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LRI INVEST S.A.
Société Anonyme

Annual accounts and Report of the Réviseur d'Entreprises agréé
31 December 2021

Address

9A, rue Gabriel Lippmann

L-5365 Munsbach

R.C.S. Luxemburg: B 28.101



LRI INVEST S.A.

**Annual accounts and Report of the Réviseur d'Entreprises
agréé as at 31 December 2021**

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Management Report as at 31 December 2021

Structural development of the Company

LRI Invest S.A. (the Company) was founded on 13 May 1988.

The Company and the funds it manages are subject to the law of 17 December 2010 on undertakings for collective investments (Investment Act) as amended, the law of 13 February 2007 on special funds as amended (Special Funds Act) and the law on alternative investment fund managers of 12 July 2013 (AIFM Act). The Company has the status of a UCITS IV Management Company according to Article 101 of the amended law of 17 December 2010. Effective 26 November 2013, it was also one of the first management companies to be granted the authorisation as an AIFM according to chapter 2 of the AIFM Act.

The Company is headquartered in the office building at 9A, rue Gabriel Lippmann, Munsbach, Luxembourg.

In addition to managing Luxembourg funds, the Company is authorised to manage investment funds that comply with regulations by way of providing cross-border services in Germany and Spain (EU passport for management companies). Thanks to this EU passport, a fund can be managed and marketed by a management company that is authorised and supervised in a different EU member state than the country in which the fund is based.

LRI Invest is part of Apex Group, a global financial service provider with over 50 offices worldwide and more than 5.000 employees.

As of 2 December 2019 LRI Invest S.A. and LRI Capital Management (former Warburg Invest Luxembourg S.A. renamed Augeo Capital Management SA) have completed the legal merger under one single legal entity, LRI Invest S.A..

As of 1 December 2020 the Company has partially segregated its Central Administration Activity to Apex Fund Services S.A., Luxembourg. Defining Central Administration Activity as activity of central administration within the meaning of Annex II, second indent of the law of 17 December 2010 concerning undertakings for collective investment as amended (“UCITS Law”), and/or Annex I 2. a) of the law of 12 July 2013 on alternative investment fund managers, as amended (“AIFM Law”), as well as the ancillary services pertaining to such activity including but not limited to domiciliation, corporate secretary, AML, FATCA, CRS, tax services, reporting.

The Company did not acquire any of its own shares, has no branch and has no activities in the field of research & development.



Risk report

The Company is subject to various internal and external risks which can affect every level of the organisation. The aim of the risk assessment is to identify the main risks and risk areas in a structured manner. Risk identification is based on the targets set by the company's management. Risk assessment is carried out as part of the risk management process and influences the design and adaptation of the internal control system.

The company's business activities expose it to default, counterparty, market, liquidity, operational and general business risks. The risks the company is exposed to are identified, analysed, quantified and presented to the Managing Board in the course of a comprehensive risk monitoring and management system. The funds managed by the company are also directly exposed to the abovementioned risks, which can in turn have an impact on the management company via possible revenue losses due to a decline in assets under management. The diversification of the company's product portfolio enabled it to continue to perform well in 2021 even in an environment of further regulatory changes and continued pandemic constraints as described hereafter.

COVID-19

Due to the effects of COVID-19 and in accordance with the advice and regulatory requirement of the government in Luxembourg, LRI Invest S.A. (hereinafter "LRI") has put into effect its plans to ensure continuity of service and to avoid interruptions. In order to maintain "business as usual", to protect the health and welfare of LRI's employees and to avoid any interruption or impact on the services provided, the majority of LRI's employees have moved to the home office since March 2020. The regulatory requirements on teleworking have been implemented by LRI and its employees accordingly.

Additionally and in compliance with the regulations of the Luxembourg health authorities, LRI continues to monitor the situation closely and will continue to adjust its plans to the current developments in order to ensure the safety of its employees and the continued provision of all services during this challenging period.

COVID-19 did not had a major impact on the assets and financial position of the funds managed by LRI but may have an impact after the end of the fiscal year of the respective fund that cannot be predicted at this time. The potential effects are strictly monitored for each investment in the portfolio. Overall, the impact on the revenues in 2021 was only moderate due to robust business model of LRI.

