

SECTOR CAPITAL FUNDS PLC

*(A company incorporated with limited liability as an open-ended umbrella investment company
with variable capital under the laws of Ireland)*

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

Registration No. 489443

SECTOR CAPITAL FUNDS PLC
Annual Report and Audited Financial Statements
For the financial year ended 31 December 2019

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GENERAL INFORMATION

Directors

Michael Boyce (*Irish*)^
Lars Tell (*Swedish*)
Conor Walsh (*Irish*)^

^Independent non-executive Director

Registered Office

32 Molesworth Street
Dublin 2
Ireland

Investment Manager

Harvest Equity Kernel Fund
Harvest Omega K AS
(formerly Sector Omega AS) (*resigned 1 January 2020*)
Kongens gate 12
N-0153 Oslo
Norway

Independent Auditors

Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House
Earlsfort Terrace
Dublin 2
Ireland

Investment Manager

Harvest Funds AS (*appointed 2 January 2020*)
Kongens gate 12
N-0153 Oslo
Norway

Legal Advisers to the Company (*advisers as to Norwegian law*)

BAHR
Advokatfirmaet BAHR AS
Tjuvholmen allé 16
NO-0252 Oslo
Norway

Investment Manager

Sector Healthcare Value Fund
Sector Gamma AS
Kristian Augusts gate 15 c
N-0164 Oslo
Norway

Legal Advisers to Harvest Funds AS (*advisers as to Norwegian law*)

Thommessen
Haakon Vlls gate 10
Postboks 1484 Vika
NO-0116 Oslo
Norway

Administrator, Registrar and Transfer Agent

BNY Mellon Fund Services (Ireland) Designated Activity
Company
Riverside Two
Sir John Rogerson's Quay
Grand Canal Dock
Dublin 2
Ireland

Legal Advisers to the Company (*advisers as to Irish law*)

Maples Group
75 St. Stephen's Green
Dublin 2
Ireland

Depositary*

The Bank of New York Mellon SA/NV, Dublin Branch
Riverside Two
Sir John Rogerson's Quay
Grand Canal Dock
Dublin 2
Ireland

Sponsoring Brokers

Maples Group
75 St. Stephen's Green
Dublin 2
Ireland

Company Secretary

MFD Secretaries Limited
32 Molesworth Street
Dublin 2
Ireland

* Effective 1 December 2019, BNY Mellon Trust Company (Ireland) Limited, One Dockland Central, Guild Street, IFSC, Dublin 1, merged into The Bank of New York Mellon SA/NV (the "European Bank") and as of that date, depositary services were provided by the Dublin branch of the European Bank.

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DIRECTORS' REPORT

The Directors present to the shareholders their annual report and the audited financial statements of Sector Capital Funds plc (the "Company") for the financial year 1 January 2019 to 31 December 2019.

Principal Activities and Review of Business

The Company was incorporated and registered in Ireland under the Companies Act 2014 as an open-ended umbrella investment company with variable capital and with segregated liability between sub-funds on 27 September 2010 with registered number 489443. The net assets of the Company were USD294,546,364 on 31 December 2019 (31 December 2018: USD388,279,849).

The Company was authorised by the Central Bank of Ireland pursuant to European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended) and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48 (1) (Undertakings for Collective Investment in Transferable Securities) Regulations, 2015 (as amended) (the "Regulations").

As at 31 December 2019, the Company has three funds in existence (31 December 2018: four), Sector Healthcare Value Fund, Sector Sigma Nordic Fund and Harvest Equity Kernel (formerly Sector Global Equity Kernel) (individually the "Fund", and together the "Funds"). Effective 26 October 2018, Trient Dynamic Multi-Asset Fund ceased trading and its authorisation was subsequently revoked by the Central Bank of Ireland on 9 December 2019.

Sector Healthcare Value Fund commenced trading on 17 November 2010. The base currency of Sector Healthcare Value Fund is United States Dollars ("USD"). As at 31 December 2019 nine classes are subscribed to in the Fund (31 December 2018: ten), Class A EUR Shares, Class A NOK Shares, Class A USD Shares, Class B EUR Shares, Class B NOK Shares, Class B SEK, Class B USD Shares, Class L NOK Shares and Class X USD Shares. Class A USD, Class A EUR and Class A NOK Shares were listed on Euronext Dublin (*formerly the Irish Stock Exchange, now trading as Euronext Dublin*) on 18 November 2010 and Class B NOK Shares were listed on Euronext Dublin on 10 September 2013. Class X EUR Shares were fully redeemed during the year.

Harvest Equity Kernel commenced trading on 19 March 2014. The base currency of Harvest Equity Kernel is USD. Effective 2 January 2020, the Fund changed its name from Sector Global Equity Kernel to Harvest Equity Kernel. As at 31 December 2019 five classes are subscribed to in the Fund (31 December 2018: five), Class A NOK Shares, Class A USD Shares, Class P NOK Hedged Shares, Class P NOK Unhedged Shares and Class P USD Shares. Class P USD Shares were listed on Euronext Dublin on 27 March 2014.

Sector Sigma Nordic Fund commenced trading on 25 June 2012 and ceased trading effective 27 April 2018. The base currency of Sector Sigma Nordic Fund was Norwegian Krone ("NOK"). As at 31 December 2018, all share classes had been fully redeemed.

Results, Activities and Future Developments

The results of operations are set out on page 19. A detailed review of the business and future developments for the Funds is contained in the Investment Managers' Reports on page 9..

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with the Companies Act 2014 and the applicable Regulations.

Irish company law requires the Directors to prepare financial statements for each financial year. Under the law, the Directors have elected to prepare the financial statements in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland ("relevant financial reporting framework"). Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date and of the profit or loss of the Company for the financial year and otherwise comply with the Companies Act 2014.

In preparing those financial statements, the Directors are required to:

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

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DIRECTORS' REPORT (Continued)

Statement of Directors' Responsibilities (continued)

The Directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. 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.

Audit Information Statement

So far as each of the Directors in office at the date of approval of the financial statements are aware:

- there is no relevant audit information of which the Company's 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 auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 330 of the Companies Act 2014.

Accounting Records

The Directors believe that they have complied with the requirements of Section 281 to 285 of the Companies Act 2014 with regard to the accounting records by employing the resources of an administrator, BNY Mellon Fund Services (Ireland) Designated Activity Company (the "Administrator"). During the financial year the accounting records of the Company were maintained at the offices of the Administrator: BNY Mellon Fund Services (Ireland) Designated Activity Company, Riverside Two, Sir John Rogerson's Quay, Grand Canal Dock, Dublin 2.

Fair Value Directive

It is the opinion of the Board of Directors that the information required by the European Communities (Fair Value Accounting) Regulations 2004, in relation to the use by the Company of financial instruments and the financial risk management objectives and policies of the Company and the exposures of the Company to market risk, currency risk, interest rate risk, liquidity risk and credit risk is contained in the Investment Managers' Report and note 7.

Significant events during the financial year

There were no significant events during the year.

Significant events after the balance sheet date

A revised supplement for Harvest Equity Kernel was noted by the Central Bank of Ireland on 2 January 2020. The main updates related to the change in name of the Fund from Sector Global Equity Kernel to Harvest Equity Kernel and the change in the Investment Manager from Harvest Omega K AS (formerly Sector Omega AS) to Harvest Funds AS.

Market disturbances

The global public health crisis which arose from the outbreak of the novel coronavirus disease (known as COVID-19) has caused considerable volatility and disruption in financial markets since early March 2020. It is unknown what the impact will be on the global economy but the uncertainty and instability from COVID-19 for a prolonged period could have an adverse impact on the Company's or relevant Fund's business, opportunities, operations, financial condition and cash flows and there can be no assurance that the risks associated with COVID-19 will not alter significantly the attractiveness of an investment in the Company or a Fund as a result of the potential for capital losses and general uncertainty.

There were no other significant events after the balance sheet date.

Business Continuity Planning

All relevant third party service providers, including the Investment Managers, have confirmed to the Board they have applied their contingency plans to ensure operational continuity in line with regulatory obligations of the Company. No operational disturbances have been identified as of now.

Directors

Michael Boyce
Lars Tell
Conor Walsh

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DIRECTORS' REPORT (Continued)

Directors' and Secretary's Interests

The Directors and Secretary and their families had no interest in the shares of the Company at 31 December 2019, other than as disclosed below:

As at 31 December 2019, Lars Tell, Director of the Company held 160 Class L NOK shares in Sector Healthcare Value Fund (2018: 160).

Dividends

Under the Articles of Association dividends may be paid out of the profits. During the financial year ended 31 December 2019, no dividends were paid (2018: nil).

Corporate Governance Statement

The Company is subject to and complies with the Regulations and the Listing Rules of Euronext Dublin, as applicable to investment funds.

The Board has adopted the voluntary Irish Funds ("IF") Corporate Governance Code for Irish domiciled Collective Investment Schemes and Management Companies, issued 14 December 2011 (the "Code") with effect from 11 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.

The Company is subject to corporate governance practices imposed by:

1. The Irish Companies Acts 2014 and the Regulations which are available for inspection at the registered office of the Company and may also be obtained at www.irishstatutebook.ie.
2. The Articles of Association of the Company which are available for inspection at the registered office of the Company and at the Companies Registration Office in Ireland.
3. The Central Bank of Ireland in their Regulations which can be obtained from the Central Bank of Ireland's website at: www.centralbank.ie and are available for inspection at the registered office of the Company.
4. Euronext Dublin through the Euronext Dublin Code of Listing Requirements and Procedures which can be obtained from the Euronext Dublin's website at www.euronext.com.

Financial Reporting Process - description of main features

The Board is ultimately responsible for overseeing the establishment and maintenance of adequate internal control and risk management systems of the Company in relation to the financial reporting process. As the Company has no employees and two of the Directors serve in a non-executive capacity, all functions including the preparation of the financial statements have been outsourced. The Company has appointed BNY Mellon Fund Services (Ireland) Designated Activity Company, as its administrator consistent with the regulatory framework applicable to investment fund companies such as the Company.

On appointing the Administrator, the Board noted that it was regulated by the Central Bank of Ireland and, in the Board's opinion, had significant experience as an administrator. The Board also noted the independence of the Administrator from the Company's Investment Managers. Subject to the supervision of the Board, the appointment of the Administrator is intended to manage rather than eliminate the risk of failure to achieve the Company's financial reporting objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The annual and interim financial statements of the Company are required to be approved by the Board of the Company and filed with the Central Bank of Ireland and Euronext Dublin. The statutory financial statements are required to be audited by independent auditors who report annually to the Board on their findings. The Board evaluates and discusses significant accounting and reporting issues as the need arises.

Risk Assessment

The Board is responsible for assessing the risk of irregularities whether caused by fraud or error in financial reporting and for ensuring that processes are in place for the timely identification of internal and external matters with a potential effect on financial reporting. The Board's appointment of an administrator independent of the investment manager to the Company and which is regulated by Central Bank of Ireland is intended to mitigate though not eliminate the risk of fraud or irregularities which may impact the financial statements of the Company.

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DIRECTORS' REPORT (Continued)

Monitoring

The Board receives regular presentations and reviews reports from the Depositary, Investment Manager and Administrator. The Board also has an annual process to ensure that appropriate measures are taken to consider and address any control weaknesses identified and measures recommended by the independent auditors.

Capital structure

No person has a significant direct or indirect holding of securities in the Company. No person has any special rights of control over the Company's share capital. There are no restrictions on voting rights.

For the appointment and replacement of Directors, the Company is governed by its Articles of Association, Irish Statute comprising the Companies Acts 2014, the Regulations, and the Listing Rules of Euronext Dublin as applicable to investment funds. The Articles of Association themselves may be amended by special resolution of the shareholders.

Composition and operation of the Board of Directors

There are three Directors currently, two of whom are non-executive and are independent of the Investment Manager as required by Euronext Dublin Listing Rules for investment funds. None of the Directors have entered into an employment or service contract with the Company. All related party transactions during the year are detailed in note 15 to the financial statements. The Articles of Association do not provide for retirement of Directors by rotation. However, the Directors may be removed by the shareholders by ordinary resolution in accordance with the procedures established under the Irish Companies Act 2014. The Board meets at least quarterly. There are no sub-committees of the Board.

The Board is responsible for managing the business affairs of the Company in accordance with the Articles of Association. Subject to its supervision and direction, the Board has delegated the day to day administration of the Company to the Administrator and the investment management and distribution functions to Harvest Omega K AS (formerly Sector Omega AS), Harvest Funds AS (from 2 January 2020) and Sector Gamma AS as the Investment Managers. The Company has The Bank of New York Mellon SA/NV, Dublin Branch, as the Depositary to the Company with responsibility for the safekeeping of the assets of the Company.

Shareholder meetings

The convening and conduct of shareholders' meetings are governed by the Articles of Association of the Company and the Companies Act 2014. Although the Directors may convene an extraordinary general meeting of the Company at any time, the Directors are required to convene an annual general meeting of the Company within fifteen months of the date of the previous annual general meeting. Shareholders representing not less than 10 percent of the paid up share capital of the Company may also request the Directors to convene a shareholders' meeting. Not less than twenty one days' notice of every annual general meeting and any meeting convened for the passing of a special resolution must be given to shareholders and fourteen days' notice must be given in the case of any other general meeting unless the auditors of the Company and all the shareholders of the Company entitled to attend and vote agree to shorter notice.

On a show of hands every shareholder who is present in person or by proxy shall have one vote. On a poll every shareholder present in person or by representative or proxy shall have one vote for every share for which is registered in the name of the shareholder. Such voting rights may be amended in the same manner as any other provision of the Articles of Association.

Shareholders may resolve to sanction an ordinary resolution or special resolution at a shareholders' meeting. An ordinary resolution of the Company requires a simple majority of the votes cast by the shareholders voting in person or by proxy at the meeting at which the resolution is proposed. A special resolution of the Company requires a majority of not less than 75% of the shareholders present in person or by proxy and voting in a general meeting in order to pass a special resolution including a resolution to amend the Articles of Association.

Diversity Statement

As the Company is constituted as an investment company pursuant to Part 24 of the Companies Act 2014 and has its shares listed on a "regulated market" in the EEA, namely the Main Securities Market of Euronext Dublin, the Company must comply with diversity reporting obligations under S.I. No. 360/2017 - European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017, as amended by SI 410 of 2018.

The Company believes in diversity and values the benefits that diversity can bring to its Board. The Board acknowledges the benefits of diversity, including diversity of age, gender, educational and professional backgrounds.

Given the nature, scale and complexity of the Company, the Board has resolved to appoint the most appropriate candidates as Directors of the Company. The Board has not set any specific objectives in respect of diversity but will periodically review the composition of its Board taking into account diversity of age, gender, educational and professional backgrounds.

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DIRECTORS' REPORT (Continued)

Decision not to establish an Audit Committee

The Directors have decided not to establish an audit committee pursuant to section 167(2)(b) of the Companies Act 2014. This has been decided on the basis of the following:

- a) the nature, scale and complexity of the Company's business range of services and activities undertaken in the course of that business;
- b) the resources available to the Company and the resources and expertise of the various third parties engaged to support the Company and carry out certain functions on its behalf; and
- c) the procedures in place for the review, approval and circulation of the audited financial accounts and statements which are appropriate for a self-managed investment company pursuant to the Regulations.

Independent Auditors

Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm, have expressed their willingness to continue in office in accordance with Section 383(2) of the Companies Act 2014.

On behalf of the Board of Directors



Michael Boyce, Director



Conor Walsh, Director

Date: 24 March 2020



BNY MELLON

The Bank of New York Mellon SA/NV,
Dublin Branch
Riverside Two, Sir John Rogerson's Quay,
Dublin 2, D02 KV60, Ireland.

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REPORT FROM THE DEPOSITARY TO THE SHAREHOLDERS DATED 24 MARCH 2020

For the period from 01 January 2019 to 31 December 2019 (the “**Period**”)

The Bank of New York Mellon SA/NV, Dublin Branch (the “**Depository**” “**us**”, “**we**”, or “**our**”) has enquired into the conduct of Sector Capital Funds plc (the “**Company**”) for the Period, in its capacity as Depositary to the Company.

This report including the opinion has been prepared for and solely for the shareholders in the Company, in accordance with our role as Depositary to the Company and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

Responsibilities of the Depositary

Our duties and responsibilities are outlined in Regulation 34 of the of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No 352 of 2011), as amended (the “**Regulations**”).

Our report shall state whether, in our opinion, the Company has been managed in that period in accordance with the provisions of the Company’s constitutional documentation and the Regulations. It is the overall responsibility of the Company to comply with these provisions. If the Company has not been so managed, we as Depositary must state in what respects it has not been so managed and the steps which we have taken in respect thereof.

Basis of Depositary Opinion

The Depositary conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties and to ensure that, in all material respects, the Company has been managed (i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of its constitutional documentation and the appropriate regulations and (ii) otherwise in accordance with the Company’s constitutional documentation and the appropriate regulations.

Opinion

In our opinion, the Company has been managed during the Period, in all material respects:

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

For and on Behalf of The Bank of New York Mellon SA/NV, Dublin Branch,
Riverside II,
Sir John Rogerson’s Quay,
Grand Canal Dock,
Dublin 2

Registered in Ireland No. 907126, VAT No. IE9578054E

The Bank of New York Mellon SA/NV, trading as The Bank of New York Mellon SA/NV, Dublin Branch is authorised by the National Bank of Belgium.

The Bank of New York Mellon SA/NV, 46 Rue Montoyerstraat, B-1000 Brussels, Belgium - Tel. (32) 2 545 81 11, V.A.T. BE 0806.743.159 - RPM-RPR Brussels Company No. 0806.743.159. The Bank of New York Mellon SA/NV is a Belgian limited liability company, authorized and regulated as a significant credit institution by the European Central Bank and the National Bank of Belgium under the Single Supervisory Mechanism and by the Belgian Financial Services and Markets Authority.

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INVESTMENT MANAGERS' REPORTS

Harvest Equity Kernel

There is an old saying among investors – "The market climbs a wall of worry." The year of 2019 was one of the best examples of how all the hand wringing and worry and speculating and pessimism can mask what is really going on in the economy and the stock market. Throughout the entire year, the economists remained staunchly positive on the economic fundamentals and rationally optimistic that the year would end well given all the hard data. It did just that, ending the year up +26.6% (MSCI ACWI) after a few harsh sell offs during spring and late summer. It was, however, a narrow market with only information technology and to a minor extent, consumer discretionary outperforming the broader market. In geographic terms the market advance was slightly broader with 42% of the countries outperforming the global market.

Although the Fund's return was lower than the market at 18% (Class P USD), the lower return was fully explained by an ex ante beta of 0.7 through the year. The Fund holds a more diversified portfolio than the global index and was thus severely handicapped by the strong outperformance of the information technology sector and large/mega-cap names in general.

Contrary to the global index, which capitalisation weights its positions, the Fund invests an equal portion of NAV into each stock. The rationale for taking this approach is that capitalisation weighting of positions is normally less effective than equal weighting. However, during the period since inception of the Fund, the capitalisation weighting scheme was the better one. Because there is no economic rationale supporting this, and because longer historical observations confirm that an equal weighted portfolio normally outperforms a capitalisation weighted portfolio (of the exact same stocks), the Investment Manager will continue the practice of not weight position according to their market capitalisation.

There is an equal weight version of the global equity index (MSCI ACWI Equal Weighted Net Total Return Index). It holds the same names but in equal portions (instead of capitalisation weights). This index represents a better yardstick for measuring the efficacy of the Fund's stock selection strategy (as weighting schemes are similar). Since inception of the Fund in March 2014, the net total return of this index was 36.2%. During the same period, the Fund's return was 50.3%. The Fund's beta relative to equal weight index was 0.63 meaning that excess return was generated at nearly 40% lower risk.

Harvest Funds AS **January 2020**

Sector Healthcare Value Fund

Despite being up a robust 23.4% during 2019, the global healthcare sector underperformed the global equity market by 3.6%. Even a strong finish to the year was not enough to offset the sector's lack lustre start to the year, when a steepening wall of worry reduced investor appetite for healthcare exposure. News flow was skewed to the positive side towards the end of the year, driven by upbeat year end analyst meetings and additional new products being approved by the FDA (U.S. Food and Drug Administration). In total, 48 NME's (new molecular entities) were approved by the FDA during 2019, which makes it the third best year since records began in 1940. The 2010's was also a very productive decade with 378 NME's approved, easily beating the previous record set during the innovation boom of the 1990's. With ever increasing R&D spend and a record number of clinical trials underway, we believe this strong innovation cycle will continue in 2020 and beyond.

Sector Healthcare Value Fund ended the year up 25%, outperforming the MSCI World Healthcare Index by 1.7%. All our risk books had positive returns in 2019, led by the med-tech and pharmaceutical risk books. We benefited from two M&A transactions, namely our bets in Celgene and Mitsubishi Tanabe. On a stock specific level, the largest gains came from our bets in Bristol Myers Squibb (benefited from its purchase of Celgene, pipeline progress and attractive valuation), Getinge (turnaround story with improving fundamentals) and GlaxoSmithKline (valuation re-rating). The largest losses came from our positions in Mylan, Clovis and CVS. Going forward, we are comfortable with maintaining our overweight in the mid-cap segment as well as our current sub-sector allocations where our biotechnology risk book remains our largest overweight.

Heading into 2020, we remain optimistic about the opportunity set within healthcare. Many of the themes we see driving the sector's performance and dispersion going forward have been very consistent since we launched the Fund. Naturally, the US presidential election gearing up political noise around healthcare will continue, but this seems largely to have been discounted following the sector's fourth quarter rally. Although some form of drug pricing legislation may be introduced post the election, the Medicare for All option is extremely unlikely to happen.

Sector Gamma AS **January 2020**

Independent auditor's report to the shareholders of Sector Capital Funds plc

Report on the audit of the financial statements

Opinion on the financial statements of Sector Capital Funds plc (the 'Company')

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at financial year 31 December 2019 and of the loss for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework, the applicable Regulations and, in particular, with the requirements of the Companies Act 2014

The financial statements we have audited comprise:

- the Balance Sheet;
- the Profit and Loss Account;
- the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares;
- Schedule of Investments; and
- the related notes 1 to 23, including a summary of significant accounting policies as set out in note 2.

The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("the relevant financial reporting framework").

The applicable regulations that have been applied in their preparation is the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 and Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations, 2015 (as amended) ("the applicable Regulations").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Accounting and Auditing Supervisory Authority, as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Summary of our audit approach

Key audit matters	The key audit matters that we identified in the current year were: • Valuation of Investments • Existence of Investments
Materiality	The materiality that we used in the current year was 1% of average net assets calculated in respect of each Sub Fund.
Scoping	The scope of our key audit matters have been described below.
Significant changes in our approach	There have been no significant changes in our approach from our prior year audit.

