

FEROX INVESTMENTS ICAV

(an Irish Collective Asset-Management Vehicle with registration number C149618 and established as an umbrella fund with segregated liability between sub-funds authorised by the Central Bank of Ireland pursuant to the European Communities (Undertaking for Collective Investment in Transferable Securities) Regulations, 2011 (as amended) and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (as amended) (“UCITS Regulations”))

AUDITED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

31 DECEMBER 2019

FEROX INVESTMENTS ICAV

FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

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FEROX INVESTMENTS ICAV

DIRECTORS AND OTHER INFORMATION

DIRECTORS	Teddy Otto (Irish Resident) (Chairperson)* Elizabeth Beazley (Irish Resident)* Nicholas Curtis (UK Resident) Natasha Lucas (UK Resident) (Resigned on 5 December 2019) Tom Seymour Mead (UK Resident) (Appointed 5 December 2019) All Directors are non-executive *Independent Director
REGISTERED OFFICE	Third Floor (<i>Up to 17 September 2019</i>) 3 George's Dock, International Financial Services Centre, Dublin D01 X5XO, Ireland. 1 WML, (<i>From 17 September 2019</i>) Windmill Lane, Dublin 2, D02 F206, Ireland.
PROMOTER, INVESTMENT MANAGER AND DISTRIBUTOR	Ferox Capital LLP, 66 St. James's Street, London, SW1A 1NE, England.
ADMINISTRATOR, REGISTRAR AND TRANSFER AGENT	BNP Paribas Fund Administration Services (Ireland) Limited, Trinity Point, 10/11 Leinster Street South, Dublin D02 EF85, Ireland.
DEPOSITARY	BNP Paribas Securities Services, Dublin Branch, Trinity Point, 10/11 Leinster Street South, Dublin D02 EF85, Ireland.
LEGAL ADVISORS AS TO IRISH LAW	Dechert (<i>Up to 17 September 2019</i>) 3 George's Dock, International Financial Services Centre, Dublin D01 X5X0, Ireland.

FEROX INVESTMENTS ICAV

DIRECTORS AND OTHER INFORMATION (Continued)

LEGAL ADVISORS AS TO IRISH LAW	Pinsent Masons (<i>From 17 September 2019</i>) 1 WML, Windmill Lane, Dublin 2, D02 F206, Ireland.
LEGAL ADVISORS AS TO US LAW	Dechert LLP, One International Place, 40 th Floor, 100 Oliver Street, Boston, Massachusetts 02110-2605, United States of America.
LEGAL ADVISORS AS TO UK LAW	Dechert LLP, 160 Queen Victoria Street, London, EC4V 4QQ, England.
AUDITORS	Ernst & Young, Chartered Accountants, Ernst & Young Building, Harcourt Centre, Harcourt Street, Dublin 2, Ireland.
ICAV SECRETARY	Dechert, (<i>Up to 17 September 2019</i>) 3 George's Dock, International Financial Services Centre, Dublin D01 X5X0, Ireland. Pinsent Masons Corporate Services Ireland Limited (<i>From 17 September 2019</i>) 1 WML, Windmill Lane, Dublin 2, D02 F206, Ireland.

FEROX INVESTMENTS ICAV

DIRECTORS' REPORT

The Directors of Ferox Investments ICAV (the "ICAV") submit their report together with the audited financial statements for the financial year ended 31 December 2019.

Principal activities

The ICAV has been authorised by the Central Bank of Ireland as an Irish Collective Asset-Management Vehicle pursuant to the Irish Collective Asset-Management Vehicles Act 2015 (the "ICAV Act 2015").

The ICAV is structured as an umbrella fund with segregated liability between sub-funds. The ICAV has one sub-fund, Chinook Global Convertible Bond Fund (the "Fund"), which launched on 13 October 2016. The ICAV is an open-ended fund.

The ICAV may provide investors with a choice of funds offering an array of investment objectives. Each fund aims to achieve its investment objective while spreading investment risks through investment in transferable securities, collective investment schemes or other permitted investments in accordance with the European Communities (Undertakings for Collective Investment in Transferable Securities) ("UCITS") Regulations, 2011 (as amended) (the "UCITS Regulations") and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (UCITS) Regulations 2019 (as amended) (the "Central Bank Regulations").

Accounting records

The measures taken by the Directors to secure compliance with the ICAV's obligation to keep adequate accounting records are the use of appropriate systems and procedures and employment of competent persons. The accounting records are kept at BNP Paribas Fund Administration Services (Ireland) Limited, Trinity Point, 10-11 Leinster Street South, Dublin D02 EF85, Ireland.

Review of the business and future developments

The activities of the ICAV and its future developments are set out in the Investment Manager's report. The Directors do not anticipate any change in the investment strategy of the ICAV.

Results and dividends

The results for the year are set out in the Statement of Comprehensive Income. During the year no dividends were approved or paid.

Risk management objectives, policies and potential implication of Brexit

The Fund's investment objective is to generate capital growth, whilst seeking to preserve capital, through the management of a portfolio primarily of Convertible Securities. The Fund targets returns as good as or better than those generally available in the Convertible Securities market.

Investment in the ICAV carries with it a degree of risk including, including but not limited to, the risks referred to in Note 8 of these financial statements and the ICAV's Prospectus.

DIRECTORS' REPORT (Continued)

Risk management objectives, policies and potential implication of Brexit (continued)

On 23 June 2016 a referendum was held in the United Kingdom in which a majority voted that the UK should leave the EU. On 29 March 2017, the UK Government exercised its right under Article 50 of the Treaty of the European Union ("Article 50") to leave the EU. Subsequently the UK left the EU on 31 January 2020, with an implementation period to last until 31 December 2020. The possible effects of Brexit on the Fund and the Investment Manager are subject to ongoing and continual consideration and reaction. Communications from the Fund's UK and Irish lawyers are being monitored to ensure all issues are covered, during and after the implementation period, while taking account of the Memorandum of Understanding between the UK and Irish regulators. The Fund's representatives monitor the situation closely, taking action as necessary.

Implication of COVID-19

Since early January 2020, global financial markets have been monitoring and reacting to the novel coronavirus (2019-nCoV). In late March 2020, global financial markets reacted sharply to the news that the virus continued to spread across the globe, as well as concerns regarding the larger economic impact this may have on a global scale. The eventual impact on the global economy and markets will largely depend upon the scale and the duration of the outbreak which at this point is not fully known.

With regards to day to day operations, the Investment Manager and many of its service providers have invoked business continuity procedures, including remote working, to ensure the safety of staff and to enable the business to continue to operate with minimal impact.

The Investment Manager expects continued market volatility; however the Fund is a going concern, financially stable and able to meet its obligations to shareholders and continue its business and investment strategy for the foreseeable future.

Corporate Governance

The Directors voluntarily adopted the 'Corporate Governance Code for Collective Investment Schemes and Management Companies' as published by Irish Funds in December 2011 (the "IF Code"), as the ICAV's corporate governance code. In respect of the year ended 31 December 2019, the Directors confirm compliance with the provisions of the IF Code.

Transactions Involving Connected Persons

Chapter 10 of the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations, 2019 (the "Central Bank Regulations") headed 'Transactions involving Connected Persons' states in regulation 43 that a responsible person shall ensure that any transaction between a UCITS and the management company or depositary to a UCITS; and the delegates or sub-delegates of such a management company or depositary (excluding any non-group company sub-custodians appointed by a depositary); and any associated or group company of such a management company, depositary, delegate or sub-delegate ("connected persons") is conducted at arm's length and is in the best interests of the shareholders of the UCITS.

FEROX INVESTMENTS ICAV

DIRECTORS' REPORT (Continued)

Transactions Involving Connected Persons (continued)

The Board of Directors of the ICAV is satisfied that there are arrangements (evidenced by written procedures) in place, to ensure that the obligations set out in regulation 43 of the Central Bank Regulations are applied to all transactions with connected persons; and the Board of Directors is satisfied that transactions with connected persons entered into during the financial period complied with the obligations set out in this paragraph.

The ICAV uses affiliates of the Investment Manager and the same investment advisors as Ferox Master Fund Limited and Salar Fund Plc. The parties are connected as they share an Investment Manager. During the financial year ended 31 December 2019 and 31 December 2018, the ICAV did not have any investment transactions with any of the related party funds listed above.

Directors

The Directors of the ICAV during the financial year ended 31 December 2019 were:

Teddy Otto*

Elizabeth Beazley*

Nicholas Curtis

Tom Seymour Mead (appointed on 5th December 2019)

Natasha Lucas (resigned on 5th December 2019)

**Independent director*

Independent Auditors

The independent auditor, Ernst & Young, will continue to audit Ferox Investments ICAV in accordance with the ICAV Act 2015.

Events after the reporting date

There have been no events after the reporting date which impact on these financial statements other than those disclosed in note 18 to these financial statements.

DIRECTORS' REPORT (Continued)

Statement of Directors' responsibilities

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with Irish law, comprising the ICAV Act 2015.

Irish law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with International Financial Reporting Standards ("IFRS"). Under Irish law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the ICAV as at the year end date and profit or loss of the ICAV for the period and otherwise comply with the ICAV Act 2015.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with IFRS and ensure that they contain the additional information required by the ICAV Act 2015; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the ICAV will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to:

- correctly record and explain the transactions of the ICAV;
- enable, at any time, the assets, liabilities, financial position and profit or loss of the ICAV to be determined with reasonable accuracy; and
- enable the Directors to ensure that the financial statements comply with the ICAV Act 2015 and enable those financial statements to be audited.

The Directors are also responsible for safeguarding the assets of the ICAV and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors have entrusted the assets of the ICAV to the Depository for safekeeping in accordance with the Instrument of Incorporation of the ICAV. In this regard the Directors have appointed BNP Paribas Securities Services, Dublin Branch as Depository pursuant to the terms of the Depository Agreement. The address at which this business is conducted is 10/11 Leinster Street South, Dublin D02 EF85, Ireland.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

Signed for and on behalf of the board of Directors by





Director: Teddy Otto

Director: Elizabeth Beazley

22 April 2020

Depository's Report to the Shareholders of Ferox Investments ICAV

We, BNP Paribas Securities Services, Dublin Branch, appointed Depository to Ferox Investments ICAV ("the ICAV") provide this report solely in favour of the shareholders of the ICAV for the financial year ended 31 December 2019 ("the Period"). This report is provided in accordance with the UCITS Regulations – European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended, ("UCITS Regulations"). We do not, in the provision of this report, accept nor assume responsibility for any other purpose or to any other person to whom this report is shown.

In accordance with our Depository obligation as provided for under the Regulations, we have enquired into the conduct of the Fund for the Period and we hereby report thereon to the shareholders of the ICAV as follows;

We are of the opinion that the Fund has been managed during the Period, in all material respects:

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the Fund by the constitutional documents, the Regulations and by the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 ("the Central Bank UCITS Regulations"); and
- (ii) otherwise in accordance with the provisions of the constitutional documents, the Regulations and the Central Bank UCITS Regulations.



For and on behalf of

BNP Paribas Securities Services, Dublin Branch
Trinity Point
10/11 Leinster Street South
Dublin D02 EF85
Ireland

Date: 22 April 2020

INVESTMENT MANAGER'S REPORT (Continued)

For the financial year ended 31 December 2019

2019 Overview:

Chinook Global Convertible Bond Fund ("Chinook" or "the Fund") had a formidable year in 2019, returning +13.81% (its best calendar year result since inception) whilst outperforming the UBS Thomson Reuters Global Focus Hedged Convertible Bond Index ("TR Focus" or "Index") strongly (by 71bp over the year – the Index gained +13.10%).

The start of the year brought much needed relief for the equity and other risk markets after a very challenging Q4 2018. This helped the Fund get off to a good start to 2019 with a +3.72% return in January and an almost equally strong February (+2.90%). Chinook's January move was driven by delta returns (i.e. our P&L was mainly driven by the gains in the underlying equities). February saw a continuation of upwards moves in the stock markets experienced in January but less pronounced. Nevertheless, these strong equity gains acted as the major engine of our performance. Following these first two stellar months for Chinook, March proved to be a slightly more challenging month. The Fund gave back a small amount of the YTD gains, dropping -0.38% to leave the Fund +6.32% for the first quarter. Equity markets recorded impressive gains over the first quarter.

Chinook managed another good monthly gain in April. Chinook returned +2.52% vs. TR Focus +1.56% (a +0.96% outperformance). The outperformance seen in April (the largest vs. the TR Focus since inception) returned Fund performance (net of all costs) to being in line with the TR Focus over the life of the Fund – the long-term goal.).

After such a strong start to the year (Nasdaq +22% 1 Jan 2019 – 30 Apr 2019) and with rising trade tensions between the U.S. and China a market pullback felt increasingly likely. However, the scale of the correction in May took many by surprise, with S&P 500 -6.6%, Nasdaq -7.9%, Nikkei -7.5% and HSI -9.4%. Chinook suffered primarily from its theoretical equity exposure (delta) component (causing losses of -3.53%). This was partially offset by a positive bond market return (contributing +0.51% to Fund performance) as the US market saw a remarkable tightening of yields (10Y Treasuries moved from 2.5% to 2.1%, the largest move since 2014).

In June, Chinook returned +2.59% (vs. TR Focus +2.63%) as markets rebounded strongly across all regions to cap a strong first half of the year.

July proved to be another month that contributed to Chinook's overall outperformance vs. that of the Index – Chinook returned +1.50% in July vs. TR Focus +1.08%, representing a +0.42% outperformance on the month. Chinook outperformed the TR Focus in each of our performance drivers in July. Equity exposure (delta), Rate return (rho) and Vol/Credit return (valuations). Despite the first rate cut in over a decade by the Federal Reserve and the 10y Bund moving into negative territory, not much of our return or that of the Index came from Rates – Chinook's maturities are relatively short. The Vol/Credit factor was slightly more than half of our gain, reflecting the tightening of credit spreads as investors seemingly chased yield. The balance came from Delta (equity sensitivity). The Fund continued to perform well relative to the Index in July, recording a +0.42% outperformance vs. the TR Focus.

