

FARRINGTON I

Société d'Investissement à Capital Variable

AUDITED ANNUAL REPORT

31 DECEMBER 2019

R.C.S. Luxembourg B 121 761

Subscriptions are only valid if made on the basis of the current prospectus accompanied by the latest annual and the latest semi-annual report if published after the annual report.

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MANAGEMENT AND ADMINISTRATION

REGISTERED OFFICE

6, rue Lou Hemmer
L-1748, Senningerberg, Luxembourg

DEPOSITARY

From 1 April 2020
Northern Trust Global Services SE
10 rue du Château d'Eau
L-3364, Leudelange, Luxembourg

From 1 March 2019 to 31 March 2020

Northern Trust Global Services SE
6, rue Lou Hemmer
L-1748, Senningerberg, Luxembourg

Until 28 February 2019

Northern Trust Global Services SE,
Luxembourg Branch
6, rue Lou Hemmer
L-1748, Senningerberg, Luxembourg

ADMINISTRATION AND TRANSFER AGENT

From 1 April 2020
Northern Trust Global Services SE
10 rue du Château d'Eau
L-3364, Leudelange, Luxembourg

From 1 March 2019 to 31 March 2020

Northern Trust Global Services SE
6, rue Lou Hemmer
L-1748, Senningerberg, Luxembourg

Until 28 February 2019

Northern Trust Luxembourg
Management Company S.A.
6, rue Lou Hemmer
L-1748, Senningerberg, Luxembourg

AUDITOR

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

LEGAL COUNSEL

From 1 February 2020
NautaDutilh
2, rue Jean Bertholet
L-1233 Luxembourg

Until 31 January 2020

Bonn Steichen & Partners
2, Rue Peternelchen - Immeuble C2
L-2370, Howald, Luxembourg

INVESTMENT MANAGER

Farrington Netherlands BV
Jan Luijkenstraat 5
1071CJ, Amsterdam, The Netherlands

ALTERNATIVE INVESTMENT FUND MANAGER

Carne Global Fund Managers
(Luxembourg) S.A.
European Bank and Business Center
6B, route de Trèves
L-2633, Senningerberg, Luxembourg

ADVISORS

Valkendorf APS (Until 31 December 2019)
Graabroedretorv 6
DK-1154, Copenhagen, Denmark

Farrington Operations BV

Jan Luijkenstraat 5
1071CJ, Amsterdam, The Netherlands

PRIME BROKER

UBS AG
Acting through its London Branch
1 Finsbury Avenue
London, EC2M 2PP, United Kingdom

BOARD OF DIRECTORS

Vincent GRUSELLE

Managing Director
ALCYON S.A.
Luxembourg

Luc COURTOIS

Attorney-at-law
NAUTADUTILH (From 1 February 2020)
BONN STEICHEN & PARTNERS (Until 31 January 2020)
Luxembourg

Dennis VAN WEES

Managing Partner
FARRINGTON OPERATIONS BV
The Netherlands

NOTICES AND REPORTS

Audited annual reports are made available to the Shareholders at the registered office of the Alternative Investment Fund Manager (“AIFM”).

The accounting year of the Company ends on December 31 of each year.

The latest net asset value per share of each share class, together with subscription and redemption prices are available on any bank business day in Luxembourg at the registered office of the AIFM.

All notices to Shareholders are sent to Shareholders at their address indicated in the register of Shareholders. If deemed necessary or required by law, notices are published in a newspaper and in the Recueil Electronique des Sociétés et Associations.

INVESTMENT MANAGER'S REPORT

The figures stated in the report are historical and not necessarily indicative of future performance.

PERFORMANCE

CLASS A SHARES: During the year, the net asset value per share, decreased from EUR 153.99 to EUR148.57, representing a loss of -3.52%. The total net assets decreased during the year from EUR53.4mn to EUR32.4mn.

CLASS B SHARES: In November 2018 the Class B Shares class was fully redeemed.

INVESTMENT STRATEGY

The Sub-Fund investment objective is to deliver strong risk adjusted absolute returns with low correlation to other asset classes. Utilising an equity long/short approach, based on in-depth fundamental research across industries and market capitalisations globally, but with a focus on the European stock universe. The instruments used will among others be equities, related financial instruments such as financial futures, options and swaps.

Returns are sought using a stock picking approach based on thorough fundamental analysis.

The portfolio will consist of positions taken on pairs of stocks as well as individual stock positions.

Market exposure will vary, spanning from negative, over neutral to positive, and will largely depend on investment opportunities and the volatility of the global equity markets.

The investment universe is based on equity, derivative and fixed income products globally, but with a focus on Europe. The Sub-Fund may retain cash or cash equivalents as and when considered appropriate.

The Sub-Fund may borrow up to 30% of its net assets.