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 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current financial year and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter Description	How the scope of our audit responded to the key audit matter
Valuation of investments For the financial year end 31 December 2019, the investments of the Company amount to USD 286m making up 97% of net assets of €294.5m. The valuation of investments is considered a key audit matter as the investments represent a significant balance on the Statement of Financial Position. This is also the main driver of the Company's performance and has been identified as a significant risk of material misstatement. There is a risk that investments traded on an exchange or a secondary market may not be valued correctly in accordance with FRS 102. Refer also to note 7 in the financial statements.	• We obtained an understanding and assessed the design of the key controls that have been implemented over the valuation process for investments. • We obtained the ISAE Report relating to BNY Mellon Fund Services (Ireland) Designated Activity Company and identified the key controls in place over the valuation process and reviewed those key controls for any exceptions. • We considered if the Company's valuation policy for investments is in line with FRS 102. • We have independently valued all exchange-traded securities using our own market feeds. We compared the prices published by independent pricing sources to the investment portfolio.
Existence of investments The existence of investments is considered a key audit matter as the investments represent a significant balance on the Statement of Financial Position. The existence of the Funds' investments is crucial to ensuring the financial statements are free from material misstatement. There is a risk that the investments may not exist at year end. Refer also to note 7 in the financial statements.	• We obtained an understanding and assessed the design of the key controls that have been implemented over the investment reconciliation process. • We obtained the ISAE Report relating to BNY Mellon Fund Services (Ireland) Limited Designated Activity Company and identified the key controls in place over the reconciliation process and reviewed those key controls for any exceptions. • We obtained independent confirmations from the Depository at the financial year end and agreed the amounts held to the investment portfolio. • We tested a sample of reconciling trades to ensure that they have been recorded in the correct period including a review of a sample of unsettled trades.

Our audit procedures relating to these matters were designed in the context of our audit of the financial statements as a whole, and not to express an opinion on individual accounts or disclosures. Our opinion on the financial statements is not modified with respect to any of the risks described above, and we do not express an opinion on these individual matters.

Our application of materiality

We define materiality as the magnitude of misstatement that makes it probable that the economic decisions of a reasonably knowledgeable person, relying on the financial statements, would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

We determined materiality for each Sub Fund to be 1% of average net assets. We have considered the average net assets to be the critical component for calculating materiality because the main objective of the Company is to provide investors with a total return. We have considered quantitative and qualitative factors such as understanding the Company and its environment, history of misstatements, complexity of the Sub Funds and reliability of the control environment.

We agreed with the Board of Directors (the "Board") that we would report to the Board any audit differences in excess of 5% of materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Board on disclosure matters that we identified when assessing the overall presentation of the financial statements.

An overview of the scope of our audit

Our audit is a risk based approach taking into account the structure of the Company, types of investments, the involvement of the third parties service providers, the accounting processes and controls in place and the industry in which the Company operates. The Company is incorporated as an open-ended investment Company with variable capital and is organised under the laws of Ireland as a public limited company pursuant to the Irish Companies Act 2014. The Company is authorised by the Central Bank of Ireland (the "Central Bank") as a UCITS (Undertaking for Collective Investment in Transferable Securities) pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2015 (as amended). The Company is organised as an umbrella fund with segregated liability between Sub Funds. We assess the risks of each Sub Fund separately. We have conducted our audit based on the books and records maintained by the administrator BNY Mellon Fund Services (Ireland) Designated Activity Company at Riverside Two, Sir John Rogerson's Quay, Grand Canal Dock, Dublin 2.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014, and for such internal control as the directors 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.

Auditor's 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 auditor's 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.

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity (or where relevant, the group) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

This report is made solely to the Company's shareholders, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- 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.
- In our opinion the information given in the directors' report is consistent with the financial statements and the directors' report has been prepared in accordance with the Companies Act 2014.

Corporate Governance Statement

We report, in relation to information given in the Corporate Governance Statement on pages 5 to 7 that:

- In our opinion, based on the work undertaken during the course of the audit, the information given in the Corporate Governance Statement pursuant to subsections 2(c) and (d) of section 1373 of the Companies Act 2014 is consistent with the company's statutory financial statements in respect of the financial year concerned and such information has been prepared in accordance with the Companies Act 2014.

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 this information.

- In our opinion, based on the work undertaken during the course of the audit, the Corporate Governance Statement contains the information required by Regulation 6(2) of the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017 (as amended); and
- In our opinion, based on the work undertaken during the course of the audit, the information required pursuant to section 1373(2)(a),(b),(e) and (f) of the Companies Act 2014 is contained in the Corporate Governance Statement.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

Other matters which we are required to address

We were appointed by the Board on 30 November 2011 to audit the financial statements for the financial year end 31 December 2011 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is 9 years, covering the years ending 31 December 2011 to 31 December 2019.

The non-audit services prohibited by IAASA's Ethical Standard were not provided and we remained independent of the Company in conducting the audit.

Our audit opinion is consistent with the additional report to the Board we are required to provide in accordance with ISA (Ireland) 260.



Christian MacManus
For and on behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House, Earlsfort Terrace, Dublin 2

Date: 25 March 2020

SECTOR CAPITAL FUNDS PLC
Annual Report and Audited Financial Statements
For the financial year ended 31 December 2019

BALANCE SHEET
As at 31 December 2019

	Note	Harvest Equity Kernel USD	Sector Healthcare Value Fund USD	Sector Sigma Nordic Fund NOK	Sector Capital Funds Plc USD
Current Assets					
Investments in financial assets held at fair value through profit or loss	6	116,372,437	169,786,990	—	286,159,427
Cash at bank and brokers		12,181,481	5,007	185,244	12,207,569
Receivable for securities sold		—	1,734,301	—	1,734,301
Interest receivable		3,346	10,444	—	13,790
Dividends receivable		150,828	215,426	—	366,254
Other assets		110,811	4,050	—	114,861
Total Assets		128,818,903	171,756,218	185,244	300,596,202
Current Liabilities					
Investments in financial liabilities held at fair value through profit or loss	6	1,128,043	67,171	—	1,195,214
Bank overdraft		—	331,797	—	331,797
Payable for securities purchased		—	581,512	—	581,512
Subscriptions received in advance	9	64,987	5,007	—	69,994
Payable to investment manager	10	164,527	174,161	—	338,688
Incentive fee/performance fee	11	—	655,248	—	655,248
Administration fee	12	60,909	53,562	—	114,471
Directors' fees and expenses	13	3,889	3,370	—	7,259
Auditors' fee	11	14,292	14,322	—	28,614
Depository/Custodian fee		15,291	11,586	—	26,877
Legal fee		10,000	10,000	—	20,000
Interest payable		8,258	—	185,244	8,258
Payable to Shareholders	10	—	2,608,535	—	21,081
Equalisation credit payable		—	13,997	—	2,608,535
Other creditors		28,293	—	—	42,290
Total Liabilities (excluding net assets attributable to holders of Redeemable Participating Shares)		1,498,489	4,530,268	185,244	6,049,838
Net assets attributable to holders of Redeemable Participating Shares	20	127,320,414	167,225,950	—	294,546,364

Sector Sigma Nordic Fund is translated in the Company total column at the Balance Sheet exchange rate of 0.1138.

Sector Sigma Nordic Fund ceased trading on 27 April 2018.

On behalf of the Board of Directors


Michael Boyce, Director


Conor Walsh, Director

Date: 24 March 2020

SECTOR CAPITAL FUNDS PLC
Annual Report and Audited Financial Statements
For the financial year ended 31 December 2019

BALANCE SHEET (Continued)

As at 31 December 2018

	Note	Harvest Equity Kernel USD	Sector Healthcare Value Fund USD	Sector Sigma Nordic Fund NOK
Current Assets				
Investments in financial assets held at fair value through profit or loss		265,585,996	108,094,325	–
Cash at bank and brokers	6	26,492,678	6,017,564	25,260
Interest receivable		532	–	–
Dividends receivable		342,967	168,839	–
Other assets		139,073	3,570	74,934
Total Assets		292,561,246	114,284,298	100,194
Current Liabilities				
Investments in financial liabilities held at fair value through profit or loss		5,054,464	1,446,115	–
Payable for securities purchased		8,251,409	–	–
Subscriptions received in advance		1,244,720	43,907	–
Payable to investment manager	9	227,319	115,252	–
Incentive fee/performance fee	10	–	460,568	–
Administration fee	11	69,402	47,919	–
Directors' fees and expenses	12	3,499	1,586	204
Auditors' fee	13	9,486	10,583	23,787
Depository/Custodian fee	11	21,919	9,617	–
Legal fee		20,475	10,404	–
Interest payable		767	–	–
Equalisation credit payable	10	–	1,509,951	–
Other creditors		2,723	3,610	76,203
Total Liabilities (excluding net assets attributable to holders of Redeemable Participating Shares)		14,906,183	3,659,512	100,194
Net assets attributable to holders of Redeemable Participating Shares	20	277,655,063	110,624,786	–

Sector Sigma Nordic Fund and Trient Dynamic Multi-Asset Fund are translated in the Company total column at the Balance Sheet exchange rate of 0.1155.

Sector Sigma Nordic Fund ceased trading on 27 April 2018. Trient Dynamic Multi-Asset Fund ceased trading on 26 October 2018 and its authorisation was revoked by the Central Bank of Ireland on 9 December 2019.

SECTOR CAPITAL FUNDS PLC
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BALANCE SHEET (Continued)

As at 31 December 2018

	Note	Trient Dynamic Multi-Asset Fund NOK	Sector Capital Funds Plc USD
Current Assets			
Investments in financial assets held at fair value through profit or loss		–	373,680,321
Cash at bank and brokers	6	301,714	32,548,007
Interest receivable		–	532
Dividends receivable		–	511,806
Other assets		48,107	156,855
Total Assets		<u>349,820</u>	<u>406,897,521</u>
Current Liabilities			
Investments in financial liabilities held at fair value through profit or loss		–	6,500,579
Payable for securities purchased		–	8,251,409
Subscriptions received in advance		–	1,288,627
Payable to investment manager	9	20,067	344,889
Incentive fee/performance fee	10	–	460,568
Administration fee	11	15,944	119,163
Directors' fees and expenses	12	–	5,109
Auditors' fee	13	–	22,816
Depository/Custodian fee	11	313,809	67,781
Legal fee		–	30,879
Interest payable		–	767
Equalisation credit payable	10	–	1,509,951
Other creditors		–	15,134
Total Liabilities (excluding net assets attributable to holders of Redeemable Participating Shares)		<u>349,820</u>	<u>18,617,672</u>
Net assets attributable to holders of Redeemable Participating Shares	19	<u>–</u>	<u>388,279,849</u>

Sector Sigma Nordic Fund and Trient Dynamic Multi-Asset Fund are translated in the Company total column at the Balance Sheet exchange rate of 0.1155.

Sector Sigma Nordic Fund ceased trading on 27 April 2018. Trient Dynamic Multi-Asset Fund ceased trading on 26 October 2018 and its authorisation was revoked by the Central Bank of Ireland on 9 December 2019.

SECTOR CAPITAL FUNDS PLC
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PROFIT AND LOSS ACCOUNT

For the financial year ended 31 December 2019

	Note	Harvest Equity Kernel USD	Sector Healthcare Value Fund USD	Sector Sigma Nordic Fund NOK	Sector Capital Funds Plc USD
Income					
Dividend income		4,718,799	2,345,981	–	7,064,780
Interest income		525,708	124,242	–	649,950
Other income		23,159	14,498	–	37,657
		<u>5,267,666</u>	<u>2,484,721</u>	<u>–</u>	<u>7,752,387</u>
Net realised gain/(loss) on:					
- investments		24,849,001	7,598,274	–	32,447,275
- foreign currency		(11,386,383)	(6,984,970)	–	(18,371,353)
Net change in unrealised appreciation/(depreciation) on:					
- investments		12,564,797	24,394,257	–	36,959,054
- foreign currency		6,639,918	5,347,611	–	11,987,529
Net investment gain		<u>37,934,999</u>	<u>32,839,893</u>	<u>–</u>	<u>70,774,892</u>
Expenses					
Management fee	9	(1,153,450)	(1,799,702)	–	(2,953,152)
Incentive fee/performance fee	10	–	(307,118)	–	(307,118)
Administration fee	11	(270,619)	(237,532)	–	(508,151)
Depository/Custodian fee	11	(144,598)	(73,748)	–	(218,346)
Directors' fees and expenses	12	(17,675)	(11,441)	–	(29,116)
Auditors' fee	13	(19,142)	(18,075)	–	(37,217)
Legal fee		(32,254)	(24,815)	–	(57,069)
Listing fee		(4,139)	(8,360)	–	(12,499)
Trading and research fees		(359,513)	(48,979)	–	(408,492)
Other expenses		(78,376)	(67,863)	–	(146,239)
Total expenses before waivers		<u>(2,079,766)</u>	<u>(2,597,633)</u>	<u>–</u>	<u>(4,677,399)</u>
Expense waiver from Investment Manager	9	–	–	–	–
Net expenses after waivers		<u>(2,079,766)</u>	<u>(2,597,633)</u>	<u>–</u>	<u>(4,677,399)</u>
Net gain before finance costs		<u>35,855,233</u>	<u>30,242,260</u>	<u>–</u>	<u>66,097,493</u>
Finance costs					
Interest expense		<u>(598,504)</u>	<u>(2,571)</u>	<u>–</u>	<u>(601,075)</u>
Total finance costs		<u>(598,504)</u>	<u>(2,571)</u>	<u>–</u>	<u>(601,075)</u>
Taxation					
Withholding tax and other taxation		<u>(838,775)</u>	<u>(470,007)</u>	<u>–</u>	<u>(1,308,782)</u>
Net increase in net assets attributable to holders of Redeemable Participating Shares resulting from operations		<u>34,417,954</u>	<u>29,769,682</u>	<u>–</u>	<u>64,187,636</u>

There are no recognised gains or losses for the year other than those set out in the Profit and Loss Account. All activities relate to continuing operations except for Sector Sigma Nordic Fund which ceased trading on 27 April 2018.

SECTOR CAPITAL FUNDS PLC
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PROFIT AND LOSS ACCOUNT (Continued)

For the financial year ended 31 December 2018

	Note	Harvest Equity Kernel USD	Sector Healthcare Value Fund USD	Sector Sigma Nordic Fund NOK
Income				
Dividend income		7,097,163	1,833,621	1,650,131
Interest income		126,460	31,184	39,289
Other income		19,117	18,239	5,012,983
		<u>7,242,740</u>	<u>1,883,044</u>	<u>6,702,403</u>
Net realised gain/(loss) on:				
- investments		(3,813,199)	14,071,297	10,625,114
- foreign currency		(12,355,177)	(4,647,487)	2,634,987
Net change in unrealised appreciation/(depreciation) on:				
- investments		(29,013,980)	(8,308,530)	(11,810,386)
- foreign currency		(6,281,004)	(2,038,402)	(2,774,849)
Net investment (loss)/gain		<u>(44,220,620)</u>	<u>959,922</u>	<u>5,377,269</u>
Expenses				
Management fee	9	(1,593,916)	(1,260,786)	(567,270)
Incentive fee/performance fee	10	—	(207,069)	—
Administration fee	11	(327,755)	(208,285)	(326,462)
Depository/Custodian fee	11	(140,616)	(54,985)	(75,926)
Directors' fees and expenses	12	(14,784)	(5,043)	—
Auditors' fee	13	(10,126)	(10,125)	(59,657)
Dividend expense		—	—	(438,081)
Legal fee		(59,824)	(39,881)	—
Listing fee		(4,997)	(4,556)	(6,005)
Trading and research fees		(315,884)	(46,853)	(205,953)
Other expenses		(68,773)	(45,268)	(73,182)
Total expenses before waivers		<u>(2,536,675)</u>	<u>(1,882,851)</u>	<u>(1,752,536)</u>
Net (loss)/gain before finance costs		<u>(46,757,295)</u>	<u>(922,929)</u>	<u>3,624,733</u>
Finance costs				
Interest expense		(139,731)	(2,142)	(116,001)
Total finance costs		<u>(139,731)</u>	<u>(2,142)</u>	<u>(116,001)</u>
Taxation				
Withholding tax and other taxation		(1,222,274)	(319,795)	(465,560)
Net (decrease)/increase in net assets attributable to holders of Redeemable Participating Shares resulting from operations		<u>(48,119,300)</u>	<u>(1,244,866)</u>	<u>3,043,172</u>

There are no recognised gains or losses for the year other than those set out in the Profit and Loss Account. All activities relate to continuing operations except for Sector Sigma Nordic Fund which ceased trading on 27 April 2018 and Trient Dynamic Multi-Asset Fund which ceased trading on 26 October 2018.

Sector Sigma Nordic Fund and Trient Dynamic Multi-Asset Fund are translated in the Company total column at the average exchange rate of 0.1229.

SECTOR CAPITAL FUNDS PLC
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PROFIT AND LOSS ACCOUNT (Continued)

For the financial year ended 31 December 2018

	Note	Trient Dynamic Multi-Asset Fund NOK	Sector Capital Funds Plc USD
Income			
Dividend income		3,937,594	9,617,515
Interest income		9,702,415	1,354,900
Other income		841,232	756,839
		<u>14,481,241</u>	<u>11,729,254</u>
Net realised gain/(loss) on:			
- investments		(39,681,380)	6,687,083
- foreign currency		12,374,135	(15,158,043)
Net change in unrealised appreciation/(depreciation) on:			
- investments		–	(38,774,006)
- foreign currency		40	(8,660,430)
Net investment loss		<u>(12,825,964)</u>	<u>(44,176,142)</u>
Expenses			
Management fee	9	(3,565,061)	(3,362,565)
Incentive fee/performance fee	10	–	(207,069)
Administration fee	11	(817,580)	(676,643)
Depository/Custodian fee	11	(391,674)	(253,069)
Directors' fees and expenses	12	(12,226)	(21,330)
Auditors' fee	13	(29,241)	(31,177)
Commission fee		(148,791)	(18,286)
Dividend expense		–	(53,840)
Legal fee		(273,005)	(133,257)
Listing fee		–	(10,291)
Stocklending charges		(312)	(38)
Trading and research fees		–	(388,049)
Other expenses		(215,587)	(149,531)
Total expenses before waivers		<u>(5,453,477)</u>	<u>(5,305,145)</u>
Expense waiver from Investment Manager	9	243,891	29,974
Net expenses after waivers		<u>(5,209,586)</u>	<u>(5,275,171)</u>
Net (loss) before finance costs		<u>(18,035,550)</u>	<u>(49,451,313)</u>
Finance costs			
Interest expense		(221,594)	(183,364)
Total finance costs		<u>(221,594)</u>	<u>(183,364)</u>
Taxation			
Withholding tax and other taxation		(676,903)	(1,682,478)
Net decrease in net assets attributable to holders of Redeemable Participating Shares resulting from operations		<u>(18,934,047)</u>	<u>(51,317,155)</u>

There are no recognised gains or losses for the year other than those set out in the Profit and Loss Account. All activities relate to continuing operations except for Sector Sigma Nordic Fund which ceased trading on 27 April 2018 and Trient Dynamic Multi-Asset Fund which ceased trading on 26 October 2018.

Sector Sigma Nordic Fund and Trient Dynamic Multi-Asset Fund are translated in the Company total column at the average exchange rate of 0.1229.

SECTOR CAPITAL FUNDS PLC
Annual Report and Audited Financial Statements
For the financial year ended 31 December 2019

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES

For the financial year ended 31 December 2019

	Harvest Equity Kernel USD	Sector Healthcare Value Fund USD	Sector Sigma Nordic Fund NOK	Sector Capital Funds Plc USD
Net Assets attributable to holders of Redeemable Participating Shares at beginning of the financial year	277,655,063	110,624,786	–	388,279,849
Capital transactions:				
Issue of Redeemable Participating Shares	40,013,346	70,675,955	–	110,689,301
Redemption of Redeemable Participating Shares	(224,765,949)	(42,054,219)	–	(266,820,168)
Equalisation applied	–	(1,790,254)	–	(1,790,254)
Net (decrease)/increase in net assets resulting from capital transactions of Redeemable Participating Shares	(184,752,603)	26,831,482	–	(157,921,121)
Net increase in net assets attributable to holders of Redeemable Participating Shares resulting from operations	34,417,954	29,769,682	–	64,187,636
Net Assets attributable to holders of Redeemable Participating Shares at end of the financial year	127,320,414	167,225,950	–	294,546,364

Sector Sigma Nordic Fund ceased trading on 27 April 2018.

SECTOR CAPITAL FUNDS PLC
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STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES (Continued)

For the financial year ended 31 December 2018

	Harvest Equity Kernel USD	Sector Healthcare Value Fund USD	Sector Sigma Nordic Fund NOK
Net Assets attributable to holders of Redeemable Participating Shares at beginning of the financial year	301,737,481	93,152,725	255,753,828
Capital transactions:			
Issue of Redeemable Participating Shares	175,137,006	47,626,302	—
Redemption of Redeemable Participating Shares	(151,100,124)	(28,254,827)	(258,797,000)
Net increase/(decrease) in net assets resulting from capital transactions of Redeemable Participating Shares	24,036,882	19,371,475	(258,797,000)
Currency adjustment	—	—	—
Net (decrease)/increase in net assets attributable to holders of Redeemable Participating Shares resulting from operations	(48,119,300)	(1,899,414)	3,043,172
Net Assets attributable to holders of Redeemable Participating Shares at end of the financial year	277,655,063	110,624,786	—

Sector Sigma Nordic Fund and Trient Dynamic Multi-Asset Fund are translated in the total column at the average exchange rate of 0.1229.

Sector Sigma Nordic Fund ceased trading on 27 April 2018. Trient Dynamic Multi-Asset Fund ceased trading on 26 October 2018 and its authorisation was revoked by the Central Bank of Ireland on 9 December 2019.

SECTOR CAPITAL FUNDS PLC
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STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES (Continued)

For the financial year ended 31 December 2018

	Trient Dynamic Multi-Asset Fund NOK	Sector Capital Funds Plc USD
Net Assets attributable to holders of Redeemable Participating Shares at beginning of the financial year	–	426,168,899
Capital transactions:		
Issue of Redeemable Participating Shares	1,222,325,154	372,987,069
Redemption of Redeemable Participating Shares	(1,203,391,107)	(359,057,869)
Equalisation applied	–	(654,548)
Net increase in net assets resulting from capital transactions of Redeemable Participating Shares	18,934,047	13,274,652
Currency adjustment	–	153,453
Net decrease in net assets attributable to holders of Redeemable Participating Shares resulting from operations	(18,934,047)	(51,317,155)
Net Assets attributable to holders of Redeemable Participating Shares at end of the financial year	–	388,279,849

Sector Sigma Nordic Fund and Trient Dynamic Multi-Asset Fund are translated in the total column at the average exchange rate of 0.1229.

