

# IN.focus

## Audited annual report

### 31 December 2019

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Public investment fund under Belgian law with a variable number of units opting for investments complying with the conditions of Directive 2009/65/EC - **UCITS**



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# 1. General information on the Fund

## 1.1. Organisation of the Fund

### Name

IN.focus

### Date of incorporation

13 October 2014

### Life

Unlimited.

### Status

Collective investment fund with various sub-funds that has opted for investments complying with the conditions of Directive 2009/65/EC and which, as far as its operations and investments are concerned, is governed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables.

In the relationship between the investors, each sub-fund will be viewed as a separate entity. Investors have a right only to the assets of and return from the sub-fund in which they have invested. The liabilities of each individual sub-fund are covered only by the assets of that sub-fund.

### Management Company

KBC Asset Management N.V., Havenlaan 2, 1080 Brussel, België

### Date of incorporation of the management company

30 december 1999.

### Names and positions of the directors of the management company

Name	Title	
Stefan Van Riet	<i>Non-Executive Director</i>	
Pierre Konings	<i>Non-Executive Director</i>	
Katrien Mattelaer	<i>Non-Executive Director</i>	
Johan Daemen	<i>Non-Executive Director</i>	
André Van Poeck	<i>Independent Director</i>	
Luc Popelier	<i>Chairman</i>	
Johan Lema	<i>President of the Executive Committee</i>	
Tiny Ergo	<i>Managing Director</i>	resigned 31/08/2019
Linda Demunter	<i>Managing Director</i>	
Frank Van de Vel	<i>Managing Director</i>	
Chris Sterckx	<i>Managing Director</i>	
Klaus Vandewalle	<i>Managing Director</i>	

### Names and positions of the natural persons to whom the executive management of the management company has been entrusted

Name	Title	
Johan Lema	<i>President of the Executive Committee</i>	
Tiny Ergo	<i>Managing Director</i>	resigned 31/08/2019
Linda Demunter	<i>Managing Director</i>	
Frank Van de Vel	<i>Managing Director</i>	
Chris Sterckx	<i>Managing Director</i>	
Klaus Vandewalle	<i>Managing Director</i>	

These persons may also be directors of various beveks.

### Auditor of the management company

PriceWaterhouseCoopers België, Woluwe Garden, Woluwedal 18, 1932 Sint-Stevens-Woluwe, represented by Gregory Joos, company auditor and recognized auditor.

## Status of the Fund

Collective investment fund with various sub-funds that has opted for investments complying with the conditions of Directive 2009/65/EC and which, as far as its operations and investments are concerned, is governed by the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables.

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## Financial portfolio management

Regarding the delegation of the management of the investment portfolio, please see the information concerning the sub-funds.

## Financial service providers

The financial services providers in Belgium are:  
KBC Bank NV, Havenlaan 2, B-1080 Brussels  
CBC Banque SA, Avenue Albert 1er 60, B-5000 Namur

## Custodian

KBC Bank NV, Havenlaan 2, B-1080 Brussels.

### Custodian's activities

The custodian:

- a) Ensures the safe-keeping of the assets of the Fund and compliance with the standard obligations in this regard;
- b) Ensures that the sale, issue, purchase, redemption and withdrawal of units of the Fund occur in compliance with the applicable legal and regulatory provisions, the management rules and the prospectus;
- c) Ensures that the net asset value of the units of the Fund is calculated in accordance with the applicable legal and regulatory provisions, the management rules and the prospectus;
- d) Carries out the instructions of , provided that these do not contravene the applicable legal and regulatory provisions, the management rules and/or the prospectus;
- e) Ensures that in transactions relating to the assets of the Fund, the equivalent value is transferred to the Fund within the usual terms;
- f) Ascertains that:
  - i. The assets in custody correspond with the assets stated in the accounts of the Fund;
  - ii. The number of units in circulation stated in the accounts corresponds with the number of units in circulation as stated in the accounts of the Fund;
  - iii. The investment restrictions specified in the applicable legal and regulatory provisions, the management rules and the prospectus are respected;
  - iv. The rules regarding fees and costs specified in the applicable legal and regulatory provisions, the management rules and the prospectus are respected;
  - v. The returns of the Fund are appropriated in accordance with the applicable legal and regulatory provisions, the management rules and the prospectus.

The custodian ensures that the cash flows of the Fund are correctly monitored and in particular that all payments by or on behalf of subscribers on subscription to units of the Fund, have been received and that all the cash of has been booked to cash accounts that:

1. Have been opened in the name of the Fund, in the name of the management company acting on its behalf, or in the name of the custodian acting on its behalf;
2. Have been opened at an entity as intended in Article 18(1a, b and c) of Directive 2006/73/EC; and
3. Are held in accordance with the principles set out in Article 16 of Directive 2006/73/EC.

If the cash accounts have been opened in the name of the custodian acting in name of the Fund, no cash from the entity intended in Article 18(1a, b and c) of Directive 2006/73/EC and none of the custodian's own cash may be booked to these accounts.

The assets of the Fund are placed in custody with a custodian as follows:

- a) For financial instruments that may be held in custody:
  - i. The custodian will hold in custody all financial instruments that may be registered in a financial instrument account in the books of the custodian, as well as all financial instruments that can be physically delivered to the custodian;
  - ii. the custodian will ensure that all financial instruments that can be registered in a financial instrument account in the custodian's books, are registered in the custodian's books in separate accounts in accordance with the principles set out in Article 16 of Directive 2006/73/EC; these separate accounts have been opened in the name of the Fund or in the name of the management company acting on its account, so that it can be clearly ascertained at all times that they belong to the Fund, in accordance with the applicable law.

b) For other assets:

- i. The custodian will verify that the Fund or the management company acting on its behalf is the owner of the assets by checking based on information or documents provided by the Fund or the management company and, where appropriate, of available external proofs, whether the Fund or the management company acting on its behalf has ownership;
- ii. The custodian will maintain a register of the assets from which it is clear that the Fund or the management company acting on its behalf is the owner thereof and will keep that register up-to-date.

The custodian's duty to return the financial instruments only applies to financial instruments that may be held in custody.

### **Custody tasks delegated by the custodian**

The custodian of the Fund has delegated a number of custody tasks as of the publication date of this annual/half-year report. The tasks delegated to this sub-custodian are:

- Holding the required accounts in financial instruments and cash;
- Carrying out the custodian's instructions regarding the financial instruments and cash;
- Where required, the timely delivery of the relevant financial instruments to other parties involved with holding them;
- The collection of every type of return from the financial instruments;
- The appropriate communication to the custodian of all information that the sub-custodian receives directly or indirectly from the issuers via the chain of depositaries and performing the required formalities with regard to the financial instruments, with the exception of exercising voting rights, unless otherwise agreed in writing;
- Maintaining and communicating to the custodian all required details regarding the financial instruments;
- Processing corporate events on financial instruments, whether or not after the holder of these instruments has made a choice;
- Providing the services that have been agreed between the custodian and the sub-custodian and are legally permitted, with the exception of investment advice and asset management and/or any other form of advice relating to transactions in or the simple holding of financial instruments;
- Maintaining and communicating to the custodian all required details regarding the financial instruments.

### **List of sub-custodians and sub-sub-custodians**

The updated list of entities to which the custodian has delegated custody duties and, where applicable, the entities to which the delegated custody duties have been sub-delegated, can be consulted at [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents).

The custodian is liable for the loss of financial instruments held in custody in the sense of Article 55 of the Law of 3 August 2012 relative to undertakings for collective investment complying with the conditions of Directive 2009/65/EC and the undertakings for investment in receivables.

Investors can approach the institutions providing the financial services for up-to-date information regarding the identity of the custodian and its principal duties, as well as the delegation of these duties, and the identity of the institutions to which these duties have been delegated or sub-delegated, and also regarding any conflicts of interest as specified below.

### **Conflicts of interest**

The custodian will take all reasonable measures to identify conflicts of interest that may arise in the execution of its activities between

- The custodian and management company of the Fund, or the management companies of other beveks or funds of which the custodian holds assets;
- The custodian and the Fund whose assets the custodian holds, or other beveks or funds of which the custodian holds assets;
- The custodian and the investors in this Fund whose assets the custodian holds, or other beveks or funds of which the custodian holds assets;
- These parties themselves.

The custodian of the Fund will implement and maintain effective organisational and administrative procedures in order to take all reasonable measures to detect, prevent, manage and control conflicts of interest so that they do not prejudice the interests of the aforementioned parties.

If these procedures are not sufficient to be able to assume with reasonable certainty that the interests of the aforementioned parties have not been harmed, the investors will be notified of the general nature or causes of conflicts of interest according to the procedure described on the following website: [www.kbc.be/investment-legal-documents](http://www.kbc.be/investment-legal-documents) (About Us > Code of conduct for conflicts of interest). Investors who wish to be informed personally of such conflicts of interest can contact the financial services providers. If necessary, the open-ended investment company's custodian will adjust its processes.

## **Administration and accounting management**

KBC Asset Management N.V., Havenlaan 2, B-1080 Brussel

## **Accredited auditor of the the Fund**

Deloitte Bedrijfsrevisoren CVBA, Gateway Building, Luchthaven Brussel Nationaal 1 J, 1930 Zaventem, represented by Maurice Vrolix, company auditor and recognized auditor.

## Distributor

KBC Asset Management S.A., 4, Rue du Fort Wallis, L-2714 Luxembourg

## Promoter

KBC

The official text of the articles of association has been filed with the registry of the Commercial Court.

## Remuneration policy and remuneration paid by the management company

### General:

The KBC group has a specific management structure, under which KBC Group NV and the various group companies are brought together within one or more business units, for operational purposes.

KBC Asset Management NV is part of the KBC Asset Management product factory within the KBC group's International Markets Business Unit.

In 2010, the KBC group introduced the KBC Remuneration Policy, which lays down general remuneration guidelines for all staff and specific guidelines for those employees who could have a material impact on the risk profile of the company. Further information about the remuneration policy is available in the 'KBC Asset Management Group Compensation Report', which you can read at <https://kbcam.kbc.be/en/about-us>. The compensation report includes information from the level of the KBC Asset Management group entities about the remuneration principles and contains remuneration figures for the relevant fiscal year according to EU and national legislation. The report comprises the following sections:

- Overview of remuneration
- Risk adjustments
- Corporate governance
- Information provided on remuneration

## Remuneration paid by the management company for book year endings on 31 December 2019

the total reward over the fiscal year, broken down into the fixed and variable pay that the manager pays to its staff, the number of recipients and any amount paid direct by the bevek/sicav, including all performance rewards and carried interest.	Fixed pay: 36 376 936 EUR Variable pay: 4 116 824 EUR Number of recipients: 360
the aggregate pay amount, broken down into the highest management and the manager's staff whose acts significantly affect the fund's risk profile.	Management rewards: 2 010 523 EUR Reward for the manager's staff whose acts affect the risk profile: 612 293 EUR

*Note: the figures contained in this table have not yet been approved by the Management Company's shareholders in general meeting, which is not scheduled until later this year. Any correction is made in the subsequent annual report.*

The annual evaluation required by Article 14B(1)(c) and (d) of Directive 2009/65/EC did not throw up any irregularities in compliance with the remuneration policy.

## List of sub-funds and share classes of IN.focus

The table below contains an overview of the sub-funds sold and their share classes. If no share class is mentioned for a sub-fund, that means that only capitalisation- and/or distribution units are available. The characteristics of the different share classes are given in the prospectus.

	<b>Name</b>
1	Equity Strategy Level June
2	Equity Strategy Level March
3	Euro Pro May
4	Euro Pro November
5	Global Flexible Allocation
6	Global Flexible Allocation Wealth January
7	Global Flexible Allocation Wealth July
8	Income Portfolio
9	KBC ExpertEase Defensive Balanced
	Classic Shares
	Comfort Portfolio Shares
10	KBC ExpertEase Dynamic
11	KBC ExpertEase Dynamic Balanced
	Classic Shares
	Comfort Portfolio Shares
12	Private Banking Active Income Selection

## Sub-funds and share classes liquidated during the reporting period

Not applicable

In the event of discrepancies between the Dutch and the other language versions of the Annual report, the Dutch will prevail.



## 1.2. Management report

### 1.2.1. Information for the shareholders

Pursuant to Article 96 of the Companies Code, information is supplied regarding the following:

- The balance sheet and profit and loss account provide a true and fair view of the performance and results of the undertaking for collective investment. The 'General market overview' section includes a description of the main risks and uncertainties facing the undertaking for collective investment.
- The outbreak and global spread of the coronavirus will have a negative impact on the performance of the fund in 2020. However, it is impossible at the moment to estimate what the consequences will be and the situation is being closely monitored
- As regards events that might have a material impact on the development of the undertaking for collective investment, please refer to the 'Outlook' heading in the 'General market overview' section.
- The undertaking for collective investment does not conduct any research and development.
- The undertaking for collective investment does not have any branch offices.
- In establishing and applying the valuation rules, it is assumed that the undertaking for collective investment will continue to pursue its activities, even if the profit and loss account shows a loss for two consecutive financial years.
- All information required by the Companies Code has been included in this report.
- The risk profile of the undertaking for collective investment specified in the prospectus provides an overview regarding risk management.

Fees for special assignments conducted within the bevek by the statutory auditor

- Other certifications : 10 656,00 EUR

#### Significant changes during the financial year

Date	Description	Subfund
21 January 2019	Modification of the methodology in the calculation of the fee for the management of the investment portfolio.	2035, 2040, Equity Strategy Level June, Equity Strategy Level March, Euro Pro May, Global Flexible Allocation, Global Flexible Allocation Wealth January, Global Flexible Allocation Wealtj July, KBC ExpertEase Defensive Balanced, KBC ExpertEase Dynamic Balanced, KBC ExpertEase Dynamic

#### 1.2.1.1. Securities Financing Transactions (SFTs)

##### General

**Each sub-fund may lend financial instruments within the limits set by law and regulations.**

Lending financial instruments is a transaction where one a sub-fund transfers financial instruments to a counterparty subject to an undertaking on the part of that counterparty to supply the sub-fund with comparable financial instruments at some future date or on the sub-fund's request.

This takes place within the framework of a securities lending system managed by either a 'principal' or an 'agent'. If it is managed by a principal, a sub-fund has a relationship only with the principal of the securities lending system which acts as counterparty and to whom title to the loaned securities is transferred. If it is managed by an agent, a sub-fund has a relationship with the agent (as manager of the system) and with one or more counterparties to whom title to the loaned securities is transferred. The agent acts as intermediary between a sub-fund and the counterparty or counterparties.

The sub-funds use the lending of financial instruments to generate additional income. This might consist of a fee paid by the principal or, in the event that the fund performs the securities lending through an agent, by the counterparty, as well as income generated through reinvestments.

**The sub-funds are not permitted to agree forms of SFTs other than lending financial instruments.**

### General information on the SFTs used

Type of SFT	Types of asset that the SFT can involve	Maximum percentage of the assets under management that can be involved in the SFT	Anticipated percentage of the assets under management that will be involved in the SFT
Lending financial instruments	Only <b>shares</b> and <b>bonds</b> will be lent	When lending financial instruments a <b>maximum of 30% of the assets under management</b> will be involved.	<b>Depending on market conditions 0–30% of the assets under management</b> will be involved in the lending of financial instruments

### Criteria for the selection of counterparties

Lending financial instruments only occurs with high-quality counterparties. The management company selects which counterparties qualify for the lending of financial instruments.

The selected counterparties must meet the following minimum requirements to this end:

Legal status	Minimum rating	Country of origin
The counterparty must belong to one of the following categories: a) A credit institution; or b) An investment firm; or c) A settlement or clearing institution; or d) A central bank of a member state of the European Economic Area, the European Central Bank, the European Investment Bank or a public international financial institution in which one or more European Economic Area member states participate.	Only counterparties rated as investment grade may be considered.  An investment-grade rating means: a rating equal to or higher than BBB- or Baa3 according to one or more of the following accredited rating agencies:  - Moody's (Moody's Investors Service); - S&P (Standard & Poor's, a division of the McGraw-Hill Companies); en - Fitch (Fitch Ratings).  If the counterparty does not have a rating, the rating of the counterparty's parent company may be taken into consideration.	All geographical regions may be considered when selecting counterparties.

**The relationship with the counterparty or counterparties is governed by standard international agreements.**

### Description of acceptable financial collateral and its valuation

When a sub-fund lends financial instruments, it receives financial collateral in return. This financial collateral protects the sub-fund fund from default on the part of the counterparty to which the financial instruments have been lent.

**Each sub-fund may accept the following forms of financial collateral:**

- **Cash**; and/or
- **Bonds and other debt instruments**, issued or guaranteed by the central bank of a member state of the European Economic Area, the European Central Bank, the European Union or the European Investment Bank, a member state of the European Economic Area or the Organisation for Economic Cooperation and Development, or by a public international institution in which one or more member states of the European Economic Area participate, other than the counterparty or a person associated with it, and which are permitted to trade on a regulated market; and/or
- **Participation rights in a monetary undertaking for collective investment** that complies with Directive 2009/65/EC or which meets the conditions of Article 52(1:6) of the Royal Decree of 12 November 2012 on certain public institutions for collective investment which meet the conditions of Directive 2009/65/EC, and the net asset value of which is calculated and published daily.

Where the lending of securities is agreed within the framework of a securities lending system, the financial collateral can also take the form of bonds eligible for trading on a regulated market and which have been rated as at least investment grade as described under 'Criteria for the selection of counterparties'.

The valuation of the financial collateral occurs daily in accordance with the most applicable and accurate method: mark-to-market. A daily variation margin applies based on the daily valuation. Consequently, daily margin calls are possible.

There are no limits regarding the term of the financial collateral.

### **Reuse of financial collateral**

**If a sub-fund receives collateral in the form of cash, it can reinvest this cash in**

- **deposits with credit institutions** which can be withdrawn immediately and which mature within a period not exceeding twelve months, provided that the registered office of the credit institution is situated within a member state of the EEA, or if the registered office is established in a third country, provided that it is subject to prudential supervisory rules which the FSMA considers as being equivalent to the rules under European Law.
- **short term money market funds** as described in the ESMA Guidelines CESR/10-049 dated 19 May 2010 on the common definition of European money market funds.
- **government bonds** that are denominated in the same currency as the cash received and that meet the terms and conditions set out in the Royal Decree of 7 March 2006 on securities lending by certain undertakings for collective investment.

**Reinvesting in this way can eliminate the credit risk to which a sub-fund is exposed concerning the collateral in respect of the financial institution where the cash account is held, but there is still a credit risk in respect of the issuer or issuers of the debt instrument(s). The management company may delegate implementation of the reinvestment policy to a third party, including the agent managing the securities lending system.**

Reinvestment in deposits at the same credit institution may not exceed 10% of the sub-fund's total assets. Reinvestment in bonds issued by the same public authority may not exceed 20% of the sub-fund's total assets.

### **Policy on the diversification of collateral and the correlation policy**

**A sub-fund is not permitted to accept financial collateral issued by the party offering them.**

A sub-fund's exposure to financial collateral issued by the same issuer may not exceed 20% of the sub-fund's net assets.

### **Holding of the financial collateral**

The financial collateral will be held in the following manner:

- for cash: held in a cash account; and
- for financial collateral that is not cash: registration in a custody account.

The custodian of the financial collateral and/or the entity to which certain tasks relating to the custody of the financial collateral has been delegated is not necessarily the same entity as the custodian of the Fund's assets, as stated under 'B. Service providers to the Fund'.

### **Influence of SFTs on a sub-fund's risk profile**

**This lending does not affect a sub-fund's risk profile since:**

- The choice of principal, agent and every counterparty is subject to strict selection criteria.
- The return of securities similar to the securities that have been lent can be requested at any time, which means that the lending of securities does not affect management of a sub-fund's assets.
- The return of securities similar to the securities that have been lent is guaranteed by the principal or the agent, as applicable. A margin management system is used to ensure that a sub-fund is at all times the beneficiary of financial security (collateral) in the form of cash or other or other specific types of securities with a low risk, such as government bonds, in case the principal or the counterparty (if a sub-fund uses an agent) does not return similar securities. The actual value of the collateral in the form of specific types of securities with a low risk must at all times exceed the actual value of the loaned securities by 5%. Furthermore, when calculating the value of the specific types of securities with a low risk provided as collateral, a margin of 3% is applied, which should prevent a negative change in price resulting in their actual value no longer exceeding the actual value of the securities. The value of the collateral in the form of cash must at all times exceed the actual value of the loaned securities.
- The criteria met by the collateral are such as to limit the credit risk. A rating of at least investment grade is required in the case of collateral in the form of bonds and other debt instruments. In the case of collateral in the form of participation rights in monetary undertakings for collective investment, the inherent diversification of these undertakings limits the credit risk. In the case of cash that is reinvested, a rating of at least investment grade is required when reinvesting in either deposits or government bonds. In the case of reinvestment in short-term money-market funds, the inherent diversification of these funds limits the credit risk.

- The criteria met by these types of collateral are such as to limit the liquidity risk. It must be possible to value the financial collateral on a daily basis by market price or to withdraw it on demand (on reinvestment of cash in deposits).
- In the case of reinvestment of cash, there are additional criteria to limit the market risk associated with the initial values in cash. When reinvesting bonds, only bonds with a remaining term to maturity of no more than one year may be considered. The shortness of this remaining term results in a low sensitivity to interest rate movements. In the case of reinvestment in short-term money-market funds, the low duration of these funds limits the market risk with respect to the initial value in cash.
- The custody of financial collateral consisting of securities occurs by placing the securities in custody accounts which, in the event of the custodian's bankruptcy, are held outside its insolvent estate. The custody of financial collateral consisting of cash occurs by holding it in cash accounts, whether or not segregated. The extent to which the custody of financial collateral consisting of cash occurs in non-segregated accounts has no influence, however, on the sub-fund's risk profile.
- Operational risks are limited by operational controls, in the shape of daily control of the market values of loaned securities and collateral and reconciliation of internal and external data.

### **Distribution policy for returns on the utilised SFTs**

**By lending securities, a sub-fund can generate additional income, which might consist of a fee** paid by the principal or the counterparty (if a sub-fund uses an agent) **as well as income generated through reinvestments. After deducting the direct and indirect charges – set at a flat rate of 35% of the fee received** and consisting of the charges for the clearing services provided by KBC Bank NV, the charges paid to the management company for setting up and monitoring the system for lending securities, the charges for margin management, the charges associated with cash and custody accounts and cash and securities transactions, the fee paid for any management of reinvestments and, if a sub-fund uses an agent, the fee paid to the agent. This income is paid to a sub-fund. It should be noted in this regard that KBC Bank NV is an entity affiliated with the management company.

#### **1.2.1.2. General strategy for hedging the exchange rate risk**

In order to protect its assets against exchange rate fluctuations and within the limitations laid down in the management rules, a sub-fund may perform transactions relating to the sale of forward currency contracts, as well as the sale of call options and the purchase of put options on currencies. The transactions in question may relate solely to contracts traded on a regulated market that operates regularly, that is recognised and that is open to the public or, that are traded with a recognised, prime financial institution specialising in such transactions and dealing in the over-the-counter (OTC) market in options. With the same objective, a sub-fund may also sell currencies forward or exchange them in private transactions with prime financial institutions specialising in such transactions.

#### **1.2.1.3. Social, ethical and environmental aspects**

Investments may not be made in financial instruments issued by

- manufacturers of controversial weapons whose use over the past five decades, according to international consensus, has led to disproportionate human suffering among the civilian population. This involves the manufacturers of anti-personnel mines, cluster bombs and munitions and weapons containing depleted uranium;
- companies that do not have an anti-corruption policy and that have been given a negative score in a thorough screening for corruption in the last two years. A company has no anti-corruption policy if it cannot be demonstrated that it has an acceptable policy concerning the fight against corruption. An acceptable policy should be made public and must at least state that bribery will not be tolerated and that the law will be followed in this respect. The screening will be based on a generally accepted and independent 'Social, ethical and environmental factors' database.

In this way, not only is a purely financial reality represented, but also the social reality of the sector or region.

#### **1.2.1.4. Synthetic risk and reward indicator**

In accordance with Commission Regulation (EU) No. 583/2010, a synthetic risk and reward indicator has been calculated. This indicator provides a quantitative measure of a sub-fund's potential return and the risk involved, calculated in the currency in which a sub-fund is denominated. It is given as a figure between 1 and 7. The higher the figure, the greater the potential return, but also the more difficult it is to predict this return. Losses are possible too. The lowest figure does not mean that the investment is entirely free of risk. However, it does indicate that, compared with the higher figures, this product will generally provide a lower, but more predictable return.

The synthetic risk and reward indicator is assessed regularly and can therefore go up or down based on data from the past. Data from the past is not always a reliable indicator of future risk and return.

The most recent indicator can be found under the 'Risk and reward profile' heading in the 'Key Investor Information' document.

#### 1.2.1.5. Ongoing charges

The key investor information sets out the ongoing charges, as calculated in accordance with the provisions of Commission Regulation (EC) No. 583/2010 of 1 July 2010.

The ongoing charges are the charges taken from the UCITS over a financial year. They are shown in a single figure that represents all annual charges and other payments taken from the assets over the defined period and for a sub-fund and that is based on the figures for the preceding year. This figure is expressed as a percentage of the average net assets per sub-fund or, where relevant, of the unit class.

The following are not included in the charges shown: entry and exit charges, performance fees, transaction costs paid when buying or selling assets, interest paid, payments made with a view to providing collateral in the context of derivative financial instruments, or commissions relating to Commission Sharing Agreements or similar fees received by the Management Company or any person associated with it.

#### 1.2.1.6. Existence of fee sharing agreements and rebates

The management company may share its fee with the distributor, and institutional and/or professional parties.

In the information for each sub-fund – under '2.4.6. Expenses' – you can see the percentage of the fee that has actually been shared for each sub-fund.

If the management company invests the assets of the undertaking for collective investment in units of undertakings for collective investment that are not managed by an entity of KBC Groep NV, and receives a fee for doing so, it will pay this fee to the undertaking for collective investment.

Fee sharing heeft geen invloed op de hoogte van de beheercommissie die a sub-fund to the management company. This management fee is subject to the limitations laid down in the management rules. The limitations may only be amended after approval by the General Meeting.

The management company has concluded a distribution agreement with the distributor in order to facilitate the wider distribution of the sub-fund's units by using multiple distribution channels.

It is in the interests of the holders of units of a sub-fund and of the distributor for the largest possible number of units to be sold and for the assets of a sub-fund to be maximised in this way. In this respect, there is therefore no question of any conflict of interest.

#### 1.2.1.7. Existence of Commission Sharing Agreements

**For the following sub-funds exist Commission Sharing Agreements:**

**For the following sub-funds don't exist Commission Sharing Agreements:**

The Management Company, or where applicable, the appointed manager has entered into a Commission Sharing Agreement with one or more brokers for transactions in units on behalf of one or more sub-funds. This agreement specifically concerns the execution of orders and the delivery of research reports.

#### What the Commission Sharing Agreement entails:

The Management Company, or where appropriate, the appointed manager can ask the broker to pay invoices on their behalf for a number of goods and services provided. The broker will then pay those invoices using the savings that have been built up to a certain percentage above the gross commission that it receives from the sub-funds for carrying out transactions.

#### N.B.:

Only goods and services that assist the Management Company, or where applicable, the appointed manager in managing the sub-funds in the interest of this a sub-fund can be covered by a Commission Sharing Agreement.

#### Goods and services eligible for a Commission Sharing Agreement:

- Research-related and advice-related services;
- Portfolio valuation and analysis;
- Market information and related services;
- Return analysis;
- Services related to market prices;
- Computer hardware linked to specialised computer software or research services;
- Dedicated telephone lines;
- Fees for seminars when the topic is relevant to investment services;
- Publications when the topic is relevant to investment services;
- All other goods and services that contribute directly or indirectly to achieving the investment objectives of the sub-funds.

The Management Company, or where appropriate, the appointed manager has laid down an internal policy as regards entering into Commission Sharing Agreements and avoiding possible conflicts of interest in this respect, and has put appropriate internal controls in place to ensure this policy is observed.

No CSA accrual during this period.

#### **1.2.1.8. Recurrent fees and charges**

<b>Recurrent fees and charges paid by the sub-fund</b>	
Fee paid to the statutory auditor of the Fund	Fee of the statutory auditor: 1844 EUR/year (excluding VAT) for non-structured sub-funds These amounts can be indexed on an annual basis in accordance with the decision of the General Meeting.

## 1.2.2. General market overview

1 January 2019 - 31 December 2019

### General overview

#### The economic context

World economic growth slowed substantially over the period under review. Judging by business confidence, industry in particular had a very difficult time, with the continuing uncertainty about the outcome of Brexit and slowing international trade, itself a result of rising trade tensions, clearly weighing on sentiment. Export-oriented regions like the euro area and Southeast Asia had an especially tough time of it. The continuing strength of the labour market supported private consumption, enabling the service sector to hold up reasonably well in most regions.

#### Monetary policy

The US central bank changed tack during the reporting period. After systematically raising interest rates throughout 2018, the Federal Reserve responded to slowing growth by cutting the base rate three times (by 0.25% each time). Falling inflation gave the central bank the necessary scope to do so.

The European Central Bank (ECB) was initially clear that it would be some time before interest rates would be raised again. However, as growth in the euro area continued to slow down, the Frankfurt-based bankers announced a new round of stimulatory measures, relaunching its bond purchase programme and reducing deposit rates to -0.5%. At barely 1%, core inflation in the euro area is still well below the ECB's target.

#### Currency markets

During the period under review, the euro lost ground to safe-haven currencies like the Japanese yen (+3.2%) and the Swiss franc (+3.6%). The euro weakened by 2.2% against the US dollar. The biggest loss was against sterling (+5.9%), which benefited from the easing fears about a hard Brexit.

#### Stock markets

In euro terms, the international stock markets closed the reporting period with a 29.1% gain, though there were significant fluctuations throughout the period. The protracted trade disputes between the US and its main trading partners, coupled with increasingly weak economic indicators, led to corrections in May and August.

Regional differences were quite considerable. The United States saw the biggest rise in share prices (+33.1% in euro terms). The euro area (+25.5%) and Japan (+22.2%) were not far behind. The total return in the emerging markets was 21.7%, though there were fairly wide differences between the regions. For example, Russia performed very strongly (+53.9%), while the market in Central Europe was less exuberant. Poland actually posted a negative return (-4%). In Asia, too, weighed down by the impact of the trade war, returns were below the average (+21.1%), with South Korea (+12.2%) and India (+9.7%) standing out as weaker markets.

All sectors were up at the end of the reporting period. Technology was a positive highlight (+49.6%). The Energy sector did less well (+14.9%), having to contend with a lower oil price. Returns in the other sectors were close together. Cyclical sectors such as Consumer Discretionary (+30%) and Industrials (+28.8%), performed only slightly better than unequivocally defensive sectors such as Health Care (+24.9%) and Consumer Staples (+23.9%). The financial sector also delivered a strong performance, with a total net return of 25.5%.

