

LYXOR INVESTMENT STRATEGIES PLC
(an investment company with variable capital and limited liability)

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

LYXOR INVESTMENT STRATEGIES PLC

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LYXOR INVESTMENT STRATEGIES PLC

Organisation

Board of Directors	Mr Peter Madden (Irish, Irish Resident)* Mr. Bryan Tiernan (Irish, Irish Resident)** Mr. Vincent Dodd (Irish, Irish Resident)** Mr. Moez Bousarsar (French. French Resident)*
Registered Office	70 Sir John Rogerson's Quay Dublin 2 Ireland
Secretary	Matsack Trust Limited 70 Sir John Rogerson's Quay Dublin 2 Ireland
Depositary	CACEIS Bank, Ireland Branch One Custom House Plaza International Financial Services Centre Dublin 1 Ireland
Sub-Investment Manager	Metori Capital Management 9 rue de la Paix 75002 Paris France
Irish Legal Advisors	Matheson 70 Sir John Rogerson's Quay Dublin 2 Ireland
Manager/Promoter/Investment Manager	Lyxor Asset Management S.A.S 17, Cours Valmy 929687 Paris La Défense France
Chartered Accountants and Statutory Audit Firm	PricewaterhouseCoopers One Spencer Dock North Wall Quay Dublin 1 Ireland
Administrator	CACEIS Ireland Limited One Custom House Plaza International Financial Services Centre Dublin 1 Ireland

*Non-Executive

**Independent & Non-Executive

LYXOR INVESTMENT STRATEGIES PLC

Background to the Company

Lyxor Investment Strategies plc (the “Company”) is an investment company with variable capital constituted as an umbrella fund with segregated liability between Sub-Funds. The Company was incorporated on 7 December 2010 under the laws of Ireland pursuant to the Companies Act 2014 and is authorised by the Central Bank of Ireland (“Central Bank”) as an Undertaking for Collective Investment in Transferable Securities (“UCITS”) pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011(as amended) (the “UCITS Regulations”) and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (the “Central Bank UCITS Regulations”).

As at 31 December 2019, the Company had one active Sub-Fund, the Lyxor Epsilon Global Trend Fund (launched on 13 April 2011) (the “Sub-Fund”).

Investment Objectives

Lyxor Epsilon Global Trend Fund

The investment objective of the Sub-Fund is to achieve capital appreciation over the medium to long term by implementing the Lyxor Epsilon Global Trend Strategy.

The Lyxor Epsilon Global Trend Strategy is a systematic trend following strategy as it seeks to identify upward and downward price trends and to capitalise on them. In order to implement the Lyxor Epsilon Global Trend Strategy, the Sub-Fund’s exposure to the several asset classes on the global markets will be achieved through direct investments in the following instruments: futures, options, swaps and forwards on the following asset classes: equities (such as S&P500, CAC40 or DAX equity indices), bonds (such as UK Gilts, US T-Bills and T-Notes or German Bund, Schatz and Boble), volatility and interest rates; forward currency exchange contracts, currency futures, cross currency asset swaps or currency options; structured debt securities selected by the investment manager, provided that such securities fall within the categorization of “transferable securities” as contemplated by the UCITS Notices; fixed income securities and money market instruments issued by government issuers which are listed, traded or dealt in on one or more of the Recognized Markets set out in Annex I of the Prospectus; and cash deposits and near cash instruments for the purpose of cash management.

Calculation of Net Asset Value/Valuation of Assets

The Net Asset Value of the Sub-Fund shall be calculated by the Administrator as at the Valuation Point for each Dealing Day by valuing the assets of the Sub-Fund and deducting them from the liabilities of the Sub-Fund. Where there is more than one class of Shares in the Sub-Fund, the Net Asset Value per Share of any class is calculated by the Administrator by ascertaining the Net Asset Value of the Sub-Fund as at the Valuation Point for that Sub-Fund on the relevant Dealing Day and determining the amount of the Net Asset Value which is attributable to the relevant class of Shares. The Net Asset Value per Share of the relevant class is calculated by determining that proportion of the Net Asset Value of the Sub-Fund which is attributable to the relevant class at the Valuation Point. The Valuation Point for the Sub-Fund is set out in the Supplement for the Sub-Fund. The Net Asset Value per Share is the resulting sum rounded to the nearest four decimal places.

Dealing Day

Any Business Day on which applications for subscriptions or redemptions will normally be accepted for Shares, as the Directors may from time to time determine, provided there shall be at least one Dealing Day per fortnight in the Sub-Fund.

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Investment Managers Report

Lyxor Epsilon Global Trend Fund

The Lyxor Epsilon Global Trend Fund (I-USD Shares) returned a net +16.8% in 2019, with an annualised volatility of 8.2%. Meanwhile, the average of its peers (SG Trend Index) returned 9.2% with a volatility of 10.6%. This is Epsilon's second-best performance since the fund was launched in 2011.

Despite a difficult marketing environment for CTAs in the aftermath of 2018, total net assets in the Lyxor Epsilon Global Trend Fund grew to 441 million USD as of the end of 2019 (from 376 M\$ a year before).

Trade tensions between the US and China, the Brexit woes and political unrest in Hong Kong dominated headlines through 2019. Markets mostly ignored the impeachment procedure against President Trump. Meanwhile, central banks in the US, Europe and Australia turned to a dovish tone, easing concerns over a slowing global growth: the US Fed cut interest rates 3 times (the most cuts per year since 2008), the European Central Bank restarted the Quantitative Easing (cutting rates on bank reserves for the first time since 2017), while Australia cut its interest rates by 75bps.

Two main geopolitical risks cooled off towards the end of the year, adding to investors' optimism: a trade truce between China and the US, together with better prospects for a phase-one agreement in January 2020; Boris Johnson's clear victory at the UK's general election in December 12th, empowering the PM to lead his country's exit from the European Union. In this context, major equity markets rallied to record highs. The S&P closed the year up 28.9%, while the EuroStoxx50 ended up with a +24.5%.

While the fund entered the year 2019 with a low appetite for risk (margin to equity of 7.4% on January 1st), it progressively took a more offensive stance (margin to equity of 13.8% on December 31st). Epsilon generated significant gains from its bond positions (+10.5%), followed by equities (+6.2%) and short-term rates (+4.1%). The currency complex suffered from range-bound markets, ending the year in negative territory (-3.6%) despite late gains on the Sterling and some emerging currencies.

The year can be broken down in two phases:

- Until August, profits were accumulated on fixed income positions, firstly with European bonds, then with US short-term rates, followed by US bond rates; meanwhile, the fund made some gains from equities until May, which vanished through the rest of the period;
- Starting in August, trends on long-term bonds reversed, making the fund give back some of its gains; meanwhile, trends on equities took off; yet, profits on equities were not enough to pair losses on the fixed income portfolio, leading to a negative Q4.

With no clear direction on most currencies (the Dollar Index ends the year around where it started), the currency portfolio accumulated a series of gains and losses throughout the year, ending globally in the red.

The largest gains were recorded on the Eurodollar, French bonds, Italian bonds, Swiss equities, French equities and Australian equities. On the opposite, main losses were recorded on 4 currencies (Brazilian Real, CADUSD, AUDUSD, EURJPY) and UK equities. The P&L was overall well spread across the portfolio, with 26 gainers (average gain of 0.97%) and 19 losers (average loss of 0.35%).

The portfolio structure has evolved significantly through the year:

Fixed Income:

After a year 2018 when Epsilon was essentially long Europe and Japan / short US fixed income, the program entered 2019 with a neutral position on US bonds, a remaining small short on the Eurodollar (covered early in January) and a long on European and Japanese bonds. Even though the European book performed well until early September, its allocation was progressively halved to leave room for building a long position on the Eurodollar and, to a smaller extent, on low-duration US bond futures. Positions on German rates eventually dropped to a net short duration in early November, leaving the fund with some longs on French, Italian and UK bond futures. The long on Japanese JGB futures, which had been stable through the year, was closed in early December.

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Investment Managers Report *(continued)*

Lyxor Epsilon Global Trend Fund *(continued)*

Equities:

Epsilon quickly moved from a remaining net short position at the beginning of the year to a long in early February. A clear long was then built through Q1 and maintained within a range of 40% to 95% (in nominal) through the rest of the year. Overall, the fund has been very selective in taking positions and avoided excessive turnover. Canadian, French, Swiss and Australian equities dominated the portfolio through the year, providing a global long exposure with a maximum diversification (least correlated markets). It stayed away from Hong Kong equities throughout the year. For short periods of time, the fund has been long UK (April to mid-May) and short Germany (March and again in August). Through Q4, Epsilon added some longs on Italian and Japanese equities, as well as on the Eurostoxx and the Nasdaq.

Currencies:

Epsilon remained overall long USD vs. G10 currencies throughout the year. It started with a 45% net long, peaked at 100% in October and dropped back to its initial level around Christmas. Dominant positions were a short JPY until April, a short CHF and CAD until June, a short EUR from March through the rest of the year (with an increase in November), a short AUD from May until late December and a short GBP from June to October. The USD vs. G10 positions oscillated multiple times between gains and losses (+2.5% to -2%), eventually ending in the red (-2%).

As far as EUR crosses are concerned, Epsilon was short EUR / long JPY and GBP through Q1. It re-opened longs on the JPY in mid-August and on the GBP in mid-October. The GBP position was overall profitable (Brexit trade), exceeding losses on the JPY.

The emerging FX complex was mixed. Losses mounted until late August, until Epsilon made a strong recovery in Q4. The dominant (and profitable) position was on the Russian Ruble (starting short then turning long). Epsilon stayed away from the ZAR most of the year until a long position emerged in mid-December. It hesitated from neutral to long on the Mexican Peso, while staying short on the Brazilian currency most of the time (closed on the first trading day of 2020).

As 2020 begins, the Epsilon portfolio looks as follows (as of January 6th):

Fixed Income:

Long US rate futures (Eurodollar and low-duration bonds); long French, Italian and UK bond futures; short duration on German bond futures; out of Canadian and Japanese rates.

Equities:

Total long of 74% (in nominal), biased towards Europe (France, Italy, Switzerland and Eurostoxx) (32%), Canada (16.5%), Australia (14%), Japan (7%) and the Nasdaq (4%). Epsilon remains out of the UK, Germany and Hong Kong.

Currencies:

The long USD vs. G10 is down to 44% and left with a short Euro as the major trade; the longs GBP and JPY against EUR are maintained (37% in total); Epsilon is long emerging currencies (70%), spread across the Mexican Peso, the Russian Ruble and the South African Rand.

Annual performances per share classes as at 31/12/2019 :

I EUR	I USD	A EUR	I GBP	I CHF
14.39%	16.84%	13.82%	15.51%	12.49%

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Investment Managers Report *(continued)*

Lyxor Epsilon Global Trend Fund *(continued)*

Brexit

The United Kingdom (“UK”) left the European Union (“EU”) on 31 January 2020 pursuant to the terms of a withdrawal agreement between the UK and the EU. The UK is a qualified as “third country” from the EU and is now in a transitional ‘implementation period’ until 31 December 2020.

The ability of UK-based asset managers to continue accessing European markets depends on the execution of the agreements between the respective EEA national regulators and EU. For this purpose, a draft agreement dated 18th March 2020 concerning the new partnership with the UK is under negotiation with the EU in order to framework Brexit’s impacts in several sector of activities.

Regarding the UCITS Irish Funds tailored by LYXOR AM, it is relevant to note that the Brexit impacts could be qualified as minor.

- (i)* First of all, there is no change concerning the relationship with the asset manager located in the UK. LYXOR AM acting as the manager of the UCITS Irish Funds is still entitled to delegate its investment portfolio management to any asset management domiciliated in the UK. Nonetheless, under Post-Brexit regime, UK-based businesses lose its ability to provide their services throughout the EEA without the need for authorization from an EEA national regulator. Subsequently, UK-based businesses can no longer take advantages of passporting rights, principle of reciprocity and principle of freedom of services under EU Regulation.
- (ii)* In addition to, for UCITS Irish Funds, LYXOR AM acting as the manager is not entitled to execute any prime brokerage agreements with any broker/any executive broker whatever its jurisdiction. Consequently, the localization of the broker or the executive broker in the UK or not is not an real issue for the launch of the UCITS Irish Funds by LYXOR AM.

Finally, under Post-Brexit regime, LYXOR AM has decided to proceed to the notification to the FCA in order to obtain its authorization to actively market the UCITS Irish funds in the UK in compliance with the UK laws.

COVID-19 Pandemic:

Since the year end we have seen the development of the coronavirus covid-19 outbreak initially in China and now reaching most continents. At present it is not possible to assess the detailed impact, of this emerging risk, on the companies in our portfolio but there is growing concern about the impact on the word economy. There has been a significant correction in the financial markets in the last few weeks. The Board and the Manager continue to watch the efforts of governments to contain the spread of the virus and monitor the economic impact, if any, on the companies in our portfolio. The Covid-19 outbreak is a condition that existed at year end. The subsequent spread of the virus and its identification as a pandemic by the World Health Organisation did not provide concrete evidence in respect of the economic impact of the situation that existed at 31 December 2019, and it is therefore a non-adjusting event. As Covid-19 is a non-adjusting event, its post year end impact has not been taken into account in the recognition and measurement of the Company’s assets or liabilities at year end

LYXOR INVESTMENT STRATEGIES PLC

Directors' Report

The Directors submit their report together with the audited financial statements of Lyxor Investment Strategies plc (the "Company") for the financial year ended 31 December 2019.

Statement of Directors' responsibilities

The Directors are responsible for preparing the annual report and the financial statements in accordance with Irish law and International Financial Reporting Standards (IFRS's), as adopted by the European Union.

Irish company law requires the Directors to prepare financial statements for each financial year. Under Company law, the Directors must not approve those financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company at the financial year end date and of the profit or loss of the Company for that year. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the applicable standards, identify those standards, and note the effect and the reasons for any material departure from those standards;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and

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

The Directors are responsible for keeping proper adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements are prepared in accordance with IFRSs as adopted by the European Union and comply with the Irish Companies Act 2014 and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended) (the "UCITS Regulations") and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (the "Central Bank UCITS Regulations"). They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under the Central Bank UCITS Regulations, the Directors are required to entrust the assets of the Company to the Depository for safe-keeping. In this regard, the Directors have appointed CACEIS Bank, Ireland Branch as Depository pursuant to the terms of the Depository Agreement.