Although the vaccination campaigns continues worldwide the pandemic with several mutation of the virus persists, so that all effects can still not be finally assessed. Considering that the potential effects are widespread, persistent and pervasive to the worldwide situation it is however, difficult, if not impossible to isolate the effects of the COVID-19 pandemic on the financial results.



Development of assets under management

The number of investment funds serviced amounted to 520 at the end of the financial year (including subfunds), with total assets of EUR 56.7bn (prior year: 623 units, EUR 60.5bn).

The decrease was mainly due to the change of service providers for some funds. This effect was partly compensated by the launch of new investment funds and the migration of funds from competitors to the Company.

Earning position

The profit after tax of the Company for the financial year 2021 amounts to EURk 2.911 (prior year: EURk 7.716). The decrease is mainly due to the partial transfer of the Central Administration Activity to Apex Fund Services S.A. as of 1 December 2020 as described above (s. Structural development of the Company).

As in the past, the areas driving new mandates are both real assets – such as real estate, private equity, renewable energies and debt – as well as financial asset (UCITS and other liquid funds).

Post balance sheet events after 31 December 2021

There are no significant post balance sheet events.

Outlook for 2022

LRI Invest S.A. acts as a so called “Super ManCo” having licences both as an alternative investment fund manager (AIFM) and as a management company for UCITS.

The ManCo-solutions can be supplemented through a range of administrative and middle office, banking, depositary and custody services offered by Apex Group.

With a considerable number of fund initiators having once more taken advantage of the services of the LRI Invest S.A. as an AIFM or management company in 2021, and despite the fact that potential new clients will be deviated to other Apex Group Management Companies, a further slight increase in assets under management is to be expected in 2022.



Within the completed integration into Apex Group and the concentration on ManCo/AIFM business the Company will continue to attract further investment fund mandates in 2022. Apex Group has continually grown and evolved its service suite to offer a single-source solution through establishing the broadest range of solution in the industry across fund solutions, financial solutions and corporate solutions.

Luxembourg, March 2022

A handwritten signature in blue ink, appearing to read 'Frank Alexander de Boer'.

Frank Alexander de Boer
Managing Director

A handwritten signature in blue ink, appearing to read 'Utz Schüller'.

Utz Schüller
Managing Director

To the Shareholders of
LRI Invest S.A.
9a, Rue Gabriel Lippmann
L-5356 Munsbach
Grand Duchy of Luxembourg

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Report on the Audit of the Annual accounts

Opinion

We have audited the annual accounts of LRI Invest S.A. (the "Company"), which comprise the balance sheet as at 31 December 2021, and the profit and loss account for the year then ended, and notes to the annual accounts, including a summary of significant accounting policies.

In our opinion, the accompanying annual accounts present fairly, in all material respects, the financial position of the Company as at 31 December 2021, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

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 Annual accounts" section of our report. We are also independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the Annual accounts, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Management Board is responsible for the other information. The other information comprises the information stated in the annual report including the management report but does not include the Annual accounts and our report of the *"réviseur d'entreprises agréé"* thereon.

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

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

Responsibilities of the Management Board and Those Charged with Governance for the Annual accounts

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

In preparing the Annual accounts, the Management Board is responsible for assessing the Company'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 Management Board either intends to liquidate the Company 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 Annual accounts

Our objectives are to obtain reasonable assurance about whether the Annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the *"réviseur d'entreprises agréé"* that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Annual accounts.

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

- Identify and assess the risks of material misstatement of the Annual accounts, 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Board.
- Conclude on the appropriateness of Management Board 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the Annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual accounts, including the disclosures, and whether the Annual accounts 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.

Report on Other Legal and Regulatory Requirements

The management report is consistent with the Annual accounts and has been prepared in accordance with applicable legal requirements.

