE 2019-2X D 20-24/07/2032 FRN	EUR	2,000,000.00	2,000,000.00	0.93
BCCE 2019-1X E 19-15/04/2032 FRN	EUR	2,000,000.00	2,038,300.00	0.95
BLACK 2019-1X DE 19-15/05/2032 FRN	EUR	1,000,000.00	1,004,100.00	0.47
BLUME 5X D 19-15/01/2033 FRN	EUR	2,000,000.00	2,025,200.00	0.94
BNPAM 2017-1X E 17-15/10/2031 FRN	EUR	1,957,000.00	1,841,830.55	0.86
BNPAM 2018-1X E 18-15/04/2031 FRN	EUR	1,500,000.00	1,465,725.00	0.68
BNPAM 2018-1X F 18-15/04/2031 FRN	EUR	2,000,000.00	1,798,900.00	0.84
BOPHO 5X F 19-12/12/2032 FRN	EUR	1,500,000.00	1,529,175.00	0.71
CADOG 12X E 18-15/10/2031 FRN	EUR	1,500,000.00	1,429,275.00	0.67
CADOG 9X D 17-15/07/2030 FRN	EUR	2,500,000.00	2,479,750.00	1.15
CGMSE 2014-3X CR 18-25/01/2032 FRN	EUR	2,500,000.00	2,369,875.00	1.10
CONTE 7X D 19-14/05/2032 FRN	EUR	2,000,000.00	2,031,200.00	0.95
CONTE 7X F 19-14/05/2032 FRN	EUR	2,000,000.00	2,016,700.00	0.94
CORDA 16X F 19-17/06/2032 FRN	EUR	1,400,000.00	1,422,190.00	0.66
CORDA 8X D 17-23/04/2030 FRN	EUR	2,200,000.00	2,186,910.00	1.02
CRNCL 2017-8X E 17-30/10/2030 FRN	EUR	1,380,000.00	1,312,518.00	0.61
DECO 2019-RAM A 19-07/08/2030 FRN	GBP	500,000.00	587,345.27	0.27
DECO 2019-RAM B 19-07/08/2030 FRN	GBP	2,000,000.00	2,335,462.15	1.09
DOMI 2019-1 D 19-15/06/2051 FRN	EUR	998,000.00	1,007,223.42	0.47
DRYD 2014-35X DRR 20-17/01/2033 FRN	EUR	1,700,000.00	1,699,490.00	0.79
FOAKS 1X DE 19-15/07/2030 FRN	EUR	1,000,000.00	1,003,600.00	0.47
FROSN 2018-1 C 18-21/05/2028 FRN	EUR	319,405.89	319,759.76	0.15
FROSN 2018-1 D 18-21/05/2028 FRN	EUR	1,038,069.15	1,038,393.34	0.48
GENEM 2019-1 D 19-15/06/2056 FRN	GBP	1,999,990.02	2,353,043.78	1.09
HARVT 8X ERR 18-15/01/2031 FRN	EUR	2,300,000.00	2,131,410.00	0.99
HAYEM 3X D 19-15/10/2032 FRN	EUR	3,000,000.00	3,043,200.00	1.42
IMT 2003-3G A2 03-27/09/2035 FRN	USD	451,378.41	383,907.44	0.18
IMT 2004-2G A 04-14/03/2036 FRN	USD	750,205.00	647,607.45	0.30
IMT 2004-4E A2 04-14/11/2036 FRN	GBP	429,400.67	477,636.98	0.22
IMT 2005-2LX A1 05-27/07/2038 FRN	USD	882,949.06	757,483.88	0.35
JUBIL 2013-10X DR 17-15/04/2031 FRN	EUR	1,500,000.00	1,490,850.00	0.69
JUBIL 2015-16X CR 17-15/12/2029 FRN	EUR	2,500,000.00	2,475,250.00	1.15
JUBIL 2015-16X DR 17-15/12/2029 FRN	EUR	2,000,000.00	1,926,800.00	0.90
LGATE 2008-W1X BB 08-01/01/2061 FRN	EUR	1,238,680.20	1,123,283.54	0.52
MKSE 1X C 19-20/10/2032 FRN	EUR	1,500,000.00	1,515,675.00	0.71
NDFT 2019-1X D 19-15/06/2027 FRN	GBP	1,000,000.00	1,173,549.40	0.55
OZLME 6X D 19-15/07/2032 FRN	EUR	3,000,000.00	2,959,500.00	1.38
PARGN 15X CB 07-15/12/2039 FRN	EUR	1,500,000.00	1,342,360.67	0.62
PEPIB 2019-1 D 19-07/04/2028 FRN	EUR	1,500,000.00	1,503,493.05	0.70
PMF 2019-1B D 19-12/12/2055 FRN	GBP	1,500,000.00	1,765,589.36	0.82
PNERA 1 D 18-22/05/2030 FRN	EUR	996,695.85	962,318.71	0.45
PRVD 3X D 19-20/07/2032 FRN	EUR	2,000,000.00	2,014,000.00	0.94
RRME 1X D 19-15/04/2032 FRN	EUR	3,000,000.00	3,027,450.00	1.41
SBOLT 2019-2 C 19-15/03/2028 FRN	GBP	805,167.14	943,753.16	0.44
SBOLT 2019-3 C 19-15/10/2028 FRN	GBP	1,426,588.70	1,676,752.02	0.78
TAURS 2018-IT1 C 18-18/05/2030 FRN	EUR	1,083,929.00	1,047,251.44	0.49
TAURS 2019-FIN4 D 19-18/11/2031 FRN	EUR	2,900,000.00	2,900,000.00	1.35

The accompanying notes form an integral part of the financial statements.