The Directors together with Lyxor Asset Management S.A.S. are responsible for the maintenance and integrity of the publication of these financial statements online. Legislation in the Republic of Ireland governing the presentation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Adequate accounting records

The measures taken by the Directors to secure compliance with section 281 to 285 of the Companies Act 2014 to keep adequate accounting records are the use of appropriate systems and procedures and employment of competent persons. The accounting records are kept at the following address: CACEIS Ireland Limited, One Custom House Plaza, IFSC, Dublin 1, Ireland.

Review of the business and future developments

The Company is an investment company with variable capital constituted as an umbrella fund with segregated liability between Sub-Funds. The Company was incorporated on 7 December 2010 under the laws of Ireland pursuant to the Companies Act 2014 and is authorised by the Central Bank of Ireland ("Central Bank") as an Undertaking for Collective Investment in Transferable Securities ("UCITS") as amended pursuant to the UCITS Regulations.

LYXOR INVESTMENT STRATEGIES PLC

Directors' Report *(continued)*

Review of the business and future developments *(continued)*

There can be no assurance that the Company will achieve its investment objective.

A detailed review of the business and any future developments are included in the Investment Manager's report on pages 4-6.

Corporate Governance

The Board has adopted the voluntary Irish Funds Corporate Governance Code for Irish domiciled Collective Investment Schemes and Management Companies, issued 14 December 2011 (the "Code") with effect from 31 December 2012. The Board has reviewed and assessed the measures included in the Code and considers its corporate governance practices and procedures since the adoption of the Code as consistent therewith.

Companies Registration Office ('CRO')

Investment companies are now required to file the statutory financial statements, statutory auditors' report and directors' reports with the Company Registration Office (the 'CRO') not later than 11 months after the end of each financial year which commenced on or after the 1st of January 2017. Such documents will be publicly available on the CRO's website.

Risk management objectives and policies

The main risks arising from the Company's financial instruments are market risk (including market price risk, currency risk and interest rate risk), credit risk and liquidity risk, as set out in note 7.

Results and Dividends

The results for the year are set out in the Statement of Comprehensive Income on page 15 of the financial statements. The Directors do not propose the payment of a dividend.

Significant events during the year

Updated prospectus and supplement, along with an IMA, were noted by the Central Bank of Ireland on 8 July 2019 to primarily reflect the appointment of Lyxor International Asset Management S.A.S ("LIAM") in relation to cash management services.

Addendum to the prospectus and supplement were noted by the Central Bank of Ireland on 19 July 2019 relating to updates to the administrative expenses fee.

There have been no other significant events to report during the financial year.

LYXOR INVESTMENT STRATEGIES PLC

Directors' Report *(continued)*

Significant events since the year end

Since the year end we have seen the development of the coronavirus Covid-19 outbreak initially in China and now reaching most continents. The subsequent spread of the virus and its identification as the Covid-19 pandemic by the World Health Organisation does not provide additional evidence about the situation that existed at 31 December 2019, and it is therefore a non-adjusting event. As Covid-19 is a non-adjusting event, its post year end impact has not been taken account of in the recognition and measurement of the company's assets or liabilities at 31 December 2019. At present it is not possible to assess the detailed impact, of this emerging risk, on the companies in our portfolio but there is growing concern about the impact on the world economy. There has been a significant correction in the financial markets in the last few weeks. The Board and the Manager continue to watch the efforts of governments to contain the spread of the virus and monitor the economic impact, if any, on the companies in our portfolio.

Effective 20 April 2020, Peter Madden resigned as a Director of the Company and Olivier Germain was appointed as a Director of the Company on the same date.

There have been no other significant events to report since the financial year end.

Directors

The names of persons who were Directors at any time during the year ended 31 December 2019 are set out below.
Directors:

- Mr. Peter Madden (Irish, Irish resident)*
- Mr. Bryan Tiernan (Irish, Irish resident)**
- Mr. Vincent Dodd (Irish, Irish resident)**
- Mr. Moez Bousarsar (French, French resident)*

* Non-executive director

** Independent non-executive director

Directors' and Secretary's interests

The Director's and Secretary and their families had no interest in the shares of the Company at 31 December 2019. No Director had at any time during the year, a material interest in any contract of significance, subsisting during or at the end of the year, in relation to the business of the Company. All Directors' fees are borne by the Manager.

Connected Persons Transactions

The Board is satisfied that: (i) there are adequate arrangements in place, to ensure that the obligations set out in Regulation 41 (1) of the Central Bank UCITS Regulations are applied to all transactions with connected persons; and (ii) transactions with connected persons entered into during the period complied with the obligations set out in that paragraph.

Directors Compliance Statement

The Directors acknowledge that they are responsible for securing the Company's compliance with the relevant obligations as set out in Section 225 of the Companies Act 2014.

LYXOR INVESTMENT STRATEGIES PLC

Directors' Report *(continued)*

Directors Compliance Statement *(continued)*

The Directors confirm that:

- 1) A compliance policy statement has been drawn up that sets out policies, that in our opinion are appropriate to the Company, respecting compliance by the Company with its relevant obligations,
- 2) Appropriate arrangements or structures are in place that are, in our opinion, designed to secure material compliance with the Company's relevant obligations, and
- 3) During the financial year, the arrangements or structures referred to in (2) have been reviewed.

Audit Committee Statement

The Board has decided not to establish an audit committee. The reason for this decision is that, given the size of the Board, it is likely that an audit committee would comprise all, or a significant majority, of the Board and accordingly it is more efficient for audit matters to be discussed by the entire Board rather than by an audit committee.

Audit Information Statement

In accordance with Section 330 of the Companies Act 2014, each of the directors believe the following to be the case:

So far as the directors are aware, there is no relevant audit information of which the Company's statutory auditors are unaware, and the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's statutory auditors are aware of that information.

Independent Auditors

PricewaterhouseCoopers have expressed their willingness to continue in office in accordance with Section 383(2) of the Companies Act 2014.

Signed on behalf of the board;

Vincent Dodd

Bryan Tiernan

Date: 24 April 2020

LYXOR INVESTMENT STRATEGIES PLC

Annual Depositary Report to Shareholders

We, CACEIS Bank, Ireland Branch, appointed Depositary to Lyxor Investment Strategies plc ('the Company') provide this report solely for the shareholders of the Company for the financial year ended 31 December 2019 ("Annual Accounting Period").

This report is provided in accordance with the UCITS Regulations – European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No. 352 of 2011) (as amended) and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48 (1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 which implemented Directive 2009/65/EU into Irish Law (the "Regulations"). We do not, in the provision of this report, accept nor assume responsibility for any other purpose or to any other person to whom this report is shown.

In accordance with our Depositary obligation as provided for under the Regulations, we have enquired into the conduct of the Company for this Annual Accounting Period and we hereby report thereon to the shareholders of the Company as follows;

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

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the constitutional documents and by the Regulations; and
- (ii) otherwise in accordance with the provisions of the constitutional document and the Regulations.

CACEIS Bank, Ireland Branch
24 April 2020

LYXOR INVESTMENT STRATEGIES PLC

Independent auditors' report to the members of Lyxor Investment Strategies plc

Report on the audit of the financial statements

Opinion

In our opinion, Lyxor Investment Strategies plc's financial statements:

- give a true and fair view of the Company's assets, liabilities and financial position as at 31 December 2019 and of its results and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014 and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended).

We have audited the financial statements, included within the Annual Report and Audited Financial Statements, which comprise:

- the Statement of Financial Position as at 31 December 2019;
 - the Statement of Comprehensive Income for the year then ended;
 - the Statement of Cash Flows for the year then ended;
 - the Statement of Changes in Net Assets attributable to Redeemable Participating Shareholders for the year then ended;
 - the Schedule of Investments as at 31 December 2019; and
 - the notes to the financial statements, which include a description of the significant accounting policies.
-

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law.

Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities 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.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

LYXOR INVESTMENT STRATEGIES PLC

Independent auditors' report to the members of Lyxor Investment Strategies plc (continued)

Reporting on other information

The other information comprises all of the information in the Annual Report and Audited Financial Statements other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the Companies Act 2014 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (Ireland) and the Companies Act 2014 require us to also report certain opinions and matters as described below:

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.
- Based on our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' responsibilities set out on page 7, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:

https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf.

This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

LYXOR INVESTMENT STRATEGIES PLC

Independent auditors' report to the members of Lyxor Investment Strategies plc (continued)

Other required reporting

Companies Act 2014 opinions on other matters

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.

Companies Act 2014 exception reporting

Directors' remuneration and transactions

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.

Aoife O' Connor
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Dublin
24 April 2020

LYXOR INVESTMENT STRATEGIES PLC

Statement of Comprehensive Income

For the financial year ended 31 December 2019

		Lyxor Epsilon Global Trend Fund*	Lyxor Epsilon Global Trend Fund*
		31 December 2019	31 December 2018
Income	Note	EUR	EUR
Interest income		1,094	65,090
Net gain/(loss) on financial assets and financial liabilities at fair value through profit or loss	4	56,737,455	(27,954,618)
Total Investment Gain/(Loss)		56,738,549	(27,889,528)
Operating Expenses			
Management fees	5	(3,467,493)	(3,367,901)
Performance fees	5	(4,263,712)	181,666
Global administrative fees	5	(470,795)	(448,626)
Transaction costs	1(k)	(636,384)	(774,633)
Total Operating Expenses		(8,838,384)	(4,409,494)
Net Income/(Expense)		47,900,165	(32,299,022)
Finance Costs			
Interest expense	1(d)	(743,632)	(877,409)
Increase/(Decrease) in net assets attributable to redeemable participating shareholders resulting from operations		47,156,533	(33,176,431)

*Lyxor Epsilon Global Trend Fund was the only Sub-Fund in the Company and therefore the above details of Lyxor Epsilon Global Trend Fund are also those of the Company for the financial year ended 31 December 2019 and 31 December 2018.

Gains and losses arose solely from continuing operations.
There were no gains or losses other than those dealt with in the Statement of Comprehensive Income.

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

LYXOR INVESTMENT STRATEGIES PLC

Statement of Financial Position

As at 31 December 2019

	Note	Lyxor Epsilon Global Trend Fund* 31 December 2019 EUR	Lyxor Epsilon Global Trend Fund* 31 December 2018 EUR
Current assets			
Financial assets at fair value through profit or loss:			
Investments at fair value	1 (c), 7 (e)	331,299,973	295,201,750
Unrealised gain on futures contracts	1 (c), 6	6,655,186	1,687,431
Unrealised gain on forward foreign exchange contracts	1 (c), 6	1,064,943	274,172
Subscriptions receivable	1 (g)	166,819	290,428
Cash and cash equivalents	3	21,238,212	10,971,394
Margin cash balance	3	58,996,441	26,198,728
Other assets		4,093	-
Total Current Assets		419,425,667	334,623,903
Current liabilities			
Financial liabilities at fair value through profit or loss:			
Unrealised loss on futures contracts	1(c), 6	(6,993,639)	(4,302,169)
Unrealised loss on forward foreign exchange contracts	1 (c), 6	(1,114,855)	(398)
Redemptions payable	1 (g)	(74,293)	(364,753)
Margin overdraft balance	3	(3,857,588)	(691,798)
Payable for securities purchased	1 (l)	(8,023,064)	-
Management fees payable	5	(1,881,530)	(963,101)
Performance fees payable	5	(4,263,712)	(162,893)
Global administrative fees payable	5	(255,128)	(128,229)
Total Current Liabilities		(26,463,809)	(6,613,341)
Net assets attributable to redeemable participating shareholders		392,961,858	328,010,562

Vincent Dodd
24 April 2020

Bryan Tiernan
24 April 2020

*Lyxor Epsilon Global Trend Fund was the only Sub-Fund in the Company and therefore the above details of Lyxor Epsilon Global Trend Fund are also those of the Company as at 31 December 2019 and 31 December 2018.

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

LYXOR INVESTMENT STRATEGIES PLC

Statement of Changes in Net Assets attributable to Redeemable Participating Shareholders

For the financial year ended 31 December 2019

	Lyxor Epsilon Global Trend Fund* 31 December 2019 EUR	Lyxor Epsilon Global Trend Fund* 31 December 2018 EUR
Net assets attributable to redeemable participating shareholders at 1 January	328,010,562	240,916,010
Increase/(Decrease) in net assets attributable to redeemable participating shareholders resulting from operations	47,156,533	(33,176,431)
Share Transactions		
Proceeds from redeemable participating shares issued	208,183,672	291,148,663
Payments for redeemable participating shares redeemed	(190,388,909)	(170,877,680)
Net increase in net assets resulting from share transactions	17,794,763	120,270,983
Net assets attributable to redeemable participating shareholders at 31 December	392,961,858	328,010,562

*Lyxor Epsilon Global Trend Fund was the only Sub-Fund in the Company and therefore the above details of Lyxor Epsilon Global Trend Fund are also those of the Company for the financial year ended 31 December 2019 and 31 December 2018.

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

LYXOR INVESTMENT STRATEGIES PLC

Statement of Cash Flows

For the financial year ended 31 December 2019

	Note	Lyxor Epsilon Global Trend Fund* 31 December 2019 EUR	Lyxor Epsilon Global Trend Fund* 31 December 2018 EUR
Cash flows from operating activities			
Interest received		1,094	65,090
Proceeds from sale of investments		783,478,417	350,775,778
Purchase of investments		(756,772,810)	(480,736,247)
Movement in margin cash balance		(29,631,923)	12,579,625
Operating expenses paid		(3,692,237)	(6,740,603)
Interest paid		(743,632)	(877,409)
Net cash (used in) operating activities		<u>(7,361,091)</u>	<u>(124,933,766)</u>
Cash flows from financing activities			
Proceeds from issue of redeemable shares		208,307,281	295,010,344
Payments on redemption of redeemable shares		(190,679,372)	(171,578,004)
Net cash provided by financing activities		<u>17,627,909</u>	<u>123,432,340</u>
Net Increase/(decrease) in cash and cash equivalents		10,266,818	(1,501,426)
Cash and cash equivalents at beginning of the year	3	<u>10,971,394</u>	<u>12,472,820</u>
Cash and cash equivalents at end of year	3	<u>21,238,212</u>	<u>10,971,394</u>

*Lyxor Epsilon Global Trend Fund was the only Sub-Fund in the Company and therefore the above details of Lyxor Epsilon Global Trend Fund are also those of the Company for the financial year ended 31 December 2019 and 31 December 2018.

