

Annual report including audited financial statements as at 31st December 2019

CB Fund

Investment Fund (F.C.P.), Luxembourg

Composed of the Sub-Fund CB Fund - Save Earth Fund®

R.C.S. Luxembourg K35

CB FONDER
Active | Ethical | Long-term

Notice

The sole legally binding basis for the purchase of units of the Fund described in this report is the latest valid sales prospectus with its terms of contract.

CB Fund

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CB Fund

Organisation

Management Company

FundRock Management Company S.A.
H2O building
33, rue de Gasperich
L-5826 Hesperange

Board of Directors of the Management Company

Chairman

Michel Marcel VAREIKA
Independent Non-Executive Director
Luxembourg

Members

Romain DENIS
Executive Director - Co-Managing Director
FundRock Management Company S.A., Luxembourg

Eric MAY
Non-Executive Director
Founding Partner
BlackFin Capital Partners, Paris

Tracey MCDERMOTT
Independent Non-Executive Director, Luxembourg

Grégory NICOLAS
Executive Director - Co-Managing Director
FundRock Management Company S.A., Luxembourg

Xavier PARAIN
Executive Director - Chief Executive Officer
FundRock Management Company S.A., Luxembourg
(since 1st April 2019)

Serge RAGOZIN
Executive Director - Deputy Chief Executive Officer
FundRock Management Company S.A., Luxembourg

Ross THOMSON
Executive Director - Managing Director
FundRock Management Company S.A., Luxembourg
(until 22nd July 2019)

Conducting Officers

Romain DENIS
Executive Director - Co-Managing Director

Grégory NICOLAS
Executive Director - Co-Managing Director

Matteo SBROLLA
Director Investment Management and Distribution Oversight
(since 17th December 2019)

Depositary

Skandinaviska Enskilda Banken S.A.
4, rue Peternelchen
L-2370 Howald

CB Fund

Organisation (continued)

Central Administrative Agent

FundRock Management Company S.A.
H2O building
33, rue de Gasperich
L-5826 Hesperange

**Sub-Administrator
Registrar and Transfer Agent**

European Fund Administration S.A.
2, rue d'Alsace
L-1122 Luxembourg

**Investment Manager, Placement
and Marketing Agent**

CB Asset Management AB
5B, Strandvägen
SE-114 51 Stockholm

Auditor

PricewaterhouseCoopers, Société coopérative
2, rue Gerhard Mercator
L-2182 Luxembourg

Paying Agents

In Sweden
Skandinaviska Enskilda Banken AB (publ)
Kungsträdgårdsgatan 8
SE- 106 40 Stockholm

In Luxembourg
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4, rue Peternelchen
L-2370 Howald

Global Distributor

FundRock Management Company S.A.
H2O building
33, rue de Gasperich
L-5826 Hesperange

CB Fund

General information

CB Fund (hereafter the "Fund"), is an umbrella mutual investment fund governed by Part I of the amended Luxembourg Law of 17th December 2010 relating to Undertakings for Collective Investment (the "2010 Law"). The Fund is set up in accordance with General Management Regulations signed in Luxembourg on 11th April 2005 and Special Regulations (hereafter the "Management Regulations"). The Special Regulations were signed in Luxembourg on 30th April 2008 and entered into force on 5th May 2008.

The Fund is registered with the Luxembourg Register of Commerce ("RCS") under the number K35. The General Management Regulations and the Special Regulations have been deposited with the RCS. A notice of deposit of the last amendment of the Special Regulations was published in *Mémorial C* on 9th April 2014. Publications made after 1st June 2016 are available on the new platform called "*Recueil électronique des sociétés et associations* ("RESA")" accessible through the website of the RCS.

CB Fund's assets are the undivided joint property of the unitholders and are separate from the assets of the Management Company.

The main objective of the Fund is to provide active and professional management, to diversify investment risks and satisfy investors seeking longer-term capital growth. As in the case of any investment, the Management Company cannot guarantee future performance and there can be no certainty that the investment objectives of the Fund will be achieved.

The Fund currently issues units in one Sub-Fund: CB Fund - Save Earth Fund® (hereafter the "Sub-Fund").