# PALLADIUM FCP

## PALLADIUM FCP - CAIRN MEOBANCA STRATA UCITS CREDIT FUND

### Securities Portfolio as at December 31, 2019 (continued)

Name	Currency	Quantity / Nominal	Market Value in EUR	% of net assets
TIKEH 5X F 19-15/04/2032 FRN	EUR	2,000,000.00	1,966,000.00	0.90
TWRBG 4 D 19-20/12/2062 FRN	GBP	1,249,984.24	1,481,371.39	0.68
			<b>90,056,276.01</b>	<b>41.91</b>
<b>Banks</b>				
ABANCA CORP 19-18/01/2029 FRN	EUR	2,600,000.00	2,931,031.74	1.36
BANCO COM PORTUG 19-27/03/2030 FRN	EUR	2,000,000.00	2,027,363.46	0.94
BANCO SABADELL 1.75% 19-10/05/2024	EUR	2,000,000.00	2,065,679.46	0.96
BANQ INTL LUXEM 19-31/12/2059 FRN	EUR	3,600,000.00	3,677,976.00	1.72
BARCLAYS PLC 19-31/12/2059 FRN	GBP	1,600,000.00	2,026,106.74	0.94
BAWAG GROUP AG 18-31/12/2049 FRN	EUR	1,400,000.00	1,501,836.01	0.70
CAIXA GERAL DEPO 1.25% 19-25/11/2024	EUR	1,500,000.00	1,514,725.37	0.70
CAIXA GERAL DEPO 18-28/06/2028 FRN	EUR	1,900,000.00	2,175,167.94	1.01
CAIXABANK 1.375% 19-19/06/2026	EUR	1,500,000.00	1,544,776.26	0.72
CRED AGRICOLE SA 14-29/04/2049 FRN	GBP	1,600,000.00	2,254,519.00	1.05
ERSTE GROUP 19-10/06/2030 FRN	EUR	400,000.00	398,153.94	0.19
ERSTE GROUP 19-31/12/2049 FRN	EUR	1,000,000.00	1,112,524.23	0.52
FINECO BANK 19-31/12/2059 FRN	EUR	2,100,000.00	2,258,519.15	1.05
LLOYDS BK GR PLC 19-31/12/2059 FRN	GBP	700,000.00	851,544.61	0.40
NATWEST MARKETS NV 7.125% 93-15/10/2093	USD	750,000.00	999,104.09	0.46
NIBC BANK NV 17-31/12/2049 FRN	EUR	1,500,000.00	1,580,631.11	0.74
NIBC BANK NV 2% 19-09/04/2024	EUR	1,500,000.00	1,572,365.55	0.73
RAIFFEISEN BK IN 18-31/12/2049 FRN	EUR	3,400,000.00	3,291,489.61	1.53
RAIFFEISEN BK IN 19-12/03/2030 FRN	EUR	1,300,000.00	1,297,232.34	0.60
SOCIETE GENERALE 4.25% 15-14/04/2025	USD	2,000,000.00	1,880,362.35	0.88
			<b>36,961,108.96</b>	<b>17.20</b>
<b>Insurances</b>				
AMER INTL GROUP 07-15/03/2067 FRN	EUR	1,050,000.00	932,051.21	0.43
PENSION INS 5.625% 18-20/09/2030	GBP	375,000.00	488,593.16	0.23
PGH CAPITAL 6.625% 15-18/12/2025	GBP	2,900,000.00	3,969,964.83	1.85
PHOENIX GROUP 4.375% 18-24/01/2029	EUR	500,000.00	556,130.01	0.26
			<b>5,946,739.21</b>	<b>2.77</b>
<b>Miscellaneous services</b>				
ELIS SA 1.625% 19-03/04/2028	EUR	1,000,000.00	1,013,807.27	0.47
HOUSE OF FINANCE 4.375% 19-15/07/2026	EUR	1,500,000.00	1,547,076.33	0.72
KAPLA HOLDING SA 3.375% 19-15/12/2026	EUR	1,800,000.00	1,840,118.49	0.86
SISAL PAY 19-17/12/2026 FRN	EUR	1,050,000.00	1,063,382.04	0.49
			<b>5,464,384.13</b>	<b>2.54</b>
<b>Building and building materials</b>				
HEATHROW FINANCE PLC 3.875% 17-01/03/2027	GBP	400,000.00	475,102.17	0.22
HEATHROW FINANCE PLC 4.125% 19-01/09/2029	GBP	1,800,000.00	2,146,315.75	1.00
SPIE SA 2.625% 19-18/06/2026	EUR	1,100,000.00	1,155,438.82	0.54
SWISSPORT FINANC 5.25% 19-15/08/2024	EUR	1,300,000.00	1,384,802.78	0.64
			<b>5,161,659.52</b>	<b>2.40</b>
<b>Telecommunications</b>				
ALTICE FRANCE 3.375% 19-15/01/2028	EUR	1,000,000.00	1,032,743.62	0.48
CRYSTAL ALMOND S 4.25% 19-15/10/2024	EUR	1,400,000.00	1,441,858.45	0.67
MATTERHORN TELE 4% 17-15/11/2027	EUR	800,000.00	855,507.42	0.40
TELEFONICA EUROP 19-31/12/2059 FRN	EUR	1,500,000.00	1,537,577.70	0.72
			<b>4,867,687.19</b>	<b>2.27</b>
<b>Packaging and paper industry</b>				
BALL CORP 1.5% 19-15/03/2027	EUR	1,200,000.00	1,212,761.10	0.56
BERRY GLOBAL INC 1.5% 20-15/01/2027	EUR	1,000,000.00	1,009,776.72	0.47
OI EUROPEAN GRP 2.875% 19-15/02/2025	EUR	1,700,000.00	1,768,225.35	0.83
TRIVIUM PACK FIN 3.75% 19-15/08/2026	EUR	650,000.00	690,822.70	0.32
			<b>4,681,585.87</b>	<b>2.18</b>

The accompanying notes form an integral part of the financial statements.