For Deloitte Audit, *Cabinet de révision agréé*


Jan van Delden

Jan van Delden, *Réviseur d'entreprises agréé*

Partner

18 March 2022

Annual accounts as at 31 December 2021

ASSETS	31.12.2021 EUR	31.12.2020 EUR
A. Fixed assets	1.342.764,45	1.767.393,72
I. Intangible assets	3 438.362,09	683.597,57
1. Concessions, patents, licences, trade marks and similar rights and assets, if they were a) acquired for valuable consideration	438.362,09	683.597,57
II. Tangible assets	4 874.298,92	1.052.480,75
1. Plant and machinery	413.502,04	434.903,17
2. Other fixtures and fittings, tools and equipment	460.796,88	617.577,58
III. Financial assets	30.103,44	31.315,40
1. Investments held as fixed assets	5 30.103,44	31.315,40
B. Current assets	6 34.273.655,45	33.325.348,91
II. Debtors	22.083.927,60	18.836.994,25
1. Trade debtors becoming due and payable within one year	18.835.196,39	17.338.544,46
2. Amounts owed by affiliated undertakings becoming due and payable within one year	2.384.512,36	200.688,77
4. Other debtors becoming due and payable within one year	864.218,85	1.297.761,02
IV. Cash at bank and in hand	12.189.727,85	14.488.354,66
C. Prepayments	561.718,55	1.102.711,43
TOTAL (ASSETS)	<u>36.178.138,45</u>	<u>36.195.454,06</u>

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The notes form an integral part of these annual accounts

Annual accounts as at 31 December 2021

CAPITAL, RESERVES AND LIABILITIES	31.12.2021 EUR	31.12.2020 EUR
A. Capital and reserves	19.765.599,68	19.554.492,00
I. Subscribed capital	7 10.000.000,00	10.000.000,00
II. Reserves	8 5.583.149,29	2.283.149,29
1. Legal reserve	1.000.000,00	1.000.000,00
2. Other reserves, including the fair value reserve	4.583.149,29	1.283.149,29
a. other available reserves	3.537.574,29	237.574,29
b. other non available reserves	1.045.575,00	1.045.575,00
III. Profit or loss brought forward	1.271.342,71	1.255.403,49
IV. Profit or loss for the financial year	9 2.911.107,68	7.715.939,22
V. Interim dividends	0,00	-1.700.000,00
B. Provisions	10 9.446.993,78	11.208.141,37
1. Provisions for pensions and similar obligations	79.220,18	79.220,18
2. Provisions for taxation	5.269.631,54	5.869.141,00
3. Other provisions	4.098.142,06	5.259.780,19
C. Creditors	11 6.965.544,99	5.432.820,69
1. Trade creditors	1.730.481,43	3.177.853,01
a) becoming due and payable within one year	1.730.481,43	3.177.853,01
2. Amounts owed to affiliated undertakings	3.546.650,98	598.535,70
a) becoming due and payable within one year	3.546.650,98	598.535,70
3. Other creditors	1.688.412,58	1.656.431,98
a) Tax authorities	1.520.146,66	1.131.095,67
b) Social security authorities	168.265,92	525.336,31
	<u>36.178.138,45</u>	<u>36.195.454,06</u>

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Annual accounts as at 31 December 2021

**Profit and loss account for the financial year
from 1 January 2021 to 31 December 2021**

		31.12.2021	31.12.2020
		EUR	EUR
1.	Net turnover	48.686.568,25	66.619.398,86
2.	Other operating income	5.058.978,85	1.920.859,31
3.	Raw materials and consumables and other external expenses	-23.778.995,21	-20.391.319,74
	b) Other external expenses	-23.778.995,21	-20.391.319,74
4.	Staff costs	-13.850.466,62	-22.298.922,43
	a) Wages and salaries	-12.303.690,65	-19.189.170,08
	b) Social security costs		
	i) relating to pensions	-334.200,00	-1.029.872,15
	ii) other social security costs	-1.212.575,97	-2.079.880,20
5.	Value adjustments	-557.993,19	-622.211,60
	a) in respect of formation expenses and of tangible and intangible assets	-557.993,19	-622.211,60
6.	Other operating expenses	-11.442.570,25	-14.718.000,15
7.	Value adjustments in respect of financial assets and of investments held as current assets	0,00	-111.370,80
8.	Interest payable and similar expenses	-102.171,94	-133.950,15
	a) concerning affiliated undertakings	0,00	-29.426,90
	b) other interest and similar expenses	-102.171,94	-104.523,25
9.	Tax on profit or loss	-1.002.242,21	-2.448.544,08
10.	Profit or loss after taxation	3.011.107,68	7.815.939,22
11.	Other taxes not shown under items 1 to 16	-100.000,00	-100.000,00
12.	Profit or loss for the financial year	2.911.107,68	7.715.939,22

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The notes form an integral part of these annual accounts



Annual accounts as at 31 December 2021

Notes to the annual accounts as at 31 December 2021

Note 1 - General information

LRI Invest S.A. (hereafter “the Company”), a public limited liability company (société anonyme), existing under the laws of the Grand Duchy of Luxembourg, was incorporated pursuant to a notarial deed dated 13 May 1988 for an unlimited duration.