The Management Company offers Class "C" and Class "D" units for institutional investors ("IC" and "ID" unit class) as well as for retail investors ("RC" and "RC-SEK" unit class) in the Sub-Fund. Retail units ("R" unit class) may be issued to all kind of investors whereas institutional units ("I" unit class) may only be acquired by investors as defined by Article 174 (2) of the 2010 Law.

Class C units capitalize income.

Class D units distribute dividends.

Class IC and Class ID units are subject to a minimum initial investment of EUR 500,000.

Class ID units will distribute on an annual basis, on the first business day of November in Luxembourg, a dividend of 6% of the average Net Asset Value of Class ID (prior to the distribution of dividend) as at the last business day of October in Luxembourg. There will be no distribution of dividend in the case where such distribution would cause the net assets of the Fund to fall below the minimum capital required under the Law.

The following unit classes are currently available for subscription:

Name of unit class	Currency
IC	EUR
ID	EUR
RC	EUR
RC-SEK	SEK

The Sub-Fund's Net Asset Value per unit is calculated daily as of each business day in Luxembourg.

The accounts and the financial statements of the Fund are expressed in EUR and correspond to the financial statements of the sole Sub-Fund open.

The Net Asset Value per unit, issue and redemption prices of each Sub-Fund and of each class of units may be obtained during business days at the registered office of the Management Company.

The financial year of the Fund ends on 31st December of each year.

CB Fund

General information (continued)

The Fund publishes an annual report drawn up as per 31st December and a semi-annual report as per 30th June. Audited annual and unaudited semi-annual reports and all other information concerning the Fund are available to unitholders at no costs at the offices of the Management Company, the Depositary and any Paying Agent.

CB Fund

Report from the Investment Manager

Market and performance review

The year 2019 was a very good year for global equity markets and for CB Fund - Save Earth Fund. The RC class gained 32.78% and the IC class gained 33.53%, outperforming the benchmark index MSCI World Net which gained 30.0%.

All three environmental sectors the fund invests in – renewable energy, cleantech and water - underperformed in 2018 but outperformed in 2019. The renewable energy sector performed worst in 2018 but best in 2019. The water sector, which has been a stable base, performed best of the three in 2018, but worse than the other two sectors in 2019, although still outperforming benchmark.

Regarding sector allocation, water remained as the fund's largest sector with 46% of AuM, followed closely by cleantech with 43%. Renewable energy remained far behind at only 6% of AuM. Regarding geographical allocation North America remained the largest exposure with 46% of AuM, followed closely by Europe at 45%. Asia was again our smallest exposure out of the three regions, with 4% of AuM.

Since the year end we have seen the development of the coronavirus covid-19 outbreak initially in China and now reaching most continents. At present it is not possible to assess the detailed impact of the emerging risk, on the companies in our portfolio but there is growing concern about the impact on the world economy. There has been a significant correction in the financial markets in the last few weeks. The Board of Directors of the Management Company and the Investment Manager continue to watch the spread of the virus as well as the efforts of governments to contain the spread and monitor the economic impact, if any, on the investments in our portfolio.

Stockholm, 18th March 2020

The Investment Manager

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



Audit report

To the Unitholders of
CB Fund

Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of CB Fund (the "Fund") as at 31 December 2019, and of the results of its operations and changes in its net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

What we have audited

The Fund's financial statements comprise:

- the statement of net assets as at 31 December 2019;
- the statement of investments and other net assets as at 31 December 2019;
- the statement of operations and other changes in net assets for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the financial statements" section of our report.

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

We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.

Other information

The Board of Managers of the Management Company is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our audit report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Managers of the Management Company for the financial statements

The Board of Managers of the Management Company is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Managers of the Management Company determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Managers of the Management Company is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Managers of the Management Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the financial statements

The objectives of our audit 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 audit 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 the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Managers of the Management Company;



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

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

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 20 April 2020

Philippe Sergiel

CB Fund - Save Earth Fund®

Statement of net assets (in EUR)

as at 31st December 2019

Assets

Securities portfolio at market value	88,988,710.89
Cash at banks	4,244,312.38
Receivable on issues of units	377,463.78
Income receivable on portfolio	62,105.61
Total assets	93,672,592.66

