

**Annual report including audited financial statements  
for the period from 1st October to 31st December 2019**

# **RAINBOW FUND**

A mutual investment Fund organised under the laws of the Grand Duchy of Luxembourg with an umbrella structure

R.C.S. Luxembourg K879

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No subscription can be received on the basis of this financial report. Subscriptions are only valid if made on the basis of the current prospectus supplemented by the latest annual report including audited financial statements and the most recent semi-annual report, if published thereafter.

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# RAINBOW FUND

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# RAINBOW FUND

## Organisation

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**Management Company and Distributor** ANDBANK ASSET MANAGEMENT LUXEMBOURG  
4, Rue Jean Monnet  
L-2180 LUXEMBOURG

**Board of Directors of the Management Company**

*Chairman* Jose CATURLA VICENTE  
Head of Global Asset Management  
ANDBANK GROUP  
SPAIN

*Directors*

Ivan BAILE SANTOLARIA  
Financial Risk Control  
ANDBANK GROUP  
ANDORRA

Philippe ESSER  
Director  
ANDBANK ASSET MANAGEMENT LUXEMBOURG  
LUXEMBOURG

Alain LÉONARD  
Director  
ANDBANK ASSET MANAGEMENT LUXEMBOURG  
LUXEMBOURG

Ricardo RODRIGUEZ FERNANDEZ  
Head of Intelligence and International Governance  
ANDBANK GROUP  
ANDORRA

**Conducting Officers of the Management Company**

Luis GOMEZ GONZALEZ  
General Director  
ANDBANK ASSET MANAGEMENT LUXEMBOURG  
LUXEMBOURG

Pedro PUEYO PONS  
General Director  
ANDBANK ASSET MANAGEMENT LUXEMBOURG  
LUXEMBOURG

Severino PONS  
General Director  
ANDBANK ASSET MANAGEMENT LUXEMBOURG  
LUXEMBOURG

**Investment Advisor** ALTERAREA EAFI, SL,  
Calle Urzáiz 5 - 2 Planta  
CP 36201  
Vigo, Pontevedra  
SPAIN

## RAINBOW FUND

### Organisation (continued)

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<b>Depository and Paying Agent</b>	QUINTET PRIVATE BANK (EUROPE) S.A. (Formerly KBL EUROPEAN PRIVATE BANKERS S.A.) 43, Boulevard Royal L-2955 LUXEMBOURG
<b>Administrative Agent, Registrar and Transfert Agent</b>	European Fund Administration S.A. 2, Rue d'Alsace L-1122 LUXEMBOURG
<b>Domiciliary Agent</b>	ANDBANK ASSET MANAGEMENT LUXEMBOURG 4, Rue Jean Monnet L-2180 LUXEMBOURG
<b>Cabinet de révision agréé</b>	MAZARS Luxembourg 5, Rue Guillaume J. Kroll L-1882 LUXEMBOURG
<b>Auditor of the Management Company</b>	KPMG Luxembourg, Société coopérative 39, Avenue John F. Kennedy L-1855 LUXEMBOURG

## RAINBOW FUND

### Report on activities of the Board of Directors of the Management Company

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#### Global market overview

2019 has been an outstanding year in terms of investment returns for almost every asset class.

During the year, global equity markets had a strong rebound after the sharp fall during the fourth quarter of 2018. The MSCI World Price Index was up 27.68%, led by US equities (S&P 500 Price Index: +28.88%), European equities (MSCI Europe Price Index: +22.24%) and Japan equities (Nikkei 225 Price Index: +18.2%).

Despite the turmoil caused by poor economic data, the China/United States (US) trade war, Brexit, social unrest (the yellow vests) and geopolitical issues (Hong Kong), the stock market performed positively. Central banks were the main drivers of such performance by announcing a decrease rather than raising interest rates and by providing more stimulus to keep the economic expansion intact. The European Central Bank and the Federal Reserve (FED) resumed their accommodative monetary policies with the FED cutting interest rates three times during the year.

From the beginning of the year until the end of April, the rebound was led by central banks stimulus announcement. From May to the end of September, global equities broadly traded sideways with volatility increases resulting from announcements in trade negotiations between the US and China in addition to weaker macroeconomic indicators. For the last quarter, the market rise was supported by the pick-up in the service sectors, the resilience of overall employment to the weakness in manufacturing and by hopes of an improving trade picture (Both US tariffs on China were scheduled to increase on December 15th but finally a trade deal avoided such outcome, and the fact that the US also did not impose tariffs on the European Union auto exports).

In spite of this great performance from equities, government bonds have also delivered positive returns (US 10 years yield has decreased from +2.68% to +1.92% and Germany's Bund from +0.24% to -0.19%). Such strong returns on equities and bonds at the same time are unusual (normally performing in an alternate manner on risk-off and risk-on market movements). We have also seen a sharp reduction in credit spreads over all bond categories. Credit markets, as reflected by Bloomberg Barclays Global Aggregate Corporate Total Return Index Value Unhedged returned +11.51% and government bonds (Bloomberg Barclays Global Treasuries Total Return Index Value Unhedged) had a performance of +5.59%.

The interest rate cuts done by the FED were not enough to stop the appreciation of USD (+2.22% against EUR).

Commodities (Bloomberg Commodity Index Total Return) were also up +7.69% in USD. The oil (Generic first crude oil, WTI) rallied +34.46% in USD as OPEC+ announced further production cuts to ease oversupply concerns. (OPEC is the 14-strong Organization of the Petroleum Exporting Countries; OPEC+ includes a further 10 oil producing nations). In precious metal, gold (the gold USD spot price) advanced by +18.31%.

## **RAINBOW FUND**

### **Report on activities of the Board of Directors (continued)**

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#### **RAINBOW FUND - Emerging Markets Equities**

During 2019 the sub-fund has returned +15.66% and was +9.89% above the average of its Morningstar category (Global Emerging Markets Equity funds).

Throughout the year, the managers have maintained an average exposure of 62% in Asia Pacific (principally in Philippines, Thailand and Indonesia), 32% in Russia and 3% in Brazil. The exposure to the Russian market (RTS index has increased by 29.2%) has contributed to compensate the poor performances of the South East Asian markets. Indeed, Thailand index (SET index) has returned +1%, Indonesia index (JCI Index) has increased by +1.7%, Philippines index (PCOMP Index) has returned +4.7% and South Korea index (KOSPI Index) has raised by +7,7% . 2019 has been a bumper year for most of the markets excepted for these ones.

The best contributions came from LUKOIL PJSC with a performance of +38.75%, Surgutneftegaz with a return of +15.2% and Gazprom with an increase of +85.78%. On the other side, the worst contributions were KCC Corporation (-24.43%), Bangkok Bank (-23%) and Manila Electric (-16.58%). Asian markets were affected by the China – United States trade war.

There was almost no movement in equities allocation other than the partial sales of some shares in Russian companies such as Lukoil, Tatneft, Uralkaly and MMC Norilsk Nickel. From Indonesia, the managers sold Pan Indonesia Bank. From Philippines the managers sold some shares of ITC Services. Most of these sales took place in order to face liquidity needs. No purchases of new equities were made during the year.

Regarding equity, the philosophy of the fund was to bet mainly on value companies with a good track record in terms of high dividends and keeping an eye on some growth companies.

#### **RAINBOW FUND - Balanced Portfolio 3**

During 2019, the sub-fund` s NAV has increased +16.19% and was +3.79% above the average of its Morningstar category (Moderate allocation funds).

Throughout the year, the managers have maintained an average exposure of 48% in equity, 42% in fixed income and the remaining 10% in cash. The maturity of the high yield bonds tended to be between 3 to 5 years. The exposure to the high yield market has helped the sub-fund`s performance and limited the impact of TRY (Turkish lira) exposure which has been heavily penalized. Bonds and shares of the Spanish construction company OHL recouped well from previous losses. The best bets on the fixed income side were the Altice Bonds and OHL bonds (both in EUR) as well as the EIB bonds (in TRY).The returns of each one of them exceeded the +30%. On the other side the worst contribution came from Lecta Bonds and the Venezuelan Government bonds, both in default, with losses of more than 45% for both.

There was almost no movement in fixed income side.

On the equity side, the managers took new positions, with positive results, in the Belgian engineering company AKKA and in the postal and delivery company Deutsche Post. With negative results, the managers invested in ENCE (Spanish paper producer). The best performers were the crude oil tanker company DHT holdings (+115% in EUR) followed by Gazprom (+89% in EUR) and Turk Telekomunikasyon (+71% in EUR). The construction companies such as Acciona, OHL and Sacyr have increased by more than 25%. The worst contribution during the year came from Ence and Telefonica.

Regarding equity, the philosophy of the fund was to bet mainly on value companies with a good track record in terms of high dividends and keeping an eye on some growth companies. On the fixed income side, the managers maintained their bet on high yield bonds.

## **RAINBOW FUND**

### **Report on activities of the Board of Directors (continued)**

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#### **RAINBOW FUND - Rainbow Flexible Allocation**

During 2019, the sub-fund had a return of +17.50%, which is above the average of its Morningstar category (Flexible allocation funds). This brings the performance since inception to +15.19%, equivalent to an annualized rate of +4.04%.