Short sales will usually be carried out by selling borrowed securities in the marketplace. Alternatively, short sale exposure can be obtained using swap agreements. Unwanted risk is hedged, using individual stocks long/short or by using written, bought or sold derivatives on markets, sectors or individual stocks. Bought, written and sold derivative instruments can furthermore be used to enhance returns.

Moreover, Farrington Alpha One may, on an ancillary basis, invest in other undertakings for collective investment.

COVID-19

As at the end of the reporting year, a limited number of cases of an unknown virus had been reported to the World Health Organization. Following the subsequent spread of the virus globally, the World Health Organization declared the COVID-19 outbreak to be a pandemic on 11 March 2020. The identification of the virus after the end of the reporting period as a new coronavirus, and its subsequent global outbreak, is considered a non-adjusting subsequent event. At present it is not possible to assess the detailed impact, of this emerging risk, on the portfolio of the Fund but there is growing concern about the impact on the world economy and as a result of this uncertainty the values reflected in these financial statements may materially differ from the value received upon actual sales of those investments. In the light of significant corrections and heightened volatility in the financial markets over the past few weeks, the impact for the Fund might be important in terms of future valuations of its assets, nevertheless the Board and the Investment Manager continue to observe the efforts of governments to contain the spread of the virus in order to monitor and manage the economic impact on the portfolio and the Fund itself.

In addition, there is no indication that the going concern assumption of the Fund is inappropriate.

No other events took place between the end of the reporting period and the date of the approval of these financial statements that would require disclosure in or adjustments to the amounts recognized in these financial statements.

March 2020

DISCLOSURES UNDER THE ALTERNATIVE INVESTMENT FUND MANAGERS DIRECTIVE (UNAUDITED)

In accordance with the Level 2 Regulations of the Alternative Investment Fund Managers Directive (“AIFMD”), the Alternative Investment Fund Manager (“AIFM”) is jointly responsible with the Board of Directors of Farringdon I (“AIF”) for certain disclosures to investors and competent authorities with respect to the AIF’s Annual Report.

Information required to be disclosed under the AIFMD in relation to the AIF:

Liquidity arrangements and liquidity management

There are no assets of the AIF subject to special arrangements such as side pockets, gates or other similar arrangements. No new arrangements or material changes were made to manage the liquidity of the AIF.

The AIFM confirms it has maintained appropriate capital adequacy provisions as required by the CSSF.

Leverage

The leverage employed by the AIF as per December 31, 2019 was 299.07% of the AIF’s net asset value based on the gross method and 257.71% of the AIF’s net asset value based on the commitment method.

Risk management

The AIFM has established and maintains a dedicated risk management system to identify, measure, manage and monitor on an ongoing basis the risks relevant to each AIF’s Investment Objective including, in particular market, credit, liquidity, counterparty, operational and other relevant risks. Both quantitative and/or qualitative risk limits have been established and were monitored by the AIFM. No material changes were made in relation to the risk management system.

Material Changes

In 2019, Carne expanded its management structure and placed it on a broader basis. Mr. Pascal Dufour has been appointed as Conducting Officer for Information Technology and Country Head of Carne. He also serves as Chief Operating Officer. Mr. Luc de Vet, Carne’s European Alternative Investment Funds Leader, has been appointed as an additional Conducting Officer for Valuation. In February 2019, Mr. Cord Rodewald joined Carne, who was subsequently appointed as Conducting Officer for Portfolio Management. Finally, Mr. Ross Thomson assumed responsibility for Distribution, Client Relationship and Internal Audit in September.

A new Prospectus was issued on March 2019.

Remuneration

The AIFM has designed and implemented a remuneration policy (the “Remuneration Policy”) in line with the provisions on remuneration as set out by the European Directive 2011/61/EU as amended and implemented into Luxembourg Law of 12 July of 2013 (the “AIFM Regulations”).

The AIFM has developed and implemented remuneration policies and practices that are consistent with and promote sound and effective risk management of the AIF, do not encourage risk-taking which is inconsistent with the risk profiles/rules governing the AIF, and do not impair compliance with the AIFM’s duty to act in the best interest of the AIF and ultimately its investors.

The Board of Directors of the AIFM is responsible for the design, implementation and regular review of the Remuneration Policy. In reviewing the Remuneration Policy, the Board of Directors of the AIFM will consider whether the remuneration framework operates as intended and that the risk profile, long-term objectives and goals of the AIFs it manages are adequately reflected.

A copy of the AIFM Remuneration Policy is available, free of charge, at the registered office of the AIFM and at the following address: www.carnegroup.com.

**DISCLOSURES UNDER THE ALTERNATIVE INVESTMENT FUND MANAGERS DIRECTIVE
(UNAUDITED)(CONTINUED)**

Remuneration (continued)

Proportion of the total remuneration of the staff of the AIFM attributable to Farrington I, as of 31 December 2019¹.