The accompanying notes form an integral part of the financial statements

Notes to the Financial Statements

1. Significant Accounting Policies

The principal accounting policies and estimation techniques applied in the preparation of these financial statements are set out below.

a) Basis of Preparation

Lyxor Investment Strategies plc (the “Company”) was incorporated on 7 December 2010 under registration number 492330. These financial statements have been prepared for the financial year ended 31 December 2019. Comparative figures are for the financial year ended 31 December 2018. As at 31 December 2019 and 31 December 2018, the Company had one active Sub-Fund, the Lyxor Epsilon Global Trend Fund (launched on 13 April 2011) (the “Sub-Fund”).

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and IFRS Interpretations Committee (IFRS IC) interpretations as adopted by the European Union and those parts of the Companies Act 2014 applicable to companies reporting under IFRS as adopted by the European Union. The financial statements have been prepared on a going concern basis under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS, as adopted by the European Union, requires the use of certain critical accounting estimates. It also requires the Board of Directors, based on the advice of the Investment Manager, to exercise its judgement in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below. Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

b) Standards, amendments and interpretations to existing standards

The Company has adopted IFRIC 23, “Uncertainty over income tax treatments” on its effective date of 1 January 2019. This IFRIC clarified how the recognition and measurement requirements of IAS 12 “Income taxes”, are applied where there is uncertainty over income tax treatments. IFRIC 23 also explained how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. An uncertain tax treatment is any tax treatment applied by an entity where there is uncertainty over whether that treatment will be accepted by the tax authority. For example, a decision to claim a deduction for a specific expense or not to include a specific item of income in a tax return is an uncertain tax treatment if its acceptability is uncertain under tax law. IFRIC 23 applied to all aspects of income tax accounting where there is an uncertainty regarding the treatment of an item, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates. Adoption of IFRIC 23 did not have an impact on the Company’s financial statements.

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 January 2019 that have a material effect on the financial statements of the Fund.

New standards, amendments and interpretations issued but not effective for the financial period beginning 1 January 2019 and not early adopted by the Company.

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2019, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Fund.

c) Financial Assets/Liabilities at Fair Value through Profit or Loss

Classification

Assets:

The Sub-Fund classifies its investments based on both the Sub-Fund’s business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Sub-Fund is primarily focused on fair value information and uses that information to assess the assets’ performance and to make decisions.

LYXOR INVESTMENT STRATEGIES PLC

Notes to the Financial Statements *(continued)*

1. Significant Accounting Policies *(continued)*

c) Financial Assets/Liabilities at Fair Value through Profit or Loss *(continued)*

Classification *(continued)*

Assets:

The Sub-Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. The contractual cash flows of the Sub-Fund's debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Sub-Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

Liabilities:

Derivative contracts that have a negative fair value are presented as liabilities at fair value through profit or loss.

As such, the Sub-Fund classifies all of its investment portfolio as financial assets or liabilities at fair value through profit or loss.

The Fund's policy requires the Investment Manager and the Board of Directors to evaluate the information about these financial assets and liabilities on a fair value basis together with other related financial information.

Recognition/Derecognition

Regular-way purchases and sales of investments are recognised on the trade date, which is the date that the Company commits to purchase or sell the asset. Investments are initially recognised at cost, and transaction costs for all financial assets and financial liabilities carried at fair value through profit or loss are expensed as incurred. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership.

Measurement

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the financial assets or financial liabilities at fair value through profit or loss are presented in the Statement of Comprehensive Income in the period in which they arise.

Fair Value Estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date. The Company utilises the last traded market price for both financial assets and financial liabilities where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, management will determine the point within the bid-ask spread that is most representative of fair value.

Government/Private bonds

A government/private bond is a debt security issued by a government/private company to support spending. The fair value of the government/private bonds is determined by active market prices.

Treasury bills

A Treasury bill is a short-term debt obligation backed by a government department with a maturity of less than one year. Treasury bills have various maturities and are issued at a discount from par. The fair value of the treasury bill is determined by active market prices.

LYXOR INVESTMENT STRATEGIES PLC

Notes to the Financial Statements *(continued)*

1. Significant Accounting Policies *(continued)*

c) Financial Assets/Liabilities at Fair Value through Profit or Loss *(continued)*

Forward foreign exchange contracts

The Sub-Fund may enter into forward foreign exchange contracts. All forward foreign exchange contracts are fair valued using forward exchange rates prevailing at the relevant valuation date for the remaining period to maturity and any resulting unrealised gains are recorded as financial assets and unrealised losses as financial liabilities in the Statement of Financial Position, accordingly. Realised gains and losses are recorded in the Statement of Comprehensive Income at the time the forward exchange contracts settle.

Futures

Futures are contracts for delayed delivery of commodities, securities or money market instruments in which the seller agrees to make delivery at a specified future date of a specified commodity or instrument, at a specified price or yield.

Futures contracts are valued on the basis of the latest available valuation provided by the counterparty, Société Générale Newedge – UK Limited. Gains and losses on futures are recorded by the Sub-Fund based upon market fluctuations and are recorded as realised or unrealised gains or losses in the Statement of Comprehensive Income.

Offsetting

Disclosures about offsetting of the Company's financial assets and financial liabilities are discussed in note 7.

Realised Gains and Losses from Sale of Investments

Realised gains and losses on investment transactions are calculated using the average cost method.

Gains and losses realised on the sale of all financial assets and financial liabilities carried at fair value through profit or loss are recognised in the Statement of Comprehensive Income.

d) Accounting for Investment Income and Expenses

Interest income/expense and interest from financial assets at fair value through profit or loss

Interest is recognised on a time-proportionate basis using the effective interest method. Interest income includes interest from cash and cash equivalents. Interest from financial assets at fair value through profit or loss includes interest from debt securities.

Interest expense represents interest costs on cash deposits and bank overdraft and margin cash and margin overdraft.

Operating Expenses

The Sub-Fund of the Company shall pay all of its expenses and such proportion of the Company's expenses as is attributable to it. All expenses are accrued on a daily basis as part of net asset valuation each day. See note 5 for further details on fees paid by the Company.

LYXOR INVESTMENT STRATEGIES PLC

Notes to the Financial Statements *(continued)*

1. Significant Accounting Policies *(continued)*

e) Foreign Currency

Items included in the Sub-Fund's financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). The Euro ("EUR") is the functional and presentation currency for the Sub-Fund. The EUR is the presentation currency for the Company as a whole.

Monetary assets and liabilities denominated in currencies other than the functional currencies are translated into the functional currency at the closing rates of exchange at each year end. Transactions during the year, including purchases and sales of securities, income and expenses, are translated at the rate of exchange prevailing on the date of the transaction. Foreign currency transaction gains and losses are included in realised and unrealised gains and losses on investments in the Statement of Comprehensive Income.

The following exchange rates were used at 31 December 2019 and 31 December 2018 to convert investments and other assets and liabilities denominated from local to base currency:

Functional and Presentation Currency *(continued)*

31 December 2019		31 December 2018	
	EUR		EUR
AUD	1.59685	AUD	1.62380
CAD	1.45560	CAD	1.56130
CHF	1.08700	CHF	1.12690
GBP	0.84735	GBP	0.89755
HKD	8.74630	HKD	8.95015
JPY	121.98770	JPY	125.42070
SEK	10.50775	SEK	10.13500
USD	1.12250	USD	1.14315
ZAR	15.69650	ZAR	16.44420

f) Redeemable Participating Shares

All redeemable shares issued by the Sub-Fund provide the investors with the right to require redemption for cash at the value proportionate to the investors share in the Sub-Fund's net assets at the redemption date. In accordance with IAS 32 such instruments give rise to a financial liability for the present value of the redemption amount.

g) Subscriptions Receivable/ Redemptions Payable

Subscriptions receivable and redemptions payable represent amounts due from or to investors for share dealing contracted but unsettled at Statement of Financial Position date.

h) Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term investments in an active market with original maturities of three months or less. Bank overdrafts are presented as a liability in the Statement of Financial Position.

i) Margin Cash and Margin Overdraft

Margin cash and margin overdraft consist of cash holdings with/due to brokers, transferred as collateral against derivatives.

j) Taxation

Liabilities relating to uncertain tax positions are accrued only when such liabilities are probable and can be estimated with reasonable accuracy.

LYXOR INVESTMENT STRATEGIES PLC

Notes to the Financial Statements (continued)

1. Significant Accounting Policies (continued)

k) Transaction costs

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument. Only transaction costs which are separately identifiable are disclosed in the Statement of Comprehensive Income. These include transaction costs paid to depositaries, identifiable brokerage charges and commissions, identifiable transaction related taxes and other market charges and separately identifiable transaction costs related to financial derivative instruments.

l) Receivable on Securities Sold/Payable on Securities Purchased

Receivables for securities sold and payables for securities purchases are investment trades that have been contracted for but not yet settled or delivered on the Statement of Financial Position date respectively. These amounts are recognised at fair value, less any provision for impairment for amounts receivable.

2. Number of Shares in Issue and Net Assets attributable to Redeemable Participating Shareholders

Authorised

The authorised share capital of the Company is 500,000,000,002 Shares of no par value divided into 2 Subscriber Shares of no par value and 500,000,000,000 Ordinary Shares of no par value.

The Subscriber Shares entitle the holders to attend and vote at general meetings of the Company but do not entitle the holders to participate in the profits or assets of the Company except for a return of capital on a winding-up.

The Redeemable Participating Shares entitle the holders to attend and vote at general meetings of the Company and to participate equally in the profits and assets of the Sub-Funds to which the Shares relate.

The Subscriber Shares are solely held by Lyxor Asset Management S.A.S.

The movement in redeemable participating shares in the Company during the year ended 31 December 2019 was as follows:

31 December 2019	C3	C7	C6
	Lyxor Epsilon Global Trend Fund EUR Class A	Lyxor Epsilon Global Trend Fund USD Class A	Lyxor Epsilon Global Trend Fund CHF Class I
Shares in issue at beginning of the year	140,749	3,000	8
Shares issued during the year	15,288	-	437,148
Shares redeemed during the year	(86,606)	(3,000)	(3,708)
Shares in issue at the end of the year	69,431	-	433,448

	C1	C5	C2
	Lyxor Epsilon Global Trend Fund EUR Class I	Lyxor Epsilon Global Trend Fund GBP Class I	Lyxor Epsilon Global Trend Fund USD Class I
Shares in issue at beginning of the year	1,807,625	420,944	416,717
Shares issued during the year	1,069,423	55,342	137,771
Shares redeemed during the year	(1,215,078)	(73,526)	(110,617)
Shares in issue at the end of the year	1,661,970	402,760	443,871

LYXOR INVESTMENT STRATEGIES PLC

Notes to the Financial Statements (continued)

2. Number of Shares in Issue and Net Assets attributable to Redeemable Participating Shareholders (continued)

The movement in redeemable participating shares in the Company during the year ended 31 December 2018 was as follows:

31 December 2018	C3	C7	C6
	Lyxor Epsilon Global Trend Fund EUR Class A	Lyxor Epsilon Global Trend Fund USD Class A	Lyxor Epsilon Global Trend Fund CHF Class I
Shares in issue at beginning of the year	122,980	3,961	985
Shares issued during the year	67,924	-	-
Shares redeemed during the year	(50,155)	(961)	(977)
Shares in issue at the end of the year	140,749	3,000	8

	C1	C5	C2
	Lyxor Epsilon Global Trend Fund EUR Class I	Lyxor Epsilon Global Trend Fund GBP Class I	Lyxor Epsilon Global Trend Fund USD Class I
Shares in issue at beginning of the year	1,643,348	14,822	104,926
Shares issued during the year	1,437,509	425,538	343,673
Shares redeemed during the year	(1,273,232)	(19,416)	(31,882)
Shares in issue at the end of the year	1,807,625	420,944	416,717

3. Cash and Cash Equivalents

	Lyxor Epsilon Global Trend Fund 31 December 2019 EUR	Lyxor Epsilon Global Trend Fund 31 December 2018 EUR
Cash and cash equivalents	21,238,212	10,971,394
Margin cash balance	58,996,441	26,198,728
Margin overdraft balance	(3,857,588)	(691,798)
	76,377,065	36,478,324

All cash balances and overdrafts are held with CACEIS Bank, Ireland Branch. Margin balances and overdrafts are held with Société Générale Newedge – UK Limited.

LYXOR INVESTMENT STRATEGIES PLC

Notes to the Financial Statements (continued)

4. Net gains and losses on financial assets and liabilities at fair value through profit or loss

	Lyxor Epsilon Global Trend Fund 31 December 2019 EUR	Lyxor Epsilon Global Trend Fund 31 December 2018 EUR
Net realised gain/(loss) from financial assets and financial liabilities at fair value through profit or loss:		
Bond positions	11,024,432	(966,677)
Treasury bills	(1,656,508)	(1,096,844)
Futures contracts	20,889,868	(23,025,947)
Forward foreign exchange contracts	6,984,834	1,439,973
Foreign currency	(186,758)	(97,509)
	37,055,868	(23,747,004)
Net change in unrealised gain/(loss) from financial assets and financial liabilities at fair value through profit or loss:		
Bond positions	17,579,020	7,387,301
Treasury bills	149,967	(320,238)
Futures contracts	2,276,286	(11,685,173)
Forward foreign exchange contracts	(323,686)	410,496
	19,681,587	(4,207,614)
Total net gain/(loss) on financial assets and financial liabilities at fair value through profit or loss	56,737,455	(27,954,618)

*The above gains/(losses) on forward currency contracts and foreign exchange also includes those related to FX contracts placed for share class hedging purposes.

5. Fees

Management Fee

The Company may charge a management fee which will be paid to the Manager (Lyxor Asset Management S.A.S. (the "Manager")). The management fee, with the exception of any performance fee payable in respect of the Sub-Fund, shall accrue daily and be payable quarterly in arrears. The Manager will pay any sub-investment manager out of the management fee.