The year could be divided into two parts: a first half managing the normalization of the market panic of late 2018 by reducing exposure to equities as industrial pessimism induced by the uncertainties that triggered the geopolitical conflicts was reformulated. The second half, the market became aware that a recession has been avoided; the managers increased exposure gradually and diversified the investments through global/regional indices, or developing ideas on themes such as hydrogen.

Over the year, average exposure in equity was 62% and 26% in fixed income, meaning that the sub-fund could have taken more risk as defined by the investment policy. Foreign currency exposure has been more stable, accounting for around 47% of the portfolio, with USD playing a leading role (with 36%).

On the fixed income side, the managers focused on shorting duration. The allocation in USD focused on both US and emerging market assets. In EUR, the investments were divided between liquidity (cash), high yield and convertible bonds (the latter with a low duration profile). The performance in this type of bond investment has also performed well, largely due to the great exposure to USD and the fact that no currency hedging has been carried out.

In equities, the excellent returns for 2019 have been realized by taking profits. The combination of "growth" theme with "value" positions, executed globally and with a long-term vision in the analysis, has been the key to reaping these results without exaggerating the turnover.

Halley Alinea fund was the second largest position and the worst contributor to the fund performance. Through this position, the manager hedged the sub-fund against a significant increase of inflation in the international economy which could be one of the most relevant surprises in the short term.

#### **Covid-19 impacts**

On 31st December 2019, the World Health Organisation was informed that a limited number of cases of pneumonia, of an unknown cause, were detected in Wuhan, China. On 7th January 2020, Chinese authorities identified coronavirus ("COVID-19") as the cause. Since 31st December 2019, the rapid outbreak of the COVID-19 is not only causing a global health crisis but also causing a shock to the global economy and financial markets.

The Fund's investment portfolio comprises of equity and debt instruments which are measured at fair value. As a result of the crisis, there has been a significant negative impact in the financial markets. While the duration and future economic impact of COVID-19 is difficult to know, the Board of Directors of the Fund and the Management Company continue to watch the efforts of governments to contain the spread of the virus and monitor the economic impact, if any, on the companies in our portfolio.



## **RAINBOW FUND**

### **Report on activities of the Board of Directors (continued)**

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#### Business continuity plan

The Board of Directors of the Fund have delegated the daily management of the Fund to the Management Company. The number one priority of the Management Company of the Fund is the safety and well-being of its stakeholders and employees. It has designed a continuity plan that allows it to remain fully operational and continuously monitor the Fund's activities. All employees of the Management Company can work from home as the IT department has ensured that most vital systems can be accessed from distance through web interfaces in order to ensure smooth continuation of business.

Luxembourg, 28th April 2020

The Board of Directors of the Management Company

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

## **Report of the réviseur d'entreprises agréé**

To the Unitholders of  
**RAINBOW FUND**  
**A mutual Investment Fund**

4, Rue Jean Monnet  
L-2180 LUXEMBOURG

## **Report on the Audit of the Financial Statements**

### **Opinion**

Following our appointment by the Annual General Meeting of shareholders, we have audited the accompanying financial statements of RAINBOW FUND (the "Fund") and of each of its sub-funds, which comprise the statement of net assets as at 31st December 2019 and the statement of operations and other changes in net assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes to the financial statements.

In our opinion, the financial statements give a true and fair view of the financial position of RAINBOW FUND and of each of its sub-funds as at 31st December 2019, 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 of the financial statements.

### **Basis for Opinion**

We conducted our audit in accordance with the Law of 23rd July 2016 on the audit profession (Law of 23rd 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 23rd July 2016 and ISAs as adopted for Luxembourg by 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 Ethics Standards Board for Accountants' Code of Ethics for Professional 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 Management Company is responsible for the other information. The other information comprises the information stated in the report on activities of the Board of Directors 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.

## **Report of the réviseur d'entreprises agréé (continued)**

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.

### **Responsibility of the Board of Directors of the Management Company for the Financial Statements**

The Board of Directors of the Management Company is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements, and for such internal control as the Board of Directors of the Management Company 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 Management Company is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Management Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

### **Report of the Réviseur d'Entreprises Agréé**

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 *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 23rd 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 23rd July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism 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 appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors of the Management Company, as well as evaluating the overall presentation of the financial statements.

## Report of the réviseur d'entreprises agréé (continued)

- Conclude on the appropriateness of Board of Directors of the Management Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the *Réviseur d'Entreprises Agréé* to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of *Réviseur d'Entreprises Agréé*. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Luxembourg, 28th April 2020

Pour MAZARS Luxembourg, Cabinet de révision agréé  
5, Rue Guillaume J. Kroll  
L - 1882 Luxembourg



Florian KONZ  
Réviseur d'entreprises agréé

## RAINBOW FUND

### Combined statement of net assets (in EUR) as at 31st December 2019

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#### Assets

Securities portfolio at market value	25,667,880.17
Cash at banks	1,579,791.42
Income receivable on portfolio	63,932.34
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Total assets	27,311,603.93
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#### Liabilities

Bank overdrafts	11.92
Expenses payable	120,410.77
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Total liabilities	120,422.69
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Net assets at the end of the period	27,191,181.24
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The accompanying notes are an integral part of these financial statements.

## RAINBOW FUND

### Combined statement of operations and other changes in net assets (in EUR) from 1st October 2019 to 31st December 2019

	<b>Notes</b>	
<b><u>Income</u></b>		
Dividends, net	2.5)	107,523.77
Interest on bonds and other debt securities, net	2.5)	32,911.60
Total income		140,435.37
<b><u>Expenses</u></b>		
Investment Management fees	3	37,256.10
Retrocession trailer fees		4.13
Depository fees	5	6,999.27
Banking charges and other fees		1,750.37
Transaction fees	2.9)	469.95
Central administration costs	7,8	21,170.67
Professional fees		11,992.50
Other administration costs	4,6	80,379.32
Subscription duty ("taxe d'abonnement")	10	2,944.36
Bank interest paid		255.04
Other expenses		5,002.22
Total expenses		168,223.93
Net investment loss		-27,788.56
<b><u>Net realised gain/(loss)</u></b>		
- on securities portfolio		245,649.13
- on foreign exchange		-23,201.21
Realised result		194,659.36
<b><u>Net variation of the unrealised gain/(loss)</u></b>		
- on securities portfolio		728,555.33
Result of operations		923,214.69
Subscriptions		249,640.64
Redemptions		-346,621.66
Total changes in net assets		826,233.67
Total net assets at the beginning of the period		26,364,947.57
Total net assets at the end of the period		27,191,181.24

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

## RAINBOW FUND - Emerging Market Equities

### Statement of net assets (in EUR)

as at 31st December 2019

#### Assets

Securities portfolio at market value	8,557,034.68
Cash at banks	203,254.28
Income receivable on portfolio	35,560.57
Total assets	8,795,849.53

#### Liabilities

Expenses payable	56,285.85
Total liabilities	56,285.85
Net assets at the end of the period	8,739,563.68

#### Breakdown of net assets per unit class

Unit class	Number of units	Currency of unit class	NAV per unit in currency of unit class	Net assets per unit class (in EUR)
EUR	34,674.25	EUR	252.05	8,739,563.68
				8,739,563.68

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

## RAINBOW FUND - Emerging Market Equities

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

from 1st October 2019 to 31st December 2019

<b>Income</b>		
Dividends, net	Notes 2.5)	61,784.49
Total income		61,784.49
<b>Expenses</b>		
Investment Management fees	3	19,408.52
Depositary fees	5	2,169.61
Banking charges and other fees		718.14
Transaction fees	2.9)	186.45
Central administration costs	7,8	6,955.59
Professional fees		3,997.50
Other administration costs	4,6	51,077.85
Subscription duty ("taxe d'abonnement")	10	1,092.45
Bank interest paid		21.88
Other expenses		5,002.22
Total expenses		90,630.21
Net investment loss		-28,845.72
<b>Net realised gain/(loss)</b>		
- on securities portfolio		235,694.25
- on foreign exchange		-2,380.23
Realised result		204,468.30
<b>Net variation of the unrealised gain/(loss)</b>		
- on securities portfolio		85,896.43
Result of operations		290,364.73
Subscriptions		94,997.76
Redemptions		-346,621.66
Total changes in net assets		38,740.83
Total net assets at the beginning of the period		8,700,822.85
Total net assets at the end of the period		8,739,563.68

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



## RAINBOW FUND - Emerging Market Equities

### Statistical information (in EUR)

as at 31st December 2019

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<b>Total net assets</b>	<b>Currency</b>	<b>30.09.2018</b>	<b>30.09.2019</b>	<b>31.12.2019</b>
	EUR	8,557,752.77	8,700,822.85	8,739,563.68

  

<b>Net asset value per unit</b>	<b>Currency</b>	<b>30.09.2018</b>	<b>30.09.2019</b>	<b>31.12.2019</b>
EUR	EUR	220.34	243.70	252.05

  