#### Bond markets

The Federal Reserve's about-face triggered a further fall in long-term rates during the reporting period. US ten-year rates fell from 2.7% at the end of December 2018 to 1.9% at the close of the reporting period.

Bond yields also fell in the euro area. German ten-year rates were still in positive territory at the end of 2018 (+0.24%), but moved to well below zero towards the end of the reporting period, closing at -0.19% on 30 December.

The yield spread between corporate and government bonds narrowed sharply in the early part of the reporting period, from 1.5% at the start of the period to 1.07% at the end of April. During the stock market corrections in May and August, however, yields rose again. As it became clear that the ECB's bond purchase programme was to be relaunched, the spread was able to narrow again. It stood at 0.93% at the end of the reporting period.

### Projections

#### Economic context

We expect growth to pick up slightly in 2020, with emerging markets largely leading the way, though we are anticipating a gradual acceleration in economic growth in the euro area, too. Growth in other Western countries will remain below the long-term trend.

We expect the Chinese economy to continue its soft landing, and envisage a modest return to growth in most of the other emerging markets. Of course, this depends on the Sino-American trade conflict not escalating any further and/or on the extent to which the Chinese government is able to continue supporting growth through measures to stimulate the economy.

#### Monetary policy

The US central bank shifted its stance, cutting its base rate in July for the first time in a long time. We are not expecting any further rate cuts in 2020. The European Central Bank is also not expected to take any new action in the wake of the September rate cut and the relaunch of its bond purchase programme in November. The Bank of

Japan meanwhile continues to create money at a pace.

### Currency markets

We expect the US dollar to weaken slightly against the euro in the course of 2020, induced by growing anticipation of a first step towards normalising interest rates in the euro area.

### Stock markets

Shares continue to be preferable to bonds. They offer the prospect of a higher return in the medium to long term and their relative valuation also remains attractive. That is mainly due to the extremely low interest rate levels, not only in the euro area but worldwide. Shares are fairly valued, with price-earnings ratios around or just above their historical average. Dividend yields exceed government bond yields, including in the US.

The stock markets' very strong start to 2019 mainly served to compensate for the exaggerated pessimism that prompted the fall in December 2018. This was due to fears that the US was on the brink of a recession, caused in part by the excessive hiking of the key rate by the US central bank, the Federal Reserve (Fed). But the markets are now also pricing in the first partial agreement between the US and China in the trade conflict. The easing risk of a hard Brexit also benefited sentiment towards shares. Against this backdrop, we do not anticipate a bull market over the coming months. KBC Asset Management believes that a volatile but modestly rising stock market is a more likely scenario.

The trade conflict remains one of the main bellwethers for developments in the near term. This is not only hitting China amidst, but is hurting the US just as much through more expensive consumer goods and components and countermeasures by China. Business confidence has fallen as a result, as it has in the rest of the world. Consumer confidence held up better thanks to a very strong labour market, but here, too, the peak is behind us. Even though the effect of the tax cuts and higher government spending are ebbing away, a recession remains unlikely. European growth remains subdued due to the turmoil over Brexit, the lower global growth and a general lack of confidence in the manufacturing sector. Emerging markets are suffering from slower growth in China. The Chinese government is stimulating growth by cutting interest rates, easing lending criteria, cutting taxes sharply and boosting infrastructure investments to compensate for the negative consequences of the trade war and ensure a soft landing, with growth at around 6.0%.

Global monetary policy continues to be supportive for shares. The European Central Bank (ECB) has again reduced its deposit rate, this time to -0.5%. By granting the banks a partial exemption, it is protecting them to some extent from the negative consequences. Since November, it has also restarted the quantitative easing programme, creating money by purchasing bonds. This will keep interest rates low or even negative for the foreseeable future. The US central bank (Fed) raised its key rate to 2.5% in December, still fairly low in a historical perspective. Since then, however, the Fed policy has undergone a U-turn in response to the global slowdown in growth and the anxieties on the stock market. The key rate was cut in July and September, by 0.25% each time. The Fed also stopped the scaling back of its balance sheet in September. The Bank of Japan, too, is continuing to create money apace.

Last year, tax cuts ushered in record earnings growth of 25% in the US, while robust economic growth delivered impressive revenue growth of 7%. Earnings growth is clearly slowing down, and was barely positive in 2019. The results for the third quarter were better than the forecasts, which had been heavily adjusted downwards – although profits stalled at high levels and it was only revenues which increased, rising by around 3%.

At regional level, we prefer the euro area. After almost two years of steady decline, we have recently seen some stabilisation in the activity indicators. These leading indicators suggest that Europe is now over the worst and that the general fear of recession, manifested chiefly in very low government bond yields, was premature. Concerns about a hard Brexit have also eased and we can now be cautiously optimistic about the trade conflict in light of the first partial agreement. Both risks have put a damper on investment and confidence in the euro area, thereby weighing on economic growth. The trade deal and an anticipated continuation of the turnaround in economic indicators is another reason to back the emerging markets. What's more, both regions are valued more cheaply than shares in the US, where most of the good news seems to have already been factored into the record share prices. Growth had long been stronger than in the rest of the developed world, but the gap has narrowed. Corporate earnings reached record levels, which means expectations ought not to be raised too high for the quarters ahead.

Partly thanks to the bottoming out of a number of leading economic indicators, KBC Asset Management is moderately positive towards cyclical sectors. Valuations are extremely low in a number of these sectors, such as Materials. Thanks to the sharp reductions in interest rates, sectors which are more sensitive to interest rates performed very well in the first nine months of 2019. The bottoming out that has taken place also means that these traditionally defensive sectors, such as Utilities, Health Care and Consumer Staples (e.g. food), have little upside potential left. Recovering interest rates (German rates have rebounded sharply since September) also mean that the worst is probably over for the benighted financial sector. They ease the pressure on banks' interest margins, while lending volumes have been systematically increasing over recent years.

Communication Services is easily the sector with the strongest forecast earnings growth. Software companies are growing on the back of the services they provide to businesses, with Cloud computing as the spearhead. This means they are enjoying very high margins. The hardware and semiconductor segment should also benefit from the improving economic climate.

In terms of investment themes, our preference is for mature, stable companies that return some of their surplus cash, which is earning nothing at current interest rates, to their shareholders. We prefer companies that buy back



their own shares. That is not just a sign of management's confidence in the company's shares; buying back and destroying shares also means that earnings and dividends have to be shared out between fewer shares. In an environment of low earnings growth, this contribution to the growth in earnings per share is relatively high. Share buybacks have reached record levels in the US, but in Europe, too, we are seeing growing interest in buybacks. The market also appreciates these high-quality companies. A stable and high dividend also forms a safe and relatively large proportion of market return when stock markets are volatile and rising less rapidly. High dividends are also an attractive alternative for bond investors. Unfortunately, the market appears not to appreciate these cheap, high-dividend companies.

Lastly, we also prefer water companies. There is a major scarcity of drinking water, caused by the problems of outdated and inadequate water infrastructure, climate change and the issues of water quality and treatment of waste water. This ensures robust long-term revenue growth for these companies. These companies are generally valued a little more expensively and so are trading at a premium, although at its current level of around 13%, this premium is lower than the average over the last eight years.

### **Bond markets**

Given the extremely low interest rates (even negative in some cases), we are invested below the benchmark level for bonds. Government bonds maturing in the next few months or years are in many cases offering negative returns. Yields on longer maturities are also so low that the least rise in rates would be enough to push the return into the red. The Belgian ten-year yield also turned negative for the first time ever in the summer of 2019.

The risks and the fear of recession mean that government bonds issued in the euro area are appealing to investors. The slower economic growth and low inflation caused bond prices to rise in 2019. The uncertainties surrounding the peripheral countries (such as Italy and Spain) have also eased, leading to a reduction in risk premiums; the best therefore appears to be over. We prefer government bonds from the euro area with relatively short maturities.

We take a neutral stance on corporate bonds. The slowdown in economic growth and the risks (trade war, Brexit, etc.) may weigh on the credit premium. These investments also often show increased volatility in times of uncertainty, but after the sharp increase in that premium at the end of 2018, investors have become less jittery in recent months. Euro-area companies remain financially sound. The risk of a hard Brexit has eased and the confidence indicators appear to have bottomed out. Furthermore, the European Central Bank (ECB) decided in September to relaunch its bond purchase programme, which will provide some support for corporate bonds.

## **1.3. Auditor's report**



IN.focus

Collective investment fund under Belgian law, category UCITS

Statutory auditor's report to the shareholders' meeting for the year ended 31 December 2019 – Annual accounts

The original text of this report is in Dutch

## Statutory auditor's report to the shareholders' meeting of IN.focus for the year ended 31 December 2019 – Annual Accounts

In the context of the statutory audit of the annual accounts of IN.focus (the "fund"), we hereby submit our statutory audit report. This report includes our report on the annual accounts and the other legal and regulatory requirements. These parts should be considered as integral to the report.

We were appointed in our capacity as statutory auditor by the shareholders' meeting of 25 April 2017, in accordance with the proposal of the board of directors of the management company. Our mandate will expire on the date of the shareholders' meeting deliberating on the annual accounts for the year ending 31 December 2019. We have performed the statutory audit of the annual accounts of IN.focus for 6 consecutive periods.

### Report on the annual accounts

#### Unqualified opinion

We have audited the annual accounts of the fund, which comprises the balance sheet as at 31 December 2019 and the income statement for the year then ended, as well as the explanatory notes. The annual accounts show a total net asset value of 5 342 899 859,17 EUR and the income statement shows a gain for the year ended of 429 728 933,85 EUR.

In our opinion, the annual accounts give a true and fair view of the fund's net asset value and financial position as of 31 December 2019 and of its results for the year then ended, in accordance with the financial reporting framework applicable in Belgium.

An overview of the total net asset value and result for each compartment is given in the following table.

Name	Currency	Net Asset Value	Result
IN.focus - Euro Pro November	EUR	15 983 161,46	1 464 996,80
IN.focus - Private Banking Active Income Selection	EUR	573 789 904,16	89 769 993,64
IN.focus - Equity Strategy Level March	EUR	82 758 987,48	13 764 041,29
IN.focus - Euro Pro May	EUR	7 516 504,01	456 255,09
IN.focus - Global Flexible Allocation Wealth January	EUR	50 577 898,61	7 593 564,80
IN.focus - Equity Strategy Level June	EUR	39 213 952,64	6 181 580,63
IN.focus - Global Flexible Allocation Wealth July	EUR	19 638 435,01	1 955 969,31
IN.focus - Global Flexible Allocation	EUR	147 205 318,15	17 478 725,21
IN.focus - Income Portfolio	EUR	473 656 463,06	64 693 030,89
IN.focus - KBC Expertease Defensive Balanced	EUR	2 055 036 830,76	75 776 632,34
IN.focus - KBC Expertease Dynamic Balanced	EUR	1 470 215 791,96	108 372 730,33
IN.focus - KBC Expertease Dynamic	EUR	407 306 611,87	42 221 413,52

#### Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISA), as applicable in Belgium. In addition, we have applied the International Standards on Auditing approved by the IAASB applicable to the current financial year, but not yet approved at national level. Our responsibilities under those standards are further described in the "Responsibilities of the statutory auditor for the audit of the annual accounts" section of our report. We have complied with all ethical requirements relevant to the statutory audit of the annual accounts in Belgium, including those regarding independence.

We have obtained from the board of directors of the management company and the fund's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the board of directors of the management company for the preparation of the annual accounts

The board of directors of the management company is responsible for the preparation and fair presentation of the annual accounts in accordance with the financial reporting framework applicable in Belgium and for such internal control as the board of directors of the management company determines is necessary to enable the preparation of the annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the board of directors of the management company is responsible for assessing the fund's ability to continue as a going concern, disclosing, as applicable, matters to be considered for going concern and using the going concern basis of accounting unless the board of directors of the management company either intends to liquidate the fund or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the statutory auditor for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a statutory 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 ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

During the performance of our audit, we comply with the legal, regulatory and normative framework as applicable to the audit of annual accounts in Belgium. The scope of the audit does not comprise any assurance regarding the future viability of the company nor regarding the efficiency or effectiveness demonstrated by the board of directors in the way that the company's business has been conducted or will be conducted.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

#### Other legal and regulatory requirements

##### Responsibilities of the board of directors of the management company

The board of directors of the management company is responsible for the preparation and the content of the directors' report on the annual accounts for maintaining the fund's accounting records in compliance with the legal and regulatory requirements applicable in Belgium, as well as for the fund's compliance with the applicable legislation and the fund's management agreement.

##### Responsibilities of the statutory auditor

As part of our mandate and in accordance with the Belgian standard complementary to the International Standards on Auditing (ISA) as applicable in Belgium, our responsibility is to verify, in all material respects, the director's report on the annual accounts and compliance with certain obligations referred to in the applicable legislation and the management agreement, as well as to report on these matters.

##### Aspects regarding the directors' report

In our opinion, after performing the specific procedures on the directors' report on the annual accounts, the directors' report on the annual accounts is consistent with the annual accounts for that same year and has been established in accordance with the requirements of articles 3:5 and 3:6 of the Code of companies and associations.

In the context of our statutory audit of the annual accounts we are also responsible to consider, in particular based on information that we became aware of during the audit, if the directors' report on the annual accounts is free of material misstatement, either by information that is incorrectly stated or otherwise misleading. In the context of the procedures performed, we are not aware of such material misstatement.

##### Statements regarding independence

- ) Our audit firm and our network have not performed any prohibited services and our audit firm has remained independent from the management company during the performance of our mandate.
- ) The fees for the additional non-audit services compatible with the statutory audit of the annual accounts, as defined in article 3:65 of the Code of companies and associations, have been properly disclosed and disaggregated in the notes to the annual accounts.

#### Other statements

- J Without prejudice to certain formal aspects of minor importance, the accounting records are maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- J The appropriation of results proposed to the general meeting is in accordance with the relevant legal and regulatory requirements.
- J We do not have to report any transactions undertaken or decisions taken which may be in violation of the company's articles of association the Companies Code or, as from 1 January 2020, the Code of companies and associations.

Zaventem, 31 March 2020

The statutory auditor

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Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises CVBA/SCRL  
Represented by Maurice Vrolix



## 1.4. Aggregate balance sheet (in EUR)

Balance sheet layout		31/12/2019	31/12/2018
<b>TOTAL NET ASSETS</b>		5,342,899,859.17	4,645,530,451.07
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
A.	Bonds and other debt instruments		
a)	Bonds	294,531,994.39	283,100,721.00
B.	Money market instruments	16,289,450.75	11,821,308.77
C.	Shares and similar instruments		
a)	Shares	716,318,061.86	734,425,734.47
D.	Other securities	314,303.24	633,947.28
E.	Open-end undertakings for collective investment	4,270,704,821.09	3,600,046,547.81
F.	Derivative financial instruments		
a)	Bonds		
	Option contracts (+/-)	-2,360,798.50	-1,980,122.00
	Futures and forward contracts (+/-)	-82,939.84	-5,831.87
j)	Foreign exchange		
	Futures and forward contracts (+/-)	-199.25	989.09
m)	Financial indices		
	Futures and forward contracts (+/-)	-29,779.49	-267,387.20
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
a)	Accounts receivable	18,196,589.87	7,419,749.30
c)	Collateral	7,787,784.35	4,754,198.96
B.	Payables		
a)	Accounts payable (-)	-4,692,835.43	-9,203,273.84
c)	Borrowings (-)	-9,391,753.89	-3,250,137.89
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	38,710,805.53	21,139,664.25
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income	2,638.92	13,999.96
C.	Accrued expense (-)	-3,398,284.43	-3,119,657.02
<b>TOTAL SHAREHOLDERS' EQUITY</b>		5,342,899,859.17	4,645,530,451.07
<b>A.</b>	<b>Capital</b>	4,914,603,892.28	5,102,710,469.96
<b>B.</b>	<b>Income equalization</b>	-1,432,966.96	301,693.10
<b>D.</b>	<b>Result of the bookyear</b>	429,728,933.85	-457,481,712.02

Off-balance-sheet headings			
I.	Collateral (+/-)		
I.A.	Collateral (+/-)		
I.A.b.	Cash at bank and in hand/deposits	7,787,784.35	4,754,198.96
II.	Underlying value of option contracts and warrants (+)		
II.B.	Written options and warrants	-59,234,580.00	-53,943,500.00
III.	Notional amounts of futures and forward contracts (+)		
III.A.	Purchased futures and forward contracts	118,729,618.67	11,766,477.23
III.B.	Written futures and forward contracts	-225,432.59	-1,733,866.88



## 1.5. Aggregate profit and loss account (in EUR)

Income Statement	31/12/2019	31/12/2018
<b>I. Net gains(losses) on investments</b>		
A. Bonds and other debt instruments		
a)Bonds	15,029,405.17	-8,126,645.84
B. Money market instruments	1,226.89	10,311.13
C. Shares and similar instruments		
a)Shares	126,391,780.19	-189,004,226.01
D. Other securities	96,304.60	40,556.07
E. Open-end undertakings for collective investment	336,536,433.58	-229,604,773.12
F. Derivative financial instruments		
a)Bonds		
Futures and forward contracts	-700,075.02	-478,141.88
e)Shares		
options (+/-)	232,618.00	-319,971.44
l)Financial indices		
Option contracts	12,373,022.97	8,997,729.45
Futures and forward contracts	-2,299,228.82	-30,254,896.18
G. Receivables, deposits, cash at bank and in hand and payables	0.02	-0.01
H. Foreign exchange positions and transactions		
a)Derivative financial instruments		
Futures and forward contracts	-1,188.33	1,076.04
b)Other foreign exchange positions and transactions	9,010,002.39	18,142,310.92
<b>Det.section I gains and losses on investments</b>		
Realised gains on investments	172,963,301.32	128,782,537.64
Unrealised gains on investments	362,391,331.11	-272,497,208.59
Realised losses on investments	-153,617,719.91	-236,054,160.70
Unrealised losses on investments	97,279,945.30	-77,030,651.68
<b>II. Investment income and expenses</b>		
A. Dividends	14,798,508.89	16,875,725.39
B. Interests		
a)Securities and money market instruments	2,313,087.21	3,152,812.59
b)Cash at bank and in hand and deposits	19,736.08	6,926.31
C. Interest on borrowings (-)	-319,371.85	-552,379.79
F. Other investment income	72,592.80	390,022.07
<b>III. Other income</b>		
B. Other	101,299.72	237,437.61
<b>IV. Operating expenses</b>		
A. Investment transaction and delivery costs (-)	-16,751,455.24	-10,388,654.84
B. Financial expenses (-)	-22,180.91	-49,627.96
C. Custodian's fee (-)	-388,018.49	-462,883.86
D. Manager's fee (-)		
a)Financial management	-60,543,423.33	-30,631,522.29
b)Administration and accounting management	-5,150,407.48	-4,387,600.53
E. Administrative expenses (-)	-5,000.00	-5,000.00

F.	Formation and organisation expenses (-)	-37,632.08	-58,162.28
G.	Remuneration, social security charges and pension	-868.00	
H.	Services and sundry goods (-)	-59,038.27	-61,668.67
J.	Taxes	-1,002,384.45	-971,215.98
K.	Other expenses (-)	33,187.61	20,751.09
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	-66,941,367.79	-26,885,041.07
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	429,728,933.85	-457,481,711.99
<b>VII.</b>	<b>Result of the bookyear</b>	429,728,933.85	-457,481,712.01
	* dividends already paid for the financial year	-28,093,681.53	-38,680,885.61

<b>Appropriation Account</b>		<b>31/12/2019</b>	<b>31/12/2018</b>
<b>I.</b>	<b>Profit to be appropriated</b>	428,295,966.89	-457,180,018.91
	Profit for the period available for appropriation	429,728,933.85	-457,481,712.01
	Income on the creation of shares (income on the cancellation of shares)	-1,432,966.96	301,693.10
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-390,352,186.45	507,882,715.80
<b>IV.</b>	<b>(Dividends to be paid out)</b>	-37,943,780.44	-50,702,696.89

## 1.6. Summary of recognition and valuation rules

### 1.6.1. Summary of the rules

Summary of the valuation rules pursuant to the Royal Decree of 10 November 2006 on the accounting, annual accounts and periodic reports of certain open-ended undertakings for collective investment.

The assets of the various sub-funds are valued as follows:

- When purchased or sold, securities, money market instruments, units in undertakings for collective investment and financial derivatives are recorded in the accounts at their acquisition price or sale price, respectively. Any additional expenses, such as trading and delivery costs, are charged directly to the profit and loss account.
- After initial recognition, securities, money market instruments and financial derivatives are measured at fair value on the basis of the following rules:
  - Securities that are traded on an active market without the involvement of third-party financial institutions are measured at fair value using the closing price;
  - Assets that have an active market which functions through third -party financial institutions that guarantee continuous bid and ask prices are measured using the current bid price set on that market. However, since most international benchmarks use mid-prices, and the data providers cannot supply bid prices (e.g., JP Morgan, iBoxx, MSCI, etc.), the midprices are used to measure debt instruments, as provided for in the Notes to the aforementioned Royal Decree. The method to correct these midprices and generate the bid price is not used, as it is not reliable enough and could result in major fluctuations.
  - Securities whose last known price is not representative and securities that are not admitted to official listing or admitted to another organised market are valued as follows:
    - 1 When measuring these securities at fair value, use is made of the current fair value of similar assets for which there is an active market, provided this fair value is adjusted to take account of the differences between the assets concerned.
    - 2 If no fair value for similar assets exists, the fair value is calculated on the basis of other valuation techniques which make maximum use of market data, which are consistent with generally accepted economic methods and which are verified and tested on a regular basis.
    - 3 If no organised or unofficial market exists for the assets being valued, account is also taken of the uncertain character of these assets, based on the risk that the counterparties involved might not meet their obligations.
  - Shares for which there is no organised or unofficial market, and whose fair value cannot be calculated reliably as set out above, are measured at cost. Impairment is applied to these shares if there are objective instructions to this end.
  - Units in undertakings for collective investment (for which there is no organised market) are measured at fair value using their last net asset value.
- Liquid assets, including assets on demand at credit institutions, obligations on current account vis-à-vis credit institutions, amounts payable and receivable in the short term that are not represented by negotiable securities or money market instruments (other than vis-à-vis credit institutions), tax assets and liabilities, are measured at nominal value. Other amounts receivable in the longer term that are not represented by negotiable securities are measured at fair value. Impairment is applied to assets, amounts to be received and receivables if there is uncertainty that they will be paid in full or in part at maturity, or if the realisation value of this asset is less than its acquisition value. Additional impairment is recorded on the assets, amounts to be received and receivables referred to in the previous paragraph to ensure that any change in their value, or risks inherent in the asset in question, are taken into account.
- The income generated by securities lending is recognised as other income (Income statement II.B.a.: Investment income and expenses – Interest – Securities and money market instruments) and is included on an accruals basis in the income statement over the term of the transaction.
- Securities issued in a currency other than that of the relevant sub-fund are converted into the currency of the sub-fund at the last known mid-market exchange rate.

#### Differences

A minor difference may appear from time to time between the net asset value as published in the press and the net asset value shown in this report. These are minimal differences in the net asset value calculated that are identified after publication.

If these differences reach or exceed a certain tolerance limit, the difference will be compensated. For those buying or selling shares in the bevek and for the bevek itself, this tolerance limit will be a certain percentage of the net asset value and the net assets, respectively.

This tolerance limit is:

- money market funds: 0.25%
- bond funds, balanced funds and funds offering a capital guarantee: 0.50%
- equity funds: 1%
- other funds (real estate funds, etc.): 0.50%

Given that a number of securities exchanges were closed on 31/12/2019 and that the sub-funds below invested more than 20% of their assets in securities listed on these exchanges, the asset valuations used in the financial statements of the sub-funds concerned were made on 30/12/2019 instead of 31/12/2019 . However, a theoretic net asset value was calculated for these sub-funds as at 31/12/2019 that was not used for entry and exit.

Sub-funds concerned:

- IN FOCUS EQUITY STRATEGY LEVEL JUNE
- IN.FOCUS EQUITY STRATEGY LEVEL MARCH
- IN.FOCUS GLOBAL FLEXIBLE ALLOCATION
- IN.FOCUS GLOB.FLEX.ALLOCATION WEALTH
- IN.FOCUS GLOB.FLEX.ALL.WEALTH JULY
- IN.FOCUS KBC EXPEPTEASE DEF. BAL.
- IN.FOCUS KBC EXPEPTEASE DYN.
- IN.FOCUS KBC EXPEPTEASE DYN.BAL.

## 1.6.2. Exchange rates

1 EUR =	31/12/2019		31/12/2018	
	0.847329	GBP	0.897550	GBP
121.987688	JPY	125.420700	JPY	
9.863744	NOK	9.898750	NOK	
4.251244	PLN	4.294550	PLN	
1.122500	USD	1.143150	USD	
15.696478	ZAR	16.444200	ZAR	

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# 2. Information on IN.focus Equity Strategy Level June

## 2.1. Management report

### 2.1.1. Launch date and subscription price

#### Capitalisation

Launch date:	29 May 2015
Initial subscription price:	250 EUR
Currency:	EUR

### 2.1.2. Stock exchange listing

Not applicable.

### 2.1.3. Goal and key principles of the investment policy

#### Object of the sub-fund

The main object of the sub-fund is to generate the highest possible return for its unitholders by investing directly or indirectly in transferable securities. This is reflected in its pursuit of capital gains and income. The sub-fund also aims to set a floor price under the net asset value each year.

#### Sub-fund's investment policy

##### *Permitted asset classes*

The sub-fund may invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described above.

##### *Restrictions of the investment policy*

The investment policy will be implemented within the limits set by law and regulations. The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

##### *Permitted derivatives transactions*

**Derivatives can be used both to achieve the investment objectives and to hedge risks.**

**Listed and unlisted derivatives may be used to achieve the objectives: these may be forward contracts, futures, options or swaps on securities, indexes, currencies or interest rates or other transactions involving derivatives.** Unlisted derivatives transactions will only be concluded with prime financial institutions specialised in such transactions.

**Subject to the applicable laws and regulations and the articles of association, the sub-fund always seeks to conclude the most effective transactions. All costs associated with the transactions will be charged to the sub-fund and all income generated will be paid to the sub-fund.**

If the transactions result in a risk in respect of the counterparty, this risk can be hedged by using a margin management system that ensures that the sub-fund is the beneficiary of security (collateral) in the form of liquid instruments, such as, for instance, cash or investment grade bonds. The relationship with the counterparty or counterparties is governed by standard international agreements.

**Derivatives may also be used to hedge the assets of the sub-fund against open exchange rate risks in relation to the currency in which the sub-fund is denominated.**

**Where derivatives are used, they must be easily transferable and liquid instruments. Using derivatives does not, therefore, have a negative impact on liquidity risk.** The use of derivatives may, however, affect the spread of the portfolio across regions, sectors or themes. **Consequently, there may be an impact on concentration risk. Derivatives may not be used to protect capital, either fully or partially. They neither increase nor decrease capital risk. In addition, using derivatives has no negative impact on credit risk, settlement risk, custody risk, flexibility risk or inflation risk or risk dependent on external factors.**

**The UCITS may conclude contracts that entail a credit risk in respect of issuers of debt instruments. Credit risk is the risk that the issuer of the debt instrument will default. This credit risk relates to parties whose creditworthiness at the time the contract is concluded is equal to that of the issuers whose debt instruments**

**the UCITS can hold directly. Credit derivatives may possibly be used both to carry out the investment objectives and to cover the credit risk, but solely within the existing risk profile and without implying any shift to less creditworthy debtors than those the UCITS can invest in.**

### **Strategy selected**

The sub-fund invests directly or indirectly in more risky assets (such as shares, share UCIs, certain money market instruments and alternative investments (like real estate)) and/or in less risky assets (such as certain money market instruments, shorter-term bonds, shorter-term bond UCIs and cash). Compared with bond UCIs classified as more risky assets, bond UCIs belonging to the less risky assets invest more in instruments with a shorter term to maturity, which means that they are less sensitive to movements in interest rates. In principle, therefore, they are less volatile. Up to 100% of the sub-fund's assets can be invested in shares.

The sub-fund has two objectives:

1. To achieve the highest possible return by making investments in line with the investment strategy of KBC Asset Management NV for shares.

To achieve this return and insofar as market conditions allow, the fund invests as much as possible in more risky assets (mainly shares and/or share-related investments (stock component), but including assets such as alternative investments and money market instruments). This may be deviated from to protect the floor price, as set out in point 2. It is therefore possible for the sub-fund to be invested in asset classes other than shares and share-related investments.

2. To protect a floor price.

The sub-fund also aims to set a floor price for the net asset value each year. This floor price is valid for one year and is always equal to 85% of the net asset value on the last Belgian banking day of the previous February. The initial floor price is equal to 85% of the initial net asset value and is valid from 29 May 2015 until 31 May 2016. Achieving the objective to protect the floor price becomes increasingly important the closer the net asset value gets to the floor price. In such a situation, the asset allocation will be increasingly focused on protecting the floor price and will deviate from the target allocation specified in point 1 above.

The floor price changes every year based on the net asset value. Any decline in the net asset value when a new floor price is being set will result in the new floor price being lower than the current applicable value. Any increase in the net asset value when a new floor price is being set will result in the new floor price being higher than the current applicable value.

The sub-fund does not provide any capital protection or capital guarantee, nor does it offer a guaranteed return. It is therefore possible for the net asset value to be lower than the floor price.

The allocation of the assets is influenced by whether they involve more or less risk. Riskier assets are intended to generate the return, while less risky assets are designed to protect the floor.

During the year, the allocation may be deviated from in the following ways:

1) If the net asset value falls towards the floor price, the manager may intervene and replace investments in riskier assets with investments in less risky ones. If the net asset value hits the floor price, the manager may switch completely to investments in money market instruments, shorter-term bonds, shorter-term bond funds, and/or cash.

Conversely, if the net asset value moves away from the floor price and goes up to a strong enough extent, the manager may intervene and gradually reallocate the assets by replacing the less risky assets with more risky ones.

2) If markets develop favourably and provided the net asset value is sufficiently high relative to the floor price, and for as long as both these conditions are met, the stock component may temporarily go up sharply relative to the percentage determined when the floor price was set.

3) The bond component will be monitored separately and, if its performance is negative, the exposure within this component may be reduced periodically, for instance by reducing investments in bonds in favour of investments in money market instruments and cash.

The stock component is invested in a worldwide selection of shares that may come from any region, sector or theme.

For details of bonds and debt instruments, please see the 'Characteristics of the bonds and debt instruments' section below.

## Characteristics of the bonds and debt instruments

The sub-fund invests, directly and/or indirectly, at least 50% of the bonds and debt instruments

- in investment-grade securities (at least BBB-/Baa3 long term or A3/F3/P3 short term) as rated by at least one of the following rating agencies:
  - o Moody's (Moody's Investors Service);
  - o S&P (Standard & Poor's, a Division of the McGraw-Hill Companies);
  - o Fitch (Fitch Ratings); and/or
- in money market instruments issued by entities that have been assigned an investment grade rating by one of the above agencies.