The Company is registered with the Luxembourg Trade and Companies Register (Registre de Commerce et des Société de Luxembourg) (district court of Luxembourg) under the registration no. B 28.101.

The articles of association were last amended by deed of the notary Henri Hellinckx on 30. December 2019, published in RESA_2020_020 on 31 January 2020.

The Company is headquartered in Munsbach (municipality of Schuttrange), Luxembourg. The financial year corresponds with the calendar year.

The Company’s main activity is the establishment and/or management of Luxembourg and/or foreign undertakings for collective investments in transferable securities (UCITS) in accordance with Directive 2009/65/EC and the management of other Luxembourg and/or foreign undertakings for collective investments (UCI) not covered under this directive as well as the establishment and/or management of Luxembourg and/or foreign alternative investment funds (AIF) that are legitimate according to Directive 2011/61/EC of the European Parliament and the Council of 8 June 2011 on the management of alternative investment funds (AIFM Directive). The Company can conduct of all other activities in line with the restrictions of the law of 17 December 2010 on undertakings for collective investments (hereafter referred to as the “law of 17 December 2010”) and the law of 12 July 2013 on alternative investment fund managers (hereafter referred to as the “law of 12 July 2013) as amended. Further, the Company may also perform administrative activities for Luxembourg and/or foreign institutions for occupational retirement provision (“EbAV”).

The Company is authorised as a management company under chapter 15 of the law of 17 December 2010 and as an AIFM in accordance with chapter 2 of the law of 12 July 2013 from the regulatory authority (CSSF).

The annual accounts of LRI Invest S.A. are included in the consolidated financial statements of Apex Group Limited, Bermuda. The consolidated annual accounts are available on request.

Annual accounts as at 31 December 2021

Note 2 - Accounting policies

2.1. General principles

The annual accounts have been drawn up in accordance with the laws and regulations applicable in Luxembourg using the historical cost convention. The accounting and valuation policies are, with the exception of the provisions of the Law of 19 December 2002, laid down and implemented by the Management Board.

The Management Board makes assumptions and produces estimates which affect the Company's financial position in the next financial year. Estimates and judgements are continuously reviewed and developed and are based on past experience as well as other factors, including expectations for future events which appear realistic.

The Management Board believes that the underlying assumptions are reasonable and that the annual accounts therefore represent a true and fair view of the company's net assets, financial position and profitability.

The Company maintains its books and records in Euro (EUR). There are no assets or liabilities in foreign currencies.

For the purpose of a clear presentation in accordance with article 26 paragraph 2 of the law of 19 December 2002 and in accordance with article 34 resp. article 46 of the abovementioned law, the Company waives to disclose the items in the balance sheet and the profit and loss account with the amount of zero.

2.2. Principal valuation methods

The Company's main valuation methods are as follows:

2.2.1 Intangible assets

Intangible assets are measured at historical cost including ancillary costs of purchase, less cumulative amortisation and impairments. Impairments are no longer recognised if the reasons for the impairment cease to apply.

The methods and rates of amortisation are as follows:

	Amortisation rate	Amortisation method
Licences	20 – 33%	Linear



Annual accounts as at 31 December 2021

2.2.2 Tangible assets

Tangible assets are measured at acquisition cost, including the ancillary costs of purchase, or at manufacturing cost. They are depreciated over their expected useful lives.

The depreciation rates and methods used are as follows:

	Depreciation rate	Depreciation method
IT equipment	14 – 33%	Linear
Vehicle pool	25%	Linear
Other fixtures & fittings	10 – 20%	Linear

If the Company believes that the value of a fixed asset has been impaired on a sustained basis, a further impairment is recognised through profit or loss. Such impairments are no longer recognised if the reasons for the impairment cease to apply.