<b>Number of units</b>	<b>outstanding at the beginning of the period</b>	<b>issued</b>	<b>redeemed</b>	<b>outstanding at the end of the period</b>
EUR	35,702.58	383.21	-1,411.54	34,674.25

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## RAINBOW FUND - Emerging Market Equities

### Statement of investments and other net assets (in EUR) as at 31st December 2019

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<b>Investments in securities</b>					
<b>Transferable securities admitted to an official stock exchange listing</b>					
<b>Shares</b>					
BRL	17,000	Cia Energetica Minas Gerais Pref	33,786.77	51,949.03	0.59
BRL	7,600	Cia Saneamento Minas Gerais SA	82,687.44	114,504.59	1.31
BRL	13,000	EcoRodovias Infra Logistica SA	33,754.26	46,956.44	0.54
BRL	50,000	Metalurgica Gerdau SA Pref	52,096.36	102,821.10	1.18
			202,324.83	316,231.16	3.62
EUR	52,000	Martifer SA	116,755.20	19,708.00	0.23
EUR	100,000	Mosenergo spons ADR repr 50 Shares	57,920.00	170,000.00	1.94
EUR	100,000	Surgutneftegas PJSC spons ADR repr 10 Pref Shares	53,725.66	560,000.00	6.41
EUR	12,005	Telefonica SA	150,979.94	74,755.14	0.85
			379,380.80	824,463.14	9.43
IDR	540,000	Astra Intl Tbk	6,046.53	239,928.21	2.74
IDR	341,775	Bank Niaga CIMB (PT) Tbk A	17,994.74	21,160.96	0.24
IDR	4,788,400	Bank Pan Indonesia (PT) Tbk	54,072.70	410,146.93	4.69
IDR	201,955	Bank Permata (PT) Tbk A Ser A	22,572.82	16,391.28	0.19
IDR	110,000	Indorama Synthetics (PT) Tbk Reg	3,871.23	17,150.10	0.20
IDR	580,000	PT Solusi Bangun Indonesia Tbk Reg	14,495.56	43,911.45	0.50
IDR	480,000	Ramayana Lestari Sent (PT) Tbk	7,254.75	32,798.85	0.37
IDR	220,000	Tempo Scan Pacific (PT) Tbk	956.32	19,690.86	0.22
			127,264.65	801,178.64	9.15
JPY	4,000	Softbank Group Corp	24,841.33	155,908.04	1.78
KRW	4,500	DB HiTek Co LTD Reg	48,866.61	95,835.78	1.10
KRW	2,058	Hansol Hgs Co Ltd	15,350.80	6,232.91	0.07
KRW	4,031	Hansol Paper Co Ltd	40,889.76	44,945.55	0.51
KRW	136	Hyundai Construc Equip Co Ltd Reg	0.00	3,137.73	0.04
KRW	144	Hyundai Elect & En Sys Co Ltd Reg	0.00	1,283.37	0.01
KRW	257	Hyundai Heavy Indus Hgs Co Ltd Reg	46,818.76	67,027.95	0.77
KRW	1,648	KB Financial Gr Inc	19,758.11	60,593.52	0.69
KRW	980	KCC Corp	13,360.44	176,570.87	2.02
KRW	551	Korea Ship & Offshore Engineer Co Ltd Reg	10,936.11	53,783.40	0.61
KRW	2,714	LG Electronics Inc	8,033.75	150,991.05	1.73
			204,014.34	660,402.13	7.55
PHP	370,500	Aboitiz Equity Ventures Inc	22,091.70	334,950.98	3.83
PHP	143,568	Ayala Land Inc	24,942.22	114,671.33	1.31
PHP	199,000	First Philippine Holdings Corp	143,112.34	240,864.70	2.76
PHP	128,800	Ginebra San Miguel Inc Reg	64,714.76	85,918.22	0.98
PHP	3,990	Globe Telecom Inc	51,821.18	141,484.90	1.62
PHP	14,700	Greenenergy Hgs Inc Reg	8,349.29	482.55	0.01
PHP	180,000	Intl Container Terminal Servcs	14,338.04	406,349.09	4.65
PHP	300,000	Ionics Inc Reg	3,714.35	6,846.21	0.08
PHP	50,000	Manila Electric Co	17,512.77	278,237.13	3.18
PHP	167,216	Metropolitan Bank & Trust Co Reg	69,769.35	194,615.39	2.23
PHP	1,180	PLDT inc	22,909.76	20,465.61	0.23
PHP	130,642	Security Bank Corp	35,422.08	447,201.50	5.12
			478,697.84	2,272,087.61	26.00
THB	7,500	Advanced Info Serv PCL Foreign Reg	10,434.32	47,812.81	0.55
THB	26,000	Allianz Ayudhya Cap PCL Reg Foreign	8,354.20	30,348.79	0.35
THB	54,600	Bangkok Bank PCL Foreign Reg	93,460.74	260,649.37	2.98
THB	79,580	Delta Electronic Thailand PCL Foreign Reg	38,680.49	127,426.89	1.46
THB	209,375	Krung Thai Bank PCL Foreign Reg	68,261.09	102,771.34	1.18
THB	99,157	PTT Global Chem PCL Foreign Reg	15,988.67	169,161.52	1.94
THB	32,500	Siam Cement Public Co Ltd Foreign	55,845.64	381,305.25	4.36
THB	178,600	Thaicom PCL Foreign Reg	36,336.73	20,633.46	0.24
THB	7,800	Total Access Communication PCL Foreign Reg	4,982.68	12,431.33	0.14
			332,344.56	1,152,540.76	13.20

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

## RAINBOW FUND - Emerging Market Equities

### Statement of investments and other net assets (in EUR) (continued) as at 31st December 2019

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
USD	10,000	Acron OJSC spons GDR repr 1/10 Shares Reg S	31,516.77	68,855.12	0.79
USD	1,400	Daqo New Energy Corp Spons ADR Repr 25 Shs	46,610.24	63,846.09	0.73
USD	45,500	Gazprom PJSC spons ADR repr 2 Shares	369,320.18	333,458.63	3.82
USD	10,000	MMC Norilsk Nickel PJSC spons ADR repr 1 Share	5,684.34	272,111.87	3.11
USD	2,500	Mobile Telesystems PJSC ADR repr 2 Shs	25,061.37	22,601.76	0.26
USD	7,000	Oil Co Lukoil PJSC spons ADR repr 1 Share	64,392.72	618,384.25	7.08
USD	7,195	Rostelecom ADR spons repr 6 Shares	61,399.86	48,385.37	0.55
USD	1,480	Samsung SDI Co Ltd spons ADR Repr 1/4 Shares 144A	11,024.11	67,230.78	0.77
USD	8,000	Sberbank of Russia PJSC spons ADR repr 4 Shares	40,200.02	117,146.17	1.34
USD	10,000	Surgutneftegas PJSC ADR repr 10 Shares	33,698.44	71,835.75	0.82
USD	5,800	Tatneft PJSC spons ADR repr 6 Shares	13,049.03	381,569.43	4.37
USD	37,500	Veon Ltd spons ADR repr 1 share	95,710.09	84,506.10	0.97
USD	100,000	VTB Bank PJSC GDR spons GDR repr 2000 Shares	169,497.93	130,310.86	1.49
USD	3,000	Yiren Digital Ltd spons ADS repr 2 Shares	40,113.87	14,830.32	0.17
			<u>1,007,278.97</u>	<u>2,295,072.50</u>	<u>26.27</u>
<b>Total shares</b>			<u>2,756,147.32</u>	<u>8,477,883.98</u>	<u>97.00</u>
<b>Closed-ended investment funds</b>					
USD	1,415	Aberdeen Em Mks Eq Inc Fd Inc Dist	6,723.26	9,603.90	0.11
<b>Total closed-ended investment funds</b>			<u>6,723.26</u>	<u>9,603.90</u>	<u>0.11</u>
<b>Warrants and rights</b>					
KRW	89	Hyundai Elect & En Sys Co Ltd Droits de sousc 10.12.19	0.00	123.61	0.00
THB	13,000	Allianz Ayudhya Cap PCL Call Wts 08.05.20	0.00	568.07	0.01
<b>Total warrants and rights</b>			<u>0.00</u>	<u>691.68</u>	<u>0.01</u>
<b>Transferable securities dealt in on another regulated market</b>					
<b>Shares</b>					
USD	1,000	Acron PJSC	31,516.77	68,855.12	0.79
<b>Total shares</b>			<u>31,516.77</u>	<u>68,855.12</u>	<u>0.79</u>
<b>Total investments in securities</b>			<u>2,794,387.35</u>	<u>8,557,034.68</u>	<u>97.91</u>
<b>Cash at banks</b>				203,254.28	2.33
<b>Other net assets/(liabilities)</b>				-20,725.28	-0.24
<b>Total</b>				<u>8,739,563.68</u>	<u>100.00</u>

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

## RAINBOW FUND - Emerging Market Equities

### Industrial and geographical classification of investments as at 31st December 2019

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#### Industrial classification

(in percentage of net assets)