# PALLADIUM FCP

## PALLADIUM FCP - CAIRN MEDIOBANCA STRATA UCITS CREDIT FUND

### Securities Portfolio as at December 31, 2019 (continued)

Name	Currency	Quantity / Nominal	Market Value in EUR	% of net assets
<b>Entertainment</b>				
ENTERTAINMENT ON 4.625% 19-15/07/2026	GBP	600,000.00	764,317.11	0.35
INTL GAME TECH 2.375% 19-15/04/2028	EUR	1,000,000.00	1,008,484.95	0.47
MOTION BONDCO 4.5% 19-15/11/2027	EUR	1,000,000.00	1,052,851.94	0.49
WILLIAM HILL 4.75% 19-01/05/2026	GBP	1,200,000.00	1,459,898.24	0.68
			<b>4,285,552.24</b>	<b>1.99</b>
<b>Other credit institutions</b>				
CABOT FINANCIAL 19-14/06/2024 FRN	EUR	1,100,000.00	1,145,083.01	0.54
KIMI 8 C 1.4% 19-25/10/2029	EUR	1,000,000.00	996,719.20	0.46
LOUVRE BIDCO SAS 18-30/09/2024 FRN	EUR	840,000.00	857,464.44	0.40
			<b>2,999,266.65</b>	<b>1.40</b>
<b>Audiovisual</b>				
VIRGIN MEDIA SEC 4.25% 19-15/01/2030	GBP	1,200,000.00	1,435,008.45	0.67
VZ VENDOR 2.5% 19-31/01/2024	EUR	750,000.00	767,617.85	0.36
ZIGGO BV 2.875% 19-15/01/2030	EUR	750,000.00	783,487.22	0.36
			<b>2,986,113.52</b>	<b>1.39</b>
<b>Real estate and housing</b>				
IRON MOUNTAIN UK 3.875% 17-15/11/2025	GBP	1,200,000.00	1,442,584.06	0.67
VIVION 3% 19-08/08/2024	EUR	1,500,000.00	1,535,256.69	0.72
			<b>2,977,840.75</b>	<b>1.39</b>
<b>Pharmaceutics, cosmetics, biotechnology</b>				
MERCK 19-25/06/2079 FRN	EUR	1,500,000.00	1,613,336.04	0.75
ROSSINI SARL 19-30/10/2025 FRN	EUR	1,000,000.00	1,018,785.74	0.47
			<b>2,632,121.78</b>	<b>1.22</b>
<b>Holdings</b>				
PROGROUP 3% 18-31/03/2026	EUR	1,500,000.00	1,520,872.37	0.71
			<b>1,520,872.37</b>	<b>0.71</b>
<b>Chemical products</b>				
CHEMOURS CO 4% 18-15/05/2026	EUR	500,000.00	454,810.56	0.21
MONITCHEM HOLD 3 5.25% 19-15/03/2025	EUR	1,000,000.00	1,051,031.17	0.49
			<b>1,505,841.73</b>	<b>0.70</b>
<b>Construction of machinery and vehicles</b>				
IHO VERWALTUNGS 3.875% 19-15/05/2027	EUR	1,250,000.00	1,325,760.59	0.62
			<b>1,325,760.59</b>	<b>0.62</b>
<b>Hotels and restaurants</b>				
TVL FINANCE 19-15/07/2025 FRN	GBP	1,000,000.00	1,176,826.01	0.55
			<b>1,176,826.01</b>	<b>0.55</b>
<b>Internet</b>				
NETFLIX INC 3.625% 19-15/06/2030	EUR	750,000.00	774,184.46	0.36
UNITED GROUP 4.875% 19-01/07/2024	EUR	350,000.00	364,978.47	0.17
			<b>1,139,162.93</b>	<b>0.53</b>
<b>Software</b>				
IQVIA INC 2.25% 19-15/01/2028	EUR	1,000,000.00	1,035,451.94	0.48
			<b>1,035,451.94</b>	<b>0.48</b>
<b>Distribution water, gas, electricity, energy</b>				
SUEZ 19-31/12/2059 FRN	EUR	1,000,000.00	1,000,061.00	0.47
			<b>1,000,061.00</b>	<b>0.47</b>
<b>Distribution, retail trade</b>				
PARTS EUROPE SA 4.375% 16-01/05/2022	EUR	900,000.00	907,123.01	0.41
			<b>907,123.01</b>	<b>0.41</b>
<b>Paper and other base products</b>				
WEPA HYGIENEPD 2.875% 19-15/12/2027	EUR	800,000.00	830,528.47	0.38
			<b>830,528.47</b>	<b>0.38</b>
<b>Total Bonds and other debt instruments</b>			<b>179,461,963.88</b>	<b>83.51</b>
<b>Total Transferable securities admitted to an official exchange listing</b>			<b>179,461,963.88</b>	<b>83.51</b>

The accompanying notes form an integral part of the financial statements.