August proved challenging for the Fund. Chinook returned -2.42% (vs. TR Focus -1.43%) in a month that saw another correction to global equity markets. While Chinook managed to outperform the TR Focus in both 'rho' and 'vol/credit return' metrics, it's underperformance on 'delta' contributed most to the month's lower returns. Chinook employs an equal weighting strategy (rather than market capitalisation weighting) which favours an overweighting to mid-cap underlying stocks. This factor was the biggest drag on Chinook's performance on the month.

INVESTMENT MANAGER'S REPORT (Continued)

2019 Overview (continued):

As an illustration, the Russell 2000 Index (the broader mid-cap heavy U.S. Index) was down -5.1% in August (vs. S&P 500 -1.8% and Nasdaq -2.6%). As the U.S. is our biggest regional weighting (and for the asset class), this move was difficult to avoid.

Chinook once again bounced back and in September outperformed the Index by 86bp (Chinook +1.05% on the month vs. Index +0.19%). Global equity markets rebounded in September led by Europe (DJ Eurostoxx +4.2%) and Japan (Nikkei +5.1%). The U.S. saw overall equity gains (S&P 500 +1.75%) and a bounce in mid-cap stocks (Russell 2000 +1.9%) which helped Chinook's performance.

As the Fund approached its three-year anniversary in mid-October it would mark this milestone by registering (since inception) a strong statement of its performance potential. The Fund added +1.81% in October vs. TR Focus +1.16% (+0.65% outperformance on the month). This extended the Fund's gains on the year both absolute (+10.28% YTD) and relative to the TR Focus (Chinook +1.37% outperformance).

November proved to be another profitable month for convertible markets generally with the Fund adding 1.49% on the back of equity gains.

While Chinook gained well in December, it nevertheless it underperformed the Index (+1.69% vs. the Index +2.23%). This was mainly due to the heavy weighting that the Index held to Tesla which saw large gains on its stock price (with three in-the-money bonds, Tesla represented close to 9% of the Index's overall delta). Chinook will only ever hold one bond from any issuer to ensure credit diversification.

Following the strong performance over 2019 we continue to believe convertibles offer an attractive profile for investors and that Chinook remains well positioned to achieve its investment objective.

INVESTMENT MANAGER'S REPORT (Continued)

2020 Outlook

When considering 2020 in the first days of the year there were certain key aspects of 2019 that we thought might tell us something valuable for 2020. However, by mid-February, the landscape had changed. Covid-19 had cratered markets and repriced every asset class. Equity markets have seen moves of this magnitude only during the downturn of 1987 and the crash of 1929. There are too many “unknown unknowns” for us to speculate with confidence on an outlook for 2020. However, it is worth remembering two things:

- After the crisis, people will still need products and services. That demand will be pent up.
- The end of the growth stage of the cycle is usually the end of the accompanying bear market.

In short, we will in time return to a market normality that has the potential for strength.

We strongly believe that undervalued convertible bonds, particularly with good credits, can potentially offer a combination of secure yield and growing participation in equity upside with a strong element of downside protection. This asymmetry is highly valuable and yet, at the time of writing, is available cheaply in our market.

We are seeing more opportunities in our asset class than at any time since 2008. The dislocation in pricing is not as significant as then – but the asset class today does not have the leverage to create a forced deleveraging event as happened in 2008.

It is clearly not possible to predict the full economic impact of the virus. It is worth noting however that, historically, these episodes of dislocation have been profitable moments to add to convertible positions.

Ferox Capital LLP
9 April 2020

^{*}Chinook performance is Class A USD net of fees. The Fund is actively managed. As a guide to the return generally available in the Convertibles market the Fund references the UBS Thomson Reuters Global Focus Hedged Convertible Bond Index (the “Index” or “TR Focus”). This is for comparative purposes only and the deviation in portfolio holdings between the Fund and the Index may be significant.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FEROX INVESTMENTS ICAV

Opinion

We have audited the financial statements of Ferox Investments ICAV ('the ICAV') for the year ended 31 December 2019, which comprise the Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Net Assets attributable to holders of redeemable participating shares, Statement of Cash flows and notes to the financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the ICAV as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- the financial statements have been properly prepared in accordance with the requirements of the Irish Collective Asset-management Vehicles Act 2015, the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the ICAV in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters, in relation to which ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate: or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the ICAV's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FEROX INVESTMENTS ICAV

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Irish Collective Asset-management Vehicles Act 2015

In our opinion the information given in the directors' report is consistent with the financial statements.

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine 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 directors are responsible for assessing the ICAV'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 management either intends to liquidate the ICAV or to cease operations, or has no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FEROX INVESTMENTS ICAV

Auditor's responsibilities for the audit of the financial statements

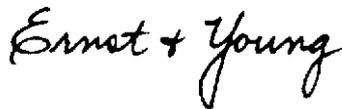
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) 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.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf.

This description forms part of our auditor's report.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the ICAV's members, as a body, in accordance with section 120 of the Irish Collective Asset management Vehicles Act 2015. Our audit work has been undertaken so that we might state to the ICAV's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the ICAV and the ICAV's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Ernst & Young
Ernst & Young Chartered Accountants and Statutory Audit Firm

Dublin

29 April 2020

FEROX INVESTMENTS ICAV

STATEMENT OF FINANCIAL POSITION
As at 31 December 2019

	Notes	Chinook Global Convertible Bond Fund 2019 US\$	Chinook Global Convertible Bond Fund 2018 US\$
Assets			
Financial assets at fair value through profit or loss			
- transferable securities	3(ii)	46,298,157	98,809,500
- financial derivative instruments	3(ii)	2,211,192	759,087
Cash and cash equivalents	2(d)	2,916,743	2,240,267
Due from broker	6	360,990	1,876,245
Interest and dividend receivable		111,301	235,488
Other receivables and prepayments		45,432	3,318
Total assets		51,943,815	103,923,905
Liabilities			
Financial liabilities at fair value through profit or loss			
- financial derivative instruments	3(ii),4	30,917	1,254,743
Due to broker	6	2,872,482	227,978
Investment management fee payable	5	1,117	20,284
Accrued expenses and other payables		10,171	14,048
Administration fee payable	5	6,185	8,755
Depositary fee payable	5	1,599	3,064
Audit fee payable	5	37,626	30,258
Interest payable		722	350
Redemption payable		-	593,152
Middle office fee payable		634	-
Total liabilities (excluding net assets attributable to holders of redeemable participating shares)		2,961,453	2,152,632
Net assets attributable to holders of redeemable participating shares	16	48,982,362	101,771,273

Approved by the Directors on 22 April 2020


 Director: Teddy Otto


 Director: Elizabeth Beazley

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

FEROX INVESTMENTS ICAV

STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 December 2019

	Notes	Chinook Global Convertible Bond Fund 2019 US\$	Chinook Global Convertible Bond Fund 2018 US\$
Income			
Interest income		467,132	1,092,267
Dividend income		-	75,979
Net gain/(loss) on transferable securities, financial derivative instruments and foreign exchange	3(i)	7,101,553	(4,867,785)
Net effect of share class hedging	8	(73,420)	(7,392,765)
Other income		7,525	21,219
Total income/(loss)		<u>7,502,790</u>	<u>(11,071,085)</u>
Expenses			
Investment management fee	5	23,271	241,929
Interest expense		12,633	254,832
Other operating expenses		12,115	59,400
Administration fee	5	66,734	115,700
Audit fee	5	44,171	37,328
Directors' fee	5	15,604	29,034
Legal fee		10,526	3,446
Depositary fee	5	19,817	37,018
Organisational cost expenses		21,680	-
Middle office fee	5	2,913	-
Total expenses		<u>229,464</u>	<u>778,687</u>
Increase/(decrease) in net assets from operations attributable to holders of participating shares before tax		7,273,326	(11,849,772)
Withholding tax		(10,944)	(15,063)
Net income/(loss) attributable to holders of redeemable participating shares		<u>7,262,382</u>	<u>(11,864,835)</u>

There are no recognised gains or losses other than those dealt with in the Statement of Comprehensive Income. All amounts in respect of the financial year ended 31 December 2019 arose solely from continuing operations.

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

FEROX INVESTMENTS ICAV

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES
For the financial year ended 31 December 2019

	Chinook Global Convertible Bond Fund 2019 US\$	Chinook Global Convertible Bond Fund 2018 US\$
Net assets at the beginning of the financial year	101,771,273	70,051,264
Net income/(loss) attributable to holders of redeemable participating shares	7,262,382	(11,864,835)
Issue of redeemable participating shares	247,646	77,807,321
Redemption of redeemable participating shares	<u>(60,298,939)</u>	<u>(34,222,477)</u>
Net assets attributable to holders of redeemable participating shares at the end of the financial year	<u><u>48,982,362</u></u>	<u><u>101,771,273</u></u>

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

FEROX INVESTMENTS ICAV

STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2019

	Chinook Global Convertible Bond Fund 2019 US\$	Chinook Global Convertible Bond Fund 2018 US\$
Cash flows from operating activities:		
Net income/(loss) attributable to holders of redeemable participating shares	7,262,382	(11,864,835)
Adjustments to reconcile net gain/(loss) attributable to holders of redeemable participating shares to net cash provided by/(used in) operating activities:		
Net decrease/(increase) in financial assets at fair value through profit or loss	51,059,238	(34,017,023)
Net (decrease)/increase in financial liabilities at fair value through profit or loss	(1,223,826)	1,181,707
Decrease/(increase) in other receivables	1,597,328	(1,454,104)
Increase in other payable	2,625,799	237,329
Net cash provided by/(used in) operating activities	<u>61,320,921</u>	<u>(45,916,926)</u>
Cash flows from financing activities:		
Proceeds from issue of redeemable participating shares	247,646	77,807,321
Redemption of redeemable participating shares	(60,892,091)	(33,629,325)
Net cash (used in)/provided by financing activities	<u>(60,644,445)</u>	<u>44,177,996</u>
Net increase/(decrease) in cash and cash equivalents	676,476	(1,738,930)
Cash and cash equivalents at beginning of the financial year	<u>2,240,267</u>	<u>3,979,197</u>
Cash and cash equivalents at end of the financial year	<u>2,916,743</u>	<u>2,240,267</u>
Supplementary cash flow information:		
Interest received	584,424	1,051,525
Interest paid	(12,262)	(255,416)
Dividend received	6,895	69,084

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

FEROX INVESTMENTS ICAV

NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2019

1. ORGANISATION

Ferox Investments ICAV (the "ICAV") is an open-ended umbrella Irish Collective Asset-management Vehicle with segregated liability between its funds and is registered under the laws of Ireland pursuant to the Irish Collective Asset-management Vehicle Act 2015 (the "ICAV Act") and is authorised by the Central Bank of Ireland (the "Central Bank") pursuant to the European Communities Undertakings for Collective Investment in Transferable Securities ("UCITS") Regulations, 2011 (as amended), (the "UCITS Regulations") and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (UCITS) Regulations 2019 (as amended), (the "Central Bank Regulations"). The ICAV was registered and authorised on 28 January 2016 and 30 August 2016 respectively under registration number C149618. The ICAV commenced operations on 13 October 2016.

The ICAV may provide investors with a choice of funds offering an array of investment objectives. The assets of each fund will be invested separately in accordance with the investment objective and policies of the fund. As at 31 December 2019, the ICAV has established one sub-fund, Chinook Global Convertible Bond Fund (the "Fund"). Additional sub-funds may be established by the ICAV from time to time with the prior approval of the Central Bank.

The Fund's investment objective is to generate capital growth, whilst seeking to preserve capital, through the management of a portfolio primarily of Convertible Securities. The Fund targets returns as good as or better than those generally available in the Convertible Securities market.

The Fund aims to achieve its investment objective while spreading investment risks through investment in transferable securities, liquid financial assets, collective investment schemes or other permitted investments in accordance with the UCITS Regulations.

The ICAV's investment activities are managed by Ferox Capital LLP (the "Investment Manager") with the administration of the ICAV delegated to BNP Paribas Fund Administration Services (Ireland) Limited (the "Administrator").

Shares are issued and can be redeemed as EUR, GBP and US\$ shares. The Fund has eight main classes of shares. Class A EUR Shares, Class F EUR, Class M EUR Shares, Class F GBP, Class R GBP Shares, Class A USD Shares, Class F USD Shares and Class M USD Shares, which are available for investment.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) *Basis of preparation*

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU and Irish statute comprising the ICAV Act and the UCITS Regulations and the Central Bank Regulations.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2019

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) *Basis of preparation (continued)*

Statement of compliance (continued)

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

The financial statements have been prepared on a historical cost basis, except for financial instruments classified at fair value through profit or loss.

The financial statements are presented in US dollars (US\$) and all values are rounded to the nearest US\$1 except where otherwise indicated.

New and amended standards and interpretations

Standards and amendments that are effective for the period beginning 1 January 2019 or later

IFRIC 23 “Uncertainty over income tax treatments” was issued by the International Accounting Standards Board (“IASB”) on 7 June 2017 and is effective for financial periods beginning on or after 1 January 2019. IFRIC 23 clarifies how the recognition and measurement requirements of IAS 12 “Income taxes”, are applied where there is uncertainty over income tax treatments. This standard had no impact on the ICAV’s financial position, performance or disclosures in its financial statements.

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the ICAV.

(b) *Financial instruments*

(i) *Classification and measurement*

The Fund classifies its investments in accordance with the requirements of IFRS 9 Financial Instruments (“IFRS 9”).