Energy	23.46 %
Financials	20.51 %
Industrials	16.27 %
Raw materials	10.91 %
Utilities	9.78 %
Telecommunications services	7.19 %
Cyclical consumer goods	5.04 %
Technologies	2.13 %
Real estate	1.31 %
Non-cyclical consumer goods	0.98 %
Healthcare	0.22 %
Investment funds	0.11 %
Total	<u>97.91 %</u>

#### Geographical classification

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

Russia	32.77 %
Philippines	26.00 %
Thailand	13.21 %
Indonesia	9.15 %
South Korea	8.32 %
Brazil	3.62 %
Japan	1.78 %
The Netherlands	0.97 %
Cayman Islands	0.90 %
Spain	0.85 %
Portugal	0.23 %
United States of America	0.11 %
Total	<u>97.91 %</u>

## RAINBOW FUND - Emerging Market Equities

### Statement of changes in investments (unaudited)

from 1st October 2019 to 31st December 2019

Currency	Description	Purchases	Sales	Other
<b><u>Shares</u></b>				
JPY	Softbank Group Corp	0	0	2,000
KRW	Hansol Hgs Co Ltd	0	0	40
PHP	Intl Container Terminal Servcs	0	49,500	0
PHP	Metropolitan Bank & Trust Co Reg	0	0	19,237
RUB	Uralkaliy PJSC Reg	0	15,000	0
THB	Allianz Ayudhya Cap PCL Reg	0	0	-26,000
THB	Allianz Ayudhya Cap PCL Reg Foreign	0	0	26,000
THB	TMB Bank PCL Foreign Reg	0	0	-662,603
THB	TMB Bank PCL Reg	0	662,603	662,603
USD	Acron OJSC spons GDR repr 1/10 Shares Reg S	0	0	-10,000
USD	Acron PJSC	0	0	1,000
USD	MMC Norilsk Nickel PJSC spons ADR repr 1 Share	0	3,171	0
USD	Oil Co Lukoil PJSC spons ADR repr 1 Share	0	3,800	0
USD	Tatneft PJSC spons ADR repr 6 Shares	0	1,580	0
<b><u>Warrants and rights</u></b>				
KRW	Hyundai Elect & En Sys Co Ltd Droits de sousc 10.12.19	0	0	89

## RAINBOW FUND - Rainbow Flexible Allocation

### Statement of net assets (in EUR)

as at 31st December 2019

#### Assets

Securities portfolio at market value	12,773,450.43
Cash at banks	608,704.13
Income receivable on portfolio	4,929.03
Total assets	<u>13,387,083.59</u>

#### Liabilities

Expenses payable	<u>32,486.98</u>
Total liabilities	<u>32,486.98</u>
Net assets at the end of the period	<u><u>13,354,596.61</u></u>

#### Breakdown of net assets per unit class

Unit class	Number of units	Currency of unit class	NAV per unit in currency of unit class	Net assets per unit class (in EUR)
EUR	101,041.44	EUR	115.19	11,638,924.10
B	15,563.47	EUR	110.24	<u>1,715,672.51</u>
				<u><u>13,354,596.61</u></u>

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

## RAINBOW FUND - Rainbow Flexible Allocation

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

from 1st October 2019 to 31st December 2019

	<b>Notes</b>	
<b><u>Income</u></b>		
Dividends, net	2.5)	31,471.50
Total income		31,471.50
<b><u>Expenses</u></b>		
Investment Management fees	3	10,781.32
Retrocession trailer fees		4.13
Depository fees	5	2,660.06
Banking charges and other fees		543.47
Transaction fees	2.9)	140.00
Central administration costs	7,8	7,279.52
Professional fees		3,997.50
Other administration costs	4,6	8,199.79
Subscription duty ("taxe d'abonnement")	10	1,214.78
Bank interest paid		233.16
Total expenses		35,053.73
Net investment loss		-3,582.23
<b><u>Net realised gain/(loss)</u></b>		
- on securities portfolio		-850.87
- on foreign exchange		-12,378.30
Realised result		-16,811.40
<b><u>Net variation of the unrealised gain/(loss)</u></b>		
- on securities portfolio		564,095.61
Result of operations		547,284.21
Subscriptions		10,999.46
Redemptions		-
Total changes in net assets		558,283.67
Total net assets at the beginning of the period		12,796,312.94
Total net assets at the end of the period		13,354,596.61

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

## RAINBOW FUND - Rainbow Flexible Allocation

### Statistical information (in EUR)

as at 31st December 2019

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<b>Total net assets</b>	<b>Currency</b>	<b>30.09.2018</b>	<b>30.09.2019</b>	<b>31.12.2019</b>
	EUR	11,933,789.15	12,796,312.94	13,354,596.61

  

<b>Net asset value per unit</b>	<b>Currency</b>	<b>30.09.2018</b>	<b>30.09.2019</b>	<b>31.12.2019</b>
EUR	EUR	106.77	110.45	115.19
B	EUR	102.95	105.86	110.24

  

<b>Number of units</b>	<b>outstanding at the beginning of the period</b>	<b>issued</b>	<b>redeemed</b>	<b>outstanding at the end of the period</b>
EUR	101,041.44	-	-	101,041.44
B	15,460.48	102.99	-	15,563.47



## RAINBOW FUND - Rainbow Flexible Allocation

### Statement of investments and other net assets (in EUR) as at 31st December 2019

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<b>Investments in securities</b>					
<b>Transferable securities admitted to an official stock exchange listing</b>					
<b>Shares</b>					
CHF	280	Alcon Inc Reg	11,870.77	14,123.23	0.11
CHF	1,340	Co Financière Richemont SA	90,889.69	93,811.62	0.70
CHF	400	Kuehne & Nagel Intl AG Reg	50,827.31	60,086.33	0.45
CHF	1,415	LafargeHolcim Ltd Reg	60,531.79	69,940.10	0.52
CHF	1,400	Novartis AG Reg	87,349.73	118,423.82	0.89
			301,469.29	356,385.10	2.67
EUR	1,137	Air Liquide SA	99,027.59	143,489.40	1.07
EUR	1,385	Anheuser-Busch InBev SA	99,852.00	100,703.35	0.75
EUR	1,110	Bayerische Motorenwerke AG	90,338.48	81,185.40	0.61
EUR	555	Continental AG	91,065.00	63,969.30	0.48
EUR	2,140	Daimler AG Reg	129,816.68	105,651.80	0.79
EUR	3,740	Danone	238,688.89	276,386.00	2.07
EUR	4,070	Deutsche Post AG Reg	129,355.20	138,420.70	1.04
EUR	17,270	Engie SA	234,647.45	248,688.00	1.86
EUR	2,595	Fresenius SE & Co KGaA	160,233.55	130,217.10	0.98
EUR	8,830	Gestamp Automocion Bearer	48,001.44	37,845.38	0.28
EUR	13,700	Industria de Diseno Textil SA	397,428.00	430,865.00	3.23
EUR	950	Kion Group AG	49,723.00	58,482.00	0.44
EUR	2,700	Maisons du Monde SA	50,621.49	35,019.00	0.26
EUR	1,000	Michelin SA	104,550.00	109,100.00	0.82
EUR	1,660	Paragon GmbH & Co KGaA	70,421.75	24,070.00	0.18
EUR	200	Prosus NV	11,171.89	13,306.00	0.10
EUR	1,050	Randstad NV	50,561.61	57,162.00	0.43
EUR	900	Renault SA	50,557.99	37,962.00	0.28
EUR	6,494	Repsol SA	96,065.80	90,461.42	0.68
EUR	5,350	Royal Dutch Shell Plc A	151,779.50	139,982.75	1.05
EUR	204,000	Sonae SGPS SA Reg	189,324.74	185,640.00	1.39
EUR	3,200	Spie SAS	50,610.44	58,112.00	0.44
EUR	23,860	Telefonica SA	204,065.92	148,576.22	1.11
EUR	7,860	Tenaris SA Reg	98,353.41	78,993.00	0.59
EUR	1,000	Thales SA	101,960.10	92,520.00	0.69
EUR	2,250	UPM-Kymmene Corp	50,337.00	69,547.50	0.52
EUR	1,165	Vinci SA	88,411.80	115,335.00	0.86
			3,136,970.72	3,071,690.32	23.00
JPY	1,400	Dentsu Group Inc Reg	50,736.28	43,312.34	0.32
JPY	5,000	Rakuten Inc	49,316.59	38,313.19	0.29
JPY	8,800	Tohokushinsha Film Corp Reg	50,319.73	49,257.24	0.37
			150,372.60	130,882.77	0.98
KRW	550	Hyundai Home Shop Network Corp	52,277.41	34,163.68	0.26
NOK	8,750	Equinor ASA	153,345.38	155,610.01	1.17
NOK	12,000	Hexagon Composites ASA Reg	50,945.10	44,201.60	0.33
NOK	8,400	Leroy Seafood Group ASA	51,352.07	49,624.96	0.37
			255,642.55	249,436.57	1.87
SEK	8,350	Alfa Laval AB	149,987.64	187,435.41	1.40
SEK	10,300	Kindred Group Plc SDR	99,927.45	56,219.06	0.42
			249,915.09	243,654.47	1.82
USD	2,000	Alibaba Group Holding Ltd ADR repr 8 Share	211,118.21	377,839.14	2.83
USD	3,760	AT&T Inc	107,076.68	130,881.62	0.98
USD	690	Biogen Inc	181,965.58	182,367.24	1.37
USD	2,240	Bristol Myers Squibb Co	93,853.67	128,071.26	0.96
USD	2,000	Cisco Systems Inc	54,066.64	85,436.89	0.64
USD	3,735	Coca-Cola Co	148,074.29	184,138.46	1.38
USD	5,900	Freeport McMoRan Inc	62,328.68	68,948.07	0.52
USD	4,900	General Electric Co	142,057.86	48,707.58	0.36
USD	3,100	General Motors Co	91,366.79	101,059.94	0.76