Sector Sigma Nordic Fund ceased trading on 27 April 2018. Trient Dynamic Multi-Asset Fund ceased trading on 26 October 2018 and its authorisation was revoked by the Central Bank of Ireland on 9 December 2019.

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SCHEDULE OF INVESTMENTS

As at 31 December 2019

Harvest Equity Kernel

<i>Investment</i>	<i>Units/Contracts</i>	<i>Fair Value as a % of Net Assets</i>	<i>Fair Value USD</i>
Financial Assets at Fair Value through profit or loss			
Equities			
<u>Australia</u>			
Aristocrat Leisure Ltd.	58,000	1.08%	1,372,763
Evolution Mining Ltd.	433,000	0.91%	1,156,634
Northern Star Resources Ltd.	167,403	1.05%	1,330,915
Santos Ltd.	252,500	1.14%	1,451,908
Wesfarmers Ltd.	50,904	1.16%	1,481,415
Total Australia		5.34%	6,793,635
<u>Bermuda</u>			
Essent Group Ltd.	25,100	1.02%	1,304,949
Total Bermuda		1.02%	1,304,949
<u>Brazil</u>			
B3 SA - Brasil Bolsa Balcao	126,000	1.06%	1,345,917
Cia de Transmissao de Energia Eletrica Paulista	335,700	1.48%	1,884,333
MRV Engenharia e Participacoes S.A.	284,700	1.20%	1,525,166
Sul America S.A.	126,500	1.48%	1,884,277
Telefonica Brasil SA	104,400	1.18%	1,504,738
Total Brazil		6.40%	8,144,431
<u>Canada</u>			
Agnico Eagle Mines Ltd.	25,700	1.25%	1,585,106
B2Gold Corp.	414,100	1.31%	1,663,745
CAE, Inc.	54,004	1.12%	1,431,777
Franco-Nevada Corp.	14,635	1.19%	1,511,796
Open Text Corp.	30,700	1.06%	1,354,659
Wheaton Precious Metals Corp.	50,600	1.18%	1,505,350
Total Canada		7.11%	9,052,433
<u>Cayman Islands</u>			
Anta Sports Products Ltd.	143,000	1.00%	1,280,096
China Conch Venture Holdings Ltd.	355,500	1.22%	1,551,246
Total Cayman Islands		2.22%	2,831,342
<u>China</u>			
Shenzhou International Group Holdings Ltd.	101,800	1.17%	1,488,105
Total China		1.17%	1,488,105
<u>Finland</u>			
Elisa Oyj	34,800	1.51%	1,923,853
Fortum Oyj	57,200	1.11%	1,412,554
Total Finland		2.62%	3,336,407
<u>France</u>			
Sanofi	15,400	1.22%	1,549,216
Sodexo S.A.	11,200	1.04%	1,328,232
Total France		2.26%	2,877,448
<u>Germany</u>			
Sartorius AG PFD	7,500	1.26%	1,606,298
Total Germany		1.26%	1,606,298
<u>Hong Kong</u>			
Guangdong Investment Ltd.	616,000	1.01%	1,288,637
Total Hong Kong		1.01%	1,288,637
<u>Ireland</u>			
Ingersoll-Rand Plc	12,100	1.26%	1,608,332
Total Ireland		1.26%	1,608,332

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SCHEDULE OF INVESTMENTS (Continued)

As at 31 December 2019

Harvest Equity Kernel (Continued)

<i>Investment</i>	<i>Units/Contracts</i>	<i>Fair Value as a % of Net Assets</i>	<i>Fair Value USD</i>
Financial Assets at Fair Value through profit or loss			
<u>(continued)</u>			
Equities (continued)			
<u>Japan</u>			
Azbil Corp.	71,800	1.60%	2,038,215
COMSYS Holdings Corp.	44,800	1.01%	1,292,367
IT Holdings Corp.	24,900	1.16%	1,473,264
KDDI Corp.	41,200	0.97%	1,233,251
Sawai Pharmaceutical Co. Ltd.	19,600	0.98%	1,248,052
SCSK Corp.	25,600	1.05%	1,335,652
Sony Corp.	22,100	1.18%	1,505,057
Toyo Suisan Kaisha Ltd.	41,200	1.38%	1,755,289
Total Japan		9.33%	11,881,147
<u>Korea, Republic Of</u>			
Samsung Electronics Co. Ltd.	32,500	1.23%	1,568,161
Total Korea, Republic Of		1.23%	1,568,161
<u>Netherlands</u>			
Akzo Nobel NV	17,100	1.37%	1,739,812
Total Netherlands		1.37%	1,739,812
<u>Norway</u>			
Mowi ASA	58,100	1.19%	1,508,816
Total Norway		1.19%	1,508,816
<u>South Africa</u>			
AngloGold Ashanti Ltd.	74,700	1.31%	1,668,798
Total South Africa		1.31%	1,668,798
<u>Spain</u>			
Repsol SA	95,699	1.18%	1,496,390
Total Spain		1.18%	1,496,390
<u>Sweden</u>			
Assa Abloy AB	55,200	1.01%	1,291,394
Total Sweden		1.01%	1,291,394
<u>Switzerland</u>			
Barry Callebaut AG	900	1.56%	1,987,091
Givaudan S.A.	600	1.48%	1,878,040
Roche Holding AG	7,800	1.99%	2,529,251
Swiss Life Holding AG	2,800	1.10%	1,404,699
Swisscom AG	3,300	1.37%	1,746,868
Total Switzerland		7.50%	9,545,949
<u>Taiwan</u>			
Taiwan Semiconductor Manufacturing Co. Ltd.	142,000	1.23%	1,567,935
Total Taiwan		1.23%	1,567,935
<u>Thailand</u>			
Advanced Info Service PCL	226,000	1.26%	1,607,078
Total Thailand		1.26%	1,607,078
<u>United Kingdom</u>			
Barrat Developments Plc	66,032	0.51%	653,095
GlaxoSmithKline Plc	77,998	1.45%	1,838,202
Royal Dutch Shell Plc	50,100	1.15%	1,471,448
Total United Kingdom		3.11%	3,962,745
<u>United States</u>			
Alphabet, Inc.	1,000	1.05%	1,339,390
Arthur J Gallagher & Co.	24,300	1.82%	2,314,089

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SCHEDULE OF INVESTMENTS (Continued)

As at 31 December 2019

Harvest Equity Kernel (Continued)

<i>Investment</i>	<i>Units/Contracts</i>	<i>Fair Value as a % of Net Assets</i>	<i>Fair Value USD</i>
<u>Financial Assets at Fair Value through profit or loss</u>			
<u>(continued)</u>			
<u>Equities (continued)</u>			
<u>United States (continued)</u>			
Atmos Energy Corp.	11,400	1.00%	1,275,204
CDW Corp.	12,800	1.44%	1,828,352
Copart, Inc.	16,600	1.19%	1,509,604
Dollar General Corp.	10,800	1.32%	1,684,584
EMCOR Group, Inc.	14,600	0.99%	1,259,980
Euronet Worldwide, Inc.	9,400	1.16%	1,481,064
Fidelity National Information Services, Inc.	10,800	1.18%	1,502,172
Merck & Co., Inc.	13,600	0.97%	1,236,920
Microsoft Corp.	9,500	1.18%	1,498,150
Newmont Goldcorp Corp.	35,602	1.22%	1,546,907
NextEra Energy, Inc.	5,200	0.99%	1,259,232
Republic Services, Inc.	21,500	1.51%	1,927,045
Skyworks Solutions, Inc.	13,400	1.27%	1,619,792
The Hershey Co.	9,300	1.07%	1,366,914
Thermo Fisher Scientific, Inc.	5,300	1.35%	1,721,811
Verizon Communications, Inc.	20,200	0.98%	1,240,280
Visa, Inc.	7,600	1.12%	1,428,040
Total United States		22.81%	29,039,530
Total Equities		84.20%	107,209,772
<u>Contracts-for-Difference</u>			
<u>China</u>			
Hangzhou Robam Appliances	289,400	0.06%	77,932
Sany Heavy Industry Co. Ltd.	665,300	0.12%	146,740
Zhongjin Gold Corp.	1,094,702	0.06%	76,455
Total China		0.24%	301,127
Total Contracts-for-Difference		0.24%	301,127
<u>Money Market Fund</u>			
Goldman Sachs US\$ Treasury Liquid Reserves Fund	2,418,909	1.90%	2,418,909
Total Money Market Fund		1.90%	2,418,909
<u>Real Estate Investment Trust</u>			
Blackstone Mortgage Trust, Inc.	38,700	1.13%	1,440,414
Lexington Realty Trust	141,495	1.18%	1,502,677
Total Real Estate Investment Trust		2.31%	2,943,091
<u>Right</u>			
<u>Spain</u>			
REPSOL SA -RTS	95,699	0.04%	45,440
Total Right		0.04%	45,440
Net unrealised gain on forward foreign currency contracts (Note 7)		2.71%	3,454,098
Total Financial Assets at Fair Value through profit or loss		91.40%	116,372,437
<u>Financial Liabilities at Fair Value through profit or loss</u>			
<u>Contracts-for-Difference</u>			
<u>China</u>			
China Yangtze Power Co Ltd.	636,653	(0.03)%	(33,798)
<u>India</u>			
Petronet LNG Ltd.	519,300	(0.05)%	(60,826)

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SCHEDULE OF INVESTMENTS (Continued)

As at 31 December 2019

Harvest Equity Kernel (Continued)

<i>Investment</i>	<i>Units/Contracts</i>	<i>Fair Value as a % of Net Assets</i>	<i>Fair Value USD</i>
<u>Financial Liabilities at Fair Value through profit or loss (continued)</u>			
Contracts-for-Difference (continued)			
Total Contracts-for-Difference		(0.08)%	(94,624)
Net unrealised loss on forward foreign currency contracts (Note 7)		(0.84)%	(1,033,419)
Total Financial Liabilities at Fair Value through profit or loss		(0.89)%	(1,128,043)
Total Investments at Fair Value		90.51%	115,244,394
Cash at bank and brokers		9.57%	12,181,481
Liabilities in excess of other assets		(0.08)%	(105,461)
Total Net Assets		100.00%	127,320,414

Goldman Sachs acts as the counterparty to all contracts-for-difference.

**ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN
OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET
EXCEPT FOR FORWARD FOREIGN CURRENCY CONTRACTS AND
CONTRACTS-FOR-DIFFERENCE WHICH ARE FINANCIAL DERIVATIVE
INSTRUMENTS**

<u>Analysis of Total Assets</u>	<u>% of Total Assets</u>
Transferable securities admitted to an official exchange listing or traded on a regulated market	87.42%
Financial derivative instruments	2.91%
Other assets	9.67%
Total Assets	100.00%

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SCHEDULE OF INVESTMENTS (Continued)

As at 31 December 2019

Sector Healthcare Value Fund

<i>Investment</i>	<i>Units/Contracts</i>	<i>Fair Value as a % of Net Assets</i>	<i>Fair Value USD</i>
<u>Financial Assets at Fair Value through profit or loss</u>			
<u>Equities</u>			
<u>France</u>			
Ipsen S.A.	11,294	0.60%	1,001,524
Sanofi	95,701	5.76%	9,627,372
Total France		6.36%	10,628,896
<u>Germany</u>			
Merck KGaA	41,921	2.97%	4,957,384
Total Germany		2.97%	4,957,384
<u>Hungary</u>			
Richter Gedeon Nyrt	79,299	1.03%	1,726,646
Total Hungary		1.03%	1,726,646
<u>Ireland</u>			
Perrigo Co. Plc	49,296	1.52%	2,546,631
Total Ireland		1.52%	2,546,631
<u>Japan</u>			
Astellas Pharma, Inc.	152,471	1.57%	2,623,609
Kyowa Hakko Kogyo Co. Ltd.	81,100	1.15%	1,920,132
Olympus Corp.	85,649	0.79%	1,331,136
Ono Pharmaceutical Co. Ltd.	80,438	1.11%	1,851,906
Otsuka Holdings Co. Ltd.	63,032	1.69%	2,832,162
Takeda Pharmaceutical Co. Ltd.	12,322	0.15%	243,113
Total Japan		6.46%	10,802,058
<u>Netherlands</u>			
Koninklijke Philips NV	109,176	3.19%	5,333,379
QIAGEN NV	61,359	1.24%	2,073,934
Total Netherlands		4.43%	7,407,313
<u>Sweden</u>			
Gefinge AB	188,195	2.09%	3,498,104
Total Sweden		2.09%	3,498,104
<u>Switzerland</u>			
Alcon, Inc.	32,640	1.10%	1,847,134
Roche Holding AG	13,768	2.67%	4,464,452
Total Switzerland		3.77%	6,311,586
<u>United Kingdom</u>			
ConvaTec Group Plc	343,733	0.54%	903,663
GlaxoSmithKline Plc	508,339	7.16%	11,980,179
Smith & Nephew Plc	190,677	2.77%	4,628,883
Total United Kingdom		10.47%	17,512,725
<u>United States</u>			
Abbott Laboratories	83,043	4.31%	7,213,115
Agilent Technologies, Inc.	39,091	1.99%	3,334,853
Agios Pharmaceuticals, Inc.	9,425	0.27%	450,044
Alexion Pharmaceuticals, Inc.	21,233	1.37%	2,296,349
Anthem, Inc.	10,625	1.92%	3,209,069
Biogen, Inc.	18,292	3.25%	5,427,785
BioMarin Pharmaceutical, Inc.	20,400	1.03%	1,724,820
Bio-Rad Laboratories, Inc.	4,996	1.10%	1,848,670
Bluebird Bio, Inc.	9,260	0.49%	812,565
Boston Scientific Corp.	125,000	3.38%	5,652,500
Bristol-Myers Squibb Co.	160,874	6.17%	10,326,502
Bruker Corp.	50,827	1.55%	2,590,652
Cardinal Health, Inc.	34,664	1.05%	1,753,305
Clovis Oncology, Inc.	65,778	0.41%	685,736

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SCHEDULE OF INVESTMENTS (Continued)

As at 31 December 2019

Sector Healthcare Value Fund (Continued)

<i>Investment</i>	<i>Units/Contracts</i>	<i>Fair Value as a % of Net Assets</i>	<i>Fair Value USD</i>
Financial Assets at Fair Value through profit or loss			
(continued)			
Equities (continued)			
United States (continued)			
Elanco Animal Health, Inc.	62,121	1.09%	1,829,463
Eli Lilly & Co.	15,524	1.22%	2,040,319
Gilead Sciences, Inc.	59,824	2.32%	3,887,364
Humana, Inc.	5,696	1.25%	2,087,698
Incyte Corp. Ltd.	42,650	2.23%	3,724,198
Ionis Pharmaceuticals, Inc.	32,834	1.19%	1,983,502
Johnson & Johnson	25,578	2.23%	3,731,063
Merck & Co., Inc.	55,814	3.04%	5,076,283
NuVasive, Inc.	55,337	2.56%	4,279,764
Patterson Cos., Inc.	68,967	0.84%	1,412,444
PerkinElmer, Inc.	34,200	1.99%	3,320,820
Portola Pharmaceuticals, Inc.	25,005	0.36%	597,119
PTC Therapeutics, Inc.	17,444	0.50%	837,835
Quest Diagnostics, Inc.	19,350	1.24%	2,066,386
Regeneron Pharmaceuticals, Inc.	4,450	1.00%	1,670,886
Sangamo Biosciences, Inc.	38,686	0.19%	323,802
Tenet Healthcare Corp.	35,217	0.80%	1,339,302
Ultragenyx Pharmaceutical, Inc.	34,353	0.88%	1,467,217
United Therapeutics Corp.	24,319	1.28%	2,142,018
Universal Health Services, Inc.	7,647	0.66%	1,097,039
Total United States		55.16%	92,240,487
Total Equities		94.26%	157,631,830
Money Market Fund			
Goldman Sachs US\$ Treasury Liquid Reserves Fund	8,279,975	4.95%	8,279,975
Total Money Market Fund		4.95%	8,279,975
Net unrealised gain on forward foreign currency contracts (Note 7)		2.34%	3,875,185
Total Financial Assets at Fair Value through profit or loss		101.55%	169,786,990
Financial Liabilities at Fair Value through profit or loss			
Net unrealised loss on forward foreign currency contracts (Note 7)		(0.06)%	(67,171)
Total Financial Liabilities at Fair Value through profit or loss		(0.06)%	(67,171)
Total Investments at Fair Value		101.49%	169,719,819
Cash at bank and brokers		(0.20)%	(326,790)
Liabilities in excess of other assets		(1.29)%	(2,167,079)
Total Net Assets		100.00%	167,225,950

ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FORWARD FOREIGN CURRENCY CONTRACTS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS

Analysis of Total Assets	% of Total Assets
Transferable securities admitted to an official exchange listing	
or traded on a regulated market	96.60%
Financial derivative instruments	2.26%
Other assets	1.14%
Total Assets	100.00%

The accompanying notes form an integral part of the financial statements

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NOTES TO THE FINANCIAL STATEMENTS

1. Organisation and Structure

Sector Capital Funds plc (the “Company”) was incorporated and registered in Ireland with registered number 489443 and is governed by the Companies Acts 2014 as an open-ended umbrella investment company with variable capital and with segregated liability between sub-funds on 27 September 2010. The Company is authorised by the Central Bank of Ireland pursuant to European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48 (1) (Undertakings for Collective Investment in Transferable Securities) Regulations, 2015 (the “Regulations”).

As at 31 December 2019, the Company has three funds in existence (31 December 2018: four), Sector Healthcare Value Fund, Sector Sigma Nordic Fund and Harvest Equity Kernel (formerly Sector Global Equity Kernel) (individually the “Fund”, and together the “Funds”). Effective 27 April 2018, Sector Sigma Nordic Fund ceased trading. Effective 26 October 2018 Trient Dynamic Multi-Asset Fund ceased trading and its authorisation was subsequently revoked by the Central Bank of Ireland on 9 December 2019.

Sector Healthcare Value Fund commenced trading on 17 November 2010. The base currency of Sector Healthcare Value Fund is United States Dollars (“USD”). As at 31 December 2019 nine classes are subscribed to in the Fund (31 December 2018: ten), Class A EUR Shares, Class A NOK Shares, Class A USD Shares, Class B EUR Shares, Class B NOK Shares, Class B SEK, Class B USD Shares, Class L NOK Shares and Class X USD Shares. Class A USD, Class A EUR and Class A NOK Shares were listed on Euronext Dublin on 18 November 2010 and Class B NOK Shares were listed on Euronext Dublin on 10 September 2013. Class X EUR Shares were fully redeemed during the year.

Harvest Equity Kernel commenced trading on 19 March 2014. The base currency of Harvest Equity Kernel is USD. Effective 2 January 2020, the Fund changed its name from Sector Global Equity Kernel to Harvest Equity Kernel. As at 31 December 2019 five classes are subscribed to in the Fund (31 December 2018: five), Class A NOK Shares, Class A USD Shares, Class P NOK Hedged Shares, Class P NOK Unhedged Shares and Class P USD Shares. Class P USD Shares were listed on Euronext Dublin on 27 March 2014.

Sector Sigma Nordic Fund commenced trading on 25 June 2012 and ceased trading effective 27 April 2018. The base currency of Sector Sigma Nordic Fund was Norwegian Krone (“NOK”). As at 31 December 2018, all share classes had been fully redeemed.

Trient Dynamic Multi-Asset Fund commenced trading on 23 April 2018 and ceased trading effective 26 October 2018. The base currency of Trient Dynamic Multi-Asset Fund was Norwegian Krone (“NOK”). As at 31 December 2018, all share classes had been fully redeemed.

Investment Objective

The investment objective of Sector Healthcare Value Fund is to achieve attractive long term investment returns relative to the MSCI Daily TR World Net Health Care USD (the “Index”). The Index is a capitalisation weighted index that monitors the performance of health care stocks from around the world. The Fund may invest in equities and financial instruments that are not part of the Index. There can be no guarantee that the investment objective of the Fund will be achieved.

The investment objective of Harvest Equity Kernel is to maximise long-term total return relative to MSCI ACWI Index (the “Index”). The Index is a free float-adjusted market capitalisation weighted index that is designed to measure the equity market performance of developed and emerging markets. The MSCI ACWI consists of 45 country indices comprising 24 developed and 21 emerging market country indices. There can be no guarantee that the investment objective of the Fund will be achieved.

The investment objective of Sector Sigma Nordic Fund was to generate attractive risk adjusted return for its investors, primarily through investment in Norway, Sweden, Denmark, Finland and Iceland (the “Nordic Region”) with the aim of generating positive returns over time in rising as well as falling equity markets.

The investment objective of Trient Dynamic Multi-Asset Fund was to seek to achieve long-term capital appreciation consistent with the preservation of capital. The Fund did seek to achieve its objective primarily through investment in a diversified portfolio of equities and bonds, but also through exposure to collective investment schemes (“CIS”) with similar investment objectives and policies to the Fund, and cash and cash equivalents. There was no guarantee that the investment objective of the Fund would have been achieved.

2. Summary of Significant Accounting Policies

The financial statements have been prepared in accordance with Financial Reporting Standard 102 (“FRS 102”), the Financial Reporting Standard applicable in the UK and Republic of Ireland, the Companies Acts 2014, the Regulations and the listing rules of Euronext Dublin.

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss in accordance with the European Communities (Fair Value Accounting) Regulations 2011.

The Company has availed of certain exemptions available to open-ended investment funds in FRS 102 not to prepare a cash flow statement in paragraph 7.1A of FRS 102.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. Summary of Significant Accounting Policies (Continued)

The preparation of financial statements in accordance with FRS 102 requires Directors to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the financial year. Actual results could differ from those estimates.

(a) Portfolio valuation

Investment transactions

(i) Classification

The Company classifies all of its investments as financial assets or financial liabilities at fair value through profit or loss. These financial instruments are designated on the basis that their fair value can be reliably measured and their performance has been evaluated on a fair value basis in accordance with the risk management and/or investment strategy as set out in the Company's Prospectus.

(ii) Recognition

The Company recognises financial assets and financial liabilities on the date it becomes party to the contractual provisions of the instrument. Investment transactions are accounted for on a trade date basis at cost. Purchases and sales of securities are accounted for on the trade date on which the transaction takes place. Transaction costs are expensed immediately to the Profit and Loss Account and not capitalised as part of cost of the investment.

(iii) Measurement

Financial assets and financial liabilities held for trading are measured at fair value. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arms length transaction.