- All financial assets previously held at fair value continue to be measured at fair value through profit or loss (“FVPL”).
- Debt instruments and equity instruments, other than investments in subsidiaries and associates, are acquired for the purpose of generating short-term profit and are required to be measured at FVPL.
- Investments in subsidiaries and associates are measured at fair value in accordance with IFRS 10 – Consolidated Financial Statements and IAS 28 – Investments in Associates and Joint Ventures, respectively, as the Fund is an investment entity.
- Financial assets previously classified as loans and receivables are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. Thus, such instruments continue to be measured at amortised cost under IFRS 9.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2019

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) *Financial instruments (continued)*

(i) *Classification and measurement (continued)*

- The classification of financial liabilities under IFRS 9 relates to the element of gains or losses for financial liabilities designated as at FVPL attributable to changes in credit risk. IFRS 9 requires that such element be recognised in other comprehensive income (OCI), unless this treatment creates or enlarges an accounting mismatch in profit or loss, in which case, all gains and losses on that liability (including the effects of changes in credit risk) should be presented in profit or loss. The Fund has not designated any financial liabilities at FVPL. Therefore, this requirement has not had an impact on the valuation of the Fund's assets or liabilities.

(ii) *Recognition*

All purchases and sales of financial instruments are recognised on the trade date, which is the date that the Fund commits to purchase or sell an asset and require delivery of assets within the financial period generally established by regulation or convention in the market place.

(iii) *Derecognition*

The Fund derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition in accordance with IFRS 9.

The Fund derecognises a financial liability when the obligation specified in the contract is discharged, cancelled or expires.

Realised gains and losses on disposals of financial instruments are calculated using the first-in-first-out ("FIFO") method.

(iv) *Initial measurement*

Financial instruments categorised at fair value through profit or loss are recognised initially at fair value, with transaction costs for such instruments being recognised directly in the Statement of Comprehensive Income.

(v) *Subsequent measurement*

After initial measurement, the Fund measures financial instruments which are classified at FVPL with changes in fair value recognised in the Statement of Comprehensive Income within net gain/(loss) on securities, derivative instruments and foreign exchange. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The fair value of financial instruments is based on their quoted market prices on a recognised exchange or sourced from a reputable broker/counterparty, in the case of non-exchange traded instruments, at the Statement of Financial Position date without any deduction for estimated future selling costs.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2019

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) *Financial instruments (continued)*

(v) *Subsequent measurement (continued)*

- Investments in debt securities are valued at their last traded price.
- Investments in listed option contracts are valued based at the prices reported by the relevant exchange.
- Warrants are valued at the quoted price.
- Forward currency contracts are valued at the close-of-business rates as reported by the pricing vendors utilised by the Administrator to the ICAV.

If a quoted market price is not available on a recognised stock exchange or from a reputable broker/counterparty, the fair value of the financial instruments may be estimated by the Investment Manager, acting as the Competent Person appointed by the Directors and approved for such purposes by BNP Paribas Securities Services, Dublin Branch (“the Depositary”), using valuation techniques, including use of recent arm’s length market transactions, referencing to the current fair value of another instrument that is substantially the same, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

The Fund records its derivative activities on a fair value basis. Fair values are determined by using quoted market prices, models and broker quotations.

Where the Fund has assets and liabilities with offsetting market risks, it uses mid-market prices as a basis for establishing fair values for offsetting risk positions and applies the last price to the net open position as appropriate.

The Fund’s investments must be capable of being valued frequently on a mark-to-market basis including the use, where appropriate, of matrix pricing according to the minimum frequency rules under the UCITS Regulations.

(c) *Offsetting financial instruments*

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. Refer to note 4 for more information regarding offsetting.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2019

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) *Cash and cash equivalents*

Cash and cash equivalents include amounts due from banks on demand and interest bearing deposits with original maturities of three months or less. Cash on hand or on deposit is held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. Cash and cash equivalents are held with BNP Paribas Luxembourg and amounted to US\$2,913,887 at the reporting date (31 December 2018: US\$2,237,341). The Fund operates under a Fund Asset Model whereby a collection account is held in the name of the Fund to collect subscription monies and pay redemption monies. The monies held in the collection accounts are considered an asset of the Fund and are disclosed in the statement of financial position within cash and cash equivalents. Investor monies held in collection accounts at 31 December 2019 is US\$2,856 (2018: US\$2,926)

(e) *Foreign currency translation*

Functional and presentation currency

Items included in the Fund's financial statements are measured and presented using the currency of the primary economic environment in which it operates (the "functional currency"). This is US Dollar ("US\$"), which is the currency that best reflects the nature of the Fund's global operations.

Monetary assets and liabilities denominated in currencies other than US\$ are translated into US\$ at the closing rates of exchange at each financial year end. Transactions during the financial year, including purchases and sales of securities and income and expenses, are translated at the rate of exchange prevailing on the date of the transaction. Foreign currency translation gains and losses are included in the Statement of Comprehensive Income within net gain/(loss) on securities, derivative instruments and foreign exchange.

(f) *Use of estimates*

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Management believes that the estimates utilised in preparing its financial statements are reasonable and prudent. Actual results could differ from these estimates.

(g) *Going concern*

The Fund's management has made an assessment of the Fund's ability to continue as a going concern and is satisfied that the Fund has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Fund's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2019

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) *Dividend income*

Dividends are credited to the Statement of Comprehensive Income on the dates on which the relevant securities are listed as “ex-dividend”. Dividend income is shown gross of any non-recoverable withholding taxes, which is disclosed separately in the Statement of Comprehensive Income, and net of any tax credits.

(i) *Interest income and expense*

Interest income and interest expense are recorded on an effective yield basis in the Statement of Comprehensive Income.

(j) *Taxation*

Under current law and practice the ICAV qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended (“TCA”). On that basis, it is not chargeable to Irish tax on its income or gains. However, Irish tax may arise on the occurrence of a “chargeable event”. A chargeable event includes any distribution payments to shareholders or any encashment, redemption, transfer or cancellation of shares and any deemed disposal of shares for Irish tax purposes arising as a result of holding shares in the ICAV for a period of eight years or more. No Irish tax will arise in respect of chargeable events in respect of a shareholder who is an Exempt Irish Investor (as defined in Section 739D of the TCA) or who is neither Irish resident nor ordinarily resident in Ireland for tax purposes at the time of the chargeable event, provided, in each case, that an appropriate valid declaration in accordance with Schedule 2B of the TCA is held by the ICAV or where the ICAV has been authorised by Irish Revenue to make gross payments in absence of appropriate declarations.

Distributions, interest and capital gains (if any) received on investments made by the ICAV may be subject to withholding taxes imposed by the country of origin and such taxes may not be recoverable by the ICAV or its shareholders.

(k) *Redeemable participating shares*

Redeemable participating shares are redeemable at the shareholder’s option and are classified as financial liabilities.

The redeemable participating shares can be redeemed on any dealing day for cash equal to a proportionate share of the Fund’s net asset value (“NAV”). The Fund’s NAV per share is calculated by dividing the net assets attributable to holders of redeemable participating shares with the total number of outstanding redeemable shares.

FEROX INVESTMENTS ICAV

NOTES TO THE FINANCIAL STATEMENTS (Continued) For the financial year ended 31 December 2019

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) *Expenses*

All expenses, including management fees, are recognised in the Statement of Comprehensive Income on an accrual basis.

(m) *Net gain/(loss) on transferable securities, financial derivative instruments and foreign exchange*

Net gain/(loss) on transferable securities, financial derivative instruments and foreign exchange includes all realised and unrealised fair value changes and foreign exchange differences.

(n) *Transaction costs*

Transaction costs are incremental costs, which are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. Transaction costs are included in net prices of debt and derivatives and are not readily identifiable.

3. FINANCIAL ASSETS AND FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

(i) *Net gain or loss on financial assets and financial liabilities at fair value through profit or loss and foreign exchange*

For the financial year ended:	31 December 2019 US\$	31 December 2018 US\$
Net realised loss on financial assets and liabilities at fair value through profit or loss and foreign exchange	(2,573,200)	(3,709,667)
Movement in unrealised gain/(loss) on financial assets and liabilities at fair value through profit or loss and foreign exchange	9,674,753	(1,158,118)
	<u>7,101,553</u>	<u>(4,867,785)</u>

(ii) *Fair value of financial instruments*

Investments measured and reported at fair value are classified and disclosed in one of the following categories:

Level 1 - Quoted prices that are available in active markets for identical investments as of the reporting date.

Level 2 - Pricing inputs (the underlying information used to calculate the price) including inputs sourced from the multiple broker quotes. Investments which are included in this category include convertible bonds, forward currency contracts, warrants, option contracts and contracts for differences.

FEROX INVESTMENTS ICAV

NOTES TO THE FINANCIAL STATEMENTS (Continued) For the financial year ended 31 December 2019

3. FINANCIAL ASSETS AND FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

(ii) Fair value of financial instruments (continued)

Level 3 - Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant judgement or estimation. Investments for which only one broker quotation is available, or when observable prices are not available for these securities, Ferox Capital LLP (the "Investment Manager") uses one or more valuation techniques for which sufficient and reliable data is available.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgement, and considers factors specific to the investment. Changes in the observability of valuation inputs may result in a reclassification for certain financial assets or liabilities. Reclassification impacting Level 3 investments will be reported as transfers in/out of the Level 3 category as of the beginning of the financial year in which reclassifications occur.

The following tables summarise the valuation of the Fund's financial assets and financial liabilities by the above fair value hierarchy levels as of 31 December 2019 and 31 December 2018.

As at 31 December 2019

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Chinook Global Convertible Bond Fund				
Financial assets				
- Debt instruments	-	46,298,157	-	46,298,157
- Financial derivative instruments				
Forward currency contracts	-	1,395,546	-	1,395,546
Option contracts	-	550,066	-	550,066
Warrants	-	265,580	-	265,580
	<u>-</u>	<u>48,509,349</u>	<u>-</u>	<u>48,509,349</u>
Financial assets at fair value through profit or loss	<u>-</u>	<u>48,509,349</u>	<u>-</u>	<u>48,509,349</u>
Financial liabilities				
- Financial derivative instruments				
Contracts for difference	-	(4,950)	-	(4,950)
Forward currency contracts	-	(25,967)	-	(25,967)
	<u>-</u>	<u>(30,917)</u>	<u>-</u>	<u>(30,917)</u>
Financial liabilities at fair value through profit or loss	<u>-</u>	<u>(30,917)</u>	<u>-</u>	<u>(30,917)</u>

FEROX INVESTMENTS ICAV

NOTES TO THE FINANCIAL STATEMENTS (Continued) For the financial year ended 31 December 2019

3. FINANCIAL ASSETS AND FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

(ii) Fair value of financial instruments (continued)

As at 31 December 2018

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Chinook Global Convertible Bond Fund				
Financial assets				
- Debt instruments	-	98,809,500	-	98,809,500
- Financial derivative instruments				
Forward currency contracts	-	34,157	-	34,157
Option contracts	-	265,885	-	265,885
Warrants	-	459,045	-	459,045
	<u>-</u>	<u>99,568,587</u>	<u>-</u>	<u>99,568,587</u>
Financial assets at fair value through profit or loss	<u>-</u>	<u>99,568,587</u>	<u>-</u>	<u>99,568,587</u>
Financial liabilities				
- Financial derivative instruments				
Forward currency contracts	-	(1,254,743)	-	(1,254,743)
	<u>-</u>	<u>(1,254,743)</u>	<u>-</u>	<u>(1,254,743)</u>
Financial liabilities at fair value through profit or loss	<u>-</u>	<u>(1,254,743)</u>	<u>-</u>	<u>(1,254,743)</u>

The fair values of financial assets and liabilities traded in active markets are based on quoted market prices at the close of trading on the financial year end date. The quoted market price used for financial assets held by the Fund is the last traded market price for both financial assets and financial liabilities. There were no transfers between levels during the financial year (31 December 2018: Nil).

All other assets and liabilities held by the Fund at the reporting dates 31 December 2019 and 31 December 2018 are carried at amortised cost; their carrying values are a reasonable approximation of fair value. Cash and cash equivalents have been classified at level 1, due to the liquid nature of the asset. All other assets and liabilities held, outside of those discussed above, have been classified at level 2.

(iii) Derivative contracts

Typically, derivative contracts serve as components of the Fund's investment strategy and are utilised primarily to structure and hedge investments to enhance performance and reduce risk inherent in the portfolio of the Fund (the Fund does not designate any derivatives as hedges for hedge accounting purposes as described under IFRS 9). The derivative contracts that the Fund holds or issues are forward currency contracts, options, warrants and contracts for differences.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2019

3. FINANCIAL ASSETS AND FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

(iii) *Derivative contracts (continued)*

One of the differences in the risk associated with OTC contracts and exchange-traded contracts is regarding credit risk. The Fund has credit risk from OTC contracts when two conditions are present (i) the OTC contracts have unrealised gains, net of any collateral, and/or margin balances and (ii) the counterparty to the contract may default. The credit risk related to exchange-traded contracts is reduced by having the exchange's clearing house act as a central counterparty for the transaction. However, margin balances are subject to counterparty risk with the broker.

Contracts for difference ("CFDs")

CFDs represent OTC agreements that obligate two parties to exchange cash flows at specified intervals based upon or calculated by reference to changes in specified prices or rates for a specified amount of an underlying asset or otherwise deemed notional amount. The payment flows are usually netted against each other, with the difference being paid by one party to the other. Therefore amounts required for the future satisfaction of the CFD may be greater or less than the amount recorded. The ultimate gain or loss depends upon the prices at which the underlying financial instruments of the CFD are valued at the CFD's settlement date and is included in the Statement of Comprehensive Income.