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

## RAINBOW FUND - Rainbow Flexible Allocation

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

as at 31st December 2019

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
USD	954	IBM Corp	113,590.82	113,898.78	0.85
USD	235	Intuitive Surgical Inc	101,595.81	123,737.64	0.93
USD	1,500	Microsoft Corp	73,622.54	210,697.43	1.58
USD	740	Philip Morris Intl Inc	50,620.95	56,084.97	0.42
USD	1,850	Qualcomm Inc	96,483.72	145,386.57	1.09
USD	1,835	Schlumberger Ltd	121,234.41	65,705.00	0.49
USD	4,000	Softbank Group Corp Unspns ADR repr 1/2 Share	68,438.39	76,743.56	0.57
USD	1,000	Tencent Holdings Ltd unspns ADR repr 1 Share	36,779.01	42,762.98	0.32
USD	500	The Walt Disney Co	45,020.98	64,411.69	0.48
USD	26	Westinghouse Air Brak Tec Corp Reg	4,546.28	1,801.73	0.01
			<u>1,803,841.31</u>	<u>2,208,680.55</u>	<u>16.54</u>
ZAR	498	Multichoice Group LTD Reg	2,944.26	3,697.35	0.03
ZAR	200	Naspers Ltd N	23,106.73	29,197.79	0.22
ZAR	491	Oceana Group Ltd Reg	3,296.12	1,925.95	0.01
ZAR	1,900	Tiger Brands Ltd	45,299.61	25,513.70	0.19
			<u>74,646.72</u>	<u>60,334.79</u>	<u>0.45</u>
<b>Total shares</b>			<u>6,025,135.69</u>	<u>6,355,228.25</u>	<u>47.59</u>
<b>Warrants and rights</b>					
USD	2,240	Bristol Myers Squibb Co Droits d'attribut 31.12.20	0.00	6,005.52	0.04
<b>Total warrants and rights</b>			<u>0.00</u>	<u>6,005.52</u>	<u>0.04</u>
<b>Open-ended investment funds</b>					
<b>Investment funds (UCITS)</b>					
EUR	39,688.132	Aberdeen Standard World Resources Equity Fd X EUR Cap	433,827.00	493,331.42	3.69
EUR	295,000	BNY Mellon Global Fds Plc Japan SmCap Equity F W Hedged Cap	300,503.50	289,719.50	2.17
EUR	452,855.372	BNY Mellon Global Fds Plc Short-Dated HY Bond EUR I Cap	475,000.00	485,913.81	3.64
EUR	64	DWS Istl EUR Money Mks IC Cap	892,108.48	889,518.08	6.66
EUR	7,370	Halley SICAV Alinea Global I Cap	701,787.22	602,202.70	4.51
EUR	17,200	Nordea 1 SICAV Global Climate and Environment Fd BC Cap	302,126.00	363,264.00	2.72
EUR	3,350	Salar Fd Plc E1 EUR Cap	505,883.50	505,682.50	3.79
EUR	11,000	Schroder Intl Selection Fd Asian Opportunities C Cap	248,605.50	257,637.60	1.93
			<u>3,859,841.20</u>	<u>3,887,269.61</u>	<u>29.11</u>
USD	5,488.078	Natixis Intl Fds (Lux) I Loomis Sayles ST Em Mks Bd N1/A Cap	486,172.26	528,814.71	3.96
USD	38,451.973	PIMCO Fds Gl Investors Ser Plc Inc I USD Cap	484,627.25	535,320.51	4.01
USD	4,433.617	Vontobel Fd Emerging Markets Equity N Cap	418,345.71	501,649.92	3.76
			<u>1,389,145.22</u>	<u>1,565,785.14</u>	<u>11.73</u>
<b>Total investment funds (UCITS)</b>			<u>5,248,986.42</u>	<u>5,453,054.75</u>	<u>40.84</u>
<b>Tracker funds (UCITS)</b>					
EUR	2,700	iShares STOXX Europe 600 Banks UCITS ETF (DE) Dist	50,584.50	38,777.40	0.29
EUR	2,200	Lyxor Index Fd Stoxx Eur 600 Bk UCITS ETF Cap	50,578.00	41,800.00	0.31
EUR	4,584	SSgA SPDR ETFs Europe II Plc S&P US Health Care Select Cap	100,481.28	119,573.64	0.90
			<u>201,643.78</u>	<u>200,151.04</u>	<u>1.50</u>
GBP	8,995	Vanguard Fds Plc FTSE 100 UCITS ETF EUR Dist	331,962.01	354,276.08	2.65

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

## RAINBOW FUND - Rainbow Flexible Allocation

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

as at 31st December 2019

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
USD	5,000	iShares III Plc Core MSCI World Cap	267,772.30	280,707.22	2.10
USD	3,150	SSgA SPDR ETFs Europe II Plc MSCI World Fin UCITS Cap	99,351.34	124,027.57	0.93
			<u>367,123.64</u>	<u>404,734.79</u>	<u>3.03</u>
<b>Total tracker funds (UCITS)</b>			<u>900,729.43</u>	<u>959,161.91</u>	<u>7.18</u>
Total investments in securities			<u>12,174,851.54</u>	<u>12,773,450.43</u>	<u>95.65</u>
Cash at banks				608,704.13	4.56
Other net assets/(liabilities)				-27,557.95	-0.21
Total				<u>13,354,596.61</u>	<u>100.00</u>

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

## RAINBOW FUND - Rainbow Flexible Allocation

### Industrial and geographical classification of investments

as at 31st December 2019

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#### Industrial classification

(in percentage of net assets)

Investment funds	48.02 %
Cyclical consumer goods	10.56 %
Technologies	7.53 %
Non-cyclical consumer goods	6.58 %
Industrials	6.12 %
Healthcare	5.28 %
Energy	3.98 %
Raw materials	2.96 %
Telecommunications services	2.66 %
Utilities	1.86 %
Financials	0.10 %
Total	<u>95.65 %</u>

#### Geographical classification

(by domicile of the issuer)

(in percentage of net assets)

Luxembourg	28.13 %
Ireland	20.19 %
United States of America	12.37 %
France	8.35 %
Spain	5.30 %
Germany	4.81 %
Cayman Islands	3.15 %
Switzerland	2.67 %
Norway	1.87 %
The Netherlands	1.58 %
Japan	1.55 %
Sweden	1.40 %
Portugal	1.39 %
Belgium	0.75 %
Finland	0.52 %
Curaçao	0.49 %
South Africa	0.45 %
Malta	0.42 %
South Korea	0.26 %
Total	<u>95.65 %</u>

## RAINBOW FUND - Rainbow Flexible Allocation

### Statement of changes in investments (unaudited)

from 1st October 2019 to 31st December 2019

Currency	Description	Purchases	Sales	Other
<b>Shares</b>				
CAD	Alimentation Couche Tard Inc B	0	2,325	0
CAD	Restaurant Brands Intl Inc When Issued	0	1,000	0
CHF	Alcon Inc Reg	0	0	280
CHF	Nestlé SA Reg	0	700	0
DKK	Novo Nordisk AS B	0	2,700	0
EUR	Air Liquide SA	0	0	103
EUR	ASML Holding NV	0	645	0
EUR	Dialog Semiconductor Plc	0	3,780	0
EUR	Engie SA	3,900	0	0
EUR	Industria de Diseno Textil SA	2,000	0	0
EUR	Kion Group AG	950	0	0
EUR	L'Oréal SA	0	270	0
EUR	Legrand Holding SA	0	1,300	0
EUR	Maisons du Monde SA	2,700	0	0
EUR	Michelin SA	1,000	0	0
EUR	Prosus NV	0	0	200
EUR	Randstad NV	1,050	0	0
EUR	Renault SA	900	0	0
EUR	Repsol SA	0	0	397
EUR	Royal Dutch Shell Plc A	5,350	0	0
EUR	SAFRAN SA	0	600	0
EUR	Spie SAS	3,200	0	0
EUR	Thales SA	1,000	0	0
EUR	UPM-Kymmene Corp	2,250	0	0
EUR	Vapiano SE Bearer	0	2,411	0
JPY	Asics Corp	0	4,300	0
NOK	Equinor ASA	8,750	0	0
NOK	Hexagon Composites ASA Reg	12,000	0	0
NOK	Leroy Seafood Group ASA	8,400	0	0
SEK	Alfa Laval AB	8,350	0	0
USD	Alibaba Group Holding Ltd ADR repr 8 Share	400	0	0
USD	Bristol Myers Squibb Co	0	0	2,240
USD	Celgene Corp	0	0	-2,240
USD	Cisco Systems Inc	0	4,700	0
USD	Coca-Cola Co	1,200	0	0
USD	Intel Corp	0	2,765	0
USD	Intuitive Surgical Inc	235	0	0
USD	Merck & Co Inc	0	3,100	0
USD	Microsoft Corp	0	1,400	0
USD	Mondelez Intl Inc	0	2,290	0
USD	Oracle Corp	0	5,600	0
USD	Qualcomm Inc	850	960	0
USD	ServiceNow Inc Reg	0	640	0
USD	Softbank Group Corp Unspons ADR repr 1/2 Share	0	2,080	2,000
USD	Tencent Holdings Ltd unspons ADR repr 1 Share	0	1,130	0
USD	The Walt Disney Co	0	520	0
USD	Twenty-First Century Fox Inc A	0	3,850	0
USD	Westinghouse Air Brak Tec Corp Reg	0	0	26