Realised gains and losses on sales of investments are calculated on a First-In, First-Out ("FIFO") basis. Unrealised gains and losses on investments are recognised in the Profit and Loss Account. Forward foreign currency contracts and any other instruments held by the Company and traded on an exchange will be measured at fair value based on the last reported traded price on such regulated market as at the relevant valuation point.

If an investment is quoted, listed or normally dealt in on more than one market, the Directors may, in their absolute discretion, select any of such markets for the valuation purposes.

(iv) Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

(b) Forward foreign currency contracts

The unrealised gain or loss on open forward foreign currency contracts is calculated by reference to the difference between the contracted rate and the rate to close out the contract. Realised gains or losses include net gains on contracts which have been settled or offset by other contracts.

(c) Options

When the Company writes or purchases put or call options, an amount equal to the premium received or paid is recorded as a liability or an asset and is subsequently marked-to-market based on quoted market prices in the Balance Sheet. Premiums received or paid from writing or purchasing put or call options which are expired or were unexercised are recognised on the expiration date as realised gains or losses in the Profit and Loss Account. If an option is exercised, the premium received or paid is included with the proceeds or the cost of the transaction to determine whether the Company has realised a gain or loss on the related investment transaction in the Profit and Loss Account. When the Company enters into a closing transaction, the Company will realise a gain or loss in the Profit or Loss Account depending upon whether the amount from the closing transaction is greater or less than the premium received or paid.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. Summary of Significant Accounting Policies (Continued)

(d) Contracts-for-difference

A contract-for-difference (“CFD”) is a contract between two parties, buyer and seller, stipulating that the seller will pay to the buyer the difference between the current value of an asset (a security, instrument, basket or index) and its value at contract time. The payment flows are usually netted against each other, with the differences being paid by one party to the other. The unrealised gain or loss depends upon the prices at which the underlying financial instruments of the CFD is valued at and is included in the Profit and Loss Account.

(e) Foreign exchange translation

Items included in the Company’s financial statements are measured using the currency of the primary economic environment in which it operates (the “functional currency”). The functional currency of Harvest Equity Kernel is the United States Dollar (“USD”), due to the fact that the majority of the Fund’s assets are denominated in USD. The functional currency of Sector Healthcare Value Fund is the United States Dollar (“USD”), due to the fact that the majority of the Fund’s assets are denominated in USD and that a substantial portion of capital is issued in USD. The functional currency of Sector Sigma Nordic Fund and Trient Dynamic Multi-Asset Fund was Norwegian Krone (“NOK”), due to the fact that the majority of the Fund’s assets were denominated in NOK and that a substantial portion of capital was issued in NOK. Each Fund has adopted its functional currency as the presentation currency for these financial statements. Assets and liabilities expressed in foreign currencies are converted into the functional currency of each Fund using the exchange rates prevailing as at the balance sheet date. Transactions in foreign currencies are translated into the Fund’s functional currency at exchange rates ruling at the transaction dates. Gains and losses on foreign exchange transactions are recognised in the Profit and Loss Account in determining the result for the period.

At 31 December 2019, in accordance with FRS 102, a year end exchange rate of NOK/USD 0.1138 (31 December 2018: NOK/USD 0.1155) was used to translate the Balance Sheet of Sector Sigma Nordic Fund in arriving at the total USD value for the Company in the financial statements.

At 31 December 2019, the Profit and Loss Account and Statement of Changes in Net Assets attributable to holders of Redeemable Participating Shares of Sector Sigma Nordic Fund has been prepared using an average rate of exchange of NOK/USD 0.1137 (31 December 2018: NOK/USD 0.1229) in arriving at the total USD value for the Company in the financial statements. This results in a foreign currency translation profit/loss in the Statement of Changes in Net Assets attributable to holders of Redeemable Participating Shares when compared to the NOK/USD rate used at period end. The adjustment recorded in the Statement of Changes in Net Assets attributable to holders of Redeemable Participating Shares for the financial year ended 31 December 2019 was USDNil (31 December 2018: gain of USD153,453).

(f) Futures

For open futures contracts, changes in the value of the contract are recognised as unrealised gains or losses by “marking-to-market” the value of the contract at the balance sheet date. When the contract is closed, the difference between the proceeds from (or cost of) the closing transactions and the original transaction is recorded as a realised gain or loss. Futures contracts are valued at the settlement price established each day by the board or exchange on which they are traded.

(g) Offsetting financial instruments

Financial assets and financial liabilities may be offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. As at 31 December 2019 and 31 December 2018, no offsetting has been presented in the Balance Sheet.

(h) Income

Dividends are recognised as income on the dates that securities are first quoted “ex-dividend” to the extent information thereon is reasonably available to the Company. Interest income is accrued on a daily basis. Deposit interest is recognised as income on an accruals basis.

(i) Expenses

Operating expenses are accounted for on an accruals basis.

(j) Net asset value per share

The Net Asset Value per Share of each class is calculated by dividing the Net Asset Value attributable to a class by the number of shares of a class in issue as at the relevant valuation point.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. Summary of Significant Accounting Policies (Continued)

(k) Redeemable participating shares

Shares issued by each Fund provide shareholders with the right to redeem their shares, for cash equal to their proportional share of the net asset value of the Fund and are classified as financial liabilities in accordance with FRS 102. The Fund does not meet the requirement to be classified as equity as the Fund offers different classes of shares with varying rights attached to them. The liabilities to shareholders are presented on the Balance Sheet as “Net assets attributable to holders of Redeemable Participating Shares” and are determined based on the residual assets of the Fund after deducting the Fund’s other liabilities.

(l) Amounts due from/to broker

Amounts due from/to broker relate to the outstanding amounts pending settlement on forward foreign currency contracts and upfront cash payments for fully funded contracts-for-difference.

(m) Taxation

The Company incurs dividend withholding tax and other taxation imposed by certain countries on investment income and gains on investments. Dividend income is shown gross of any non-recoverable withholding taxes, which are disclosed separately in Profit and Loss Account.

(n) Transaction costs

Transaction costs are costs incurred to acquire financial assets or financial liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisers, brokers and dealers. Transaction costs, when incurred, are immediately recognised in profit or loss as an expense. For the financial year ended 31 December 2019 Harvest Equity Kernel incurred transaction costs of USD480,358 (31 December 2018: USD572,302), Sector Healthcare Value Fund incurred transaction costs of USD73,148 (31 December 2018: USD67,839), Sector Sigma Nordic incurred transaction costs of NOKNil (31 December 2018: NOK192,842) and Trient Dynamic Multi-Asset Fund incurred transaction costs of NOKNil (31 December 2018: NOK892,900).

(o) Cash

Cash at bank and brokers represents, cash and cash equivalents, with original maturities of three months or less held with the Depositary.

3. Dividend and Distribution Policy

The Directors do not currently intend to pay dividends. Accordingly, the price of the shares shall rise as income and capital gains accrue.

4. Taxation

The Company will not be liable to tax in respect of its income and gains, other than on the occurrence of a chargeable event. Generally a chargeable event arises on any distribution, redemption, repurchase, cancellation, transfer of shares or on the ending of a ‘Relevant Year’, a ‘Relevant Year’ being an eight year period beginning with the acquisition of the shares by the shareholders and each subsequent year of eight years beginning immediately after the preceding relevant year.

A chargeable event does not include:

- (i) Any transactions in relation to shares held in a recognised clearing system: or
- (ii) An exchange of shares representing a fund for another fund: or
- (iii) An exchange of shares arising on a qualifying amalgamation or reconstruction of a Fund with another fund: or
- (iv) Certain exchanges of shares between spouses and former spouses.

A chargeable event will not occur in respect of shareholders who are neither resident nor ordinarily resident in Ireland and who have provided the Company with a relevant declaration to that effect.

In the absence of an appropriate declaration, the Company will be liable to Irish Tax on the occurrence of a chargeable event. There were no chargeable events during the period under review. Capital gains, dividends and interest received may be subject to withholding taxes imposed by the country of origin and such taxes may not be recoverable by the Company or its shareholders.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. Exchange Rates

The following exchange rates (against USD) were used to convert the investments and other assets and liabilities denominated in currencies other than USD as at 31 December 2019 and 31 December 2018:

Currency	31 December 2019	31 December 2018
Australian Dollar	1.4225	1.4205
Brazilian Real	4.0225	3.8760
British Pound	0.7548	0.7852
Canadian Dollar	1.2967	1.3657
Chinese Renminbi	6.9638	6.8630
Danish Krone	6.6578	6.5274
Euro	0.8909	0.8747
Hong Kong Dollar	7.7942	7.8309
Hungarian Forint	-	277.7778
Japanese Yen	108.6957	109.8901
Korean Won	1,156.0693	1,110.9500
Norwegian Krone	8.7873	8.6580
Singapore Dollar	1.3446	1.3630
Swedish Krona	9.3633	8.8652
Swiss Franc	0.9683	0.9858
Taiwan Dollar	29.9401	30.7692
Thailand Baht	29.9401	-
Turkish Lira	5.9524	5.3192

The following exchange rates (against NOK) were used to convert the investments and other assets and liabilities denominated in currencies other than NOK as at 31 December 2019 and 31 December 2018:

Currency	31 December 2019	31 December 2018
Australian Dollar	-	0.1641
British Pound	0.0859	0.0907
Canadian Dollar	-	0.1577
Danish Krone	-	0.7539
Euro	-	0.1010
Hong Kong Dollar	-	0.9045
Japanese Yen	-	12.6923
Swedish Krona	1.0653	1.0239
Swiss Franc	-	0.1139
US Dollar	0.1138	0.1155

An average exchange rate of 0.1137 was used to convert NOK to USD in the Income Statement (31 December 2018: 0.1229).

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NOTES TO THE FINANCIAL STATEMENTS

6. Cash

As at 31 December 2019 and 31 December 2018 all cash balances (including overdrafts) are held with The Bank of New York Mellon SA/NV, Dublin Branch (the “Depositary”), DNB, Goldman Sachs.

	Harvest Equity Kernel USD	Sector Healthcare Value Fund USD	Sector Sigma Nordic Fund NOK	
31 December 2019				
BNY Mellon	2,208,736	(326,790)	185,244	
DNB	8,102,619	-	-	
Goldman Sachs	1,870,126	-	-	
	12,181,481	(326,790)	185,244	

	Harvest Equity Kernel USD	Sector Healthcare Value Fund USD	Sector Sigma Nordic Fund NOK	Trient Dynamic Multi-Asset Fund NOK
31 December 2018				
BNY Mellon	24,257,009	6,017,564	25,260	301,714
Goldman Sachs	2,235,669	-	-	-
	26,492,678	6,017,564	25,260	301,714

As at 31 December 2019, Harvest Equity Kernel pledged USD1,870,000 as collateral with Goldman Sachs (31 December 2018: USD2,250,000). Any overdrafts noted above are temporary in nature as they relate to timing differences only.

7. Financial Instruments and Associated Risks

Included in the Company’s financial instruments, but not limited to, are global equities and equity related securities (including but not limited to American Depositary Receipts, Global Depositary Receipts, European Depositary Receipts and other equity based derivatives), corporate bonds and government debt obligations that shall be listed or traded on any market.

The main risks arising from the Company’s financial instruments are market price, liquidity, interest rate, foreign currency and credit risks.

The Market Risk Group (“MRG”) functions across all Sector Investment Manager entities and the group is responsible for defining risk management related limits (“soft limits”) in addition to the investment restrictions found in the Prospectus and related supplements, in cooperation with the respective Investment Manager, securing that the Funds have a portfolio construction and risk exposure that are in line with the intentions of the individual Funds. The limits are generally related to exposure towards single positions and sectors, total portfolio exposure and Value-at-Risk (“VaR”). MRG consists of the CEO of Sector Asset Management AS (leader of MRG), Head of Fund Operations, the CCO and CEO of Sector Fund Services AS. The Head of Fund Operations has the mandate to give short term exceptions to the risk limits set by MRG if he/she finds that under certain market conditions, the limits have unintended adverse effects, for example in extreme market conditions. Such exceptions are reported to the other members of MRG and to the Group Chief Compliance Officer.

(a) Market price risk

Market price risk arises from uncertainty concerning future prices of financial instruments. The consequence might be a decline in the Fund’s value. The risk related to the Funds – i.e. a combination of the probability of loss and the consequences – must be weighed against the potential gain for the Fund. To limit the risk, the Funds are both diversified and constructed through fundamental analyses of the expected behaviour and volatility of the individual instruments while following each Fund’s investment objective.

Value-at-Risk

Value-at-Risk (VaR) represents the potential loss one might suffer given a defined confidence interval and time horizon. The measure is one of the main risk measures for the Company under normal market conditions.

The main risk management tool for VaR calculations was Bloomberg. For all Funds, the Bloomberg VaR calculation is based on Monte Carlo simulations at a 95% confidence interval i.e. that one in every 20 days is expected to be above this measure in the long run.

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NOTES TO FINANCIAL STATEMENTS (Continued)

7. Financial Instruments and Associated Risks (Continued)

(a) Market price risk (Continued)

For the financial year ended 31 December 2019

	Period end VaR	Gross Exposure*	Net Exposure**	lowest VaR	highest VaR	average VaR
Harvest Equity Kernel	0.82%	92.8%	92.8%	0.81%	1.11%	0.94%
Sector Healthcare Value Fund	1.18%	94.8%	94.8%	1.18%	1.42%	1.28%

For the financial year ended 31 December 2018

	Period end VaR	Gross Exposure*	Net Exposure**	lowest VaR	highest VaR	average VaR
Harvest Equity Kernel	1.07%	98.0%	98.0%	0.75%	1.07%	0.90%
Sector Healthcare Value Fund	1.36%	97.3%	97.3%	0.94%	1.38%	1.09%

* Exposure as % of NAV

** Net open position as % of NAV

Exposure

Exposure for pure equities is equal to the fair value of the securities. The total gross exposure of each Fund is the sum of the absolute values of all long and short exposures.

(b) Interest rate risk

Interest rate risk is the risk (variability in value) borne by an interest-bearing asset, due to variability of interest rates. In general, as rates rise, the price of a fixed rate bond will fall, and vice versa. Interest rate risk is commonly measured by the bond's duration. For the financial year ended 31 December 2019 and 31 December 2018 the Funds, have not invested in interest bearing assets, other than cash amounts. As at 31 December 2019 and 31 December 2018, the Funds do not have any significant fair value interest rate risk exposure.

Tables outlining the currency and interest exposure as at 31 December 2019 and 31 December 2018 are outlined in note 7(d).

(c) Liquidity risk

Liquidity risk is linked to the Funds having to realise assets in unfavourable market conditions with large losses as a consequence due to for example, redemptions in a Fund or a collapse in long asset values reducing the collateral held by counterparties leading to margin calls, if applicable. This means that there are two aspects that are monitored; what is the probability of the situation occurring and how fast can the Funds realise their positions without significant adverse effects on the value of the positions.

Liquidity of portfolio

The Company's Prospectus provides for daily subscription and redemption of shares in the Funds, therefore the Funds are exposed to a liquidity risk of meeting shareholder redemptions on a daily basis. The majority of the Funds' assets are comprised of publicly traded securities and are thus relatively easily realised. Still, with each Fund having the possibility to take positions in small cap equities, the ability of a Fund to realise assets within a short year of time without a large negative impact on the value of the assets is important. Some of the recognised exchanges on which a Fund may invest may prove to be less liquid or highly volatile from time to time. The Funds may invest a limited proportion of their assets in unquoted securities.

For the financial year ended 31 December 2019 and 31 December 2018, the Funds held very liquid assets and liquidity was monitored daily by the Investment Manager.

SECTOR CAPITAL FUNDS PLC
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NOTES TO FINANCIAL STATEMENTS (Continued)

7. Financial Instruments and Associated Risks (Continued)

(c) Liquidity risk (Continued)

The reports below are snapshots of the estimated liquidity of the Funds as at 31 December 2019:

Harvest Equity Kernel

Description	Cumulative
< 1 day	100%
1-2 days	100%
3-5 days	100%

Sector Healthcare Value Fund

Description	Cumulative
< 1 day	100%
1-2 days	100%
3-5 days	100%

The reports below are snapshots of the estimated liquidity of the Funds as at 31 December 2018:

Harvest Equity Kernel

Description	Cumulative
< 1 day	98%
1-2 days	100%
3-5 days	100%

Sector Healthcare Value Fund

Description	Cumulative
< 1 day	100%
1-2 days	100%
3-5 days	100%

(d) Foreign currency risk

Foreign currency risk is in reality a sub-group of market risk, but with its own idiosyncrasies, both with respect to a Fund's portfolio as well as the investor classes denominated in different currencies. Certain currency related transactions may, for example, be employed by the Funds in order to hedge against foreign exchange risk subject to the conditions and limits laid down by the Central Bank of Ireland. Such transactions include forward foreign currency contracts and may for example be executed in cases where an investment is in a currency other than the Fund's functional currency.

A substantial portion of the financial assets of the Funds are denominated in currencies other than the relevant Fund's functional currency with the effect that the balance sheet of the Funds can be significantly affected by currency movements.

Currency exposure for investor classes

The shares of the Company are denominated in United States Dollar (USD), Euro (EUR), Norwegian Krone (NOK) and Swedish Krona (SEK) and are issued and redeemed in those currencies. The Investment Manager may seek to hedge the foreign currency exposure of the assets attributable to the shares in order to neutralise as far as reasonably possible, the impact of fluctuations in exchange rates. This is done monthly in addition to when a Fund has more than 3% absolute return, month to date. There is no guarantee that such hedging will give returns that are equal regardless of which currency the shareholders have invested in. In addition, shareholders whose assets and liabilities are predominantly in currencies other than the currency of investment in the Company should take into account the potential risk of loss arising from fluctuations in value between USD, EUR, NOK or SEK being the currency of shareholder investment, and such other currencies as invested in by the Company.

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NOTES TO FINANCIAL STATEMENTS (Continued)

7. Financial Instruments and Associated Risks (Continued)

(d) Foreign currency risk (Continued)

Portfolio currency exposure

The Funds trade in many different markets across the world and in many different currencies. Thus, certain assets in the portfolio may, regardless of the shares of the Fund, be invested in securities which are denominated in currencies other than USD, EUR, NOK or SEK. Consequently, the value of such assets will be affected either favourably or unfavourably by fluctuations in currency rates. The exposure towards the different currencies based on the denomination of the securities is reported daily for each Fund. For each individual Fund, action towards currency exposure in the portfolio is taken by the Investment Manager based on reported exposure of the Fund's assets.

Amounts represented below primarily are monetary assets and monetary liabilities except for investments in non-interest bearing securities, which include equities and contracts-for-difference, which are non-monetary assets.

The foreign currency exposure as at 31 December 2019 is as follows:

	Cash at Bank and Brokers	Forward Currency Contracts	Investments in Interest Bearing Assets	Investments in Non-Interest Bearing Assets	Investments in Non-Interest Bearing Liabilities	Net Other Assets/ (Liabilities)	Total Net Asset Value
Harvest Equity Kernel							
Currency	USD	USD	USD	USD	USD	USD	USD
AUD	14,618	(165,274)	—	6,793,635	—	—	6,642,979
BRL	190,987	(304,599)	—	8,144,431	—	79,966	8,110,785
CAD	6,688	(108,862)	—	6,035,287	—	—	5,933,113
CHF	1,473,078	(194,029)	—	9,545,949	—	—	10,824,998
CNY	—	(47,163)	—	301,127	(33,798)	—	220,166
DKK	124	—	—	—	—	—	124
EUR	155,576	(147,497)	—	12,573,243	—	—	12,581,322
GBP	13,373	(30,352)	—	2,491,297	—	19,632	2,498,950
HKD	1,625	(20,553)	—	5,608,084	—	—	5,589,156
INR	—	(8,525)	—	—	(60,826)	—	(69,351)
JPY	33,961	(8,286)	—	11,881,147	—	—	11,906,822
KRW	—	(21,556)	—	1,568,161	—	7,760	1,554,365
NOK	148,739	3,540,510	—	1,508,816	—	10,897	5,208,962
SEK	—	(25,073)	—	1,291,394	—	33,346	1,299,667
SGD	436	—	—	—	—	—	436
THB	26,135	(12,366)	—	1,607,078	—	—	1,620,847
TRY	2	—	—	—	—	—	2
TWD	—	(25,696)	—	1,567,935	—	9,474	1,551,713
USD	10,116,139	—	2,418,909	39,581,846	—	(266,536)	51,850,358
Total	12,181,481	2,420,679	2,418,909	110,499,430	(94,624)	(105,461)	127,320,414

	Cash at Bank and Brokers	Forward Currency Contracts	Investments in Interest Bearing Assets	Investments in Non-Interest Bearing Assets	Investments in Non-Interest Bearing Liabilities	Net Other Assets/ (Liabilities)	Total Net Asset Value
Sector Healthcare Value Fund							
Currency	USD	USD	USD	USD	USD	USD	USD
CHF	529	—	—	6,311,586	—	—	6,312,115
DKK	252	—	—	—	—	—	252
EUR	1,649	104,551	—	20,919,659	—	—	21,025,859
GBP	1,794	—	—	17,512,725	—	127,950	17,642,469
HUF	10	—	—	1,726,646	—	—	1,726,656
JPY	(87,447)	—	—	10,558,945	—	1,193,731	11,665,229
NOK	(143,364)	3,664,896	—	—	—	—	3,521,532
SEK	37,819	38,567	—	3,498,104	—	(4,977)	3,569,513
USD	(138,032)	—	8,279,975	97,104,165	—	(3,483,783)	101,762,325
Total	(326,790)	3,808,014	8,279,975	157,631,830	—	(2,167,079)	167,225,950

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NOTES TO FINANCIAL STATEMENTS (Continued)

7. Financial Instruments and Associated Risks (Continued)

(d) Foreign currency risk (Continued)

	Cash at Bank and Brokers	Forward Currency Contracts	Investments in Interest Bearing Assets	Investments in Non-Interest Bearing Assets	Investments in Non-Interest Bearing Liabilities	Net Other Assets/ (Liabilities)	Total Net Asset Value
Sector Sigma Nordic Fund							
Currency	NOK	NOK	NOK	NOK	NOK	NOK	NOK
EUR	–	–	–	–	–	11,341	11,341
GBP	2,813	–	–	–	–	–	2,813
NOK	6,927	–	–	–	–	(196,585)	(189,658)
SEK	165,096	–	–	–	–	–	165,096
USD	10,408	–	–	–	–	–	10,408
Total	185,244	–	–	–	–	(185,244)	–

The foreign currency exposure as at 31 December 2018 is as follows:

	Cash at Bank and Brokers	Forward Currency Contracts	Investments in Interest Bearing Assets	Investments in Non-Interest Bearing Assets	Investments in Non-Interest Bearing Liabilities	Net Other Assets/ (Liabilities)	Total Net Asset Value
Harvest Equity Kernel							
Currency	USD	USD	USD	USD	USD	USD	USD
AUD	(2,095)	186,732	–	15,576,760	–	–	15,761,397
BRL	–	–	–	5,760,330	–	18,321	5,778,651
CAD	12,589	136,303	–	13,687,928	–	28,250	13,865,070
CHF	5	–	–	8,627,105	–	–	8,627,110
CNY	–	(30,658)	–	302,711	(388,744)	–	(116,691)
DKK	127	–	–	–	–	–	127
EUR	99	(86,662)	–	11,207,420	–	–	11,120,857
GBP	2,838,112	–	–	10,868,480	–	(2,719,683)	10,986,909
HKD	3,178	15,402	–	16,838,085	–	–	16,856,665
JPY	35	(615,919)	–	19,031,256	–	–	18,415,372
KRW	(28)	–	–	2,680,274	–	1,954	2,682,200
NOK	9,749	(2,656,545)	–	–	–	(1,180,214)	(3,827,010)
SEK	6	–	–	2,798,347	–	35,208	2,833,561
SGD	431	–	–	–	–	–	431
TRY	2	(35,203)	–	2,865,911	–	–	2,830,710
TWD	169,616	(29,701)	–	5,058,207	–	–	5,198,122
USD	23,460,852	(17,558)	–	148,751,271	–	(5,552,983)	166,641,582
Total	26,492,678	(3,133,809)	–	264,054,085	(388,744)	(9,369,147)	277,655,063

	Cash at Bank and Brokers	Forward Currency Contracts	Investments in Interest Bearing Assets	Investments in Non-Interest Bearing Assets	Investments in Non-Interest Bearing Liabilities	Net Other Assets/ (Liabilities)	Total Net Asset Value
Sector Healthcare Value Fund							
Currency	USD	USD	USD	USD	USD	USD	USD
CHF	845	–	–	3,396,440	–	–	3,397,285
DKK	257	–	–	–	–	–	257
EUR	11,958	14,030	–	14,437,401	–	–	14,463,389
GBP	3,857	–	–	11,346,899	–	45,220	11,395,976
HUF	278	–	–	356,030	–	–	356,308
JPY	50	–	–	7,725,681	–	30,810	7,756,541
NOK	41,005	(999,841)	–	–	–	–	(958,836)
SEK	3,033	18,965	–	1,847,194	–	31	1,869,223
USD	5,956,281	–	–	68,505,411	–	(2,117,049)	72,344,643
Total	6,017,564	(966,846)	–	107,615,056	–	(2,040,988)	110,624,786

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NOTES TO THE FINANCIAL STATEMENTS

7. Financial Instruments and Associated Risks (Continued)

(d) Foreign currency risk (Continued)

	Cash at Bank and Brokers	Forward Currency Contracts	Investments in Interest Bearing Assets	Investments in Non-Interest Bearing Assets	Investments in Non-Interest Bearing Liabilities	Net Other Assets/ (Liabilities)	Total Net Asset Value
Sector Sigma Nordic Fund							
Currency	NOK	NOK	NOK	NOK	NOK	NOK	NOK
DKK	–	–	–	–	–	2,585	2,585
EUR	3	–	–	–	–	1,085	1,088
GBP	2,665	–	–	–	–	–	2,665
NOK	10,234	–	–	–	–	(48,703)	(38,469)
SEK	–	–	–	–	–	29,806	29,806
USD	12,358	–	–	–	–	(10,033)	2,325
Total	25,260	–	–	–	–	(25,260)	–
Trient Dynamic Multi-Asset Fund							
Currency	NOK	NOK	NOK	NOK	NOK	NOK	NOK
AUD	–	–	–	–	–	1,213	1,213
CHF	–	–	–	–	–	3,619	3,619
EUR	2,084	–	–	–	–	6,533	8,617
GBP	9,670	–	–	–	–	105	9,775
JPY	(29)	–	–	–	–	29	–
NOK	289,956	–	–	–	–	(312,651)	(22,695)
SEK	–	–	–	–	–	1,348	1,348
USD	33	–	–	–	–	(1,910)	(1,877)
Total	301,714	–	–	–	–	(301,714)	–

As at 31 December 2019 the following forward foreign currency contracts were held by the Funds:

Harvest Equity Kernel

Maturity Date	Counterparty	Sale Currency	Amount	Purchase Currency	Amount	Unrealised gain/(loss) USD
07 January 2020	BNY Mellon	AUD	(735,280)	NOK	4,567,442	2,837
07 January 2020	BNY Mellon	AUD	(6,043,037)	NOK	37,538,386	23,319
07 January 2020	BNY Mellon	AUD	(49,288)	NOK	309,670	589
07 January 2020	BNY Mellon	AUD	(59,176)	NOK	365,172	(48)
07 January 2020	BNY Mellon	BRL	(275,419)	USD	67,951	(498)
07 January 2020	BNY Mellon	BRL	(206,410)	USD	50,671	(627)
07 January 2020	BNY Mellon	BRL	(2,471,187)	USD	581,005	(33,153)
07 January 2020	BNY Mellon	BRL	(20,035,342)	USD	4,710,541	(268,792)
07 January 2020	BNY Mellon	CAD	(598,253)	NOK	4,115,630	7,004
07 January 2020	BNY Mellon	CAD	(4,916,974)	NOK	33,825,900	57,573
07 January 2020	BNY Mellon	CAD	(57,461)	NOK	395,264	669
07 January 2020	BNY Mellon	CHF	(803,380)	NOK	7,400,867	12,233
07 January 2020	BNY Mellon	CHF	(6,801,408)	NOK	62,655,717	103,564
07 January 2020	BNY Mellon	CHF	(42,726)	NOK	398,955	1,260
07 January 2020	BNY Mellon	CHF	(34,851)	NOK	321,009	526
07 January 2020	BNY Mellon	CHF	(44,431)	NOK	408,982	640
07 January 2020	BNY Mellon	CNY	(312,221)	USD	44,636	(189)
07 January 2020	BNY Mellon	CNY	(336,671)	USD	48,124	(211)
07 January 2020	BNY Mellon	CNY	(3,001,664)	USD	425,971	(4,968)
07 January 2020	BNY Mellon	CNY	(25,034,277)	USD	3,552,656	(41,434)
07 January 2020	BNY Mellon	EUR	(958,921)	NOK	9,700,826	27,144
07 January 2020	BNY Mellon	EUR	(7,997,530)	NOK	80,906,184	226,388
07 January 2020	BNY Mellon	EUR	(28,503)	NOK	290,866	1,093
07 January 2020	BNY Mellon	EUR	(48,275)	NOK	485,877	1,083
07 January 2020	BNY Mellon	EUR	(46,808)	NOK	470,336	962
07 January 2020	BNY Mellon	GBP	(106,488)	NOK	1,256,310	1,875
07 January 2020	BNY Mellon	GBP	(872,028)	NOK	10,287,948	15,362
07 January 2020	BNY Mellon	GBP	(48,757)	NOK	586,306	2,120
07 January 2020	BNY Mellon	GBP	(301,860)	NOK	3,629,872	13,125
07 January 2020	BNY Mellon	HKD	(507,858)	USD	65,213	42

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NOTES TO FINANCIAL STATEMENTS (Continued)

7. Financial Instruments and Associated Risks (Continued)

(d) Foreign currency risk (Continued)

Harvest Equity Kernel (continued)

Maturity Date	Counterparty	Sale Currency	Amount	Purchase Currency	Amount	Unrealised gain/(loss) USD
07 January 2020	BNY Mellon	HKD	(3,341,616)	USD	426,685	(2,126)
07 January 2020	BNY Mellon	HKD	(27,546,634)	USD	3,517,382	(17,521)
07 January 2020	BNY Mellon	INR	(12,707,943)	USD	177,028	(1,329)
07 January 2020	BNY Mellon	INR	(90,568,483)	USD	1,261,663	(9,474)
07 January 2020	BNY Mellon	JPY	(3,589,310)	NOK	304,535	1,616
07 January 2020	BNY Mellon	JPY	(80,775,938)	NOK	6,796,461	29,885
07 January 2020	BNY Mellon	JPY	(663,872,353)	NOK	55,858,002	245,613
07 January 2020	BNY Mellon	JPY	(5,968,480)	NOK	491,905	1,038
07 January 2020	BNY Mellon	KRW	(133,401,359)	USD	113,374	(2,196)
07 January 2020	BNY Mellon	KRW	(1,092,426,164)	USD	928,421	(17,980)
07 January 2020	BNY Mellon	NOK	(5,242,284)	AUD	852,547	2,811
07 January 2020	BNY Mellon	NOK	(34,948,123)	AUD	5,683,574	18,734
07 January 2020	BNY Mellon	NOK	(2,590,263)	AUD	418,262	(713)
07 January 2020	BNY Mellon	NOK	(4,510,894)	CAD	670,134	3,447
07 January 2020	BNY Mellon	NOK	(30,716,643)	CAD	4,563,237	23,473
07 January 2020	BNY Mellon	NOK	(3,109,257)	CAD	452,004	(5,262)
07 January 2020	BNY Mellon	NOK	(1,047,850)	CHF	115,717	304
07 January 2020	BNY Mellon	NOK	(9,127,657)	CHF	1,007,995	2,651
07 January 2020	BNY Mellon	NOK	(7,481,963)	CHF	824,106	(47)
07 January 2020	BNY Mellon	NOK	(50,426,068)	CHF	5,554,217	(321)
07 January 2020	BNY Mellon	NOK	(3,101,992)	CHF	332,207	(9,798)
07 January 2020	BNY Mellon	NOK	(4,616,946)	EUR	452,434	(17,354)
07 January 2020	BNY Mellon	NOK	(9,915,783)	EUR	1,006,572	1,904
07 January 2020	BNY Mellon	NOK	(66,814,897)	EUR	6,782,521	12,829
07 January 2020	BNY Mellon	NOK	(1,032,122)	EUR	103,347	(1,404)
07 January 2020	BNY Mellon	NOK	(9,474,341)	EUR	948,669	(12,882)
07 January 2020	BNY Mellon	NOK	(1,842,616)	GBP	159,621	1,802
07 January 2020	BNY Mellon	NOK	(13,917,820)	GBP	1,205,662	13,615
07 January 2020	BNY Mellon	NOK	(3,206,405)	JPY	38,885,035	(6,947)
07 January 2020	BNY Mellon	NOK	(7,592,901)	JPY	94,076,043	1,911
07 January 2020	BNY Mellon	NOK	(52,651,597)	JPY	652,353,286	13,254
07 January 2020	BNY Mellon	NOK	(945,875)	SEK	1,003,976	(354)
07 January 2020	BNY Mellon	NOK	(7,760,691)	SEK	8,237,395	(2,909)
07 January 2020	BNY Mellon	NOK	(59,026,172)	USD	6,714,229	(3,248)
07 January 2020	BNY Mellon	NOK	(397,817,779)	USD	45,251,787	(21,892)
07 January 2020	BNY Mellon	NOK	(876,346)	USD	99,386	(347)
07 January 2020	BNY Mellon	NOK	(4,403,585)	USD	492,224	(8,926)
07 January 2020	BNY Mellon	NOK	(629,242)	USD	69,809	(1,802)
07 January 2020	BNY Mellon	NOK	(20,548,213)	USD	2,279,655	(58,836)
07 January 2020	BNY Mellon	NOK	(1,272,499)	USD	141,100	(3,717)
07 January 2020	BNY Mellon	NOK	(37,635,553)	USD	4,173,202	(109,915)
07 January 2020	BNY Mellon	NOK	(471,192)	USD	51,298	(2,326)
07 January 2020	BNY Mellon	NOK	(38,711,123)	USD	4,214,404	(191,118)
07 January 2020	BNY Mellon	SEK	(990,164)	NOK	945,875	1,830
07 January 2020	BNY Mellon	SEK	(8,124,070)	NOK	7,760,691	15,019
07 January 2020	BNY Mellon	THB	(3,831,622)	USD	126,749	(1,193)
07 January 2020	BNY Mellon	THB	(31,911,397)	USD	1,055,620	(9,931)
07 January 2020	BNY Mellon	TWD	(3,228,084)	USD	105,821	(2,124)
07 January 2020	BNY Mellon	TWD	(27,598,746)	USD	904,729	(18,152)
07 January 2020	BNY Mellon	USD	(734,362)	BRL	2,953,016	(457)
07 January 2020	BNY Mellon	USD	(4,982,429)	BRL	20,035,342	(3,097)
07 January 2020	BNY Mellon	USD	(522,942)	CNY	3,650,556	1,157
07 January 2020	BNY Mellon	USD	(3,586,157)	CNY	25,034,277	7,934
07 January 2020	BNY Mellon	USD	(274,916)	HKD	2,140,977	(177)
07 January 2020	BNY Mellon	USD	(494,214)	HKD	3,849,474	(233)
07 January 2020	BNY Mellon	USD	(3,261,702)	HKD	25,405,657	(1,538)
07 January 2020	BNY Mellon	USD	(178,171)	INR	12,707,943	186
07 January 2020	BNY Mellon	USD	(1,269,809)	INR	90,568,483	1,328
07 January 2020	BNY Mellon	USD	(115,240)	KRW	133,401,359	329
07 January 2020	BNY Mellon	USD	(943,699)	KRW	1,092,426,164	2,702
07 January 2020	BNY Mellon	USD	(6,452,569)	NOK	59,070,080	269,905
07 January 2020	BNY Mellon	USD	(53,102,731)	NOK	486,129,268	2,221,243
07 January 2020	BNY Mellon	USD	(51,498)	NOK	463,878	1,294

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NOTES TO FINANCIAL STATEMENTS (Continued)

7. Financial Instruments and Associated Risks (Continued)

(d) Foreign currency risk (Continued)

Harvest Equity Kernel (continued)

Maturity Date	Counterparty	Sale Currency	Amount	Purchase Currency	Amount	Unrealised gain/(loss) USD
07 January 2020	BNY Mellon	USD	(1,159,347)	NOK	10,398,429	24,047
07 January 2020	BNY Mellon	USD	(239,396)	NOK	2,147,190	4,965
07 January 2020	BNY Mellon	USD	(66,329)	NOK	594,303	1,306
07 January 2020	BNY Mellon	USD	(293,567)	NOK	2,588,556	1,024
07 January 2020	BNY Mellon	USD	(127,891)	THB	3,831,622	51
07 January 2020	BNY Mellon	USD	(1,065,133)	THB	31,911,397	418
07 January 2020	BNY Mellon	USD	(107,488)	TWD	3,228,084	457
07 January 2020	BNY Mellon	USD	(918,978)	TWD	27,598,746	3,903
03 February 2020	BNY Mellon	AUD	(852,458)	NOK	5,242,284	(3,077)
03 February 2020	BNY Mellon	AUD	(5,682,982)	NOK	34,948,123	(20,511)
03 February 2020	BNY Mellon	BRL	(2,953,016)	USD	733,523	260
03 February 2020	BNY Mellon	BRL	(20,035,342)	USD	4,976,736	1,765
03 February 2020	BNY Mellon	CAD	(670,402)	NOK	4,510,894	(3,655)
03 February 2020	BNY Mellon	CAD	(4,565,060)	NOK	30,716,643	(24,890)
03 February 2020	BNY Mellon	CHF	(823,481)	NOK	7,481,963	(842)
03 February 2020	BNY Mellon	CHF	(5,550,002)	NOK	50,426,068	(5,673)
03 February 2020	BNY Mellon	CNY	(3,650,556)	USD	522,559	(1,203)
03 February 2020	BNY Mellon	CNY	(25,034,277)	USD	3,583,535	(8,249)
03 February 2020	BNY Mellon	EUR	(1,005,306)	NOK	9,915,783	(2,264)
03 February 2020	BNY Mellon	EUR	(6,773,991)	NOK	66,814,897	(15,261)
03 February 2020	BNY Mellon	GBP	(159,592)	NOK	1,842,616	(1,904)
03 February 2020	BNY Mellon	GBP	(1,205,442)	NOK	13,917,820	(14,380)
03 February 2020	BNY Mellon	HKD	(3,849,474)	USD	493,996	131
03 February 2020	BNY Mellon	HKD	(25,405,657)	USD	3,260,264	869
03 February 2020	BNY Mellon	INR	(12,707,943)	USD	177,971	94
03 February 2020	BNY Mellon	INR	(90,568,483)	USD	1,268,386	670
03 February 2020	BNY Mellon	JPY	(22,431,032)	NOK	1,816,425	(55)
03 February 2020	BNY Mellon	JPY	(115,332,164)	NOK	9,339,393	(286)
03 February 2020	BNY Mellon	JPY	(93,977,335)	NOK	7,592,901	(2,192)
03 February 2020	BNY Mellon	JPY	(651,668,816)	NOK	52,651,597	(15,201)
03 February 2020	BNY Mellon	KRW	(133,401,359)	USD	115,140	(480)
03 February 2020	BNY Mellon	KRW	(1,092,426,164)	USD	942,885	(3,931)
03 February 2020	BNY Mellon	NOK	(3,521,704)	USD	400,524	(307)
03 February 2020	BNY Mellon	SEK	(1,003,528)	NOK	945,875	277
03 February 2020	BNY Mellon	SEK	(8,233,721)	NOK	7,760,691	2,272
03 February 2020	BNY Mellon	THB	(3,831,622)	USD	127,840	(184)
03 February 2020	BNY Mellon	THB	(31,911,397)	USD	1,064,707	(1,527)
03 February 2020	BNY Mellon	TWD	(1,072,033)	USD	35,897	(20)
03 February 2020	BNY Mellon	TWD	(3,228,084)	USD	107,131	(1,022)
03 February 2020	BNY Mellon	TWD	(27,598,746)	USD	915,928	(8,739)
03 February 2020	BNY Mellon	USD	(6,716,358)	NOK	59,026,172	1,847
03 February 2020	BNY Mellon	USD	(45,266,132)	NOK	397,817,779	12,448
03 February 2020	BNY Mellon	USD	(93,510)	NOK	822,208	72
Total unrealised gain on forward foreign currency contracts						2,420,679

Sector Healthcare Value Fund

Maturity Date	Counterparty	Sale Currency	Amount	Purchase Currency	Amount	Unrealised gain/(loss) USD
02 January 2020	BNY Mellon	EUR	(5,219,422)	USD	5,846,953	(12,579)
02 January 2020	BNY Mellon	EUR	(222,318)	USD	249,047	(536)
02 January 2020	BNY Mellon	EUR	(600,398)	USD	668,781	(5,250)
02 January 2020	BNY Mellon	NOK	(103,281,898)	USD	11,757,275	3,602
02 January 2020	BNY Mellon	NOK	(591,783,518)	USD	67,366,708	20,634
02 January 2020	BNY Mellon	NOK	(77,428,631)	USD	8,814,223	2,700
02 January 2020	BNY Mellon	NOK	(450,000)	USD	50,257	(954)
02 January 2020	BNY Mellon	NOK	(210,927)	USD	23,005	(999)
02 January 2020	BNY Mellon	NOK	(1,400,000)	USD	151,828	(7,494)
02 January 2020	BNY Mellon	SEK	(16,766,022)	USD	1,796,945	5,711
02 January 2020	BNY Mellon	SEK	(30,000)	USD	3,191	(14)

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NOTES TO FINANCIAL STATEMENTS (Continued)

7. Financial Instruments and Associated Risks (Continued)

(d) Foreign currency risk (Continued)

Sector Healthcare Value Fund (continued)

Maturity Date	Counterparty	Sale Currency	Amount	Purchase Currency	Amount	Unrealised gain/(loss) USD
02 January 2020	BNY Mellon	SEK	(301,859)	USD	32,031	(219)
02 January 2020	BNY Mellon	SEK	(362,763)	USD	38,488	(268)
02 January 2020	BNY Mellon	SEK	(24,340)	USD	2,565	(35)
02 January 2020	BNY Mellon	SEK	(98,683)	USD	10,400	(143)
02 January 2020	BNY Mellon	USD	(6,243,439)	EUR	5,654,951	105,035
02 January 2020	BNY Mellon	USD	(237,987)	EUR	215,555	4,004
02 January 2020	BNY Mellon	USD	(184,130)	EUR	164,869	959
02 January 2020	BNY Mellon	USD	(7,553)	EUR	6,763	39
02 January 2020	BNY Mellon	USD	(11,128,226)	NOK	102,156,478	497,373
02 January 2020	BNY Mellon	USD	(58,793,380)	NOK	539,719,874	2,627,754
02 January 2020	BNY Mellon	USD	(8,164,444)	NOK	74,949,131	364,908
02 January 2020	BNY Mellon	USD	(80,033)	NOK	737,980	3,950
02 January 2020	BNY Mellon	USD	(202,279)	NOK	1,851,953	8,477
02 January 2020	BNY Mellon	USD	(77,399)	NOK	710,776	3,489
02 January 2020	BNY Mellon	USD	(49,981)	NOK	457,523	2,086
02 January 2020	BNY Mellon	USD	(86,651)	NOK	792,175	3,500
02 January 2020	BNY Mellon	USD	(171,008)	NOK	1,562,703	6,831
02 January 2020	BNY Mellon	USD	(698,176)	NOK	6,378,924	27,757
02 January 2020	BNY Mellon	USD	(47,113)	NOK	431,000	1,936
02 January 2020	BNY Mellon	USD	(270,486)	NOK	2,459,594	9,420
02 January 2020	BNY Mellon	USD	(49,330)	NOK	446,009	1,427
02 January 2020	BNY Mellon	USD	(915,626)	NOK	8,249,437	23,175
02 January 2020	BNY Mellon	USD	(274,445)	NOK	2,479,500	7,727
02 January 2020	BNY Mellon	USD	(282,399)	NOK	2,544,486	7,168
02 January 2020	BNY Mellon	USD	(329,337)	NOK	2,975,420	9,271
02 January 2020	BNY Mellon	USD	(1,949,575)	NOK	17,613,599	54,886
02 January 2020	BNY Mellon	USD	(94,219)	NOK	849,605	2,468
02 January 2020	BNY Mellon	USD	(594,205)	NOK	5,330,097	12,370
02 January 2020	BNY Mellon	USD	(155,182)	NOK	1,389,489	2,944
02 January 2020	BNY Mellon	USD	(52,484)	NOK	469,221	914
02 January 2020	BNY Mellon	USD	(1,741,789)	SEK	16,668,530	39,029
02 January 2020	BNY Mellon	USD	(2,681)	SEK	25,595	53
02 January 2020	BNY Mellon	USD	(11,291)	SEK	107,498	194
02 January 2020	BNY Mellon	USD	(6,569)	SEK	62,525	111
02 January 2020	BNY Mellon	USD	(626)	SEK	5,931	8
02 January 2020	BNY Mellon	USD	(5,815)	SEK	55,173	79
02 January 2020	BNY Mellon	USD	(8,187)	SEK	77,869	132
02 January 2020	BNY Mellon	USD	(2,238)	SEK	21,000	6
02 January 2020	BNY Mellon	USD	(55,404)	SEK	519,234	69
02 January 2020	BNY Mellon	USD	(1,396)	SEK	13,057	(1)
02 January 2020	BNY Mellon	USD	(2,902)	SEK	27,255	10
03 February 2020	BNY Mellon	USD	(5,858,895)	EUR	5,219,422	12,353
03 February 2020	BNY Mellon	USD	(249,556)	EUR	222,318	526
03 February 2020	BNY Mellon	USD	(31,970)	NOK	280,805	(10)
03 February 2020	BNY Mellon	USD	(11,759,623)	NOK	103,281,898	(4,347)
03 February 2020	BNY Mellon	USD	(67,380,162)	NOK	591,783,518	(24,908)
03 February 2020	BNY Mellon	USD	(8,815,983)	NOK	77,428,631	(3,259)
03 February 2020	BNY Mellon	USD	(170,343)	NOK	1,497,512	100
03 February 2020	BNY Mellon	USD	(6,112)	SEK	56,866	(27)
03 February 2020	BNY Mellon	USD	(1,800,137)	SEK	16,766,022	(6,128)
Total unrealised gain on forward foreign currency contracts						3,808,014