In addition the sub-fund may invest, directly and/or indirectly, at least 50% of the assets invested in bonds and debt instruments

- in securities that have a lower credit rating (or, in the case of money market instruments, if the issuer has a lower credit rating) and/or
- in securities for which no credit rating is available from one of the above agencies (or, in the case of money market instruments, if the issuer does not have a rating from one of the above agencies).

All maturities are taken into consideration when selecting the bonds and debt instruments. All regions, sectors and themes can be considered.

## Investments in assets other than securities or money market instruments

**The sub-fund may invest primarily in units of UCIs managed by a KBC group company.**

### Securities Financing Transactions (SFTs)

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.1. Securities Financing Transactions (SFTs)'.

### General strategy for hedging the exchange risk

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.2. General strategy for hedging the exchange rate risk'.

### Social, ethical and environmental aspects

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.3. Social, ethical and environmental aspects'.

## 2.1.4. Financial portfolio management

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

## 2.1.5. Distributors

KBC Asset Management S.A., 4, Rue du Fort Wallis, L-2714 Luxembourg.

## 2.1.6. Index and benchmark

Not applicable.

## 2.1.7. Policy pursued during the financial year

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for a review of the market.

## 2.1.8. Future policy

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for an overview of the outlook.

## 2.1.9. Synthetic risk and reward indicator (SRRI)

5 on a scale of 1 (lowest risk) to 7 (highest risk)

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.4. Synthetic risk and reward indicator'

The synthetic risk indicator gives an idea of the risk associated with investing in an undertaking for collective investment or a sub-fund. It measures risk on a scale of zero (least risk) to seven (most risk).

## Leveraged finance

The total amount of leveraged finance used by the sub-fund is 183,848.58 EUR.

This amount was calculated by multiplying the leverage ratio calculated using the commitment method by the sub-fund's total assets under management.

## 2.2. Balance sheet

<b>Balance sheet layout</b>		<b>31/12/2019</b> (in the currency of the sub-fund)	<b>31/12/2018</b> (in the currency of the sub-fund)
	<b>TOTAL NET ASSETS</b>	39,213,952.64	49,960,928.92
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
E.	Open-end undertakings for collective investment	39,427,151.10	50,166,070.48
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	1,742.89	591,175.21
B.	Payables		
	a) Accounts payable (-)		-684,437.33
	c) Borrowings (-)	-195,696.73	-650,613.21
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	710.04	555,802.40
<b>VI.</b>	<b>Accruals and deferrals</b>		
C.	Accrued expense (-)	-19,954.66	-17,068.63
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	39,213,952.64	49,960,928.92
<b>A.</b>	<b>Capital</b>	33,032,372.01	55,839,404.88
<b>D.</b>	<b>Result of the bookyear</b>	6,181,580.63	-5,878,475.96

## 2.3. Profit and loss account

<b>Income Statement</b>		<b>31/12/2019</b> (in the currency of the fund)	<b>31/12/2018</b> (in the currency of the fund)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
E.	Open-end undertakings for collective investment	6,919,295.08	-5,313,137.03
F.	Derivative financial instruments		
	l) Financial indices		
	Futures and forward contracts	46,226.71	-560,358.54
H.	Foreign exchange positions and transactions		
	b) Other foreign exchange positions and transactions	108,719.14	648,430.71
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	1,858,734.65	4,213,576.83
	Unrealised gains on investments	4,305,357.55	-6,659,272.23
	Realised losses on investments	-273,551.00	-2,094,515.22
	Unrealised losses on investments	1,183,699.73	-684,854.24
<b>II.</b>	<b>Investment income and expenses</b>		
B.	Interests		
	b) Cash at bank and in hand and deposits	65.90	444.97
C.	Interest on borrowings (-)	-1,516.17	-6,774.22
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-98,599.11	-118,345.58
B.	Financial expenses (-)	-701.14	-1,692.71
D.	Manager's fee (-)		
	a) Financial management	-745,422.74	-461,452.92
	b) Administration and accounting management	-43,077.47	-61,481.38
F.	Formation and organisation expenses (-)	-830.07	-1,424.90
G.	Remuneration, social security charges and pension	-6.96	
H.	Services and sundry goods (-)	-2,751.73	-2,781.82
J.	Taxes	0.01	-0.02
K.	Other expenses (-)	179.18	97.48
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	-892,660.30	-653,411.11
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	6,181,580.63	-5,878,475.94
<b>VII.</b>	<b>Result of the bookyear</b>	6,181,580.63	-5,878,475.96

<b>Appropriation Account</b>		<b>31/12/2019</b> (in the currency of the sub-fund)	<b>31/12/2018</b> (in the currency of the sub-fund)
<b>I.</b>	<b>Profit to be appropriated</b>	6,181,580.63	-5,878,475.96
	Profit for the period available for appropriation	6,181,580.63	-5,878,475.96
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-6,181,580.63	5,878,475.96

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of IN.focus Equity Strategy Level June

Name	Quantity on 31/12/2019	Currency	Price in currency	Evaluation (in the currency of the sub-fund)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Investment funds</b>							
Closed-end funds							
Listed closed-end investment funds							
<u>Belgium</u>							
KBC EQUITY FUND AMERICA IS B KAP	2,188.00	USD	3,267.380	6,368,844.04	0.25	16.15	16.24
KBC EQUITY FUND STRATEGIC	2,314.00	EUR	953.610	2,206,653.54	0.53	5.60	5.63
Open-end funds							
UCITS registered with the FSMA							
<u>Belgium</u>							
KBC EQUITY FUND BUYBACK AMERICA IS B KAP	659.00	USD	2,347.010	1,377,888.28	0.18	3.50	3.51
KBC EQUITY FUND BUYBACK EUROPE IS B KAP	1,083.00	EUR	1,166.690	1,263,525.27	0.19	3.21	3.22
KBC EQUITY FUND EUROZONE IS B KAP	3,522.00	EUR	585.820	2,063,258.04	0.32	5.23	5.26
KBC EQUITY FUND JAPAN IS B KAP	1,675.00	JPY	66,573.000	914,106.80	0.35	2.32	2.33
KBC EQUITY FUND NEW MARKETS IS B KAP	1,537.00	EUR	2,046.870	3,146,039.19	0.27	7.98	8.02
KBC EQUITY FUND QUANT EMU IS B KAP	297.00	EUR	924.630	274,615.11	0.35	0.70	0.70
KBC EQUITY FUND SATELLITES IS B KAP	253.00	EUR	1,557.690	394,095.57	0.28	1.00	1.00
KBC EQUITY FUND STRATEGIC CYCLICALS IS KAP	5,775.00	EUR	1,000.300	5,776,732.50	0.38	14.65	14.73
KBC EQUITY FUND STRATEGIC FINANCE IS B KAP	7,367.00	EUR	511.290	3,766,673.43	0.39	9.55	9.61
KBC EQUITY FUND STRATEGIC NON CYCLICALS IS B KAP	7,427.00	EUR	445.600	3,309,471.20	0.38	8.39	8.44
KBC EQUITY FUND STRATEGIC TEL & TECHNOLOGY IS B KAP	24,213.00	EUR	271.810	6,581,335.53	0.34	16.69	16.78
KBC EQUITY FUND US SMALL CAPS IS B KAP	509.00	USD	1,974.180	895,196.10	0.21	2.27	2.28
PLATO INSTITUTIONAL INDEX FUND PACIFIC EQUITY INST B SHARES	138.00	EUR	7,889.250	1,088,716.50	0.14	2.76	2.78
Total investment funds				39,427,151.10		100.00	100.54
TOTAL SECURITIES PORTFOLIO				39,427,151.10		100.00	100.54
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP EURO	-195,696.73	EUR	1.000	-195,696.73			-0.50
KBC GROUP GBP	10.85	GBP	1.000	12.80			
KBC GROUP JPY	5,629.00	JPY	1.000	46.14			
KBC GROUP USD	730.86	USD	1.000	651.10			0.00
Total demand accounts				-194,986.69			-0.50
TOTAL CASH AT BANK AND IN HAND				-194,986.69			-0.50
OTHER RECEIVABLES AND PAYABLES							
<b>Receivables</b>							
<u>Belgium</u>							
KBC GROUP EUR RECEIVABLE	1,742.89	EUR	1.000	1,742.89			0.00
Total receivables				1,742.89			0.00
TOTAL RECEIVABLES AND PAYABLES				1,742.89			0.00
OTHER							
Expenses payable		EUR		-19,954.66			-0.05
TOTAL OTHER				-19,954.66			-0.05
TOTAL NET ASSETS				39,213,952.64			100.00

#### Geographic breakdown (as a % of securities portfolio)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
Netherlands Antilles	0.01	0.00	0.00	0.00
United Arab Emirates	0.11	0.03	0.03	0.02
Argentina	0.00	0.00	0.02	0.06
Australia	0.65	0.28	0.41	1.23
Austria	0.68	0.27	0.39	0.37
Belgium	3.81	24.59	3.56	1.52

Bermuda	0.07	0.00	0.04	0.13
Brazil	0.59	0.17	0.70	1.29
Canada	2.22	1.55	2.51	2.21
Switzerland	1.59	0.63	1.62	1.94
Chile	0.08	0.01	0.04	0.04
China	2.28	1.90	2.01	3.56
Colombia	0.00	0.00	0.01	0.01
Czech Republic	0.03	0.02	0.03	0.02
Cayman Islands	0.17	0.04	0.21	0.13
Cyprus	0.04	0.03	0.13	0.12
Germany	12.23	4.75	6.90	5.62
Denmark	0.91	0.16	0.27	0.16
Spain	2.58	1.87	2.88	2.24
Europe	0.00	1.85	0.00	0.00
Finland	0.69	0.96	0.73	0.55
France	11.32	30.68	12.02	9.44
U.K.	3.79	6.14	2.45	3.22
Greece	0.00	0.01	0.07	0.16
Hong Kong	0.94	0.19	1.56	1.92
Hungary	0.05	0.05	0.06	0.10
India	0.78	0.12	0.74	1.09
Indonesia	0.18	0.04	0.16	0.21
Ireland	0.70	0.42	0.72	0.87
Israel	0.06	0.01	0.03	0.01
Italy	2.80	0.97	2.48	1.67
Jersey/The Channel Islands	0.13	0.06	0.00	0.00
Japan	5.43	1.87	5.36	6.07
South Korea	1.54	0.30	0.75	1.39
Luxembourg	0.32	3.40	0.14	0.20
Monaco	0.00	0.00	0.00	0.02
Mexico	0.11	0.03	0.16	0.21
Malaysia	0.17	0.04	0.10	0.08
Netherlands	3.50	2.10	4.62	4.18
Norway	0.16	0.11	0.24	0.31
New Zealand	0.01	0.02	0.02	0.03
Peru	0.09	0.01	0.05	0.14
Philippines	0.03	0.00	0.08	0.04
Papua New Guinea	0.05	0.02	0.06	0.01
Poland	0.05	0.02	0.08	0.11
Portugal	0.17	0.06	0.10	0.09
Russia	0.19	0.08	0.29	0.53
Singapore	0.25	0.09	0.16	0.31
Sweden	0.79	0.82	0.49	0.62
Thailand	0.19	0.05	0.19	0.11
Turkey	0.08	0.01	0.03	0.07
Taiwan	0.49	0.15	0.89	1.61
U.S.A.	36.40	12.82	42.82	43.23
Guernsey The Channel Islands	0.01	0.00	0.00	0.00
South Africa	0.48	0.20	0.59	0.73
TOTAL	100.00	100.00	100.00	100.00



### Sector breakdown (as a % of securities portfolio)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
Cyclicals	22.54	7.97	18.18	19.39
Consum(cycl)	13.92	5.15	12.96	14.08
Cons.goods	7.37	2.86	10.71	8.58
Pharma	8.17	3.66	10.01	9.49
Financials	24.37	22.72	14.97	17.42
Technology	17.94	5.43	16.75	21.88
Telecomm.	1.74	1.63	4.69	3.83
Utilities	2.35	1.50	6.75	2.40
Real est.	1.54	0.66	4.93	2.81
Governm.	0.07	44.55	0.01	0.00
Unit trusts	0.00	0.00	0.00	0.00
Various	(0.01)	3.87	0.04	0.12
TOTAL	100.00	100.00	100.00	100.00

### Currency breakdown (as a % of net assets)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
AUSTRALIAN DOLLAR	0.47	0.11	0.42	1.23
BRASILIAN REAL	0.60	0.19	0.70	1.29
CANADIAN DOLLAR	2.29	0.76	2.55	2.22
SWISS FRANC	1.43	0.48	1.33	1.74
	0.04	0.01	0.04	0.04
PESO COLUMBIA	0.00	0.00	0.01	0.01
CZECH KORUNA	0.03	0.03	0.05	0.04
DANISH KRONE	0.93	0.16	0.27	0.16
EURO	38.29	80.49	34.29	26.28
POUND STERLING	4.01	1.25	2.95	3.28
HONG KONG DOLLAR	2.75	0.63	3.04	4.44
HUNGARIAN FORINT	0.05	0.05	0.06	0.10
INDONESIAN RUPIAH	0.23	0.07	0.19	0.22
SHEQUEL ISRAEL	0.03	0.01	0.02	0.02
INDIE RUPEE	0.75	0.11	0.71	1.06
JAPANESE YEN	5.37	1.82	5.54	6.07
KOREAN WON	1.54	0.31	0.75	1.39
MEXICAN PESO	0.12	0.03	0.16	0.22
MALAYSIAN RINGGIT	0.17	0.04	0.10	0.08
NORWEGIAN KRONE	0.16	0.11	0.27	0.38
NEW ZEALAND DOLLAR	0.00	0.02	0.02	0.04
PESO	0.03	0.00	0.08	0.04
POLISH ZLOTY	0.06	0.02	0.08	0.12
RUSSIAN RUBLE	0.00	0.00	0.03	0.02
SWEDISH KRONA	0.80	0.22	0.44	0.62
SINGAPORE DOLLAR	0.27	0.10	0.12	0.23
THAI BATH	0.19	0.05	0.19	0.11
NEW TURKISH LIRA	0.08	0.01	0.04	0.08
NEW TAIWAN DOLLAR	0.52	0.16	0.92	1.62
US DOLLAR	38.30	12.55	44.04	46.12
SOUTH AFRICAN RAND	0.49	0.21	0.59	0.73
TOTAL	100.00	100.00	100.00	100.00

## 2.4.2. Changes in the composition of the assets of IN.focus Equity Strategy Level June (in the currency of the sub-fund)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	45,335,867.16	11,360,741.67	56,696,608.83
<b>Sales</b>	56,427,119.27	18,087,563.06	74,514,682.33
<b>Total 1</b>	101,762,986.43	29,448,304.73	131,211,291.16
<b>Subscriptions</b>	310,578.35	225,715.89	536,294.24
<b>Redemptions</b>	10,955,877.16	6,539,529.38	17,495,406.54
<b>Total 2</b>	11,266,455.51	6,765,245.27	18,031,700.78
<b>Monthly average of total assets</b>	46,110,061.97	40,153,201.12	43.082.401.29
<b>Turnover rate</b>	196.26%	56.49%	262.70%

The table above shows the capital volume of portfolio transactions. This volume (adjusted to take account of total subscriptions and redemptions) is also compared to the average net assets at the beginning and end of the period. A figure close to 0% implies that the transactions relating to the securities or transactions relating to the assets (excluding deposits and cash) in a given period only involve subscriptions and redemptions. A negative percentage shows that subscriptions and redemptions entailed few, if any, transactions in the portfolio. Active asset management may result in high turnover rates (monthly percentage >50%).

The detailed list of transactions can be consulted free of charge at the company designated as financial service:  
 CBC Banque SA, Avenue Albert 1er 60, B-5000 Namur  
 KBC Bank NV, Havenlaan 2, B-1080 Brussels

## 2.4.3. Amount of commitments in respect of financial derivatives positions

Nil

## 2.4.4. Changes in the number of subscriptions and redemptions and the net asset value

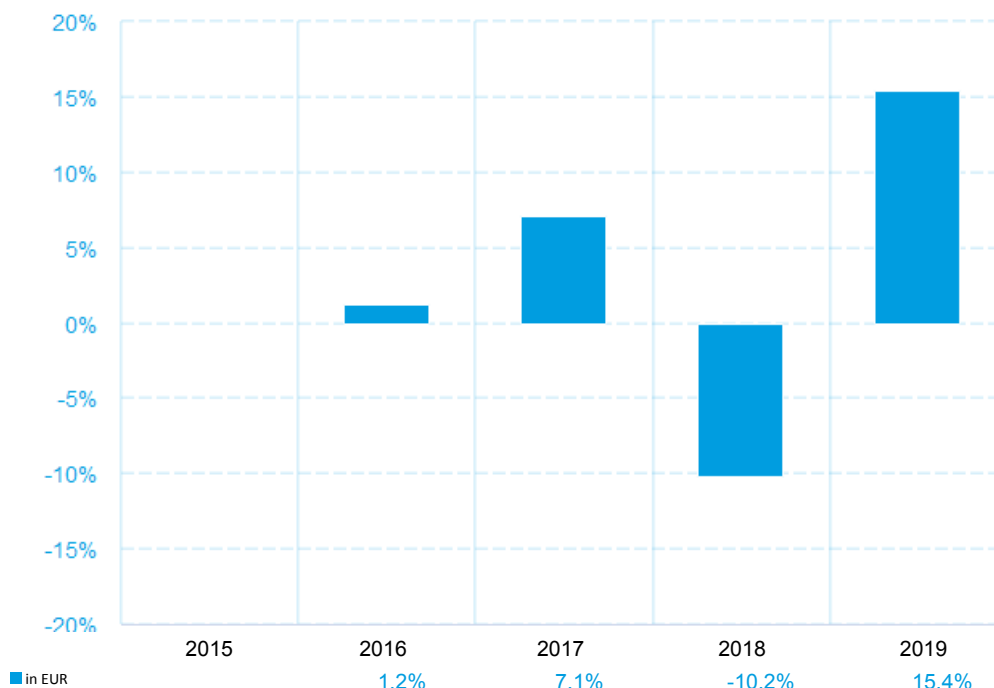
Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	
2017 - 12	6,960.80		67,544.20		277,666.88		277,666.88
2018 - 12	5,048.25		54,597.20		228,117.94		228,117.94
2019 - 12	2,301.47		75,242.39		155,177.02		155,177.02

Period	Amounts received and paid by the UCITS (in the currency of the sub-fund)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2017 - 12	1,655,031.55		16,078,511.59	
2018 - 12	1,226,828.64		13,112,920.63	
2019 - 12	535,360.09		17,463,917.01	

Period	Net asset value End of period (in the currency of the sub-fund)		
	Of the sub-fund	Of one share	
		Capitalization	Distribution
2017 - 12	67,725,496.88	243.91	
2018 - 12	49,960,928.92	219.01	
2019 - 12	39,213,952.64	252.70	

## 2.4.5. Performance figures

BE6277889497  
IN.focus Equity Strategy Level June CAP  
Annual performance on 31/12/2019 (in EUR)



Cap Div	ISIN Code	Currency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
CAP	BE6277889497	EUR	15.40%		3.53%		%		%		29/05/2015	0.23%

Risk warning: Past performance is not a guide to future performance.

\* Return on annual basis.

- The bar chart shows the performance for full financial years.
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage.
- Calculation method for date D, where NAV stands for net asset value:  
Capitalisation units (CAP)  
Return on date D over a period of X years :  
$$\frac{NIW(D)}{NIW(Y)}^{[1 / X]} - 1$$
  
where Y = D-X  
Return on date D since the start date S of the unit:  
$$\frac{NIW(D)}{NIW(S)}^{[1 / F]} - 1$$
  
where F = 1 if the unit has existed for less than one year on date D  
where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the issue and redemption of units.
- These are the performance figures for capitalisation shares.

## 2.4.6. Costs

### Ongoing Charges and Transaction costs:

#### Capitalisation :

Ongoing Charges : 2.655%  
Transaction costs : 0.248%

Percentage calculated at reporting date: 31 December 2019 .

A more detailed explanation with respect to the method of calculating ongoing charges and the relevant exclusions can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.5. Ongoing charges'

More information on how transaction costs are calculated: the transaction costs are not included in the ongoing charges, but are instead shown separately. Moreover, this does not fully reflect the actual transaction costs as only the explicit transaction costs are given.

### Fee for managing the investment portfolio

The management fee amounts to 523,854.55 EUR. An additional fee of 221,568.19 EUR was charged regarding commissions and charges for allocating the assets.

### Existence of Commission Sharing Agreements

Not applicable

### Existence of fee sharing agreements and rebates

The management company has shared 41,83% of its fee with the distributor, and institutional and/or professional parties.

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

## 2.4.7. Notes to the financial statements and other data

Fee for managing the investment portfolio	Max 2.24%	<p>per year (0.50% of which is for the protection of the floor price) calculated on the basis of the average total net assets of the sub-fund.</p> <p>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.</p> <p>KBC Fund Management Limited receives a fee from the management company of max. 2,24% per year, calculated on that part of the portfolio that it manages, without the total management fee received by the management company being exceeded.</p> <p>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.</p>
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	Max 0.04%	per year calculated on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding calendar year, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	see the 'Information concerning the Fund - G. Fees and charges regarding the Fund' for this non-structured sub-fund	
Annual tax <b>This tax must, in principle, be paid by the management company of the sub-fund, but is charged to the sub-fund.</b>	see the 'Information concerning the Fund - H. Tax treatment'	

### Exercising voting rights

If necessary, relevant and in the interest of the shareholders, the management company will exercise the voting rights attached to the shares in the Bevek's portfolio.

The management company will adhere to the following criteria when determining how it stands relative to the items on the agenda that are put to the vote:

- Shareholder value may not be adversely affected.
- Corporate governance rules, especially with regard to the rights of minority shareholders, must be respected.
- The minimum standards with regard to sustainable business and corporate social responsibility must be met.

The list of companies for which voting rights are exercised is available at the registered office of the Bevek.

### Management fees

Name	Maximum management fee
KBC Equity Fund - America - Institutional B Shares	1.50%
KBC Equity Fund - Strategic Satellites - Institutional B Shares	1.50%
KBC Equity Fund - Buyback America - Institutional B Shares	1.50%
KBC Equity Fund - Buyback Europe - Institutional B Shares	1.50%
KBC Equity Fund - Eurozone - Institutional B Shares	1.50%
KBC Equity Fund - Japan - Institutional B Shares	1.50%
KBC Equity Fund - New Markets - Institutional B Shares	1.60%
KBC Equity Fund - Quant EMU - Institutional B Shares	1.50%
KBC Equity Fund - Satellites - Institutional B Shares	1.50%
KBC Equity Fund - Strategic Cyclical - Institutional B Shares	1.50%
KBC Equity Fund - Strategic Finance - Institutional B Shares	1.50%
KBC Equity Fund - Strategic Non Cyclical - Institutional B Shares	1.50%
KBC Equity Fund - Strategic Communication Services & Technology - Institutional B Shares	1.50%
KBC Equity Fund - US Small Caps - Institutional B Shares	1.50%
Plato Institutional Index Fund - Pacific Equity - Institutional B Shares EUR	0.50%

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# 2. Information on IN.focus Equity Strategy Level March

## 2.1. Management report

### 2.1.1. Launch date and subscription price

#### Capitalisation

Launch date:	30 January 2015
Initial subscription price:	250 EUR
Currency:	EUR

### 2.1.2. Stock exchange listing

Not applicable.

### 2.1.3. Goal and key principles of the investment policy

#### Object of the sub-fund

The main object of the sub-fund is to generate the highest possible return for its unitholders by investing directly or indirectly in transferable securities. This is reflected in its pursuit of capital gains and income. The sub-fund also aims to set a floor price under the net asset value each year.

#### Sub-fund's investment policy

##### *Permitted asset classes*

The sub-fund may invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described above.

##### *Restrictions of the investment policy*

The investment policy will be implemented within the limits set by law and regulations. The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

##### *Permitted derivatives transactions*

**Derivatives can be used both to achieve the investment objectives and to hedge risks.**

**Listed and unlisted derivatives may be used to achieve the objectives: these may be forward contracts, futures, options or swaps on securities, indexes, currencies or interest rates or other transactions involving derivatives.** Unlisted derivatives transactions will only be concluded with prime financial institutions specialised in such transactions.

**Subject to the applicable laws and regulations and the articles of association, the sub-fund always seeks to conclude the most effective transactions. All costs associated with the transactions will be charged to the sub-fund and all income generated will be paid to the sub-fund.**

If the transactions result in a risk in respect of the counterparty, this risk can be hedged by using a margin management system that ensures that the sub-fund is the beneficiary of security (collateral) in the form of liquid instruments, such as, for instance, cash or investment grade bonds. The relationship with the counterparty or counterparties is governed by standard international agreements.

**Derivatives may also be used to hedge the assets of the sub-fund against open exchange rate risks in relation to the currency in which the sub-fund is denominated.**

**Where derivatives are used, they must be easily transferable and liquid instruments. Using derivatives does not, therefore, have a negative impact on liquidity risk.** The use of derivatives may, however, affect the spread of the portfolio across regions, sectors or themes. **Consequently, there may be an impact on concentration risk. Derivatives may not be used to protect capital, either fully or partially. They neither increase nor decrease capital risk. In addition, using derivatives has no negative impact on credit risk, settlement risk, custody risk, flexibility risk or inflation risk or risk dependent on external factors.**

**The UCITS may conclude contracts that entail a credit risk in respect of issuers of debt instruments. Credit risk is the risk that the issuer of the debt instrument will default. This credit risk relates to parties whose creditworthiness at the time the contract is concluded is equal to that of the issuers whose debt instruments**



**the UCITS can hold directly. Credit derivatives may possibly be used both to carry out the investment objectives and to cover the credit risk, but solely within the existing risk profile and without implying any shift to less creditworthy debtors than those the UCITS can invest in.**

### **Strategy selected**

The sub-fund invests directly or indirectly in more risky assets (such as shares, share UCIs, certain money market instruments and alternative investments (like real estate)) and/or in less risky assets (such as certain money market instruments, shorter-term bonds, shorter-term bond UCIs and cash). Compared with bond UCIs classified as more risky assets, bond UCIs belonging to the less risky assets invest more in instruments with a shorter term to maturity, which means that they are less sensitive to movements in interest rates. In principle, therefore, they are less volatile.

Up to 100% of the sub-fund's assets can be invested in shares.

The sub-fund has two objectives:

1. To achieve the highest possible return by making investments in line with the investment strategy of KBC Asset Management NV for shares.

To achieve this return and insofar as market conditions allow, the fund invests as much as possible in more risky assets (mainly shares and/or share-related investments (stock component), but including assets such as alternative investments and money market instruments). This may be deviated from to protect the floor price, as set out in point 2. It is therefore possible for the sub-fund to be invested in asset classes other than shares and share-related investments.

2. To protect a floor price.

The sub-fund also aims to set a floor price for the net asset value each year. This floor price is valid for one year and is always equal to 85% of the net asset value on the last Belgian banking day of the previous February. The initial floor price is equal to 85% of the initial net asset value and is valid until 29 February 2016. Achieving the objective to protect the floor price becomes increasingly important the closer the net asset value gets to the floor price. In such a situation, the asset allocation will be increasingly focused on protecting the floor price and will deviate from the target allocation specified in point 1 above.

The floor price changes every year based on the net asset value. Any decline in the net asset value when a new floor price is being set will result in the new floor price being lower than the current applicable value. Any increase in the net asset value when a new floor price is being set will result in the new floor price being higher than the current applicable value.

The sub-fund does not provide any capital protection or capital guarantee, nor does it offer a guaranteed return. It is therefore possible for the net asset value to be lower than the floor price.

The allocation of the assets is influenced by whether they involve more or less risk. Riskier assets are intended to generate the return, while less risky assets are designed to protect the floor.

During the year, the allocation may be deviated from in the following ways:

1) If the net asset value falls towards the floor price, the manager may intervene and replace investments in riskier assets with investments in less risky ones. If the net asset value hits the floor price, the manager may switch completely to investments in money market instruments, shorter-term bonds, shorter-term bond funds, and/or cash. Conversely, if the net asset value moves away from the floor price and goes up to a strong enough extent, the manager may intervene and gradually reallocate the assets by replacing the less risky assets with more risky ones.

2) If markets develop favourably and provided the net asset value is sufficiently high relative to the floor price, and for as long as both these conditions are met, the stock component may temporarily go up sharply relative to the percentage determined when the floor price was set.

3) The bond component will be monitored separately and, if its performance is negative, the exposure within this component may be reduced periodically, for instance by reducing investments in bonds in favour of investments in money market instruments and cash.

The stock component is invested in a worldwide selection of shares that may come from any region, sector or theme.

For details of bonds and debt instruments, please see the 'Characteristics of the bonds and debt instruments' section below.

## **Characteristics of the bonds and debt instruments**

The assets may be invested wholly or partially in bonds and debt securities issued by all types of issuers, including states, territorial government agencies, international public bodies and companies.

The sub-fund invests, directly and/or indirectly, at least 50% of the bonds and debt instruments

- in investment-grade securities (at least BBB-/Baa3 long term or A3/F3/P3 short term) as rated by at least one of the following rating agencies:
  - o Moody's (Moody's Investors Service);
  - o S&P (Standard & Poor's, a Division of the McGraw-Hill Companies);
  - o Fitch (Fitch Ratings); and/or
- in money market instruments issued by entities that have been assigned an investment grade rating by one of the above agencies.

In addition the sub-fund may invest, directly and/or indirectly, at least 50% of the assets invested in bonds and debt instruments

- in securities that have a lower credit rating (or, in the case of money market instruments, if the issuer has a lower credit rating) and/or
- in securities for which no credit rating is available from one of the above agencies (or, in the case of money market instruments, if the issuer does not have a rating from one of the above agencies).

All maturities are taken into consideration when selecting the bonds and debt instruments.

## **Investments in assets other than securities or money market instruments**

**The sub-fund may invest primarily in units of UCIs managed by a KBC group company.**

### **Securities Financing Transactions (SFTs)**

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.1. Securities Financing Transactions (SFTs)'.

### **General strategy for hedging the exchange risk**

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.2. General strategy for hedging the exchange rate risk'.

### **Social, ethical and environmental aspects**

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.3. Social, ethical and environmental aspects'.

## **2.1.4. Financial portfolio management**

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

## **2.1.5. Distributors**

KBC Asset Management S.A., 4, Rue du Fort Wallis, L-2714 Luxembourg.

## **2.1.6. Index and benchmark**

Not applicable.

## **2.1.7. Policy pursued during the financial year**

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for a review of the market.

## **2.1.8. Future policy**

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for an overview of the outlook.

## **2.1.9. Synthetic risk and reward indicator (SRRI)**

5 on a scale of 1 (lowest risk) to 7 (highest risk)

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.4. Synthetic risk and reward indicator'

The synthetic risk indicator gives an idea of the risk associated with investing in an undertaking for collective investment or a sub-fund. It measures risk on a scale of zero (least risk) to seven (most risk).

### ***Leveraged finance***

The total amount of leveraged finance used by the sub-fund is 496,086.04 EUR.

This amount was calculated by multiplying the leverage ratio calculated using the commitment method by the sub-fund's total assets under management.