Forward currency contracts

Forward currency contracts are OTC agreements entered into by the Fund which represent a firm commitment to buy or sell an underlying asset, or currency at a specified value and point in time based upon an agreed or contracted quantity. The realised/unrealised gain or loss is equal to the difference between the value of the contract at the onset and the value of the contract at settlement date/financial year-end date and is included in the Statement of Comprehensive Income within net gain/(loss) on securities, derivative instruments and foreign exchange.

Option contracts

Bond options represent OTC option contracts with major multinational brokers which allow the Fund to invest solely in the optionality component of a predetermined specific notional amount of a convertible bond. Unrealised appreciation/depreciation resulting movement is recorded in the Statement of Comprehensive Income within net gain/(loss) on securities, derivative instruments and foreign exchange.

Option contracts give the right, but not the obligation, to buy or sell within a limited time, a specific financial instrument at a contracted price that may also be settled in cash, based on differentials between specified indices or prices. Options written create an obligation to buy or sell within a limited time, the specific financial instrument at a contracted price that may also be settled in cash, based on differentials between specified indices or prices.

FEROX INVESTMENTS ICAV

NOTES TO THE FINANCIAL STATEMENTS (Continued) For the financial year ended 31 December 2019

3. FINANCIAL ASSETS AND FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

(iii) *Derivative contracts (continued)*

Warrants

A warrant is a derivative security that gives the holder the right to purchase securities (usually equity) from the issuer at a specific price within a certain timeframe. Warrants which are traded on an active market are valued at the quoted price.

The Fund may purchase warrants to speculate on the price movements of the financial instrument underlying the warrant, or for use as an economic hedge against certain equity positions held in the Fund's portfolio holdings. The Fund purchases warrants through listed markets. Warrants purchased by the Fund provide the Fund with the opportunity to purchase the underlying asset at an agreed-upon value either on (European style) or at any time before (American style) the expiration of the warrant.

The prices paid with regard to purchasing warrants are marked to market in accordance with Note 2 and the resulting gains or losses are recorded in the Statement of Comprehensive Income within net gain/(loss) on securities, derivative instruments and foreign exchange.

4. OFFSETTING FINANCIAL ASSETS AND LIABILITIES

The Fund may be eligible to present net on the Statement of Financial Position, certain financial assets and financial liabilities according to criteria described in Note 2. At 31 December 2019 and 31 December 2018 no financial assets and financial liabilities met the eligibility criteria and none were presented net on the Statement of Financial Position.

The following tables provide information on the potential financial impact of netting for instruments subject to an enforceable master netting arrangement or similar agreement at 31 December 2019.

31 December 2019	Gross amounts of recognised assets US\$	Amounts offset in the statement of financial position US\$	Net amount presented on the statement of financial position US\$	Gross amounts not offset in the statement of financial position		Net amount US\$
				Financial instruments US\$	Cash Collateral US\$	
Financial assets						
BNP Paribas Securities Services	50,877,016	-	50,877,016	(2,673,154)	-	48,203,862
Nomura Securities	668,803	-	668,803	-	-	668,803
Mizuho Bank Ltd.	241,263	-	241,263	(230,245)	-	11,018
Total financial assets at fair value through profit or loss	51,787,082	-	51,787,082	(2,903,399)	-	48,883,683

FEROX INVESTMENTS ICAV

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2019

4. OFFSETTING FINANCIAL ASSETS AND LIABILITIES (continued)

31 December 2019 (continued)	Gross amounts of recognised liabilities US\$	Amounts offset in the statement of financial position US\$	Net amount presented on the statement of financial position US\$	Gross amounts not offset in the statement of financial position		Net amount US\$
				Financial instruments US\$	Cash Collateral US\$	
Financial liabilities						
BNP Paribas Securities Services	(2,673,154)	-	(2,673,154)	2,673,154	-	-
Nomura Securities	-	-	-	-	-	-
Mizuho Bank Ltd.	(230,245)	-	(230,245)	230,245	-	-
Total financial liabilities at fair value through profit or loss	(2,903,399)	-	(2,903,399)	2,903,399	-	-

The following tables provide information on the potential financial impact of netting for instruments subject to an enforceable master netting arrangement or similar agreement at 31 December 2018.

31 December 2018	Gross amounts of recognised assets US\$	Amounts offset in the statement of financial position US\$	Net amount presented on the statement of financial position US\$	Gross amounts not offset in the statement of financial position		Net amount US\$
				Financial instruments US\$	Cash Collateral US\$	
Financial assets						
BNP Paribas Securities Services	103,059,214	-	103,059,214	(1,254,743)	-	101,804,471
Nomura Securities	429,350	-	429,350	-	-	429,350
Mizuho Bank Ltd.	196,535	-	196,535	(196,535)	-	-
Total financial assets at fair value through profit or loss	103,685,099	-	103,685,099	(1,254,743)	-	102,233,821

31 December 2018	Gross amounts of recognised liabilities US\$	Amounts offset in the statement of financial position US\$	Net amount presented on the statement of financial position US\$	Gross amounts not offset in the statement of financial position		Net amount US\$
				Financial instruments US\$	Cash Collateral US\$	
Financial liabilities						
BNP Paribas Securities	(1,254,743)	-	(1,254,743)	1,254,743	-	-
Mizuho Bank Ltd.	(227,978)	-	(227,978)	196,535	-	(31,443)
Total financial liabilities at fair value through profit or loss	(1,482,721)	-	(1,482,721)	1,451,278	-	(31,443)

FEROX INVESTMENTS ICAV

NOTES TO THE FINANCIAL STATEMENTS (Continued) For the financial year ended 31 December 2019

4. OFFSETTING FINANCIAL ASSETS AND LIABILITIES (continued)

The gross amounts of recognised financial assets and financial liabilities disclosed in the above tables have been measured in the Statement of Financial Position at fair value. Refer to Note 8 for further details of risk management of financial assets and financial liabilities.

5. FEES AND EXPENSES

Investment Management Fee

Under the Investment Management Agreement, the ICAV pays to the Investment Manager a maximum fee at an annual rate equal to the percentage of the average daily NAV of the relevant Class of the Fund. The investment management fee accrues daily and is calculated and paid monthly in arrears. The Investment Manager receives a management fee from the Fund calculated and based on the on the rates outlined below:

Class	Investment Management Fee	Class	Investment Management Fee
Class A USD Accumulating	0.50%	Class R GBP Accumulating	0.50%
Class F USD Accumulating	0.25%	Class F GBP Accumulating	0.25%
Class F USD Distributing	0.25%	Class F GBP Distributing	0.25%
Class M USD Accumulating	-	Class M GBP Accumulating	-
Class A EUR Accumulating	0.50%	Class F CHF Accumulating	0.25%
Class F EUR Accumulating	0.25%		
Class F EUR Distributing	0.25%		
Class M EUR Accumulating	-		

Effective 22 February 2019, the Investment Manager waived their entitlement in full to receive their investment management fee until further notice.

The Investment Manager may from time to time, at its sole discretion, use part of its investment management fee to remunerate certain financial intermediaries and may pay reimbursements or rebates to certain institutional shareholders. Total investment management fee accrued at the reporting date and amounts charged during the year are disclosed in the Statement of Financial Position and the Statement of Comprehensive Income respectively.

In addition, the Investment Manager is entitled to be reimbursed its reasonable vouched out-of-pocket expenses. Where the Investment Manager's expenses are attributable to the ICAV as a whole, they will be borne on a pro rata basis by the Fund.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2019

5. FEES AND EXPENSES (continued)

Administration Fee

The Administrator is entitled to receive out of the assets of the Fund a fee at an annual rate which will not exceed 0.1% of the average NAV of the Fund, subject to a minimum fee of US\$55,000 per annum (plus any applicable taxes). This fee accrues and is calculated on each Dealing Day and is paid monthly in arrears. The Administrator is also entitled to charge to the Fund all agreed fees and transaction charges, at normal commercial rates, together with reasonable out-of-pocket expenses (plus any applicable taxes), it incurs on behalf of the Fund in the performance of its duties under the Administration Agreement, which is paid monthly in arrears. Effective 1 March 2019, the Administrator has waived receipt of their minimum fee of US\$55,000 for 12 months.

Total administration fee accrued at the reporting date and amounts charged during the year are disclosed in the Statement of Financial Position and the Statement of Comprehensive Income respectively.

Middle Office Fee

The Administrator is also eligible to receive a middle office fee for middle office services provided to the ICAV. The fee is charged at an annual rate of 0.015% per annum of the NAV of the Fund and is subject to a minimum annual fee of US\$60,000 at a Ferox Capital LLP relationship level (plus VAT, if any thereon).

Total middle office fee accrued at the reporting date and amounts charged during the year are disclosed in the Statement of Financial Position and the Statement of Comprehensive Income respectively.

Depositary Fee

The Depositary is entitled to receive out of the assets of the Fund an annual fee, accrued at each Valuation Point and payable monthly in arrears, which shall not exceed 0.04% per annum of the NAV of the Fund subject to a minimum annual fee of US\$20,000 (plus VAT, if any) thereon. Effective 1 March 2019, the Depositary has waived receipt of their minimum fee of US\$20,000 for 12 months.

Total depositary fee accrued at the reporting date and amounts charged during the year are disclosed in the Statement of Financial Position and the Statement of Comprehensive Income respectively.

Directors' Fees

The Directors are entitled to a fee by way of remuneration for their services at a rate to be determined from time to time by the Directors. All Directors are entitled to reimbursement by the ICAV of expenses properly incurred in connection with the business of the ICAV or the discharge of their duties. The aggregate amount of Directors' remuneration in any one year shall not exceed €120,000 without the approval of the Directors. The total Directors' fees for the financial year were US\$ 15,604 (2018: US\$29,034) of which US\$1,957 (2018: US\$ Nil) was prepaid at the reporting date.

FEROX INVESTMENTS ICAV

NOTES TO THE FINANCIAL STATEMENTS (Continued) For the financial year ended 31 December 2019

5. FEES AND EXPENSES (continued)

Directors' Fees (continued)

Included in this amount are fees paid to Carne Global Financial Services Limited ("Carne"), an independent governance firm, in respect of director support services for Elizabeth Beazley and Teddy Otto. The amount charged during the year was US\$3,715 (2018: US\$14,767) and is for services provided directly by the Directors which are payable by the Fund and do not constitute "other services" as defined by the Central Bank. Natasha Lucas did not receive a director's fee while she was a member of the Board of Directors. Nicholas Curtis and Tom Seymour Mead do not receive a director's fee.

Auditor fees and services

The following table presents a summary of accountant fees and services for the year ended 31 December 2019 and 2018:

Chinook Global Convertible Bond Fund	2019 US\$	2018 US\$
Auditor fees regarding annual report	44,171	37,328
Fees for tax compliance services	27,073	22,277

6. DUE FROM AND TO BROKERS

Amounts due from and to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the reporting date, respectively.

The majority of the amounts due from and due to brokers are held with the Depositary. There is a right of offset based on the master netting agreement in place between long and short positions subject to meeting eligibility criteria however none met this and the financial statements have been presented on a gross basis at 31 December 2019 and 31 December 2018. The Depositary and broker credit ratings are disclosed in Note 8.

Margin accounts with brokers represent cash deposits with counterparties as collateral against open bond options, warrants and forward currency contracts. The Fund also transferred cash as collateral for transactions involving borrowed securities.

	2019 US\$	2018 US\$
Due from brokers		
Collateral	360,000	1,876,245
Unsettled trade	990	-
Total	360,990	1,876,245

FEROX INVESTMENTS ICAV

NOTES TO THE FINANCIAL STATEMENTS (Continued) For the financial year ended 31 December 2019

6. DUE FROM AND TO BROKERS (continued)

	2019	2018
	US\$	US\$
Due to brokers		
Collateral	1,076,912	227,978
Unsettled trade	1,795,570	-
	<hr/>	<hr/>
Total	2,872,482	227,978
	<hr/>	<hr/>

7. SHARE CAPITAL AND REDEEMABLE PARTICIPATING SHARES

The authorised share capital of the ICAV is 500,000,000,000 redeemable shares of no par value and 300,000 non-redeemable Management Shares of no par value issued at €1 each. Management Shares do not entitle the holders thereof to any dividend. On a winding up of the ICAV, the Management Shares entitle the holders thereof to receive the amount paid up thereon but do not otherwise entitle them to participate in the assets of the ICAV. The Management Shares are held on behalf of Ferox Capital Management International Limited.

The rights attaching to the Shares issued in any Fund or Class may, whether or not the ICAV is being wound up, be varied or abrogated with the consent in writing of the holders of three-fourths of the issued Shares of that Fund or Class, or with the sanction of a special resolution passed at a general meeting of the Shareholders of that Fund or Class. The rights attaching to the Shares shall not be deemed to be varied by the creation, allotment or issue of any further Shares ranking pari passu with Shares already in issue. There are no rights of pre-emption upon the issue of Shares.

The net assets attributable to holders of redeemable participating shares are at all times equal to the net asset value of the Fund. The participating shares which comprise the equity capital of the Fund are in substance a liability of the Fund to shareholders under IAS 32 – Financial Instruments: Presentation, as they can be redeemed at the option of the shareholders.

Capital management

As a result of the ability to issue, repurchase and resell shares, the capital of the Fund can vary depending on the demand for redemptions and subscriptions to the Fund.

The Fund's objectives for managing capital are:

- To invest the capital in investments meeting the description, risk exposure and expected return indicated in its prospectus.
- To achieve consistent returns while safeguarding capital by investing in diversified portfolio, by participating in derivative and other capital markets and by using various investment strategies and hedging techniques.
- To maintain sufficient liquidity to meet the expenses of the Fund, and to meet redemption requests as they arise.
- To maintain sufficient size to make the operation of the Fund cost-efficient.

