

**FARRINGTON I**

Société d'Investissement à Capital Variable

**UNAUDITED SEMI-ANNUAL REPORT**

**FOR THE PERIOD ENDED 30 JUNE 2020**

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.

**TABLE OF CONTENTS**

GENERAL INFORMATION

Management and Administration	3
Board of Directors	3

FINANCIAL STATEMENTS

Statement of Net Assets	4
Net Asset Value per Share	4
Statement of Operations and Changes in Net Assets	5
Statement of Changes in Number of Shares Outstanding	6
Financial Details Relating to the Last Three Periods	6

SECURITIES PORTFOLIO

Farrington Alpha One	7-10
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INDUSTRY ANALYSIS

Farrington Alpha One	11
----------------------	----

NOTES TO THE FINANCIAL STATEMENTS

12-16
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**MANAGEMENT AND ADMINISTRATION**

**REGISTERED OFFICE**

From 15 May 2020  
10, rue du Château d'Eau  
L-3364, Leudelange, Luxembourg

Until 14 May 2020  
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

Until 31 March 2020  
Northern Trust Global Services SE  
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

Until 31 March 2020  
Northern Trust Global Services SE  
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**

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

**ALTERNATIVE INVESTMENT FUND MANAGER**

From 1 July 2020  
Carne Global Fund Managers  
(Luxembourg) S.A.  
3, rue Jean Piret  
L-2350, Luxembourg

Until 30 June 2020  
Carne Global Fund Managers  
(Luxembourg) S.A.  
6B, route de Trèves  
L-2633, Senningerberg, Luxembourg

**ADVISORS**

Farringdon 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

Dennis VAN WEES  
Managing Partner  
FARRINGDON OPERATIONS BV  
The Netherlands

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

FARRINGDON I

**STATEMENT OF NET ASSETS  
AS AT 30 JUNE 2020**

	FARRINGDON ALPHA ONE (EUR)
<b>ASSETS</b>	
Securities portfolio at market value (Note 2.1)	22,088,753.97
Cash at banks and liquidities	27,777,167.08
<b>OTHER ASSETS</b>	
Other receivables	4,416.72
Total Other Assets	4,416.72
Total Assets	49,870,337.77
<b>LIABILITIES</b>	
Short sales of securities (Note 2.2)	(19,051,448.63)
Bank borrowings (Note 5)	(9,108,337.23)
Securities purchased payable	(134,802.68)
Dividends payable on short sales	(7,012.80)
Taxe d'abonnement payable (Note 4)	(2,828.90)
Management fees payable (Note 7)	(20,366.94)
Custodian and administration fees payable (Note 6)	(43,763.50)
Commission payable to broker	(13,298.91)
Directors' fees payable (Note 10)	(9,221.27)
Other payables	(134,298.93)
Total Liabilities	(28,525,379.79)
<b>NET ASSETS AT THE END OF THE PERIOD</b>	<b>21,344,957.98</b>

**NET ASSET VALUE PER SHARE  
AS AT 30 JUNE 2020**

	FARRINGDON ALPHA ONE (EUR)
Net asset value per share - Class A	138.93

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

**STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS  
FOR THE PERIOD ENDED 30 JUNE 2020**

	FARRINGDON ALPHA ONE (EUR)
<b>INCOME</b>	
Dividends, net (Note 2.5)	247,273.87
Bank interest	90,731.64
<b>Total Income</b>	338,005.51
<b>EXPENSES</b>	
Dividends paid on short sales (Note 2.5)	(182,114.59)
Management fees (Note 7)	(127,168.56)
Bank charges and commissions on securities borrowing	(164,746.89)
Amortisation of bond premium	(66,641.35)
Professional expenses	(50,568.53)
Directors' fees (Note 10)	(27,971.27)
Custodian and administration fees (Note 6)	(70,894.79)
Taxe d'abonnement (Note 4)	(4,157.69)
Performance fee (Note 8)	(2,696.61)
Other expenses (Note 11)	(69,637.00)
<b>Total Expenses</b>	(766,597.28)
<b>Net loss from investments</b>	(428,591.77)
Net realised loss on investments (Note 12)	(7,598,884.81)
Net realised profit on foreign exchange	528,153.50
<b>Net realised loss</b>	(7,499,323.08)
Variation in net unrealised result on investments (Note 13)	5,229,756.85
Variation in net unrealised result on foreign exchange	229,598.89
<b>Decrease in net assets as a result of operations</b>	(2,039,967.34)
Subscriptions	1,899,989.41
Redemptions	(10,912,198.29)
<b>Decrease in net assets</b>	(11,052,176.22)
Net assets at the beginning of the period	32,397,134.20
<b>NET ASSETS AT THE END OF THE PERIOD</b>	21,344,957.98