# PALLADIUM FCP

## PALLADIUM FCP - CAIRN MEOBANCA STRATA UCITS CREDIT FUND

### Securities Portfolio as at December 31, 2019 (continued)

Name	Currency	Quantity / Nominal	Market Value in EUR	% of net assets
<b>Transferable securities dealt in on another regulated market</b>				
<b>Bonds and other debt instruments</b>				
<b>Banks</b>				
CREDIT SUISSE 18-31/12/2049 FRN	USD	2,000,000.00	2,000,434.77	0.94
DANSKE BANK A/S 5.375% 19-12/01/2024	USD	1,500,000.00	1,468,558.05	0.68
INTESA SANPAOLO 3.25% 19-23/09/2024	USD	1,000,000.00	897,413.98	0.42
USB REALTY CORP 6.5% 06-29/12/2049 SR	USD	2,200,000.00	1,704,745.88	0.79
			<b>6,071,152.68</b>	<b>2.83</b>
<b>Audiovisual</b>				
VIRGIN MEDIA SEC 5% 17-15/04/2027	GBP	500,000.00	621,727.77	0.29
			<b>621,727.77</b>	<b>0.29</b>
<b>Telecommunications</b>				
ALTICE FRANCE 8.125% 18-01/02/2027	USD	500,000.00	505,933.10	0.23
			<b>505,933.10</b>	<b>0.23</b>
<b>Total Bonds and other debt instruments</b>			<b>7,198,813.55</b>	<b>3.35</b>
<b>Total Transferable securities dealt in on another regulated market</b>			<b>7,198,813.55</b>	<b>3.35</b>
<b>Other Transferable Securities</b>				
<b>Bonds and other debt instruments</b>				
<b>Telecommunications</b>				
MATTERHORN TELE 3.125% 19-15/09/2026	EUR	1,000,000.00	1,037,610.15	0.48
			<b>1,037,610.15</b>	<b>0.48</b>
<b>Internet</b>				
UNITED GROUP 19-15/05/2025 FRN	EUR	1,000,000.00	1,002,771.31	0.47
			<b>1,002,771.31</b>	<b>0.47</b>
<b>Total Bonds and other debt instruments</b>			<b>2,040,381.46</b>	<b>0.95</b>
<b>Total Other Transferable Securities</b>			<b>2,040,381.46</b>	<b>0.95</b>
<b>Funds</b>				
<b>Undertakings for collective investment</b>				
<b>Open-ended funds</b>				
BLCK EUR PRE TO AC ACCUM PREMIER SHS TO	EUR	49,986.89	4,976,064.93	2.32
MS LIQUID-EUR LIQ - INST ACC	EUR	55,775.72	5,996,108.54	2.79
			<b>10,972,173.47</b>	<b>5.11</b>
<b>Total Undertakings for collective investment</b>			<b>10,972,173.47</b>	<b>5.11</b>
<b>Total Funds</b>			<b>10,972,173.47</b>	<b>5.11</b>
<b>Total Securities Portfolio as at December 31, 2019</b>			<b>199,673,332.36</b>	<b>92.92</b>

The accompanying notes form an integral part of the financial statements.

# PALLADIUM FCP

## PALLADIUM FCP - CAIRN MEDIOBANCA STRATA UCITS CREDIT FUND

### Portfolio breakdown

Country allocation	% of portfolio	% of net assets
Ireland	29.88	27.78
Netherlands	17.81	16.54
Great-Britain	11.78	10.94
Luxembourg	9.01	8.38
France	6.74	6.26
United-States (U.S.A)	4.07	3.78
Austria	3.81	3.54
Spain	3.78	3.51
Italy	3.12	2.90
Portugal	2.86	2.66
Germany	1.99	1.84
Australia	1.14	1.05
Switzerland	1.00	0.93
Cayman Islands	0.85	0.79
Belgium	0.77	0.72
Denmark	0.74	0.68
Canada	0.38	0.36
Jersey	0.27	0.26
<b>Grand Total</b>	<b>100.00</b>	<b>92.92</b>

Sector allocation	% of portfolio	% of net assets
Asset backed securities	45.10	41.91
Banks	21.55	20.03
Open-ended funds	5.50	5.11
Telecommunications	3.21	2.98
Insurances	2.98	2.77
Miscellaneous services	2.74	2.54
Building and building materials	2.59	2.40
Packaging and paper industry	2.34	2.18
Entertainment	2.15	1.99
Audiovisual	1.81	1.68
Other credit institutions	1.50	1.40
Real estate and housing	1.49	1.39
Pharmaceutics, cosmetics, biotechnology	1.32	1.22
Internet	1.07	1.00
Holdings	0.76	0.71
Chemical products	0.75	0.70
Construction of machinery and vehicles	0.66	0.62
Hotels and restaurants	0.59	0.55
Software	0.52	0.48
Distribution water, gas, electricity, energy	0.50	0.47
Distribution, retail trade	0.45	0.41
Paper and other base products	0.42	0.38
<b>Grand Total</b>	<b>100.00</b>	<b>92.92</b>

### Top Ten Holdings

Top Ten Holdings	Sector	Market value in EUR	% of net assets
MS LIQUID-EUR LIQ - INST ACC	Open-ended funds	5,996,108.54	2.79
BLCK EUR PRE TO AC ACCUM PREMIER SHS TO	Open-ended funds	4,976,064.93	2.32
PGH CAPITAL 6.625% 15-18/12/2025	Insurances	3,969,964.83	1.85
BANQ INTL LUXEM 19-31/12/2059 FRN	Banks	3,677,976.00	1.72
RAIFFEISEN BK IN 18-31/12/2049 FRN	Banks	3,291,489.61	1.53
HAYEM 3X D 19-15/10/2032 FRN	Asset backed securities	3,043,200.00	1.42
RRME 1X D 19-15/04/2032 FRN	Asset backed securities	3,027,450.00	1.41
OZLME 6X D 19-15/07/2032 FRN	Asset backed securities	2,959,500.00	1.38
ABANCA CORP 19-18/01/2029 FRN	Banks	2,931,031.74	1.36
TAURS 2019-FIN4 D 19-18/11/2031 FRN	Asset backed securities	2,900,000.00	1.35

# PALLADIUM FCP

---

## Notes to the Financial Statements as at December 31, 2019

### Note 1. General Information

PALLADIUM FCP (the "Fund") was created as of January 8, 2016 as a mutual investment fund ("Fonds Commun de Placement") under the Luxembourg law for an unlimited duration. The Fund is registered in the Grand Duchy of Luxembourg as an Undertaking for Collective Investment (a "UCI") pursuant to Part I of the law of December 17, 2010, as amended (the "2010 Law").

As at December 31, 2019, the Fund offered the following sub-fund for distribution in Switzerland:

- PALLADIUM FCP - CAIRN MEDIOBANCA STRATA UCITS CREDIT FUND, launched on May 14, 2019

The launch date of the sub-fund corresponds to the date of the first NAV calculation.

For the time being, the sub-fund may offer the following classes of units:

- Classic Class (hereafter "C"): offered to retail investors.
- Institutional Class (hereafter "I"): offered to institutional investors holding the units as part of their own assets or acting on behalf of individual or corporates entities.
- Management Class (hereafter "M"): offered to certain investors only including (i) Cairn clients, (ii) persons connected to the Investment Manager and (iii) other investors at the discretion of the Board of Directors of the Management Company in consultation with the Investment Manager.
- Planner Class (hereafter "P"): offered only to investors subscribing via Allfunds Bank S.A.U..