Liabilities

Payable on redemptions of units	33,529.07
Expenses payable	154,328.05
Total liabilities	187,857.12
Net assets at the end of the year	93,484,735.54

Breakdown of net assets per unit class

Unit class	Number of units	Currency of unit class	NAV per unit in currency of unit class	Net assets per unit class (in EUR)
IC	392,075.495	EUR	20.11	7,885,897.31
ID	1,752,012.170	EUR	11.27	19,744,302.70
RC	3,220,725.545	EUR	20.13	64,847,125.47
RC SEK	820,984.698	SEK	12.90	1,007,410.06
				93,484,735.54

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

CB Fund - Save Earth Fund®

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

from 1st January 2019 to 31st December 2019

<u>Income</u>	
Dividends, net	688,948.62
Interest on bank accounts	4,034.81
Total income	692,983.43
<u>Expenses</u>	
Management fees	614,349.01
Transaction fees	50,986.57
Central administration costs	102,988.78
Professional fees	22,066.20
Other administration costs	191,313.32
Subscription duty ("taxe d'abonnement")	29,131.45
Bank interest paid	18,125.19
Other expenses	34,988.09
Total expenses	1,063,948.61
Net investment loss	-370,965.18
<u>Net realised gain/(loss)</u>	
- on securities portfolio	2,535,228.90
- on foreign exchange	-128,613.78
Realised result	2,035,649.94
<u>Net variation of the unrealised gain/(loss)</u>	
- on securities portfolio	16,705,726.84
Result of operations	18,741,376.78
Dividends paid	-1,132,010.63
Subscriptions	31,640,950.63
Redemptions	-5,458,897.68
Total changes in net assets	43,791,419.10
Total net assets at the beginning of the year	49,693,316.44
Total net assets at the end of the year	93,484,735.54

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

CB Fund - Save Earth Fund®**Statistical information (in EUR)**

as at 31st December 2019

Total net assets	Currency	31.12.2017	31.12.2018	31.12.2019
	EUR	40,157,103.23	49,693,316.44	93,484,735.54

Net asset value per unit	Currency	31.12.2017	31.12.2018	31.12.2019
IC	EUR	16.35	15.06	20.11
ID	EUR	10.35	8.97	11.27
RC	EUR	16.55	15.16	20.13
RC SEK	SEK	-	9.36	12.90

Number of units	outstanding at the beginning of the year	issued	redeemed	outstanding at the end of the year
IC	95,328.884	300,946.611	-4,200.000	392,075.495
ID	1,015,374.512	751,809.700	-15,172.042	1,752,012.170
RC	2,568,661.263	914,516.962	-262,452.680	3,220,725.545
RC SEK	223,996.293	1,168,725.906	-571,737.501	820,984.698

Dividends paid	Currency	Dividend per unit	Ex-dividend date
ID	EUR	0.66	04.11.2019