## RAINBOW FUND - Rainbow Flexible Allocation

### Statement of changes in investments (continued)

from 1st October 2019 to 31st December 2019

Currency	Description	Purchases	Sales	Other
ZAR	Multichoice Group LTD Reg	0	0	498
ZAR	Naspers Ltd N	0	298	0
ZAR	Oceana Group Ltd Reg	0	0	491
<b><u>Bonds</u></b>				
GBP	United Kingdom 3.75% T-Stock 09/07.09.19	195,000	195,000	0
GBP	United Kingdom 4.5% T-Stock 08/07.03.19	195,000	195,000	0
<b><u>Warrants and rights</u></b>				
USD	Bristol Myers Squibb Co Droits d'attribut 31.12.20	0	0	2,240
<b><u>Investment funds (UCITS)</u></b>				
EUR	BNY Mellon Global Fd Plc Equity Inc B Cap	0	125,150	0
EUR	DWS Istl EUR Money Mks IC Cap	110	46	0
EUR	Halley SICAV Alinea Global I Cap	1,420	0	0
EUR	Schroder Intl Selection Fd Asian Opportunities C Cap	11,000	0	0
<b><u>Tracker funds (UCITS)</u></b>				
EUR	Lyxor Index Fd Stoxx Eur 600 Bk UCITS ETF Cap	0	0	2,200
EUR	Lyxor UCITS ETF Stoxx Europe 600 Bks Cap	0	0	-2,200
EUR	SSgA SPDR ETFs Europe II Plc S&P US Health Care Select Cap	4,584	0	0
GBP	Vanguard Fds Plc FTSE 100 UCITS ETF EUR Dist	8,995	0	0
USD	iShares III Plc Core MSCI World Cap	5,000	0	0

## RAINBOW FUND - Balanced Portfolio 3

### Statement of net assets (in EUR)

as at 31st December 2019

#### Assets

Securities portfolio at market value	4,337,395.06
Cash at banks	767,833.01
Income receivable on portfolio	23,442.74
Total assets	<u>5,128,670.81</u>

#### Liabilities

Bank overdrafts	11.92
Expenses payable	31,637.94
Total liabilities	<u>31,649.86</u>

Net assets at the end of the period	<u><u>5,097,020.95</u></u>
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#### Breakdown of net assets per unit class

Unit class	Number of units	Currency of unit class	NAV per unit in currency of unit class	Net assets per unit class (in EUR)
EUR	265,033.23	EUR	19.23	<u>5,097,020.95</u>
				<u>5,097,020.95</u>

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

## RAINBOW FUND - Balanced Portfolio 3

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

from 1st October 2019 to 31st December 2019

	Notes	
<b><u>Income</u></b>		
Dividends, net	2.5)	14,267.78
Interest on bonds and other debt securities, net	2.5)	32,911.60
Total income		47,179.38
<b><u>Expenses</u></b>		
Investment Management fees	3	7,066.26
Depository fees		2,169.60
Banking charges and other fees	5	488.76
Transaction fees	2.9)	143.50
Central administration costs	7,8	6,935.56
Professional fees		3,997.50
Other administration costs	4,6	21,101.68
Subscription duty ("taxe d'abonnement")	10	637.13
Total expenses		42,539.99
Net investment income		4,639.39
<b><u>Net realised gain/(loss)</u></b>		
- on securities portfolio		10,805.75
- on foreign exchange		-8,442.68
Realised result		7,002.46
<b><u>Net variation of the unrealised gain/(loss)</u></b>		
- on securities portfolio		78,563.29
Result of operations		85,565.75
Subscriptions		143,643.42
Redemptions		-
Total changes in net assets		229,209.17
Total net assets at the beginning of the period		4,867,811.78
Total net assets at the end of the period		5,097,020.95

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



## RAINBOW FUND - Balanced Portfolio 3

### Statistical information (in EUR)

as at 31st December 2019

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<b>Total net assets</b>	<b>Currency</b>	<b>30.09.2018</b>	<b>30.09.2019</b>	<b>31.12.2019</b>
	EUR	4,555,939.56	4,867,811.78	5,097,020.95

  

<b>Net asset value per unit</b>	<b>Currency</b>	<b>30.09.2018</b>	<b>30.09.2019</b>	<b>31.12.2019</b>
EUR	EUR	17.80	18.91	19.23

  

<b>Number of units</b>	<b>outstanding at the beginning of the period</b>	<b>issued</b>	<b>redeemed</b>	<b>outstanding at the end of the period</b>
EUR	257,474.52	7,558.71	-	265,033.23

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## RAINBOW FUND - Balanced Portfolio 3

### Statement of investments and other net assets (in EUR) as at 31st December 2019

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<b>Investments in securities</b>					
<b>Transferable securities admitted to an official stock exchange listing</b>					
<b>Shares</b>					
EUR	33,304	Abengoa SA A	0.01	632.78	0.01
EUR	344,388	Abengoa SA B	0.01	3,271.69	0.06
EUR	2,000	Acciona SA	125,985.00	187,600.00	3.68
EUR	3,723	Actividad Const y Servicios SA	73,953.23	132,724.95	2.60
EUR	1,000	Akka Technologies SE	58,400.00	65,500.00	1.28
EUR	1,800	Axa SA	31,275.00	45,198.00	0.89
EUR	24,558	Banco Santander Reg SA	47,444.74	91,601.34	1.80
EUR	1,600	Deutsche Post AG Reg	50,447.28	54,416.00	1.07
EUR	6,400	E.ON SE Reg	68,584.63	60,953.60	1.20
EUR	10,000	ENCE Energia y Celulosa	53,350.00	36,700.00	0.72
EUR	22,881	Iberdrola SA	106,112.54	210,047.58	4.12
EUR	14,367	Koninklijke KPN NV	43,164.85	37,799.58	0.74
EUR	56,000	Mapfre SA Reg	108,795.81	132,160.00	2.59
EUR	1,500	Martifer SA	12,000.00	568.50	0.01
EUR	20,000	Mosenergo spons ADR repr 50 Shares	44,356.17	34,000.00	0.67
EUR	6,400	Naturgy Energy Group SA	68,985.37	143,360.00	2.81
EUR	14,000	Naturhouse Health SA	67,514.86	27,944.00	0.55
EUR	60,500	Obrascon Huarte Lain SA	148,498.42	64,130.00	1.26
EUR	4,000	Orange SA	71,935.00	52,480.00	1.03
EUR	83,786	Sacyr SA	184,065.30	217,843.60	4.27
EUR	6,387	Siemens Gamesa Rene Energy SA	56,857.26	99,860.75	1.96
EUR	15,000	Surgutneftegas PJSC spons ADR repr 10 Pref Shares	32,824.62	84,000.00	1.65
EUR	20,771	Telefonica SA	233,797.58	129,341.02	2.54
EUR	140	Uniper SE Reg	0.00	4,131.40	0.08
			1,688,347.68	1,916,264.79	37.59
TRY	10,500	Turk Telekomunikasyon AS	29,012.30	11,583.49	0.23
TRY	2,000	Turkiye Petrol Rafinerileri AS	29,965.75	37,960.51	0.74
			58,978.05	49,544.00	0.97
USD	11,000	DHT Holdings Inc	40,432.54	81,125.86	1.59
USD	21,000	Gazprom PJSC spons ADR repr 2 Shares	83,484.84	153,903.98	3.02
USD	600	Oil Co Lukoil PJSC spons ADR repr 1 Share	23,550.06	53,004.36	1.04
USD	60	Samsung Electronics Co Ltd spons GDR repr 25 Shares	51,728.20	63,757.01	1.25
USD	10,000	Surgutneftegas PJSC spons ADR repr 10 Pref Shares	42,875.76	55,313.08	1.09
USD	69,895	Veon Ltd spons ADR repr 1 share	152,818.80	157,508.11	3.09
			394,890.20	564,612.40	11.08
<b>Total shares</b>			<b>2,142,215.93</b>	<b>2,530,421.19</b>	<b>49.64</b>
<b>Bonds</b>					
EUR	100,000	Altice Luxembourg SA 6.25% Reg S Sen 15/15.02.25	100,000.00	103,831.00	2.04
EUR	100,000	Jaguar Land Rover Automoti Plc 2.2% Reg S Sen 17/15.01.24	84,050.00	95,188.00	1.87
EUR	150,000	Lecta SA FRN Sen Reg S 16/01.08.22	151,020.00	70,457.25	1.38
EUR	260,000	Obrascon Huarte Lain SA 4.75% Sen 14/15.03.22	211,250.00	182,080.60	3.57
			546,320.00	451,556.85	8.86
GBP	180,000	Petrobras Global Finance BV 6.25% EMTN Sen 11/14.12.26	175,669.69	252,667.29	4.96
MXN	4,000,000	America Movil SAB de CV 7.125% Reg S Sen 14/09.12.24	180,516.05	184,521.18	3.62
MXN	40,000	Petroleos Mexicanos 7.19% Reg S Sen 13/12.09.24	166,628.10	171,281.73	3.36
			347,144.15	355,802.91	6.98
TRY	1,600,000	EIB 0% EMTN Ser 144 A Sen 07/05.09.22	223,029.42	178,661.09	3.51
TRY	1,200,000	EIB 8.75% EMTN Sen 14/18.09.21	186,402.48	176,974.42	3.47
			409,431.90	355,635.51	6.98