Lyxor Epsilon Global Trend Fund

Class A Shares are subject to a management fee of up to 1.75% per annum and Class I Shares are subject to a management fee of up to 1.00% per annum. Management fees charged during the year amounted to EUR 3,467,493 (31 December 2018: EUR 3,367,901) of which EUR 1,881,530 (31 December 2018: EUR 963,101) was payable at the year end.

Administration, Depositary and Global Administrative Fees

CACEIS Ireland Limited acts as Administrator to the Company, pursuant to the Administration Agreement dated 4 April 2011. For administration, registrar services and transfer agent services provided, the Administrator shall be entitled to receive out of the net assets of the Sub-Fund an annual fee, accrued daily and paid quarterly in arrears.

CACEIS Bank, Ireland Branch acts as Depositary to the Company, pursuant to the Custodian Agreement 4 April 2011 and updated on 6 June 2017. For services rendered the Depositary shall be entitled to receive out of the net assets of the Sub-Fund an annual fee, accrued daily and paid quarterly in arrears.

LYXOR INVESTMENT STRATEGIES PLC

Notes to the Financial Statements *(continued)*

5. Fees *(continued)*

Administration, Depository and Global Administrative Fees *(continued)*

Lyxor Epsilon Global Trend Fund

The Sub-Fund shall be subject to an administrative expenses fee at a fixed rate of up to €30,000 per annum, together with an additional fee of up to 0.13% of the Net Asset Value of each Class of the Sub-Fund per annum, out of which will be paid the fees and expenses of the Depository and the Administrator.

The Administrative expenses fees charged for Sub-Fund for the financial year ended 31 December 2019 amounted to EUR 470,795 (31 December 2018: EUR 448,626) of which EUR 255,128 (31 December 2018: EUR 128,229) was payable at the year end.

Performance Fees

Lyxor Epsilon Global Trend Fund

A class performance fee of up to 15% may be applied to each Share in each active share class of the Sub-Fund and is payable to the Manager. The return of the Sub-Fund's Net Asset Value per Share will reflect a performance fee to be charged at the end of each incentive fee period if the Sub-Fund's Net Asset Value per Share, at the end of such incentive fee period, exceeds the High Water Mark (after deduction of all fees charged to the Sub-Fund, to the exclusion of the Sub-Fund's class performance fees).

The High Water Mark is

(i) for any Share Class issued on or after 25 February 2014, for the initial Incentive Fee Period, the initial offer price per Share of the relevant Share Class and thereafter, the highest value of the Sub-Fund's Net Asset Value per Share on the last Valuation Day of any Incentive Fee Period after deduction of all fees charged to the Sub-Fund or the initial offer price per Share of the relevant Share Class, whichever is greater, in each case adjusted to reflect a rate of return equal to the 1-year Euribor interest rate in effect at the beginning of the relevant Incentive Fee Period (each Incentive Fee Period being the period ending on the 21st calendar day of December in each year, or if it is not a Valuation Day, on the following Valuation Day).

(ii) for any Share Class already in issue on 25 February 2014, initially equal to the high watermark of the Lyxor Global Trend Strategy Index on 25 February 2014 adjusted to reflect a rate of return equal to the 1-year Euribor interest rate in effect on 24 December 2013 and for each subsequent Incentive Fee Period it will be the highest value of the Sub-Fund's Net Asset Value per Share on the last Valuation Day of any Incentive Fee Period after deduction of all fees charged to the Sub-Fund (or the high watermark of the Lyxor Global Trend Strategy Index on 25 February 2014, whichever is greater) in each case adjusted to reflect a rate of return equal to the 1-year Euribor interest rate in effect at the beginning of the relevant Incentive Fee Period.

Performance fees charged for the financial year ended 31 December 2019 amounted to EUR 4,263,712 (31 December 2018: EUR (181,666)) and EUR 4,263,712 was payable at the year end (31 December 2018: EUR 162,893).

Directors Fees

The Directors shall be entitled to a fee as remuneration for their services at a rate to be determined from time to time by the Directors provided that the amount of remuneration payable to each Director in any one (1) year in respect of the Company shall not exceed in one year €15,000 per Sub-Fund or such other amount as may be approved by a resolution of the Directors and disclosed to the Shareholders in the annual or semi-annual accounts. For the financial year ended 31 December 2019 all Directors fees were paid by the Manager on behalf of the Company. This amounted to EUR 32,000 for 2019 (2018: EUR 23,333).

Mr. Peter Madden and Mr. Moez Boursarsar are not entitled to receive fees for their services as Directors to the Company during the year.

The Manager, Administrator, Depository and Directors are entitled to reimbursement of all out-of-pocket expenses.

LYXOR INVESTMENT STRATEGIES PLC

Notes to the Financial Statements (continued)

5. Fees (continued)

Auditors' Remuneration

Fees and expenses charged by the statutory auditors, PricewaterhouseCoopers, in respect of the year ended 31 December 2019 and 31 December 2018 are as follows:

2019	USD	2018	USD
Audit of statutory accounts	7,900*	Audit of statutory accounts	8,550*
Tax Services	Nil	Tax Services	4,500*

*All amounts are included ex-VAT

The audit fees of the Company are borne by the Manager.

6. Derivative Contracts

The Sub-Fund uses futures and forward currency exchange contracts to achieve its investment objective.

Forward foreign exchange contracts entered into by the Sub-Fund of the Company represent a firm commitment to buy or sell an underlying asset or currency at a specified value and point in time based upon an agreed or contracted quantity. The realised gain or loss is equal to the difference between the value of the contract at the onset and the value of the contract at settlement date and are included in the Statement of Comprehensive Income.

Futures contracts held by the Sub-Fund of the Company are exchange traded derivatives which represent agreements to buy or sell a financial instrument in the future for a specified price. The future contracts are collateralised by cash held by brokers in margin accounts and changes in the value of the contracts are settled net, on a daily basis. The fair value of the future contracts are included in the Statement of Financial Position.

As at 31 December 2019, the following derivative contracts were included in the Company's Statement of Financial Position at fair value through profit or loss:

Forward foreign exchange contracts

CCY	Buy CCY	Sell	Maturity	Unrealised Gain EUR	Counterparty
GBP	56,075,000 EUR	(65,532,369)	10 January 2020	625,806	Société Générale
CHF	24,970,000 EUR	(22,726,218)	10 January 2020	247,585	Société Générale
CHF	12,496,000 EUR	(11,406,206)	10 January 2020	90,805	Société Générale
CHF	5,220,000 EUR	(4,763,644)	10 January 2020	39,018	Société Générale
EUR	1,845,841 USD	(2,051,000)	10 January 2020	19,906	Société Générale
GBP	1,179,000 EUR	(1,378,230)	10 January 2020	13,167	Société Générale
EUR	1,267,177 USD	(1,409,000)	10 January 2020	11,944	Société Générale
CHF	642,000 EUR	(584,342)	10 January 2020	6,275	Société Générale

LYXOR INVESTMENT STRATEGIES PLC

Notes to the Financial Statements (continued)

6. Derivative Contracts (continued)

Forward foreign exchange contracts (continued)

CCY	Buy CCY	Sell	Maturity	Unrealised Gain EUR	Counterparty
CHF	1,995,000 EUR	(1,832,889)	10 January 2020	2,884	Société Générale
EUR	326,148 USD	(364,000)	10 January 2020	2,104	Société Générale
GBP	220,000 EUR	(257,889)	10 January 2020	1,677	Société Générale
EUR	95,374 USD	(106,000)	10 January 2020	1,568	Société Générale
GBP	180,000 EUR	(211,811)	10 January 2020	561	Société Générale
EUR	32,424 USD	(36,000)	10 January 2020	375	Société Générale
EUR	65,290 USD	(73,000)	10 January 2020	302	Société Générale
GBP	53,000 EUR	(62,286)	10 January 2020	242	Société Générale
GBP	24,000 EUR	(28,107)	10 January 2020	208	Société Générale
EUR	21,355 GBP	(18,000)	10 January 2020	119	Société Générale
EUR	15,430 GBP	(13,000)	10 January 2020	93	Société Générale
EUR	15,425 GBP	(13,000)	10 January 2020	87	Société Générale
EUR	8,080 USD	(9,000)	10 January 2020	68	Société Générale
CHF	10,000 EUR	(9,140)	10 January 2020	61	Société Générale
CHF	7,000 EUR	(6,403)	10 January 2020	37	Société Générale
CHF	2,000 EUR	(1,824)	10 January 2020	16	Société Générale
CHF	14,000 EUR	(12,867)	10 January 2020	14	Société Générale
CHF	2,000 EUR	(1,829)	10 January 2020	11	Société Générale
EUR	9,449 GBP	(8,000)	10 January 2020	10	Société Générale
Total unrealised gains on forward foreign exchange contracts				1,064,943	

Lyxor/Epsilon Global Trend Fund

CCY	Buy CCY	Sell	Maturity	Unrealised (Loss) EUR	Counterparty
EUR	915 CHF	(1,000)	10 January 2020	(5)	Société Générale
USD	1,000 EUR	(897)	10 January 2020	(7)	Société Générale
EUR	7,351 CHF	(8,000)	10 January 2020	(10)	Société Générale
GBP	13,000 EUR	(15,350)	10 January 2020	(12)	Société Générale
EUR	5,502 CHF	(6,000)	10 January 2020	(18)	Société Générale
EUR	18,355 CHF	(20,000)	10 January 2020	(46)	Société Générale
EUR	10,067 CHF	(11,000)	10 January 2020	(54)	Société Générale
EUR	8,220 CHF	(9,000)	10 January 2020	(60)	Société Générale
GBP	8,000 EUR	(9,498)	10 January 2020	(60)	Société Générale
EUR	21,150 GBP	(18,000)	10 January 2020	(87)	Société Générale
EUR	16,418 GBP	(14,000)	10 January 2020	(99)	Société Générale
EUR	34,756 CHF	(38,000)	10 January 2020	(205)	Société Générale

LYXOR INVESTMENT STRATEGIES PLC

Notes to the Financial Statements (continued)

6. Derivative Contracts (continued)

Forward foreign exchange contracts (continued)

CCY	Buy CCY	Sell	Maturity	Unrealised (Loss) EUR	Counterparty
GBP	32,000 EUR	(38,316)	10 January 2020	(563)	Société Générale
USD	72,000 EUR	(64,997)	10 January 2020	(894)	Société Générale
GBP	84,000 EUR	(100,404)	10 January 2020	(1,302)	Société Générale
EUR	612,891 CHF	(670,000)	10 January 2020	(3,485)	Société Générale
EUR	1,398,290 GBP	(1,194,000)	10 January 2020	(10,809)	Société Générale
USD	1,356,000 EUR	(1,228,978)	10 January 2020	(20,960)	Société Générale
USD	2,493,000 EUR	(2,242,865)	10 January 2020	(23,349)	Société Générale
EUR	3,408,414 GBP	(2,924,000)	10 January 2020	(41,319)	Société Générale
USD	63,092,000 EUR	(57,181,456)	10 January 2020	(1,011,511)	Société Générale
Total unrealised loss on forward foreign exchange contracts				(1,114,855)	

All open Forward Foreign Exchange Contracts held at 31 December 2019 are held for share class hedging purposes.

Future Contracts

Lyxor/Epsilon Global Trend Fund

Contract Size	Description	Maturity Date	Unrealised Gain/(loss) EUR	Counterparty
Currency Futures				
4,786	USD/MXN (CME/202003)	31 March 2020	2,054,788	Société Générale Newedge-UK Limited
2,055	USD/ZAR (CME) 0320	31 March 2020	908,207	Société Générale Newedge-UK Limited
2,822	USD-RUB (CME/202003)	31 March 2020	2,609,198	Société Générale Newedge-UK Limited
Total unrealised Gain on currency futures			5,572,193	
Index Futures				
598	CAC40 10 EUR /202001	31 January 2020	71,370	Société Générale Newedge-UK Limited
325	FTSE MIB INDEX	31 March 2020	72,175	Société Générale Newedge-UK Limited
99	NASDAQ 100 E /202003	31 March 2020	451,198	Société Générale Newedge-UK Limited
289	NIKKEI 225 (/202003)	31 March 2020	43,705	Société Générale Newedge-UK Limited
469	S&P/TSE CAN /202003	31 March 2020	18,206	Société Générale Newedge-UK Limited
428	SWISS MARKET /202003	31 March 2020	426,339	Société Générale Newedge-UK Limited
Total unrealised gain on index futures			1,082,993	
Total unrealised gain on futures contracts			6,655,186	

LYXOR INVESTMENT STRATEGIES PLC

Notes to the Financial Statements (continued)

6. Derivative Contracts (continued)

Futures Contracts (continued)

Contract Size	Description	Maturity Date	Unrealised Gain/(loss) EUR	Counterparty
Currency Futures				
(982)	BRAZIL REAL 0220	31 January 2020	(392,601)	Société Générale Newedge-UK Limited
(679)	EUR/GBP (CME /202003	31 March 2020	(313,381)	Société Générale Newedge-UK Limited
(497)	EUR/JPY (CM /202003	31 March 2020	(762,895)	Société Générale Newedge-UK Limited
(1,461)	EUR/USD (CME)	31 March 2020	<u>(1,966,498)</u>	Société Générale Newedge-UK Limited
Total unrealised loss on currency futures			<u>(3,435,375)</u>	
Index Futures				
299	DJ EURO STOXX /202003	31 March 2020	(21,489)	Société Générale Newedge-UK Limited
539	SPI 200 INDEX (SFE)	31 March 2020	<u>(1,510,098)</u>	Société Générale Newedge-UK Limited
Total unrealised loss on index futures			<u>(1,531,587)</u>	
Interest Rate Futures				
10,865	EURO/USD 90D /202003	31 March 2020	(1,146,843)	Société Générale Newedge-UK Limited
935	EURO/USD 90D /202009	30 September 2020	(145,418)	Société Générale Newedge-UK Limited
5,986	EURO/USD 90DAY(CME)	30 June 2020	<u>(734,416)</u>	Société Générale Newedge-UK Limited
Total unrealised loss on interest rate futures			<u>(2,026,677)</u>	
Total unrealised loss on futures contracts			<u>(6,993,639)</u>	

As at 31 December 2018, the following derivative contracts were included in the Company's Statement of Financial Position at fair value through profit or loss:

Forward foreign exchange contracts

Lyxor/Epsilon Global Trend Fund

CCY	Buy CCY	Sell	Maturity	Unrealised Gain EUR	Counterparty
GBP	50,256,000 EUR	(55,668,581)	25 January 2019	253,779	Société Générale
USD	51,493,000 EUR	(44,926,813)	25 January 2019	20,052	Société Générale
GBP	27,000 EUR	(29,920)	02 January 2019	162	Société Générale
USD	307,000 EUR	(267,853)	25 January 2019	120	Société Générale
USD	68,000 EUR	(59,330)	25 January 2019	49	Société Générale
USD	5,000 EUR	(4,361)	25 January 2019	5	Société Générale
GBP	5,000 EUR	(5,565)	03 January 2019	5	Société Générale
Total unrealised gains on forward foreign exchange contracts				<u>274,172</u>	

Lyxor/Epsilon Global Trend Fund

CCY	Buy CCY	Sell	Maturity	Unrealised (Loss) EUR	Counterparty
EUR	29,896 GBP	(27,000)	25 January 2019	(165)	Société Générale
EUR	16,576 GBP	(15,000)	25 January 2019	(113)	Société Générale
EUR	38,840 GBP	(35,000)	25 January 2019	(111)	Société Générale
EUR	5,561 GBP	(5,000)	25 January 2019	(5)	Société Générale
EUR	4,370 USD	(5,000)	02 January 2019	(4)	Société Générale
Total unrealised loss on forward foreign exchange contracts				<u>(398)</u>	

All open Forward Foreign Exchange Contracts held at 31 December 2018 were held for share class hedging purposes.