### Note 2. Exchange rates as at December 31, 2019

The exchange rates used for the translation of the sub-fund's assets and liabilities not denominated in the reference currency of the sub-fund are as follows:

- 1 EURO (EUR) = 1.119900 US Dollar (USD)
- 1 EURO (EUR) = 0.854060 Great Britain Pound (GBP)

### Note 3. Significant accounting policies

The financial statements are presented in accordance with Luxembourg regulations relating to Undertakings for Collective Investment in transferable securities.

#### 3.1 Foreign exchange translation

The accounts of the sub-fund are denominated in Euro.

The financial statements have been drawn up in the accounting currency of the sub-fund. Assets and liabilities expressed in currencies other than the accounting currency of the sub-fund are converted into that currency at the exchange rates prevailing on the closing date.

Income and expenses expressed in currencies other than the accounting currency of the sub-fund are converted into that currency at the exchange rates prevailing on the transaction date.

#### 3.2 Presentation of the financial statements

The financial statements are presented on the basis of the latest net asset value calculated during the financial period. In accordance with the prospectus, the net asset value was calculated using the stock market prices and the latest exchange rates known at the time of calculation.



## Notes to the Financial Statements as at December 31, 2019 (continued)

### Note 3. Significant accounting policies (continued)

#### 3.3 Valuation of investment portfolio

The Net Asset Value per each class of units is determined on the day specified for the sub-fund (the "Valuation Day") on the basis of the value of the underlying investments of the sub-fund, determined as follows:

(a) The value of each security and/or financial derivative and/or money market instrument which is quoted or dealt in on any stock exchange is based on its last closing price on the stock exchange which is normally the principal market for such security and/or financial derivative and/or money market instrument known at the end of the day preceding the relevant Valuation Day;

(b) The value of each security and/or money market instrument dealt in on any other Regulated Market is based on its last known closing price which is normally available at the end of the day preceding the relevant Valuation Day;

(c) Shares or units in open-ended investment funds shall be valued at their last available calculated net asset value;

(d) In the event that any assets are not listed or dealt in on any stock exchange or on any other Regulated Market, or if, with respect to assets listed or dealt in on any stock exchange, or other Regulated Market as aforesaid, the price as determined pursuant to sub-paragraph (a) to (c) is not representative of the fair market value of the relevant assets, the value of such assets is based on the reasonably foreseeable sale price determined prudently and in good faith;

(e) All other securities and other assets are valued at fair market value as determined in good faith pursuant to procedures established by the Management Company.

In accordance with the prospectus, the NAVs were calculated using the latest market values and exchange rates known at the time of calculation.

#### 3.4 Valuation of forward foreign exchange contracts

The forward foreign exchange contracts opened at the end of the period are valued at the forward exchange rate corresponding to the termination date of the contract. Realised gains and losses and net change in unrealised gains and losses are included in the statement of operations and changes in net assets. Unrealised gains and losses are included in the statement of net assets.

#### 3.5 Valuation of swap contracts

Swaps are valued at their fair value based on the underlying asset.

Total Return Swaps ("TRS") are over-the-counter financial contracts used to gain exposure to fluctuations (positive or negative depending on the direction of the transaction) in financial instruments, baskets of financial instruments or indices without having to own or borrow the underlying financial instruments.

TRS are valued by reference to the market value of the underlying assets, taking into account the costs inherent to the transaction.

An Interest Rate Swap ("IRS") is an agreement to exchange interest rate cash flows, calculated on a notional principal amount, at specified intervals (payment dates) during the life of the agreement.

A Credit Default Swap ("CDS") is a credit derivative transaction in which two parties enter into an agreement, whereby one party pays the other a fixed periodic coupon for the specified life of the agreement. The other party makes no payment unless a credit event relating to a predetermined reference asset occurs. If such an event occurs, the party will then make a payment to the first party, and the swap will terminate.

The unrealised gain / loss on swap contracts is recorded under the item "Net unrealised gain / loss on swap contracts" in the statement of net assets.

The changes in such amounts are included in the statement of operations and changes in net assets under the item "Net change in unrealised gain / (loss) on swap contracts".

When a contract is closed, the realised gain or loss is recorded under the item "Net realised gain / (loss) on swap contracts" in the statement of operations and changes in net assets. The item "Net realised gain / (loss) on swap contracts" includes also the premium paid or received on swaps contracts.

# PALLADIUM FCP

## Notes to the Financial Statements as at December 31, 2019 (continued)

### Note 4. Investment management fees and performance fees

The investment management fees are payable to the Management Company in compensation of its investment management services. Such fees are payable quarterly and are calculated on the basis of the average net asset value of each class of units for the relevant quarter.

As at December 31, 2019, the annual investment management fees rates per class of units are as follows:

Sub-fund name	Class C1	Class C4	Class C5	Class C7	Class I1	Class I4	Class I5	Class M
PALLADIUM FCP - CAIRN MEOBANCA STRATA UCITS CREDIT FUND	1.35%	1.20%	1.20%	0.80%	0.75%	0.50%	0.50%	None

During the initial ramp-up period and whenever the Basket Portfolio value is below the Protected Value, the management fees applied to each class of units will be reduced to 0.35%.

#### PALLADIUM FCP - CAIRN MEOBANCA STRATA UCITS CREDIT FUND

For the classes of units I4 and I5, the Investment Manager is entitled to receive a performance fee being a percentage (15%) of the appreciation of the net asset value per unit, subject to a high water mark, calculated and accrued daily on each valuation day and paid at the end of each calendar year i.e. 31 December (the "Performance Period").

For each Performance Period, the performance fee is equal to 15% of the positive difference between (i) that relevant class net asset value before accrual for performance fee at the end of the Performance Period and (ii) the class high water mark threshold.