2.2.3 Financial assets

Shares in affiliated undertaking and securities held as fixed assets are valued at the lower of purchase price including the expenses incidental thereto or market or recovery value.

Market value and recovery value corresponds to:

- the last available quote on the valuation day for securities listed on a stock exchange or traded on another regulated market;
- the probable market or recovery value estimated with due care and in good faith by the Managing Board, for unlisted securities or securities that are not traded on another regulated market, for securities listed on a stock exchange or traded on another regulated market where the latest quote is not representative, as well as for the loans shown under “Assets”.

2.2.4 Debtors

Debtors are recognised at their nominal value. They are written down if their collection is at risk. These write-downs are derecognised if the reasons for the write-down no longer apply.

2.2.5 Prepayments

This asset item includes expenditures incurred during the financial year but relating to a subsequent financial year.



Annual accounts as at 31 December 2021

2.2.6 Provisions

Provisions are recognised to cover the risk of loss or uncertain liabilities which are definite in terms of their nature and are probable or certain on the balance sheet date, but are uncertain as regards the amount or the date at which they will be incurred.

- Provisions for pensions and similar obligations:
The Company provides a defined contribution pension plan for its employees. Defined contribution pension plans involve regular contributions by the Company to funds or pension schemes, whereby the Company has no legal or contractual obligation to pay any amounts in addition to those paid out by the fund or pension scheme, should the latter have insufficient funds to meet the pension entitlements of employees. Pension contributions are recognised as an expense in the financial year in which they are paid. The Company's liability is limited to the payments made on behalf of its employees.
- Provisions for taxation:
Tax provisions, which represent the differential between the tax expense calculated by the Company and the payments on account for the relevant financial years, are reported under "Provisions for taxation".

2.2.7 Liabilities

Liabilities are recognised at the repayment amount.

2.2.8 Net turnover

Net turnover consist primarily of management fees, riskmanagement fees and reporting fees.

2.2.9 Currency translation

The Company maintains its books in EUR. All transactions in a currency other than EUR are converted into EUR at the exchange rate applying on the transaction date.

Annual accounts as at 31 December 2021

Note 3 - Intangible assets

Changes during financial year 2021 were as follows:

	Concessions, patents, licences, trademarks and similar rights EURk	Total EURk
Gross value at beginning of financial year	6,556	
Additions	0	
Disposals	0	
Gross value at end of financial year	6,556	
Cumulative valuation allowances at beginning of financial year	5,872	
Additions	246	
Reversals	0	
Cumulative valuation allowances at end of financial year	6,118	
Net value at end of financial year		438
Net value at beginning of financial year		684

Note 4 - Tangible assets

Changes during financial year 2021 were as follows:

	Plant and machinery EURk	Other assets, fixtures and fittings EURk	Total EURk
Gross value at beginning of financial year	1,285	5,953	
Additions	135	0	
Disposals	0	0	
Gross value at end of financial year	1,420	5,953	
Cumulative valuation allowances at beginning of financial year	851	5,335	
Additions	156	157	
Disposals	0	0	
Cumulative valuation allowances at end of financial year	1,007	5,492	
Net value at end of financial year	413	461	874
Net value at beginning of financial year	434	618	1,052

Annual accounts as at 31 December 2021

Note 5 - Financial assets

Changes during financial year 2021 were as follows:

	Investments held as fixed assets EURk	Total EURk
Gross value at beginning of financial year	31	31
Additions	0	0
Disposals	-1	-1
Gross value at end of financial year	30	30
Cumulative valuation allowances at beginning of financial year	0	0
Additions	0	0
Reversals	0	0
Cumulative valuation allowances at end of financial year	0	0
Net value at end of financial year	30	30
Net value at beginning of financial year	31	31

The company does not hold any own shares in the reporting period.

Annual accounts as at 31 December 2021

Note 6 – Current assets

Debtors:

	2021 EURk	2020 EURk
Trade debtors	18,835	17,339
Affiliated undertakings	2,385	201
Other debtors	864	1,298

The trade debtors relate to receivables for management services including performance-related fees for the funds managed and administered by the Company.