The below table represents the proportion of the total remuneration attributable to Farrington I has been calculated on a pro-rata basis and on the basis of the total AUM of AIFs managed by the AIFM.

	Number of Beneficiaries	Total Remuneration EUR ²	Fixed Remuneration in % of total	Variable Remuneration in % of total	Carried Interest paid in % of total
Total remuneration paid to Identified Staff ³ by the AIFM during the financial year	10	1,552,439	0.45	0.13	0.00

1 31 December is the financial year end of the AIFM.

2 Total remuneration = sum of fixed remuneration and variable remuneration paid during the AIFM's financial year.

3 Identified Staff comprises Chief Executive Officer, Conducting Officers and Head of Legal and Compliance.

Proportion of the total remuneration of the staff of the Investment Manager attributable to Farrington I, as of 31 December 2019 is as follows:

	Number of Beneficiaries	Total Remuneration EUR	Fixed Remuneration in % of total	Variable Remuneration in % of total	Carried Interest paid in % of total
Total remuneration paid to Identified and Non-Identified Staff by the Investment Manager during the financial year	3	802,875	97	3	0.00



Audit report

To the Shareholders of
FARRINGDON I

Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of FARRINGDON I (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 operations and changes in net assets for the year then ended;
- the securities portfolio as at 31 December 2019; 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 Directors of the Fund 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 Directors of the Fund for the financial statements

The Board of Directors of the Fund 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 Directors of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the Fund is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Fund 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 Directors of the Fund;



- conclude on the appropriateness of the Board of Directors of the Fund'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, 15 May 2020

Christelle Crépin

**STATEMENT OF NET ASSETS
AS AT 31 DECEMBER 2019**

	FARRINGTON ALPHA ONE (EUR)
ASSETS	
Securities portfolio at market value (Note 2.1)	45,971,179.01
Cash at banks and liquidities	25,746,935.07
Dividend income receivable	85,515.08
OTHER ASSETS	
Securities sold receivable	121,509.17
Total Other Assets	121,509.17
Total Assets	71,925,138.33
LIABILITIES	
Short sales of securities (Note 2.2)	(30,034,410.26)
Bank borrowings (Note 5)	(9,290,227.12)
Dividends payable on short sales	(25,805.19)
Taxe d'abonnement payable (Note 4)	(5,432.15)
Management fees payable (Note 7)	(43,710.91)
Custodian and administration fees payable (Note 6)	(26,627.13)
Commission payable to broker	(24,629.25)
Other payables	(77,162.12)
Total Liabilities	(39,528,004.13)
NET ASSETS AT THE END OF THE YEAR	32,397,134.20

**NET ASSET VALUE PER SHARE
AS AT 31 DECEMBER 2019**

	FARRINGTON ALPHA ONE (EUR)
Net asset value per share - Class A	148.57

**STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED 31 DECEMBER 2019**

	FARRINGDON ALPHA ONE (EUR)
INCOME	
Dividends, net (Note 2.5)	690,475.52
Bank Interest	510,548.76
Total Income	1,201,024.28
EXPENSES	
Dividends paid on short sales (Note 2.5)	(917,093.84)
Management fees (Note 7)	(634,559.57)
Bank charges and commissions on securities borrowing	(634,686.07)
Amortisation of bond premium	(265,184.34)
Professional expenses	(169,313.73)
Directors' fees (Note 10)	(56,250.00)
Custodian and administration fees (Note 6)	(152,156.22)
Taxe d'abonnement (Note 4)	(20,737.04)
Performance fee (Note 8)	(1,827.92)
Other expenses (Note 11)	(210,846.22)
Total Expenses	(3,062,654.95)
Net loss from investments	(1,861,630.67)
Net realised loss on investments (Note 12)	(5,946,283.03)
Net realised profit on foreign exchange	357,751.78
Net realised loss	(7,450,161.92)
Variation in net unrealised result on investments (Note 13)	6,139,106.60
Variation in net unrealised result on foreign exchange	(307,497.62)
Decrease in net assets as a result of operations	(1,618,552.94)
Subscriptions	726,516.87
Redemptions	(20,120,042.23)
Decrease in net assets	(21,012,078.30)
Net assets at the beginning of the year	53,409,212.50
NET ASSETS AT THE END OF THE YEAR	32,397,134.20

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

**STATEMENT OF CHANGES IN NUMBER OF SHARES OUTSTANDING
FOR THE YEAR ENDED 31 DECEMBER 2019**

	FARRINGDON ALPHA ONE CLASS A
Shares outstanding at 1 January 2019	346,836.8573
Shares issued	4,916.0578
Shares redeemed	(133,694.8692)
Shares outstanding at 31 December 2019	218,058.0459