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

FARRINGDON I

**STATEMENT OF CHANGES IN NUMBER OF SHARES OUTSTANDING  
FOR THE PERIOD ENDED 30 JUNE 2020**

	FARRINGDON ALPHA ONE CLASS A
Shares outstanding at 1 January 2020	218,058.0459
Shares issued	13,327.2324
Shares redeemed	(77,749.4592)
Shares outstanding at 30 June 2020	153,635.8191

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

	FARRINGDON ALPHA ONE CLASS A
<b>30 June 2020</b>	
Total net assets	21,344,957.98
Net asset value per share	138.93
<b>31 December 2019</b>	
Total net assets	32,397,134.20
Net asset value per share	148.57
<b>31 December 2018</b>	
Total net assets	53,409,212.50
Net asset value per share	153.99

**SECURITIES PORTFOLIO**  
**AS AT 30 JUNE 2020**

NOMINAL	SECURITY DESCRIPTION	MARKET VALUE (EUR)	% OF NET ASSETS
<b>Transferable Securities Admitted To An Official Exchange Listing</b>			
<b>Shares and rights</b>			
	<u>Belgium</u>		
347,094	Balta Group NV	385,274.34	1.81
7,309	Financiere de Tubize SA	600,799.80	2.81
15,149	KBC Ancora	458,711.72	2.15
		1,444,785.86	6.77
	<u>Denmark</u>		
76,776	ISS A/S	1,081,843.44	5.07
		1,081,843.44	5.07
	<u>France</u>		
120,473	ALD SA	1,060,162.40	4.97
48,678	Bonduelle SCA	1,044,143.10	4.89
		2,104,305.50	9.86
	<u>Germany</u>		
56,552	Rocket Internet SE	1,079,577.68	5.05
153,362	Westwing Group AG	1,150,215.00	5.39
36,855	Zeal Network SE	1,177,517.25	5.52
		3,407,309.93	15.96
	<u>Ireland</u>		
399,420	Origin Enterprises PLC	1,078,434.00	5.05
		1,078,434.00	5.05
	<u>Netherlands</u>		
45,868	Basic-Fit NV	1,071,017.80	5.02
33,842	Flow Traders	1,077,529.28	5.05
444,960	Koninklijke BAM Groep NV	716,385.60	3.35
58,474	Wereldhave NV	478,024.95	2.24
		3,342,957.63	15.66
	<u>Norway</u>		
189,483	Skandiabanken ASA	1,095,128.66	5.13
		1,095,128.66	5.13

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

**SECURITIES PORTFOLIO  
AS AT 30 JUNE 2020**

NOMINAL	SECURITY DESCRIPTION	MARKET VALUE (EUR)	% OF NET ASSETS
<b>Transferable Securities Admitted To An Official Exchange Listing (continued)</b>			
<b>Shares and rights (continued)</b>			
	<u>Switzerland</u>		
27,788	Klingelberg AG	352,420.90	1.65
		<u>352,420.90</u>	<u>1.65</u>
	<u>United Kingdom</u>		
322,734	Devro PLC	538,182.79	2.52
1,584,227	Firstgroup PLC	879,731.56	4.12
441,293	Gym Group PLC/The	739,782.26	3.47
389,839	Hollywood Bowl Group PLC	666,423.45	3.12
478,593	J Sainsbury PLC	1,101,595.31	5.16
130,627	Naked Wines PLC	638,219.35	2.99
1,376,458	NewRiver REIT PLC	953,357.73	4.47
1,443,228	Premier Foods PLC	1,114,208.00	5.22
3,404,198	Renewi PLC	983,669.93	4.61
911,369	Restaurant Group PLC	566,397.67	2.65
		<u>8,181,568.05</u>	<u>38.33</u>
	TOTAL SHARES AND RIGHTS	<u>22,088,753.97</u>	<u>103.48</u>
	TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING	<u>22,088,753.97</u>	<u>103.48</u>
<b>Other Transferable Securities</b>			
<b>Shares and rights</b>			
	<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>
<b>TOTAL SECURITIES PORTFOLIO</b>		<u>22,088,753.97</u>	<u>103.48</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 30 JUNE 2020**