The class high water mark threshold is as of a valuation day equal to the higher of:

- (i) the class high water mark: net asset value per unit of the relevant class on the last day of any Performance Period in respect of which a Performance Fee was charged,
- (ii) the net asset value per unit on the date of investment increased by the class hurdle rate (12 month EURIBOR plus 2% for I4).

### Note 5. Depositary bank, Management Company, administration and risk management fees

The Management Company is entitled to receive a management fee of a maximum of 0.10% per annum, calculated on the average quarterly net asset value of the Fund for its activity as Management Company.

As remuneration for services rendered to the Fund in their respective capacities, the Depositary bank receives from the Fund, a fee of a maximum of 0.75% per annum. Depositary bank fees are payable quarterly and are calculated on the basis of the average net asset value of the Fund for the relevant quarter.

A fee of a maximum of 0.80% per annum calculated on the average quarterly net asset value of the Fund is charged to the Fund for central administration services.

Moreover, for its risk management activities, the Management Company is entitled to receive from the Fund a fee of 0.025% per annum, payable quarterly and calculated on the average quarterly net asset value of the Fund.

### Note 6. Subscription Tax

The Fund is not liable to any Luxembourg tax on profits or income, nor are distributions paid by the Fund liable to any Luxembourg withholding tax. The Fund is, however, liable in Luxembourg to a tax of 0.05% per annum of its net asset value, such tax being payable quarterly on the basis of the value of the aggregate net assets of the sub-fund at the end of the relevant calendar quarter. The Fund is liable to a tax of 0.01% per annum of the net asset value on Institutional Classes. No stamp duty or other tax is payable in Luxembourg on the issue of units. No Luxembourg tax is payable on the realised capital appreciation of the assets of the Fund.

# PALLADIUM FCP

## Notes to the Financial Statements as at December 31, 2019 (continued)

### Note 7. Financial derivative instruments

#### Credit Default Swaps

As at December 31, 2019, the sub-fund PALLADIUM FCP - CAIRN MEDIOBANCA STRATA UCITS CREDIT FUND was engaged in Credit Default Swap contracts with Merrill Lynch, JP Morgan and Credit Suisse International.

Underlying	Sell/Buy	Interest rate (%)	Maturity Date	Notional	Unrealised gain / (loss) in EUR
ASSICURAZIONI 2.875% 14-14/01/2020	Buy	1.00	20/06/2024	2,500,000	(46,215.72)
ITRX EUR SNR CDSI S31 5Y CORP 20/06/2024	Sell	1.00	20/06/2024	2,500,000	62,253.89
ITRX XOVER CDSI S31 5Y 20/06/2024	Buy	5.00	20/12/2024	8,000,000	(1,113,126.22)
ITRX XOVER CDSI S32 5Y CORP 20/12/2024	Buy	5.00	20/12/2024	5,000,000	(695,703.89)
ITRX XOVER CDSI S32 5Y CORP 20/12/2024	Buy	5.00	20/12/2024	5,000,000	(695,703.89)
ITRX XOVER CDSI S32 5Y CORP 20/12/2024	Buy	5.00	20/12/2024	2,000,000	(278,281.56)
LLOYDS BK GR PLC 3.1% 16-20/06/2024	Sell	1.00	20/12/2024	10,000,000	(246,391.00)
LOXAM SAS 6% 17-15/04/2025	Sell	5.00	20/12/2024	500,000	19,883.33
SMURFIT KAPPA AQ 2.375% 17-01/02/2024	Sell	5.00	20/12/2024	500,000	110,610.61
SNRFIN CDSI S32 5Y CORP 20/12/2024	Buy	1.00	20/12/2024	10,000,000	244,225.56
					<b>(2,638,448.89)</b>

#### Interest Rate Swaps

As at December 31, 2019, the sub-fund PALLADIUM FCP - CAIRN MEDIOBANCA STRATA UCITS CREDIT FUND was engaged in Interest Rate Swap contracts with Merrill Lynch.