**FINANCIAL DETAILS RELATING TO THE LAST THREE YEARS
(EUR)**

	FARRINGDON ALPHA ONE CLASS A	FARRINGDON ALPHA ONE CLASS B*
31 December 2019		
Total net assets	32,397,134.20	—
Net asset value per share	148.57	—
31 December 2018		
Total net assets	53,409,212.50	—
Net asset value per share	153.99	—
31 December 2017		
Total net assets	150,678,199.97	75,177,091.65
Net asset value per share	174.67	174.77

* Fully redeemed on 30 November 2018

**SECURITIES PORTFOLIO
AS AT 31 DECEMBER 2019**

NOMINAL	SECURITY DESCRIPTION	MARKET VALUE (EUR)	% OF NET ASSETS
Transferable Securities Admitted To An Official Exchange Listing			
Bonds			
	<u>Germany</u>		
20,000,000	Deutschland Bundesrepublik 0% 12/06/2020	20,061,520.00	61.92
		<u>20,061,520.00</u>	<u>61.92</u>
	TOTAL BONDS	<u>20,061,520.00</u>	<u>61.92</u>
Shares and rights			
	<u>Belgium</u>		
391,512	Balta Group NV	1,094,276.04	3.38
11,164	Financiere de Tubize SA	708,914.00	2.19
21,559	KBC Ancora	964,980.84	2.98
		<u>2,768,170.88</u>	<u>8.55</u>
	<u>France</u>		
106,156	ALD SA	1,469,199.04	4.53
54,530	Bonduelle SCA	1,270,549.00	3.92
17,346	Sword Group	591,498.60	1.83
		<u>3,331,246.64</u>	<u>10.28</u>
	<u>Germany</u>		
42,307	Rocket Internet SE	934,984.70	2.88
17,703	Sixt SE Preference Shares	1,156,005.90	3.57
72,864	Zeal Network SE	1,511,928.00	4.67
		<u>3,602,918.60</u>	<u>11.12</u>
	<u>Netherlands</u>		
46,084	Basic-Fit NV	1,559,943.40	4.82
74,968	Flow Traders	1,614,810.72	4.98
574,178	Koninklijke BAM Groep NV	1,542,242.11	4.76
		<u>4,716,996.23</u>	<u>14.56</u>
	<u>Norway</u>		
260,836	Hoegh LNG Holdings Ltd	887,310.66	2.74
195,175	Skandiabanken ASA	1,478,517.18	4.56
9,815	Sparebanken Vest	63,189.21	0.20
		<u>2,429,017.05</u>	<u>7.50</u>

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

**SECURITIES PORTFOLIO
AS AT 31 DECEMBER 2019**

NOMINAL	SECURITY DESCRIPTION	MARKET VALUE (EUR)	% OF NET ASSETS
Transferable Securities Admitted To An Official Exchange Listing (continued)			
Shares and rights (continued)			
	<u>Switzerland</u>		
27,660	Klingelberg AG	621,698.23	1.92
9,348	Rieter Holding AG	1,189,186.61	3.67
		<u>1,810,884.84</u>	<u>5.59</u>
	<u>United Kingdom</u>		
1,017,994	Firstgroup PLC	1,507,477.38	4.65
282,960	Gym Group PLC/The	965,674.89	2.98
3,054,717	Premier Foods PLC	1,365,352.89	4.22
4,283,025	Renewi PLC	1,830,910.98	5.65
591,950	Restaurant Group PLC	1,139,411.71	3.52
		<u>6,808,827.85</u>	<u>21.02</u>
	<u>United States of America</u>		
183,459	GNC Holdings Inc - Class A	441,596.92	1.36
		<u>441,596.92</u>	<u>1.36</u>
	TOTAL SHARES AND RIGHTS	<u>25,909,659.01</u>	<u>79.98</u>
	TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING	<u>45,971,179.01</u>	<u>141.90</u>
Other Transferable Securities			
Shares and rights			
	<u>United Kingdom</u>		
3,378,678	Interserve PLC*	—	—
		<u>—</u>	<u>—</u>
	TOTAL SHARES AND RIGHTS	<u>—</u>	<u>—</u>
	TOTAL OTHER TRANSFERABLE SECURITIES	<u>—</u>	<u>—</u>
TOTAL SECURITIES PORTFOLIO		<u>45,971,179.01</u>	<u>141.90</u>

*Market value written down to nil as a result of cancellation of admission to trading on the London Stock Exchange