CB Fund - Save Earth Fund®

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

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
Investments in securities					
Transferable securities admitted to an official stock exchange listing					
Shares					
CHF	126,990	ABB Ltd Reg	2,382,650.22	2,731,641.94	2.92
CHF	2,620	Geberit AG Reg	1,000,829.31	1,309,955.64	1.40
CHF	252	SGS SA Reg	549,190.97	614,901.86	0.66
			<u>3,932,670.50</u>	<u>4,656,499.44</u>	<u>4.98</u>
DKK	27,380	Vestas Wind Systems A/S	1,852,266.44	2,466,536.04	2.64
EUR	64,300	Aalberts NV	2,304,074.38	2,572,643.00	2.75
EUR	3,700	Eurofins Scientific SA	1,663,360.89	1,828,540.00	1.96
EUR	112,600	Infineon Technologies AG Reg	2,019,466.14	2,286,906.00	2.45
EUR	65,930	Kingspan Group	2,469,008.11	3,576,702.50	3.83
EUR	35,230	Legrand Holding SA	2,228,720.66	2,559,107.20	2.74
EUR	32,610	Schneider Electric SE	2,433,316.42	2,983,815.00	3.19
EUR	59,360	Umicore SA	2,035,186.87	2,573,849.60	2.75
			<u>15,153,133.47</u>	<u>18,381,563.30</u>	<u>19.67</u>
GBP	119,700	Halma Plc	1,764,086.67	2,989,022.55	3.20
GBP	8,900	Intertek Group Plc	505,647.34	614,629.93	0.66
GBP	103,390	Pennon Group Plc	882,649.30	1,250,609.66	1.34
GBP	44,390	Severn Trent Plc	961,430.11	1,317,475.39	1.41
GBP	20,770	Spirax-Sarco Engineering Plc	1,531,100.56	2,179,002.03	2.33
GBP	102,790	United Utilities Plc	904,615.33	1,144,369.08	1.22
			<u>6,549,529.31</u>	<u>9,495,108.64</u>	<u>10.16</u>
NOK	58,410	Tomra Systems ASA	868,470.43	1,647,816.25	1.76
SEK	97,260	Alfa Laval AB	2,068,441.08	2,183,229.73	2.33
SEK	184,980	Nibe Industrier AB B	1,758,159.80	2,858,564.72	3.06
			<u>3,826,600.88</u>	<u>5,041,794.45</u>	<u>5.39</u>
USD	47,790	A.O.Smith Corp	2,270,653.98	2,027,893.11	2.17
USD	8,230	American States Water Co	444,234.08	635,118.20	0.68
USD	12,210	American Water Works Co Inc New	944,664.05	1,336,063.51	1.43
USD	11,820	ANSYS Inc	1,654,388.32	2,710,061.64	2.90
USD	18,990	Aqua America Inc	583,635.75	793,970.43	0.85
USD	12,450	Badger Meter Inc Reg	602,646.76	720,030.73	0.77
USD	11,990	California Water Serv Group Reg	447,064.70	550,640.78	0.59
USD	24,410	Danaher Corp	2,072,343.33	3,336,997.24	3.57
USD	30,250	Donaldson Co Inc	1,327,997.42	1,552,511.80	1.66
USD	12,540	Ecolab Inc	1,694,827.63	2,155,602.21	2.31
USD	24,990	EnerSys Inc	1,678,131.42	1,665,629.02	1.78
USD	21,770	Franklin Electric Co Inc Reg	942,380.20	1,111,478.04	1.19
USD	24,850	IDEX Corp	3,126,333.32	3,807,072.24	4.07
USD	9,540	Pentair Plc	361,457.80	389,774.47	0.42
USD	28,480	Republic Services Inc	1,953,151.72	2,273,681.66	2.43
USD	31,270	Rexnord Corp	780,825.61	908,548.50	0.97
USD	7,370	Roper Technologies Inc	1,641,107.66	2,325,354.15	2.49
USD	20,690	Tetra Tech Inc Reg	1,382,413.50	1,587,824.35	1.70
USD	11,900	Thermo Fisher Scientific Inc	2,751,261.23	3,443,442.59	3.68
USD	46,620	Trimble Inc	1,622,609.28	1,731,172.89	1.85
USD	18,370	Waste Management Inc	1,608,014.88	1,864,652.36	1.99
USD	17,060	Watts Water Technologies Inc A	1,330,128.14	1,515,904.16	1.62
USD	59,990	Xylem Inc	3,436,527.57	4,210,040.17	4.50
			<u>34,656,798.35</u>	<u>42,653,464.25</u>	<u>45.62</u>
Total shares			<u>66,839,469.38</u>	<u>84,342,782.37</u>	<u>90.22</u>

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

CB Fund - Save Earth Fund®

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

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<u>Open-ended investment funds</u>					
Investment funds (UCITS)					
EUR	1,720,778	First State Gl Umbrella Fd Plc Stew Inves Asia Pac Su VI Cap	4,485,509.00	4,645,928.52	4.97
Total investment funds (UCITS)			<u>4,485,509.00</u>	<u>4,645,928.52</u>	<u>4.97</u>
Total investments in securities			<u>71,324,978.38</u>	<u>88,988,710.89</u>	<u>95.19</u>
Cash at banks				4,244,312.38	4.54
Other net assets/(liabilities)				251,712.27	0.27
Total				<u><u>93,484,735.54</u></u>	<u><u>100.00</u></u>

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

CB Fund - Save Earth Fund®

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

Industrial classification

(in percentage of net assets)