FEROX INVESTMENTS ICAV

NOTES TO THE FINANCIAL STATEMENTS (Continued) For the financial year ended 31 December 2019

7. SHARE CAPITAL AND REDEEMABLE PARTICIPATING SHARES (continued)

The movement in the number of participating shares for the financial year ended 31 December 2019 were as follows:

Chinook Global Convertible Bond Fund

	Opening	Subscriptions*	Redemptions*	Closing
Class A USD (Acc)	45,327.52	25.36	(922.66)	44,430.22
Class F USD (Acc)	81,025.12	-	(81,024.12)	1.00
Class F USD (Dist)	18,814.52	-	(18,814.52)	-
Class M USD (Acc)	110,738.66	-	-	110,738.66
Class A EUR (Acc)	1.00	-	-	1.00
Class F Euro (Acc)	158,286.58	-	(158,285.58)	1.00
Class F Euro (Dist)	7,137.00	-	(7,137.00)	-
Class M EUR (Acc)	184,204.21	1,995.06	(91,224.59)	94,974.68
Class R GBP (Acc)	126,819.49	72.46	(5,344.00)	121,547.95
Class F GBP (Acc)	33,669.26	-	(33,669.26)	-
Class F GBP (Dist)	127,787.77	-	(127,787.77)	-
Class M GBP (Acc)	7,508.14	-	-	7,508.14
Class F CHF (Acc)	5,443.38	-	(5,443.38)	-

*There were no switch trades recorded during the financial year ended 31 December 2019.

The movement in the number of participating shares for the financial year ended 31 December 2018 were as follows:

Chinook Global Convertible Bond Fund

	Opening	Subscriptions*	Redemptions*	Closing
Class A USD (Acc)	152,674.69	13,072.03	(120,419.20)	45,327.52
Class F USD (Acc)	-	93,620.12	(12,595.00)	81,025.12
Class F USD (Dist)	-	21,345.52	(2,531.00)	18,814.52
Class M USD (Acc)	200,000.00	1,160.26	(90,421.60)	110,738.66
Class A EUR (Acc)	1.00	-	-	1.00
Class F Euro (Acc)	-	196,599.55	(38,312.97)	158,286.58
Class F Euro (Dist)	-	13,777.71	(6,640.71)	7,137.00
Class M EUR (Acc)	104,682.03	79,522.18	-	184,204.21
Class R GBP (Acc)	129,876.91	12,531.68	(15,589.10)	126,819.49
Class F GBP (Acc)	-	35,026.37	(1,357.11)	33,669.26
Class F GBP (Dist)	-	142,597.22	(14,809.45)	127,787.77
Class M GBP (Acc)	-	7,508.14	-	7,508.14
Class F CHF (Acc)	-	7,419.38	(1,976.00)	5,443.38

* Included within shares issued and shares redeemed are switches in and switches out between share classes.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2019

8. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

Principles of risk management

The principal risks and uncertainties faced by the ICAV are outlined in the prospectus. These risks include market risk (comprised of market price risk, currency risk and interest rate risk), credit risk and liquidity risk as per IFRS 7 – Financial Instruments: Disclosures (“IFRS 7”).

The management of the financial instruments is fundamental to the management of the Fund’s business. The Investment Manager is responsible, subject to the overall supervision and control of the Board of Directors (the “Board”), for managing the assets and investments of the sub-fund of the ICAV in accordance with the investment objectives and guidelines approved by the Board and policies set forth in the Prospectus and the UCITS Regulations.

The Board has delegated the day to day risk management and reporting to the Investment Manager under the investment management agreement. The Investment Manager is responsible for ensuring that the appropriate risk management processes are in place and that it is functioning adequately, with the investment management function responsible for:

- trading securities, pre and post trade compliance and monitoring risk on a day to day basis;
- monitoring levels of global exposure, position risk, leverage, counter-party risk, other risk parameters of relevance;
- overseeing the risk management process of the Investment Manager;
- setting policy on instrument types, exposure limits and trading strategies (in conjunction with the Board);
- post trade checking for breaches of investment limits whether due to market movement or otherwise; and
- liaising with the Administrator in the setting of policies relating to financial derivative instruments pricing and dealing with any pricing issues that have been escalated in accordance with agreed escalation procedures or require a decision.

Market risk

Market risk is the risk of loss arising from movements in observable market variables such as foreign exchange rates, prices of financial instruments and interest rates. The Fund is exposed to market risk primarily through its financial assets and liabilities.

The Investment Manager has specific processes that are in place to control market risk. Market risk is assessed by the Investment Manager in the context of the total portfolio being managed, including all derivatives. Also the Investment Manager places restrictions on gearing of the portfolio (i.e. where the level of market exposure exceeds the market value of the Fund). The Investment Manager monitors derivative use to ensure derivatives are not used to circumvent gearing/borrowing restrictions imposed by law or mandate. Specifically, in the case of use of derivative positions to achieve exposure, the Fund holds sufficient cash or appropriate equivalent assets to meet potential obligations arising from the net derivative position. In the case of derivative positions to remove or reduce exposure, the Fund holds assets, which are considered a reasonable hedge.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2019

8. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

Market risk (continued)

The Fund trades in financial instruments to take advantage of market movements. The Fund's debt instruments and trading financial instruments are susceptible to market price risk arising from uncertainties about future prices of the instrument.

Global Exposure

UCITS funds are required to monitor exposures on a daily basis by utilising either the commitment approach or the value at risk ("VaR") approach when financial derivative instruments ("FDI") are held. The Investment Manager utilises the commitment approach in monitoring the exposure of the Fund as the market risk can be adequately monitored through this method. Derivatives will primarily be used to gain exposure to certain asset classes in which it is not permitted to directly invest and/or for purposes of efficient portfolio management.

The Fund held derivative positions during the year ended 31 December 2019 and 31 December 2018. The Fund has primarily held forward currency contracts, options and warrants. Equity securities and convertible bonds are transferable securities with derivative elements. This portfolio is monitored regularly by the Investment Manager under the commitment approach.

Breaches of the exposure limits, if any, are identified using the commitment approach, addressed by the Investment Manager and reported to the Board. Please see the credit risk section for a review of the risk and related measurements related to FDI counterparties as of 31 December 2019 and 31 December 2018.

FDI positions are subject to risks that have the potential to influence the value of the Fund. The portfolio risk is detailed in the price risk and currency risk sections which provide analyses of the potential impact to the values due to these risks. Further, an analysis of the time available to liquidate the positions held by the Fund can be found in the liquidity risk section.

Market risk

Market risk arises from uncertainty about future prices of financial instruments held by the Fund, whether those changes are caused by factors specific to individual financial instruments, or other factors affecting a number of similar financial instruments traded in the markets. It represents the potential loss the Fund might suffer through holding market positions in the face of price movements. Usually the maximum risk resulting from financial instruments is determined by the opening fair value of the instruments.

Market risk consists of market price risk, currency risk and interest rate risk.

Market price risk

Market price risk arises mainly from uncertainty about future prices of the investments held. It represents the potential loss the Fund might suffer through holding market positions in the face of price movements. The Investment Manager moderates this risk through a careful selection of securities within specified limits and ongoing monitoring of the portfolio.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2019

8. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

Market price risk (continued)

The sensitivity analysis presented shows the effect of a 5% increase or decrease in prices on the net assets of the Fund. Most of the market price sensitivity is due to the optionality embedded within the convertible bonds and bond options held by the Fund. The Fund had no direct equity exposure at the reporting date (31 December 2018: Nil). The analysis below factors in the instrument deltas in order to measure the sensitivity of the instrument values relative to changes in the underlying market prices.

Factoring in the instrument deltas in order to measure the sensitivity of the instrument values relative to changes in the underlying market prices, a 5% increase in financial assets at fair value through profit or loss would cause net assets attributable to holders of redeemable shares to increase by US\$1,301,550 (2018: US\$1,794,594). Similarly, a 5% decrease would cause net assets attributable to holders of redeemable shares to decrease by US\$1,257,350 (2018: (US\$1,591,698)).

Currency risk

Currency risk, as defined by IFRS 7, arises due to financial instruments being denominated in a currency that is not the functional currency and being of a monetary nature. Relevant risk variables are generally movements in the exchange rates of non-functional currencies in which the Fund holds financial instruments.

The generation of trading profits and losses resulting from investment activity in currencies other than the functional currency creates an exposure to the non-functional currency denominated foreign exchange rate movements. This currency risk is managed using foreign exchange trades in accordance with the Fund's guidelines and restrictions. Daily monitoring is undertaken by the Investment Manager to ensure instruments used and exposures created are consistent with the investment strategy and objectives of the Fund.

Each hedged currency share class is protected against movements in the share-class currency versus the base currency throughout the year. The returns accruing to investors in each of the currency classes reflect the profits made overall throughout the year in each share class.

FEROX INVESTMENTS ICAV

NOTES TO THE FINANCIAL STATEMENTS (Continued) For the financial year ended 31 December 2019

8. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

Currency risk (continued)

The Fund's total net exposure, including foreign currency hedging within the portfolio, to fluctuations in foreign currency exchange rates at the reporting date was as follows.

The table below calculates the effect of a reasonably possible movement of the exchange rate against the US\$ at 31 December 2019 and 31 December 2018 on the net assets attributable to holders of redeemable participating shares, with all other variables held constant.

Chinook Global Convertible Bond Fund

	Net fair value 2019 US\$	Net fair value 2018 US\$	Change in Exchange rate %	Effect on profit for the financial year US\$ 2019 +/-	Effect on profit for the financial year US\$ 2018 +/-
Currency					
British Pound	3,831,472	11,473,465	5%	191,574	573,673
Euro	8,598,914	21,508,747	5%	429,946	1,075,437
Hong Kong Dollar	1,429,867	5,378,313	5%	71,493	268,916
Japanese Yen	3,088,589	6,638,956	5%	154,429	331,948
Swedish Krona	-	172	5%	-	9
Swiss Franc	1,148,378	2,209,125	5%	57,419	110,456
Sub-total	18,097,220	47,208,778	-	904,861	2,360,439
US Dollar	30,885,142	54,562,495	-	-	-
Total	48,982,362	101,771,273	-	904,861	2,360,439

For share class hedging purposes, the Fund holds offsetting additional British Pound and Euro exposure. It is anticipated that the sensitivity shown would be largely offset by movements in the corresponding share capital liabilities of the Fund.

The Investment Manager generally seeks to hedge foreign currency exposure of the Fund to currencies other than the base currency through the use of spot and forward foreign exchange contracts or other methods if reducing exposure to currency fluctuations.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The majority of interest rate risk arises on interest-bearing financial instruments recognised in the Statement of Financial Position.

FEROX INVESTMENTS ICAV

NOTES TO THE FINANCIAL STATEMENTS (Continued) For the financial year ended 31 December 2019

8. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

Interest rate risk (continued)

The following table details the Fund's exposure to interest rate risks. It includes the Fund's assets and trading liabilities at fair values, categorised by the earlier of contractual re-pricing or maturity dates.

Chinook Global Convertible Bond Fund

31 December 2019	Less than 1 month US\$	1-3 months US\$	3 months to 1 year US\$	1-5 years US\$	Greater than 5 years US\$	Non-interest bearing US\$	Total US\$
Assets							
Financial assets at fair value through profit or loss	-	710,990	1,546,278	21,589,069	7,439,067	17,223,945	48,509,349
Cash and cash equivalents	2,916,743	-	-	-	-	-	2,916,743
Due from broker	360,990	-	-	-	-	-	360,990
Interest and dividend receivable	-	-	-	-	-	111,301	111,301
Other receivables and prepayments	-	-	-	-	-	45,432	45,432
Total assets	3,277,733	710,990	1,546,278	21,589,069	7,439,067	17,380,678	51,943,815
Liabilities							
Financial liabilities at fair value through profit or loss	-	-	-	-	-	30,917	30,917
Due to broker	2,872,482	-	-	-	-	-	2,872,482
Interest payable	722	-	-	-	-	-	722
Accrued expenses and other payables	-	-	-	-	-	57,332	57,332
Net assets attributable to holders of redeemable participating shares	-	-	-	-	-	48,982,362	48,982,362
Total liabilities	2,873,204	-	-	-	-	49,070,611	51,943,815
Total interest sensitivity gap	404,529	710,990	1,546,278	21,589,069	7,439,067	(31,689,933)	

FEROX INVESTMENTS ICAV

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2019

8. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

Interest rate risk (continued)

Chinook Global Convertible Bond Fund

31 December 2018	Less than 1 month US\$	1-3 months US\$	3 months to 1 year US\$	1-5 years US\$	Greater than 5 years US\$	Non-interest bearing US\$	Total US\$
Assets							
Financial assets at fair value through profit or loss	801,918	3,375,591	10,573,909	71,145,834	13,671,335	-	99,568,587
Cash and cash equivalents	2,240,267	-	-	-	-	-	2,240,267
Due from broker	1,876,245	-	-	-	-	-	1,876,245
Interest and dividend receivable	-	-	-	-	-	235,488	235,488
Other receivables and prepayments	-	-	-	-	-	3,318	3,318
Total assets	4,918,430	3,375,591	10,573,909	71,145,834	13,671,335	238,806	103,923,905
Liabilities							
Financial liabilities at fair value through profit or loss	344,485	910,258	-	-	-	-	1,254,743
Due to broker	227,978	-	-	-	-	-	227,978
Interest payable	350	-	-	-	-	-	350
Accrued expenses and other payables	-	-	-	-	-	76,409	76,409
Redemption payable	-	-	-	-	-	593,152	593,152
Net assets attributable to holders of redeemable participating shares	-	-	-	-	-	101,771,273	101,771,273
Total liabilities	572,813	910,258	-	-	-	102,440,834	103,923,905
Total interest sensitivity gap	4,345,617	2,465,333	10,573,909	71,145,834	13,671,335	(102,202,028)	

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2019

8. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

Interest rate risk (continued)

A change of 25 basis points ("bps") in interest rates at the reporting date would have increased/(decreased) the net assets attributable to holders of redeemable participating shares by the following amounts. This analysis assumes that the interest rate curve moves in parallel by 25bps across all maturities but that all other variables remain constant.