Underlying	Sell/Buy	Maturity Date	Notional	Unrealised gain / (loss) in EUR
Swap/24/10/2021/P:EUR -0.36760 /R:EUR/EURIBOR/6M	Buy	24/10/2021	1,000,000	1,199.77
Swap/20/05/2022/P:EUR -0.17810 /R:EUR/EURIBOR/6M	Buy	20/05/2022	700,000	(1,138.52)
Swap/20/05/2022/P:EUR -0.17810 /R:EUR/EURIBOR/6M	Buy	20/05/2022	900,000	(1,463.82)
Swap/24/07/2022/P:USD 1.77540 /R:USD/LIBOR/3M	Buy	24/07/2022	1,000,000	(6,089.38)
Swap/24/07/2022/P:EUR -0.42360 /R:EUR/EURIBOR/6M	Buy	24/07/2022	1,000,000	4,363.49
Swap/08/08/2022/P:EUR -0.47080 /R:EUR/EURIBOR/6M	Buy	08/08/2022	1,000,000	5,752.66
Swap/21/08/2022/P:GBP 0.68150 /R:GBP/LIBOR/6M	Buy	21/08/2022	500,000	2,703.50
Swap/23/09/2022/P:EUR -0.42060 /R:EUR/EURIBOR/6M	Buy	23/09/2022	2,500,000	11,500.52
Swap/24/10/2022/P:EUR -0.34260 /R:EUR/EURIBOR/6M	Buy	24/10/2022	500,000	1,274.41
Swap/08/11/2022/P:EUR -0.31910 /R:EUR/EURIBOR/6M	Buy	08/11/2022	2,000,000	3,975.40
Swap/22/11/2022/P:GBP 0.76290 /R:GBP/LIBOR/6M	Buy	22/11/2022	1,000,000	3,027.78
Swap/26/11/2022/P:EUR -0.30620 /R:EUR/EURIBOR/6M	Buy	26/11/2022	3,000,000	5,261.54
Swap/27/11/2022/P:GBP 0.74150 /R:GBP/LIBOR/6M	Buy	27/11/2022	300,000	1,132.57
Swap/29/11/2022/P:EUR -0.32010 /R:EUR/EURIBOR/6M	Buy	29/11/2022	3,000,000	6,446.75
Swap/16/05/2024/P:GBP 1.10200 /R:GBP/LIBOR/6M	Buy	16/05/2024	500,000	(5,116.90)
Swap/20/05/2024/P:EUR -0.01840 /R:EUR/EURIBOR/6M	Buy	20/05/2024	1,200,000	(7,414.15)
Swap/20/05/2024/P:EUR -0.02110 /R:EUR/EURIBOR/6M	Buy	20/05/2024	950,000	(5,740.12)
Swap/21/05/2024/P:USD 2.15170 /R:USD/LIBOR/3M	Buy	21/05/2024	400,000	(7,153.75)
Swap/21/05/2024/P:EUR -0.03590 /R:EUR/EURIBOR/6M	Buy	21/05/2024	800,000	(4,219.84)
Swap/21/05/2024/P:USD 2.19140 /R:USD/LIBOR/3M	Buy	21/05/2024	1,300,000	(24,980.49)
Swap/18/06/2024/P:EUR -0.17410 /R:EUR/EURIBOR/6M	Buy	18/06/2024	1,000,000	2,032.83
Swap/27/06/2024/P:EUR -0.20860 /R:EUR/EURIBOR/6M	Buy	27/06/2024	1,500,000	5,846.37
Swap/24/07/2024/P:EUR -0.30210 /R:EUR/EURIBOR/6M	Buy	24/07/2024	500,000	3,608.01
Swap/08/08/2024/P:EUR -0.39810 /R:EUR/EURIBOR/6M	Buy	08/08/2024	500,000	6,075.18
Swap/23/08/2024/P:EUR -0.49610 /R:EUR/EURIBOR/6M	Buy	23/08/2024	2,500,000	42,736.70
Swap/23/09/2024/P:EUR -0.36410 /R:EUR/EURIBOR/6M	Buy	23/09/2024	500,000	5,578.45
Swap/23/09/2024/P:EUR -0.36410 /R:EUR/EURIBOR/6M	Buy	23/09/2024	1,000,000	11,156.89
Swap/23/09/2024/P:USD 1.58240 /R:USD/LIBOR/3M	Buy	23/09/2024	1,500,000	2,193.70

# PALLADIUM FCP

## Notes to the Financial Statements as at December 31, 2019 (continued)

### Note 7. Financial derivative instruments (continued)

#### Interest Rate Swaps (continued)

Underlying	Sell/Buy	Maturity Date	Notional	Unrealised gain / (loss) in EUR
Swap/01/10/2024/P:EUR -0.41310 /R:EUR/EURIBOR/6M	Buy	01/10/2024	1,000,000	13,698.27
Swap/24/10/2024/P:EUR -0.25810 /R:EUR/EURIBOR/6M	Buy	24/10/2024	500,000	3,173.05
Swap/08/11/2024/P:EUR -0.22510 /R:EUR/EURIBOR/6M	Buy	08/11/2024	2,000,000	9,886.03
Swap/08/11/2024/P:USD 1.61900 /R:USD/LIBOR/3M	Buy	08/11/2024	1,000,000	4,014.26
Swap/22/11/2024/P:GBP 0.79200 /R:GBP/LIBOR/6M	Buy	22/11/2024	1,000,000	7,372.28
Swap/26/11/2024/P:EUR -0.22310 /R:EUR/EURIBOR/6M	Buy	26/11/2024	2,000,000	10,251.12
Swap/26/11/2024/P:GBP 0.76400 /R:GBP/LIBOR/6M	Buy	26/11/2024	1,000,000	8,998.09
Swap/28/11/2024/P:EUR -0.23710 /R:EUR/EURIBOR/6M	Buy	28/11/2024	5,000,000	29,230.70
Swap/29/11/2024/P:USD 1.53000 /R:USD/LIBOR/3M	Buy	29/11/2024	500,000	3,879.62
Swap/16/05/2026/P:GBP 1.16600 /R:GBP/LIBOR/6M	Buy	16/05/2026	700,000	(10,513.35)
Swap/17/05/2026/P:GBP 1.12300 /R:GBP/LIBOR/6M	Buy	17/05/2026	300,000	(3,546.71)
Swap/20/05/2026/P:EUR 0.15750 /R:EUR/EURIBOR/6M	Buy	20/05/2026	600,000	(7,804.65)
Swap/20/05/2026/P:USD 2.26380 /R:USD/LIBOR/3M	Buy	20/05/2026	325,000	(9,250.72)
Swap/20/05/2026/P:EUR 0.15990 /R:EUR/EURIBOR/6M	Buy	20/05/2026	275,000	(3,623.81)
Swap/21/05/2026/P:EUR 0.14500 /R:EUR/EURIBOR/6M	Buy	21/05/2026	700,000	(8,467.28)
Swap/21/05/2026/P:EUR 0.14680 /R:EUR/EURIBOR/6M	Buy	21/05/2026	400,000	(4,889.36)
Swap/21/05/2026/P:USD 2.24970 /R:USD/LIBOR/3M	Buy	21/05/2026	300,000	(8,307.26)
Swap/21/08/2026/P:GBP 0.65430 /R:GBP/LIBOR/6M	Buy	21/08/2026	1,000,000	24,793.79
Swap/23/08/2026/P:EUR -0.41010 /R:EUR/EURIBOR/6M	Buy	23/08/2026	1,500,000	40,484.60
Swap/23/09/2026/P:EUR -0.26860 /R:EUR/EURIBOR/6M	Buy	23/09/2026	500,000	8,949.35
Swap/01/10/2026/P:EUR -0.33160 /R:EUR/EURIBOR/6M	Buy	01/10/2026	1,000,000	22,478.54
Swap/15/10/2026/P:GBP/LIBOR/6M /R:GBP 0.81800	Sell	15/10/2026	200,000	(2,507.24)
Swap/28/10/2026/P:EUR -0.17500 /R:EUR/EURIBOR/6M	Buy	28/10/2026	1,000,000	12,122.12
Swap/08/11/2026/P:USD 1.66070 /R:USD/LIBOR/3M	Buy	08/11/2026	1,000,000	6,168.69
Swap/26/11/2026/P:EUR -0.11710 /R:EUR/EURIBOR/6M	Buy	26/11/2026	1,500,000	13,081.31
Swap/26/11/2026/P:USD/LIBOR/3M /R:USD 1.56830	Sell	26/11/2026	700,000	(8,179.43)
Swap/26/11/2026/P:EUR -0.11700 /R:EUR/EURIBOR/6M	Buy	26/11/2026	1,000,000	8,713.79
Swap/27/11/2026/P:GBP 0.79790 /R:GBP/LIBOR/6M	Buy	27/11/2026	300,000	4,327.11
Swap/29/11/2026/P:EUR -0.13310 /R:EUR/EURIBOR/6M	Buy	29/11/2026	1,000,000	9,897.03
Swap/20/05/2029/P:EUR 0.43390 /R:EUR/EURIBOR/6M	Buy	20/05/2029	375,000	(10,415.45)
Swap/19/09/2029/P:GBP 0.78120 /R:GBP/LIBOR/6M	Buy	19/09/2029	300,000	9,039.83
Swap/01/10/2029/P:EUR -0.17160 /R:EUR/EURIBOR/6M	Buy	01/10/2029	500,000	17,783.21
Swap/24/10/2029/P:EUR 0.04100 /R:EUR/EURIBOR/6M	Buy	24/10/2029	400,000	5,998.96
Swap/28/10/2029/P:EUR 0.00890 /R:EUR/EURIBOR/6M	Buy	28/10/2029	500,000	9,190.87
Swap/22/11/2029/P:GBP 0.88950 /R:GBP/LIBOR/6M	Buy	22/11/2029	1,000,000	18,711.33
Swap/22/11/2029/P:GBP 0.88680 /R:GBP/LIBOR/6M	Buy	22/11/2029	1,000,000	19,015.81
Swap/29/11/2029/P:EUR 0.04590 /R:EUR/EURIBOR/6M	Buy	29/11/2029	600,000	9,403.92
				<b>315,707.97</b>