## 2.2. Balance sheet

<b>Balance sheet layout</b>		<b>31/12/2019</b> (in the currency of the sub-fund)	<b>31/12/2018</b> (in the currency of the sub-fund)
	<b>TOTAL NET ASSETS</b>	82,758,987.48	108,798,853.84
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
E.	Open-end undertakings for collective investment	83,279,645.75	109,106,339.02
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	11,670.52	1,352,826.82
B.	Payables		
	a) Accounts payable (-)	-26,354.65	-1,201,260.73
	c) Borrowings (-)	-465,433.89	-1,699,717.67
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	1,514.19	1,277,615.39
<b>VI.</b>	<b>Accruals and deferrals</b>		
C.	Accrued expense (-)	-42,054.44	-36,948.99
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	82,758,987.48	108,798,853.84
<b>A.</b>	<b>Capital</b>	68,994,946.19	122,432,009.53
<b>D.</b>	<b>Result of the bookyear</b>	13,764,041.29	-13,633,155.69

## 2.3. Profit and loss account

<b>Income Statement</b>		<b>31/12/2019</b> (in the currency of the fund)	<b>31/12/2018</b> (in the currency of the fund)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
E.	Open-end undertakings for collective investment	15,954,683.94	-12,479,658.36
F.	Derivative financial instruments		
	l) Financial indices		
	Futures and forward contracts	-750,436.86	-1,085,879.80
H.	Foreign exchange positions and transactions		
	a) Derivative financial instruments		
	Futures and forward contracts	0.01	
	b) Other foreign exchange positions and transactions	477,135.38	1,351,458.42
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	4,610,473.66	11,659,442.41
	Unrealised gains on investments	10,003,007.24	-18,660,327.93
	Realised losses on investments	-1,183,109.60	-3,970,845.22
	Unrealised losses on investments	2,251,011.17	-1,242,349.00
<b>II.</b>	<b>Investment income and expenses</b>		
B.	Interests		
	b) Cash at bank and in hand and deposits	129.58	821.54
C.	Interest on borrowings (-)	-1,824.17	-5,004.85
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-209,358.36	-259,779.19
B.	Financial expenses (-)	-858.28	-2,342.23
D.	Manager's fee (-)		
	a) Financial management	-1,609,309.81	-1,014,271.11
	b) Administration and accounting management	-93,032.64	-135,169.22
F.	Formation and organisation expenses (-)	-850.26	-1,537.89
G.	Remuneration, social security charges and pension	-14.99	
H.	Services and sundry goods (-)	-2,775.69	-2,342.49
J.	Taxes	-0.01	-0.05
K.	Other expenses (-)	553.45	549.54
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	-1,917,341.18	-1,419,075.96
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	13,764,041.29	-13,633,155.69
<b>VII.</b>	<b>Result of the bookyear</b>	13,764,041.29	-13,633,155.69

<b>Appropriation Account</b>		<b>31/12/2019</b> (in the currency of the sub-fund)	<b>31/12/2018</b> (in the currency of the sub-fund)
<b>I.</b>	<b>Profit to be appropriated</b>	13,764,041.29	-13,633,155.69
	Profit for the period available for appropriation	13,764,041.29	-13,633,155.69
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-13,764,041.29	13,633,155.69

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of IN.focus Equity Strategy Level March

Name	Quantity on 31/12/2019	Currency	Price in currency	Evaluation (in the currency of the sub-fund)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Investment funds</b>							
Closed-end funds							
Listed closed-end investment funds							
<u>Belgium</u>							
KBC EQUITY FUND AMERICA IS B KAP	4,622.00	USD	3,267.380	13,453,746.42	0.52	16.16	16.26
KBC EQUITY FUND STRATEGIC	4,889.00	EUR	953.610	4,662,199.29	1.11	5.60	5.63
Open-end funds							
UCITS registered with the FSMA							
<u>Belgium</u>							
KBC EQUITY FUND BUYBACK AMERICA IS B KAP	1,391.00	USD	2,347.010	2,908,410.61	0.38	3.49	3.51
KBC EQUITY FUND BUYBACK EUROPE IS B KAP	2,287.00	EUR	1,166.690	2,668,220.03	0.40	3.20	3.22
KBC EQUITY FUND EUROZONE IS B KAP	7,430.00	EUR	585.820	4,352,642.60	0.67	5.23	5.26
KBC EQUITY FUND JAPAN IS B KAP	3,536.00	JPY	66,573.000	1,929,720.38	0.74	2.32	2.33
KBC EQUITY FUND NEW MARKETS IS B KAP	3,247.00	EUR	2,046.870	6,646,186.89	0.57	7.98	8.03
KBC EQUITY FUND QUANT EMU IS B KAP	627.00	EUR	924.630	579,743.01	0.75	0.70	0.70
KBC EQUITY FUND SATELLITES IS B KAP	534.00	EUR	1,557.690	831,806.46	0.58	1.00	1.00
KBC EQUITY FUND STRATEGIC CYCLICALS IS B KAP	12,200.00	EUR	1,000.300	12,203,660.00	0.79	14.65	14.75
KBC EQUITY FUND STRATEGIC FINANCE IS B KAP	15,560.00	EUR	511.290	7,955,672.40	0.82	9.55	9.61
KBC EQUITY FUND STRATEGIC NON CYCLICALS IS B KAP	15,687.00	EUR	445.600	6,990,127.20	0.81	8.39	8.45
KBC EQUITY FUND STRATEGIC TEL & TECHNOLOGY IS B KAP	51,144.00	EUR	271.810	13,901,450.64	0.72	16.69	16.80
KBC EQUITY FUND US SMALL CAPS IS B KAP	1,076.00	USD	1,974.180	1,892,398.82	0.45	2.27	2.29
PLATO INSTITUTIONAL INDEX FUND PACIFIC EQUITY INST B SHARES	292.00	EUR	7,889.250	2,303,661.00	0.31	2.77	2.78
Total investment funds				83,279,645.75		100.00	100.63
TOTAL SECURITIES PORTFOLIO				83,279,645.75		100.00	100.63
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP EURO	-465,433.89	EUR	1.000	-465,433.89			-0.56
KBC GROUP GBP	0.22	GBP	1.000	0.26			
KBC GROUP JPY	11,690.00	JPY	1.000	95.83			
KBC GROUP USD	1,591.82	USD	1.000	1,418.10			0.00
Total demand accounts				-463,919.70			-0.56
TOTAL CASH AT BANK AND IN HAND				-463,919.70			-0.56
OTHER RECEIVABLES AND PAYABLES							
<b>Receivables</b>							
<u>Belgium</u>							
KBC GROUP EUR RECEIVABLE	11,670.52	EUR	1.000	11,670.52			0.01
Total receivables				11,670.52			0.01
<b>Payables</b>							
<u>Belgium</u>							
KBC GROUP EUR PAYABLE	-26,354.65	EUR	1.000	-26,354.65			-0.03
Payables				-26,354.65			-0.03
TOTAL RECEIVABLES AND PAYABLES				-14,684.13			-0.02
OTHER							
Expenses payable		EUR		-42,054.44			-0.05
TOTAL OTHER				-42,054.44			-0.05
TOTAL NET ASSETS				82,758,987.48			100.00

#### Geographic breakdown (as a % of securities portfolio)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
Netherlands Antilles	0.01	0.00	0.00	0.00

United Arab Emirates	0.11	0.04	0.03	0.02
Argentina	0.00	0.00	0.02	0.06
Australia	0.65	0.28	0.42	1.23
Austria	0.68	0.28	0.39	0.37
Belgium	3.81	23.81	3.75	1.43
Bermuda	0.07	0.00	0.04	0.13
Brazil	0.59	0.19	0.70	1.29
Canada	2.22	1.58	2.51	2.21
Switzerland	1.59	0.67	1.62	1.94
Chile	0.08	0.01	0.04	0.04
China	2.28	1.87	2.01	3.56
Colombia	0.00	0.00	0.01	0.01
Czech Republic	0.03	0.02	0.03	0.02
Cayman Islands	0.17	0.05	0.21	0.13
Cyprus	0.04	0.03	0.13	0.12
Germany	12.23	4.97	6.89	5.63
Denmark	0.91	0.16	0.26	0.16
Spain	2.58	1.92	2.88	2.24
Europe	0.00	1.78	0.00	0.00
Finland	0.69	0.98	0.73	0.55
France	11.32	29.95	11.96	9.45
U.K.	3.80	6.07	2.44	3.22
Greece	0.00	0.01	0.07	0.16
Hong Kong	0.94	0.22	1.56	1.92
Hungary	0.05	0.05	0.06	0.10
India	0.78	0.15	0.74	1.09
Indonesia	0.18	0.04	0.16	0.21
Ireland	0.70	0.43	0.72	0.87
Israel	0.06	0.01	0.03	0.01
Italy	2.80	1.03	2.48	1.67
Jersey/The Channel Islands	0.13	0.07	0.00	0.00
Japan	5.43	1.99	5.35	6.08
South Korea	1.54	0.31	0.75	1.39
Luxembourg	0.32	3.28	0.14	0.20
Monaco	0.00	0.00	0.00	0.02
Mexico	0.11	0.03	0.16	0.21
Malaysia	0.17	0.04	0.10	0.08
Netherlands	3.50	2.21	4.62	4.19
Norway	0.16	0.12	0.24	0.31
New Zealand	0.01	0.02	0.02	0.03
Peru	0.09	0.01	0.05	0.14
Philippines	0.03	0.00	0.08	0.04
Papua New Guinea	0.05	0.02	0.06	0.01
Poland	0.05	0.02	0.08	0.11
Portugal	0.17	0.07	0.10	0.09
Russia	0.19	0.09	0.29	0.54
Singapore	0.25	0.10	0.16	0.31
Sweden	0.79	0.83	0.49	0.62
Thailand	0.19	0.06	0.19	0.11
Turkey	0.08	0.01	0.03	0.07
Taiwan	0.49	0.16	0.89	1.61
U.S.A.	36.39	13.74	42.72	43.27
Guernsey The Channel Islands	0.01	0.00	0.00	0.00
South Africa	0.48	0.22	0.59	0.73
TOTAL	100.00	100.00	100.00	100.00



### Sector breakdown (as a % of securities portfolio)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
Cyclicals	22.54	8.51	18.15	19.41
Consum(cycl)	13.92	5.47	12.91	14.09
Cons.goods	7.37	3.06	10.69	8.58
Pharma	8.17	3.91	9.99	9.51
Financials	24.38	22.66	15.17	17.34
Technology	17.94	5.86	16.71	21.89
Telecomm.	1.74	1.73	4.66	3.84
Utilities	2.35	1.54	6.74	2.41
Real est.	1.54	0.69	4.92	2.81
Governm.	0.07	42.84	0.01	0.00
Unit trusts	0.00	0.00	0.00	0.00
Various	(0.02)	3.73	0.05	0.12
TOTAL	100.00	100.00	100.00	100.00

### Currency breakdown (as a % of net assets)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
AUSTRALIAN DOLLAR	0.47	0.12	0.43	1.23
BRASILIAN REAL	0.60	0.21	0.70	1.29
CANADIAN DOLLAR	2.29	0.82	2.55	2.22
SWISS FRANC	1.43	0.52	1.33	1.74
	0.04	0.01	0.04	0.04
PESO COLUMBIA	0.00	0.00	0.01	0.01
CZECH KORUNA	0.03	0.03	0.05	0.04
DANISH KRONE	0.93	0.16	0.26	0.16
EURO	38.13	78.99	34.42	26.22
POUND STERLING	4.02	1.38	2.95	3.28
HONG KONG DOLLAR	2.76	0.66	3.04	4.44
HUNGARIAN FORINT	0.05	0.05	0.06	0.10
INDONESIAN RUPIAH	0.23	0.08	0.19	0.22
SHEQUEL ISRAEL	0.03	0.01	0.02	0.02
INDIE RUPEE	0.75	0.13	0.71	1.06
JAPANESE YEN	5.41	1.95	5.52	6.08
KOREAN WON	1.54	0.32	0.75	1.39
MEXICAN PESO	0.12	0.03	0.16	0.22
MALAYSIAN RINGGIT	0.17	0.04	0.10	0.08
NORWEGIAN KRONE	0.16	0.12	0.27	0.38
NEW ZEALAND DOLLAR	0.00	0.02	0.02	0.04
PESO	0.03	0.00	0.08	0.04
POLISH ZLOTY	0.06	0.02	0.08	0.12
RUSSIAN RUBLE	0.00	0.00	0.03	0.02
SWEDISH KRONA	0.80	0.25	0.44	0.62
SINGAPORE DOLLAR	0.27	0.11	0.12	0.23
THAI BATH	0.19	0.06	0.19	0.11
NEW TURKISH LIRA	0.08	0.01	0.04	0.08
NEW TAIWAN DOLLAR	0.52	0.17	0.92	1.62
US DOLLAR	38.40	13.51	43.93	46.17
SOUTH AFRICAN RAND	0.49	0.22	0.59	0.73
TOTAL	100.00	100.00	100.00	100.00

## 2.4.2. Changes in the composition of the assets of IN.focus Equity Strategy Level March (in the currency of the sub-fund)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	72,035,130.72	25,075,968.53	97,111,099.26
<b>Sales</b>	99,147,311.09	40,241,208.64	139,388,519.73
<b>Total 1</b>	171,182,441.82	65,317,177.17	236,499,618.99
<b>Subscriptions</b>	607,748.48	332,452.53	940,201.01
<b>Redemptions</b>	26,053,461.47	14,705,306.99	40,758,768.46
<b>Total 2</b>	26,661,209.95	15,037,759.52	41,698,969.47
<b>Monthly average of total assets</b>	100,622,406.63	85,736,210.03	93.056.281.91
<b>Turnover rate</b>	143.63%	58.64%	209.34%

The table above shows the capital volume of portfolio transactions. This volume (adjusted to take account of total subscriptions and redemptions) is also compared to the average net assets at the beginning and end of the period. A figure close to 0% implies that the transactions relating to the securities or transactions relating to the assets (excluding deposits and cash) in a given period only involve subscriptions and redemptions. A negative percentage shows that subscriptions and redemptions entailed few, if any, transactions in the portfolio. Active asset management may result in high turnover rates (monthly percentage >50%).

The detailed list of transactions can be consulted free of charge at the company designated as financial service:  
 CBC Banque SA, Avenue Albert 1er 60, B-5000 Namur  
 KBC Bank NV, Havenlaan 2, B-1080 Brussels

## 2.4.3. Amount of commitments in respect of financial derivatives positions

Nil

## 2.4.4. Changes in the number of subscriptions and redemptions and the net asset value

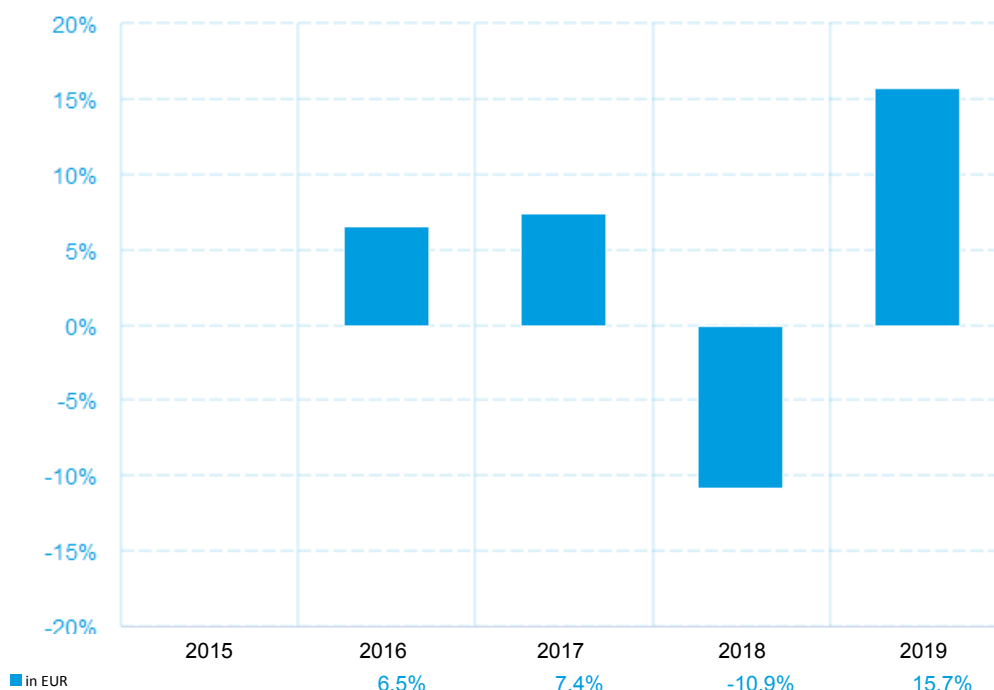
Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	
2017 - 12	11,732.13		159,124.88		545,531.39		545,531.39
2018 - 12	8,326.02		109,694.98		444,162.44		444,162.44
2019 - 12	3,610.11		155,793.08		291,979.47		291,979.47

Period	Amounts received and paid by the UCITS (in the currency of the sub-fund)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2017 - 12	3,138,402.53		42,530,088.59	
2018 - 12	2,276,842.87		29,724,861.25	
2019 - 12	939,956.54		40,743,864.20	

Period	Net asset value		
	End of period (in the currency of the sub-fund)		
	Of the sub-fund	Of one share	
Capitalization		Distribution	
2017 - 12	149,880,027.93	274.74	
2018 - 12	108,798,853.84	244.95	
2019 - 12	82,758,987.48	283.44	

## 2.4.5. Performance figures

BE6274341906  
IN.focus Equity Strategy Level March CAP  
Annual performance on 31/12/2019 (in EUR)



Cap Div	ISIN Code	Currency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
CAP	BE6274341906	EUR	15.73%		3.48%		%		%		30/01/2015	2.58%

Risk warning: Past performance is not a guide to future performance.

\* Return on annual basis.

- The bar chart shows the performance for full financial years.
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage.
- Calculation method for date D, where NAV stands for net asset value:  
Capitalisation units (CAP)  
Return on date D over a period of X years :  
$$\frac{NIW(D)}{NIW(Y)} ^{[1 / X]} - 1$$
  
where Y = D-X  
Return on date D since the start date S of the unit:  
$$\frac{NIW(D)}{NIW(S)} ^{[1 / F]} - 1$$
  
where F = 1 if the unit has existed for less than one year on date D  
where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the issue and redemption of units.
- These are the performance figures for capitalisation shares.

## 2.4.6. Costs

### Ongoing Charges and Transaction costs:

#### Capitalisation :

Ongoing Charges : 2.639%  
Transaction costs : 0.249%

Percentage calculated at reporting date: 31 December 2019 .

A more detailed explanation with respect to the method of calculating ongoing charges and the relevant exclusions can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.5. Ongoing charges'

More information on how transaction costs are calculated: the transaction costs are not included in the ongoing charges, but are instead shown separately. Moreover, this does not fully reflect the actual transaction costs as only the explicit transaction costs are given.

### Fee for managing the investment portfolio

The management fee amounts to 1,130,661.44 EUR. An additional fee of 478,648.37 EUR was charged regarding commissions and charges for allocating the assets.

### Existence of Commission Sharing Agreements

Not applicable

### Existence of fee sharing agreements and rebates

The management company has shared 41,86% of its fee with the distributor, and institutional and/or professional parties.

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

## 2.4.7. Notes to the financial statements and other data

Fee for managing the investment portfolio	Max 2.24%	<p>per year (0.50% of which is for the protection of the floor price) calculated on the basis of the average total net assets of the sub-fund.</p> <p>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.</p> <p>KBC Fund Management Limited receives a fee from the management company of max. 2,24% per year, calculated on that part of the portfolio that it manages, without the total management fee received by the management company being exceeded.</p> <p>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.</p>
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	Max 0.04%	per year calculated on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding calendar year, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	see the 'Information concerning the Fund - G. Fees and charges regarding the Fund' for this non-structured sub-fund	
Annual tax <b>This tax must, in principle, be paid by the management company of the sub-fund, but is charged to the sub-fund.</b>	see the 'Information concerning the Fund - H. Tax treatment'	

### Exercising voting rights

If necessary, relevant and in the interest of the shareholders, the management company will exercise the voting rights attached to the shares in the Bevek's portfolio.

The management company will adhere to the following criteria when determining how it stands relative to the items on the agenda that are put to the vote:

- Shareholder value may not be adversely affected.
- Corporate governance rules, especially with regard to the rights of minority shareholders, must be respected.
- The minimum standards with regard to sustainable business and corporate social responsibility must be met.

The list of companies for which voting rights are exercised is available at the registered office of the Bevek.

### Management fees

Name	Maximum management fee
KBC Equity Fund - America - Institutional B Shares	1.50%
KBC Equity Fund - Strategic Satellites - Institutional B Shares	1.50%
KBC Equity Fund - Buyback America - Institutional B Shares	1.50%
KBC Equity Fund - Buyback Europe - Institutional B Shares	1.50%
KBC Equity Fund - Eurozone - Institutional B Shares	1.50%
KBC Equity Fund - Japan - Institutional B Shares	1.50%
KBC Equity Fund - New Markets - Institutional B Shares	1.60%
KBC Equity Fund - Quant EMU - Institutional B Shares	1.50%
KBC Equity Fund - Satellites - Institutional B Shares	1.50%
KBC Equity Fund - Strategic Cyclical - Institutional B Shares	1.50%
KBC Equity Fund - Strategic Finance - Institutional B Shares	1.50%
KBC Equity Fund - Strategic Non Cyclical - Institutional B Shares	1.50%
KBC Equity Fund - Strategic Communication Services & Technology - Institutional B Shares	1.50%
KBC Equity Fund - US Small Caps - Institutional B Shares	1.50%
Plato Institutional Index Fund - Pacific Equity - Institutional B Shares EUR	0.50%

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# 2. Information on IN.focus Euro Pro May

## 2.1. Management report

### 2.1.1. Launch date and subscription price

#### Capitalisation

Launch date:	29 June 2015
Initial subscription price:	250 EUR
Currency:	EUR

### 2.1.2. Stock exchange listing

Not applicable.

### 2.1.3. Goal and key principles of the investment policy

#### Object of the sub-fund

The main object of the sub-fund is to generate the highest possible return for its unitholders by investing directly or indirectly in transferable securities and financial derivatives. This is reflected in its pursuit of capital gains and income. The sub-fund also aims to set a floor price for the net asset value each year

#### Sub-fund's investment policy

##### *Permitted asset classes*

The sub-fund may invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described above.

##### *Restrictions of the investment policy*

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

##### *Permitted derivatives transactions*

**Derivatives can be used both to achieve the investment objectives and to hedge risks.**

**Listed and unlisted derivatives may be used to achieve the objectives: these may be forward contracts, futures, options or swaps on securities, indexes, currencies or interest rates or other transactions involving derivatives.** Unlisted derivatives transactions will only be concluded with prime financial institutions specialised in such transactions.

**Subject to the applicable laws and regulations and the articles of association, the sub-fund always seeks to conclude the most effective transactions. All costs associated with the transactions will be charged to the sub-fund and all income generated will be paid to the sub-fund.**

If the transactions result in a risk in respect of the counterparty, this risk can be hedged by using a margin management system that ensures that the sub-fund is the beneficiary of security (collateral) in the form of liquid instruments, such as, for instance, cash or investment grade bonds. The relationship with the counterparty or counterparties is governed by standard international agreements.

**Derivatives may also be used to hedge the assets of the sub-fund against open exchange rate risks in relation to the currency in which the sub-fund is denominated.**

**Where derivatives are used, they must be easily transferable and liquid instruments. Using derivatives does not, therefore, have a negative impact on liquidity risk.** The use of derivatives may, however, affect the spread of the portfolio across regions, sectors or themes. **Consequently, there may be an impact on concentration risk. Derivatives may not be used to protect capital, either fully or partially. They neither increase nor decrease capital risk. In addition, using derivatives has no negative impact on credit risk, settlement risk, custody risk, flexibility risk or inflation risk or risk dependent on external factors.**

**The UCITS may conclude contracts that entail a credit risk in respect of issuers of debt instruments. Credit risk is the risk that the issuer of the debt instrument will default. This credit risk relates to parties whose creditworthiness at the time the contract is concluded is equal to that of the issuers whose debt instruments the UCITS can hold directly. Credit derivatives may possibly be used both to carry out the investment objectives and to cover the credit risk, but solely within the existing risk profile and without implying any shift to less creditworthy debtors than those the UCITS can invest in.**



## Strategy selected

The sub-fund invests directly or indirectly in more risky assets (such as shares, share UCIs, medium and longer-term bonds, medium and longer-term bond UCIs, certain money market instruments, alternative investments (like real estate) and listed futures) and/or less risky assets (such as certain money market instruments, shorter-term bonds, shorter-term bond UCIs and cash...). Compared with bond UCIs classified as riskier assets, bond UCIs in the less risky assets category invest more in instruments with a shorter term to maturity, which means that they are less sensitive to movements in interest rates. In principle, therefore, they are less volatile.

The sub-fund may invest up to 70% in shares, up to 75% in medium and longer-term bonds and up to 100% in shorter-term bonds.

The sub-fund has two objectives:

### 1. to achieve the highest possible return

The target allocation for the asset classes is 40% shares and/or share-related investments ('the stock component') and 60% bonds and/or bond-related investments ('the bond component'). It is permitted to deviate from the target allocation based on the investment strategy of KBC Asset Management NV (see [www.kbc.be/investment-strategy](http://www.kbc.be/investment-strategy)) and/or to protect the floor price, as described in section 2. It is therefore possible for the sub-fund to invest in asset classes that have not been included in the target allocation.

### 2. to protect a floor price.

The sub-fund also aims to set a floor price under the net asset value each year. This floor price is valid for one year and is always equal to 90% of the net asset value on the last Belgian banking day of the previous April. The initial floor price is equal to 90% of the initial net asset value and is valid from 29 June 2015 to 29 April 2016, inclusive. Achieving the objective to protect the floor price becomes increasingly important the closer the net asset value gets to the floor price. In such a situation, the asset allocation will be increasingly focused on protecting the floor price and will deviate from the target allocation specified in point 1 above.

The floor price changes each year in line with the net asset value. Any fall in the net asset value at the time the new floor price is determined will mean that the new floor price is lower than the current floor price. Any increase in the net asset value at the time the new floor price is determined will mean that the new floor price is higher than the current floor price.

The sub-fund does not provide any capital protection or capital guarantee, nor does it offer a guaranteed return. It is therefore possible for the net asset value to be lower than the floor price.

The allocation of the assets is influenced by whether they involve more or less risk. Riskier assets are intended to generate the return, while less risky assets are designed to protect the floor.

During the year, the manager may deviate from the target allocation in the following ways:

1) If the net asset value falls towards the floor price, the manager may intervene and replace investments in riskier assets with investments in less risky ones. If the net asset value hits the floor price, the manager may switch completely to investments in money market instruments, shorter-term bonds, shorter-term bond funds and/or cash. Conversely, if the net asset value moves away from the floor price and goes up to a strong enough extent, the manager may intervene and gradually reallocate the assets by replacing the less risky assets with more risky ones.

2) If markets develop favourably and provided the net asset value is sufficiently high relative to the floor price, and for as long as both these conditions are met, the stock component can temporarily go up sharply relative to the percentage determined when the floor price was set.

3) The bond component will be monitored separately and, if its performance is negative, the exposure within this component may be reduced periodically, for instance by reducing investments in bonds in favour of investments in money market instruments and cash.

The stock component is invested directly or indirectly in a selection of euro-denominated shares of companies established in Europe that may come from any sector or theme.

The bond component comprises bonds and debt instruments, denominated in euros and issued by European government bodies and supranational institutions. The composition of the bond component is determined in accordance with the investment strategy of KBC Asset Management NV for bonds.

For details of the bond component, please see the 'Characteristics of the bonds and debt instruments' section below. The sub-fund may be invested in listed futures within the stock component and in European interest-rate futures within the bond component. A futures contract is a contractual agreement between two parties to buy or sell a standardised quantity of an asset defined in the contract (i.e. the underlying asset) at a specific future date and at an agreed price. The underlying asset could be a commodity, financial instrument (bond, deposit, etc.), index or foreign currency.

## Characteristics of the bonds and debt instruments

The sub-fund will invest directly and/or indirectly at least 50% of the bonds and debt instruments:

– in investment-grade securities (at least BBB-/Baa3 long term or A3/F3/P3 short term) as rated by at least one of the following rating agencies:

- Moody's (Moody's Investors Service);
- S&P (Standard & Poor's, a Division of the McGraw-Hill Companies);
- Fitch (Fitch Ratings), and/or

– in money market instruments issued by entities that have been assigned an investment grade rating by one of the above agencies.

In addition, the sub-fund may invest up to 50% of the bonds and debt instruments:

– in securities that have a lower credit rating (or, in the case of money market instruments, if the issuer has a lower credit rating)

– in securities for which no credit rating is available from one of the above agencies (or, in the case of money market instruments, if the issuer does not have a rating from one of the above agencies).

All maturities are taken into consideration when selecting the bonds and debt instruments. The bonds and debt instruments in which the assets will be invested must be denominated in euros and issued by European government bodies and supranational institutions. All sectors and themes may be considered.

## Derogation for investments in public issuers

**The sub-fund has been granted a derogation to invest up to 100% of its assets in various issues of securities and money market instruments that are issued or guaranteed by a Member State of the European Economic Area, by its local authorities, by a state that is not a Member State of the European Economic Area, or by public international institutions in which one or more Member States of the European Economic Area participate, insofar as the investments are made in at least six such issues and the investment in a single issue does not exceed 30% of the assets. The sub-fund may invest more than 35% of its assets in securities or money market instruments issued by:**

- Germany
- France

The sub-fund may use this opportunity to, for instance, invest money temporarily in safe and liquid markets during times of great anxiety in the financial markets. The sub-fund will only use this derogation for the above names if (at the time of derogation) they have a long-term rating of at least AA/Aa2 from at least one of the following rating agencies: Moody's (Moody's Investors Service), S&P (Standard & Poor's, a Division of the McGraw-Hill Companies), Fitch (Fitch Ratings).

## Investments in assets other than securities or money market instruments

The sub-fund may primarily invest in units in Undertakings for Collective Investment managed by a company of KBC Group.

## Securities Financing Transactions (SFTs)

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.1. Securities Financing Transactions (SFTs)'.

## General strategy for hedging the exchange risk

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.2. General strategy for hedging the exchange rate risk'.

## Social, ethical and environmental aspects

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.3. Social, ethical and environmental aspects'.

## 2.1.4. Financial portfolio management

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

## 2.1.5. Distributors

KBC Asset Management S.A., 4, Rue du Fort Wallis, L-2714 Luxembourg.

## 2.1.6. Index and benchmark

Not applicable.

## 2.1.7. Policy pursued during the financial year

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for a review of the market.

## 2.1.8. Future policy

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for an overview of the outlook.

## 2.1.9. Synthetic risk and reward indicator (SRRI)

4 on a scale of 1 (lowest risk) to 7 (highest risk)

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.4. Synthetic risk and reward indicator'

The synthetic risk indicator gives an idea of the risk associated with investing in an undertaking for collective investment or a sub-fund. It measures risk on a scale of zero (least risk) to seven (most risk).