Industrials	61.34 %
Healthcare	9.21 %
Utilities	7.52 %
Technologies	7.20 %
Investment funds	4.97 %
Energy	2.64 %
Raw materials	2.31 %
Total	<u>95.19 %</u>

Geographical classification

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

United States of America	45.20 %
United Kingdom	10.16 %
Ireland	9.22 %
France	5.93 %
Sweden	5.39 %
Switzerland	4.98 %
Belgium	2.75 %
The Netherlands	2.75 %
Denmark	2.64 %
Germany	2.45 %
Luxembourg	1.96 %
Norway	1.76 %
Total	<u>95.19 %</u>

CB Fund

Notes to the financial statements

as at 31st December 2019

Note 1 - Significant accounting policies

a) Presentation of the financial statements

The financial statements of the Fund are established in accordance with the Luxembourg legal and regulatory requirements concerning Undertakings for Collective Investment and with generally accepted accounting principles in Luxembourg.

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

b) Valuation

For the valuation of the Fund's assets, the following is observed:

- 1) Valuation is done on the basis of the last stock exchange prices available. Securities quoted on an official stock exchange or any other regulated market which operates regularly and is recognised and open to the public, are valued on the basis of the last known price, and, if there are several markets, the last known price of the stock exchange which is the principal market for the security in question, unless these prices are not representative.

For unquoted securities, and for quoted securities, but for which the last known price is not representative, valuation is based on the probable sales value estimated prudently and in good faith by the Management Company.

- 2) The value of the units or shares of investment funds is based on the last available Net Asset Value.
- 3) The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interests declared or accrued and not yet received is deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as may be considered appropriate in such case to reflect the true value thereof.
- 4) Liquid assets are assessed at their face value plus accrued interest.

c) Net realised gain/(loss) on securities portfolio

The net realised gain/(loss) on securities portfolio is determined on the basis of the average cost of securities sold.

d) Cost of securities

The acquisition cost of a security denominated in a currency other than that of the Sub-Fund is converted to the Sub-Fund's currency at the exchange rate prevailing on the date of purchase.

e) Exchange translation

Bank balances, other assets and liabilities and the value of securities held that are denominated in other currencies than the Sub-Fund's currency are converted at the prevailing exchange rate of the closing day. Income and expenses incurred in currencies other than the Sub-Fund's currency are converted at the prevailing exchange rate of the day of each transaction. Exchange gains and losses are disclosed in the statement of operations and other changes in net assets.

CB Fund

Notes to the financial statements (continued)

as at 31st December 2019

At the date of the financial statements, the prevailing exchange rates on the closing day were as follows:

1	EUR	=	1.0864368	CHF	Swiss Franc
			7.4729158	DKK	Danish Krona
			0.8473847	GBP	Pound Sterling
			9.8684207	NOK	Norwegian Krona
			10.5090333	SEK	Swedish Krona
			1.1227000	USD	US Dollar

f) Investment income

Dividend income is recognised on an ex-dividend basis and is recorded net of withholding tax.

g) Transaction fees

Transaction costs disclosed under the caption "Transaction fees" in the expenses of the statement of operations and other changes in net assets are mainly composed of broker fees incurred by the Fund relating to purchases or sales of securities, of fees relating to transactions paid to the Depositary.

Note 2 - Subscription, redemption and conversion fees

The issue price per unit is equivalent to the Net Asset Value per unit and may be increased by a subscription fee not exceeding 5% of the Net Asset Value per unit of the relevant class, payable to the parties involved in the sales of units.

No redemption fee is applicable to Class C units for the moment. A redemption fee of 1% based on the applicable Net Asset Value is applicable to Class D units.

Note 3 - Management fees

In consideration for its services related to the Sub-Fund, the Management Company is entitled to receive out of the Sub-Fund's assets a management fee of maximum 1.075% p.a. including the fees due to the Investment Manager and payable monthly in arrears based on the Sub-Fund's average net assets calculated each Valuation Day. In addition, the Investment Manager is entitled to receive out of the assets of the Sub-Fund a research fee not exceeding 0.1% p.a. which is payable quarterly in arrears based on the Sub-Fund's average net assets calculated each Valuation Day.