LYXOR INVESTMENT STRATEGIES PLC

Notes to the Financial Statements (continued)

6. Derivative Contracts (continued)

Futures Contracts

Lyxor/Epsilon Global Trend Fund

Contract Size	Description	Maturity Date	Unrealised Gain/(loss) EUR	Counterparty
Currency Futures				
(67)	EUR/JPY (CM /201903)	31 March 2019	25,793	Société Générale Newedge-UK Limited
(426)	USD/AUD (CME /201903)	31 March 2019	323,142	Société Générale Newedge-UK Limited
(320)	USD/CAD (CME /201903)	31 March 2019	319,669	Société Générale Newedge-UK Limited
(1,390)	USD-RUB (CME /201903)	31 March 2019	69,118	Société Générale Newedge-UK Limited
Total unrealised Gain on currency futures			<u>737,722</u>	
Index Futures				
(129)	CAC40 10 EUR /201901	31 January 2019	101,745	Société Générale Newedge-UK Limited
(52)	DAX INDEX GE /201903	31 March 2019	351,075	Société Générale Newedge-UK Limited
(23)	DJIA MINI FU /201903	31 March 2019	33,727	Société Générale Newedge-UK Limited
(68)	FTSE 100 IND /201903	31 March 2019	72,453	Société Générale Newedge-UK Limited
(147)	IBEX 35 INDE /201901	31 January 2019	381,123	Société Générale Newedge-UK Limited
(51)	NASDAQ 100 E-MINI	31 March 2019	1,846	Société Générale Newedge-UK Limited
(36)	S&P 500 EMINI INDEX	31 March 2019	6,716	Société Générale Newedge-UK Limited
Total unrealised gain on index futures			<u>948,685</u>	
Interest Rate Futures				
(197)	90DAY GBP LI /201903	31 March 2019	1,024	Société Générale Newedge-UK Limited
Total unrealised gain on interest rate futures			<u>1,024</u>	
Total unrealised gain on futures contracts			<u>1,687,431</u>	
Currency Futures				
(1,077)	BRAZIL REAL	28 February 2019	(263,798)	Société Générale Newedge-UK Limited
(730)	JPN YEN CURR /201903	31 March 2019	(2,036,106)	Société Générale Newedge-UK Limited
(250)	USD/CHF (CME /201903)	31 March 2019	(162,708)	Société Générale Newedge-UK Limited
Total unrealised loss on currency futures			<u>(2,462,612)</u>	
Index Futures				
(6)	S&P/TSE CAN /201903	31 March 2019	(8,826)	Société Générale Newedge-UK Limited
(315)	SPI 200 INDE /201903	31 March 2019	(70,544)	Société Générale Newedge-UK Limited
Total unrealised loss on index futures			<u>(79,370)</u>	
Interest Rate Futures				
2,555	3MO EURO EUR /201903	31 March 2019	(22,188)	Société Générale Newedge-UK Limited
(7,090)	EURO/USD 90D /201903	31 March 2019	(1,737,999)	Société Générale Newedge-UK Limited
Total unrealised loss on interest rate futures			<u>(1,760,187)</u>	
Total unrealised loss on futures contracts			<u>(4,302,169)</u>	

Notes to the Financial Statements (*continued*)

7. Financial Risk Management

a) Overall risk management

The Company/Sub-Fund is exposed to a number of risks due to the nature of its activities. These risks include market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Company/Sub-Fund trades financial instruments that may be impacted by market liquidity, credit worthiness of issuers and/or counterparties, changes in interest rate, currency, market prices and volatility.

The Company/Sub-Fund is also exposed to operational risk such as Depositary or counterparty risk. Depositary or counterparty risk is the risk of loss being incurred on securities in custody as a result of the counterparty's or the Depositary's insolvency, negligence, misuse of assets, fraud, poor administration or inadequate record-keeping. In the event that one of the Company/Sub-Fund's counterparties or Depositary becomes bankrupt and/or fails to segregate the Company/Sub-Fund's assets on deposit as required, the Company/Sub-Fund may be subject to a risk of loss. Although an appropriate legal framework is in place that reduces the risk of loss of value of the securities held by the counterparty, in the event of its failure, the ability of the Company/Sub-Fund to transfer the securities might be temporarily impaired.

The Company/Sub-Fund's risk management policies are approved by the Board of Directors and seek to minimise the potential adverse effects of these risks on the Company/Sub-Fund's financial performance. The risk management system is an ongoing process of identification, measurement, monitoring and controlling risk.

In order to avoid excessive concentrations of risk, the Company/Sub-Fund's investment policies and risk management procedures include specific guidelines to ensure the maintenance of a diversified portfolio.

b) Credit Risk

Credit risk is the risk that an issuer or counterparty will be unable to meet a commitment that it has entered into with the Company/Sub-Fund. There is a possibility that an issuer will be unable to make interest payments and repay principal when due. Changes in an issuer's financial strength or in a financial instrument's credit rating may affect a financial instrument's value.

At the reporting date, financial assets and financial liabilities exposed to credit risk include treasury bills and private bonds which both have a credit rating of AA. The carrying amount of the financial assets and financial liabilities are disclosed in the Statement of Financial Position on page 16. It is the opinion of the Manager that the carrying amounts of these financial assets and financial liabilities represent the credit risk exposure at the reporting date. The notional amounts on derivatives represents the maximum potential credit risk exposure on derivatives. The notional amounts on derivatives held by the Company/Sub-Funds as at 31 December 2019 and 31 December 2018 are disclosed in note 6 to these financial statements.

The credit risk on cash transactions and transactions involving derivative financial instruments is mitigated by transacting with counterparties that are regulated entities subject to prudential supervision, or with counterparties with high credit ratings assigned by a recognised rating agency.

The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management consider both historical analysis and forward looking information in determining any expected credit loss. At 31 December 2019 and 31 December 2018, all other receivables, amounts due from brokers, cash and short-term deposits are held with counterparties with a credit rating of AA/Aa or higher and are due to be settled within 1 week. Management consider the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Sub-Fund.

LYXOR INVESTMENT STRATEGIES PLC

Notes to the Financial Statements (continued)

7. Financial Risk Management (continued)

b) Credit Risk (continued)

Counterparties Risk

In accordance with the investment restrictions as described in the prospectus, where the Company/Sub-Fund directly enters into over-the-counter derivative transactions or other arrangements with counterparties and where assets are transferred to those counterparties, each counterparty must have a minimum credit rating of at least A-2 from S&P or equivalent by a recognised rating agency.

Substantially all of the assets of the Company/Sub-Fund are held in segregated accounts by the Depositary, CACEIS Bank, Ireland Branch and by the counterparties Société Générale and Société Générale Newedge – UK Limited. Bankruptcy or insolvency of the Depositary or counterparties may cause the Company/Sub-Fund's rights with respect to securities held by the Depositary or counterparty to be delayed or limited in certain cases. The Company/Sub-Fund monitors its risk by monitoring the credit quality and financial positions of the counterparties the Company/Sub-Fund uses.

The below table illustrates the credit rating of counterparties associated with the Company/Sub-Fund:

	31 December 2019	31 December 2018
	Credit Rating*	Credit Rating*
CACEIS Bank, Ireland Branch	A+	A
Société Générale	A	A
Société Générale Newedge-UK Limited	N/A	N/A

*Standard and Poor's ratings

Offsetting financial assets and financial liabilities

As at 31 December 2019 and 31 December 2018, the Company/Sub-Fund was not subject to any master netting arrangements with its counterparties, Société Générale and Société Générale Newedge – UK Limited. The forward foreign exchange contracts were held with Société Générale and the Futures contracts with Société Générale Newedge – UK Limited.

Forward foreign exchange contracts and futures contracts are settled on a gross basis. The fair value of the forward foreign exchange contracts and futures contracts as at 31 December 2019 and 31 December 2018 is disclosed in the Statement of Financial Position on page 16.

c) Liquidity Risk

Liquidity risk is the risk that the Company/Sub-Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Company/Sub-Fund's redeemable shares are redeemable at the shareholder's option daily for cash equal to a proportionate share of the Company/Sub-Fund's net asset value. The Company/Sub-Fund is therefore potentially exposed to daily redemptions by its shareholders.

The Company/Sub-Fund invests in marketable securities and other financial instruments, which under normal market conditions are readily convertible to cash. It is also the Company/Sub-Fund's policy to maintain sufficient cash and cash equivalents to meet normal operating requirements and expected redemption requests.

To manage liquidity risk, where outstanding redemption requests from all holders of Shares in the Company/Sub-Fund on any Dealing Day total an aggregate of more than 10% of the Net Asset Value of the Company/Sub-Fund on such Dealing Day, the Directors shall be entitled at their discretion to refuse to redeem such number of Shares in issue in respect of the Company/Sub-Fund on that Dealing Day in respect of which redemption requests have been received in excess of 10% of the Net Asset Value of the Company/Sub-Fund as the Directors shall determine.

LYXOR INVESTMENT STRATEGIES PLC

Notes to the Financial Statements (continued)

7. Financial Risk Management (continued)

c) Liquidity Risk (continued)

If the Company/Sub-Fund refuses to redeem Shares for this reason, the requests for redemption on such date shall be reduced rateably and the Shares to which each request relates which are not redeemed shall be redeemed on subsequent Dealing Days, provided that the Company/Sub-Fund shall not be obliged to redeem more than 10% of the Net Asset Value of the Company/Sub-Fund outstanding on any Dealing Day, until all the Shares to which the original request related have been redeemed.

The Investment Manager monitors the Company/Sub-Fund's liquidity risk on a daily basis in accordance with the Company/Sub-Fund's investment objectives, policies and investment guidelines. The Company/Sub-Fund's overall liquidity positions are reviewed on a daily basis by the Manager.

The following tables detail the Company/Sub-Fund's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company/Sub-Fund can be required to pay.

The following table sets out the Company/Sub-Fund's total exposure to liquidity risk as at the 31 December 2019:

Lyxor Epsilon Global Trend Fund	Less than 1 Month EUR	1 - 3 Months EUR	3 - 12 Months EUR	Over 12 Months EUR	No Stated Maturity EUR	Total EUR
Liabilities						
Derivative liabilities	1,507,456	5,721,205	879,833	-	-	8,108,494
Redemptions payable	74,293	-	-	-	-	74,293
Margin overdraft balance	3,857,588	-	-	-	-	3,857,588
Management fees payable	1,881,530	-	-	-	-	1,881,530
Payable for securities purchased	8,023,064	-	-	-	-	8,023,064
Performance fees payable	4,263,712	-	-	-	-	4,263,712
Global administrative fees payable	255,128	-	-	-	-	255,128
Net assets attributable to redeemable participating shareholders	392,961,858	-	-	-	-	392,961,858
Total financial liabilities	412,824,629	5,721,205	879,833	-	-	419,425,667

The following table sets out the Company/Sub-Fund's total exposure to liquidity risk as at the 31 December 2018:

Lyxor Epsilon Global Trend Fund	Less than 1 Month EUR	1 - 3 Months EUR	3 - 12 Months EUR	Over 12 Months EUR	No Stated Maturity EUR	Total EUR
Liabilities						
Derivative liabilities	398	4,302,169	-	-	-	4,302,567
Redemptions payable	364,753	-	-	-	-	364,753
Margin overdraft balance	691,798	-	-	-	-	691,798
Management fees payable	963,101	-	-	-	-	963,101
Performance fees payable	162,893	-	-	-	-	162,893
Global administrative fees payable	128,229	-	-	-	-	128,229
Net assets attributable to redeemable participating shareholders	328,010,562	-	-	-	-	328,010,562
Total financial liabilities	330,321,734	4,302,169	-	-	-	334,623,903

LYXOR INVESTMENT STRATEGIES PLC

Notes to the Financial Statements (continued)

7. Financial Risk Management (continued)

d) Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and market prices.

The Company/Sub-Fund employs an advanced risk management methodology which monitors global exposure using a risk management process which, in compliance with the UCITS Regulations and the Central Bank UCITS Regulations, aims to ensure that on any day the absolute Value at Risk (VaR) of the Company/Sub-Fund will be no greater than 20% of the Net Asset Value of the Company/Sub-Fund over a period of 20 days or that the relative VaR of the Company/Sub-Fund will not exceed twice the Value at Risk of the relevant Reference Assets, as appropriate. The daily VaR will be calculated using 99% confidence level, and the historical observation period will not be less than one year unless a shorter period is justified.

Where this 20% limit is exceeded, the Investment Manager is notified and ensures that appropriate action is taken so that this threshold is not breached at the next valuation point, notwithstanding that immediate action will not be taken if this would be detrimental to investors in the Company/Sub-Fund.