### **Leveraged finance**

The total amount of leveraged finance used by the sub-fund is 4,138,591.93 EUR.

This amount was calculated by multiplying the leverage ratio calculated using the commitment method by the sub-fund's total assets under management.

## 2.2. Balance sheet

<b>Balance sheet layout</b>		<b>31/12/2019</b> (in the currency of the sub-fund)	<b>31/12/2018</b> (in the currency of the sub-fund)
	<b>TOTAL NET ASSETS</b>	7,516,504.01	9,759,380.49
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
B.	Money market instruments	3,727,861.60	1,759,413.61
E.	Open-end undertakings for collective investment	3,360,533.98	7,698,873.03
F.	Derivative financial instruments		
	m) Financial indices		
	Futures and forward contracts (+/-)	-8,800.00	-57,420.00
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	233.10	1,519.52
	c) Collateral	286,781.36	138,353.31
B.	Payables		
	c) Borrowings (-)	-0.35	
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	157,768.13	224,820.89
<b>VI.</b>	<b>Accruals and deferrals</b>		
C.	Accrued expense (-)	-7,873.81	-6,179.87
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	7,516,504.01	9,759,380.49
<b>A.</b>	<b>Capital</b>	7,060,451.82	10,454,874.40
<b>B.</b>	<b>Income equalization</b>	-202.90	-679.75
<b>D.</b>	<b>Result of the bookyear</b>	456,255.09	-694,814.16
<hr/>			
	<b>Off-balance-sheet headings</b>		
I.	Collateral (+/-)		
I.A.	Collateral (+/-)		
I.A.b.	Cash at bank and in hand/deposits	286,781.36	138,353.31
III.	Notional amounts of futures and forward contracts (+)		
III.A.	Purchased futures and forward contracts	4,101,900.00	1,962,840.00

## 2.3. Profit and loss account

<b>Income Statement</b>		<b>31/12/2019</b> (in the currency of the fund)	<b>31/12/2018</b> (in the currency of the fund)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
A.	Bonds and other debt instruments		
	a) Bonds	-18,695.98	-31,564.50
B.	Money market instruments	371.06	5,043.76
E.	Open-end undertakings for collective investment	30,688.10	-71,435.05
F.	Derivative financial instruments		
	a) Bonds		
	Futures and forward contracts		-5,440.00
	I) Financial indices		
	Futures and forward contracts	644,020.00	-422,247.25
H.	Foreign exchange positions and transactions		
	b) Other foreign exchange positions and transactions	55.84	52.47
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	672,647.32	190,567.24
	Unrealised gains on investments	2,143,753.82	-9,883,245.05
	Realised losses on investments	-84,036.34	-729,639.66
	Unrealised losses on investments	-2,075,925.78	9,896,726.90
<b>II.</b>	<b>Investment income and expenses</b>		
B.	Interests		
	a) Securities and money market instruments	1,167.74	1,494.59
	b) Cash at bank and in hand and deposits	11.95	
C.	Interest on borrowings (-)	-2,407.69	-4,232.37
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-18,499.34	-8,276.18
B.	Financial expenses (-)	-40.46	-35.32
C.	Custodian's fee (-)	-1,130.44	-4,643.74
D.	Manager's fee (-)		
	a) Financial management	-163,388.54	-136,825.83
	b) Administration and accounting management	-8,827.46	-11,376.50
F.	Formation and organisation expenses (-)	-814.83	-1,346.18
G.	Remuneration, social security charges and pension	-1.45	
H.	Services and sundry goods (-)	-2,734.96	-2,740.21
J.	Taxes	-3,749.32	-1,798.66
K.	Other expenses (-)	230.87	556.81
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	-200,183.93	-169,223.59
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	456,255.09	-694,814.16
<b>VII.</b>	<b>Result of the bookyear</b>	456,255.09	-694,814.16

<b>Appropriation Account</b>		<b>31/12/2019</b> (in the currency of the sub-fund)	<b>31/12/2018</b> (in the currency of the sub-fund)
<b>I.</b>	<b>Profit to be appropriated</b>	456,052.19	-695,493.91
	Profit for the period available for appropriation	456,255.09	-694,814.16
	Income on the creation of shares (income on the cancellation of shares)	-202.90	-679.75
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-456,052.19	695,493.91

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of IN.focus Euro Pro May

Name	Quantity on 31/12/2019	Currency	Price in currency	Evaluation (in the currency of the sub-fund)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Investment funds</b>							
Closed-end funds							
Listed closed-end investment funds							
<u>Luxembourg</u>							
KBC BONDS EMU SHORT MEDIUM IS B KAP	778.00	EUR	1,189.180	925,182.04	0.05	13.07	12.31
KBC INTEREST FUND EURO MEDIUM IS B_KAP	183.00	EUR	4,127.230	755,283.09	0.18	10.67	10.05
KBC RENTA EUORENTA IS B KAP	215.00	EUR	3,116.650	670,079.75	0.14	9.47	8.91
KBC RENTA SHORT EUR IS B KAP	1,176.00	EUR	715.550	841,486.80	0.20	11.89	11.20
Open-end funds							
UCITS registered with the FSMA							
<u>Luxembourg</u>							
KBC BONDS SRI STRATEGIC EMU SHORT ISB CAP	170.00	EUR	991.190	168,502.30	0.05	2.38	2.24
Total investment funds				3,360,533.98		47.47	44.71
<b>Bonds</b>							
Government bonds							
<u>France</u>							
FRENCH REPUBLIC 14/20 0.00%	1,240,000.00	EUR	100.241	1,242,988.40		17.56	16.54
FRENCH REPUBLIC 16/20 0.00%	1,240,000.00	EUR	100.094	1,241,165.60		17.53	16.51
<u>Germany</u>							
FEDERAL REPUBLIC OF GERMANY 18/20 0.00%	1,240,000.00	EUR	100.299	1,243,707.60		17.57	16.55
Total bonds				3,727,861.60		52.66	49.60
<b>Options and futures</b>							
Exchange-listed futures							
<u>Germany</u>							
EURO - STOXX 50 MAR 20	110.00	EUR	3,729.000	4,101,900.00		57.94	54.57
Suspense accounts (futures)							
<u>Germany</u>							
EURO - STOXX 50 MAR 20	-4,110,700.00	EUR	1.000	-4,110,700.00		-58.06	-54.69
Total options and futures				-8,800.00		-0.12	-0.12
TOTAL SECURITIES PORTFOLIO				7,079,595.58		100.00	94.19
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP EURO	148,968.03	EUR	1.000	148,968.03			1.98
KBC GROUP USD	-0.39	USD	1.000	-0.35			
Total demand accounts				148,967.68			1.98
<b>Managed futures accounts</b>							
<u>U.S.A.</u>							
JPMORGAN CHASE & CO EURO FUT REK	8,800.10	EUR	1.000	8,800.10			0.12
Total managed futures accounts				8,800.10			0.12
TOTAL CASH AT BANK AND IN HAND				157,767.78			2.10
OTHER RECEIVABLES AND PAYABLES							
<b>Receivables</b>							
<u>Belgium</u>							
KBC GROUP EUR RECEIVABLE	233.10	EUR	1.000	233.10			0.00
<u>U.S.A.</u>							
JPMORGAN CHASE & CO DEKKING EUR	286,781.36	EUR	1.000	286,781.36			3.82
Total receivables				287,014.46			3.82
TOTAL RECEIVABLES AND PAYABLES				287,014.46			3.82

OTHER					
Expenses payable		EUR		-7,873.81	-0.10
TOTAL OTHER				-7,873.81	-0.11
TOTAL NET ASSETS				7,516,504.01	100.00

### Geographic breakdown (as a % of securities portfolio)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
Australia	0.00	0.03	0.00	0.00
Austria	1.99	7.37	13.94	1.60
Belgium	2.69	21.18	5.50	4.12
Canada	0.00	0.58	0.00	0.10
Switzerland	0.00	0.07	0.00	0.00
China	0.00	0.96	0.00	0.07
Germany	37.25	13.63	23.53	24.53
Spain	9.10	3.22	7.51	5.64
Europe	-0.82	-0.06	0.09	0.27
Finland	1.03	1.07	0.46	0.66
France	28.66	34.14	27.45	43.66
U.K.	0.00	3.49	0.00	0.00
Ireland	1.63	0.49	1.62	0.82
Italy	14.96	5.32	13.72	11.03
Japan	0.00	0.19	0.00	0.00
South Korea	0.00	0.00	0.00	0.06
Lithuania	0.00	0.00	0.02	0.06
Luxembourg	0.00	2.32	0.00	0.13
Netherlands	3.51	2.65	2.36	2.06
Portugal	0.00	0.54	1.37	0.96
Supranational	0.00	0.00	0.00	0.28
Slovakia	0.00	0.00	0.02	0.02
Sweden	0.00	0.41	0.00	0.00
U.S.A.	0.00	2.40	2.41	3.93
TOTAL	100.00	100.00	100.00	100.00

### Sector breakdown (as a % of securities portfolio)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
Cyclicals	0.00	0.84	0.00	0.00
Consum(cycl)	0.00	0.75	0.00	0.05
Cons.goods	0.00	0.39	0.00	0.00
Pharma	0.00	0.02	0.00	0.00
Financials	0.00	15.90	4.51	6.98
Telecomm.	0.00	0.09	0.00	0.00
Utilities	0.00	0.42	0.00	0.00
Real est.	0.00	0.11	0.00	0.00
Governm.	100.90	80.72	94.67	92.76
Various	(0.90)	0.76	0.82	0.21
TOTAL	100.00	100.00	100.00	100.00

### Currency breakdown (as a % of net assets)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
EURO	100.00	99.95	100.00	100.00
US DOLLAR	0.00	0.05	0.00	0.00
TOTAL	100.00	100.00	100.00	100.00



## 2.4.2. Changes in the composition of the assets of IN.focus Euro Pro May (in the currency of the sub-fund)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	9,124,134.43	6,603,233.18	15,727,367.61
<b>Sales</b>	10,365,436.22	8,384,445.14	18,749,881.36
<b>Total 1</b>	19,489,570.65	14,987,678.32	34,477,248.97
<b>Subscriptions</b>	70,928.97	111,610.69	182,539.66
<b>Redemptions</b>	1,165,704.63	1,715,763.70	2,881,468.33
<b>Total 2</b>	1,236,633.60	1,827,374.39	3,064,007.99
<b>Monthly average of total assets</b>	9,515,122.46	8,164,248.33	8.823.344.18
<b>Turnover rate</b>	191.83%	161.19%	356.02%

The table above shows the capital volume of portfolio transactions. This volume (adjusted to take account of total subscriptions and redemptions) is also compared to the average net assets at the beginning and end of the period. A figure close to 0% implies that the transactions relating to the securities or transactions relating to the assets (excluding deposits and cash) in a given period only involve subscriptions and redemptions. A negative percentage shows that subscriptions and redemptions entailed few, if any, transactions in the portfolio. Active asset management may result in high turnover rates (monthly percentage >50%).

The detailed list of transactions can be consulted free of charge at the company designated as financial service:  
 CBC Banque SA, Avenue Albert 1er 60, B-5000 Namur  
 KBC Bank NV, Havenlaan 2, B-1080 Brussels

## 2.4.3. Amount of commitments in respect of financial derivatives positions

Name	Currency	Value in currency	In the currency of the sub-fund	Lot-size	Transaction date
EUROSTOX MAR 20	EUR	4,101,900.00	4,101,900.00	10.00	17.12.2019
JPMORGAN DEKING EUR	EUR	286,781.36	286,781.36	N/A	31.12.2019

## 2.4.4. Changes in the number of subscriptions and redemptions and the net asset value

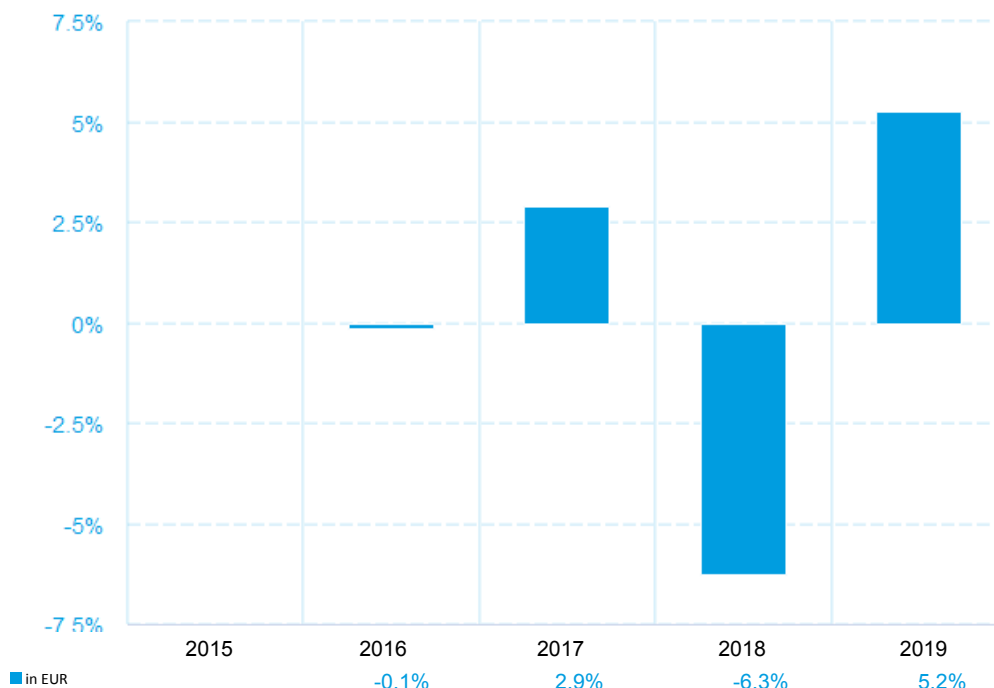
Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2017 - 12	11,848.18		9,161.16		49,470.75		49,470.75
2018 - 12	3,785.41		11,228.49		42,027.68		42,027.68
2019 - 12	761.99		12,032.28		30,757.38		30,757.38

Period	Amounts received and paid by the UCITS (in the currency of the sub-fund)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2017 - 12	2,947,412.38		2,264,110.39	
2018 - 12	924,469.08		2,724,136.75	
2019 - 12	182,553.38		2,881,684.95	

Period	Net asset value		
	End of period (in the currency of the sub-fund)		
	Of the sub-fund	Of one share	
Capitalization		Distribution	
2017 - 12	12,253,862.32	247.70	
2018 - 12	9,759,380.49	232.21	
2019 - 12	7,516,504.01	244.38	

## 2.4.5. Performance figures

BE6276292040  
IN.focus Euro Pro May CAP  
Annual performance on 31/12/2019 (in EUR)



Cap Div	ISIN Code	Currency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
CAP	BE6276292040	EUR	5.24%		0.51%		%		%		29/06/2015	-0.50%

Risk warning: Past performance is not a guide to future performance.

\* Return on annual basis.

- The bar chart shows the performance for full financial years.
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage.
- Calculation method for date D, where NAV stands for net asset value:  
Capitalisation units (CAP)  
Return on date D over a period of X years :  
$$\frac{NIW(D)}{NIW(Y)}^{[1 / X]} - 1$$
  
where Y = D-X  
Return on date D since the start date S of the unit:  
$$\frac{NIW(D)}{NIW(S)}^{[1 / F]} - 1$$
  
where F = 1 if the unit has existed for less than one year on date D  
where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the issue and redemption of units.
- These are the performance figures for capitalisation shares.

## 2.4.6. Costs

### Ongoing Charges and Transaction costs:

#### Capitalisation :

Ongoing Charges : 2.442%  
Transaction costs : 0.000%

Percentage calculated at reporting date: 31 December 2019 .

A more detailed explanation with respect to the method of calculating ongoing charges and the relevant exclusions can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.5. Ongoing charges'

More information on how transaction costs are calculated: the transaction costs are not included in the ongoing charges, but are instead shown separately. Moreover, this does not fully reflect the actual transaction costs as only the explicit transaction costs are given.

### Fee for managing the investment portfolio

The management fee amounts to 118,045.57 EUR. An additional fee of 45,342.97 EUR was charged regarding commissions and charges for allocating the assets.

### Existence of Commission Sharing Agreements

Not applicable

### Existence of fee sharing agreements and rebates

The management company has shared 41,80% of its fee with the distributor, and institutional and/or professional parties.

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

## 2.4.7. Notes to the financial statements and other data

Fee for managing the investment portfolio	Max 2.24%	<p>per year (0.50% of which is for the protection of the floor price) calculated on the basis of the average total net assets of the sub-fund.</p> <p>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.</p> <p>KBC Fund Management Limited receives a fee from the management company of max. 2,24% per year, calculated on that part of the portfolio that it manages, without the total management fee received by the management company being exceeded.</p> <p>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.</p>
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	Max 0.04%	per year calculated on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding calendar year, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	see the 'Information concerning the Fund - G. Fees and charges regarding the Fund' for this non-structured sub-fund	
Annual tax <b>This tax must, in principle, be paid by the management company of the sub-fund, but is charged to the sub-fund.</b>	see the 'Information concerning the Fund - H. Tax treatment'	

### Exercising voting rights

If necessary, relevant and in the interest of the shareholders, the management company will exercise the voting rights attached to the shares in the Bevek's portfolio.

The management company will adhere to the following criteria when determining how it stands relative to the items on the agenda that are put to the vote:

- Shareholder value may not be adversely affected.
- Corporate governance rules, especially with regard to the rights of minority shareholders, must be respected.
- The minimum standards with regard to sustainable business and corporate social responsibility must be met.

The list of companies for which voting rights are exercised is available at the registered office of the Bevek.

### Financial derivatives on financial indices

The following financial indices were used as the underlying for financial derivatives::

**The EURO STOXX 50® (Bloomberg code: SX5E Index)** is a weighted equity index computed by Stoxx Ltd. The dividend is not reinvested. The main purpose of this index is to provide a continuous indication of market trends on the European stock markets. The base value of the index is 1000, calculated on the basis of the underlying prices recorded on 31 December 1991.

The Euro Stoxx 50® consists solely of shares from countries participating in the Economic and Monetary Union, with the exception of Luxembourg. On 10 April 1998, the following countries were included in the index: Belgium, Cyprus, Germany, Estonia, Finland, France, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Austria, Portugal, Slovakia, Slovenia and Spain.

The index consists of the 50 largest European shares in terms of shares that are freely negotiable, and the shares are accordingly weighted on the basis of this criterion.

The Euro Stoxx 50® is published daily in L'Echo, De Tijd, The Financial Times and The Wall Street Journal Europe.

Stoxx Limited has all proprietary rights with respect to the index. In no way Stoxx Limited endorses, sponsors or is otherwise involved in the issue and offering the shares of IN.focus Euro Pro May. Stoxx Limited disclaims any liability for the issue and offering of the shares of this undertaking for collective investment.

The value and, if available for distribution, the composition of the aforementioned financial indices may be obtained from the branches providing the financial service.

### Management fees

Name	Maximum management fee
KBC Bonds - EMU Short Medium - Institutional B Shares Capitalisation	1.10%
KBC Interest Fund - EURO MEDIUM - Institutional B Shares Capitalisation	0.50%
KBC Renta - Eurorenta - Institutional B Shares Capitalisation	1.10%
KBC Renta - Short EUR - Institutional B Shares Capitalisation	1.10%
KBC Bonds - SRI Strategic EMU Short - Institutional B Shares Capitalisation	1.10%

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# 2. Information on IN.focus Euro Pro November

## 2.1. Management report

### 2.1.1. Launch date and subscription price

#### Capitalisation

Launch date:	28 November 2014
Initial subscription price:	250 EUR
Currency:	EUR

### 2.1.2. Stock exchange listing

Not applicable.

### 2.1.3. Goal and key principles of the investment policy

#### Object of the sub-fund

The main object of the sub-fund is to generate the highest possible return for its unitholders by investing directly or indirectly in transferable securities and financial derivatives. This is reflected in its pursuit of capital gains and income. The sub-fund also aims to set a floor price for the net asset value each year

#### Sub-fund's investment policy

##### *Permitted asset classes*

The sub-fund may invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described above.

##### *Restrictions of the investment policy*

The investment policy will be implemented within the limits set by law and regulations. The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

##### *Permitted derivatives transactions*

**Derivatives can be used both to achieve the investment objectives and to hedge risks.**

**Listed and unlisted derivatives may be used to achieve the objectives: these may be forward contracts, futures, options or swaps on securities, indexes, currencies or interest rates or other transactions involving derivatives.** Unlisted derivatives transactions will only be concluded with prime financial institutions specialised in such transactions.

**Subject to the applicable laws and regulations and the articles of association, the sub-fund always seeks to conclude the most effective transactions. All costs associated with the transactions will be charged to the sub-fund and all income generated will be paid to the sub-fund.**

If the transactions result in a risk in respect of the counterparty, this risk can be hedged by using a margin management system that ensures that the sub-fund is the beneficiary of security (collateral) in the form of liquid instruments, such as, for instance, cash or investment grade bonds. The relationship with the counterparty or counterparties is governed by standard international agreements.

**Derivatives may also be used to hedge the assets of the sub-fund against open exchange rate risks in relation to the currency in which the sub-fund is denominated.**

**Where derivatives are used, they must be easily transferable and liquid instruments. Using derivatives does not, therefore, have a negative impact on liquidity risk.** The use of derivatives may, however, affect the spread of the portfolio across regions, sectors or themes. **Consequently, there may be an impact on concentration risk. Derivatives may not be used to protect capital, either fully or partially. They neither increase nor decrease capital risk. In addition, using derivatives has no negative impact on credit risk, settlement risk, custody risk, flexibility risk or inflation risk or risk dependent on external factors.**

**The UCITS may conclude contracts that entail a credit risk in respect of issuers of debt instruments. Credit risk is the risk that the issuer of the debt instrument will default. This credit risk relates to parties whose creditworthiness at the time the contract is concluded is equal to that of the issuers whose debt instruments**

**the UCITS can hold directly. Credit derivatives may possibly be used both to carry out the investment objectives and to cover the credit risk, but solely within the existing risk profile and without implying any shift to less creditworthy debtors than those the UCITS can invest in.**

### **Strategy selected**

The sub-fund invests directly or indirectly in more risky assets (such as shares, share UCIs, medium and longer-term bonds, medium and longer-term bond UCIs, certain money market instruments, alternative investments (like real estate) and listed futures) and/or less risky assets (such as certain money market instruments, shorter-term bonds, shorter-term bond UCIs and cash). Compared with bond UCIs classified as riskier assets, bond UCIs in the less risky assets category invest more in instruments with a shorter term to maturity, which means that they are less sensitive to movements in interest rates. In principle, therefore, they are less volatile.

The sub-fund may invest up to 70% in shares, up to 75% in medium and longer-term bonds and up to 100% in shorter-term bonds.

The sub-fund has two objectives:

#### 1. to achieve the highest possible return.

The target allocation for the asset classes is 40% shares and/or share-related investments ('the stock component') and 60% bonds and/or bond-related investments ('the bond component').

It is permitted to deviate from the target allocation based on the investment strategy of KBC Asset Management NV (see [www.kbc.be/investment-strategy](http://www.kbc.be/investment-strategy)) and/or to protect the floor price, as described in section 2. It is therefore possible for the sub-fund to invest in asset classes that have not been included in the target allocation.

#### 2. to protect a floor price.

The sub-fund also aims to set a floor price under the net asset value each year. This floor price is valid for one year and is always equal to 90% of the net asset value on the last Belgian banking day of the previous October. The initial floor price is equal to 90% of the initial net asset value and is valid from 28 November 2014 to 31 October 2015, inclusive. Achieving the objective to protect the floor price becomes increasingly important the closer the net asset value gets to the floor price. In such a situation, the asset allocation will be increasingly focused on protecting the floor price and will deviate from the target allocation specified in point 1 above.

The floor price changes each year in line with the net asset value. Any fall in the net asset value at the time the new floor price is determined will mean that the new floor price is lower than the current floor price. Any increase in the net asset value at the time the new floor price is determined will mean that the new floor price is higher than the current floor price.

The sub-fund does not provide any capital protection or capital guarantee, nor does it offer a guaranteed return. It is therefore possible for the net asset value to be lower than the floor price.

The allocation of the assets is influenced by whether they involve more or less risk. Riskier assets are intended to generate the return, while less risky assets are designed to protect the floor.

During the year, the manager may deviate from the target allocation in the following ways:

1) If the net asset value falls towards the floor price, the manager may intervene and replace investments in riskier assets with investments in less risky ones. If the net asset value hits the floor price, the manager may switch completely to investments in money market instruments, shorter-term bonds, shorter-term bond funds and/or cash. Conversely, if the net asset value moves away from the floor price and goes up to a strong enough extent, the manager may intervene and gradually reallocate the assets by replacing the less risky assets with more risky ones.

2) If markets develop favourably and provided the net asset value is sufficiently high relative to the floor price, and for as long as both these conditions are met, the stock component can temporarily go up sharply relative to the percentage determined when the floor price was set.

3) The bond component will be monitored separately and, if its performance is negative, the exposure within this component may be reduced periodically, for instance by reducing investments in bonds in favour of investments in money market instruments and cash.

The stock component is invested directly or indirectly in a selection of euro-denominated shares of companies established in Europe that may come from any sector or theme.

The bond component comprises bonds and debt instruments, denominated in euros and issued by European government bodies and supranational institutions.

The composition of the bond component is determined in accordance with the investment strategy of KBC Asset Management NV for bonds.

For details of the bond component, please see the 'Characteristics of the bonds and debt instruments' section below.

The sub-fund may be invested in listed futures within the stock component and in European interest-rate futures within the bond component. A futures contract is a contractual agreement between two parties to buy or sell a standardised quantity of an asset defined in the contract (i.e. the underlying asset) at a specific future date and at an agreed price. The underlying asset could be a commodity, financial instrument (bond, deposit, etc.), index or foreign currency.



## **Characteristics of the bonds and debt instruments**

The sub-fund will invest directly and/or indirectly at least 50% of the bonds and debt instruments:

– in investment-grade securities (at least BBB-/Baa3 long term or A3/F3/P3 short term) as rated by at least one of the following rating agencies:

- Moody's (Moody's Investors Service);
- S&P (Standard & Poor's, a Division of the McGraw-Hill Companies);
- Fitch (Fitch Ratings), and/or

in money market instruments issued by entities that have been assigned an investment grade rating by one of the above agencies.

In addition, the sub-fund may invest up to 50% of the bonds and debt instruments:

- in securities that have a lower credit rating (or, in the case of money market instruments, if the issuer has a lower credit rating)
- in securities for which no credit rating is available from one of the above agencies (or, in the case of money market instruments, if the issuer does not have a rating from one of the above agencies).

All maturities are taken into consideration when selecting the bonds and debt instruments. The bonds and debt instruments in which the assets will be invested must be denominated in euros and issued by European government bodies and supranational institutions.

## **Derogation for investments in public issuers**

The sub-fund has been granted a derogation to invest up to 100% of its assets in various issues of securities and money market instruments that are issued or guaranteed by a Member State of the European Economic Area, by its local authorities, by a state that is not a Member State of the European Economic Area, or by public international institutions in which one or more Member States of the European Economic Area participate, insofar as the investments are made in at least six such issues and the investment in a single issue does not exceed 30% of the assets. The sub-fund may invest more than 35% of its assets in securities or money market instruments issued by:

- Germany
- France

The sub-fund may use this opportunity to, for instance, invest money temporarily in safe and liquid markets during times of great anxiety in the financial markets. The sub-fund will only use this derogation for the above names if (at the time of derogation) they have a long-term rating of at least AA/Aa2 from at least one of the following rating agencies: Moody's (Moody's Investors Service), S&P (Standard & Poor's, a Division of the McGraw-Hill Companies), Fitch (Fitch Ratings).

## **Investments in assets other than securities or money market instruments**

The sub-fund may primarily invest in units in Undertakings for Collective Investment managed by a company of KBC Group.

## **Securities Financing Transactions (SFTs)**

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.1. Securities Financing Transactions (SFTs)'.

## **General strategy for hedging the exchange risk**

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.2. General strategy for hedging the exchange rate risk'.

## **Social, ethical and environmental aspects**

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.3. Social, ethical and environmental aspects'.

## **2.1.4. Financial portfolio management**

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

## **2.1.5. Distributors**

KBC Asset Management S.A., 4, Rue du Fort Wallis, L-2714 Luxembourg.

## **2.1.6. Index and benchmark**

Not applicable.

## **2.1.7. Policy pursued during the financial year**

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for a review of the market.

## 2.1.8. Future policy

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for an overview of the outlook.

## 2.1.9. Synthetic risk and reward indicator (SRRI)

4 on a scale of 1 (lowest risk) to 7 (highest risk)

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.4. Synthetic risk and reward indicator'

The synthetic risk indicator gives an idea of the risk associated with investing in an undertaking for collective investment or a sub-fund. It measures risk on a scale of zero (least risk) to seven (most risk).

### **Leveraged finance**

The total amount of leveraged finance used by the sub-fund is 8,766,402.46 EUR.

This amount was calculated by multiplying the leverage ratio calculated using the commitment method by the sub-fund's total assets under management.