As at 31 December 2018 the following forward foreign currency contracts were held by the Funds:

Harvest Equity Kernel

Maturity Date	Counterparty	Sale Currency	Amount	Purchase Currency	Amount	Unrealised gain/(loss) USD
04 January 2019	BNY Mellon	AUD	(321,671)	NOK	2,008,901	5,565
04 January 2019	BNY Mellon	AUD	(8,870,653)	NOK	55,399,001	153,471

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NOTES TO FINANCIAL STATEMENTS (Continued)

7. Financial Instruments and Associated Risks (Continued)

(d) Foreign currency risk (Continued)

Harvest Equity Kernel (continued)

Maturity Date	Counterparty	Sale Currency	Amount	Purchase Currency	Amount	Unrealised gain/(loss) USD
04 January 2019	BNY Mellon	AUD	(13,836)	NOK	85,085	87
04 January 2019	BNY Mellon	AUD	(6,350)	NOK	38,899	22
04 January 2019	BNY Mellon	AUD	(22,427)	NOK	138,638	224
04 January 2019	BNY Mellon	AUD	(305,192)	NOK	1,886,588	3,040
04 January 2019	BNY Mellon	CAD	(22,103)	NOK	142,971	329
04 January 2019	BNY Mellon	CAD	(514,628)	NOK	3,310,086	5,501
04 January 2019	BNY Mellon	CAD	(13,947,436)	NOK	89,709,908	149,091
04 January 2019	BNY Mellon	CAD	(31,125)	NOK	197,761	52
04 January 2019	BNY Mellon	CAD	(22,804)	NOK	146,349	206
04 January 2019	BNY Mellon	CAD	(169,171)	NOK	1,085,679	1,527
04 January 2019	BNY Mellon	CHF	(151,787)	NOK	1,304,743	(3,326)
04 January 2019	BNY Mellon	CHF	(4,113,720)	NOK	35,361,126	(90,151)
04 January 2019	BNY Mellon	CHF	(8,131)	NOK	69,690	(201)
04 January 2019	BNY Mellon	CHF	(7,535)	NOK	65,119	(124)
04 January 2019	BNY Mellon	CHF	(51,926)	NOK	448,773	(858)
04 January 2019	BNY Mellon	CNY	(1,128,861)	USD	163,414	(1,028)
04 January 2019	BNY Mellon	CNY	(26,158,367)	USD	3,786,677	(23,838)
04 January 2019	BNY Mellon	CNY	(567,819)	USD	82,031	(684)
04 January 2019	BNY Mellon	CNY	(13,962,596)	USD	2,017,133	(16,812)
04 January 2019	BNY Mellon	EUR	(191,326)	NOK	1,861,808	(3,735)
04 January 2019	BNY Mellon	EUR	(5,164,273)	NOK	50,254,054	(100,826)
04 January 2019	BNY Mellon	EUR	(9,877)	NOK	95,877	(221)
04 January 2019	BNY Mellon	EUR	(8,467)	NOK	82,496	(153)
04 January 2019	BNY Mellon	EUR	(108,782)	NOK	1,059,861	(1,975)
04 January 2019	BNY Mellon	GBP	(105,784)	NOK	1,154,337	(1,420)
04 January 2019	BNY Mellon	GBP	(2,922,528)	NOK	31,891,205	(39,240)
04 January 2019	BNY Mellon	GBP	(6,255)	NOK	68,062	(107)
04 January 2019	BNY Mellon	GBP	(4,427)	NOK	48,287	(62)
04 January 2019	BNY Mellon	GBP	(5,413)	NOK	58,676	(119)
04 January 2019	BNY Mellon	GBP	(65,014)	NOK	703,351	(1,578)
04 January 2019	BNY Mellon	GBP	(1,577,493)	NOK	17,065,949	(38,272)
04 January 2019	BNY Mellon	HKD	(70,690)	USD	9,046	16
04 January 2019	BNY Mellon	HKD	(1,872,394)	USD	239,602	424
04 January 2019	BNY Mellon	HKD	(108,708)	USD	13,923	37
04 January 2019	BNY Mellon	HKD	(60,715)	USD	7,770	14
04 January 2019	BNY Mellon	HKD	(455,206)	USD	58,265	118
04 January 2019	BNY Mellon	HKD	(10,874,015)	USD	1,391,831	2,796
04 January 2019	BNY Mellon	HKD	(2,655,788)	USD	339,769	521
04 January 2019	BNY Mellon	HKD	(70,122,203)	USD	8,971,095	13,757
04 January 2019	BNY Mellon	HKD	(172,893)	USD	22,122	37
04 January 2019	BNY Mellon	HKD	(4,634,456)	USD	592,990	989
04 January 2019	BNY Mellon	HKD	(189,679)	USD	24,243	14
04 January 2019	BNY Mellon	HKD	(4,465,358)	USD	570,721	321
04 January 2019	BNY Mellon	JPY	(9,794,983)	NOK	745,183	(3,236)
04 January 2019	BNY Mellon	JPY	(217,615,781)	NOK	16,555,779	(71,903)
04 January 2019	BNY Mellon	JPY	(982,572)	NOK	74,496	(354)
04 January 2019	BNY Mellon	JPY	(48,539,144)	NOK	3,664,023	(19,357)
04 January 2019	BNY Mellon	JPY	(1,349,849,508)	NOK	101,894,660	(538,323)
04 January 2019	BNY Mellon	JPY	(709,421)	NOK	53,517	(287)
04 January 2019	BNY Mellon	JPY	(3,103,085)	NOK	233,543	(1,319)
04 January 2019	BNY Mellon	NOK	(613,334)	AUD	100,126	(349)
04 January 2019	BNY Mellon	NOK	(2,271,523)	AUD	368,288	(3,079)
04 January 2019	BNY Mellon	NOK	(54,315,294)	AUD	8,806,281	(73,618)
04 January 2019	BNY Mellon	NOK	(2,356,961)	AUD	375,258	(8,040)
04 January 2019	BNY Mellon	NOK	(3,224,000)	CAD	503,027	(4,052)
04 January 2019	BNY Mellon	NOK	(77,012,905)	CAD	12,015,993	(96,800)
04 January 2019	BNY Mellon	NOK	(573,167)	CAD	89,324	(797)
04 January 2019	BNY Mellon	NOK	(13,782,682)	CAD	2,147,936	(19,166)
04 January 2019	BNY Mellon	NOK	(1,388,194)	CHF	161,766	3,814
04 January 2019	BNY Mellon	NOK	(1,439,552)	CHF	164,556	713
04 January 2019	BNY Mellon	NOK	(34,421,705)	CHF	3,934,764	17,056
04 January 2019	BNY Mellon	NOK	(2,530,315)	EUR	261,232	6,458
04 January 2019	BNY Mellon	NOK	(2,040,181)	EUR	206,073	(3)

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NOTES TO FINANCIAL STATEMENTS (Continued)

7. Financial Instruments and Associated Risks (Continued)

(d) Foreign currency risk (Continued)

Harvest Equity Kernel (continued)

Maturity Date	Counterparty	Sale Currency	Amount	Purchase Currency	Amount	Unrealised gain/(loss) USD
04 January 2019	BNY Mellon	NOK	(48,783,600)	EUR	4,927,502	(81)
04 January 2019	BNY Mellon	NOK	(400,985)	GBP	37,030	855
04 January 2019	BNY Mellon	NOK	(2,032,713)	GBP	185,617	1,658
04 January 2019	BNY Mellon	NOK	(48,556,169)	GBP	4,433,908	39,611
04 January 2019	BNY Mellon	NOK	(4,551,848)	JPY	59,783,971	19,337
04 January 2019	BNY Mellon	NOK	(1,085,560)	JPY	14,318,102	5,162
04 January 2019	BNY Mellon	NOK	(4,770,762)	JPY	61,713,146	11,641
04 January 2019	BNY Mellon	NOK	(112,813,030)	JPY	1,459,315,512	275,284
04 January 2019	BNY Mellon	NOK	(13,646,365)	USD	1,604,662	28,425
04 January 2019	BNY Mellon	NOK	(15,353,064)	USD	1,781,882	8,511
04 January 2019	BNY Mellon	NOK	(51,629,883)	USD	5,983,645	20,083
04 January 2019	BNY Mellon	NOK	(1,215,500,872)	USD	140,870,473	472,824
04 January 2019	BNY Mellon	NOK	(997,011)	USD	114,424	(737)
04 January 2019	BNY Mellon	NOK	(28,816,653)	USD	3,307,203	(21,294)
04 January 2019	BNY Mellon	NOK	(14,666,634)	USD	1,682,397	(13,925)
04 January 2019	BNY Mellon	NOK	(5,082,470)	USD	582,598	(5,233)
04 January 2019	BNY Mellon	NOK	(123,303,095)	USD	14,134,104	(126,960)
04 January 2019	BNY Mellon	SEK	(683,726)	NOK	665,686	(332)
04 January 2019	BNY Mellon	SEK	(15,827,661)	NOK	15,410,049	(7,685)
04 January 2019	BNY Mellon	TRY	(44,207)	USD	8,200	(91)
04 January 2019	BNY Mellon	TRY	(1,040,713)	USD	193,043	(2,151)
04 January 2019	BNY Mellon	TRY	(168,796)	USD	31,204	(455)
04 January 2019	BNY Mellon	TRY	(3,977,811)	USD	735,338	(10,734)
04 January 2019	BNY Mellon	TRY	(192,905)	USD	35,467	(714)
04 January 2019	BNY Mellon	TRY	(4,561,584)	USD	838,681	(16,883)
04 January 2019	BNY Mellon	TRY	(40,080)	USD	7,371	(146)
04 January 2019	BNY Mellon	TRY	(947,693)	USD	174,285	(3,463)
04 January 2019	BNY Mellon	TWD	(1,471,702)	USD	47,938	(139)
04 January 2019	BNY Mellon	TWD	(34,876,445)	USD	1,136,041	(3,281)
04 January 2019	BNY Mellon	TWD	(860,713)	USD	27,982	(135)
04 January 2019	BNY Mellon	TWD	(20,208,547)	USD	656,975	(3,185)
04 January 2019	BNY Mellon	TWD	(2,272,035)	USD	73,767	(455)
04 January 2019	BNY Mellon	TWD	(53,544,448)	USD	1,738,456	(10,701)
04 January 2019	BNY Mellon	USD	(246,682)	CNY	1,696,680	475
04 January 2019	BNY Mellon	USD	(5,833,231)	CNY	40,120,963	11,229
04 January 2019	BNY Mellon	USD	(310,061)	HKD	2,420,737	(839)
04 January 2019	BNY Mellon	USD	(4,028)	HKD	31,458	(10)
04 January 2019	BNY Mellon	USD	(133,121)	HKD	1,039,615	(322)
04 January 2019	BNY Mellon	USD	(470,583)	HKD	3,682,221	(220)
04 January 2019	BNY Mellon	USD	(11,311,225)	HKD	88,508,074	(5,294)
04 January 2019	BNY Mellon	USD	(5,354,819)	NOK	45,656,258	(81,247)
04 January 2019	BNY Mellon	USD	(145,795,081)	NOK	1,243,078,019	(2,212,106)
04 January 2019	BNY Mellon	USD	(221,243)	NOK	1,900,747	(1,695)
04 January 2019	BNY Mellon	USD	(306,295)	NOK	2,597,534	(6,264)
04 January 2019	BNY Mellon	USD	(122,717)	NOK	1,045,693	(1,933)
04 January 2019	BNY Mellon	USD	(2,348,809)	NOK	20,014,672	(36,994)
04 January 2019	BNY Mellon	USD	(166,824)	NOK	1,426,662	(2,036)
04 January 2019	BNY Mellon	USD	(1,193,851)	NOK	10,224,263	(12,887)
04 January 2019	BNY Mellon	USD	(84,042)	TRY	445,988	(394)
04 January 2019	BNY Mellon	USD	(1,983,870)	TRY	10,527,801	(9,292)
04 January 2019	BNY Mellon	USD	(149,641)	TWD	4,604,450	774
04 January 2019	BNY Mellon	USD	(3,530,369)	TWD	108,629,440	18,271
01 February 2019	BNY Mellon	AUD	(368,664)	NOK	2,271,523	3,008
01 February 2019	BNY Mellon	AUD	(8,815,271)	NOK	54,315,294	71,924
01 February 2019	BNY Mellon	AUD	(256,375)	NOK	1,574,504	1,496
01 February 2019	BNY Mellon	AUD	(5,652,913)	NOK	34,716,802	32,981
01 February 2019	BNY Mellon	CAD	(503,349)	NOK	3,224,000	4,034
01 February 2019	BNY Mellon	CAD	(12,023,685)	NOK	77,012,905	96,378
01 February 2019	BNY Mellon	CHF	(164,370)	NOK	1,439,552	(747)
01 February 2019	BNY Mellon	CHF	(3,930,316)	NOK	34,421,705	(17,858)
01 February 2019	BNY Mellon	CHF	(73,872)	NOK	655,596	661
01 February 2019	BNY Mellon	CHF	(1,586,433)	NOK	14,079,113	14,204
01 February 2019	BNY Mellon	CNY	(1,696,680)	USD	246,217	(712)

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NOTES TO FINANCIAL STATEMENTS (Continued)

7. Financial Instruments and Associated Risks (Continued)

(d) Foreign currency risk (Continued)

Harvest Equity Kernel (continued)

Maturity Date	Counterparty	Sale Currency	Amount	Purchase Currency	Amount	Unrealised gain/(loss) USD
01 February 2019	BNY Mellon	CNY	(40,120,963)	USD	5,822,227	(16,846)
01 February 2019	BNY Mellon	EUR	(205,879)	NOK	2,040,181	(34)
01 February 2019	BNY Mellon	EUR	(4,922,863)	NOK	48,783,600	(814)
01 February 2019	BNY Mellon	EUR	(66,084)	NOK	660,804	676
01 February 2019	BNY Mellon	EUR	(1,374,261)	NOK	13,741,788	14,046
01 February 2019	BNY Mellon	GBP	(185,629)	NOK	2,032,713	(1,701)
01 February 2019	BNY Mellon	GBP	(4,434,191)	NOK	48,556,169	(40,633)
01 February 2019	BNY Mellon	HKD	(3,682,221)	USD	470,881	121
01 February 2019	BNY Mellon	HKD	(88,508,074)	USD	11,318,385	2,922
01 February 2019	BNY Mellon	JPY	(61,684,521)	NOK	4,770,762	(11,870)
01 February 2019	BNY Mellon	JPY	(1,458,638,633)	NOK	112,813,030	(280,694)
01 February 2019	BNY Mellon	TRY	(445,988)	USD	82,659	370
01 February 2019	BNY Mellon	TRY	(10,527,801)	USD	1,951,219	8,750
01 February 2019	BNY Mellon	TWD	(4,604,450)	USD	149,982	(1,255)
01 February 2019	BNY Mellon	TWD	(108,629,440)	USD	3,538,418	(29,595)
01 February 2019	BNY Mellon	USD	(5,991,700)	NOK	51,629,883	(20,260)
01 February 2019	BNY Mellon	USD	(141,060,111)	NOK	1,215,500,872	(476,975)
Total unrealised loss on forward foreign currency contracts						(3,133,809)

Sector Healthcare Value Fund

Maturity Date	Counterparty	Sale Currency	Amount	Purchase Currency	Amount	Unrealised gain/(loss) USD
04 January 2019	BNY Mellon	EUR	(24,000)	USD	27,468	24
04 January 2019	BNY Mellon	EUR	(5,081,120)	USD	5,834,142	23,759
04 January 2019	BNY Mellon	EUR	(186,352)	USD	213,969	871
04 January 2019	BNY Mellon	EUR	(55,348)	USD	63,551	259
04 January 2019	BNY Mellon	EUR	(155,688)	USD	177,547	(486)
04 January 2019	BNY Mellon	EUR	(5,958)	USD	6,795	(18)
04 January 2019	BNY Mellon	EUR	(2,512)	USD	2,865	(7)
04 January 2019	BNY Mellon	EUR	(191,689)	USD	218,197	(1,004)
04 January 2019	BNY Mellon	EUR	(7,022)	USD	7,993	(37)
04 January 2019	BNY Mellon	EUR	(2,961)	USD	3,370	(16)
04 January 2019	BNY Mellon	NOK	(2,598,756)	USD	306,450	6,278
04 January 2019	BNY Mellon	NOK	(73,089)	USD	8,613	171
04 January 2019	BNY Mellon	NOK	(3,060,331)	USD	359,489	6,002
04 January 2019	BNY Mellon	NOK	(12,693,906)	USD	1,491,120	24,898
04 January 2019	BNY Mellon	NOK	(1,977,909)	USD	232,340	3,879
04 January 2019	BNY Mellon	NOK	(325,733)	USD	38,210	586
04 January 2019	BNY Mellon	NOK	(98,866,789)	USD	11,482,786	63,078
04 January 2019	BNY Mellon	NOK	(412,306,399)	USD	47,886,922	263,057
04 January 2019	BNY Mellon	NOK	(62,131,274)	USD	7,216,176	39,641
04 January 2019	BNY Mellon	NOK	(3,590,684)	USD	413,364	(1,382)
04 January 2019	BNY Mellon	NOK	(15,109,767)	USD	1,739,454	(5,815)
04 January 2019	BNY Mellon	NOK	(2,276,242)	USD	262,044	(876)
04 January 2019	BNY Mellon	SEK	(8,481,342)	USD	950,487	(6,474)
04 January 2019	BNY Mellon	SEK	(302,356)	USD	33,750	(365)
04 January 2019	BNY Mellon	SEK	(271,720)	USD	30,255	(404)
04 January 2019	BNY Mellon	SEK	(316,865)	USD	35,141	(611)
04 January 2019	BNY Mellon	USD	(5,996,833)	EUR	5,255,908	13,425
04 January 2019	BNY Mellon	USD	(221,193)	EUR	193,864	495
04 January 2019	BNY Mellon	USD	(93,932)	EUR	82,326	210
04 January 2019	BNY Mellon	USD	(196,027)	EUR	172,589	1,332
04 January 2019	BNY Mellon	USD	(6,211)	EUR	5,468	42
04 January 2019	BNY Mellon	USD	(2,834)	EUR	2,495	19
04 January 2019	BNY Mellon	USD	(50,927)	NOK	444,175	378
04 January 2019	BNY Mellon	USD	(11,960,646)	NOK	102,075,742	(170,285)
04 January 2019	BNY Mellon	USD	(48,178,900)	NOK	411,173,186	(685,928)
04 January 2019	BNY Mellon	USD	(7,536,297)	NOK	64,317,021	(107,295)
04 January 2019	BNY Mellon	USD	(136,559)	NOK	1,172,889	(1,083)

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NOTES TO FINANCIAL STATEMENTS (Continued)

7. Financial Instruments and Associated Risks (Continued)

(d) Foreign currency risk (Continued)

Sector Healthcare Value Fund (continued)

Maturity Date	Counterparty	Sale Currency	Amount	Purchase Currency	Amount	Unrealised gain/(loss) USD
04 January 2019	BNY Mellon	USD	(403,330)	NOK	3,442,062	(5,751)
04 January 2019	BNY Mellon	USD	(1,445,974)	NOK	12,340,085	(20,620)
04 January 2019	BNY Mellon	USD	(242,369)	NOK	2,068,404	(3,456)
04 January 2019	BNY Mellon	USD	(42,578)	NOK	362,908	(660)
04 January 2019	BNY Mellon	USD	(340,046)	NOK	2,896,955	(5,430)
04 January 2019	BNY Mellon	USD	(344,119)	NOK	2,917,926	(7,081)
04 January 2019	BNY Mellon	USD	(1,000,623)	NOK	8,533,917	(14,905)
04 January 2019	BNY Mellon	USD	(30,213)	NOK	258,581	(346)
04 January 2019	BNY Mellon	USD	(11,735)	NOK	100,374	(141)
04 January 2019	BNY Mellon	USD	(243,447)	NOK	2,085,127	(2,602)
04 January 2019	BNY Mellon	USD	(71,292)	NOK	614,000	(371)
04 January 2019	BNY Mellon	USD	(4,642)	NOK	40,000	(22)
04 January 2019	BNY Mellon	USD	(19,339)	NOK	167,527	11
04 January 2019	BNY Mellon	USD	(1,002,008)	SEK	9,058,654	20,091
04 January 2019	BNY Mellon	USD	(24,637)	SEK	222,230	437
04 January 2019	BNY Mellon	USD	(10,095)	SEK	91,399	218
01 February 2019	BNY Mellon	EUR	(271,371)	USD	310,896	(175)
01 February 2019	BNY Mellon	EUR	(1,857)	USD	2,127	(2)
01 February 2019	BNY Mellon	EUR	(144,194)	USD	165,141	(148)
01 February 2019	BNY Mellon	EUR	(5,520)	USD	6,322	(5)
01 February 2019	BNY Mellon	NOK	(11,957,599)	USD	1,380,156	(2,843)
01 February 2019	BNY Mellon	NOK	(159,707)	USD	18,434	(38)
01 February 2019	BNY Mellon	NOK	(2,606,257)	USD	300,443	(993)
01 February 2019	BNY Mellon	NOK	(12,254,151)	USD	1,412,631	(4,667)
01 February 2019	BNY Mellon	NOK	(1,842,780)	USD	212,432	(702)
01 February 2019	BNY Mellon	SEK	(16,291)	USD	1,819	(23)
01 February 2019	BNY Mellon	SEK	(247,614)	USD	27,583	(420)
01 February 2019	BNY Mellon	USD	(5,847,861)	EUR	5,081,120	(23,394)
01 February 2019	BNY Mellon	USD	(214,473)	EUR	186,352	(859)
01 February 2019	BNY Mellon	USD	(63,700)	EUR	55,348	(255)
01 February 2019	BNY Mellon	USD	(23,790)	NOK	207,568	217
01 February 2019	BNY Mellon	USD	(417,704)	NOK	3,640,710	3,375
01 February 2019	BNY Mellon	USD	(11,498,277)	NOK	98,866,789	(63,482)
01 February 2019	BNY Mellon	USD	(47,951,526)	NOK	412,306,399	(264,743)
01 February 2019	BNY Mellon	USD	(7,225,911)	NOK	62,131,274	(39,895)
01 February 2019	BNY Mellon	USD	(952,660)	SEK	8,481,342	6,516
Total unrealised loss on forward foreign currency contracts						(966,846)

(e) Credit risk

Credit risk is the risk that a counterparty will fail to discharge an obligation or commitment that it has entered into with the Funds, resulting in a financial loss to the Funds.