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

## RAINBOW FUND - Balanced Portfolio 3

### Statement of investments and other net assets (in EUR) (continued) as at 31st December 2019

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
USD	180,000	Bombardier Inc 6% Reg S Sen 14/15.10.22	144,728.99	160,852.85	3.16
USD	190,000	Dell Inc 7.1% Sen 98/15.04.28	161,044.18	204,266.50	4.01
			305,773.17	365,119.35	7.17
<b>Total bonds</b>			1,784,338.91	1,780,781.91	34.95
<b>Bonds in default of payment</b>					
USD	50,000	Venezuela 13.625% Sen 98/15.08.18	44,679.73	5,344.26	0.10
<b>Total bonds in default of payment</b>			44,679.73	5,344.26	0.10
<b><u>Other transferable securities</u></b>					
<b>Bonds</b>					
EUR	225,100	Abengoa Abenewco 2 SAU 0% 17/31.12.49	221,280.00	0.00	0.00
<b>Total bonds</b>			221,280.00	0.00	0.00
<b>Bonds in default of payment</b>					
USD	28,003	Maxcom Telecom SA de CV 0% 19/25.10.24	0.00	20,452.89	0.40
USD	9,850	Maxcom Telecom SA de CV 0% 19/31.12.99	0.00	394.81	0.01
<b>Total bonds in default of payment</b>			0.00	20,847.70	0.41
Total investments in securities			4,192,514.57	4,337,395.06	85.10
Cash at banks				767,833.01	15.06
Bank overdrafts				-11.92	0.00
Other net assets/(liabilities)				-8,195.20	-0.16
Total				5,097,020.95	100.00

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

## RAINBOW FUND - Balanced Portfolio 3

### Industrial and geographical classification of investments as at 31st December 2019

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#### Industrial classification

(in percentage of net assets)

Industrials	16.00 %
Energy	14.46 %
Telecommunications services	13.70 %
Utilities	12.56 %
Financials	10.24 %
International institutions	6.98 %
Technologies	5.29 %
Cyclical consumer goods	3.12 %
Raw materials	2.10 %
Non-cyclical consumer goods	0.55 %
Countries and governments	0.10 %
Total	<u>85.10 %</u>

#### Geographical classification

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

Spain	32.54 %
Luxembourg	10.40 %
The Netherlands	8.79 %
Russia	7.47 %
Mexico	7.39 %
United States of America	4.01 %
Canada	3.16 %
Germany	2.35 %
France	1.92 %
United Kingdom	1.87 %
Marshall Islands	1.59 %
Belgium	1.28 %
South Korea	1.25 %
Turkey	0.97 %
Venezuela	0.10 %
Portugal	0.01 %
Total	<u>85.10 %</u>

## RAINBOW FUND - Balanced Portfolio 3

### Statement of changes in investments (unaudited)

from 1st October 2019 to 31st December 2019

Currency	Description	Purchases	Sales	Other
<b><u>Shares</u></b>				
EUR	Actividad Const y Servicios SA	0	0	186
EUR	Akka Technologies SE	1,000	0	0
EUR	Deutsche Post AG Reg	1,600	0	0
EUR	ENCE Energia y Celulosa	10,000	0	0
EUR	Iberdrola SA	0	0	1,006
EUR	Sacyr SA	0	0	4,363
EUR	Telefonica SA	7,000	0	0
<b><u>Bonds</u></b>				
EUR	Abengoa Abenewco 2 SAU 0% 17/31.12.49	0	0	225,100
EUR	Abengoa Abenewco 2 SAU VAR TOG PIK Reg S 17/31.03.23	0	0	-225,100
EUR	GPB Eurobond Finance Plc 4% Reg S Gazprombank 14/01.07.19	0	200,000	0
EUR	Jaguar Land Rover Automoti Plc 2.2% Reg S Sen 17/15.01.24	100,000	0	0
EUR	Swissport Financing Sàrl 6.75% Sen Reg S 17/15.12.21	0	100,000	0
MXN	Mexico 5% Bonos Sen 14/11.12.19	0	20,000	0
MXN	Petroleos Mexicanos 7.19% Reg S Sen 13/12.09.24	20,000	0	0
TRY	EIB 8.75% EMTN Sen 14/18.09.21	600,000	0	0
TRY	Turkey 10.4% 14/27.03.19	0	800,000	0
<b><u>Bonds in default of payment</u></b>				
USD	Maxcom Telecom SA de CV 0% 19/25.10.24	0	0	28,003
USD	Maxcom Telecom SA de CV 0% 19/31.12.99	0	0	9,850
USD	Maxcom Telecom SA de CV Step-up 13/15.06.20	0	0	-50,916

## RAINBOW FUND

### Notes to the financial statements

as at 31st December 2019

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#### Note 1 - General Information

RAINBOW FUND (hereinafter referred to as the "Fund") is an unincorporated co-proprietorship of the transferable securities and other eligible assets (hereinafter referred to as "securities") of the Fund, managed in the interest of its co-owners (hereinafter referred to as the "Unitholders") by ANDBANK ASSET MANAGEMENT LUXEMBOURG (hereinafter referred to as the "Management Company"), a company incorporated under the laws of the Grand Duchy of Luxembourg and having its registered office in Luxembourg. The assets of the Fund are separate from those of the Management Company.

The Fund is organised under the laws of the Grand Duchy of Luxembourg as a collective investment fund with multiple compartments ("*fonds commun de placement à compartiments multiples*") pursuant to the provisions of part I of the amended Law of 17th December 2010 relating to undertakings for collective investment.

All notices to unitholders will be sent to the unitholders at their addresses indicated in the register of unitholders. Notices to unitholders will also be published in a newspaper in Luxembourg (insofar as required by applicable regulations) and in newspapers issued in countries where the Fund's units are offered or sold as decided by the Management Company from time to time. Any other financial information to be published concerning the Fund or the Management Company, including any suspension of the net asset value of any Sub-Fund, will be made available to the public at the offices of the Management Company, the Distributors and the Administrator.

By way of circular resolution dated 16th April 2019, the Board of Directors resolved to modify the accounting year applicable to the Fund as set forth under section 13 of the Prospectus. The financial accounts of the Fund will close on 31st December of each year instead of 30th September. The first year to be affected by this change will be the period from 1st October 2019 to 31st December 2019.

#### Note 2 - Significant accounting policies

##### 1) Presentation of the financial statements

The financial statements of the Fund are prepared in accordance with the Luxembourg legal and regulatory requirements concerning undertakings for collective investment with generally accepted accounting principles in Luxembourg. The annual accounts have been prepared on a going-concern basis.

##### 2) Valuation of assets

- a) securities and financial derivative instruments listed or traded on any regulated market, stock exchange in an other state ("any State of Europe which is not a Member State, and any State of America, Africa, Asia and Oceania") or other regulated market are valued at the last available price on such markets. If a security or a financial derivative instrument is listed or traded on several markets, the last available price at the market which constitutes the main market for such securities or financial derivative instruments, will be determining;
- b) securities not listed or traded on any regulated market, stock exchange in an other state or other regulated market are valued at their last available market price;
- c) securities for which no price quotation is available or for which the price is not representative of the fair market value, are valued prudently, and in good faith on the basis of their reasonably foreseeable sales prices;
- d) the value of Money Market Instruments not listed or dealt in on any regulated market, stock exchange in an other state ("any State of Europe which is not a Member State, and any State of America, Africa, Asia and Oceania") or any other regulated market and with remaining

## RAINBOW FUND

### Notes to the financial statements (continued)

as at 31st December 2019

maturity of less than 12 months and of more than 90 days is deemed to be the nominal value thereof, increased by any interest accrued thereon. Money Market Instruments with a remaining maturity of 90 days or less are valued by the amortised cost method, which approximates market value;

- e) the financial derivative instruments which are not listed on any official stock exchange or traded on any other organised market are valued on a daily basis in accordance with market practice, with a constant, reliable and verifiable method;
- f) Shares or Units in underlying open-ended investment funds are valued at their last available net asset value.
- g) in the event that extraordinary circumstances render such a valuation impracticable or inadequate, the Management Company is authorised, prudently and in good faith, to follow other rules in order to achieve a fair valuation of the assets of the Fund.