As at 31 December 2019	Net assets attributable to holders of redeemable shares	
	25 bps increase	25 bps decrease
	US\$	US\$
Debt instruments	(152,106)	152,106
Broker interest	7,292	(7,292)
	<u>(144,814)</u>	<u>144,814</u>
As at 31 December 2018	25 bps increase	25 bps decrease
	US\$	US\$
Debt instruments	(739,550)	739,550
Broker interest	5,601	(5,601)
	<u>(733,949)</u>	<u>733,949</u>

Credit risk

Credit risk is the risk that an issuer or counterparty will be unable to meet a commitment that it has entered into with the Fund. It is the Fund's policy to enter into financial instruments with a range of reputable counterparties. The Investment Manager only permits trading with approved brokers. New brokers are added, subject to a formal review process that includes a review of the broker's creditworthiness, financial strength, ability to enter into legally enforceable arrangements and standing in the financial community. Therefore, the Fund seeks to avoid counterparty credit losses on its financial instruments. The Fund's maximum exposure to credit risk (not taking into account the value of any collateral or other security held) in the event that counterparties fail to perform their obligations as of 31 December 2019 and 31 December 2018 in relation to each class of recognised financial assets, other than derivatives, is the carrying amount of those assets as indicated in the Statement of Financial Position.

With respect to financial derivative instruments, credit risk arises from the potential failure of counterparties to meet their obligations under the contract or arrangement. The Fund's overall exposure to credit risk on financial derivative instruments subject to a master netting arrangement is eliminated only to the extent that financial liabilities due to the same counterparty will be settled after the assets are realised. This exposure can change substantially within a short period since it is affected by each transaction subject to the arrangement.

FEROX INVESTMENTS ICAV

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2019

8. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

Credit risk (continued)

Chinook Global Convertible Bond Fund

31 December 2019

	S&P Credit rating	Cash and cash equivalents US\$	Financial assets held for trading US\$	Financial liabilities held for trading US\$	Broker Balance US\$	Total US\$
Counterparty						
BNP Paribas Luxembourg	A+*	2,916,743	47,959,283	(30,917)	(2,641,247)	48,203,862
Nomura Securities	A-	-	308,803	-	360,000	668,803
Mizuho Bank Ltd.	A	-	241,263	-	(230,245)	11,018
		<u>2,916,743</u>	<u>48,509,349</u>	<u>(30,917)</u>	<u>(2,511,492)</u>	<u>48,883,683</u>

Chinook Global Convertible Bond Fund

31 December 2018

	S&P Credit rating	Cash and cash equivalents US\$	Financial assets held for trading US\$	Financial liabilities held for trading US\$	Broker Balance US\$	Total US\$
Counterparty						
BNP Paribas Securities Services	A*	-	99,302,702	(1,254,743)	-	98,047,959
Nomura Securities	A-	-	69,350	-	360,000	429,350
Mizuho Bank Ltd.	A	-	196,535	-	(227,978)	(31,443)
Depository						
BNP Paribas Securities Services	A*	2,240,267	-	-	1,516,245	3,756,512
		<u>2,240,267</u>	<u>99,568,587</u>	<u>(1,254,743)</u>	<u>1,648,267</u>	<u>102,202,378</u>

*The S&P long term credit rating of BNP Paribas Securities Services, the ultimate parent of the Depository. The Depository is not rated.

Transactions are only concluded with counterparties which have an investment grade as rated by a well known rating agency.

FEROX INVESTMENTS ICAV

NOTES TO THE FINANCIAL STATEMENTS (Continued) For the financial year ended 31 December 2019

8. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

Credit risk (continued)

Cash and cash equivalents are held with BNP Luxembourg. In the event of insolvency or bankruptcy of BNP Paribas Luxembourg, the Fund will be treated as a general creditor in relation to the cash held with it.

*The S&P long term credit rating of BNP Paribas Securities Services, the ultimate parent of BNP Luxembourg, BNP Luxembourg is not rated.

Portfolio % by rating agency category:

Chinook Global Convertible Bond Fund

S&P Credit rating	31 December 2019		31 December 2018	
	Total	% of total	Total	% of total
A	-	0.00%	2,173,856	2.20%
A+	850,576	1.84%	1,449,924	1.47%
A-	3,424,670	7.40%	3,022,489	3.06%
A2	1,082,465	2.34%	-	-
A3	1,009,438	2.18%	-	-
Aa2	536,675	1.16%	-	-
B+u	-	0.00%	1,072,500	1.08%
BBB	1,519,272	3.28%	-	-
BBB+	3,164,209	6.83%	8,525,190	8.63%
BBB-	-	0.00%	995,510	1.01%
BB+	-	0.00%	-	-
BB-	1,598,408	3.45%	1,213,498	1.23%
B+	434,502	0.94%	-	-
BB	-	0.00%	-	-
B-	-	0.00%	-	-
B	-	0.00%	-	-
N.A.	-	0.00%	-	-
Not rated	32,677,942	70.58%	80,356,533	80.32%
Total	46,298,157	100.00%	98,809,500	100.00%

Significant concentrations of credit risk

Concentrations of credit risk exist when changes in economic, industry or geographic factors affect counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial instruments is broadly diversified along industry, product and geographic lines, and transactions are entered into with a range of counterparties, thereby mitigating any significant concentration of credit risk. Countries relate to country of incorporation and do not necessarily reflect country of economic risk.

FEROX INVESTMENTS ICAV

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2019

8. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

Significant concentrations of credit risk (continued)

The sector and country distributions are as follows:

Chinook Global Convertible Bond Fund

Country	Fair Value 2019 US\$	Fair Value 2018 US\$
Cayman Islands	-	18,917
China	3,195,422	3,261,720
European Union	-	(313,990)
Finland	-	1,255,575
France	4,399,849	12,044,330
Germany	2,971,614	7,378,885
Hong Kong	3,567,938	8,645,585
Italy	825,162	2,913,568
Japan	1,622,136	7,200,634
Luxembourg	-	995,510
Netherlands	1,009,438	-
Norway	-	779,736
South Africa	1,321,751	-
Spain	2,112,605	2,558,961
Switzerland	1,103,824	2,109,382
Taiwan	947,616	1,344,434
United Kingdom	2,104,015	9,414,402
United States	23,297,062	36,912,219
British Virgin Islands	-	1,793,976
Total	48,478,432	98,313,844

FEROX INVESTMENTS ICAV

NOTES TO THE FINANCIAL STATEMENTS (Continued) For the financial year ended 31 December 2019

8. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

Significant concentrations of credit risk (continued)

Chinook Global Convertible Bond Fund

Sector exposure	Fair Value 2019 US\$	Fair Value 2018 US\$
Aerospace/Defense-Equipment	2,066,990	1,619,845
Appliances	-	723,406
Applications Software	-	3,411,633
Auto/Trk Parts and Equipment-Orig	815,096	537,744
Auto-Cars/Light Trucks	-	1,968,313
Banks	1,509,884	-
Beverages-Wine/Spirits	-	1,320,250
Biotechnology	694,110	-
Building Production	1,086,239	1,450,313
Building-Heavy Construction	-	4,036,068
Cellular Telecom	-	779,736
Chemicals-Diversified	-	1,206,845
Coal	-	1,238,670
Commer Banks Non-US	-	1,279,187
Commercial Services	1,226,632	1,965,572
Computer Services	2,424,939	1,227,219
Computer Software	-	2,211,884
Computers-Peripher Equipment	-	1,112,395
Data Processing/Management	-	827,100
Diversified Finance Service	2,356,290	-
E-Commerce/Services	-	3,517,655
Electric-Generation	2,261,817	1,283,364
Electronic Compo-Semicon	-	3,866,623
E-Marketing/Info	-	1,161,590
Engineering/R&D Services	788,033	982,300
Enterprise Software/Services	-	2,996,748
Entertainment	1,224,420	-
Finance-Other Services	-	2,832,980
Food-Retail	-	1,580,377
Gas-Distribution	795,374	3,129,334
Gas-Transportation	-	1,372,165
Internet Application Software	5,869,662	2,416,641
Healthcare-Products	1,777,814	-
Investment Companies	1,696,887	2,431,172

FEROX INVESTMENTS ICAV

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2019

8. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

Significant concentrations of credit risk (continued)

Sector exposure	Fair Value 2019 US\$	Fair Value 2018 US\$
Media	940,891	-
Medical Instruments	-	1,461,600
Medical Products	-	1,583,445
Medical-Biomedical	-	1,366,649
Metal Processing	-	1,976,479
Oil Comp-Exploration & Production	850,576	-
Oil Comp-Integrated	-	2,991,327
Others	1,919,646	(954,701)
Printing-Commercial	-	908,189
Real Estate Management/Services	4,305,723	9,894,019
REITS-Apartments	647,103	1,019,150
Medical-Biomedical	-	2,597,106
REITS-Storage	-	977,687
Rubber-Tires	-	1,460,688
Semiconductor	6,780,774	2,827,349
Semiconductor Equipment	-	2,043,850
Software	5,430,094	-
Special Purpose Entity	-	246,143
Steel-Specialty	-	3,704,993
Super-Regional Banks-US	-	1,523,835
Telecom Equipment Fiber Optics	1,009,438	2,472,775
Television	-	1,275,000
Vitamins & Nutrition Prod	-	1,378,240
Water	-	1,678,772
Whsing&Harbor Transport Services	-	1,394,120
	48,478,432	98,313,844

FEROX INVESTMENTS ICAV

NOTES TO THE FINANCIAL STATEMENTS (Continued) For the financial year ended 31 December 2019

8. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

Liquidity risk

The Fund's financial instruments include investments in derivative contracts traded over-the-counter, which are not traded in an organised public market and which may be illiquid. As a result, the Fund may not be able to promptly liquidate some of these investments at an amount close to its fair value in order to meet its liquidity requirements or to respond to specific events such as deterioration in the credit worthiness of any particular issuer. However the majority of the positions held in the portfolio are securities that are considered to be readily realisable within the Fund's liquidity terms.

Maturity profile of assets and liabilities at financial year end

The tables below summarise the maturity profile of the Fund's assets and liabilities and gross-settled derivatives based on contractual undiscounted cash flows. The below table summarises the Fund's liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The analysis does not reflect the liquidity of the secondary market.

The Investment Manager continuously monitors the liquidity of the Fund's portfolio.

Chinook Global Convertible Bond Fund

As at 31 December 2019	Less than 1 month US\$	1 to 3 months US\$	3 months to 1 year US\$	Greater than 1 year US\$	No stated maturity US\$	Total US\$
Assets						
Financial assets at fair value through profit or loss	-	2,106,536	3,538,424	42,864,389	-	48,509,349
Cash and cash equivalents	2,916,743	-	-	-	-	2,916,743
Due from broker	360,990	-	-	-	-	360,990
Interest and dividend receivable	-	111,301	-	-	-	111,301
Other receivables	-	45,432	-	-	-	45,432
Total assets	3,277,733	2,263,269	3,538,424	42,864,389	-	51,943,815
Liabilities						
Financial liabilities at fair value through profit or loss	-	25,967	-	4,950	-	30,917
Due to broker	2,872,482	-	-	-	-	2,872,482
Interest payable	722	-	-	-	-	722
Other payables	-	-	-	-	57,332	57,332
Net assets attributable to holders of redeemable participating shares*	48,982,362	-	-	-	-	48,982,362
Total liabilities	51,855,566	25,967	-	4,950	57,332	51,943,815

FEROX INVESTMENTS ICAV

NOTES TO THE FINANCIAL STATEMENTS (Continued) For the financial year ended 31 December 2019

8. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

Liquidity risk (continued)

Maturity profile of assets and liabilities at financial year end (continued)

The below table summarises the Fund's liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date.

Chinook Global Convertible Bond Fund

As at 31 December 2018

	Less than 1 month US\$	1 to 3 months US\$	3 months to 1 year US\$	Greater than 1 year US\$	No stated maturity US\$	Total US\$
Assets						
Financial assets at fair value through profit or loss	34,157	-	99,534,430	-	-	99,568,587
Cash and cash equivalents	2,240,267	-	-	-	-	2,240,267
Due from broker	1,876,245	-	-	-	-	1,876,245
Interest and dividend receivable	-	235,488	-	-	-	235,488
Other receivables	-	3,318	-	-	-	3,318
Total assets	4,150,669	238,806	99,534,430	-	-	103,923,905
Liabilities						
Financial liabilities at fair value through profit or loss	344,485	910,258	-	-	-	1,254,743
Due to broker	227,978	-	-	-	-	227,978
Interest payable	350	-	-	-	-	350
Other payables	-	-	-	-	76,409	76,409
Redemption payable	-	-	-	-	593,152	593,152
Net assets attributable to holders of redeemable participating shares*	101,771,273	-	-	-	-	101,771,273
Total liabilities	102,344,086	910,258	-	-	669,561	103,923,905

* Subject to bi-monthly liquidity but countered to a degree by limitations in the prospectus, Directors may defer redemptions at a particular dealing day to the next dealing day where the requested redemptions exceed 10 per cent of the Fund's NAV.