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

**SECURITIES PORTFOLIO
AS AT 31 DECEMBER 2019**

NOMINAL	SECURITY DESCRIPTION	MARKET VALUE (EUR)	% OF NET ASSETS
Short Sales of Transferable Securities Admitted To An Official Exchange Listing			
Short Sales of Shares			
	<u>Belgium</u>		
(14,497)	KBC Group NV	(972,168.82)	(3.00)
(9,008)	UCB SA	(638,667.20)	(1.97)
		<u>(1,610,836.02)</u>	<u>(4.97)</u>
	<u>Canada</u>		
(51,125)	Alimentation Couche-Tard Inc - Class B	(1,446,440.28)	(4.47)
(40,806)	Stantec Inc	(1,028,145.69)	(3.17)
		<u>(2,474,585.97)</u>	<u>(7.64)</u>
	<u>Denmark</u>		
(36,644)	Novozymes A/S - Class B	(1,598,633.37)	(4.93)
		<u>(1,598,633.37)</u>	<u>(4.93)</u>
	<u>Germany</u>		
(20,947)	Fielmann AG	(1,508,184.00)	(4.66)
(13,443)	LEG Immobilien AG	(1,418,908.65)	(4.38)
(2,102)	Rational AG	(1,507,134.00)	(4.65)
(17,741)	Sixt SE	(1,590,480.65)	(4.91)
		<u>(6,024,707.30)</u>	<u>(18.60)</u>
	<u>Italy</u>		
(60,331)	Amplifon SpA	(1,546,886.84)	(4.77)
		<u>(1,546,886.84)</u>	<u>(4.77)</u>
	<u>Sweden</u>		
(65,040)	Castellum AB	(1,361,934.05)	(4.21)
(36,840)	ICA Gruppen AB	(1,533,037.01)	(4.73)
		<u>(2,894,971.06)</u>	<u>(8.94)</u>
	<u>Switzerland</u>		
(16,263)	Orior AG	(1,340,791.74)	(4.14)
		<u>(1,340,791.74)</u>	<u>(4.14)</u>

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

**SECURITIES PORTFOLIO
AS AT 31 DECEMBER 2019**

NOMINAL	SECURITY DESCRIPTION	MARKET VALUE (EUR)	% OF NET ASSETS
Short Sales of Transferable Securities Admitted To An Official Exchange Listing (continued)			
Short Sales of Shares (continued)			
	<u>United States of America</u>		
(22,346)	CyrusOne Inc	(1,303,466.76)	(4.02)
(13,159)	Digital Realty Trust Inc	(1,404,705.84)	(4.34)
(24,404)	Las Vegas Sands Corp	(1,502,052.27)	(4.64)
(10,344)	McCormick & Company Inc	(1,565,201.91)	(4.83)
(24,370)	Shake Shack Inc - Class A	(1,294,214.84)	(4.00)
(24,580)	Sturm Ruger & Company Inc	(1,030,576.19)	(3.18)
(18,684)	Toro Company/The - Class C	(1,327,051.95)	(4.10)
(77,293)	Wendy's Company/The	(1,530,424.71)	(4.72)
(20,622)	Wingstop Inc	(1,585,303.49)	(4.89)
		<u>(12,542,997.96)</u>	<u>(38.72)</u>
TOTAL SHORT SALES OF SHARES		<u>(30,034,410.26)</u>	<u>(92.71)</u>
TOTAL SHORT SALES OF TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING		<u>(30,034,410.26)</u>	<u>(92.71)</u>

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

INDUSTRY SECTOR ANALYSIS
AS AT 31 DECEMBER 2019

	% OF NET ASSETS
Banks	1.76
Chemicals	(4.93)
Commercial Services	3.19
Computers	1.83
Diversified Financial Services	4.98
Engineering and Construction	1.59
Entertainment	4.67
Environmental Control	5.65
Food	(5.56)
Holding Companies	2.19
Home Furnishings	(4.65)
Housewares	(4.10)
Internet	2.88
Investment Companies	2.98
Leisure Time	7.80
Lodging	(4.64)
Machinery	5.59
Manufacturing	(3.18)
Pharmaceuticals	(6.74)
Real Estate	(8.59)
Real Estate Investment Trusts	(8.36)
Retail	(17.86)
Sovereign	61.92
Textiles	3.38
Transportation	7.39
	<hr/>
	49.19

A statement of changes in the composition of the portfolio is available to Shareholders free of charge on request from the Fund's registered office.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1 GENERAL

FARRINGDON I (hereafter the “Company”) was incorporated as a “Société Anonyme” qualifying as a “Société d’Investissement à Capital Variable” (“SICAV”) with multiple Sub-Funds on 22 November 2006, under Part II of the amended law of 17 December 2010 on UCIs (the “Law”), and does not qualify as an Undertakings for Collective Investment in Transferable Securities. It is established for an undetermined duration from the date of incorporation.

The Farringdon Alpha One Sub-Fund was launched on 8 December 2006. The Company which should be considered as an Alternative Investment Fund (“AIF”) is managed by Carne Global Fund Managers (Luxembourg) S.A., which was authorised as an AIFM by the CSSF on 11 December 2015.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are established in accordance with the Luxembourg legal and regulatory requirements concerning Undertakings for Collective Investment.