#### 3) 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.

#### 4) Net realised gain/(loss) on securities portfolio

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

#### 5) Investment portfolio income

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

Interest income is recorded on an accrual basis, net of any withholding tax.

#### 6) Formation expenses

Formation expenses were amortised on a straight line basis over a period of five years.

#### 7) 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.

1	EUR	=	4.5126926	BRL	Brazilian Real
			1.4557490	CAD	Canadian Dollar
			1.0864368	CHF	Swiss Franc
			7.4729158	-	Danish Krona
			0.8473847	GBP	Pound Sterling
			15,585.9120123	IDR	Indonesian Rupiah
			122.0206454	JPY	Japanese Yen
			1,295.9668845	KRW	South Korean Won
			21.2033120	MXN	Mexican Peso

## RAINBOW FUND

### Notes to the financial statements (continued)

as at 31st December 2019

9.8684207	NOK	Norwegian Krona
56.9657977	PHP	Philippine Peso
69.7350503	RUB	Russian Rouble
10.5090333	SEK	Swedish Krona
33.4115515	THB	Thailand Baht
6.6806263	TRY	New Turkish Lira (1 TRY=1,000,000 TRL)
1.1227000	USD	US Dollar
15.6915288	ZAR	South African Rand
1.6639988	NZD	New Zealand Dollar

#### 8) Combined financial statements

The combined financial statements of the Fund are expressed in EUR and are equal to the sum of the corresponding items in the financial statements of each Sub-Fund.

#### 9) Transaction fees

Transaction costs disclosed under the item "Transaction fees" in the expenses of the statements of operations and other changes in net assets are mainly composed of broker fees incurred by the Fund and of fees relating to liquidation of transactions paid to the depositary.

### Note 3 - Investment Management fees

The Board of Directors of the Fund has appointed ANDBANK ASSET MANAGEMENT LUXEMBOURG as the Management Company of the Fund.

The Management Company is entitled to receive an Investment Management fee, payable at the end of each quarter, at the following annual rates calculated on the average net assets of the relevant Sub-Fund for the quarter under review :

Sub-Funds	Effective rates
- RAINBOW FUND - Balanced Portfolio 3	0.56% (with a minimum of EUR 10,800) p.a.
- RAINBOW FUND - Rainbow Flexible Allocation - Class EUR	0.25% (with a minimum of EUR 10,000) p.a. for the Sub-Fund
- RAINBOW FUND - Rainbow Flexible Allocation - Class B	0.85% (with a minimum of EUR 10,000) p.a. for the Sub-Fund
- RAINBOW FUND - Emerging Market Equities	0.89% (with a minimum of EUR 10,800) p.a.

The remuneration of the Investment Advisor is paid by the Management Company out of the investment management fee.

### Note 4 - Risk Management fees

The Management Company is entitled to receive a Risk Management fee, payable at the end of each quarter, at the following annual rates calculated on the average net assets of the relevant Sub-Fund for the quarter under review :

Sub-Funds	Effective rates
- RAINBOW FUND - Balanced Portfolio 3	0.30% (with a minimum of EUR 9,000) p.a.
- RAINBOW FUND - Rainbow Flexible Allocation (Class EUR and Class B)	0.15% (with a minimum of EUR 20,000) p.a. for the Sub-Fund
- RAINBOW FUND - Emerging Market Equities	0.30% (with a minimum of EUR 19,000) p.a.



## RAINBOW FUND

### Notes to the financial statements (continued)

as at 31st December 2019

The risk management fees are disclosed under the caption "Other administration costs" in the expenses of the statement of operations and other changes in net assets.

#### Note 5 - Depositary fees

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

#### Note 6 - Distribution fees

The Management Company is entitled to receive a distribution fee payable monthly in arrears, at the following rates calculated on the average net assets of the relevant Sub-Fund for the month for the month under review :

Sub-Funds	Effective rates
- RAINBOW FUND - Balanced Portfolio 3	1.13%
- RAINBOW FUND - Rainbow Flexible Allocation	N/A
- RAINBOW FUND - Emerging Market Equities	1.90%

The distribution fees are disclosed under the caption "Other administration costs" in the expenses of the statement of operations and other changes in net assets.

#### Note 7 - Domiciliation fees

The Management Company is entitled to receive a domiciliation fee, payable yearly in advance, for the amounts EUR 5,000 per Sub-Fund and per year.

The domiciliation fees are disclosed under the caption "Central administration costs" in the expenses of the statement of operations and other changes in net assets.

#### Note 8 - Central administration costs

The item "Central administration costs" disclosed in the statement of operations and other changes in net assets is mainly composed of the administrative agent commissions and administrative charges for the Management Company.

#### Note 9 - Subscription, redemption and conversion fees

Units are issued on any Valuation Day, provided that the request for subscription is received in Luxembourg prior to 2 p.m. (Luxembourg time) on the day immediately preceding the applicable Valuation Day. For all subscriptions, an issue commission may be added to the payment of the investor, of up to a maximum of 5%.

The repurchase price is equal to the net asset value per unit determined as of the day on which the repurchase request is received by the Management Company, provided the request is received by the Management Company prior to 2 p.m. (Luxembourg time), on the day immediately preceding the applicable Valuation Day.

No early redemption fees were applied during the period.

## RAINBOW FUND

### Notes to the financial statements (continued)

as at 31st December 2019

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#### Note 10 - Subscription duty ("*taxe d'abonnement*")

The Fund is governed by Luxembourg Law.

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

Pursuant to Article 175 (a) of the amended Law of 17th December 2010 the net assets invested in undertakings for collective investments already subject to the "*taxe d'abonnement*" are exempt from this tax.

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#### Note 11 - Acron OJSC sponS GDR repr 1/10 Sahres Reg S

The Sub-Fund RAINBOW FUND - Emerging Markets Equities has invested within Acron OJSC sponS GDR repr 1/10 Shares Reg S (Depositary Receipt, ISIN US00501T2096) representing 0.77% of the total net assets of the Sub-Fund. The last available price at USD 7.30 remained stale from 10th July 2019 to 25th October 2019 due to the low volume of transactions.

During the Valuation Committee held on 18th December, 2019, it was decided to fix the price to 1/10 of the underlying asset.

#### Note 12 - Subsequent event

With effect from 16th January 2020, KBL EUROPEAN PRIVATE BANKERS S.A. changed its name to QUINTET PRIVATE BANK (EUROPE) S.A..

Pedro PUEYO resigned from his position as Conducting Officer of ANDBANK ASSET MANAGEMENT LUXEMBOURG as from 11th March 2020.

Stefania SERATO has been named as Conducting Officer of ANDBANK ASSET MANAGEMENT LUXEMBOURG by the Board of Directors as from 25th February 2020. The position is in process of approval by the CSSF.

Subsequent to the end of 2019, COVID-19 has widespread across the world. The consequences of the pandemic are unknown to date and will likely affect the financial markets performance as well as the asset management industry and the Fund. The board of directors of the Fund is carefully monitoring the situation as well as its potential impacts on the Fund. The Fund is in full capacity to continue its usual operations in accordance with its investment policy and its prospectus.

## RAINBOW FUND

### Additional information (unaudited)

as at 31st December 2019

#### 1 - Risk management

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

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

#### 2 - Remuneration

The Management Company has established a remuneration policy 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 and whose professional activities have a material impact on the risk profiles of the Management Company or the 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 or the Fund's Management Regulations.

The remuneration policy is in line with the business strategy, objectives, values and interests of the Management Company and the Fund and of its unitholders, and includes measures to avoid conflicts of interest.

The variable remuneration is granted on the basis of the results of the performance assessment process. It shall be based on relevant, pre-determined and measurable criteria linked to the Management Company's corporate values, business strategy goals, long-term interests of its unitholders and clients, and risk management.

The remuneration policy also ensures that fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component.

This remuneration policy takes into account the principle of proportionality, which allows procedures, mechanisms and organisational structure to be calibrated to the nature, scale and complexity of the Management Company's business and to the nature and range of activities carried out in the course of its business.

Remuneration data for the year ended 31st December 2019:

	Headcount	Fixed Remuneration	Variable Remuneration
Authorised Management	3	292,182.00	25,000.00
Employees	26	1,862,153.32	223,408.00
Total	29	2,154,335.32	248,408.00

This table reflects the total remuneration amounts paid during the period starting on 1st October 2019 and ending on 31st December 2019.

The headcount is therefore related to this remuneration and includes all employees under the payroll during this period.

## **RAINBOW FUND**

### **Additional information (continued)**

as at 31st December 2019

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Information related to the remuneration policy of Andbank Asset Management Luxembourg is located in the prospectus.

A paper copy may be obtained free of charge upon request at the Fund's registered office.

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