NOMINAL	SECURITY DESCRIPTION	MARKET VALUE (EUR)	% OF NET ASSETS
<b>Short Sales of Transferable Securities Admitted To An Official Exchange Listing</b>			
<b>Short Sales of Shares</b>			
	<u>Belgium</u>		
(10,214)	KBC Group NV	(521,526.84)	(2.44)
(6,030)	UCB SA	(621,693.00)	(2.91)
		<u>(1,143,219.84)</u>	<u>(5.35)</u>
	<u>Canada</u>		
(36,681)	Alimentation Couche-Tard Inc - Class B	(1,023,764.07)	(4.79)
(31,123)	Stantec Inc	(855,173.39)	(4.01)
		<u>(1,878,937.46)</u>	<u>(8.80)</u>
	<u>Denmark</u>		
(16,656)	Novozymes A/S - Class B	(857,207.01)	(4.01)
		<u>(857,207.01)</u>	<u>(4.01)</u>
	<u>France</u>		
(3,494)	L'Oreal SA	(998,235.80)	(4.68)
		<u>(998,235.80)</u>	<u>(4.68)</u>
	<u>Germany</u>		
(16,501)	Fielmann AG	(988,409.90)	(4.63)
(1,593)	Rational AG	(793,951.20)	(3.72)
		<u>(1,782,361.10)</u>	<u>(8.35)</u>
	<u>Ireland</u>		
(18,463)	Kingspan Group PLC	(1,058,853.05)	(4.96)
		<u>(1,058,853.05)</u>	<u>(4.96)</u>
	<u>Italy</u>		
(29,679)	Amplifon SpA	(703,689.09)	(3.30)
		<u>(703,689.09)</u>	<u>(3.30)</u>
	<u>Sweden</u>		
(54,783)	Castellum AB	(910,782.56)	(4.27)
(25,460)	ICA Gruppen AB	(1,074,432.11)	(5.03)
		<u>(1,985,214.67)</u>	<u>(9.30)</u>

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

**SECURITIES PORTFOLIO  
AS AT 30 JUNE 2020**

NOMINAL	SECURITY DESCRIPTION	MARKET VALUE (EUR)	% OF NET ASSETS
<b>Short Sales of Transferable Securities Admitted To An Official Exchange Listing (continued)</b>			
<b>Short Sales of Shares (continued)</b>			
	<u>Switzerland</u>		
(14,557)	DKSH Holding AG	(831,468.99)	(3.90)
(4,783)	Orior AG	(350,032.55)	(1.64)
(22,503)	Sensirion Holding AG	(958,712.32)	(4.49)
		<u>(2,140,213.86)</u>	<u>(10.03)</u>
	<u>United States of America</u>		
(7,689)	Digital Realty Trust Inc	(972,571.18)	(4.56)
(14,407)	Las Vegas Sands Corp	(583,973.95)	(2.73)
(22,481)	Shake Shack Inc - Class A	(1,060,118.65)	(4.97)
(10,374)	Sturm Ruger & Company Inc	(701,756.96)	(3.29)
(17,302)	Toro Company/The - Class C	(1,021,641.84)	(4.79)
(57,090)	Wendy's Company/The	(1,106,737.98)	(5.18)
(8,543)	Wingstop Inc	(1,056,716.19)	(4.95)
		<u>(6,503,516.75)</u>	<u>(30.47)</u>
	<b>TOTAL SHORT SALES OF SHARES</b>	<u><b>(19,051,448.63)</b></u>	<u><b>(89.25)</b></u>
	<b>TOTAL SHORT SALES OF TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING</b>	<u><b>(19,051,448.63)</b></u>	<u><b>(89.25)</b></u>

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

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**INDUSTRY SECTOR ANALYSIS**  
**AS AT 30 JUNE 2020**

	<b>% OF NET ASSETS</b>
Advertising	(3.90)
Agriculture	5.05
Banks	2.69
Building Materials	(4.96)
Chemicals	(4.01)
Commercial Services	10.04
Cosmetics/Personal Care	(4.68)
Diversified Financial Services	5.05
Engineering and Construction	(0.66)
Entertainment	5.52
Environmental Control	4.61
Food	11.12
Holding Companies	2.81
Home Furnishings	(3.72)
Housewares	(4.79)
Internet	10.44
Investment Companies	2.15
Leisure Time	11.61
Lodging	(2.73)
Machinery	1.65
Manufacturing	(3.29)
Pharmaceuticals	(6.21)
Real Estate	(4.27)
Real Estate Investment Trusts	2.15
Retail	(18.88)
Semiconductors	(4.49)
Textiles	1.81
Transportation	4.12
	<u>14.23</u>

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.