The Funds are exposed to credit risk associated with counterparties with whom it trades or holds assets, and will also be exposed to the risk of settlement default. All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

Management of credit risk

The Investment Manager is complying with the Central Bank UCITS Regulations in terms of investment restrictions and otherwise with the investment policy of the Sub-Funds.

Exposure to credit risk

The Sub-Fund's maximum credit risk exposure at the Balance Sheet date is represented by the respective carrying amounts of the financial assets in the Balance Sheet with the exception of derivatives whose maximum credit risk exposure is notional exposure.

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NOTES TO FINANCIAL STATEMENTS (Continued)

7. Financial Instruments and Associated Risks (Continued)

(e) Credit risk (Continued)

Derivative financial instruments

The Funds may also invest in financial derivative instruments for investment purposes and for efficient portfolio management ("EPM"), including (but not limited to) futures, forwards, options, contracts for difference and warrants.

All cleared derivative positions entered into on behalf of the Funds are cleared via Goldman Sachs as appointed Futures Commission Merchant ("FCMs"). Bilateral (non-cleared) derivatives face BNY as OTC credit counterparty.

Trade counterparty

The Funds mitigate counterparty risk by undertaking transactions with large and well capitalised counterparties. The Funds also seek to trade with more than one counterparty and have reduced the activity with counterparties when there have been questions raised regarding the robustness of counterparties in terms of credit risk.

Although it is the intention of the Investment Managers to follow a general policy of seeking to spread the Funds' capital at risk over a number of investments and counterparties, the Funds may at certain times hold relatively few positions with the result that a loss in any such position either to trading counterparty or settlement default could have a substantial adverse impact on a Fund's capital.

The table below shows the long-term S&P credit ratings for the counterparties that hold cash as at 31 December 2019 and 31 December 2018:

	31 December 2019	31 December 2018
BNY Mellon	AA-	A
DNB	AA-	AA-
Goldman Sachs	A+	A+

As at 31 December 2019 and 31 December 2018, the Funds had not pledged any securities as collateral for contracts-for-difference trading.

(f) Fair value estimation

The Company used the following fair value hierarchy levels in categorising its financial instruments by source of inputs used to determine its fair value:

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Company. The Company considers observable data to be that market data that 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.

Investments classified as Level 3 are those for which a quoted price at period end was unavailable and evidence of a recent transaction at that date could not be ascertained. These investments represent collective investment schemes where the net asset value is calculated by an underlying administrator. The net asset values represent their best evidence of the fair value of these assets at period end, however due to the lack of quoted price and evidence of a recent transaction, a Level 3 classification is considered appropriate.

The level in the fair value hierarchy within which the fair value measurement is categorised is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses inputs that are unobservable, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

There were no significant transfers between levels during the financial year ended 31 December 2019 or 31 December 2018. Transfers between levels of the fair value hierarchy, for the purpose of disclosure in financial statements, are deemed to have occurred at the end of the reporting period.

The fair values of investments valued under Levels 1 to 3 as at 31 December 2019 are as follows overleaf:

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NOTES TO FINANCIAL STATEMENTS (Continued)

7. Financial Instruments and Associated Risks (Continued)

(f) Fair value estimation (Continued)

Harvest Equity Kernel	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Financial assets at fair value through profit or loss				
Equity securities	112,617,212	–	–	112,617,212
Derivative instruments	–	3,755,225	–	3,755,225
Financial liabilities at fair value through profit or loss				
Derivative instruments	–	(1,128,043)	–	(1,128,043)
Total	112,617,212	2,627,182	–	115,244,394

Sector Healthcare Value Fund	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Financial assets at fair value through profit or loss				
Equity securities	165,911,805	–	–	165,911,805
Derivative instruments	–	3,875,185	–	3,875,185
Financial liabilities at fair value through profit or loss				
Derivative instruments	–	(67,171)	–	(67,171)
Total	165,911,805	3,808,014	–	169,719,819

The categories of investments above comprise:

- Equity securities (which includes equities, money market funds, real estate investment trusts and rights).
- Derivative instruments (which includes forward foreign currency contracts, contracts-for-difference, futures and options).

The fair values of investments valued under Levels 1 to 3 as at 31 December 2018 are as follows:

Harvest Equity Kernel	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Financial assets at fair value through profit or loss				
Equity securities	263,751,374	–	–	263,751,374
Derivative instruments	–	1,834,622	–	1,834,622
Financial liabilities at fair value through profit or loss				
Derivative instruments	–	(5,054,464)	–	(5,054,464)
Total	263,751,374	(3,219,842)	–	260,531,532

Sector Healthcare Value Fund	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Financial assets at fair value through profit or loss				
Equity securities	107,615,056	–	–	107,615,056
Derivative instruments	–	479,269	–	479,269
Financial liabilities at fair value through profit or loss				
Derivative instruments	–	(1,446,115)	–	(1,446,115)
Total	107,615,056	(966,846)	–	106,648,210

The categories of investments above comprise:

- Equity securities (which includes equities, real estate investment trusts and rights).
- Derivative instruments (which includes forward foreign currency contracts, contracts-for-difference, futures and options).

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NOTES TO FINANCIAL STATEMENTS (Continued)

8. Share Capital

The authorised share capital of the Company is 1,000,000,000,000 Shares of no par value initially designated as unclassified shares. The issued share capital of the Company is €2 represented by 2 shares (the “Subscriber Shares”) issued for the purposes of the incorporation of the Company at an issue price of €1 per Share which are fully paid up and which are beneficially owned by Sector Asset Management AS and Prieren AS.

Harvest Equity Kernel may issue Class A EUR Shares, Class A NOK Hedged Shares, Class A NOK Unhedged Shares, Class A SEK Shares and Class A USD Shares (the “Class A Shares”), Class B EUR Shares, Class B NOK Hedged Shares, Class B NOK Unhedged Shares, Class B SEK Shares and Class B USD Shares (the “Class B Shares”), Class C EUR Shares, Class C NOK Shares, Class C SEK Shares and Class C USD Shares (the “Class C Shares”), Class L NOK Shares, Class O NOK Shares, and Class P NOK Hedged Shares, Class P NOK Unhedged Shares and Class P USD Shares (“the Class P Shares”).

Sector Healthcare Value Fund may issue Class A EUR Shares, Class A NOK Shares, Class A SEK Shares and Class A USD Shares (the “Class A Shares”), Class B EUR Shares, Class B NOK Shares, Class B SEK Shares and Class B USD Shares (the “Class B Shares”), Class L NOK Shares and Class X EUR Shares and Class X USD Shares (the “Class X Shares”).

Sector Sigma Nordic Fund had issued Class A EUR Shares, Class A NOK Shares, Class A SEK Shares and Class A USD Shares (the “Class A Shares”), Class B EUR Shares, Class B NOK Shares, Class B SEK Shares and Class B USD Shares (the “Class B Shares”), Class C NOK Shares and Class C SEK Shares (the “Class C Shares”), Class D EUR Shares, Class D NOK Shares, Class D SEK Shares and Class D USD Shares (the “Class D Shares”) and Class L NOK Shares. As at 31 December 2018, all shares had been fully redeemed.

Trient Dynamic Multi-Asset Fund had issued Class B NOK Shares, Class C NOK Shares, Class I NOK shares and Class I hedged NOK Shares. As at 31 December 2018, all shares had been fully redeemed.

On a show of hands every holder who is present in person or by proxy shall have one vote and the holders of Subscriber Shares present or in person or by proxy shall have one vote.

The rights attached to any class may be varied or abrogated with the consent in writing of the holders of three-fourths in number of the issued Shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the Shares of the class, and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up. The quorum at any such separate general meeting, other than an adjourned meeting, shall be two persons holding or representing by proxy at least one third of the issued Shares of the class in question and the quorum at an adjourned meeting shall be one person holding Shares of the class in question or his proxy.

Class L NOK Shares and Class O NOK (issued by Harvest Equity Kernel) are only available for subscription by (i) other funds, (including sub-funds of the Company), or similar collective investment schemes that a Sector Group (as defined in the Company’s prospectus) company manages; (ii) the Directors; (iii) any person or investor connected with any such person or entity referred to in parts (i) and (ii) including, without limitation, a trustee of a trust established by or for such an entity, (iv) any company, partnership or other entity controlled by a Sector Group company (v) any company, partnership or other entity which has been appointed or acts as investment manager or investment adviser of an entity referred to in part (i), (vi) any employee of the Sector Group or (vii) any nominee of any of the foregoing.

The Class L NOK Shares (issued by Sector Healthcare Value Fund and Sector Sigma Nordic Fund) are/were open for public participation. However, the Investment Manager intends the Class L NOK Shares are/would have been primarily invested in by any employees of a Sector Group company, any spouse of such employee, or any company controlled by (one or more) such employee or spouse.

Class L NOK Shares (issued by all Funds) are exempt from paying investment management fees.

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NOTES TO FINANCIAL STATEMENTS (Continued)

8. Share Capital (Continued)

The following are the share class transactions for the financial year ended 31 December 2019 were as follows:

	Harvest Equity Kernel	Sector Healthcare Value Fund
Class A EUR		
Shares in issue at beginning of year	–	19,649
Number of shares issued	–	5,674
Number of shares redeemed	–	(7,523)
Number in issue at end of year	–	17,800
Class A NOK		
Shares in issue at beginning of year	76,571	39,865
Number of shares issued	69,767	16,577
Number of shares redeemed	(50,168)	(17,255)
Number in issue at end of year	96,170	39,187
Class A USD		
Shares in issue at beginning of year	19,935	40,441
Number of shares issued	112	37,284
Number of shares redeemed	(19,926)	(11,178)
Number in issue at end of year	121	66,547
Class B EUR		
Shares in issue at beginning of year	–	1,757
Number of shares issued	–	–
Number of shares redeemed	–	–
Number in issue at end of year	–	1,757
Class B NOK		
Shares in issue at beginning of year	–	342,489
Number of shares issued	–	212,628
Number of shares redeemed	–	(152,801)
Number in issue at end of year	–	402,316
Class B SEK		
Shares in issue at beginning of year	–	7,253
Number of shares issued	–	13,297
Number of shares redeemed	–	(8,483)
Number in issue at end of year	–	12,067
Class B USD		
Shares in issue at beginning of year	–	11,692
Number of shares issued	–	75,060
Number of shares redeemed	–	(23,823)
Number in issue at end of year	–	62,929
Class L NOK		
Shares in issue at beginning of year	–	24,242
Number of shares issued	–	219
Number of shares redeemed	–	–
Number in issue at end of year	–	24,461
Class P NOK Hedged		
Shares in issue at beginning of year	1,908,885	–
Number of shares issued	166,090	–
Number of shares redeemed	(1,392,156)	–
Number in issue at end of year	682,819	–
Class P NOK Unhedged		
Shares in issue at beginning of year	706,849	–
Number of shares issued	101,016	–
Number of shares redeemed	(511,572)	–
Number in issue at end of year	296,293	–

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NOTES TO FINANCIAL STATEMENTS (Continued)

8. Share Capital (Continued)

	Harvest Equity Kernel	Sector Healthcare Value Fund
Class P USD		
Shares in issue at beginning of year	14,076	–
Number of shares issued	17,473	–
Number of shares redeemed	(31,144)	–
Number in issue at end of year	405	–
Class X EUR		
Shares in issue at beginning of year	–	590
Number of shares issued	–	–
Number of shares redeemed	–	(590)
Number in issue at end of year	–	–
Class X USD		
Shares in issue at beginning of year	–	213,737
Number of shares issued	–	40,971
Number of shares redeemed	–	(28,984)
Number in issue at end of year	–	225,724

The following are the share class transactions for the financial year ended 31 December 2018 were as follows:

	Harvest Equity Kernel	Sector Healthcare Value Fund	Sector Sigma Nordic Fund	Trient Dynamic Multi-Asset Fund
Class A EUR				
Shares in issue at beginning of year	–	26,709	–	–
Number of shares issued	–	4,105	–	–
Number of shares redeemed	–	(11,165)	–	–
Number in issue at end of year	–	19,649	–	–
Class A NOK				
Shares in issue at beginning of year	30,849	40,486	84,205	–
Number of shares issued	70,932	4,965	–	–
Number of shares redeemed	(25,210)	(5,586)	(84,205)	–
Number in issue at end of year	76,571	39,865	–	–
Class A USD				
Shares in issue at beginning of year	20,009	50,508	70,562	–
Number of shares issued	42	18,837	–	–
Number of shares redeemed	(116)	(28,904)	(70,562)	–
Number in issue at end of year	19,935	40,441	–	–
Class B EUR				
Shares in issue at beginning of year	–	1,757	1,420	–
Number of shares issued	–	–	–	–
Number of shares redeemed	–	–	(1,420)	–
Number in issue at end of year	–	1,757	–	–
Class B NOK				
Shares in issue at beginning of year	–	194,435	34,954	–
Number of shares issued	–	189,480	–	701,230
Number of shares redeemed	–	(41,426)	(34,954)	(701,230)
Number in issue at end of year	–	342,489	–	–
Class B SEK				
Shares in issue at beginning of year	–	4,424	–	–
Number of shares issued	–	7,182	–	–
Number of shares redeemed	–	(4,353)	–	–
Number in issue at end of year	–	7,253	–	–

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NOTES TO FINANCIAL STATEMENTS (Continued)

8. Share Capital (Continued)

	Harvest Equity Kernel	Sector Healthcare Value Fund	Sector Sigma Nordic Fund	Trient Dynamic Multi-Asset Fund
Class B USD				
Shares in issue at beginning of year	–	14,544	–	–
Number of shares issued	–	1,960	–	–
Number of shares redeemed	–	(4,812)	–	–
Number in issue at end of year	–	11,692	–	–
Class C NOK				
Shares in issue at beginning of year	–	–	329	–
Number of shares issued	–	–	–	571,924
Number of shares redeemed	–	–	(329)	(571,924)
Number in issue at end of year	–	–	–	–
Class I NOK				
Shares in issue at beginning of year	–	–	–	–
Number of shares issued	–	–	–	6,576,290
Number of shares redeemed	–	–	–	(6,576,290)
Number in issue at end of year	–	–	–	–
Class I Hedged NOK				
Shares in issue at beginning of year	–	–	–	–
Number of shares issued	–	–	–	2,558,539
Number of shares redeemed	–	–	–	(2,558,539)
Number in issue at end of year	–	–	–	–
Class L NOK				
Shares in issue at beginning of year	–	23,934	8,095	–
Number of shares issued	–	308	–	–
Number of shares redeemed	–	–	(8,095)	–
Number in issue at end of year	–	24,242	–	–
Class P NOK Hedged				
Shares in issue at beginning of year	1,681,986	–	–	–
Number of shares issued	1,206,635	–	–	–
Number of shares redeemed	(979,736)	–	–	–
Number in issue at end of year	1,908,885	–	–	–
Class P NOK Unhedged				
Shares in issue at beginning of year	572,607	–	–	–
Number of shares issued	223,574	–	–	–
Number of shares redeemed	(89,332)	–	–	–
Number in issue at end of year	706,849	–	–	–
Class P USD				
Shares in issue at beginning of year	187,904	–	–	–
Number of shares issued	–	–	–	–
Number of shares redeemed	(173,828)	–	–	–
Number in issue at end of year	14,076	–	–	–
Class X EUR				
Shares in issue at beginning of year	–	619	–	–
Number of shares issued	–	380	–	–
Number of shares redeemed	–	(409)	–	–
Number in issue at end of year	–	590	–	–
Class X USD				
Shares in issue at beginning of year	–	199,358	–	–
Number of shares issued	–	63,607	–	–
Number of shares redeemed	–	(49,228)	–	–
Number in issue at end of year	–	213,737	–	–

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NOTES TO FINANCIAL STATEMENTS (Continued)

9. Investment Management Fees

The Company has appointed Sector Omega AS (Harvest Funds AS from 2 January 2020) as Investment Manager to Harvest Equity Kernel and Sector Gamma AS as Investment Manager to Sector Healthcare Value Fund. Sigma Fondsforvaltning AS was the Investment Manager to Sector Sigma Nordic Fund and Trient Asset Management AS was appointed as Investment Manager to Trient Dynamic Multi-Asset Fund.

Harvest Equity Kernel pays the Investment Manager a management fee per annum of the Net Asset Value of each of the following classes:

Class	Management Fee
Class A Shares	Up to 1.50%
Class B Shares	Up to 0.75%
Class C Shares	Up to 0.50%
Class P Shares	Up to 0.50%
Class O Shares	Up to 3.00%

The Investment Manager does not charge a fee in respect of the Class L NOK Shares.

Sector Healthcare Value Fund pays the Investment Manager a management fee per annum of the Net Asset Value of each of the following classes:

Class	Management Fee
Class A Shares	Up to 1.0%
Class B Shares	Up to 2.0%
Class X Shares	Up to 0.5%

The Investment Manager does not charge a fee in respect of the Class L NOK Shares.

The total fees waived by the Investment Manager for the financial year ended 31 December 2019 was USDNil (31 December 2018: USD29,974). The total management fees accrued for the financial year ended 31 December 2019 were USD2,953,152 (31 December 2018: USD3,362,565) and the net amount outstanding at 31 December 2019 was USD338,688 (31 December 2018: USD344,889).

10. Incentive Fees/Performance Fees

The Investment Manager is also entitled to receive an incentive fee/performance fee ("Incentive Fee" / "Performance Fee"), as calculated for each Fund as disclosed below. The Incentive Fee/Performance Fee will be verified by the Depositary.

Harvest Equity Kernel

The Fund, in respect of the Class C Shares and Class O Shares pays the Investment Manager an incentive fee (the "Incentive Fee") equal to 10 per cent of the amount by which the Net Asset Value (before the deduction of any performance fee) of the relevant Class exceeds the MSCI ACWI Index ("Index") adjusted Prior High Net Asset Value ("Index adjusted Prior High Net Asset Value") (as defined below). No Incentive Fee is charged in respect of the Class A Shares, Class B Shares, Class P Shares and Class L NOK Shares.

The Incentive Fee is calculated on a share-by-share basis so that each share is charged a fee which equates precisely with that share's performance over each Calculation Year (as defined below). This method of calculation ensures that (i) any Incentive Fee paid to the Investment Manager is charged only to those shares which have outperformed their respective Prior High Net Asset Value over the course of a Calculation Year, (ii) all holders of shares have the same amount of capital per share at risk in the Fund, and (iii) all shares in a particular class have the same net asset value per share.

The Incentive Fee shall only be payable on the amount by which each share outperforms the previous high watermark or Index adjusted Prior High Net Asset Value for the relevant share. For each Calculation Year, an Incentive Fee will only be payable by a particular share if the net asset value of that share at the end of a Calculation Year is greater than the prevailing Prior High Net Asset Value for that share.

The "Prior High Net Asset Value" of each share is the highest net asset value per share on which Incentive Fee was paid in respect of any previous Calculation Year (or, if no Incentive Fee has yet been paid with respect to any such Calculation Year, the Initial Issue Price of the relevant share). The "Index adjusted Prior High Net Asset Value" of each share is the Prior High Net Asset Value adjusted by the performance of the Index for the relevant Calculation Year. The calculation year for the Incentive Fee shall be a calendar year, closing on the 31 December each year (or if the 31 December is not a Business Day, on the last Business Day of the year) (the "Calculation Year"). The Incentive Fee will accrue as at each valuation point and shall be payable annually in arrears (on or after the first business day of the following year).

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NOTES TO FINANCIAL STATEMENTS (Continued)

10. Incentive Fees/Performance Fees (Continued)

Sector Healthcare Value Fund

The Fund, in respect of the Class A Shares, pays the Investment Manager a fee equal to 20% of the amount by which the net asset value (before the deduction of any performance fee) of the relevant share exceeds the MSCI Daily TR World Net Healthcare USD (the “Index”), and in respect of Class X Shares, a fee equal to 15% of the amount by which the net asset value (before the deduction of any performance fee) of the relevant share exceeds the Index (the “Incentive Fee”).

The relevant share's subscription price or the initial issue price (where shares are issued during the initial offer year) is taken as the starting price for the purposes of determining the Incentive Fee. The Incentive Fee is accrued on a daily basis and reflected in the net asset value per share at each valuation point. The accrued Incentive Fee will only be paid to the Investment Manager once a shareholder redeems its investment in the Fund or when the Fund closes down where the performance of the relevant shares has exceeded the performance of the Index. The Incentive Fee may be payable even if the absolute return on the shareholder's investment is zero or negative. For example, if during the year of a shareholder's investment in the Fund, the net asset value per share on redemption is less than or equal to the net asset value per share that that shareholder paid on its initial subscription into the Fund, the Incentive Fee may still be payable if the net asset value per share on redemption exceeds the Index Net Asset Value per share, i.e. the Fund has outperformed the Index for the year of the shareholder's investment. No Incentive Fee will be charged in respect of the Class B Shares and Class L NOK Shares.

The Performance Fees accrued by the Company for the financial year ended were USD307,118 (31 December 2018: USD207,069) and the amount outstanding at 31 December 2019 was USD655,248 (31 December 2018: USD460,568).