2.1 Valuation of investments

- (a) The value of any cash at hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, dividends and interests declared or due but not yet collected will be deemed to be the full value thereof, unless it is unlikely that such values are received in full, in which case the value thereof will be determined by deducting such amount the Board of Directors consider appropriate to reflect the true value thereof.
- (b) Securities listed on a stock exchange or traded on any other regulated market will be valued at the last available price on such stock exchange or market. If a security is listed on several stock exchanges or markets, the last available price on the stock exchange or market, which constitutes the main market for such securities, will be determining.
- (c) Securities not listed on any stock exchange or traded on any regulated market will be valued at their last available market price.
- (d) Securities for which no price quotation is available or for which the price referred to in (a), (b) and (c) is not representative of the fair market value, will be valued prudently, and in good faith by the Board of Directors on the basis of their reasonable foreseeable sales prices.

2.2 Short sales of securities

Short sales of securities are disclosed as negative amounts and valued marked to market in the securities portfolio as at 31 December 2019.

2.3 Realised profit and loss on investments

Profits and losses on sales of investments have been determined on the basis of first in, first out.

2.4 Foreign exchange

The financial statements of the Company are maintained in EUR.

The market value of the investments and other assets and liabilities expressed in currencies other than the base currency of the Sub-Fund has been converted at the rates of exchange ruling as at 31 December 2019. The cost of investments in currencies other than the base currency of the Sub-Fund is converted at the rates of exchange prevailing at the historical transaction date. Profits and losses arising from foreign exchange operations are taken to the Statement of Operations and Changes in Net Assets.

2.5 Income / expense from investments

Dividends are recognised as income (or expense in the case of short sales of securities) on the date securities are first quoted ex-dividend, to the extent information thereon is reasonably available to the Sub-Fund, net of any withholding taxes. Interest income is accrued on a daily basis.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

3 EXCHANGE RATES AT 31 DECEMBER 2019

1 CAD	=	0.68653798	EUR	1 NOK	=	0.10154613	EUR
1 CHF	=	0.92116543	EUR	1 SEK	=	0.09518157	EUR
1 DKK	=	0.13382227	EUR	1 USD	=	0.89150390	EUR
1 GBP	=	1.18088621	EUR				

4 TAX STATUS

The Company is registered under the Luxembourg law as an investment company or SICAV. Accordingly, no Luxembourg income or capital gains tax is, at present, payable. It is subject, however, to an annual “taxe d’abonnement” calculated at the annual rate of 0.05% of the net asset value of the Company at the end of each quarter. This tax is payable quarterly. Pursuant to Article 175(a) of the amended law of 17 December 2010 on UCIs, the net assets invested in undertakings for collective investment already subject to the “taxe d’abonnement” are exempt from this tax.

5 BANK BORROWINGS AND PLEDGES

The Farringdon Alpha One Sub-Fund may borrow up to 30% of the total net assets for investment purpose. As at 31 December 2019 the Sub-Fund had borrowings totalling EUR 9.29 million, which represents 28.68% of the total net assets of the Sub-Fund.

6 CUSTODIAN AND ADMINISTRATION FEES

On 1 November 2018, Northern Trust Global Services SE, Luxembourg Branch was appointed as Depositary of the Company. The Depositary is entitled to a Depositary fee of 0.04% of the net asset value of the relevant Sub-Fund with a minimum fee of EUR 40,000 per sub-fund.

On 1 November 2018, Northern Trust Luxembourg Management Company S.A. was appointed as Administration Agent, Domiciliary Agent, Registrar and Transfer Agent and Paying Agent of the Company. The Administration Agent is entitled to an annual Administration fee of 0.08% of the net asset value of the relevant Sub-Fund with a minimum of EUR 100,000 for the first sub-fund and EUR 50,000 for each additional sub-fund.

Effective 1 March 2019, the custodian services of the Custodian Bank, Northern Trust Global Services SE, Luxembourg Branch and the fund administration services of the Administration Agent, Northern Trust Luxembourg Management Company S.A., were transferred to Northern Trust Global Services SE.

7 AIFM AND MANAGEMENT FEES

Carne Global Fund Managers (Luxembourg) S.A. has been appointed as AIFM under an Alternative Investment Fund Management Agreement entered into on 22 June 2015. The AIFM is entitled to an AIFM fee up to a maximum 5 basis points per annum with a minimum fee as further described in the alternative investment fund management agreement between the Company and Carne Global Fund Managers (Luxembourg) S.A.

Farringdon Netherlands BV has been appointed as Investment Manager pursuant to an Investment Management Agreement effective from 22 June 2015. A fixed monthly management fee (the “Management Fee”) equal to the annual rate of 1.5% of the Net Asset Value of the relevant Sub-Fund is computed as of the last Luxembourg business day of each month and paid monthly. This fee comprises the remuneration of the Investment Manager, the Advisers and the Distributor.