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

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2020**

**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 30 June 2020.

**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 30 June 2020. 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 PERIOD ENDED 30 JUNE 2020**

**3 EXCHANGE RATES AT 30 JUNE 2020**

1 CAD	=	0.65562434	EUR	1 NOK	=	0.09247299	EUR
1 CHF	=	0.93944335	EUR	1 SEK	=	0.09552012	EUR
1 DKK	=	0.13419911	EUR	1 USD	=	0.89007560	EUR
1 GBP	=	1.10289277	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**

The Farringdon Alpha One Sub-Fund may borrow up to 30% of the total net assets for investment purposes. As at 30 June 2020, the Sub-Fund had borrowings totalling EUR 9.11 million, which when netted against cash in accordance with the netting agreement is within the borrowings tolerance of the Sub-Fund.

**6 CUSTODIAN AND ADMINISTRATION FEES**

Northern Trust Global Services SE 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.

Northern Trust Global Services SE 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.

**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. With effect from 1 January 2020, a fixed monthly management fee (the “Management Fee”) equal to the annual rate of 1% 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 and the Advisers. A waiver is being put in place for the reduction of Management Fee from 1.5% to 1% as the change is not yet reflected in the prospectus.

**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 and the Advisers. 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.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2020****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 Carryover<sup>1</sup>, 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.

<sup>1</sup> 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 PERIOD ENDED 30 JUNE 2020**

**8 PERFORMANCE FEE (continued)**

Performance fee amounting to EUR 2,696.61 was paid for the period ended 30 June 2020.

**9 TRANSACTION COSTS**

For the period ended 30 June 2020, 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 96,949.13

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 period was EUR 18,750.00. The EUR 27,971.27 presented as Directors' fees in the Statement of Operations and Changes in Net Assets includes an accrual of EUR 9,221.27 which is presented as Directors' fees payable in the Statement of Net Assets.

**11 OTHER EXPENSES**

	Amounts in EUR
Equity research fees	(40,334.69)
Audit fees	(14,917.99)
Directors' insurance fees	(4,395.45)
Regulatory fees	(4,279.54)
Financial servicing fees	(4,226.25)
VAT fees	(2,485.78)
Registration and filing fees	(2,237.40)
Directors' meeting and expenses	1,994.32*
Listing fees	1,245.78*
Total Other expenses	(69,637.00)

\* Fees are positive due to the reversal of prior year accruals.

**12 PROFIT AND LOSS ON INVESTMENTS**

	Amounts in EUR
Profit on investments	4,095,647.10
Loss on investments	(11,694,531.91)
Net realised loss on investments	(7,598,884.81)

**13 VARIATION IN UNREALISED GAIN / LOSS ON INVESTMENTS**

	Amounts in EUR
Variation in unrealised gain on investments	11,798,031.14
Variation in unrealised loss on investments	(6,568,274.29)
Variation in net unrealised result on investments	5,229,756.85

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2020**

**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. Reclaims were received from the German tax authorities and were accounted for in December 2019. The Company still has outstanding claims but is not currently accruing for any of these as the outcome and timing are highly uncertain.

**15 SIGNIFICANT EVENTS DURING THE PERIOD**

On March 11, 2020, the World Health Organization declared the outbreak of COVID-19 to be a pandemic. A continuing concern exists about the effects of this virus on the global economy and as a result of this uncertainty the valuation of assets in this report can deviate significantly from the value of actual sales of these assets. Significant corrections in the market and the increased financial market volatility in recent months could significantly affect the Company in terms of future valuations of its assets. The Board of Directors and the Investment Managers continue to monitor the efforts of government to reduce the spread of the virus and hence the economic impact on the portfolios and the Company itself.

There is no evidence that the going concern assumption made by the Board of Directors when preparing the financial statements of the Company is inappropriate.

**16 SUBSEQUENT EVENTS**

There were no material subsequent events that required adjustment or disclosure in the Notes to the Financial Statements.