At the date of the financial statements, the effective annual management fee rates excluding the research fee were:

Unit class	Effect Effective rate
IC	0.50%
ID	0.50%
RC	1.00%
RC-SEK	1.00%

The Investment Manager receives, out of the management fee, remuneration calculated on the average net assets of the respective Sub-Fund.

The Management Company may receive out of the Sub-Fund's assets an additional promotional fee of maximum 0.20% p.a., payable monthly in arrears based on the Sub-Fund's average net assets calculated each Valuation Day.

CB Fund

Notes to the financial statements (continued)

as at 31st December 2019

Note 4 - Performance fees

IC unit class

The performance fee per unit of the “IC” unit class equals 20% of the outperformance of the Net Asset Value per unit over the benchmark, which is the MSCI World Net Index (Bloomberg ticker: MSDEWIN), pre performance fee, but post the management fees and other types of fees, above the current Hurdle Value.

The performance fee is calculated and accrued daily and crystallized at the end of each calculation period. The calculation period for the “IC” unit class is quarterly.

The excess performance on each Valuation Day is defined as any difference between the current Base Net Asset Value (Base NAV) and the current Hurdle Value. If the difference is negative, excess performance is defined to be zero.

The Base NAV is calculated after deduction of the management fees and administration fee but prior to the calculation of any performance fee on the relevant Valuation Day.

The Hurdle Value is the NAV at the end of the last calculation period where performance fee was paid multiplied by the current value of the MSCI World Index and divided by the corresponding index value recorded at the end of the same calculation period.

The definitions and calculations are as follows:

Performance fee(t) = no of Units(t) * 20% * Excess performance (t)

No of units(t) = Number of units of the relevant unit class on the relevant Valuation Day before subscriptions and redemptions have been taken into account on that Valuation Day(t)

Excess performance = Base NAV(t) – Hurdle Value(t) if difference is larger than 0

The initial offer price of each unit class is the starting point for the first calculation of performance fee.

The performance fee is payable quarterly in arrears to the Investment Manager. In case an investor redeems during a calculation period, the accrued performance fee in respect of the investor’s units will become payable to the Investment Manager.

ID unit class

The performance fee per unit of the “ID” unit class equals 20% of the outperformance of the Net Asset Value per unit over the benchmark, which is the MSCI World Net Index (Bloomberg ticker: MSDEWIN), pre performance fee, but post the management fees and other types of fees, above the current Hurdle Value.

The performance fee is calculated and accrued daily and crystallized at the end of each calculation period. The calculation period for the “ID” unit class is quarterly.

The excess performance on each Valuation Day is defined as any difference between the current Base Net Asset Value (Base NAV) and the current Hurdle Value. If the difference is negative, excess performance is defined to be zero.

The Base NAV is calculated after deduction of the management fees and administration fee prior to the calculation of any performance fee on the relevant Valuation Day and includes any dividend distributed during the calculation period as well as performance of the dividend as though it was still invested.

The Hurdle Value is the NAV at the end of the last calculation period where performance fee was paid multiplied by the current value of the MSCI World Index and divided by the corresponding index value recorded at the end of the same calculation period.

The definitions and calculations are as follows:

CB Fund

Notes to the financial statements (continued)

as at 31st December 2019

Performance fee(t) = no of Units(t) * 20% * Excess performance (t)

No of units(t) = Number of units of the relevant unit class on the relevant Valuation Day before subscriptions and redemptions have been taken into account on that Valuation Day(t)

Excess performance = Base NAV(t) – Hurdle Value(t) if difference is larger than 0

The initial offer price of each unit class is the starting point for the first calculation of performance fee.

The performance fee is payable quarterly in arrears to the Investment Manager. In case an investor redeems during a calculation period, the accrued performance fee in respect of the investor's units will become payable to the Investment Manager.

At the date of the financial statements, no performance fee was due for the ID unit class and IC unit class in the Sub-Fund.

Note 5 - Central administration costs

The Management Company is entitled to receive out of the Sub-Fund's assets an administration fee including the fees due to the Depositary and the Registrar and Transfer Agent function. Central Administration fees are disclosed in the item "Central administration costs" in the statement of operations and other changes in net assets.

Note 6 - Subscription duty ("*taxe d'abonnement*")

The Fund is governed by Luxembourg law.