Equalisation Credit

The equalisation credit policy is applied to the calculation of the Incentive Fee payable for certain classes in each Fund (see the Fund's relevant Supplement for further details). The Incentive Fee is calculated on a share-by-share basis so that each relevant share is charged an Incentive Fee that equates precisely with that relevant share's performance. This method of calculation ensures that (i) the Incentive Fee is charged only to those relevant shares that have appreciated in value relative to the Index, (ii) all relevant shareholders have the same amount per relevant share of the relevant class at risk in the Fund, and (iii) all shares of the same class have the same net asset value per share. If a shareholder subscribes for relevant shares at a time when the net asset value per relevant share is other than the Index Net Asset Value, certain adjustments will be made to reduce inequities that could otherwise result to the subscriber or beneficiary of the Incentive Fee. For the financial year ended 31 December 2019 an equalisation credit of USD1,790,254 (31 December 2018: USD654,548) was applied by the Company.

11. Administration Fees and Depositary/Custodian Fees

The Company has appointed BNY Mellon Fund Services (Ireland) Designated Activity Company (“BNY Mellon”) to act as Administrator, registrar and transfer agent and The Bank of New York Mellon SA/NV, Dublin Branch to act as Depositary (the “Depositary”). Effective 1 December 2019, BNY Mellon Trust Company (Ireland) Limited, One Dockland Central, Guild Street, IFSC, Dublin 1, merged into The Bank of New York Mellon SA/NV (the “European Bank”) and as of that date, depositary services were provided by the Dublin branch of the European Bank. BNY Mellon is entitled to receive out of the assets of the Funds an annual administration fee, accrued and calculated on each dealing day and payable monthly in arrears of up to 0.105% of the aggregated Net Assets. BNY Mellon is also entitled to a shareholding services fee of USD1,875 per share class per month together with agreed upon transaction charges. The Administrator is also entitled to a financial reporting fee of up to USD5,000 per set of financial statements and other out of pocket expenses out of the assets of the Funds (plus VAT thereon if any).

The Administration fee accrued for the financial year ended 31 December 2019 was USD508,151 (31 December 2018: USD676,643) and the amount outstanding at 31 December 2019 was USD655,248 (31 December 2018: USD119,163).

The Depositary is entitled to an asset based fee of up to 0.02% per annum payable monthly together with sub-custodians' fees (which will be charged at normal commercial rates) as well as agreed upon transaction charges (which will be at normal commercial rates) and other out of pocket expenses (plus VAT thereon if any).

The Depositary fee accrued for the financial year ended 31 December 2019 was USD218,346 (31 December 2018: USD253,069) and the amount outstanding at 31 December 2019 was USD26,876 (31 December 2018: USD67,781).

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NOTES TO FINANCIAL STATEMENTS (Continued)

12. Directors' Fees and Expenses

The Directors shall be entitled to a fee in remuneration for their services at a rate to be determined from time to time by the Directors, but so that the aggregate amount of each Director's remuneration in any one year shall not exceed €15,000 (31 December 2018: €15,000) or such higher amount as may be approved by resolution of the Directors and notified to shareholders. The Directors may also be paid all travelling, hotel and other expenses, properly incurred by them, in attending and returning from meetings of the Directors or general meetings of the Company or in connection with the business of the Company. The Directors may in addition to such remuneration as aforesaid grant special remuneration to any Director who, being called upon, shall perform any special or extra services to or at the request of the Company and such remuneration will be at normal commercial rates. The Directors' fees and expenses accrued for the financial year ended 31 December 2019 was USD29,116 (31 December 2018: USD21,330) and the amount outstanding at 31 December 2019 was USD7,259 (31 December 2018: USD5,109).

13. Auditors' Fees

Fees and expenses paid to the statutory auditors, Deloitte Ireland LLP, in respect of the financial year, entirely relate to the audit of the financial statements of the Company. There were no fees and expenses paid in respect of other assurance, tax advisory or non-audit services provided to the auditors for the financial year ended 31 December 2019 and 31 December 2018.

Audit fees charged for the financial year ended 31 December 2019 were EUR18,000 ex VAT (31 December 2018: EUR20,625). Tax advisory fees charged for the financial year ended 31 December 2019 were EUR6,300 ex VAT (31 December 2018: EUR9,600).

14. Efficient Portfolio Management

The Company may enter into a variety of derivative instruments including, but not limited to, forward foreign exchange contracts, futures, options, swaps, contracts-for-difference, stock lending and repurchase agreements for the purposes of efficient portfolio management only, subject to the conditions and limits set out in the Central Bank (Supervision and Enforcement) Act 2013 (Section 48 (1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (the "Central Bank UCITS Regulations") and within any further limits laid down by the Central Bank of Ireland from time to time. In particular, the Funds may engage in forward foreign exchange contracts to provide protection against exchange rate risks, including cross-currency hedging, and in order to hedge foreign currency exposure of the underlying assets of the Funds into the base currency of the Funds or into a currency institutionally linked to the base currency. It is intended that the use of such forwards may reduce the currency risk in respect of the Funds and will better enable the Funds to manage its assets and liabilities. Futures contracts may be used to hedge or gain exposure to an increase in the value of an asset, market, currency, or deposit. Options may be used to hedge or achieve exposure to a particular market instead of using a physical security. Swaps may be used to achieve profit as well as to hedge existing long positions. Contracts-for-difference ("CFDs") are bilateral agreements to exchange the difference between opening and closing contracts, which represent the performance of an underlying share.

At the discretion of the Directors, the Funds may use financial derivative instruments as a primary investment policy and details of the investment policy will be set out in the applicable Supplement in accordance with the requirements of the Central Bank of Ireland.

For the year ended 31 December 2019 and 31 December 2018, the Company has utilised forward foreign currency contracts and contracts-for-difference. As at 31 December 2019, all derivatives are OTC derivatives. All open derivative positions are disclosed in the schedule of investments except for forward currency contracts which are disclosed in note 7 (d) above.

15. Directors' Interests, Connected Persons and Related Party Transactions

Fees payable to the relevant Investment Manager are disclosed in notes 9 and 10.

Depository and Administrator

Although not deemed to be related parties under FRS 102 as they do not exercise "significant influence" over the activities of the Company, the Regulations also deem a "Depository" and its "associated or group companies" to be "connected persons" to the Company. As such, The Bank of New York Mellon SA/NV, Dublin Branch, the Depository, and BNY Mellon Fund Services (Ireland) Designated Activity Company, the Administrator, are connected persons to the Company.

The Board of Directors is satisfied that there are arrangements (evidenced by written procedures) in place, to ensure that any transaction carried out with the Company by a promoter, manager, depository/custodian, investment manager and/or associated or group companies of these ("connected persons") are carried out as if negotiated at arm's length and that all such transactions are carried out in the best interests of the shareholders. The Board of Directors are satisfied that transactions with connected persons entered into during the period complied with the obligations set out in the Regulations.

As at 31 December 2019 and 31 December 2018 the following key personnel/entities as defined within Section 33 of FRS 102 held a beneficial interest in the Funds as follows:

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NOTES TO FINANCIAL STATEMENTS (Continued)

15. Directors' Interests, Connected Persons and Related Party Transactions (Continued)

31 December 2019

Key personnel	Role/Team	Fund/Class	Number of Shares held
Lars Tell	Director	Sector Healthcare Value Fund, Class L NOK	160
Trond Horneland	Investment Manager, Sector Gamma AS	Sector Healthcare Value Fund, Class L NOK	15,665
Trond Tviberg	Investment Manager, Sector Gamma AS	Sector Healthcare Value Fund, Class L NOK	7,945
Sector Gamma AS	Investment Manager	Sector Healthcare Value Fund, Class B SEK	118
Sector Speculare AS	Investment Manager	Harvest Equity Kernel, Class P USD	134

31 December 2018

Key personnel	Role/Team	Fund/Class	Number of Shares held
Lars Tell	Director	Sector Healthcare Value Fund, Class L NOK	160
Trond Horneland	Investment Manager, Sector Gamma AS	Sector Healthcare Value Fund, Class L NOK	15,665
Trond Tviberg	Investment Manager, Sector Gamma AS	Sector Healthcare Value Fund, Class L NOK	7,945
Sector Gamma AS	Investment Manager	Sector Healthcare Value Fund, Class B SEK	118
Sector Speculare AS	Investment Manager	Harvest Equity Kernel, Class P NOK Hedged	4,831

As at 31 December 2019 and 31 December 2018, Sector Asset Management AS, ultimate parent company of the Investment Manager, held 3 Class A EUR Shares, 2 Class A NOK Shares and 3 Class A USD Shares in Sector Healthcare Value Fund.

16. Contingent Liabilities

The Company is established as a segregated portfolio company. As a matter of Irish law, the assets of one Fund will not be available to satisfy the liabilities of another. However, the Company is a single legal entity which may operate or have assets held on its behalf or be subject to claims in other jurisdictions which may not necessarily recognise such segregation. There is no guarantee that the courts of any jurisdiction outside Ireland will respect the limitations on liability associated with segregated portfolio companies nor is there any guarantee that the creditors of one Fund will not seek to enforce such Fund's obligations against another Fund.

As at 31 December 2019 and 31 December 2018 there were no known contingent liabilities.

17. Soft Commission

There were no soft commissions for the financial year ended 31 December 2019 and 31 December 2018.

18. IMR Regulations

In response to the CBI publishing the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) Investor Money Regulations 2015 for Fund Service Providers (the "Investor Money Regulations" or "IMR") issued in March 2015, subscription and redemption monies will (effective from 1 July 2016), be channeled through a sub-fund cash collection account in the name of the sub-fund. Pending issue of the shares and/or payment of subscription proceeds to an account in the name of the sub-fund(s), and pending payment of redemption proceeds or distributions, the relevant investor will be an unsecured creditor of the sub-fund in respect of amounts paid by or due to it. As at 31 December 2019 and 31 December 2018 the Funds have received subscriptions in advance and these amounts are reflected on the Balance Sheet.

19. Comparative Year

The prior year comparatives are for the financial year 1 January 2018 to 31 December 2018.

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NOTES TO FINANCIAL STATEMENTS (Continued)

20. Three Year Historical Net Asset Value

The following tables outline the number of shares outstanding and the Net Asset Value per share for each share class for the last three reporting periods.

31 December 2019

	Harvest Equity Kernel USD	Sector Healthcare Value Fund USD
Total Net Asset Value	127,320,414	167,225,950
Shares outstanding		
Class A EUR	–	17,800
Class A NOK	96,170	39,187
Class A USD	121	66,547
Class B EUR	–	1,757
Class B NOK	–	402,316
Class B SEK	–	12,067
Class B USD	–	62,929
Class L NOK	–	24,461
Class P NOK Hedged	682,819	–
Class P NOK Unhedged	296,293	–
Class P USD	405	–
Class X USD	–	225,724

Net Asset Value per Share

Class A EUR	–	293.55
Class A NOK	1,050.90	2,639.05
Class A USD	130.68	433.91
Class B EUR	–	126.49
Class B NOK	–	1,473.45
Class B SEK	–	1,394.22
Class B USD	–	144.37
Class L NOK	–	3,172.37
Class P NOK Hedged	975.46	–
Class P NOK Unhedged	1,184.64	–
Class P USD	150.31	–
Class X USD	–	147.50

31 December 2018

	Harvest Equity Kernel USD	Sector Healthcare Value Fund USD
Total Net Asset Value	277,655,063	110,624,786
Shares outstanding		
Class A EUR	–	19,649
Class A NOK	76,571	39,864
Class A USD	19,935	40,441
Class B EUR	–	1,757
Class B NOK	–	342,489
Class B SEK	–	7,253
Class B USD	–	11,693
Class L NOK	–	24,242
Class P NOK Hedged	1,908,885	–
Class P NOK Unhedged	706,847	–
Class P USD	14,076	–
Class X EUR	–	590
Class X USD	–	213,737

Net Asset Value per Share

Class A EUR	–	239.70
Class A NOK	912.46	2,137.37
Class A USD	111.27	347.39
Class B EUR	–	103.57
Class B NOK	–	1,186.76
Class B SEK	–	1,139.84
Class B USD	–	114.83

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NOTES TO FINANCIAL STATEMENTS (Continued)

20. Three Year Historical Net Asset Value (Continued)

31 December 2018

	Harvest Equity Kernel USD	Sector Healthcare Value Fund USD
Class L NOK	–	2,505.02
Class P NOK Hedged	989.05	–
Class P NOK Unhedged	838.48	–
Class P USD	127.33	–
Class X EUR	–	90.96
Class X USD	–	116.36

31 December 2017

	Harvest Equity Kernel USD	Sector Healthcare Value Fund USD	Sector Sigma Nordic Fund NOK
Total Net Asset Value	301,737,481	93,152,725	255,753,828
Shares outstanding			
Class A EUR	–	26,709	–
Class A NOK	30,849	40,486	84,205
Class A USD	20,009	50,508	70,562
Class B EUR	–	1,757	1,420
Class B NOK	–	194,435	34,954
Class B SEK	–	4,424	–
Class B USD	–	14,544	–
Class C NOK	–	–	329
Class L NOK	–	23,934	8,095
Class P NOK Hedged	1,681,986	–	–
Class P NOK Unhedged	572,607	–	–
Class P USD	187,904	–	–
Class X EUR	–	619	–
Net Asset Value per Share			
Class A EUR	–	232.89	–
Class A NOK	1,044.36	2,054.42	1,485.43
Class A USD	125.92	330.72	113.03
Class B EUR	–	101.67	130.49
Class B NOK	–	1,153.07	1,414.08
Class B SEK	–	1,121.46	–
Class B USD	–	109.60	–
Class C NOK	–	–	1,366.53
Class L NOK	–	2,386.06	1,697.46
Class P NOK Hedged	949.20	–	–
Class P NOK Unhedged	1,046.74	–	–
Class P USD	142.67	–	–
Class X EUR	–	87.97	–

21. Significant Events during the year

There were no significant events during the year.

22. Significant Events after the Balance Sheet Date

A revised supplement for Harvest Equity Kernel was noted by the Central Bank of Ireland on 2 January 2020. The main updates related to the change in name of the Fund from Sector Global Equity Kernel to Harvest Equity Kernel, and the change in the Investment Manager from Sector Omega AS to Harvest Funds AS.

The global public health crisis which arose from the outbreak of the novel coronavirus disease (known as COVID-19) has caused considerable volatility and disruption in financial markets since early March 2020. It is unknown what the impact will be on the global economy but the uncertainty and instability from COVID-19 for a prolonged period could have an adverse impact on the Company's or relevant Fund's business, opportunities, operations, financial condition and cash flows and there can be no assurance that the risks associated with COVID-19 will not alter significantly the attractiveness of an investment in the Company or a Fund as a result of the potential for capital losses and general uncertainty.

There were no other significant events after the balance sheet date.

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NOTES TO FINANCIAL STATEMENTS (Continued)

23. Approval of Financial Statements

The financial statements were authorised for issue by the Directors on 24 March 2020.

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SIGNIFICANT PORTFOLIO MOVEMENTS

In accordance with the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48 (1) (Undertakings for Collective Investment in Transferable Securities) Regulations, 2015, a statement of the largest changes in the composition of the Schedule of Investments during the period is provided to ensure that the shareholders can identify changes in the investments held by the Fund. These statements present the aggregate purchases and sales of an investment, exceeding 1% of the total value of purchases and sales for the period. At a minimum the largest 20 purchases and sales are listed. If the Fund enters into less than 20 purchases or sales during the year, then all transactions are presented.

Harvest Equity Kernel

LARGEST PURCHASES

**COST
USD**

Goldman Sachs US\$ Treasury Liquid Reserves Fund	76,767,428
Santos Ltd.	3,779,297
Anta Sports Products Ltd.	3,018,780
Suzuken Co. Ltd.	2,989,352
Infosys Ltd.	2,985,715
Cia de Transmissao de Energia Eletrica Paulista	2,985,456
Franco-Nevada Corp.	2,973,320
CareTrust REIT, Inc.	2,969,621
Red Electrica Corp. S.A.	2,967,641
Woodside Petroleum Ltd.	2,965,334
CAE, Inc.	2,959,000
Goldcorp, Inc.	2,940,780
Telefonica Brasil SA	2,940,180
Clean Harbors, Inc.	2,936,203
Omega Healthcare Investors, Inc.	2,935,548
Nestle S.A.	2,934,380
Danaher Corp.	2,926,910
Realtek Semiconductor Corp.	2,916,837
Agnico-Eagle Mines Ltd.	2,915,741
Koninklijke Ahold Delhaize NV	2,908,580
Bellway PLC	2,903,968
Techtronic Industries Co. Ltd.	2,833,060
Constellation Software, Inc.	2,817,415
Cabot Oil & Gas Corp.	2,813,998
Sartorius AG	2,810,192
Korea Zinc Co. Ltd.	2,808,180
Copart, Inc.	2,798,282
Azbil Corp.	2,797,946
TCI Co. Ltd.	2,788,593
Anhui Conch Cement Co. Ltd.	2,788,151
Alibaba Group Holding Ltd.	2,768,455
Ingersoll-Rand Plc	2,757,719
Fidelity National Information Services, Inc.	2,755,491
Amazon.com, Inc.	2,721,348

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SIGNIFICANT PORTFOLIO MOVEMENTS (Continued)

Harvest Equity Kernel

LARGEST SALES

**PROCEEDS
USD**

Goldman Sachs US\$ Treasury Liquid Reserves Fund	74,348,519
The Walt Disney Co.	5,775,458
Kirkland Lake Gold Ltd.	5,596,561
Deckers Outdoor Corp.	5,062,462
Evolution Mining Ltd.	4,102,246
B2Gold Corp.	4,080,719
Realtek Semiconductor Corp.	3,889,849
Zebra Technologies Corp., Class A	3,886,111
Equity Lifestyle Properties, Inc.	3,863,626
ONE Gas, Inc.	3,683,821
Nexstar Broadcasting Group, Inc., Class A	3,682,957
Anthem, Inc.	3,671,312
New Jersey Resources Corp.	3,669,835
Entergy Corp.	3,657,600
Public Service Enterprise Group, Inc.	3,630,597
Northern Star Resources Ltd.	3,579,741
Longfor Properties Co. Ltd.	3,544,112
Welltower, Inc.	3,494,880
Aflac Inc.	3,472,684
Ciena Corp.	3,436,428

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SIGNIFICANT PORTFOLIO MOVEMENTS (Continued)

Sector Healthcare Value Fund

LARGEST PURCHASES

	COST USD
Goldman Sachs US\$ Treasury Liquid Reserves Fund	30,688,922
Biogen, Inc.	6,962,764
Merck & Co., Inc.	5,119,160
Bristol-Myers Squibb Co.	5,018,874
Sanofi	4,537,081
Roche Holding AG	4,017,335
Mylan NV	3,965,677
Eli Lilly & Co.	3,677,512
Regeneron Pharmaceuticals, Inc.	3,532,613
Johnson & Johnson	3,503,271
Merck KGaA	3,479,666
Alexion Pharmaceuticals, Inc.	3,109,302
Gilead Sciences, Inc.	3,032,280
GlaxoSmithKline Plc	2,739,741
Humana, Inc.	2,658,250
Celgene Corp.	2,601,210
Takeda Pharmaceutical Co. Ltd.	2,488,939
Astellas Pharma, Inc.	2,362,914
Incyte Corp. Ltd.	2,182,074
Bruker Corp.	2,080,720
Quest Diagnostics, Inc.	2,005,338
United Therapeutics Corp.	1,971,367
Alcon, Inc.	1,962,446
Elanco Animal Health, Inc.	1,952,319
Allergan Plc	1,889,372
Abbott Laboratories	1,688,360
Koninklijke Philips NV	1,671,270
BioMarin Pharmaceutical, Inc.	1,653,847
Anthem, Inc.	1,598,632
Kyowa Hakko Kogyo Co. Ltd.	1,586,468
Tenet Healthcare Corp.	1,546,421
Agilent Technologies, Inc.	1,532,831

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SIGNIFICANT PORTFOLIO MOVEMENTS (Continued)

Sector Healthcare Value Fund

LARGEST SALES

**PROCEEDS
USD**

Goldman Sachs US\$ Treasury Liquid Reserves Fund	22,408,947
Celgene Corp.	5,916,866
Baxter International, Inc.	5,352,912
Merck & Co., Inc.	4,494,699
Roche Holding AG	3,912,211
CVS Caremark Corp.	3,428,656
McKesson Corp.	3,366,346
Biogen, Inc.	3,264,674
Allergan Plc	3,250,673
Bristol-Myers Squibb Co.	3,221,062
Sanofi	3,163,275
Mylan NV	2,633,770
Alnylam Pharmaceuticals, Inc.	2,576,877
Regeneron Pharmaceuticals, Inc.	2,450,235
Takeda Pharmaceutical Co. Ltd.	2,408,804
Shire Plc	2,406,652
Bayer AG	2,332,877
Abbott Laboratories	2,281,098
Incyte Corp. Ltd.	2,217,437
Tenet Healthcare Corp.	2,104,395
Gilead Sciences, Inc.	2,053,677
Eli Lilly & Co.	2,002,067
Takeda Pharmaceutical Co. Ltd.	1,996,043
Otsuka Holdings Co. Ltd.	1,774,505
Ionis Pharmaceuticals, Inc.	1,757,608
Bio-Rad Laboratories, Inc.	1,713,830
Anthem, Inc.	1,660,447
Merck KGaA	1,541,258
Koninklijke Philips NV	1,486,523
Olympus Corp.	1,456,291
Humana, Inc.	1,321,468

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REMUNERATION INFORMATION (Unaudited)

Regulation 89(3A) of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352 of 2011), as amended (the "UCITS Regulations") (as introduced pursuant to the European Union (Undertakings for Collective Investment in Transferable Securities) (Amendment) Regulations 2016 (the "UCITS V Regulations") on 21 March 2016) requires that the annual report of the Company contains certain disclosures on remuneration paid by the Company to its staff during the financial year and details of any material changes to the Company's remuneration policy made during the period.

In this regard, the following points are to be noted:

- The Company has prepared a remuneration policy outlining how it adheres to the remuneration requirements set out in the UCITS Regulations and ESMA's Guidelines on sound remuneration policies under the UCITS Directive (ESMA/2016/575) (the "Guidelines"). This policy was adopted with effect from 1 January 2018.
- No annual reviews have as yet been undertaken and no material changes have been made to the remuneration policy since 1 January 2019.

The Company has no employees or staff that it employs and pays directly. The Company has a Board of Directors, one of whom is an employee of the Sector group and receives no remuneration from the Company. The remaining two directors, each of whom is independent, receive a fixed fee only (for the year ended 31 December 2019 €24,000 (31 December 2018: €17,113) in aggregate and do not receive variable remuneration. These fees are set at a level that reflects the qualifications and contribution required taking into account the Company's size, internal organisation and the nature, scope and complexity of its activities.