Receivables from affiliated undertakings relate to group recharge regarding IT Services and other services.

Cash at bank and in hand:

The reported bank balances relate to current account balances. EURk 5,977 (prior year: EURk 3,359) of this is held with affiliated financial institutions.

Note 7 - Subscribed capital

As at 31 December 2021 the subscribed and fully paid-in capital of the Company amounts to EURk 10,000, divided into 6,200 registered shares with no par value.

Movements in subscribed capital during the financial year/period were as follows:

	2021 EURk	Registered shares
Subscribed capital at beginning of financial year	10,000	6,200
Transfer to reserves	0	0
Subscribed capital at end of financial year	10,000	6,200

Annual accounts as at 31 December 2021

Note 8 - Reserves

1.1. Legal reserves

Each year a minimum of 5% of the net profit must be allocated to legal reserves prior to any other allocations; this requirement lapses once the legal reserves amount to 10% of the company's capital, but is reinstated if they fall back below the 10% threshold. Legal reserves cannot be distributed.

Legal reserves were fully provisioned at the balance sheet date.

1.2. Other reserves

According to resolution of Annual General Meeting of the Shareholders of the Company from 15. March 2021, the Company has allocated an additional amount of EURk 3,300 to other reserves.

Note 9 - Movements in capital and reserves in the financial year

In EUR k	Subscribed capital	Legal reserves	Other tied reserves	Other reserves	Retained earnings	Net profit for the year	Interim-dividend	Total
31.12.2020	10,000	1,000	1,046	238	1,256	7,716	-1,700	19,556
Allocation to Reserve accounts				3,300	16	-3,316		
Dividend						-2,700		-2,700
Interimdividend						-1,700	1,700	
Profit of the period						2,911		2,911
31.12.2021	10,000	1,000	1,046	3,538	1,271	2,911	0	19,766

Annual accounts as at 31 December 2021

Note 10 - Provisions

The breakdown of provisions is as follows:

	31.12.2021 EURk	31.12.2020 EURk
Pension provisions	79	79
Tax provisions	5,270	5,869
Other provisions	4,098	5,260
	9,447	11,208

The tax provisions relate to for financial year 2018-2021. The Company has received its final tax assessment up to 2017.

Other provisions mainly relate to personnel (EURk 2,165; prior year: EURk 3,068), material costs for advisory services and others (EURk 1,873; prior year: EURk 2,150) and preparation of the annual accounts (EURk 60; prior year EURk 42).

Note 11 – Creditors

	Less than 1 year	Over 1 year and less than 5 years	Over 5 years	Total 2021 EURk	Total 2020 EURk
Trade creditors	1,730			1,730	3,178
Credit institutions	0			0	0
Affiliated undertakings	3,547			3,547	598
Other creditors	1,688			1,688	1,656

The trade creditors consist largely of outstanding payments to cooperation partners arising from investment management and investment advisory contracts.



Annual accounts as at 31 December 2021

Note 12 - Net turnover

The breakdown of net revenues by area of activity is as follows:

	2021 EURk	2020 EURk
Activity:		
Management and administration fee	29,280	38,001
Commissions	2,384	2,802
Other services	3,935	5,425
Forwarding commission	13,088	20,391
	48,687	66,619

Note 13 - Other operating income

Other operating income includes rental income EURk 110 (prior year: EUR k 96), Directors fee EURk 373 (prior year: EURk 335), component entities EURk 3,761 (prior year: EURk 0).

Note 14 - Other external expenses

The commission expenses of EURk 23,779 (prior year: EURk 20,391) represent payments to external investment managers and investment advisors and recharge from group components.

Note 15 - Other operating expenses

Other operating expenses of EURk 11,443 (prior year: 14,718) mainly include administrative expenses such as IT costs with amount of EURk 1,973 (prior year: EURk 5,155), costs for market data amounting of EURk 1,253 (prior year: EURk 1,796), costs for rent with amount of EURk 1,163 (prior year: EURk 1,216), professional services incl. outsourcing, consulting, tax services with amount of EURk 2,294 (prior year: EURk 1,749), costs for office and office suppliers EURk 260 (prior year: EURk 451), costs related to staff with amount of EURk 885 (prior year: EURk 450), costs for group recharge EURk 1,797 (prior year: EURk 1,795), Government fee with the amount EURk 38 (prior year: EURk 108), costs related to COVID 19 pandemic with amount EURk 19 (prior year: EURk 52).