## 2.2. Balance sheet

<b>Balance sheet layout</b>		<b>31/12/2019</b> (in the currency of the sub-fund)	<b>31/12/2018</b> (in the currency of the sub-fund)
	<b>TOTAL NET ASSETS</b>	15,983,161.46	19,812,050.03
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
B.	Money market instruments	7,750,337.21	7,161,177.41
E.	Open-end undertakings for collective investment	7,150,147.34	12,128,359.00
F.	Derivative financial instruments		
	m) Financial indices		
	Futures and forward contracts (+/-)	-16,930.00	-220,980.00
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	291.30	2,111.73
	c) Collateral	607,474.00	532,530.15
B.	Payables		
	a) Accounts payable (-)		-4,609.11
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	508,545.28	230,045.20
<b>VI.</b>	<b>Accruals and deferrals</b>		
C.	Accrued expense (-)	-16,703.67	-16,584.35
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	15,983,161.46	19,812,050.03
<b>A.</b>	<b>Capital</b>	14,518,864.50	21,345,944.82
<b>B.</b>	<b>Income equalization</b>	-699.84	-600.91
<b>D.</b>	<b>Result of the bookyear</b>	1,464,996.80	-1,533,293.88
<b>Off-balance-sheet headings</b>			
I.	Collateral (+/-)		
I.A.	Collateral (+/-)		
I.A.b.	Cash at bank and in hand/deposits	607,474.00	532,530.15
III.	Notional amounts of futures and forward contracts (+)		
III.A.	Purchased futures and forward contracts	8,688,570.00	7,553,960.00

## 2.3. Profit and loss account

<b>Income Statement</b>		<b>31/12/2019</b> (in the currency of the fund)	<b>31/12/2018</b> (in the currency of the fund)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
A.	Bonds and other debt instruments		
	a) Bonds	-58,759.28	-55,953.47
B.	Money market instruments	2,551.01	5,267.37
E.	Open-end undertakings for collective investment	39,475.02	-118,702.53
F.	Derivative financial instruments		
	a) Bonds		
	Futures and forward contracts		-10,350.00
	l) Financial indices		
	Futures and forward contracts	1,916,900.04	-1,015,720.00
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	2,051,677.69	302,537.80
	Unrealised gains on investments	1,123,234.66	-17,184,784.66
	Realised losses on investments	-332,274.98	-1,466,373.43
	Unrealised losses on investments	-942,470.58	17,153,161.66
<b>II.</b>	<b>Investment income and expenses</b>		
B.	Interests		
	a) Securities and money market instruments	4,419.63	3,593.40
C.	Interest on borrowings (-)	-7,001.19	-7,352.75
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-49,791.45	-23,446.13
B.	Financial expenses (-)	-38.54	-35.35
C.	Custodian's fee (-)	-3,398.27	-9,672.39
D.	Manager's fee (-)		
	a) Financial management	-349,643.28	-267,230.37
	b) Administration and accounting management	-18,355.80	-23,424.02
F.	Formation and organisation expenses (-)	-819.24	-1,359.88
G.	Remuneration, social security charges and pension	-3.04	
H.	Services and sundry goods (-)	-2,739.04	-2,250.23
J.	Taxes	-7,979.81	-6,880.92
K.	Other expenses (-)	180.04	223.39
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	-435,169.99	-337,835.25
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	1,464,996.80	-1,533,293.88
<b>VII.</b>	<b>Result of the bookyear</b>	1,464,996.80	-1,533,293.88

<b>Appropriation Account</b>		<b>31/12/2019</b> (in the currency of the sub-fund)	<b>31/12/2018</b> (in the currency of the sub-fund)
<b>I.</b>	<b>Profit to be appropriated</b>	1,464,296.96	-1,533,894.79
	Profit for the period available for appropriation	1,464,996.80	-1,533,293.88
	Income on the creation of shares (income on the cancellation of shares)	-699.84	-600.91
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-1,464,296.96	1,533,894.79

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of IN.focus Euro Pro November

Name	Quantity on 31/12/2019	Currency	Price in currency	Evaluation (in the currency of the sub-fund)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Investment funds</b>							
Closed-end funds							
Listed closed-end investment funds							
<u>Luxembourg</u>							
KBC BONDS EMU SHORT MEDIUM IS B KAP	1,655.00	EUR	1,189.180	1,968,092.90	0.11	13.22	12.31
KBC INTEREST FUND EURO MEDIUM IS B_KAP	390.00	EUR	4,127.230	1,609,619.70	0.39	10.82	10.07
KBC RENTA EUORENTA IS B KAP	457.00	EUR	3,116.650	1,424,309.05	0.30	9.57	8.91
KBC RENTA SHORT EUR IS B KAP	2,502.00	EUR	715.550	1,790,306.10	0.42	12.03	11.20
Open-end funds							
UCITS registered with the FSMA							
<u>Luxembourg</u>							
KBC BONDS SRI STRATEGIC EMU SHORT ISB CAP	361.00	EUR	991.190	357,819.59	0.10	2.40	2.24
Total investment funds				7,150,147.34		48.04	44.74
<b>Bonds</b>							
Government bonds							
<u>France</u>							
FRENCH REPUBLIC 14/20 0.00%	2,580,000.00	EUR	100.241	2,586,217.80		17.38	16.18
FRENCH REPUBLIC 16/20 0.00%	2,581,000.00	EUR	100.094	2,583,426.14		17.36	16.16
<u>Germany</u>							
FEDERAL REPUBLIC OF GERMANY 18/20 0.00%	2,573,000.00	EUR	100.299	2,580,693.27		17.34	16.15
Total bonds				7,750,337.21		52.07	48.49
<b>Options and futures</b>							
Exchange-listed futures							
<u>Germany</u>							
EURO - STOXX 50 MAR 20	233.00	EUR	3,729.000	8,688,570.00		58.38	54.36
Suspense accounts (futures)							
<u>Germany</u>							
EURO - STOXX 50 MAR 20	-8,705,500.00	EUR	1.000	-8,705,500.00		-58.49	-54.47
Total options and futures				-16,930.00		-0.11	-0.11
TOTAL SECURITIES PORTFOLIO				14,883,554.55		100.00	93.12
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP EURO	491,615.28	EUR	1.000	491,615.28			3.08
Total demand accounts				491,615.28			3.08
<b>Managed futures accounts</b>							
<u>U.S.A.</u>							
JPMORGAN CHASE & CO EURO FUT REK	16,930.00	EUR	1.000	16,930.00			0.11
Total managed futures accounts				16,930.00			0.11
TOTAL CASH AT BANK AND IN HAND				508,545.28			3.18
OTHER RECEIVABLES AND PAYABLES							
<b>Receivables</b>							
<u>Belgium</u>							
KBC GROUP EUR RECEIVABLE	291.30	EUR	1.000	291.30			0.00
<u>U.S.A.</u>							
JPMORGAN CHASE & CO DEKKING EUR	607,474.00	EUR	1.000	607,474.00			3.80
Total receivables				607,765.30			3.80
TOTAL RECEIVABLES AND PAYABLES				607,765.30			3.80
OTHER							

Expenses payable		EUR		-16,703.67		-0.10
TOTAL OTHER				-16,703.67		-0.11
TOTAL NET ASSETS				15,983,161.46		100.00

### Geographic breakdown (as a % of securities portfolio)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
Australia	0.50	0.00	0.00	0.00
Austria	1.28	14.67	22.35	1.60
Belgium	11.89	4.38	2.59	5.21
Canada	0.04	0.03	0.00	0.10
Switzerland	0.24	0.00	0.00	0.00
China	2.99	0.06	0.00	0.07
Germany	25.28	25.28	27.93	24.12
Denmark	0.64	0.00	0.00	0.00
Spain	6.27	5.10	3.77	5.64
Europe	0.90	-2.53	0.04	0.27
Finland	0.66	1.12	0.23	0.66
France	27.75	31.77	29.13	42.97
U.K.	2.60	0.22	0.00	0.00
Hong Kong	0.04	0.00	0.00	0.00
Ireland	1.09	0.73	0.81	0.82
Italy	9.63	10.23	6.89	11.05
Japan	0.00	0.01	0.00	0.00
South Korea	0.22	0.00	0.00	0.06
Lithuania	0.00	0.00	0.01	0.06
Luxembourg	3.91	0.13	0.00	0.13
Netherlands	2.88	3.92	1.19	2.07
Portugal	0.00	1.04	0.69	0.96
Supranational	0.00	0.00	0.00	0.28
Slovakia	0.00	0.00	0.01	0.02
Sweden	0.01	0.02	0.00	0.00
U.S.A.	1.18	3.82	4.36	3.91
TOTAL	100.00	100.00	100.00	100.00

### Sector breakdown (as a % of securities portfolio)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
Cyclicals	1.60	0.05	0.00	0.00
Consum(cycl)	1.55	0.03	0.00	0.05
Cons.goods	0.39	0.02	0.00	0.00
Pharma	1.52	0.00	0.00	0.00
Financials	12.80	4.53	5.24	8.05
Telecomm.	0.19	0.01	0.00	0.00
Utilities	0.22	0.03	0.00	0.00
Real est.	0.00	0.01	0.00	0.00
Governm.	82.35	98.83	93.57	91.71
Unit trusts	0.00	0.00	0.00	0.00
Various	(0.62)	-3.51	1.19	0.19
TOTAL	100.00	100.00	100.00	100.00

### Currency breakdown (as a % of net assets)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
EURO	100.00	100.00	100.00	100.00

## 2.4.2. Changes in the composition of the assets of IN.focus Euro Pro November (in the currency of the sub-fund)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	19,327,386.81	18,073,543.97	37,400,930.78
<b>Sales</b>	22,319,294.79	21,434,629.22	43,753,924.01
<b>Total 1</b>	41,646,681.60	39,508,173.19	81,154,854.79
<b>Subscriptions</b>	124,796.36	125,529.45	250,325.81
<b>Redemptions</b>	2,647,901.66	2,895,609.68	5,543,511.34
<b>Total 2</b>	2,772,698.02	3,021,139.13	5,793,837.15
<b>Monthly average of total assets</b>	19,516,710.73	17,228,547.89	18.344.949.92
<b>Turnover rate</b>	199.18%	211.78%	410.80%

The table above shows the capital volume of portfolio transactions. This volume (adjusted to take account of total subscriptions and redemptions) is also compared to the average net assets at the beginning and end of the period. A figure close to 0% implies that the transactions relating to the securities or transactions relating to the assets (excluding deposits and cash) in a given period only involve subscriptions and redemptions. A negative percentage shows that subscriptions and redemptions entailed few, if any, transactions in the portfolio. Active asset management may result in high turnover rates (monthly percentage >50%).

The detailed list of transactions can be consulted free of charge at the company designated as financial service:  
 CBC Banque SA, Avenue Albert 1er 60, B-5000 Namur  
 KBC Bank NV, Havenlaan 2, B-1080 Brussels

## 2.4.3. Amount of commitments in respect of financial derivatives positions

Name	Currency	Value in currency	In the currency of the sub-fund	Lot-size	Transaction date
EUROSTOX MAR 20	EUR	8,688,570.00	8,688,570.00	10.00	17.12.2019
JPMORGAN DEKING EUR	EUR	607,474.00	607,474.00	N/A	30.12.2019

## 2.4.4. Changes in the number of subscriptions and redemptions and the net asset value

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2017 - 12	7,513.50		34,974.81		102,835.82		102,835.82
2018 - 12	4,005.29		21,374.96		85,466.15		85,466.15
2019 - 12	1,028.43		22,656.93		63,837.65		63,837.65

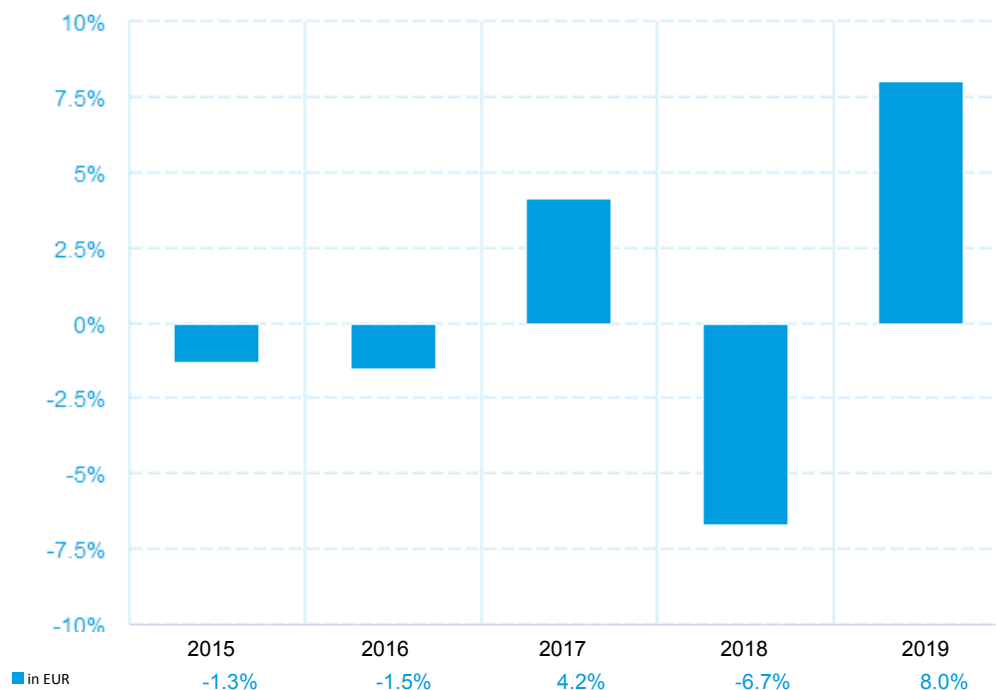
Period	Amounts received and paid by the UCITS (in the currency of the sub-fund)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2017 - 12	1,865,757.86		8,521,835.82	
2018 - 12	982,936.99		5,180,680.65	
2019 - 12	250,351.78		5,544,237.15	

Period	Net asset value		
	End of period (in the currency of the sub-fund)		
	Of the sub-fund	Of one share	
Capitalization		Distribution	
2017 - 12	25,543,087.57	248.39	
2018 - 12	19,812,050.03	231.81	
2019 - 12	15,983,161.46	250.37	



## 2.4.5. Performance figures

BE6271866400  
IN.focus Euro Pro November CAP  
Annual performance on 31/12/2019 (in EUR)



Cap Div	ISIN Code	Currency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
CAP	BE6271866400	EUR	8.01%		1.64%		0.41%		%		28/11/2014	0.03%

Risk warning: Past performance is not a guide to future performance.

\* Return on annual basis.

- The bar chart shows the performance for full financial years.
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage.
- Calculation method for date D, where NAV stands for net asset value:  
Capitalisation units (CAP)  
 Return on date D over a period of X years :  

$$\frac{NIW(D)}{NIW(Y)}^{[1 / X]} - 1$$
 where Y = D-X  
 Return on date D since the start date S of the unit:  

$$\frac{NIW(D)}{NIW(S)}^{[1 / F]} - 1$$
 where F = 1 if the unit has existed for less than one year on date D  
 where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the issue and redemption of units.
- These are the performance figures for capitalisation shares.

## 2.4.6. Costs

### Ongoing Charges and Transaction costs:

#### Capitalisation :

Ongoing Charges : 2.538%  
Transaction costs : 0.000%

Percentage calculated at reporting date: 31 December 2019 .

A more detailed explanation with respect to the method of calculating ongoing charges and the relevant exclusions can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.5. Ongoing charges'

More information on how transaction costs are calculated: the transaction costs are not included in the ongoing charges, but are instead shown separately. Moreover, this does not fully reflect the actual transaction costs as only the explicit transaction costs are given.

### Fee for managing the investment portfolio

The management fee amounts to 255,412.75 EUR. An additional fee of 94,230.53 EUR was charged regarding commissions and charges for allocating the assets.

### Existence of Commission Sharing Agreements

Not applicable

### Existence of fee sharing agreements and rebates

The management company has shared 41,75% of its fee with the distributor, and institutional and/or professional parties.

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

## 2.4.7. Notes to the financial statements and other data

Fee for managing the investment portfolio	Max 2.24%	<p>per year (0.50% of which is for the protection of the floor price) calculated on the basis of the average total net assets of the sub-fund.</p> <p>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.</p> <p>KBC Fund Management Limited receives a fee from the management company of max. 2,24% per year, calculated on that part of the portfolio that it manages, without the total management fee received by the management company being exceeded.</p> <p>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.</p>
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	Max 0.04%	per year calculated on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding calendar year, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	see the 'Information concerning the Fund - G. Fees and charges regarding the Fund' for this non-structured sub-fund	
Annual tax <b>This tax must, in principle, be paid by the management company of the sub-fund, but is charged to the sub-fund.</b>	see the 'Information concerning the Fund - H. Tax treatment'	

### Exercising voting rights

If necessary, relevant and in the interest of the shareholders, the management company will exercise the voting rights attached to the shares in the Bevek's portfolio.

The management company will adhere to the following criteria when determining how it stands relative to the items on the agenda that are put to the vote:

- Shareholder value may not be adversely affected.
- Corporate governance rules, especially with regard to the rights of minority shareholders, must be respected.
- The minimum standards with regard to sustainable business and corporate social responsibility must be met.

The list of companies for which voting rights are exercised is available at the registered office of the Bevek.

### Financial derivatives on financial indices

The following financial indices were used as the underlying for financial derivatives::

**The EURO STOXX 50® (Bloomberg code: SX5E Index)** is a weighted equity index computed by Stoxx Ltd. The dividend is not reinvested. The main purpose of this index is to provide a continuous indication of market trends on the European stock markets. The base value of the index is 1000, calculated on the basis of the underlying prices recorded on 31 December 1991.

The Euro Stoxx 50® consists solely of shares from countries participating in the Economic and Monetary Union, with the exception of Luxembourg. On 10 April 1998, the following countries were included in the index: Belgium, Cyprus, Germany, Estonia, Finland, France, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Austria, Portugal, Slovakia, Slovenia and Spain.

The index consists of the 50 largest European shares in terms of shares that are freely negotiable, and the shares are accordingly weighted on the basis of this criterion.

The Euro Stoxx 50® is published daily in L'Echo, De Tijd, The Financial Times and The Wall Street Journal Europe.

Stoxx Limited has all proprietary rights with respect to the index. In no way Stoxx Limited endorses, sponsors or is otherwise involved in the issue and offering the shares of IN.focus Euro Pro November. Stoxx Limited disclaims any liability for the issue and offering of the shares of this undertaking for collective investment.

The value and, if available for distribution, the composition of the aforementioned financial indices may be obtained from the branches providing the financial service.

### Management fees

Name	Maximum management fee
KBC Bonds - EMU Short Medium - Institutional B Shares Capitalisation	1.10%
KBC Interest Fund - EURO MEDIUM - Institutional B Shares Capitalisation	0.50%
KBC Renta - Eurorenta - Institutional B Shares Capitalisation	1.10%
KBC Renta - Short EUR - Institutional B Shares Capitalisation	1.10%
KBC Bonds - SRI Strategic EMU Short - Institutional B Shares Capitalisation	1.10%

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# 2. Information on IN.focus Global Flexible Allocation

## 2.1. Management report

### 2.1.1. Launch date and subscription price

#### Capitalisation

Launch date:	15 January 2016
Initial subscription price:	1 000 EUR
Currency:	EUR

### 2.1.2. Stock exchange listing

Not applicable.

### 2.1.3. Goal and key principles of the investment policy

#### Object of the sub-fund

The main object of the sub-fund is to generate the highest possible return for its unit holders by investing directly or indirectly in transferable securities. This is reflected in its pursuit of capital gains and income. The sub-fund also aims to set a floor price for the net asset value each year.

#### Sub-fund's investment policy

##### *Permitted asset classes*

The sub-fund may invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described above.

##### *Restrictions of the investment policy*

The investment policy will be implemented within the limits set by law and regulations. The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

##### *Permitted derivatives transactions*

**Derivatives can be used both to achieve the investment objectives and to hedge risks.**

**Listed and unlisted derivatives may be used to achieve the objectives: these may be forward contracts, futures, options or swaps on securities, indexes, currencies or interest rates or other transactions involving derivatives.** Unlisted derivatives transactions will only be concluded with prime financial institutions specialised in such transactions.

**Subject to the applicable laws and regulations and the articles of association, the sub-fund always seeks to conclude the most effective transactions. All costs associated with the transactions will be charged to the sub-fund and all income generated will be paid to the sub-fund.**

If the transactions result in a risk in respect of the counterparty, this risk can be hedged by using a margin management system that ensures that the sub-fund is the beneficiary of security (collateral) in the form of liquid instruments, such as, for instance, cash or investment grade bonds. The relationship with the counterparty or counterparties is governed by standard international agreements.

**Derivatives may also be used to hedge the assets of the sub-fund against open exchange rate risks in relation to the currency in which the sub-fund is denominated.**

**Where derivatives are used, they must be easily transferable and liquid instruments. Using derivatives does not, therefore, have a negative impact on liquidity risk.** The use of derivatives may, however, affect the spread of the portfolio across regions, sectors or themes. **Consequently, there may be an impact on concentration risk. Derivatives may not be used to protect capital, either fully or partially. They neither increase nor decrease capital risk. In addition, using derivatives has no negative impact on credit risk, settlement risk, custody risk, flexibility risk or inflation risk or risk dependent on external factors.**

**The UCITS may conclude contracts that entail a credit risk in respect of issuers of debt instruments. Credit risk is the risk that the issuer of the debt instrument will default. This credit risk relates to parties whose creditworthiness at the time the contract is concluded is equal to that of the issuers whose debt instruments**

**the UCITS can hold directly. Credit derivatives may possibly be used both to carry out the investment objectives and to cover the credit risk, but solely within the existing risk profile and without implying any shift to less creditworthy debtors than those the UCITS can invest in.**

## Strategy selected

The sub-fund invests directly or indirectly in more risky assets (such as shares, share UCIs, medium and longer-term bonds, medium and longer-term bond UCIs, certain money market instruments, and alternative investments (like real estate and financial instruments that are linked to price movements on the commodity markets)) and/or less risky assets (such as certain money market instruments, shorter-term bonds, shorter-term bond UCIs and cash). Compared with bond UCIs classified as riskier assets, bond UCIs in the less risky assets category invest more in instruments with a shorter term to maturity, which means that they are less sensitive to movements in interest rates. In principle, therefore, they are less volatile.

The sub-fund may invest up to 65% in shares, up to 85% in medium and longer-term bonds and up to 100% in shorter-term bonds.

The sub-fund has two objectives:

1. to achieve the highest possible return

The target allocation for the asset classes is 40% shares and/or share-related investments ('the stock component') and 60% bonds and/or bond-related investments ('the bond component'). It is permitted to deviate from the target allocation based on the investment strategy of KBC Asset Management NV (see [www.kbcam.be/en/our-market-vision](http://www.kbcam.be/en/our-market-vision)) and/or to protect the floor price, as described in section 2. It is therefore possible for the sub-fund to invest in asset classes that have not been included in the target allocation.

2. to protect a floor price.

The sub-fund also aims to set a floor price for the net asset value each year. The floor price is valid for one year and is always equal to 90% of the net asset value on the 15<sup>e</sup> calendar day of the previous January (or the nearest Belgian banking day preceding if this is not a banking day in Belgium).

Achieving the objective to protect the floor price becomes increasingly important the closer the net asset value gets to the floor price. In such a situation, the asset allocation will be increasingly focused on protecting the floor price and will deviate from the target allocation specified in point 1 above.

The floor price changes each year in line with the net asset value. Any fall in the net asset value at the time the new floor price is determined will mean that the new floor price is lower than the current floor price. Any increase in the net asset value at the time the new floor price is determined will mean that the new floor price is higher than the current floor price.

In addition, the floor price can be increased during the yearly periods, more specifically if the net asset value on the previous banking day (or the day before if this is not a banking day in Belgium) of the months of March, June or September is higher than the net asset value on which the current floor price was based. The floor price will then be increased to 90% of the higher net asset value. From that moment on, the new floor price will apply.

The sub-fund does not provide any capital protection or capital guarantee; nor does it offer a guaranteed return. It is therefore possible for the net asset value to be lower than the floor price.

The allocation of the assets is influenced by whether they involve more or less risk. Riskier assets are intended to generate the return, while less risky assets are designed to protect the floor.

During the year, the manager may deviate from the target allocation in the following ways:

- 1) If the net asset value falls towards the floor price, the manager may intervene and replace investments in riskier assets with investments in less risky ones. If the net asset value hits the floor price, the manager may switch completely to investments in money market instruments, shorter-term bonds, shorter-term bond funds and/or cash. Conversely, if the net asset value moves away from the floor price and goes up to a strong enough extent, the manager may intervene and gradually reallocate the assets by replacing the less risky assets with more risky ones.

- 2) If markets develop favourably and provided the net asset value is sufficiently high relative to the floor price, and for as long as both these conditions are met, the stock component can temporarily go up sharply relative to the percentage determined when the floor price was set.

- 3) The bond component will be monitored separately and, if its performance is negative, the exposure within this component may be reduced periodically, for instance by reducing investments in bonds in favour of investments in money market instruments and cash.

The stock component is invested in a worldwide selection of shares that may come from any region, sector or theme.

For details of the bond component, please see the 'Characteristics of the bonds and debt instruments' section below.



## Characteristics of the bonds and debt instruments

The assets may be invested wholly or partially in bonds and debt securities issued by all types of issuers, including states, territorial government agencies, international public bodies and companies.

The sub-fund invests at least 50% of the assets invested in bonds and debt instruments in securities that have an investment grade rating (long-term of at least BBB-/Baa3; short-term of at least A3/F3/P3) from at least one of the following rating agencies:

- Moody's (Moody's Investors Service);
- S&P (Standard & Poor's, a Division of the McGraw-Hill Companies);
- Fitch (Fitch Ratings), and/or
- in money market instruments issued by entities that have been assigned an investment grade rating by one of the above agencies.

In addition the sub-fund may invest, directly and/or indirectly, at least 50% of the assets invested in bonds and debt instruments:

- in securities that have a lower credit rating (or, in the case of money market instruments, if the issuer has a lower credit rating) and/or
- in securities for which no credit rating is available from one of the above agencies (or, in the case of money market instruments, if the issuer does not have a rating from one of the above agencies).

All maturities are taken into consideration when selecting the bonds and debt instruments

## Investments in assets other than securities or money market instruments

**The sub-fund will invest primarily in units of undertakings for collective investment.**

## Securities Financing Transactions (SFTs)

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.1. Securities Financing Transactions (SFTs)'.

## General strategy for hedging the exchange risk

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.2. General strategy for hedging the exchange rate risk'.

## Social, ethical and environmental aspects

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.3. Social, ethical and environmental aspects'

## 2.1.4. Financial portfolio management

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

## 2.1.5. Distributors

KBC Asset Management S.A., 4, Rue du Fort Wallis, L-2714 Luxembourg.

## 2.1.6. Index and benchmark

Not applicable.

## 2.1.7. Policy pursued during the financial year

The objective of the fund is to achieve the highest possible return, while aiming at maintaining the NAV above the floor level. The allocation in equity, bond and money market investment is determined by a dynamic portfolio insurance algorithm. The fund has three profiles, defensive dynamic and very dynamic, and the gearing is determined by the NAV distance to the floor.

Overall, the fund has performed positively over the period in question, showing a net gain of 5.66%. The last quarter of 2018 saw the fund making some losses due to a dip in the equity markets but since the start of the year has rebounded well and recovered those losses. The AuM has shown steady growth over the period climbing from Eur 115M to Eur 125M by the end of the period with net sales continuing in the positive. Since the reset of the fund on 15th January 2019 the evolution has ensured that the distance to the floor increased over the period in question and was again subject to a quarterly reset on the 27th June 2019, where the floor was again raised.

## 2.1.8. Future policy

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for an overview of the outlook.

## 2.1.9. Synthetic risk and reward indicator (SRRI)

4 on a scale of 1 (lowest risk) to 7 (highest risk)

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.4. Synthetic risk and reward indicator'

The synthetic risk indicator gives an idea of the risk associated with investing in an undertaking for collective investment or a sub-fund. It measures risk on a scale of zero (least risk) to seven (most risk).

### **Leveraged finance**

The total amount of leveraged finance used by the sub-fund is 1,927,261.67 EUR.

This amount was calculated by multiplying the leverage ratio calculated using the commitment method by the sub-fund's total assets under management.