FEROX INVESTMENTS ICAV

NOTES TO THE FINANCIAL STATEMENTS (Continued) For the financial year ended 31 December 2019

9. EXCHANGE RATES

The following exchange rates have been used to translate assets and liabilities into the functional currency of the Fund, US\$:

Chinook Global Convertible Bond Fund	2019 Rate	2018 Rate
Currency		
Euro	0.891	0.873
Hong Kong Dollar	7.789	7.832
Japanese Yen	108.578	109.661
Pound Sterling	0.754	0.785
Swedish Krona	9.350	8.879
Swiss Franc	0.966	-
Singapore Dollar	1.345	-

10. SOFT COMMISSION ARRANGEMENTS

There were no soft commission arrangements in place during the financial year (2018: Nil).

11. RELATED PARTIES

In accordance with IAS 24-Related Party Disclosures, the related parties of the ICAV and the required disclosure relating to material transactions with related parties are outlined below.

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

The Fund regards the Investment Manager, the Directors, Ferox Master Fund and Salar Fund plc as related parties. All fees for services provided by the affiliates are charged to the ICAV as stated in Note 5.

At the reporting date, Salar Fund Plc and Ferox Master Fund are invested in the Fund. The Fund does not hold any cross investments in the funds listed above at the reporting date.

Elizabeth Beazley and Teddy Otto are employees of Carne Global Financial Services Limited. Nicholas Curtis is a non-executive Director of Ferox Capital Management Limited. Up to the date of resignation, Natasha Lucas was an executive director of Ferox Capital Management Limited and a Partner in Ferox Capital LLP. At the appointment date, and at the reporting date, Tom Seymour Mead was not a Partner of Ferox Capital LLP, nor a Director of Ferox Capital Management Limited. Tom Seymour Mead was an employee of Ferox Capital LLP only.

FEROX INVESTMENTS ICAV
NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2019
12. NET ASSET VALUE HISTORY

Chinook Global Convertible Bond Fund	2019	2018	2017
Class A USD Accumulating			
Net asset value (\$)	5,169,012	4,630,636	16,358,243
Net asset value per share (\$)	116.34	102.16	107.14
Class F USD Accumulating			
Net asset value (\$)	111	7,875,837	-
Net asset value per share (\$)	110.74	97.20	-
Class F USD Distributing			
Net asset value (\$)	-	1,819,415	-
Net asset value per share (\$)	-	96.70	-
Class M USD Accumulating			
Net asset value (\$)	13,123,639	11,514,428	21,704,565
Net asset value per share (\$)	118.51	103.98	108.52
Class A EUR Accumulating¹			
Net asset value (€)	108	98	106
Net asset value per share (€)	108.46	97.94	105.58
Class F EUR Accumulating¹			
Net asset value (€)	105	15,008,150	-
Net asset value per share (€)	104.94	94.82	-
Class F EUR Distributing¹			
Net asset value (€)	-	670,072	-
Net asset value per share (€)	-	93.89	-
Class M EUR Accumulating¹			
Net asset value (€)	10,418,722	18,244,144	11,125,130
Net asset value per share (€)	109.70	99.04	106.28
Class R GBP Accumulating¹			
Net asset value (£)	13,518,563	12,596,265	13,763,811
Net asset value per share (£)	111.22	99.32	105.98
Class F GBP Accumulating¹			
Net asset value (£)	-	3,191,803	-
Net asset value per share (£)	-	94.80	-
Class F GBP Distributing¹			
Net asset value (£)	-	12,171,566	-
Net asset value per share (£)	-	95.25	-

¹Hedged share class

FEROX INVESTMENTS ICAV

NOTES TO THE FINANCIAL STATEMENTS (Continued) For the financial year ended 31 December 2019

12. NET ASSET VALUE HISTORY (continued)

Chinook Global Convertible Bond Fund	2019	2018	2017
Class M GBP Accumulating¹			
Net asset value (£)	799,467	713,487	-
Net asset value per share (£)	106.48	95.03	-
Class F CHF Accumulating¹			
Net asset value (CHF)	-	506,033	-
Net asset value per share (CHF)	-	92.96	-

¹Hedged share class

13. DIVIDENDS

In relation to the financial year ended 31 December 2019 no dividends were approved or paid. (31 December 2018: Nil).

14. CHANGES TO THE PROSPECTUS

There were no updates to the prospectus recorded during the financial year.

15. EFFICIENT PORTFOLIO MANAGEMENT

The ICAV may, for the purposes of efficient portfolio management, enter into derivative contracts. Derivative contracts open at 31 December 2019 were forward currency contracts, option contracts and warrants and are disclosed in the schedule of investments and note 3. Forward currency contracts were held for the purposes of hedging currency fluctuations between the currency of denomination of the non-base share classes and the base currency. The ICAV did not engage in stock lending or transactions using repos during the year.

16. RECONCILIATION OF NET ASSET VALUE ("NAV")

Under the terms of the prospectus, establishment expenses are amortised over the first five financial years of the ICAV's operation. However this is not in accordance with accounting standards for reporting purposes, which requires establishment expenses to be expensed as incurred in the first financial year of the ICAV. Up to and including 31 December 2018, this method of accounting was applied to the treatment of establishment expenses in the financial statements. For the year ended 31 December 2019, due to immateriality, establishment expenses were amortised and expensed in the NAV and were therefore not excluded from the NAV.

The table below shows a reconciliation of the dealing NAV to the financial statement NAV:

FEROX INVESTMENTS ICAV

NOTES TO THE FINANCIAL STATEMENTS (Continued) For the financial year ended 31 December 2019

16. RECONCILIATION OF NET ASSET VALUE (“NAV”) (continued)

The table below shows a reconciliation of the dealing NAV to the financial statement NAV:

	31 December 2019	31 December 2018
	US\$	US\$
Net asset value as per dealing NAV	48,982,362	101,831,568
Establishment expenses	-	(60,295)
Net asset value as per financial statements	48,982,362	101,771,273

17. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

There were no significant events during the financial year that require amendments to or disclosure in the financial statements.

18. SUBSEQUENT EVENTS

Since early January 2020, global financial markets have been monitoring and reacting to the novel coronavirus (2019-nCoV) that is believed to have originated in Wuhan, China. While containment efforts may have helped to slow the growth of the virus in mainland China, in late March 2020, global financial markets reacted sharply to the news that the virus continued to spread across the globe, as well as concerns regarding the larger economic impact this may have on a global scale. The eventual impact on the global economy and markets will largely depend upon the scale and the duration of the outbreak which at this point is not fully known. With regards to day to day operations, the Investment Manager and many of its service providers have invoked business continuity procedures, including remote working, to ensure the safety of staff and to enable the business to continue to operate with minimal impact. The Investment Manager expects continued market volatility; however the Fund is a going concern, financially stable and able to meet its obligations to shareholders and continue its business and investment strategy for the foreseeable future.

Subsequent to year end, there have been subscriptions and redemptions of US\$5,583,747 and US\$17,105,942 on the Fund.

There were no other events after the year end that had a material effect on the financial statements.

19. APPROVAL OF THE FINANCIAL STATEMENTS

The audited financial statements were approved and authorised for issue by the Directors on 22 April 2020.

FEROX INVESTMENTS ICAV

APPENDIX 1 (AUDITED) SCHEDULE OF INVESTMENTS 31 December 2019

Investments are disclosed by their country of incorporation which may not necessarily be their country of risk.

Chinook Global Convertible Bond Fund	Quantity	Fair Value US\$	Net Assets %
ASSETS			
CONVERTIBLE BONDS			
BRITISH VIRGIN ISLANDS 0.00% (2018: 1.01%)			
CHINA			
LENOVO GROUP LTD 3.375% 24/01/2024	1,100,000	1,183,215	2.41%
SMART INSIGHT INTERNATIONAL LTD 4.50% 05/12/2023	6,000,000	982,507	2.01%
TOTAL CHINA (2018: 0.00%)		<u>2,165,722</u>	<u>4.42%</u>
FINLAND (2018: 1.23%)			
FRANCE			
TOTAL SA 0.50% 02/12/2022	800,000	850,576	1.74%
TOTAL FRANCE (2018: 5.15%)		<u>850,576</u>	<u>1.74%</u>
GERMANY			
DEUTSCHE WOHNEN SE 0.60% 05/01/2026	900,000	1,065,334	2.18%
GRAND CITY PROPERTIES SA 0.25% 02/03/2022	1,000,000	1,199,448	2.45%
TAG IMMOBILIEN AG 0.625% 01/09/2022	500,000	706,832	1.44%
TOTAL GERMANY (2018: 4.53%)		<u>2,971,614</u>	<u>6.07%</u>
HONG KONG			
CHINA EVERGRANDE GROUP 4.25% 14/02/2023	3,000,000	351,602	0.72%
TOTAL HONG KONG (2018: 2.79%)		<u>351,602</u>	<u>0.72%</u>
LUXEMBOURG 0.00% (2018: 0.98%)			
NORWAY 0.00% (2018: 0.77%)			
SPAIN			
INDRA SISTEMAS SA 1.25% 07/10/2023	800,000	943,218	1.92%
TOTAL SPAIN (2018: 2.51%)		<u>943,218</u>	<u>1.92%</u>

FEROX INVESTMENTS ICAV

**APPENDIX 1 (AUDITED)
SCHEDULE OF INVESTMENTS (Continued)
31 December 2019**

Chinook Global Convertible Bond Fund (Continued)	Quantity	Fair Value US\$	Net Assets %
ASSETS (Continued)			
CONVERTIBLE BONDS (Continued)			
SOUTH AFRICA			
REMGRO JERSEY GBP LTD 2.625% 22/03/2021	1,000,000	1,321,751	2.70%
TOTAL SOUTH AFRICA (2018: 0.00%)		<u>1,321,751</u>	<u>2.70%</u>
SWITZERLAND			
SIKA AG 0.15% 05/06/2025	900,000	1,086,240	2.22%
TOTAL SWITZERLAND (2018: 2.10%)		<u>1,086,240</u>	<u>2.22%</u>
UNITED KINGDOM			
NATIONAL GRID NA INC 0.9% 02/11/2020	600,000	795,374	1.62%
TOTAL UNITED KINGDOM (2018: 7.48%)		<u>795,374</u>	<u>1.62%</u>
UNITED STATES			
CTRIP.COM INTERNATIONAL LTD 1.99% 01/07/2025	1,050,000	1,107,845	2.26%
DOCUSIGN INC 0.50% 15/09/2023	900,000	1,122,093	2.29%
EXTRA SPACE STORAGE LP 3.125% 01/10/2035	550,000	647,102	1.32%
GUIDEWIRE SOFTWARE INC 1.25% 15/03/2025	1,000,000	1,179,960	2.41%
ILLUMINA INC 0.50% 15/06/2021	500,000	694,110	1.42%
INPHI CORP IPHI 0.75% 01/09/2021	650,000	921,583	1.88%
J2 GLOBAL COMMUNICATIONS 3.25% 15/06/2029	300,000	434,502	0.89%
LIBERTY MEDIA CORP 1.375% 15/10/2023	700,000	940,891	1.92%
LIVE NATION ENTERTAINMENT LYV 2.5% 15/03/2023	1,000,000	1,224,420	2.50%
MICROCHIP TECHNOLOGY INC 1.625% 15/02/2027	750,000	1,070,580	2.19%
NUANCE COMMUNICATIONS 1.50% 01/11/2035	800,000	847,504	1.73%
NUVASIVE INC 2.25% 15/03/2021	800,000	1,066,824	2.18%
ON SEMICONDUCTOR CORP 1% 01/12/2020	550,000	750,904	1.53%
PALO ALTO NETWORKS 0.75% 01/07/2023	1,100,000	1,216,314	2.48%
PRICELINE GROUP INC 0.9% 15/09/2021	1,100,000	1,273,096	2.60%
SILICON LABORATORIES INC 1.375% 01/03/2022	700,000	929,929	1.90%
SPLUNK INC 0.50% 15/09/2023	1,000,000	1,206,500	2.46%
SQUARE INC 0.50% 15/05/2023	1,100,000	1,226,632	2.50%
WORKDAY INC 0.25% 01/10/2022	500,000	639,535	1.31%
WRIGHT MEDICAL GROUP INC 2% 15/02/2020	700,000	710,990	1.45%
ZENDESK INC 0.25% 15/03/2023	300,000	410,775	0.84%
ZILLOW INC 2% 01/12/2021	1,050,000	1,177,218	2.40%
TOTAL UNITED STATES (2018: 35.18%)		<u>20,799,307</u>	<u>42.46%</u>
TOTAL CONVERTIBLE BONDS (2018: 63.73%)		<u>31,285,404</u>	<u>63.87%</u>

FEROX INVESTMENTS ICAV

APPENDIX 1 (AUDITED) SCHEDULE OF INVESTMENTS (Continued) 31 December 2019

Chinook Global Convertible Bond Fund (Continued)	Quantity	Fair Value US\$	Net Assets %
ASSETS (Continued)			
ZERO COUPON CONVERTIBLE BONDS			
BRITISH VIRGIN ISLANDS 0.00% (2018:0.75%)			
CHINA			
POSEIDON FINANCE 0% 01/02/2025	1,000,000	1,029,700	2.10%
TOTAL CHINA (2018: 3.21%)		<u>1,029,700</u>	<u>2.10%</u>
FRANCE			
AIRBUS GROUP 0% 14/06/2021	900,000	1,082,464	2.21%
ARCHER OBLIGATIONS 0% 31/03/2023	400,000	667,187	1.36%
CIE GENERALE DES %0 10/01/2022	800,000	815,096	1.67%
SAFRAN SA 0% 21/06/2023	540,000	984,526	2.01%
TOTAL FRANCE (2018: 6.68%)		<u>3,549,273</u>	<u>7.25%</u>
GERMANY 0.00% (2018: 2.65%)			
HONG KONG			
CHINA RAILWAY CONSTRUCT 0% 29/01/2021	750,000	788,033	1.61%
CHINA YANGTZE PWR INT BV 0% 09/11/2021	1,000,000	1,092,430	2.23%
SEMICONDUCTOR MANUFACTURE 0% 07/07/2022	1,000,000	1,335,000	2.73%
TOTAL HONG KONG (2018: 5.71%)		<u>3,215,463</u>	<u>6.57%</u>
ITALY			
STMICRO ELECTRONICS NV 0% 03/07/2022	600,000	825,162	1.68%
TOTAL ITALY (2018: 2.86%)		<u>825,162</u>	<u>1.68%</u>
JAPAN			
SBI HOLDINGS INC 0% 13/09/2023	80,000,000	768,959	1.57%
TOTAL JAPAN (2018: 6.44%)		<u>768,959</u>	<u>1.57%</u>
NETHERLANDS			
AMERICA MOVIL SAB DE CV 0% 28/05/2020	900,000	1,009,438	2.06%
TOTAL NETHERLANDS (2018: 0.00%)		<u>1,009,438</u>	<u>2.06%</u>
SPAIN			
IBERDROLA INTERNATIONAL BV 0% 11/11/2022	900,000	1,169,387	2.39%
TOTAL SPAIN (2018: 0.00%)		<u>1,169,387</u>	<u>2.39%</u>