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Note 16 - Auditor's fee

The fee for the Company's audit for financial year 2021 was EURk 60 (prior year: EURk 73).

Note 17 – Emoluments granted to management and supervisory bodies and commitments in respect of retirement pensions for former members of those bodies

The Managing Board of the Company received a remuneration for the activities performed. The members of the Supervisory Board are entitled to remuneration amounting to EURk 10 (prior year EURk 30) per annum in total.

The Company uses the exemption of Art. 65 (2) of the Law of 19 December 2002.

The Company's remuneration policy follows the following principles:

The Company's remuneration policy applies to all employees, the Management Board and the Supervisory Board of LRI Invest S.A..

The remuneration policy serves to attract and retain highly qualified employees, reward excellent performance, promote the contributions of each and every individual and motivate employees to keep developing professionally.

In addition, the remuneration policy serves to support sound and effective risk management, as well as to ensure that no incentives to take overly high risks are created. The remuneration policy is to offer employees a fair combination of fixed and variable remuneration which takes the importance and responsibility of the respective function into account and contributes to fostering appropriate conduct while avoiding conflicts of interest.

The remuneration policy has an important role in the implementation of the Company's corporate goals regarding sustainable growth aspects and is of central significance for the further development of the employee and the quality of service for the client as well as for the protection of investors. It is also consistent with the interests of the clients and managed funds.

The remuneration policy provides for fixed and variable remuneration components. Every employee is appropriately paid with the fixed remuneration; the variable remuneration is therefore merely an additional payment.



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In addition, a balance is maintained between fixed and variable remuneration components.

Complete information about the remuneration policy is available on request and at no cost from LRI Invest S.A.

The Company has no commitments in respect of retirement pensions for former members of the Management and supervisory body.

Note 18 - Advances and loans granted to members of the Management and Supervisory bodies

There were no loans or advances to, or other liabilities on behalf of members of the Management Board and Supervisory Board.

Note 19 - Staff

As at 31 December 2021 the Company employed 126 employees, thereof 2 Managing Directors and 124 Staff.

Note 20 - Off-balance-sheet commitments

The Company has issued a guarantee towards a credit institution for the office rent (EURk 453).

Note 21 – Transactions with related parties

Within the financial year there has been a Group recharge of cost amounting to EURk 1,163.

Note 22 - Events after the financial year-end

Mr. Thondikulam Easwaran Srikumar, member of the supervisory board of LRI Invest S.A. has resigned his position of member of the supervisory board of the Company with effect as of February 28, 2022.

Although the vaccination campaigns started worldwide the pandemic persists, so that all effects can still not be finally assessed. Considering that the potential effects are widespread, persistent and pervasive to the worldwide situation it is however, difficult, if not impossible to isolate the effects of the COVID-19 pandemic on the financial results. COVID-19 did not have a major impact on the assets and financial position of the funds managed, but may have an impact after the end of the fiscal year that cannot be predicted at this time. The potential effects are strictly monitored for each investment in the portfolio.

The conflict between Russia and Ukraine has no material impact on the annual accounts of the Company as of December 31, 2021.

The Company has no direct operations in Ukraine or Russia.

However, the Company is acting as a management company for some funds which have invested a portion of their assets in Russian securities. Appropriate measures have been taken to monitor and mitigate the risk of these investments. A close monitoring of the asset in the respective fund is established and ensured as part of overall processes in the light of the conflict.

The Company is closely monitoring the situation between Russia and Ukraine on an ongoing basis. Under the established processes the Company observes all prescribed sanctions and any newly implemented sanctions will be embedded into these processes.

At the same time the Company is proactively screening the internal systems for any heightened cyber security or operational risks.

Going forward, the continuing tensions in relation to the Russian-Ukraine conflict, potential inflationary pressure and additional sanctions or embargos may lead to further volatility in financial markets.

Consequently, the business and financial results may be adversely affected by the geopolitical factors arising in connection with Russian-Ukraine conflict.

Luxembourg, March 2022

LRI Invest S.A.