8 PERFORMANCE FEE

The Performance Fee is accrued daily and due from the relevant Sub-Fund’s assets as of the end of each Fiscal Year or Calendar Quarter in the case of Farringdon Alpha One. The performance fee is split between the Investment Manager, the Advisers and the Distributor. The Performance Fee for any Fiscal Year or Calendar Quarter is an amount equal to 20% of the net realised and unrealised appreciation, if any, in the Net Asset Value of the shares (adjusted for the sale and redemption of shares) during each Fiscal Year or Calendar Quarter of the relevant Sub-Fund, but only in the event the relevant Sub-Fund’s Net Asset Value has increased for that Fiscal Year or Calendar Quarter and cumulatively since the issuance of the shares. The value is calculated after taking into account the annual Management Fee.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

8 PERFORMANCE FEE (continued)

If a share has a Net Loss allocable to it during any Fiscal Year or Calendar Quarter and during a subsequent Fiscal Year or Calendar Quarter there is a Net Profit allocable to the share there will be no Performance Fee payable with respect to the share until the amount of the Net Loss previously allocated to the share has been recouped (also called High Water Mark principle).

“Net Profit” means, the excess of (i) the aggregate revenue, income and gains (realised and unrealised) earned on an accrual basis by the relevant Sub-Fund during the Fiscal Year or Calendar Quarter from all sources and (ii) any reserves released during the Fiscal Year or Calendar Quarter over (a) the expenses and losses (realised and unrealised) incurred on an accrual basis by the relevant Sub-Fund during the Fiscal Year or Calendar Quarter and (b) any reserves established by the relevant Sub-Fund during the Fiscal Year or Calendar Quarter.

“Net Losses” means, the excess of (i) the expenses and losses (realised and unrealised) incurred on an accrual basis by the relevant Sub-Fund during the Fiscal Year or Calendar Quarter and (ii) any reserves established by the relevant Sub-Fund during the Fiscal Year or Calendar Quarter over (a) the aggregate revenue, income and gains (realised and unrealised) earned on an accrual basis by the relevant Sub-Fund during the Fiscal Year or Calendar Quarter from all sources and (b) any reserves released during the Fiscal Year or Calendar Quarter.

If shares are redeemed on a date other than the last Valuation Date of a year, a Performance Fee calculation with respect to the redeemed shares will be made on the Valuation Date and if a Performance Fee has accrued, it will be payable from the relevant Sub-Fund’s assets. The calculation of the Performance Fee will be made as if the Valuation Date was the end of the Fiscal Year, in other words the performance fee will still be 20%. Any equalisation credits applicable to the shares redeemed that are not used on redemption will be lost.

However, when Shares are subscribed for during the course of a Fiscal Year or at the beginning of the Fiscal Year when there is a Loss Carryover¹, certain adjustments are necessary. This is done so that (i) the Performance Fee paid to the Investment Manager and advisors is charged only to those Shares which have appreciated in value since their acquisition, (ii) all Shareholders will have the same amount per Share at risk and (iii) all Shares will have the same Net Asset Value.

When the Net Asset Value per Share is more than the Year or Quarter Beginning Value, the Offering Price is the sum of the Net Asset Value per Share and the “Equalization Factor”.

The Equalization Factor is an amount which the Shares outstanding since Year or Quarter Beginning should be charged (that is, 20% of the increase in Net Asset Value since Year or Quarter Beginning), and which the Shares subscribed for at the date of the Interim Purchase should not be charged. To the extent that the increase in value of the Shares that cause the payment of the Equalization Factor is not lost in the current year or quarter, the Equalization Factor attributable to such increase becomes payable to the Shareholder at the end of the current year or quarter. To the extent that the increase in value of the Shares that cause the payment of the Equalization Factor is lost in the year or quarter the Shares are purchased but is recovered in a subsequent year or quarter, the Equalization Factor attributable to such recovery will become payable to the Shareholder at the end of the year or quarter in which the recovery occurs. Upon redemption by a Shareholder of his Share, the same amount of the Equalization Factor will be paid to him as if the date of redemption were the last day of the Fiscal Year or Calendar Quarter in which the Shares are redeemed. Any Equalization Factor, or portion thereof, which is due to a Shareholder not redeeming his Shares will be used to purchase additional full Shares on behalf of such Shareholder as of the first day of the next succeeding Fiscal Year or Calendar Quarter.

Certain adjustments are required at the end of the Fiscal Year or Calendar Quarter if Shares are purchased during a Fiscal Year or Calendar Quarter at a time when the Net Asset Value per Share is less than the Beginning Value or if Shares are purchased at the beginning of the Fiscal Year or Calendar Quarter when there is a Loss Carryover so that the purchasers of those Shares will be charged a Performance Fee equal to 20% of the net profits allocable to those Shares. These adjustments will be effected by redeeming a sufficient number of those Shares at the end of the Fiscal Year or Calendar Quarter so that the particular Shareholder will be charged the appropriate Performance Fee.