## 2.2. Balance sheet

<b>Balance sheet layout</b>		<b>31/12/2019</b> (in the currency of the sub-fund)	<b>31/12/2018</b> (in the currency of the sub-fund)
	<b>TOTAL NET ASSETS</b>	147,205,318.15	104,068,844.05
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
E.	Open-end undertakings for collective investment	146,838,882.24	104,346,965.75
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	245,419.30	
B.	Payables		
	a) Accounts payable (-)	-399,849.65	
	c) Borrowings (-)		-227,233.46
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	567,784.47	3,023.10
<b>VI.</b>	<b>Accruals and deferrals</b>		
C.	Accrued expense (-)	-46,918.21	-53,911.34
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	147,205,318.15	104,068,844.05
<b>A.</b>	<b>Capital</b>	129,721,816.30	109,642,529.81
<b>B.</b>	<b>Income equalization</b>	4,776.64	-2,564.21
<b>D.</b>	<b>Result of the bookyear</b>	17,478,725.21	-5,571,121.55

## 2.3. Profit and loss account

<b>Income Statement</b>		<b>31/12/2019</b> (in the currency of the fund)	<b>31/12/2018</b> (in the currency of the fund)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
E.	Open-end undertakings for collective investment	17,920,983.66	-4,561,751.48
F.	Derivative financial instruments		
	l) Financial indices		
	Futures and forward contracts		-23,685.73
H.	Foreign exchange positions and transactions		
	b) Other foreign exchange positions and transactions	77.13	-268.46
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	1,080,692.56	954,087.19
	Unrealised gains on investments	14,252,948.48	-987,603.65
	Realised losses on investments	-3,072.46	-2,194,808.24
	Unrealised losses on investments	2,590,492.21	-2,357,380.97
<b>II.</b>	<b>Investment income and expenses</b>		
B.	Interests		
	b) Cash at bank and in hand and deposits		24.36
C.	Interest on borrowings (-)	-3,969.61	-2,698.42
<b>III.</b>	<b>Other income</b>		
B.	Other	42,364.65	89,861.34
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-308,187.00	-221,109.40
B.	Financial expenses (-)	-72.32	-419.89
D.	Manager's fee (-)		
	a) Financial management	-44,452.68	-758,779.44
	b) Administration and accounting management	-123,748.21	-111,655.01
F.	Formation and organisation expenses (-)	-854.93	-1,489.29
G.	Remuneration, social security charges and pension	-21.11	
H.	Services and sundry goods (-)	-2,786.76	-2,320.83
J.	Taxes	11,992.10	-12,512.99
K.	Other expenses (-)	-12,599.71	35,683.69
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	-442,335.58	-985,415.88
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	17,478,725.21	-5,571,121.55
<b>VII.</b>	<b>Result of the bookyear</b>	17,478,725.21	-5,571,121.55

<b>Appropriation Account</b>		<b>31/12/2019</b> (in the currency of the sub-fund)	<b>31/12/2018</b> (in the currency of the sub-fund)
<b>I.</b>	<b>Profit to be appropriated</b>	17,483,501.85	-5,573,685.76
	Profit for the period available for appropriation	17,478,725.21	-5,571,121.55
	Income on the creation of shares (income on the cancellation of shares)	4,776.64	-2,564.21
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-17,483,501.85	5,573,685.76

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of IN.focus Global Flexible Allocation

Name	Quantity on 31/12/2019	Currency	Price in currency	Evaluation (in the currency of the sub-fund)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Investment funds</b>							
Closed-end funds							
Listed closed-end investment funds							
<u>Luxembourg</u>							
KBC RENTA EURORENTA IS B KAP	2,875.00	EUR	3,116.650	8,960,368.75	1.87	6.10	6.09
Open-end funds							
UCITS registered with the FSMA							
<u>Belgium</u>							
KBC INSTITUTIONAL FUND EURO BONDS INSTITUTIONAL B SHARES CA	12,732.00	EUR	1,135.250	14,454,003.00	1.17	9.84	9.82
KBC INSTITUTIONAL FUND EURO CORPO BONDS INSTIT B SHARES CAP	13,181.00	EUR	1,118.900	14,748,220.90	1.23	10.04	10.02
KBC INSTITUTIONAL FUND EURO SATELLITE EQUITY INST B SHARES	774.00	EUR	9,101.700	7,044,715.80	5.02	4.80	4.79
KBC INSTITUTIONAL FUND KBC IF EURO BONDS SHORT INST B	1,168.00	EUR	5,211.560	6,087,102.08	4.40	4.14	4.14
KBC INSTITUTIONAL FUND KBC IF EURO EQUITY INST B SHARES	2,136.00	EUR	10,294.980	21,990,077.28	2.19	14.98	14.94
KBC PARTICIPATION SRI CORPORATE BONDS IS B KAP	10,967.00	EUR	1,344.590	14,746,118.53	1.12	10.04	10.02
PLATO INSTITUTIONAL INDEX FUND EMERGING MARKETS EQUITIES INST B SHA	6,822.00	EUR	1,033.240	7,048,763.28	1.07	4.80	4.79
PLATO INSTITUTIONAL INDEX FUND EURO EQUITY INST B SHARES	3,882.00	EUR	5,655.530	21,954,767.46	2.56	14.95	14.91
PLATO INSTITUTIONAL INDEX FUND NORTH AMERICAN EQUITY INST B SHARES	2,207.00	EUR	10,319.630	22,775,423.41	1.25	15.51	15.47
PLATO INSTITUTIONAL INDEX FUND PACIFIC EQUITY INST B SHARES	891.00	EUR	7,889.250	7,029,321.75	0.93	4.79	4.78
Total investment funds				146,838,882.24		100.00	99.75
TOTAL SECURITIES PORTFOLIO				146,838,882.24		100.00	99.75
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP EURO	564,684.24	EUR	1.000	564,684.24			0.38
KBC GROUP GBP	349.90	GBP	1.000	412.94			
KBC GROUP JPY	71,894.00	JPY	1.000	589.35			
KBC GROUP USD	2,354.94	USD	1.000	2,097.94			0.00
Total demand accounts				567,784.47			0.39
TOTAL CASH AT BANK AND IN HAND				567,784.47			0.39
OTHER RECEIVABLES AND PAYABLES							
<b>Receivables</b>							
<u>Belgium</u>							
KBC GROUP EUR RECEIVABLE	245,419.30	EUR	1.000	245,419.30			0.17
Total receivables				245,419.30			0.17
<b>Payables</b>							
<u>Belgium</u>							
KBC GROUP EUR PAYABLE	-399,849.65	EUR	1.000	-399,849.65			-0.27
Payables				-399,849.65			-0.27
TOTAL RECEIVABLES AND PAYABLES				-154,430.35			-0.11
OTHER							
Expenses payable		EUR		-46,918.21			-0.03
TOTAL OTHER				-46,918.21			-0.03
TOTAL NET ASSETS				147,205,318.15			100.00

#### Geographic breakdown (as a % of securities portfolio)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
United Arab Emirates	0.07	0.09	0.09	0.08

Argentina	0.01	0.00	0.01	0.01
Australia	0.88	0.49	1.04	1.01
Austria	1.83	2.67	0.86	0.89
Belgium	4.18	5.72	3.53	2.96
Bermuda	0.04	0.02	0.06	0.07
Brazil	0.18	0.09	0.34	0.36
Canada	0.72	0.25	0.83	1.04
Switzerland	1.61	1.32	2.16	2.24
Chile	0.03	0.00	0.06	0.03
China	0.77	0.43	1.00	1.03
Colombia	0.02	0.00	0.01	0.01
Czech Republic	0.01	0.01	0.16	0.16
Cayman Islands	0.29	0.21	0.23	0.22
Cyprus	0.04	0.06	0.05	0.17
Germany	12.48	15.78	12.26	12.27
Denmark	0.41	0.18	0.39	0.41
Egypt	0.01	0.00	0.01	0.01
Spain	7.86	7.54	6.89	6.43
Europe	0.38	0.40	0.13	0.11
Finland	1.15	1.55	0.87	0.79
France	20.10	24.32	19.26	19.24
U.K.	3.24	2.34	4.18	3.78
Hong Kong	0.74	0.39	1.08	1.06
Hungary	0.01	0.00	0.02	0.02
India	0.29	0.12	0.39	0.37
Indonesia	0.06	0.01	0.07	0.08
Ireland	1.65	2.25	1.24	1.60
Italy	12.00	11.66	7.91	7.82
Japan	2.14	1.04	3.11	3.33
South Korea	0.82	0.27	0.57	0.61
Latvia	0.06	0.07	0.04	0.03
Lithuania	0.00	0.00	0.02	0.04
Luxembourg	0.26	0.20	0.26	0.42
Mexico	0.59	0.23	0.28	0.43
Malaysia	0.11	0.04	0.13	0.11
Netherlands	6.62	7.24	7.50	7.79
Norway	0.25	0.33	0.40	0.34
New Zealand	0.02	0.00	0.02	0.03
Peru	0.02	0.01	0.03	0.03
Philippines	0.03	0.01	0.06	0.05
Papua New Guinea	0.01	0.00	0.01	0.01
Poland	0.24	0.15	0.05	0.05
Portugal	0.25	1.14	0.78	0.82
Supranational	0.00	0.00	0.00	0.19
Romania	0.07	0.07	0.00	0.00
Russia	0.11	0.06	0.20	0.20
Saudi Arabia	0.09	0.11	0.02	0.00
Singapore	0.12	0.04	0.16	0.16
Slovakia	0.05	0.05	0.05	0.04
Sweden	1.11	0.74	0.95	1.08
Thailand	0.07	0.02	0.15	0.14
Turkey	0.02	0.00	0.02	0.02
Taiwan	0.37	0.16	0.54	0.62
U.S.A.	14.25	8.84	18.69	18.42
EU institutions outside BLEU terr.	0.96	1.21	0.54	0.52
South Africa	0.22	0.07	0.29	0.25
TOTAL	100.00	100.00	100.00	100.00

### Sector breakdown (as a % of securities portfolio)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
Cyclicals	11.62	6.36	15.01	14.53
Consum(cycl)	8.01	4.92	11.86	11.64
Cons.goods	5.37	3.34	7.76	7.52
Pharma	4.06	2.35	5.82	6.37
Financials	21.25	17.40	22.40	22.49
Technology	6.75	3.58	9.70	10.36
Telecomm.	3.10	2.18	3.75	3.67
Utilities	2.24	1.65	3.45	3.30
Real est.	1.51	0.91	1.89	2.12
Governm.	36.07	56.95	18.21	17.42
Unit trusts	0.00	0.00	0.00	0.00
Various	0.02	0.36	0.15	0.58
TOTAL	100.00	100.00	100.00	100.00

### Currency breakdown (as a % of net assets)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
AUSTRALIAN DOLLAR	0.62	0.25	0.91	0.89
BRASILIAN REAL	0.19	0.09	0.40	0.36
CANADIAN DOLLAR	0.59	0.21	0.78	0.75
SWISS FRANC	0.78	0.40	1.48	1.59
PESO COLUMBIA	0.01	0.00	0.01	0.01
CZECH KORUNA	0.01	0.01	0.03	0.03
DANISH KRONE	0.18	0.09	0.28	0.30
EURO	79.43	90.99	70.31	69.92
POUND STERLING	1.77	0.87	2.40	2.40
HONG KONG DOLLAR	1.06	0.43	1.52	1.47
HUNGARIAN FORINT	0.01	0.00	0.02	0.02
INDONESIAN RUPIAH	0.07	0.01	0.10	0.08
INDIE RUPEE	0.30	0.12	0.45	0.37
JAPANESE YEN	2.11	0.97	3.01	3.19
KOREAN WON	0.45	0.18	0.53	0.53
MEXICAN PESO	0.09	0.03	0.12	0.11
MALAYSIAN RINGGIT	0.09	0.02	0.12	0.11
NORWEGIAN KRONE	0.07	0.03	0.10	0.10
NEW ZEALAND DOLLAR	0.02	0.00	0.02	0.03
PESO	0.03	0.01	0.07	0.05
POLISH ZLOTY	0.03	0.01	0.05	0.05
RUSSIAN RUBLE	0.08	0.04	0.14	0.15
SWEDISH KRONA	0.36	0.14	0.47	0.38
SINGAPORE DOLLAR	0.11	0.04	0.15	0.15
THAI BATH	0.08	0.02	0.15	0.14
NEW TURKISH LIRA	0.02	0.00	0.03	0.02
NEW TAIWAN DOLLAR	0.37	0.16	0.55	0.63
US DOLLAR	10.87	4.81	15.53	15.95
SOUTH AFRICAN RAND	0.20	0.07	0.27	0.22
TOTAL	100.00	100.00	100.00	100.00



## 2.4.2. Changes in the composition of the assets of IN.focus Global Flexible Allocation (in the currency of the sub-fund)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	54,479,868.33	20,091,907.05	74,571,775.38
<b>Sales</b>	46,373,690.31	3,627,152.24	50,000,842.55
<b>Total 1</b>	100,853,558.64	23,719,059.29	124,572,617.93
<b>Subscriptions</b>	19,430,950.60	21,046,522.58	40,477,473.18
<b>Redemptions</b>	9,221,905.28	5,401,379.05	14,623,284.33
<b>Total 2</b>	28,652,855.88	26,447,901.63	55,100,757.51
<b>Monthly average of total assets</b>	112,598,335.11	133,830,571.30	123.387.073.01
<b>Turnover rate</b>	64.12%	-2.04%	56.30%

The table above shows the capital volume of portfolio transactions. This volume (adjusted to take account of total subscriptions and redemptions) is also compared to the average net assets at the beginning and end of the period. A figure close to 0% implies that the transactions relating to the securities or transactions relating to the assets (excluding deposits and cash) in a given period only involve subscriptions and redemptions. A negative percentage shows that subscriptions and redemptions entailed few, if any, transactions in the portfolio. Active asset management may result in high turnover rates (monthly percentage >50%).

The detailed list of transactions can be consulted free of charge at the company designated as financial service:  
 CBC Banque SA, Avenue Albert 1er 60, B-5000 Namur  
 KBC Bank NV, Havenlaan 2, B-1080 Brussels

## 2.4.3. Amount of commitments in respect of financial derivatives positions

Nil

## 2.4.4. Changes in the number of subscriptions and redemptions and the net asset value

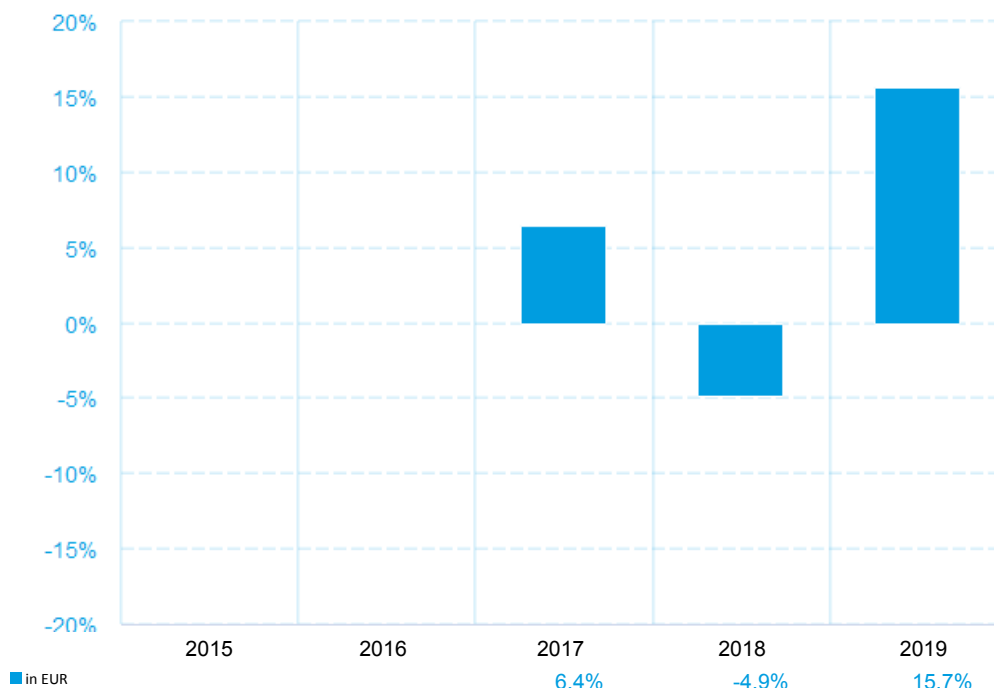
Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		Totaal
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	
2017 - 12	138,469.00		258,491.00		85,591.00		85,591.00
2018 - 12	23,553.00		12,777.38		96,366.62		96,366.62
2019 - 12	34,008.00		12,558.50		117,816.12		117,816.12

Period	Amounts received and paid by the UCITS (in the currency of the sub-fund)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2017 - 12	152,973,805.88		292,692,598.86	
2018 - 12	26,700,378.25		14,245,423.12	
2019 - 12	40,282,938.58		14,625,189.69	

Period	Net asset value		
	End of period (in the currency of the sub-fund)		
	Of the sub-fund	Of one share	
Capitalization		Distribution	
2017 - 12	97,185,010.47	1,135.46	
2018 - 12	104,068,844.05	1,079.93	
2019 - 12	147,205,318.15	1,249.45	

## 2.4.5. Performance figures

BE6282715257  
IN.focus Global Flexible Allocation CAP  
Annual performance on 31/12/2019 (in EUR)



Cap Div	ISIN Code	Currency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
CAP	BE6282715257	EUR	15.66%		5.39%		%		%		15/01/2016	5.77%

Risk warning: Past performance is not a guide to future performance.

\* Return on annual basis.

- The bar chart shows the performance for full financial years.
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage.
- Calculation method for date D, where NAV stands for net asset value:  
Capitalisation units (CAP)  
Return on date D over a period of X years :  
$$\frac{NIW(D)}{NIW(Y)} ^ { [ 1 / X ] } - 1$$
  
where Y = D-X  
Return on date D since the start date S of the unit:  
$$\frac{NIW(D)}{NIW(S)} ^ { [ 1 / F ] } - 1$$
  
where F = 1 if the unit has existed for less than one year on date D  
where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the issue and redemption of units.
- These are the performance figures for capitalisation shares.

## 2.4.6. Costs

### Ongoing Charges and Transaction costs:

#### Capitalisation :

Ongoing Charges : 0.880%  
Transaction costs : 0.064%

Percentage calculated at reporting date: 31 December 2019 .

A more detailed explanation with respect to the method of calculating ongoing charges and the relevant exclusions can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.5. Ongoing charges'

More information on how transaction costs are calculated: the transaction costs are not included in the ongoing charges, but are instead shown separately. Moreover, this does not fully reflect the actual transaction costs as only the explicit transaction costs are given.

### Fee for managing the investment portfolio

The management fee amounts to -572,627.59 EUR. An additional fee of 617,080.27 EUR was charged regarding commissions and charges for allocating the assets.

### Existence of Commission Sharing Agreements

Not applicable

### Existence of fee sharing agreements and rebates

The management company has shared 20,44% of its fee with the distributor, and institutional and/or professional parties.

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

## 2.4.7. Notes to the financial statements and other data

Fee for managing the investment portfolio	Max 0.80%	<p>per year (0.50% of which is for the protection of the floor price) calculated on the basis of the average total net assets of the sub-fund.</p> <p>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.</p> <p>KBC Fund Management Limited receives a fee from the management company of max. 0,80% per year, calculated on that part of the portfolio that it manages, without the total management fee received by the management company being exceeded.</p> <p>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.</p>
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	Max 0.04%	per year calculated on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding calendar year, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	see the 'Information concerning the Fund - G. Fees and charges regarding the Fund' for this non-structured sub-fund	
Annual tax <b>This tax must, in principle, be paid by the management company of the sub-fund, but is charged to the sub-fund.</b>	see the 'Information concerning the Fund - H. Tax treatment'	

### Exercising voting rights

If necessary, relevant and in the interest of the shareholders, the management company will exercise the voting rights attached to the shares in the Bevek's portfolio.

The management company will adhere to the following criteria when determining how it stands relative to the items on the agenda that are put to the vote:

- Shareholder value may not be adversely affected.
- Corporate governance rules, especially with regard to the rights of minority shareholders, must be respected.
- The minimum standards with regard to sustainable business and corporate social responsibility must be met.

The list of companies for which voting rights are exercised is available at the registered office of the Bevek.

### Management fees

Name	Maximum management fee
KBC Renta - Eurorenta - Institutional B Shares Capitalisation	1.10%
KBC Institutional Fund - Euro Bonds - Institutional B Shares	0.40%
KBC Institutional Fund - Euro Corporate Bonds - Institutional B Shares	0.30%
KBC Institutional Fund - Euro Satellite Equity - Institutional B Shares	0.35%
KBC Institutional Fund - Euro Bonds Short - Institutional B Shares	0.40%
KBC Institutional Fund - Euro Equity - Institutional B Shares	0.35%
KBC Participation - SRI Corporate Bonds - Institutional B Shares	1.25%
Plato Institutional Index Fund - Emerging Markets Equities - Institutional B Shares	0.80%
Plato Institutional Index Fund - Euro Equity - Institutional B Shares	0.50%
Plato Institutional Index Fund - North American Equity - Institutional B Shares EUR	0.50%
Plato Institutional Index Fund - Pacific Equity - Institutional B Shares EUR	0.50%

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# 2. Information on IN.focus Global Flexible Allocation Wealth January

## 2.1. Management report

### 2.1.1. Launch date and subscription price

#### Capitalisation

Launch date:	31 March 2015
Initial subscription price:	1 000 EUR
Currency:	EUR

### 2.1.2. Stock exchange listing

Not applicable.

### 2.1.3. Goal and key principles of the investment policy

#### Object of the sub-fund

The main object of the sub-fund is to generate the highest possible return for its unit holders by investing directly or indirectly in transferable securities. This is reflected in its pursuit of capital gains and income. The sub-fund also aims to set a floor price for the net asset value each year.

#### Sub-fund's investment policy

##### *Permitted asset classes*

The sub-fund may invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described above.

##### *Restrictions of the investment policy*

The investment policy will be implemented within the limits set by law and regulations. The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

##### *Permitted derivatives transactions*

**Derivatives can be used both to achieve the investment objectives and to hedge risks.**

**Listed and unlisted derivatives may be used to achieve the objectives: these may be forward contracts, futures, options or swaps on securities, indexes, currencies or interest rates or other transactions involving derivatives.** Unlisted derivatives transactions will only be concluded with prime financial institutions specialised in such transactions.

**Subject to the applicable laws and regulations and the articles of association, the sub-fund always seeks to conclude the most effective transactions. All costs associated with the transactions will be charged to the sub-fund and all income generated will be paid to the sub-fund.**

If the transactions result in a risk in respect of the counterparty, this risk can be hedged by using a margin management system that ensures that the sub-fund is the beneficiary of security (collateral) in the form of liquid instruments, such as, for instance, cash or investment grade bonds. The relationship with the counterparty or counterparties is governed by standard international agreements.

**Derivatives may also be used to hedge the assets of the sub-fund against open exchange rate risks in relation to the currency in which the sub-fund is denominated.**

**Where derivatives are used, they must be easily transferable and liquid instruments. Using derivatives does not, therefore, have a negative impact on liquidity risk.** The use of derivatives may, however, affect the spread of the portfolio across regions, sectors or themes. **Consequently, there may be an impact on concentration risk. Derivatives may not be used to protect capital, either fully or partially. They neither increase nor decrease capital risk. In addition, using derivatives has no negative impact on credit risk, settlement risk, custody risk, flexibility risk or inflation risk or risk dependent on external factors.**

**The UCITS may conclude contracts that entail a credit risk in respect of issuers of debt instruments. Credit risk is the risk that the issuer of the debt instrument will default. This credit risk relates to parties whose creditworthiness at the time the contract is concluded is equal to that of the issuers whose debt instruments**

**the UCITS can hold directly. Credit derivatives may possibly be used both to carry out the investment objectives and to cover the credit risk, but solely within the existing risk profile and without implying any shift to less creditworthy debtors than those the UCITS can invest in.**



## Strategy selected

The sub-fund invests directly or indirectly in more risky assets (such as shares, share UCIs, medium and longer-term bonds, medium and longer-term bond UCIs, certain money market instruments, and alternative investments (like real estate and financial instruments that are linked to price movements on the commodity markets)) and/or less risky assets (such as certain money market instruments, shorter-term bonds, shorter-term bond UCIs and cash). Compared with bond UCIs classified as riskier assets, bond UCIs in the less risky assets category invest more in instruments with a shorter term to maturity, which means that they are less sensitive to movements in interest rates. In principle, therefore, they are less volatile.

The sub-fund may invest up to 85% in shares, up to 75% in medium and longer-term bonds and up to 100% in shorter-term bonds.

The sub-fund has two objectives:

1. to achieve the highest possible return by making investments in accordance with the investment strategy of KBC AssetManagement NV.

The target allocation for the asset classes is 55% shares and/or share-related investments ('the stock component') and 45% bonds and/or bond-related investments ('the bond component'). It is permitted to deviate from the target allocation based on the investment strategy of KBC Asset Management NV (see [www.kbc.be/investment-strategy](http://www.kbc.be/investment-strategy)) and/or to protect the floor price, as described in section 2. It is therefore possible for the sub-fund to invest in asset classes that have not been included in the target allocation.

2. to protect a floor price.

The sub-fund also aims to set a floor price for the net asset value each year. The floor price is valid for one year and is always equal to 90% of the net asset value on the seventh calendar day of the previous January (or the nearest Belgian banking day preceding this if the seventh day is not a banking day in Belgium). The initial floor price is equal to 90% of the initial net asset value and is valid from 1 April 2015 to 7 January 2016, inclusive.

Achieving the objective to protect the floor price becomes increasingly important the closer the net asset value gets to the floor price. In such a situation, the asset allocation will be increasingly focused on protecting the floor price and will deviate from the target allocation specified in point 1 above.

The floor price changes each year in line with the net asset value. Any fall in the net asset value at the time the new floor price is determined will mean that the new floor price is lower than the current floor price. Any increase in the net asset value at the time the new floor price is determined will mean that the new floor price is higher than the current floor price.

In addition, the floor price can be increased during the yearly periods, more specifically if the net asset value on the seventh calendar day (or the day before if the seventh day is not a banking day in Belgium) of the months of April, July or October is higher than the net asset value on which the current floor price was based. The floor price will then be increased to 90% of the higher net asset value. From that moment on, the new floor price will apply.

The sub-fund does not provide any capital protection or capital guarantee; nor does it offer a guaranteed return. It is therefore possible for the net asset value to be lower than the floor price.

The allocation of the assets is influenced by whether they involve more or less risk. Riskier assets are intended to generate the return, while less risky assets are designed to protect the floor.

During the year, the manager may deviate from the target allocation in the following ways:

1. If the net asset value falls towards the floor price, the manager may intervene and replace investments in riskier assets with investments in less risky ones. If the net asset value hits the floor price, the manager may switch completely to investments in money market instruments, shorter-term bonds, shorter-term bond funds and/or cash. Conversely, if the net asset value moves away from the floor price and goes up to a strong enough extent, the manager may intervene and gradually reallocate the assets by replacing the less risky assets with more risky ones.
1. If markets develop favourably and provided the net asset value is sufficiently high relative to the floor price, and for as long as both these conditions are met, the stock component can temporarily go up sharply relative to the percentage determined when the floor price was set.
1. The bond component will be monitored separately and, if its performance is negative, the exposure within this component may be reduced periodically, for instance by reducing investments in bonds in favour of investments in money market instruments and cash.

The stock component is invested in a worldwide selection of shares that may come from any region, sector or theme.

For details of the bond component, please see the 'Characteristics of the bonds and debt instruments' section below.

## Characteristics of the bonds and debt instruments

The assets may be invested wholly or partially in bonds and debt securities issued by all types of issuers, including states, territorial government agencies, international public bodies and companies.

The sub-fund invests at least 50% of the assets invested in bonds and debt instruments in securities that have an investment grade rating (long-term of at least BBB-/Baa3; short-term of at least A3/F3/P3) from at least one of the following rating agencies:

- Moody's (Moody's Investors Service);
- S&P (Standard & Poor's, a Division of the McGraw-Hill Companies);
- Fitch (Fitch Ratings), and/or
- in money market instruments issued by entities that have been assigned an investment grade rating by one of the above agencies.

In addition the sub-fund may invest, directly and/or indirectly, at least 50% of the assets invested in bonds and debt instruments:

- in securities that have a lower credit rating (or, in the case of money market instruments, if the issuer has a lower credit rating) and/or
- in securities for which no credit rating is available from one of the above agencies (or, in the case of money market instruments, if the issuer does not have a rating from one of the above agencies).

All maturities are taken into consideration when selecting the bonds and debt instruments

## Investments in assets other than securities or money market instruments

**The sub-fund will invest primarily in units of undertakings for collective investment.**

### Securities Financing Transactions (SFTs)

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.1. Securities Financing Transactions (SFTs)'.

### General strategy for hedging the exchange risk

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.2. General strategy for hedging the exchange rate risk'.

### Social, ethical and environmental aspects

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.3. Social, ethical and environmental aspects'.

## 2.1.4. Financial portfolio management

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

## 2.1.5. Distributors

KBC Asset Management S.A., 4, Rue du Fort Wallis, L-2714 Luxembourg.

## 2.1.6. Index and benchmark

Not applicable.

## 2.1.7. Policy pursued during the financial year

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for a review of the market.

## 2.1.8. Future policy

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for an overview of the outlook.

## 2.1.9. Synthetic risk and reward indicator (SRRI)

4 on a scale of 1 (lowest risk) to 7 (highest risk)

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.4. Synthetic risk and reward indicator'

The synthetic risk indicator gives an idea of the risk associated with investing in an undertaking for collective investment or a sub-fund. It measures risk on a scale of zero (least risk) to seven (most risk).

## Leveraged finance

The total amount of leveraged finance used by the sub-fund is 748,490.01 EUR.

This amount was calculated by multiplying the leverage ratio calculated using the commitment method by the sub-fund's total assets under management.

## 2.2. Balance sheet

<b>Balance sheet layout</b>		<b>31/12/2019</b> (in the currency of the sub-fund)	<b>31/12/2018</b> (in the currency of the sub-fund)
	<b>TOTAL NET ASSETS</b>	50,577,898.61	61,706,068.94
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
E.	Open-end undertakings for collective investment	49,904,425.06	61,630,705.05
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable		334,439.81
B.	Payables		
	a) Accounts payable (-)		-24,536.89
	c) Borrowings (-)		-220,569.12
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	686,569.56	472.73
<b>VI.</b>	<b>Accruals and deferrals</b>		
C.	Accrued expense (-)	-13,096.01	-14,442.64
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	50,577,898.61	61,706,068.94
<b>A.</b>	<b>Capital</b>	42,988,104.89	66,555,189.26
<b>B.</b>	<b>Income equalization</b>	-3,771.08	-21,465.86
<b>D.</b>	<b>Result of the bookyear</b>	7,593,564.80	-4,827,654.47

## 2.3. Profit and loss account

<b>Income Statement</b>		<b>31/12/2019</b> (in the currency of the fund)	<b>31/12/2018</b> (in the currency of the fund)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
E.	Open-end undertakings for collective investment	8,385,725.37	-3,754,098.02
F.	Derivative financial instruments		
	l) Financial indices		
	Futures and forward contracts	-248,869.80	-600,417.36
H.	Foreign exchange positions and transactions		
	a) Derivative financial instruments		
	Futures and forward contracts		67.86
	b) Other foreign exchange positions and transactions	14,971.08	47,513.58
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	3,346,689.97	2,113,813.41
	Unrealised gains on investments	4,288,910.20	-2,110,172.94
	Realised losses on investments	-540,551.27	-3,858,470.57
	Unrealised losses on investments	1,056,777.75	-452,103.84
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	-436.24	-1,652.59
B.	Interests		
	b) Cash at bank and in hand and deposits	35.35	323.80
C.	Interest on borrowings (-)	-2,644.88	-7,598.21
<b>III.</b>	<b>Other income</b>		
B.	Other	28,212.20	101,056.28
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-274,806.12	-262,813.17
B.	Financial expenses (-)	-539.23	-2,678.64
C.	Custodian's fee (-)	-324.61	
D.	Manager's fee (-)		
	a) Financial management	-247,770.47	-264,506.97
	b) Administration and accounting management	-55,694.09	-80,135.05
F.	Formation and organisation expenses (-)	-835.24	-1,442.63
G.	Remuneration, social security charges and pension	-8.71	
H.	Services and sundry goods (-)	-2,757.53	-2,797.19
J.	Taxes	-1,772.91	-436.38
K.	Other expenses (-)	1,080.63	1,960.23
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	-558,261.85	-520,720.47
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	7,593,564.80	-4,827,654.46
<b>VII.</b>	<b>Result of the bookyear</b>	7,593,564.80	-4,827,654.46

<b>Appropriation Account</b>		<b>31/12/2019</b> (in the currency of the sub-fund)	<b>31/12/2018</b> (in the currency of the sub-fund)
<b>I.</b>	<b>Profit to be appropriated</b>	7,589,793.72	-4,849,120.32
	Profit for the period available for appropriation	7,593,564.80	-4,827,654.46
	Income on the creation of shares (income on the cancellation of shares)	-3,771.08	-21,465.86
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-7,589,793.72	4,849,120.32

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of IN.focus Global Flexible Allocation Wealth January