Sub-Fund	Holding Period	VaR 31-Dec-19	VaR 31-Dec-18
Lyxor Epsilon Global Trend Fund	20 Day	6.41%	2.96%

Some limitations of VaR/sensitivity analysis are;

- the models are based on historical data and cannot take account of the fact that future market price movements, correlations between markets and levels of market liquidity in conditions of market stress may bear no relation to historical patterns;
- the market price risk information is a relative estimate of risk rather than a precise and accurate number;
- the market price information represents a hypothetical outcome and is not intended to be predictive (in the case of probability-based methods, such as VaR, profits and losses are almost certain to exceed the reported amount with a frequency depending on the confidence interval chosen); and
- future market conditions could vary significantly from those experienced in the past.

(i) Global exposure and leverage

Global exposure is measured using the VaR approach which considers the full constituents of the portfolio.

The table below details the highest, lowest and average utilisation of the VaR limit, expressed as a percentage of the respective absolute VaR regulatory limit for they year ended 31 December 2019:

Sub-Fund	Market Risk Approach	Highest utilisation of the VaR limit %	Lowest utilisation of the VaR limit %	Average utilisation of the VaR limit %
Lyxor Epsilon Global Trend Fund	Absolute VaR	37.35%	12.40%	22.89%

The table below details the highest, lowest and average utilisation of the VaR limit, expressed as a percentage of the respective absolute VaR regulatory limit for they year ended 31 December 2018:

Sub-Fund	Market Risk Approach	Highest utilisation of the VaR limit %	Lowest utilisation of the VaR limit %	Average utilisation of the VaR limit %
Lyxor Epsilon Global Trend Fund	Absolute VaR	48.71%	9.94%	25.04%

LYXOR INVESTMENT STRATEGIES PLC

Notes to the Financial Statements (continued)

7. Financial Risk Management (continued)

d) Market Risk (continued)

(i) Global exposure and leverage (continued)

The use of derivative instruments may expose the Company/Sub-Fund to a higher degree of risk, in particular derivative contracts can be highly volatile, and the amount of initial margin is generally small relative to the size of the contract so that transactions may be leveraged in terms of market exposure. A relatively small market movement may have a potentially larger impact on derivatives than on standard equities. Leveraged derivative positions can therefore increase volatility of the Company/Sub-Fund.

In order to calculate the leverage level inherent in each Strategy Index, the gross exposure is divided by the total value of the Strategy Index as outlined in the Company/Sub-Fund's risk management program.

Disclosed in the table below is the average leverage employed during the year:

Sub-Fund	Average leverage employed during the year ended 31 December 2019	Average leverage employed during the year ended 31 December 2018
Lyxor Epsilon Global Trend Fund	686.70%	476.00%

(ii) Price Risk

Price risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

The Company/Sub-Fund is exposed to price risk arising from its investments in debt securities and derivatives.

The overall price risk exposure at 31 December 2019 and as at 31 December 2018 is set out in the Schedule of Investments on pages 48-51.

While pricing information is generally available for most of the financial instruments in which the Company/Sub-Fund invests, some pricing inputs may not always be available for over-the-counter instruments. Such instruments shall be valued at their probable realisation value estimated with care and in good faith by the Directors or a competent person appointed by the Directors and approved for the purpose by the Depositary, however, there can be no assurance that the value of an asset owned by the Company/Sub-Fund will be realised upon its disposition.

The Investment Manager manages the Company/Sub-Funds's market price risk on a daily basis in accordance with the Company/Sub-Fund's investment objectives, policies and investment guidelines. The Company/Sub-Fund's overall market positions are monitored on a daily basis by the Manager.

(iii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company/Sub-Fund's interest bearing financial assets and liabilities expose it to risk associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The table overleaf summarises the Company/Sub-Fund's exposure to interest rate risks. It includes the Company/Sub-Fund's assets and liabilities at fair value, categorised by the earlier of contractual re-pricing or maturity dates.

LYXOR INVESTMENT STRATEGIES PLC

Notes to the Financial Statements (continued)

7. Financial Risk Management (continued)

d) Market Risk (continued)

(iii) Interest Rate Risk (continued)

The below table shows the interest rate risk for the financial year ended 31 December 2019.

	Less than 1 month EUR	1 - 3 Months EUR	3 - 12 Months EUR	1 – 5 Years EUR	Non-Interest Bearing EUR	Total EUR
Assets						
Cash and cash equivalents	21,238,212	-	-	-	-	21,238,212
Margin cash balance		-	-	-	58,996,441	58,996,441
Financial assets at fair value through profit or loss:						
Treasury bills	34,707,113	75,078,451	189,884,828	-	-	299,670,392
Private bonds	-	-	-	31,629,581	-	31,629,581
Futures contracts	-	-	-	-	6,655,186	6,655,186
Forward foreign exchange contracts	-	-	-	-	1,064,943	1,064,943
Other receivables	-	-	-	-	170,912	170,912
Total assets	55,945,325	75,078,451	189,884,828	31,629,581	66,887,482	419,425,667
Liabilities						
Margin overdraft balance	(3,857,588)	-	-	-	-	(3,857,588)
Financial liabilities at fair value through profit or loss:						
Futures contracts	-	-	-	-	(6,993,639)	(6,993,639)
Forward foreign exchange contracts	-	-	-	-	(1,114,855)	(1,114,855)
Payable for securities purchased	-	-	-	-	(8,023,064)	(8,023,064)
Other payables	-	-	-	-	(6,474,663)	(6,474,663)
Total liabilities	(3,857,588)	-	-	-	(22,606,221)	(26,463,809)
Total Interest sensitivity gap	52,087,737	75,078,451	189,884,828	31,629,581	44,281,261	392,961,858

LYXOR INVESTMENT STRATEGIES PLC

Notes to the Financial Statements (continued)

7. Financial Risk Management (continued)

d) Market Risk (continued)

(iii) Interest Rate Risk (continued)

The below table shows the interest rate risk for the financial year ended 31 December 2018.

	Less than 1 month EUR	1 - 3 Months EUR	3 - 12 Months EUR	1 – 5 Years EUR	Non-Interest Bearing EUR	Total EUR
Assets						
Cash and cash equivalents	10,971,394	-	-	-	-	10,971,394
Margin cash balance		-	-	-	26,198,728	26,198,728
Financial assets at fair value through profit or loss:						
Treasury bills	-	225,149,250	20,044,500	-	-	245,193,750
Private bonds	-	-	-	50,008,000	-	50,008,000
Futures contracts	-	-	-	-	1,687,431	1,687,431
Forward foreign exchange contracts	274,172	-	-	-	-	274,172
Other receivables	-	-	-	-	290,428	290,428
Total assets	11,245,566	225,149,250	20,044,500	50,008,000	28,176,587	334,623,903
Liabilities						
Margin overdraft balance	(691,798)	-	-	-	-	(691,798)
Financial liabilities at fair value through profit or loss:						
Futures contracts	-	-	-	-	(4,302,169)	(4,302,169)
Forward foreign exchange contracts	(398)	-	-	-	-	(398)
Other payables	-	-	-	-	(1,618,976)	(1,618,976)
Total liabilities	(692,196)	-	-	-	(5,921,145)	(6,613,341)
Total Interest sensitivity gap	10,553,370	225,149,250	20,044,500	50,008,000	22,255,442	328,010,562

The Manager reviews exposure to underlying rate movements on a weekly basis.

LYXOR INVESTMENT STRATEGIES PLC

Notes to the Financial Statements (continued)

7. Financial Risk Management (continued)

d) Market Risk (continued)

(iv) Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Company/Sub-Fund may invest in financial instruments denominated in currencies other than the base currency or in financial instruments which are determined with references to currencies other than the base currency.

The Company/Sub-Fund, however, will invest a portion of its assets in financial instruments denominated in EUR or in financial instruments which are determined with references to EUR. To the extent the base currency is a denomination other than the denomination of the financial instruments owned by the Company/Sub-Fund and no hedge is utilised, the value of the Company/Sub-Fund's net assets will fluctuate based on fluctuations of the exchange rates as well as with price changes of their investments in the various local markets and currencies.

An increase in the value of the EUR compared to the other currencies in which the Company/Sub-Fund may make investments will reduce the effect of increases and magnify the EUR equivalent of the effect of decreases in the prices of the Company/Sub-Fund's financial instruments in their local markets. Conversely, a decrease in the value of the EUR will have the opposite effect of magnifying the effect of increases and reducing the effect of decreases in the prices of the Company/Sub-Fund's non-EUR financial instruments. It may not be possible or practical to hedge against the consequent currency risk exposure and in certain instances the Investment Manager may consider it desirable not to hedge against such risk.

The carrying amount of the Company/Sub-Fund's foreign denominated financial assets and financial liabilities at the reporting date is as follows:

Lyxor Epsilon Global Trend Fund

Assets	Trade Currency	EUR	EUR
		Monetary	Non-Monetary
	AUD	603,970	-
	CAD	-	18,206
	CHF	18,722	42,158,405
	GBP	1,102,775	68,273,984
	JPY	-	154,314
	USD	84,546	65,685,864
		1,810,013	176,290,773
	EUR	70,405,577	340,854,767
Liabilities		EUR	EUR
		Monetary	Non-Monetary
	AUD	-	(1,510,098)
	CAD	(431,440)	-
	CHF	(849,724)	(774,102)
	GBP	-	(6,536,999)
	JPY	(2,499)	(762,895)
	USD	(2,573,925)	(9,210,231)
		(3,857,588)	(18,794,325)

LYXOR INVESTMENT STRATEGIES PLC

Notes to the Financial Statements (continued)

7. Financial Risk Management (continued)

d) Market Risk (continued)

(iv) Currency Risk (continued)

The carrying amount of the Company/Sub-Fund's foreign denominated financial assets and financial liabilities as at 31 December 2018 was:

Lyxor Epsilon Global Trend Fund

Assets	Trade Currency	EUR	EUR
		Monetary	Non-Monetary
	CAD	67,998	-
	CHF	18,537	-
	GBP	32,457	56,101,569
	JPY	-	25,793
	USD	79,601	46,131,354
		198,593	102,258,716

Liabilities		EUR	EUR
		Monetary	Non-Monetary
	AUD	(383,578)	(70,544)
	CAD	-	(8,826)
	CHF	-	(95)
	GBP	(114,899)	(234,027)
	JPY	(1)	-
	USD	(193,320)	(4,325,704)
		(691,798)	(4,639,196)

Foreign Currency Sensitivity

The table below summarises the sensitivity of the foreign currency exposed Company/Sub-Fund's monetary and non monetary assets and liabilities to changes in foreign exchange movement. The analysis is based on the assumptions that the relevant foreign exchange rate increased or decreased against the Company/Sub-Fund's base currency by the percentages disclosed in the table below, with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the foreign exchange rates, having regard to historical volatility of those rates.

Lyxor Epsilon Global Trend Fund

	31 December 2019	31 December 2019	31 December 2018	31 December 2018
	10% Strengthening	10% Weakening	10% Strengthening	10% Weakening
	EUR	EUR	EUR	EUR
AUD	(90,613)	90,613	(45,412)	45,412
CAD	(41,323)	41,323	5,917	(5,917)
CHF	4,055,330	(4,055,330)	1,844	(1,844)
GBP	6,283,976	(6,283,976)	5,578,510	(5,578,510)
JPY	(61,108)	61,108	2,579	(2,579)
USD	5,398,625	(5,398,625)	4,169,193	(4,169,193)

Notes to the Financial Statements *(continued)*

7. Financial Risk Management *(continued)*

e) Fair value of financial instruments

The Company/Sub-Fund is required to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. In accordance with IFRS 13, the inputs have been categorised into a three-level hierarchy which gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to significant unobservable inputs (Level 3). If the inputs used to value an investment fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the investment.

The Company/Sub-Fund uses the “market approach” valuation technique to value its investments. A financial instrument’s level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes “observable” may require significant judgement but can generally be considered as that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorisation of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the risk of that instrument.

The three levels of the fair value hierarchy are as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company/Sub-Fund has the ability to access at the measurement date;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as a price) or indirectly (i.e., derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs) and which are significant to the valuation.

Investments typically classified within level 1 include active listed equities, exchange traded derivatives and certain Government bonds. Investments typically classified within level 2 include investments in corporate bonds, certain Government bonds, certain listed equities and over the counter derivatives. Investment funds are also considered level 2 investments if there is evidence that redemptions occurred during the year and there were no restrictions preventing redemptions at the year end. As level 2 investments include positions that are not traded in active markets and/ or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability. Such adjustments are generally based on available market information. Investments typically classified within level 3 include certain corporate bonds, private equities and investment funds that have suspended redemptions, created side pocket classes or imposed gates. Within level 3, the use of the market approach generally consists of using comparable market transactions.

LYXOR INVESTMENT STRATEGIES PLC

Notes to the Financial Statements (continued)

7. Financial Risk Management (continued)

e) Fair value of financial instruments (continued)

The table below summarises the Company/Sub-Fund's classification of investments, into the above hierarchy levels as of 31 December 2019:

Lyxor Epsilon Global Trend Fund

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss - held for trading:				
Treasury bills	299,670,392	-	-	299,670,392
Private bonds	-	-	31,629,581	31,629,581
<i>Derivative Assets</i>				
Futures contracts	6,655,186	-	-	6,655,186
Forward foreign exchange contracts	-	1,064,943	-	1,064,943
	306,325,578	1,064,943	31,629,581	339,020,102
Financial liabilities at fair value through profit or loss:				
<i>Derivative liabilities</i>				
Futures contracts	(6,993,639)	-	-	(6,993,639)
Forward foreign exchange contracts	-	(1,114,855)	-	(1,114,855)
Payable for securities purchased	(8,023,064)	-	-	(8,023,064)
	(15,016,703)	(1,114,855)	-	(16,131,558)

There were no transfers between the levels for the financial year ended 31 December 2019.