¹ The Loss Carryover per unit at the beginning of any year or quarter shall be the Loss Carryover per unit at the beginning of the preceding year or quarter plus an amount equal to the decrease in the Net Asset Value per unit during the preceding year or quarter or minus an amount equal to the increase in Net Asset Value during the preceding year or quarter.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

8 PERFORMANCE FEE (continued)

Performance fee amounting to EUR 1,827.92 was paid for the year ended 31 December 2019.

9 TRANSACTION COSTS

For the year ended 31 December 2019, the Company incurred transaction costs which have been defined as the commissions paid by the Company to the intermediary relating to purchases or sales of transferable securities, money market instruments, derivatives or other eligible assets, as follows:

Farrington Alpha One EUR 116,400.56

Transaction costs are included in the transaction price used to calculate the realised and unrealised gain/loss on securities.

10 DIRECTORS' FEES

Each of the Directors is entitled to remuneration for his services at the rate determined by the general meeting of shareholders.

The total amount paid to the Directors for the year was EUR 56,250.00 of which EUR 56,250 is presented as Directors' fees in the Statement of Operations and Changes in Net Assets and EUR nil is presented as Prepaid Directors' fees in the Statement of Net Assets.

11 OTHER EXPENSES

	Amounts in EUR
Research and Development	(99,725.73)
Financial Servicing Fees	(58,050.01)
Audit Fees	(14,601.40)
Directors' Insurance Fees	(12,456.19)
Registration and Filing Fees	(8,734.26)
Regulatory Fees	(8,043.84)
VAT Fees	(5,142.79)
Directors' meeting and expenses	(1,994.32)
Listing Fees	(1,245.78)
Miscellaneous Fees	(851.90)
Total Other Expenses	<u>(210,846.22)</u>

12 PROFIT AND LOSS ON INVESTMENTS

	Amounts in EUR
Profit on Investments	10,733,790.71
Loss on Investments	<u>(16,680,073.74)</u>
Net realised loss on investments	<u>(5,946,283.03)</u>

13 VARIATION IN UNREALISED GAIN / LOSS ON INVESTMENTS

	Amounts in EUR
Variation in unrealised gain on investments	23,401,533.28
Variation in unrealised loss on investments	<u>(17,262,426.68)</u>
Variation in net unrealised result on investments	<u>6,139,106.60</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

14 EU AND DOUBLE TAX TREATIES TAX RECLAIMS

In August 2018, the Company signed an engagement letter with Deloitte Solutions for EU and Double Tax Treaties Tax Reclaims. Although the Company is currently not accruing for any of these Reclaims as the outcome and timing are highly uncertain, the Board of Directors is of the opinion that the Company will receive some Tax Reclaims in the near future that could positively impact the NAV of the Company.

15 SIGNIFICANT EVENTS DURING THE YEAR

With effect from 1 March 2019, the fund administration services of the Administrative Agent, Northern Trust Luxembourg Management Company S.A., and the custodian services of the Custodian Bank, Northern Trust Global Services SE, Luxembourg Branch, were transferred to Northern Trust Global Services SE.

16 SUBSEQUENT EVENTS

As at the end of the reporting year, a limited number of cases of an unknown virus had been reported to the World Health Organization. Following the subsequent spread of the virus globally, the World Health Organization declared the COVID-19 outbreak to be a pandemic on 11 March 2020. The identification of the virus after the end of the reporting period as a new coronavirus, and its subsequent global outbreak, is considered a non-adjusting subsequent event. At present it is not possible to assess the detailed impact, of this emerging risk, on the portfolio of the Fund but there is growing concern about the impact on the world economy and as a result of this uncertainty the values reflected in these financial statements may materially differ from the value received upon actual sales of those investments. In the light of significant corrections and heightened volatility in the financial markets over the past few weeks, the impact for the Fund might be important in terms of future valuations of its asset, nevertheless the Board and the Investment Manager continue to observe the efforts of governments to contain the spread of the virus in order to monitor and manage the economic impact on the portfolio and the Fund itself.

In addition, there is no indication that the going concern assumption of the Fund is inappropriate.

No other events took place between the end of the reporting year and the date of the approval of these financial statements that would require disclosure in or adjustments to the amounts recognized in these financial statements.

17 SECURITIES FINANCING TRANSACTION REGULATION (Unaudited)

Securities Financing Transaction Regulation introduces reporting requirements for securities financing transactions and total return swaps. These are disclosed hereafter.

Global Data

Global Data as at 31 December 2019:

	Amount in EUR	% of AUM
Securities borrowing	30,034,410.26	92.71

Concentration Data

Collateral issuers as at 31 December 2019:

The long securities are considered as collateral for securities borrowing.

Securities borrowing counterparties as at 31 December 2019:

	Amount in EUR
UBS	30,034,410.26

Aggregate Transaction Data

The long securities are considered as collateral for the securities borrowing.