Pursuant to the legislation and regulations which are prevailing, the Fund is subject to an annual subscription duty ("*taxe d'abonnement*") of 0.05% which is payable quarterly and calculated on the basis of the net assets of each Sub-Fund on the last day of each quarter. A reduced rate of 0.01% per annum is applicable to unit classes which are exclusively held by Institutional Investors.

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

Note 7 - Investment management fee of the target funds

When the Sub-Fund invests in other UCITS and/or other UCIs that are managed, directly or by delegation, by the same management company or by another company with which the management company is linked by common management or control, or by a substantial direct or indirect holding, the management company or such other company may not charge subscription or redemption fees on account of the Sub-Fund's investments in the units of such UCITS or other UCIs.

In respect of a Sub-Fund's investments in UCITS and other UCIs linked to the management company as described in the preceding paragraph, the total management fee (excluding any performance fee, if any) charged to such Sub-Fund and each of the UCITS or other UCIs concerned shall not exceed 5% of the relevant net assets under management.

The Sub-Fund did not invest in any linked target funds as at 31st December 2019.

CB Fund

Notes to the financial statements (continued)

as at 31st December 2019

Note 8 - Changes in the investment portfolio

The statement of changes in the investment portfolio for the period covered by the report is available free of charge upon request from the registered office of the Management Company and establishments responsible for financial services.

Note 9 - Subsequent events

Since the end of the reporting period the Investment Manager has seen the development of the coronavirus covid-19 outbreak across the world. At present it is not possible to assess the detailed impact of the emerging risk, on the investments of the Fund but there is growing concern about the impact on the world economy. There has been a significant correction in the financial markets in the wake of the outbreak. However, the Board of Directors of the Management Company and the Investment Manager are of the opinion that these events do not impact the financial statements as of 31st December 2019, nor do they present any issues with regards to the going concerns of the Fund.

CB Fund

Additional information (unaudited)

as at 31st December 2019

1 - Risk management

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

The Board of Directors of the Management Company decided to adopt the commitment approach as a method of determining the global exposure.

2 - Remuneration disclosure

2.1. Remuneration of the Management Company

FundRock Management Company S.A. ("FundRock") has established and applies a remuneration policy in accordance with the principles laid out under the AIFMD and UCITS V directive, and any related legal & regulatory provisions applicable in Luxembourg. The remuneration policy is aligned with the business strategy, objectives, values and interests of the Management Company and the Funds that it manages and of the investors in such Funds, and which includes, *inter alia*, measures to avoid conflicts of interest; and it is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the Funds that the Management Company manages.

As an independent management company relying on a full-delegation model (i.e. delegation of the collective portfolio management function), FundRock ensures that its remuneration policy adequately reflects the predominance of its oversight activity within its core activities. As such, it should be noted that FundRock's employees who are identified as risk-takers under UCITS V are not remunerated based on the performance of the funds under management.

A paper version of the remuneration policy is made available free of charge to investors at FundRock's registered office.

The amount of remuneration for the financial year ending 31st December 2019 paid by FundRock to its staff: EUR 10,152,416

Fixed remuneration: EUR 9,700,097

Variable remuneration: EUR 452,319

Number of beneficiaries: 119

The aggregated amount of remuneration for the financial year ending 31st December 2019 paid by FundRock to Identified staff/risk takers is as follows:

Identified staff/risk takers: EUR 1,196,213

Other risk takers: EUR Nil

The total amount of remuneration is based on a combination of the assessment of the performance of the individual, the overall results of FundRock, and when assessing individual performance, financial as well as non-financial criteria are taken into account.

The Policy is subject to annual review by the Compliance Officer and the update is performed by HR department of FundRock and is presented for review to the Remuneration Committee and approval by the Board of FundRock.

2.2. Remuneration of the Investment Manager

The remuneration to CB Asset Management AB for the period from 1st September 2018 till 31st August 2019:

Number of employees: 4

Total compensation to staff: SEK 3,463,286

Of which compensation to management: SEK 2,357,654

CB Fund

Additional information (unaudited) (continued)

as at 31st December 2019

3 - Information concerning the transparency of securities financing transactions and of reuse of cash collateral (regulation EU 2015/2365, hereafter "SFTR")

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