FEROX INVESTMENTS ICAV

**APPENDIX 1 (AUDITED)
SCHEDULE OF INVESTMENTS (Continued)
31 December 2019**

Chinook Global Convertible Bond Fund (Continued)	Quantity	Fair Value US\$	Net Assets %
ASSETS (Continued)			
ZERO COUPON CONVERTIBLE BONDS (Continued)			
TAIWAN			
UNITED MICROELECTRONICS 0% 18/05/2020	800,000	947,616	1.93%
TOTAL TAIWAN (2018: 1.32%)		<u>947,616</u>	<u>1.93%</u>
UNITED KINGDOM 0.00% (2018: 2.65%)			
UNITED STATES			
JP MORGAN CHASE BANK 0% 07/08/2022	500,000	536,675	1.09%
JP MORGAN CHASE BANK 0% 11/01/2021	1,000,000	978,160	2.00%
NUTANIX INC 0% 15/01/2023	300,000	298,506	0.61%
WIX LTD 0% 01/07/2023	600,000	684,414	1.40%
TOTAL UNITED STATES (2018: 1.09%)		<u>2,497,755</u>	<u>5.10%</u>
TOTAL ZERO COUPON CONVERTIBLE BONDS (2018: 33.36%)		<u>15,012,753</u>	<u>30.65%</u>

	Counterparty	Strike Price	Quantity	Fair Value US\$	Net Assets %
BOND OPTIONS					
CAYMAN ISLANDS 0.00% (2018: 0.01%)					
JAPAN					
CHUGOKU ELECTRIC POWER 0% 2020	Mizuho ¹	25	110,000,000	283	0.00%
CHUGOKU ELECTRIC POWER 0% 2020	Mizuho	45	190,000,000	488	0.00%
CHUGOKU ELECTRIC POWER 0% 2020	Nomura ²	45	200,000,000	514	0.00%
DIGITAL GARAGE 0% 2023	Nomura	100	150,000,000	231,840	0.47%
JAPAN AIRPORT TERMINAL 0% 2022	Mizuho	30	200,000,000	101,932	0.21%
JAPAN AIRPORT TERMINAL 0% 2022	Mizuho	45	150,000,000	76,449	0.16%
JAPAN AIRPORT TERMINAL 0% 2022	Nomura	45	150,000,000	76,449	0.16%
KYORITSU MAINTENANCE 0% 2021	Mizuho	50	40,000,000	20,652	0.04%
LIXIL 0% 2022	Daiwa ³	40	200,000,000	-	0.00%
LIXIL 0% 2022	Nomura	45	300,000,000	-	0.00%
OBARA 0% 2020	Nomura	70	200,000,000	-	0.00%
SANEI ARCHITECTURE 0% 2022	Mizuho	120	350,000,000	28,179	0.06%

FEROX INVESTMENTS ICAV

**APPENDIX 1 (AUDITED)
SCHEDULE OF INVESTMENTS (Continued)
31 December 2019**

Chinook Global Convertible Bond Fund

LIABILITIES

CONTRACTS FOR DIFFERENCE (Counterparty: BNP Paribas Securities Services)

	Quantity	Fair Value US\$	Net Assets %
SWITZERLAND			
CEMBRA MONEY BANK AG 0% 09/07/2026	800,000	(4,950)	(0.01)%
TOTAL SWITZERLAND (2018: 0.00%)		<u>(4,950)</u>	<u>(0.01)%</u>
TOTAL CONTRACTS FOR DIFFERENCE (2018: 0.00%)		<u>(4,950)</u>	<u>(0.01)%</u>

FORWARD CURRENCY CONTRACTS (Counterparty: BNP Paribas Securities Services)

Currency Bought	Amount Bought	Currency Sold	Amount Sold	Contract Date	Unrealised Loss	Net Assets %
EUR	750,000	CHF	815,569	14/02/2020	(2,020)	(0.00)%
HKD	2,429,804	GBP	250,000	14/02/2020	(20,147)	(0.04)%
USD	2,000,000	JPY	217,062,200	14/02/2020	(3,800)	(0.01)%
TOTAL FORWARD CURRENCY CONTRACTS (2018: (1.23%))					<u>(25,967)</u>	<u>(0.05)%</u>
TOTAL LIABILITIES (2018: (1.23%))					<u>(30,917)</u>	<u>(0.06)%</u>
NET FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (2018: 96.60%)					<u>48,478,432</u>	<u>98.97%</u>

ANALYSIS OF TOTAL GROSS ASSETS **% of total
gross assets**

Transferable securities and money market instruments admitted to an official stock exchange or traded in a regulated market	89.13%
Exchange traded financial derivatives	1.57%
Over-the-counter financial derivatives	2.69%
Other current assets	6.61%
TOTAL (2018: 100.00%)	<u>100.00%</u>

FEROX INVESTMENTS ICAV

APPENDIX 2 (UNAUDITED) STATEMENT OF SIGNIFICANT PORTFOLIO MOVEMENTS 31 December 2019

Chinook Global Convertible Bond Fund

The Central Bank UCITS Regulations requires all material changes that have occurred in the disposition of the assets of the UCITS to be documented in the annual report. A material change is defined as the aggregate purchases of a security exceeding 1 per cent of the total value of purchases for the financial year or aggregate disposals greater than 1 per cent of the total value of sales for the financial year. At a minimum, the largest 20 purchases and sales must be given, or all purchases and sales if less than 20. A full listing of the portfolio changes for the financial year is available, upon request, at no extra cost from the Administrator.

Purchases	Ccy	Cost US\$
TOPPAN PRINTING CO LTD 0% 19/12/2019	JPY	7,389,431
AEON FINANCIAL SERVICE 0% 13/09/2019	JPY	2,304,631
YAMAGUCHI FINANCIAL GRP 0% 26/03/2020	USD	1,966,500
JP MORGAN CHASE BANK NA 0% 11/01/2021	USD	1,957,250
HIS CO LTD 0% 30/08/2019	JPY	1,384,805
PALO ALTO NETWORKS 0.75% 01/07/2023	USD	1,332,612
LIVE NATION ENTERTAINMENT 2.5% 15/03/2023	USD	1,164,067
AIRBUS GROUP SE 0% 14/06/2021	EUR	1,159,071
LENOVO GROUP LTD 3.375% 24/01/2024	USD	1,131,225
IBERDROLA INTERNATIONAL BV 0% 11/11/2022	EUR	1,078,601
AMERICA MOVIL SAB DE CV 0% 28/05/2020	EUR	990,625
POSEIDON FINANCE LTD 0% 01/02/25	USD	974,400
KYORITSU MAINTENANCE 0% 31/03/2021	JPY	951,249
INPHI CORP IPHI 0.75% 01/09/2021	USD	942,716
PIONEER CORP 0% 18/12/2020	JPY	893,998
CEMBRA MONEY BANK AG 0% 09/07/2026	CHF	845,864
STMICROELECTRONICS NV 0% 03/07/2022	USD	845,500
CIE GENERALE DES %0 10/01/2022	USD	813,176
PRICELINE GROUP INC 0.9% 15/09/2021	USD	739,311
WIX LTD 0% 01/07/2023	USD	676,484
WORKDAY INC 0.25% 01/10/2022	USD	638,574
GUIDEWIRE SOFTWARE INC 1.25% 15/03/2025	USD	599,036
SPLUNK INC 0.50% 15/09/2023	USD	526,987
JP MORGAN CHASE BANK NA 0% 07/08/2022	USD	525,500
SEMICONDUCTOR MANUFACTURE 0% 07/07/2022	USD	519,500

Financial derivative instruments are excluded from the above due to no cost being attributed to purchases and sales of such instruments.

FEROX INVESTMENTS ICAV

**APPENDIX 2 (UNAUDITED)
STATEMENT OF SIGNIFICANT PORTFOLIO MOVEMENTS (Continued)
31 December 2019**

Chinook Global Convertible Bond Fund (continued)

Sales	Ccy	Proceeds US\$
TOPPAN PRINTING CO LTD 0% 19/12/2019	JPY	(8,297,758)
YAMAGUCHI FINANCIAL GRP 0% 26/03/2020	USD	(3,263,070)
BRITISH LAND CO(JERSEY) 0% 09/06/2020	GBP	(2,740,101)
NATIONAL GRID NA INC 0.9% 02/11/2020	GBP	(2,661,243)
ORANGE SA 0.375% 27/06/2021	GBP	(2,512,036)
AEON FINANCIAL SERVICE 0% 13/09/2019	JPY	(2,305,599)
ATLISSIAN INC 0.625% 01/05/2023	USD	(2,067,769)
WORKDAY INC 0.25% 01/10/2022	USD	(2,058,862)
ASM PACIFIC TECHNOLOGY 2% 28/03/2019	HKD	(2,041,168)
TESLA MOTORS INC 1.25% 01/03/2021	USD	(1,859,349)
SUEZ SEVFP 0% 27/02/2020	EUR	(1,685,399)
SALZGITTER FINANCE BV 0% 05/06/2022	EUR	(1,658,203)
CIE GENERALE DES %0 10/01/2022	USD	(1,630,050)
J SAINSBURY PLC 1.25% 21/11/2019	GBP	(1,629,555)
ZENDESK INC 0.25% 15/03/2023	USD	(1,559,444)
JP MORGAN CHASE BANK NA 0% 30/12/2020	USD	(1,558,125)
ENI SPA 0% 13/04/2022	EUR	(1,555,920)
SNAM SPA 0% 20/03/2022	EUR	(1,409,177)
SHANGHAI PORT GROUP BVI 0% 09/08/2021	USD	(1,396,500)
HIS CO LTD 0% 30/08/2019	JPY	(1,388,636)
ACS ACTIVIDADES FINANCE 1.625% 27/03/2019	EUR	(1,354,250)
REMY COINTREAU SA 0.125% 07/09/2026	EUR	(1,345,971)
DERWENT LONDON CAPITAL 1.125% 24/07/2019	GBP	(1,343,069)
RTI INTERNATIONAL METALS 1.625% 15/10/2019	USD	(1,298,375)
EMPIRE STATE REALTY 2.625% 15/08/2019	USD	(1,294,313)
APERAM APAMNA 0.625% 08/07/2021	USD	(1,276,560)
OUTOKUMPU 3.25% 26/02/2020	EUR	(1,260,484)
RAG-STIFTUNG 0% 16/03/2023	EUR	(1,233,599)
HERBALIFE LTD 2% 15/08/2019	USD	(1,216,400)
MITSUBISHI CHEMICAL HOLDING 0% 29/03/2024	JPY	(1,214,430)
CYBERAGENT INC 0% 17/02/2023	JPY	(1,154,999)
ON SEMICONDUCTOR CORP 1% 01/12/2020	USD	(1,058,525)
COLONY STARWOOD HOMES SFR 3% 01/07/2019	USD	(1,039,937)
SEMICONDUCTOR MANUFACTURE 0% 07/07/2022	USD	(1,028,500)
DYCOM INDUSTRIES INC 0.75% 15/09/2021	USD	(997,116)
ARCHER OBLIGATIONS 0% 31/03/2023	EUR	(983,872)
JP MORGAN CHASE BANK 0% 11/01/2021	USD	(983,000)
KANDENKO 0% 31/03/2021	JPY	(976,785)
SILICON LABORATORIES INC 1.375% 01/03/2022	USD	(953,948)
KYORITSU MAINTENANCE 0% 31/03/2021	JPY	(951,249)

Financial derivative instruments are excluded from the above due to no cost being attributed to purchases and sales of such instruments.

**APPENDIX 3 (UNAUDITED)
UCITS V REMUNERATION DISCLOSURE
31 December 2019**

The Fund is a self-managed investment company and has adopted a formal remuneration policy in accordance with the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 as amended by the European Union (Undertakings for Collective Investment in Transferable Securities) (Amendment) Regulations 2019 (the “Regulations”). The Fund has made an assessment of the nature, scale and complexity of its business in accordance with the Regulations and determined the Fund is relatively low risk when compared to other fund structures. The only identified staff are the members of the Board of Directors. The remuneration of the Board is set at a fixed amount and is detailed in Note 6 to these Financial Statements. The Fund does not offer performance related remuneration to its identified staff. The remuneration policy is reviewed once per annum. The Fund delegates investment management functions to Ferox Capital LLP. The Fund confirms it has in place appropriate contractual arrangements to ensure that the remuneration arrangements are equally effective as the remuneration requirements in the Regulations and ESMA Guidelines on Sound Remuneration policies under the UCITS Directive issued on 14 October 2016.