# PALLADIUM FCP

## Notes to the Financial Statements as at December 31, 2019 (continued)

### Note 7. Financial derivative instruments (continued)

#### Forward foreign exchange contracts

As at December 31, 2019, the sub-fund PALLADIUM FCP - CAIRN MEDIOBANCA STRATA UCITS CREDIT FUND was engaged in forward foreign exchange contracts with BNP Paribas.

Purchased amount	Ccy	Sold amount	Ccy	Maturity date	Unrealised gain /(loss) in EUR
9,538,700.45	EUR	(7,980,000.49)	GBP	21/01/2020	201,694.72
528,492.21	EUR	(590,321.57)	USD	21/01/2020	2,076.87
9,403,619.70	EUR	(7,866,993.01)	GBP	21/01/2020	198,838.45
59,212.85	GBP	(70,778.65)	EUR	21/01/2020	(1,495.57)
14,301,928.47	EUR	(11,964,878.94)	GBP	21/01/2020	302,412.63
56,240.00	EUR	(47,049.93)	GBP	21/01/2020	1,189.19
6,974,191.88	EUR	(7,790,116.54)	USD	21/01/2020	27,407.28
1,260,380.36	EUR	(1,407,834.78)	USD	21/01/2020	4,953.06
3,900,112.10	EUR	(4,356,394.01)	USD	21/01/2020	15,326.73
69,629.49	EUR	(59,212.85)	GBP	21/01/2020	346.65
79,405.21	USD	(71,195.00)	EUR	21/01/2020	(385.56)
					<b>752,364.45</b>

## **Additional information regarding the Transparency of Securities Financing Transactions**

The Fund is subject to the Regulation (EU) 2015/2365 on Transparency of Securities Financing Transactions and of Reuse and amending Regulation (EU) No 648/2012 of the European Parliament (“SFTR”).

From the period July 1, 2019 to December 31, 2019, the Fund did not use any instrument falling into the scope of SFTR.

# PALLADIUM FCP

## Additional information

### 1. Total Expense Ratio as at December 30, 2019

The Total Expense Ratio (TER) was calculated according to the guidelines of the Swiss Funds & Asset Management Association ("SFAMA") dated May 16, 2008.

Sub-fund	Classes of units	TER in% (without performance fees)	TER in% (with performance fees)
PALLADIUM FCP - CAIRN MEDIOBANCA STRATA UCITS CREDIT FUND	Classic 1	2.03	2.03
	Classic 4	2.34	2.34
	Classic 5	2.47	2.47
	Classic 7	1.45	1.45
	Institutional 1	1.41	1.41
	Institutional 4	1.12	1.57
	Institutional 5	1.09	1.28
	Management	0.64	0.64

### 2. Performance

The Performance was calculated according to the guidelines of the Swiss Funds & Asset Management Association ("SFAMA") dated May 16, 2008.

Sub-fund	Classes of units	Performance for the period ended December 31, 2019 in %	Performance for the year ended June 30, 2019 in %	Performance for the year ended June 30, 2018 in %
PALLADIUM FCP - CAIRN MEDIOBANCA STRATA UCITS CREDIT FUND	Classic 1	2.37	0.76	-
	Classic 4*	0.80	-	-
	Classic 5*	0.96	-	-
	Classic 7*	1.76	-	-
	Institutional 1	2.70	0.67	-
	Institutional 4	2.53	0.63	-
	Institutional 5*	(9.08)	-	-
	Management	3.08	0.75	-

\*Performance was calculated for the period from date of inception of the respective class of units to December 31, 2019.

*Historical performance is no indicator of future performance.*