The table below summarises the Company/Sub-Fund's classification of investments, into the above hierarchy levels as of 31 December 2018:

Lyxor Epsilon Global Trend Fund

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss - held for trading:				
Treasury bills	245,193,750	-	-	245,193,750
Private bonds	-	-	50,008,000	50,008,000
<i>Derivative Assets</i>				
Futures contracts	1,687,431	-	-	1,687,431
Forward foreign exchange contracts	-	274,172	-	274,172
	246,881,181	274,172	50,008,000	297,163,353
Financial liabilities at fair value through profit or loss:				
<i>Derivative liabilities</i>				
Futures contracts	(4,302,169)	-	-	(4,302,169)
Forward foreign exchange contracts	-	(398)	-	(398)
	(4,302,169)	(398)	-	(4,302,567)

There were no transfers between the levels for the financial year ended 31 December 2018.

LYXOR INVESTMENT STRATEGIES PLC

Notes to the Financial Statements (continued)

7. Financial Risk Management (continued)

e) Fair value of financial instruments (continued)

The table presented below summarises the change in the Statement of Net Assets carrying value associated with level 3 assets during the year ended 31 December 2019 and 31 December 2018.

Level 3	31 December 2019	31 December 2018
	Private Bonds EUR	Private Bonds EUR
Beginning balance as at 1 January	50,008,000	28,134,060
Purchases	-	20,874,623
Sales	(46,981,873)	(5,455,932)
Realised gain/(loss)	11,024,433	(932,052)
Change in unrealised gain	17,579,021	7,387,301
Ending balance as at 31 December	31,629,581	50,008,000

The Level 3 investments are Private Bonds issued by and held with Société Générale. The fair value of these investments are not based on observable market data.

Sensitivity Analysis

Asset Type	Fair Value at 31 December 2019	Valuation Technique	Unobservable Inputs	Range of Prices	Range of Impact for Unobservable
	EUR				Element on NAV
Private Bonds	31,629,581	Broker Price	Broker Price	10%	3,162,958

Asset Type	Fair Value at 31 December 2018	Valuation Technique	Unobservable Inputs	Range of Prices	Range of Impact for Unobservable
	EUR				Element on NAV
Private Bonds	50,008,000	Broker Price	Broker Price	10%	5,000,800

The following tables analyse within the fair value hierarchy the Company/Sub-Fund's assets and liabilities (by class) not measured at fair value 31 December 2019, but for which fair value is disclosed.

Lyxor Epsilon Global Trend Fund Assets	Level 1	Level 2	Level 3	Total
Cash	21,238,212	-	-	21,238,212
Margin Cash	58,996,441	-	-	58,996,441
Subscriptions Receivable	166,819	-	-	166,819
Other Assets	4,093	-	-	4,093
Total	80,405,565	-	-	80,405,565

Liabilities

Management fee payable	-	(1,881,530)	-	(1,881,530)
Performance fee payable	-	(4,263,712)	-	(4,263,712)
Global administrative fee payable	-	(255,128)	-	(255,128)
Redemptions Payable	(74,293)	-	-	(74,293)
Margin overdraft	(3,857,588)	-	-	(3,857,588)
Total	(3,931,881)	(6,400,370)	-	(10,332,251)

LYXOR INVESTMENT STRATEGIES PLC

Notes to the Financial Statements (continued)

7. Financial Risk Management (continued)

e) Fair value of financial instruments (continued)

The following tables analyse within the fair value hierarchy the Company/Sub-Fund's assets and liabilities (by class) not measured at fair value 31 December 2018, but for which fair value is disclosed.

Lyxor Epsilon Global Trend Fund	Level 1	Level 2	Level 3	Total
Assets				
Cash	10,971,394	-	-	10,971,394
Margin Cash	26,198,728	-	-	26,198,728
Subscriptions Receivable	290,428	-	-	290,428
Total	37,460,550	-	-	37,460,550
Liabilities				
Management fee payable	-	(963,101)	-	(963,101)
Performance fee payable	-	(162,893)	-	(162,893)
Global administrative fee payable	-	(128,229)	-	(128,229)
Redemptions Payable	(364,753)	-	-	(364,753)
Margin overdraft	(691,798)	-	-	(691,798)
Total	(1,056,551)	(1,254,223)	-	(2,310,774)

The assets and liabilities included in the above table are carried at amortised cost; their carrying values are a reasonable approximation of fair value.

Cash and cash equivalents include cash in hand, deposits held with banks and other short-term investments in an active market.

Other receivables represent present obligations due to the Company/Sub-Fund. Accruals represent expenses.

The puttable value of redeemable shares is calculated based on the net difference between total assets and all other liabilities of the Company/Sub-Fund's in accordance with the Company/Sub-Fund's offering memorandum. These shares are not traded on an active market. A demand feature is attached to these shares, as they are redeemable at the holders' option and can be put back to the Company/Sub-Fund at any dealing date for cash equal to a proportionate share of the Company/Sub-Fund's net asset value attributable to the share class. The fair value is based on the amount payable on demand. As such, Level 2 is deemed to be most appropriate categorization for net assets attributable to holders of redeemable shares.

8. Taxation

Under current law and practice, the Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended. On that basis, it is not chargeable to Irish tax on its income or gains.

However, Irish tax can arise on the happening of a "chargeable event" in the Company. A chargeable event includes any distribution payments to shareholders or any encashment, redemption, cancellation or transfer of shares and the holding of shares at the end of each eight year beginning with the acquisition of such shares.

LYXOR INVESTMENT STRATEGIES PLC

Notes to the Financial Statements *(continued)*

8. Taxation *(continued)*

No Irish tax will arise on the Company in respect of chargeable events in respect of certain exempted Irish tax resident shareholders who have provided the Company with the necessary signed statutory declarations; and a shareholder who is neither Irish resident nor Irish ordinarily resident for tax purposes, at the time of the chargeable event, provided appropriate valid declarations in accordance with the provisions of the Taxes Consolidation Act, 1997, as amended, are held by the Company or the Company has been authorised by the Irish Revenue to make gross payments in the absence of appropriate declarations.

Dividends, interest and capital gains (if any) received on investments made by the Company may be subject to withholding taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Company or its shareholders.

9. Related Party Transactions

IAS 24 - Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

Directors and dependents thereof are considered related parties.

Mr. Peter Madden is the General Manager of Inora Life DAC which was a wholly owned subsidiary of Societe Generale SA until it was sold in September 2019 .

Mr. Moez Bousarsar is Sales in charge of the Middle East region for Lyxor Asset Management S.A.S.

Significant shareholders

There were no significant shareholders for the Fund as at 31 December 2019.

Manager and Investment Manager

Lyxor Asset Management S.A.S, (the "Manager") has been appointed as the Manager of the Sub-Funds pursuant to which the Manager has responsibility for the administration of the Sub-Funds, the investment of the assets of the Sub-Funds and the valuation of the assets and liabilities of the Sub-Funds, the issue, repurchase and cancellation of redeemable participating preference shares, and the calculation of the prices of redeemable participating preference shares. In addition, the Manager is responsible for determining the number of redeemable participating preference shares in issue from time to time, keeping and arranging for the safe-keeping and inspection of such returns, records and accounting information of the Sub-Funds as are required by the law, maintaining the Register, acting as Secretary of the Sub-Funds, and providing the registered office of the Sub-Funds.

On 5 May 2017, the Manager appointed Metori Capital Management as Sub-Investment Manager of the Lyxor Epsilon Global Trend Fund. Metori Capital Management is an asset management company whose founders came from Lyxor Asset Management S.A.S.

The Sub-Investment Manager expenses fees charged for Sub-Fund for the financial year ended 31 December 2019 amounted to EUR 2,039,663 (31 December 2018: EUR 2,514,816) of which EUR 1,096,199 (31 December 2018: EUR 626,368) was payable at the year end.

LYXOR INVESTMENT STRATEGIES PLC

Notes to the Financial Statements (continued)

9. Related Party Transactions (continued)

Other related parties

The counterparty for the forward foreign exchange contracts held by the Company at the period end and throughout the period is Société Générale. The counterparty of the futures contracts is Société Générale Newedge – UK Limited which is a 100% subsidiary of Société Générale. The Manager and Société Générale are related by virtue of the fact that Société Générale is the ultimate parent of the Manager. Refer to Note 6 for value of Forward Foreign Exchange and Futures contracts at the date of Statement of Financial Position date. Note 4 details gains and losses on these contracts during the year.

The Company holds two private bonds at the year end (2018: two private bonds) which were issued by Société Générale. Refer to the Schedule of Investments on pages 48-51 for the value of these bonds. Realised gain on bonds held by the Company during the year issued by Société Générale was EUR 11,024,433 (2018: loss EUR (932,052)) and the unrealized gain was EUR 17,579,021 (2018: gain EUR 7,387,301).

10. Net Asset Value Comparison

Lyxor Epsilon Global Trend Fund

EUR Class A	31 December 2019	31 December 2018	31 December 2017
Net Asset Value	EUR 10,173,261	EUR 18,118,352	EUR 17,445,314
Shares in Issue	69,431	140,749	122,980
Net Asset Value per share	EUR 146.52	EUR 128.73	EUR 141.85
USD Class A	31 December 2019	31 December 2018	31 December 2017
Net Asset Value	-	USD 303,867	USD 429,967
Shares in Issue	-	3,000	3,961
Net Asset Value per share	-	USD 101.29	USD 108.55
CHF Class I	31 December 2019	31 December 2018	31 December 2017
Net Asset Value	CHF 44,613,739	CHF 732	CHF 104,121
Shares in Issue	433,448	8	985
Net Asset Value per share	CHF 102.93	CHF 91.50	CHF 105.71
EUR Class I	31 December 2019	31 December 2018	31 December 2017
Net Asset Value	EUR 221,482,369	EUR 210,585,560	EUR 209,512,077
Shares in Issue	1,661,970	1,807,625	1,643,348
Net Asset Value per share	EUR 133.26	EUR 116.50	EUR 127.49
GBP Class I	31 December 2019	31 December 2018	31 December 2017
Net Asset Value	GBP 53,995,769	GBP 48,855,980	GBP 1,866,920
Shares in Issue	402,760	420,944	14,822
Net Asset Value per share	GBP 134.06	GBP 116.06	GBP 125.96
USD Class I	31 December 2019	31 December 2018	31 December 2017
Net Asset Value	USD 63,466,292	USD 50,993,159	USD 13,699,158
Shares in Issue	443,871	416,717	104,926
Net Asset Value per share	USD 142.98	USD 122.37	USD 130.56

LYXOR INVESTMENT STRATEGIES PLC

Notes to the Financial Statements (continued)

11. Efficient Portfolio Management

To the extent permitted by the investment objectives and policies of the Company and subject to the limits set down by the Central Bank of Ireland from time to time and to the provisions of the Prospectus, utilisation of financial derivative instruments and investment techniques shall be employed for efficient portfolio management purposes by all the Sub-Funds. The Sub-Funds may use these financial derivative instruments and investment techniques to hedge against changes in interest rates, non-functional currency exchange rates or securities prices or as part of their overall investment strategies.

During the year the Company entered into forward foreign exchange contracts for currency hedging purposes. The counterparty in respect of the forward foreign exchange contracts is Société Générale. Forward foreign exchange contracts outstanding at 31 December 2019 are disclosed in note 6. The counterparty in respect of the futures is Société Générale Newedge – UK Limited. Future contracts outstanding at 31 December 2019 are disclosed in note 6. Realised gains and losses on financial instruments used for efficient portfolio management purposes are disclosed in note 4. Excluding futures contracts, transaction costs are embedded in the cost of the investments and therefore cannot be separately disclosed.

12. Significant events during the year

Updated prospectus and supplement along with IMA, were noted by the Central Bank of Ireland on 8 July 2019 to primarily reflect the appointment of LIAM in relation to cash management services.

Addendum to the prospectus and supplement were noted by the Central Bank of Ireland on 19 July 2019 relating to updates to the administrative expenses fee.

There were no other significant events during the period.

13. Soft Commissions

There were no soft commission arrangements entered into during the current year or prior year.

14. Significant events since the year end

Since the year end we have seen the development of the coronavirus Covid-19 outbreak initially in China and now reaching most continents. The subsequent spread of the virus and its identification as the Covid-19 pandemic by the World Health Organisation does not provide additional evidence about the situation that existed at 31 December 2019, and it is therefore a non-adjusting event. As Covid-19 is a non-adjusting event, its post year end impact has not been taken account of in the recognition and measurement of the company's assets or liabilities at 31 December 2019. At present it is not possible to assess the detailed impact, of this emerging risk, on the companies in our portfolio but there is growing concern about the impact on the world economy. There has been a significant correction in the financial markets in the last few weeks. The Board and the Manager continue to watch the efforts of governments to contain the spread of the virus and monitor the economic impact, if any, on the companies in our portfolio.

Effective 20 April 2020, Peter Madden resigned as a Director of the Company and Olivier Germain was appointed as a Director of the Company on the same date.

There have been no other significant events to report since the financial year end.

15. Approval of the Financial Statements

The financial statements were approved by the Board of Directors on 24 April 2020.

LYXOR INVESTMENT STRATEGIES PLC

Schedule of Investments

Lyxor Epsilon Global Trend Fund
As at 31 December 2019

Quantity	Description	Fair Value EUR	As a % of the Net Assets
	Transferable Securities		
	Treasury Bills		
	France		
26,000,000	FRANCE TREASURY BILL ZCP 150720	26,078,780	6.64%
43,000,000	FRANCE TREASURY BILL ZCP 220420	43,088,365	10.97%
30,000,000	FRANCE TREASURY BILL ZCP 250320	30,046,200	7.65%
42,000,000	FRENCH REP ZCP 20-05-20	42,115,500	10.72%
37,300,000	REPUBLIQUE FRANCAISE ZCP 090920	37,469,342	9.54%
5,000,000	REPUBLIQUE FRANCAISE ZCP 110320	5,006,050	1.28%
40,000,000	REPUBLIQUE FRANCAISE ZCP 120220	40,026,200	10.18%
34,700,000	REPUBLIQUE FRANCAISE ZCP 150120	34,707,113	8.83%
41,000,000	REPUBLIQUE FRANCAISE ZCP 170620	41,132,842	10.46%
		<u>299,670,392</u>	<u>76.27%</u>
	Total Investment in Treasury Bills	<u>299,670,392</u>	<u>76.27%</u>

LYXOR INVESTMENT STRATEGIES PLC

Schedule of Investments *(continued)*

Lyxor Epsilon Global Trend Fund

As at 31 December 2019 *(continued)*

Quantity	Description	Fair Value EUR	As a % of the Net Assets
	Private Bonds		
	Private Bonds		
14,501,000	SG ISSUER* 0.00 17-22 14/02U	15,814,791	4.02%
14,501,000	SOCIETE GENERALE * 0.00 17-22 14/02U	15,814,790	4.02%
		<u>31,629,581</u>	<u>8.04%</u>
	Total Investment in Private Bonds	<u>31,629,581</u>	<u>8.04%</u>
	Unrealised gain on futures contracts (note 6)	6,655,186	1.69%
	Unrealised gain on forward foreign exchange contracts (note 6)	1,064,943	0.27%
	Financial Assets at fair value through profit or loss	<u>339,020,102</u>	<u>86.27%</u>
	Unrealised loss on futures contracts (note 6)	(6,993,639)	(1.78%)
	Unrealised loss on forward foreign contracts (note 6)	(1,114,855)	(0.28%)
	Financial Liabilities at fair value through profit or loss	<u>(8,108,494)</u>	<u>(2.06%)</u>
	Other assets in excess of other liabilities	62,050,250	15.79%
	Net Assets attributable to redeemable participating shareholders	<u><u>392,961,858</u></u>	<u><u>100.00%</u></u>
	Analysis of Total Assets		
	Assets		% of Total Assets
	Cash and cash equivalents and margin cash balance		17.55%
	Transferable securities admitted to an official stock exchange listing/traded as a regulated market		80.51%
	Financial derivative instruments		1.88%
	Other assets		0.07%
			<u><u>100.00%</u></u>

*Held with Société Générale – related party investments.

LYXOR INVESTMENT STRATEGIES PLC**Schedule of Investments (continued)****Lyxor Epsilon Global Trend Fund**
As at 31 December 2018

Quantity	Description	Fair Value EUR	As a % of the Net Assets
	Transferable Securities		
	Treasury Bills		
	Belgium		
30,000,000	BELG TREA BILL ZCP 07-03-19	30,045,000	9.16%
35,000,000	KINGDOM OF BELGIUM ZCP 100119	35,004,900	10.67%
		<u>65,049,900</u>	<u>19.83%</u>
	France		
80,000,000	FRANCE TREASURY BILL ZCP 300119	80,041,600	24.40%
10,000,000	FRENCH REP ZCP 10-04-19	10,021,500	3.05%
25,000,000	FRENCH REP ZCP 27-03-19	25,047,250	7.64%
10,000,000	REPUBLIQUE FRANCAISE ZCP 040119	10,000,600	3.05%
45,000,000	REPUBLIQUE FRANCAISE ZCP 160119	45,009,900	13.72%
		<u>170,120,850</u>	<u>51.86%</u>
	Germany		
10,000,000	GERM TREA BILL ZCP 10-04-19	10,023,000	3.07%
		<u>10,023,000</u>	<u>3.07%</u>
	Total Investment in Treasury Bills	<u>245,193,750</u>	<u>74.76%</u>

LYXOR INVESTMENT STRATEGIES PLC

Schedule of Investments (continued)

Lyxor Epsilon Global Trend Fund

As at 31 December 2018 (continued)

Quantity	Description	Fair Value EUR	As a % of the Net Assets
Private Bonds			
Private Bonds			
40,000,000	SG ISSUER * 0.00 17-22 14/02U	25,004,000	7.62%
40,000,000	SOCIETE GENERALE * 0.00 17-22 14/02U	25,004,000	7.62%
		<u>50,008,000</u>	<u>15.24%</u>
	Total Investment in Private Bonds	<u>50,008,000</u>	<u>15.24%</u>
	Unrealised gain on futures contracts (note 6)	1,687,431	0.51%
	Unrealised gain on forward foreign exchange contracts (note 6)	274,172	0.08%
	Financial Assets at fair value through profit or loss	<u>297,163,353</u>	<u>90.59%</u>
	Unrealised loss on futures contracts (note 6)	(4,302,169)	(1.31%)
	Unrealised loss on forward foreign contracts (note 6)	(398)	0.00%
	Financial Liabilities at fair value through profit or loss	<u>(4,302,567)</u>	<u>(1.31%)</u>
	Other assets in excess of other liabilities	35,149,776	10.72%
	Net Assets attributable to redeemable participating shareholders	<u>328,010,562</u>	<u>100.00%</u>
Analysis of Total Assets			
Assets			% of Total Assets
Cash and cash equivalents and margin cash balance			11.11%
Transferable securities admitted to an official stock exchange listing/traded as a regulated market			88.22%
Financial derivative instruments			0.59%
Other assets			0.08%
			<u>100.00%</u>

*Held with Société Générale

LYXOR INVESTMENT STRATEGIES PLC

Statement of Changes in Composition of Portfolio (unaudited)

**Lyxor Epsilon Global Trend Fund
For the year ended 31 December 2019**

<u>All Purchases</u>	<u>Security</u>	<u>Cost</u> <u>EUR</u>
1	REPUBLIQUE FRANCAISE	326,071,386
2	FRANCE TREASURY BILL	204,614,154
3	FRENCH REP ZCP 20-05	42,159,967
4	FRENCH REP ZCP 09-10	40,155,442
5	FRAN TREA BILL BTF Z	36,087,444
6	BELGIUM TREAS BILL Z	35,065,490
7	BELG TREA BILL ZCP 1	34,035,439
8	FRENCH REP ZCP 19-06	33,571,782
9	GERM TREA BILL ZCP 1	13,034,770

Per the UCITS regulations, the Company is required to disclose aggregate purchases of a security exceeding 1% of the total value of purchases for the year and aggregate disposals greater than 1% of the total value of sales. At a minimum the largest 20 purchases and largest 20 sales must be given.

LYXOR INVESTMENT STRATEGIES PLC

Statement of Changes in Composition of Portfolio (unaudited) (continued)

Lyxor Epsilon Global Trend Fund
For the year ended 31 December 2019

<u>Major Sales</u>	<u>Security</u>	<u>Proceeds</u> EUR
1	REPUBLIQUE FRANCAISE	222,304,246
2	FRANCE TREASURY BILL	185,000,000
3	FRENCH REP ZCP 09-10	40,000,000
4	FRAN TREA BILL BTF Z	36,000,000
5	BELGIUM TREAS BILL Z	35,000,000
6	KINGDOM OF BELGIUM Z	35,000,000
7	BELG TREA BILL ZCP 1	34,000,000
8	FRENCH REP ZCP 19-06	33,500,000
9	BELG TREA BILL ZCP 0	30,000,000
10	FRENCH REP ZCP 27-03	25,004,560
11	SG ISSUER	23,490,936
12	SOCIETE GENERALE	23,490,936
13	GERM TREA BILL ZCP 1	23,000,000
14	FRENCH REP ZCP 10-04	10,003,887

Per the UCITS regulations, the Company is required to disclose aggregate purchases of a security exceeding 1% of the total value of purchases for the year and aggregate disposals greater than 1% of the total value of sales. At a minimum the largest 20 purchases and largest 20 sales must be given.

LYXOR INVESTMENT STRATEGIES PLC

Total Expense Ratio (unaudited) For the year ended 31 December 2019

This appendix makes the annual report with the FINMA requirements for the marketing in Switzerland. **It has not been certified by the accountants.**

Country of origin of the Fund

Ireland.

Representative of the Fund in Switzerland

Société Générale, Paris, Zurich Branch, has been authorised by the FINMA as the Fund's representative in Switzerland while also assuming the payment service. The prospectus, articles of association, annual and semi-annual reports of the Fund, the KIIDs as well as the list of purchases and sales made by the Fund during the fiscal year can be obtained on request and at no cost from the representative's head office in Switzerland, Société Générale, Paris, Zurich Branch, Talacker 50, PO Box 5070, 8021 Zurich.

The total Expense Ratio (TER) are calculated according to the recommendations of the Swiss Funds & Asset Management Association (SFAMA).

Lyxor Epsilon Global Trend Fund

Share Class	Total Rate	Management Fees	Global Administration Fees	Other Administration Fees	Investment Advisory Fees	Performance Fees
EUR Class A	2.75%	1.75%	0.13%	0.01%	0.00%	0.86%
USD Class A	1.89%	1.75%	0.13%	0.01%	0.00%	0.00%
CHF Class I	1.14%	1.00%	0.13%	0.01%	0.00%	0.00%
EUR Class I	2.26%	1.00%	0.13%	0.01%	0.00%	1.12%
GBP Class I	2.63%	1.00%	0.13%	0.01%	0.00%	1.49%
USD Class I	2.94%	1.00%	0.13%	0.01%	0.00%	1.80%

LYXOR INVESTMENT STRATEGIES PLC

Remuneration (unaudited)

For the financial year ended 31 December 2019

COMPENSATION OF THE STAFF OF LYXOR ASSET MANAGEMENT (2019 ACCOUNTING YEAR)

1.1 COMPENSATION POLICY AND PRACTICES

The compensation awarded by Lyxor Asset Management to its employees consists of fixed compensation and may, if economic conditions permit, include a variable component in the form of a discretionary bonus. These bonuses are not related to the performance of the managed vehicles (no profit-sharing in the capital gains).

Lyxor Asset Management applies the Société Générale Group compensation policy. This Group policy takes into consideration the remuneration provisions of directives 2011/61/EU of the European Parliament and of the Council of 8 June 2011 (“AIFM Directive”) and 2014/91/EU of the European Parliament and of the Council of 23 July 2014 (“UCITS V Directive”), which apply to the investment fund management sector.

In this framework, Lyxor Asset Management notably implements, for all of the employees receiving deferred variable compensation, an indexing mechanism for a part of this variable compensation composed of multiple investment funds representing the activity of the Lyxor group, such as to ensure that the interests of the employees align with those of investors.

The Lyxor Asset Management compensation policy insures notably the appropriate management of the risks and the compliance by its staff of the Rules and regulations.

The details of the compensation policy are available at the following website: <https://www.lyxor.com/en/policies-and-regulatory-notice>

1.2 BREAKDOWN OF FIXED AND VARIABLE COMPENSATION

Lyxor Asset Management	Staff	Full Time Equivalent	Fixed Compensation (EUR)	Variable Compensation (EUR)	Total (EUR)
Lyxor Asset Management personnel	201	172,67	12 557 847	6 585 765	19 143 612

Lyxor Asset Management	Staff	Full Time Equivalent	Total Compensation (Fixed and Variable) (EUR)
Identified Population*	26	18,67	4 316 845
Of which Portfolio Management team	17	13,8	2 398 545
Of which other personnel identified	9	4,87	1 918 300

(*) Staff the professional activity of which may have a significant impact on the risk profile of Lyxor Asset Management, or the AIF or UCITS managed by Lyxor Asset Management, within the meaning of article L533-22-2 of the *Code monétaire et financier* (the French Financial Code).

LYXOR INVESTMENT STRATEGIES PLC

Remuneration (unaudited) (continued)

For the financial year ended 31 December 2019

COMPENSATION OF THE STAFF OF LYXOR ASSET MANAGEMENT (2019 ACCOUNTING YEAR) (Continued)

1.2 BREAKDOWN OF FIXED AND VARIABLE COMPENSATION (Continued)

Figures set forth in the tables above correspond to the amounts, before deduction of any tax and social costs, awarded to the staff in the context of the Annual Compensation Review occurred in the relevant accounting year, on the basis of the number of employees as at 31 December of the preceding accounting year. Please note that variable remuneration set out in table above are those awarded to the staff, and take into account amounts partially differed to following years, and do not take into account the amount actually paid during this accounting year by virtue of a differed remuneration awarded in a previous year. No carried interest was paid during the relevant accounting year.

COMPENSATION OF THE STAFF OF ANY THIRD PARTY MANAGING ASSETS OF THE FUND/SUB-FUND(S)

As per the prospectus of the Fund, one or some third party Managers, authorized under UCITS Directive and/or AIFM Directive and/or the relevant implementing Laws and Regulations, has/have been appointed to manage, wholly or partially, the portfolio of the relevant Fund/Sub-Fund(s), as the case may be. In accordance with the disclosure provided by the relevant third party manager(s), remuneration of its/their staff(s) is as follows:

LYXOR INTERNATIONAL ASSET MANAGEMENT

Lyxor International Asset Management	Staff	Full Time Equivalent	Fixed Compensation (EUR)	Variable Compensation (EUR)	Total (EUR)
Lyxor International Asset Management personnel	144	100,18	8 120 026	5 252 678	13 372 704

Lyxor International Asset Management	Staff	Full Time Equivalent	Total Compensation (Fixed and Variable) (EUR)
Identified Population*	27	22,32	4 272 167
Of which Portfolio Management team	20	16,94	2 183 217
Of which other personnel identified	7	5,38	2 088 950

(*) Staff the professional activity of which may have a significant impact on the risk profile of Lyxor Asset Management, or the AIF or UCITS managed by Lyxor Asset Management, within the meaning of article L533-22-2 of the *Code monétaire et financier* (the French Financial Code).

Figures set forth in the tables above correspond to the amounts, before deduction of any tax and social costs, awarded to the staff in the context of the Annual Compensation Review occurred in the relevant accounting year, on the basis of the number of employees as at 31 December of the preceding accounting year. Please note that variable remuneration set out in table above are those awarded to the staff, and take into account amounts partially differed to following years, and do not take into account the amount actually paid during this accounting year by virtue of a differed remuneration awarded in a previous year. No carried interest was paid during the relevant accounting year.

Metori Capital Management

2019 Fixed Compensation (EUR) : 811,060

2019 Variable Compensation (EUR) : 182,250

LYXOR INVESTMENT STRATEGIES PLC

SFT Regulation (unaudited)

For the financial year ended 31 December 2019

EU Securities Financing Transactions Regulation (“SFTR”)

The Regulation 2015/2365 of the European Parliament and of the Council of 25 November 2015 on Transparency of Securities Financing Transactions and of Reuse (the « SFTR ») entered into force on January 12, 2016 aiming to improve transparency in securities and commodities lending, repurchase transactions, margin loans and certain collateral arrangements. Derivative contracts as defined by EMIR are considered out of scope.

As the Lyxor Epsilon Global Trend Fund does not have exposure to any of the above mentioned securities or lending activity, no further disclosure is required in these Financial Statements.