Name	Quantity on 31/12/2019	Currency	Price in currency	Evaluation (in the currency of the sub-fund)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Investment funds</b>							
Closed-end funds							
Listed closed-end investment funds							
<u>Belgium</u>							
KBC EQUITY FUND STRATEGIC	2,247.00	EUR	953.610	2,142,761.67	0.51	4.29	4.24
KBC INSTITUTIONAL FUND EURO CORP BOND EX FINANCIAL IS B KAP	329.00	EUR	1,344.230	442,251.67	0.10	0.89	0.87
KBC PARTICIPATION CASH PLUS IS B KAP	411.00	EUR	1,030.657	423,600.03	0.08	0.85	0.84
<u>Luxembourg</u>							
KBC BONDS EMU SHORT MEDIUM IS B KAP	1,241.00	EUR	1,189.180	1,475,772.38	0.08	2.96	2.92
KBC RENTA STRATEGIC ACCENTS 1 IS B KAP	1,162.00	EUR	1,107.780	1,287,240.36	0.14	2.58	2.55
Open-end funds							
UCITS registered with the FSMA							
<u>Belgium</u>							
CELEST CURRENCY STRATEGY LACERTA IS B	484.00	EUR	1,035.100	500,988.40	0.23	1.00	0.99
KBC EQUITY FUND BUYBACK AMERICA IS B KAP	638.00	USD	2,347.010	1,333,979.85	0.17	2.67	2.64
KBC EQUITY FUND BUYBACK EUROPE IS B KAP	1,051.00	EUR	1,166.690	1,226,191.19	0.19	2.46	2.42
KBC EQUITY FUND SATELLITES IS B KAP	240.00	EUR	1,557.690	373,845.60	0.26	0.75	0.74
KBC INSTITUTIONAL FUND EURO BONDS INSTITUTIONAL B SHARES CA	277.00	EUR	1,135.250	314,464.25	0.03	0.63	0.62
KBC INSTITUTIONAL FUND EURO CORPO BONDS INSTIT B SHARES CAP	1,616.00	EUR	1,118.900	1,808,142.40	0.15	3.62	3.58
KBC INSTITUTIONAL FUND KBC IF EURO BONDS SHORT INST B	187.00	EUR	5,211.560	974,561.72	0.70	1.95	1.93
KBC MULTI INTEREST SRI CASH STANDARD DURATION ISB	426.00	EUR	992.621	422,856.55	0.16	0.85	0.84
KBC MULTI INTEREST SRI CASH 4 MONTH DURATION IS B	434.00	EUR	975.796	423,495.46	0.08	0.85	0.84
KBC MULTI INTEREST SRI 3 MONTH DURATION - IS B KAP	436.00	EUR	971.417	423,537.81	0.08	0.85	0.84
KBC MULTI INTEREST 5 MONTH DURATION IS B	435.00	EUR	973.496	423,470.76	0.12	0.85	0.84
PLATO INSTITUTIONAL INDEX FUND EMERGING MARKETS EQUITIES INST B SHA	4,926.00	EUR	1,033.240	5,089,740.24	0.77	10.20	10.06
PLATO INSTITUTIONAL INDEX FUND EURO EQUITY INST B SHARES	1,631.00	EUR	5,655.530	9,224,169.43	1.08	18.48	18.24
PLATO INSTITUTIONAL INDEX FUND EUROPEAN EQUITY INST B SHARES	549.00	EUR	6,649.630	3,650,646.87	0.55	7.32	7.22
PLATO INSTITUTIONAL INDEX FUND NORTH AMERICAN EQUITY INST B SHARES	967.00	EUR	10,319.630	9,979,082.21	0.55	20.00	19.73
PLATO INSTITUTIONAL INDEX FUND PACIFIC EQUITY INST B SHARES	653.00	EUR	7,889.250	5,151,680.25	0.68	10.32	10.19
<u>Luxembourg</u>							
DNB FUND/LUXEMBOURG TMT ABSOLUTE RETURN-A INST	3,242.00	EUR	113.034	366,456.23		0.73	0.73
KBC BONDS SRI STRATEGIC EMU SHORT MEDIUM ISB C	1,199.00	EUR	1,000.130	1,199,155.87	0.07	2.40	2.37
SCHRODER ISF-EURIZON ABS PRUD Z ACC	3,900.00	EUR	127.920	498,888.00		1.00	0.99
SCHRODER ISF-G FUND A FIX INCOME IC EUR	454.00	EUR	1,102.490	500,530.46		1.00	0.99
SCHRODER SCHRODER ISF-EUROPEAN ALAR-CA EUR	2,599.00	EUR	95.004	246,915.40		0.50	0.49
Total investment funds				49,904,425.06		100.00	98.67
TOTAL SECURITIES PORTFOLIO				49,904,425.06		100.00	98.67
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP EURO	685,472.70	EUR	1.000	685,472.70			1.36
KBC GROUP GBP	166.21	GBP	1.000	196.16			
KBC GROUP JPY	1,650.00	JPY	1.000	13.53			
KBC GROUP NOK	5.89	NOK	1.000	0.60			
KBC GROUP PLN	1.27	PLN	1.000	0.30			
KBC GROUP USD	994.84	USD	1.000	886.27			0.00
Total demand accounts				686,569.56			1.36
TOTAL CASH AT BANK AND IN HAND				686,569.56			1.36
OTHER							
Expenses payable		EUR		-13,096.01			-0.03

TOTAL OTHER				-13,096.01			-0.03
TOTAL NET ASSETS				50,577,898.61			100.00

### Geographic breakdown (as a % of securities portfolio)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
United Arab Emirates	0.07	0.01	0.03	0.03
Argentina	0.05	0.00	0.02	0.02
Australia	1.48	0.35	1.66	2.02
Austria	0.54	0.36	0.70	0.56
Belgium	9.60	28.48	9.26	5.02
Bermuda	0.06	0.02	0.07	0.11
Brazil	0.59	0.08	0.50	0.92
Canada	0.99	1.11	1.62	1.22
Switzerland	1.55	0.63	1.72	1.94
Chile	0.06	0.00	0.07	0.09
China	2.93	1.64	1.05	2.02
Colombia	0.15	0.00	0.01	0.07
Czech Republic	0.34	0.02	0.17	0.15
Cayman Islands	0.38	0.03	0.16	0.27
Cyprus	0.04	0.02	0.05	0.08
Germany	11.19	5.52	10.69	8.94
Denmark	0.84	0.13	0.36	0.32
Egypt	0.02	0.00	0.01	0.03
Spain	3.87	1.91	4.04	3.55
Europe	0.77	1.80	0.08	0.10
Finland	0.74	1.16	0.88	0.93
France	15.92	34.23	19.16	14.11
U.K.	4.57	6.29	3.26	3.19
Greece	0.00	0.00	0.01	0.00
Hong Kong	1.27	0.29	1.53	2.28
Hungary	0.30	0.02	0.06	0.06
India	0.55	0.08	0.52	0.90
Indonesia	0.29	0.02	0.10	0.22
Ireland	0.77	0.41	0.77	0.72
Israel	0.26	0.01	0.01	0.00
Italy	4.08	0.96	4.60	3.89
Jersey/The Channel Islands	0.05	0.02	0.00	0.00
Japan	3.77	1.53	5.50	7.23
South Korea	1.11	0.12	0.71	1.30
Croatia	0.07	0.00	0.00	0.00
Luxembourg	2.56	3.61	1.52	3.49
Morocco	0.05	0.00	0.00	0.00
Mexico	0.43	0.04	0.21	0.34
Malaysia	0.29	0.03	0.13	0.26
Netherlands	4.67	2.54	5.14	5.44
Norway	0.98	0.03	0.19	0.18
New Zealand	0.17	0.01	0.05	0.09
Peru	0.05	0.01	0.03	0.06
Philippines	0.05	0.00	0.09	0.12
Papua New Guinea	0.01	0.00	0.01	0.01
Poland	0.57	0.04	0.11	0.12
Portugal	0.10	0.14	0.59	0.37
Supranational	0.18	0.00	0.08	0.00
Romania	0.38	0.00	0.00	0.00
Russia	0.30	0.04	0.25	0.44
Saudi Arabia	0.06	0.01	0.01	0.00
Singapore	0.20	0.05	0.33	0.39
Sweden	0.65	0.82	0.50	0.62
Thailand	0.21	0.02	0.18	0.28
Turkey	0.26	0.00	0.04	0.07

Taiwan	0.69	0.10	0.58	1.37
U.S.A.	17.03	5.20	20.17	23.54
British Virgin Islands	0.02	0.00	0.00	0.00
Outside BLEU territory-(belgo-Lux ec	0.04	0.00	0.00	0.00
EU institutions outside BLEU terr.	0.29	0.00	0.04	0.03
Guernsey The Channel Islands	0.00	0.00	0.06	0.00
South Africa	0.48	0.06	0.31	0.48
Zaire	0.01	0.00	0.00	0.01
TOTAL	100.00	100.00	100.00	100.00

**Sector breakdown (as a % of securities portfolio)**

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
Cyclicals	15.10	5.17	14.15	16.11
Consum(cycl)	10.02	3.55	10.04	11.82
Cons.goods	6.16	2.33	6.96	7.59
Pharma	5.71	1.68	5.47	6.97
Financials	22.18	22.03	19.77	18.30
Technology	8.35	2.27	9.36	13.20
Telecomm.	2.48	0.78	2.63	2.72
Utilities	2.75	1.50	3.32	3.78
Real est.	1.65	0.68	2.20	2.42
Governm.	25.50	55.99	25.22	13.59
Unit trusts	0.09	0.00	0.74	2.41
Various	0.01	4.02	0.14	1.09
TOTAL	100.00	100.00	100.00	100.00



### Currency breakdown (as a % of net assets)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
ARGENTINIAN PESO	0.03	0.00	0.00	0.00
AUSTRALIAN DOLLAR	1.13	0.32	1.70	1.94
BRASILIAN REAL	0.61	0.08	0.57	0.92
CANADIAN DOLLAR	1.04	0.24	1.39	0.90
SWISS FRANC	0.89	0.44	1.42	1.81
	0.00	0.00	0.01	0.01
YUAN CHINA	0.03	0.00	0.00	0.00
PESO COLUMBIA	0.12	0.00	0.01	0.05
CZECH KORUNA	0.35	0.02	0.05	0.39
DANISH KRONE	0.39	0.12	0.31	0.29
EURO	62.46	90.66	59.75	48.38
POUND STERLING	2.86	0.94	2.48	3.00
HONG KONG DOLLAR	2.06	0.38	2.12	3.44
HUNGARIAN FORINT	0.30	0.02	0.06	0.06
INDONESIAN RUPIAH	0.31	0.02	0.14	0.22
INDIE RUPEE	0.63	0.08	0.59	0.90
JAPANESE YEN	3.74	1.20	5.40	7.16
KOREAN WON	0.86	0.12	0.70	1.30
MEXICAN PESO	0.31	0.03	0.15	0.27
MALAYSIAN RINGGIT	0.31	0.03	0.15	0.26
NORWEGIAN KRONE	1.08	0.08	0.11	0.33
NEW ZEALAND DOLLAR	0.18	0.01	0.22	-0.02
PESO	0.06	0.00	0.10	0.12
POLISH ZLOTY	0.51	0.03	0.12	0.13
RUSSIAN RUBLE	0.28	0.03	0.19	0.32
SWEDISH KRONA	0.63	0.13	0.33	0.72
SINGAPORE DOLLAR	0.19	0.05	0.32	0.38
THAI BATH	0.22	0.02	0.18	0.28
NEW TURKISH LIRA	0.18	0.00	0.04	0.07
NEW TAIWAN DOLLAR	0.69	0.10	0.59	1.39
US DOLLAR	16.46	4.79	20.46	24.49
SOUTH AFRICAN RAND	0.49	0.06	0.34	0.49
TOTAL	100.00	100.00	100.00	100.00

### 2.4.2. Changes in the composition of the assets of IN.focus Global Flexible Allocation Wealth January (in the currency of the sub-fund)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	90,261,240.26	34,593,199.05	124,854,439.31
<b>Sales</b>	103,113,177.37	41,901,051.55	145,014,228.93
<b>Total 1</b>	193,374,417.63	76,494,250.61	269,868,668.24
<b>Subscriptions</b>	0.00	390,551.50	390,551.50
<b>Redemptions</b>	11,666,945.80	7,441,569.70	19,108,515.50
<b>Total 2</b>	11,666,945.80	7,832,121.20	19,499,067.00
<b>Monthly average of total assets</b>	60,648,265.36	50,931,211.37	55,729,756.55
<b>Turnover rate</b>	299.61%	134.81%	449.26%

The table above shows the capital volume of portfolio transactions. This volume (adjusted to take account of total subscriptions and redemptions) is also compared to the average net assets at the beginning and end of the period. A figure close to 0% implies that the transactions relating to the securities or transactions relating to the assets (excluding deposits and cash) in a given period only involve subscriptions and redemptions. A negative percentage shows that subscriptions and redemptions entailed few, if any, transactions in the portfolio. Active asset management may result in high turnover rates (monthly percentage >50%).

The detailed list of transactions can be consulted free of charge at the company designated as financial service:  
 CBC Banque SA, Avenue Albert 1er 60, B-5000 Namur  
 KBC Bank NV, Havenlaan 2, B-1080 Brussels

### 2.4.3. Amount of commitments in respect of financial derivatives positions

Nil

### 2.4.4. Changes in the number of subscriptions and redemptions and the net asset value

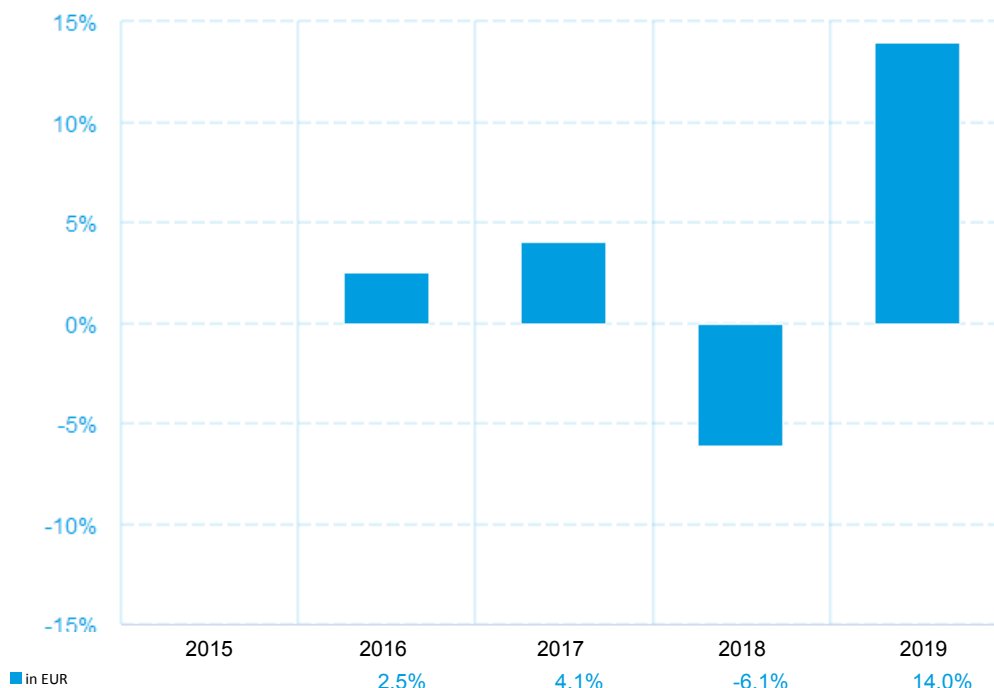
Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2017 - 12	5,677.00		29,914.00		116,199.00		116,199.00
2018 - 12	4,419.00		54,081.00		66,537.00		66,537.00
2019 - 12	371.00		19,072.00		47,836.00		47,836.00

Period	Amounts received and paid by the UCITS (in the currency of the sub-fund)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2017 - 12	5,544,699.04		29,230,120.83	
2018 - 12	4,408,643.32		52,686,707.23	
2019 - 12	390,726.55		19,112,461.63	

Period	Net asset value End of period (in the currency of the sub-fund)		
	Of the sub-fund	Of one share	
		Capitalization	Distribution
2017 - 12	114,811,787.33	988.06	
2018 - 12	61,706,068.94	927.39	
2019 - 12	50,577,898.61	1,057.32	

## 2.4.5. Performance figures

BE6276291034  
IN.focus Global Flexible Allocation Wealth January CAP  
Annual performance on 31/12/2019 (in EUR)



Cap Div	ISIN Code	Currency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
CAP	BE6276291034	EUR	13.98%		3.65%		%		%		31/03/2015	1.17%

Risk warning: Past performance is not a guide to future performance.

\* Return on annual basis.

- The bar chart shows the performance for full financial years.
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage.
- Calculation method for date D, where NAV stands for net asset value:  
Capitalisation units (CAP)  
Return on date D over a period of X years :  
$$\frac{NIW(D)}{NIW(Y)} ^{[1 / X]} - 1$$
  
where Y = D-X  
Return on date D since the start date S of the unit:  
$$\frac{NIW(D)}{NIW(S)} ^{[1 / F]} - 1$$
  
where F = 1 if the unit has existed for less than one year on date D  
where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the issue and redemption of units.
- These are the performance figures for capitalisation shares.

## 2.4.6. Costs

### Ongoing Charges and Transaction costs:

#### Capitalisation :

Ongoing Charges : 1.457%  
Transaction costs : 0.073%

Percentage calculated at reporting date: 31 December 2019 .

A more detailed explanation with respect to the method of calculating ongoing charges and the relevant exclusions can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.5. Ongoing charges'

More information on how transaction costs are calculated: the transaction costs are not included in the ongoing charges, but are instead shown separately. Moreover, this does not fully reflect the actual transaction costs as only the explicit transaction costs are given.

### Fee for managing the investment portfolio

The management fee amounts to 80,688.14 EUR. An additional fee of 167,082.33 EUR was charged regarding commissions and charges for allocating the assets.

### Existence of Commission Sharing Agreements

Not applicable

### Existence of fee sharing agreements and rebates

The management company has shared 34,82% of its fee with the distributor, and institutional and/or professional parties.

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

## 2.4.7. Notes to the financial statements and other data

Fee for managing the investment portfolio	Max 0.82%	<p>per year (0.30% of which is for the protection of the floor price) calculated on the basis of the average total net assets of the sub-fund.</p> <p>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.</p> <p>KBC Fund Management Limited receives a fee from the management company of max. 0,82% per year, calculated on that part of the portfolio that it manages, without the total management fee received by the management company being exceeded.</p> <p>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.</p>
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.03%	per year calculated on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding calendar year, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	see the 'Information concerning the Fund - G. Fees and charges regarding the Fund' for this non-structured sub-fund	
Annual tax <b>This tax must, in principle, be paid by the management company of the sub-fund, but is charged to the sub-fund.</b>	see the 'Information concerning the Fund - H. Tax treatment'	

### Exercising voting rights

If necessary, relevant and in the interest of the shareholders, the management company will exercise the voting rights attached to the shares in the Bevek's portfolio.

The management company will adhere to the following criteria when determining how it stands relative to the items on the agenda that are put to the vote:

- Shareholder value may not be adversely affected.
- Corporate governance rules, especially with regard to the rights of minority shareholders, must be respected.
- The minimum standards with regard to sustainable business and corporate social responsibility must be met.

The list of companies for which voting rights are exercised is available at the registered office of the Bevek.

### Management fees

Name	Maximum management fee
KBC Equity Fund - Strategic Satellites - Institutional B Shares	1.50%
KBC Institutional Fund - Euro Corporate Bonds ex Financials - Institutional B Shares	0.30%
KBC Participation - SRI Cash Plus - Institutional B Shares	0.40%
KBC Bonds - EMU Short Medium - Institutional B Shares Capitalisation	1.10%
KBC Renta - Strategic Accents 1 - Institutional B Shares Capitalisation	1.50%
Celest - Currency Strategy - Lacerta - Institutional B Shares	1.10%
KBC Equity Fund - Buyback America - Institutional B Shares	1.50%
KBC Equity Fund - Buyback Europe - Institutional B Shares	1.50%
KBC Equity Fund - Satellites - Institutional B Shares	1.50%
KBC Institutional Fund - Euro Bonds - Institutional B Shares	0.40%
KBC Institutional Fund - Euro Corporate Bonds - Institutional B Shares	0.30%
KBC Institutional Fund - Euro Bonds Short - Institutional B Shares	0.40%
KBC Multi Interest - SRI Cash Standard Duration - Institutional B Shares	0.40%
KBC Multi Interest - SRI Cash 4 Month Duration - Institutional B Shares	0.40%
KBC Multi Interest - SRI Cash 3 Month Duration - Institutional B Shares	0.40%
KBC Multi Interest - Cash 5 Month Duration - Institutional B Shares	0.40%
Plato Institutional Index Fund - Emerging Markets Equities - Institutional B Shares	0.80%
Plato Institutional Index Fund - Euro Equity - Institutional B Shares	0.50%
Plato Institutional Index Fund - European Equity - Institutional B Shares	0.50%
Plato Institutional Index Fund - North American Equity - Institutional B Shares EUR	0.50%
Plato Institutional Index Fund - Pacific Equity - Institutional B Shares EUR	0.50%
KBC Bonds - SRI Strategic EMU Short Medium - Institutional B Shares Capitalisation	1.10%

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# 2. Information on IN.focus Global Flexible Allocation Wealth July

## 2.1. Management report

### 2.1.1. Launch date and subscription price

#### Capitalisation

Launch date:	25 September 2015
Initial subscription price:	1 000 EUR
Currency:	EUR

### 2.1.2. Stock exchange listing

Not applicable.

### 2.1.3. Goal and key principles of the investment policy

#### Object of the sub-fund

The main object of the sub-fund is to generate the highest possible return for its unit holders by investing directly or indirectly in transferable securities. This is reflected in its pursuit of capital gains and income. The sub-fund also aims to set a floor price for the net asset value each year.

#### Sub-fund's investment policy

##### *Permitted asset classes*

The sub-fund may invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described above.

##### *Restrictions of the investment policy*

The investment policy will be implemented within the limits set by law and regulations. The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

##### *Permitted derivatives transactions*

**Derivatives can be used both to achieve the investment objectives and to hedge risks.**

**Listed and unlisted derivatives may be used to achieve the objectives: these may be forward contracts, futures, options or swaps on securities, indexes, currencies or interest rates or other transactions involving derivatives.** Unlisted derivatives transactions will only be concluded with prime financial institutions specialised in such transactions.

**Subject to the applicable laws and regulations and the articles of association, the sub-fund always seeks to conclude the most effective transactions. All costs associated with the transactions will be charged to the sub-fund and all income generated will be paid to the sub-fund.**

If the transactions result in a risk in respect of the counterparty, this risk can be hedged by using a margin management system that ensures that the sub-fund is the beneficiary of security (collateral) in the form of liquid instruments, such as, for instance, cash or investment grade bonds. The relationship with the counterparty or counterparties is governed by standard international agreements.

**Derivatives may also be used to hedge the assets of the sub-fund against open exchange rate risks in relation to the currency in which the sub-fund is denominated.**

**Where derivatives are used, they must be easily transferable and liquid instruments. Using derivatives does not, therefore, have a negative impact on liquidity risk.** The use of derivatives may, however, affect the spread of the portfolio across regions, sectors or themes. **Consequently, there may be an impact on concentration risk. Derivatives may not be used to protect capital, either fully or partially. They neither increase nor decrease capital risk. In addition, using derivatives has no negative impact on credit risk, settlement risk, custody risk, flexibility risk or inflation risk or risk dependent on external factors.**

**The UCITS may conclude contracts that entail a credit risk in respect of issuers of debt instruments. Credit risk is the risk that the issuer of the debt instrument will default. This credit risk relates to parties whose creditworthiness at the time the contract is concluded is equal to that of the issuers whose debt instruments**



**the UCITS can hold directly. Credit derivatives may possibly be used both to carry out the investment objectives and to cover the credit risk, but solely within the existing risk profile and without implying any shift to less creditworthy debtors than those the UCITS can invest in.**

## Strategy selected

The sub-fund invests directly or indirectly in more risky assets (such as shares, share UCIs, medium and longer-term bonds, medium and longer-term bond UCIs, certain money market instruments, and alternative investments (like real estate and financial instruments that are linked to price movements on the commodity markets)) and/or less risky assets (such as certain money market instruments, shorter-term bonds, shorter-term bond UCIs and cash). Compared with bond UCIs classified as riskier assets, bond UCIs in the less risky assets category invest more in instruments with a shorter term to maturity, which means that they are less sensitive to movements in interest rates. In principle, therefore, they are less volatile.

The sub-fund may invest up to 85% in shares, up to 75% in medium and longer-term bonds and up to 100% in shorter-term bonds.

The sub-fund has two objectives:

1. to achieve the highest possible return by making investments in accordance with the investment strategy of KBC AssetManagement NV.

The target allocation for the asset classes is 55% shares and/or share-related investments ('the stock component') and 45% bonds and/or bond-related investments ('the bond component'). It is permitted to deviate from the target allocation based on the investment strategy of KBC Asset Management NV (see [www.kbc.be/investment-strategy](http://www.kbc.be/investment-strategy)) and/or to protect the floor price, as described in section 2. It is therefore possible for the sub-fund to invest in asset classes that have not been included in the target allocation.

2. to protect a floor price.

The sub-fund also aims to set a floor price for the net asset value each year. The floor price is valid for one year and is always equal to 90% of the net asset value on the seventh calendar day of the previous January (or the nearest Belgian banking day preceding this if the seventh day is not a banking day in Belgium). The initial floor price is equal to 90% of the initial net asset value and is valid from 1 April 2015 to 7 January 2016, inclusive.

Achieving the objective to protect the floor price becomes increasingly important the closer the net asset value gets to the floor price. In such a situation, the asset allocation will be increasingly focused on protecting the floor price and will deviate from the target allocation specified in point 1 above.

The floor price changes each year in line with the net asset value. Any fall in the net asset value at the time the new floor price is determined will mean that the new floor price is lower than the current floor price. Any increase in the net asset value at the time the new floor price is determined will mean that the new floor price is higher than the current floor price.

In addition, the floor price can be increased during the yearly periods, more specifically if the net asset value on the seventh calendar day (or the day before if the seventh day is not a banking day in Belgium) of the months of April, July or October is higher than the net asset value on which the current floor price was based. The floor price will then be increased to 90% of the higher net asset value. From that moment on, the new floor price will apply.

The sub-fund does not provide any capital protection or capital guarantee; nor does it offer a guaranteed return. It is therefore possible for the net asset value to be lower than the floor price.

The allocation of the assets is influenced by whether they involve more or less risk. Riskier assets are intended to generate the return, while less risky assets are designed to protect the floor.

During the year, the manager may deviate from the target allocation in the following ways:

1. If the net asset value falls towards the floor price, the manager may intervene and replace investments in riskier assets with investments in less risky ones. If the net asset value hits the floor price, the manager may switch completely to investments in money market instruments, shorter-term bonds, shorter-term bond funds and/or cash. Conversely, if the net asset value moves away from the floor price and goes up to a strong enough extent, the manager may intervene and gradually reallocate the assets by replacing the less risky assets with more risky ones.
1. If markets develop favourably and provided the net asset value is sufficiently high relative to the floor price, and for as long as both these conditions are met, the stock component can temporarily go up sharply relative to the percentage determined when the floor price was set.
1. The bond component will be monitored separately and, if its performance is negative, the exposure within this component may be reduced periodically, for instance by reducing investments in bonds in favour of investments in money market instruments and cash.

The stock component is invested in a worldwide selection of shares that may come from any region, sector or theme.

For details of the bond component, please see the 'Characteristics of the bonds and debt instruments' section below.

## Characteristics of the bonds and debt instruments

The assets may be invested wholly or partially in bonds and debt securities issued by all types of issuers, including states, territorial government agencies, international public bodies and companies.

The sub-fund invests at least 50% of the assets invested in bonds and debt instruments in securities that have an investment grade rating (long-term of at least BBB-/Baa3; short-term of at least A3/F3/P3) from at least one of the following rating agencies:

- Moody's (Moody's Investors Service);
- S&P (Standard & Poor's, a Division of the McGraw-Hill Companies);
- Fitch (Fitch Ratings), and/or
- in money market instruments issued by entities that have been assigned an investment grade rating by one of the above agencies.

In addition the sub-fund may invest, directly and/or indirectly, at least 50% of the assets invested in bonds and debt instruments:

- in securities that have a lower credit rating (or, in the case of money market instruments, if the issuer has a lower credit rating) and/or
- in securities for which no credit rating is available from one of the above agencies (or, in the case of money market instruments, if the issuer does not have a rating from one of the above agencies).

All maturities are taken into consideration when selecting the bonds and debt instruments.

## Investments in assets other than securities or money market instruments

**The sub-fund will invest primarily in units of undertakings for collective investment.**

### Securities Financing Transactions (SFTs)

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.1. Securities Financing Transactions (SFTs)'.

### General strategy for hedging the exchange risk

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.2. General strategy for hedging the exchange rate risk'.

### Social, ethical and environmental aspects

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.3. Social, ethical and environmental aspects'.

## 2.1.4. Financial portfolio management

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

## 2.1.5. Distributors

KBC Asset Management S.A., 4, Rue du Fort Wallis, L-2714 Luxembourg.

## 2.1.6. Index and benchmark

Not applicable.

## 2.1.7. Policy pursued during the financial year

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for a review of the market.

## 2.1.8. Future policy

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for an overview of the outlook.

## 2.1.9. Synthetic risk and reward indicator (SRI)

4 on a scale of 1 (lowest risk) to 7 (highest risk)

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.4. Synthetic risk and reward indicator'

The synthetic risk indicator gives an idea of the risk associated with investing in an undertaking for collective investment or a sub-fund. It measures risk on a scale of zero (least risk) to seven (most risk).

### **Leveraged finance**

The total amount of leveraged finance used by the sub-fund is 290,534.72 EUR.

This amount was calculated by multiplying the leverage ratio calculated using the commitment method by the sub-fund's total assets under management.

## 2.2. Balance sheet

<b>Balance sheet layout</b>		<b>31/12/2019</b> (in the currency of the sub-fund)	<b>31/12/2018</b> (in the currency of the sub-fund)
	<b>TOTAL NET ASSETS</b>	19,638,435.01	25,262,469.97
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
E.	Open-end undertakings for collective investment	19,382,721.25	25,232,085.14
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable		225,910.67
B.	Payables		
	a) Accounts payable (-)		-626,942.19
	c) Borrowings (-)		-22,819.07
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	260,799.54	451,933.91
<b>VI.</b>	<b>Accruals and deferrals</b>		
C.	Accrued expense (-)	-5,085.78	2,301.51
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	19,638,435.01	25,262,469.97
<b>A.</b>	<b>Capital</b>	17,684,023.13	27,605,075.86
<b>B.</b>	<b>Income equalization</b>	-1,557.43	-6,381.06
<b>D.</b>	<b>Result of the bookyear</b>	1,955,969.31	-2,336,224.83

## 2.3. Profit and loss account

<b>Income Statement</b>		<b>31/12/2019</b> (in the currency of the fund)	<b>31/12/2018</b> (in the currency of the fund)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
E.	Open-end undertakings for collective investment	2,403,476.90	-2,006,980.31
F.	Derivative financial instruments		
	l) Financial indices		
	Futures and forward contracts	-228,901.60	-138,648.91
H.	Foreign exchange positions and transactions		
	a) Derivative financial instruments		
	Futures and forward contracts		19.09
	b) Other foreign exchange positions and transactions	3,840.72	18,625.58
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	515,222.79	635,686.56
	Unrealised gains on investments	1,334,860.26	-605,585.17
	Realised losses on investments	-371,545.81	-1,603,689.70
	Unrealised losses on investments	699,878.78	-553,396.24
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	-541.02	149.14
B.	Interests		
	b) Cash at bank and in hand and deposits	32.07	169.04
C.	Interest on borrowings (-)	-1,121.79	-1,229.98
<b>III.</b>	<b>Other income</b>		
B.	Other	10,691.32	44,719.99
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-93,401.89	-112,969.49
B.	Financial expenses (-)	-1,798.99	-1,632.15
C.	Custodian's fee (-)	-335.33	
D.	Manager's fee (-)		
	a) Financial management	-109,959.98	-103,433.24
	b) Administration and accounting management	-22,405.15	-31,321.45
F.	Formation and organisation expenses (-)	-821.69	-1,402.66
G.	Remuneration, social security charges and pension	-3.43	
H.	Services and sundry goods (-)	-2,740.54	-2,756.30
J.	Taxes	-583.53	-267.46
K.	Other expenses (-)	543.24	734.28
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	-222,446.71	-209,240.29
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	1,955,969.31	-2,336,224.83
<b>VII.</b>	<b>Result of the bookyear</b>	1,955,969.31	-2,336,224.83

<b>Appropriation Account</b>		<b>31/12/2019</b> (in the currency of the sub-fund)	<b>31/12/2018</b> (in the currency of the sub-fund)
<b>I.</b>	<b>Profit to be appropriated</b>	1,954,411.88	-2,342,605.89
	Profit for the period available for appropriation	1,955,969.31	-2,336,224.83
	Income on the creation of shares (income on the cancellation of shares)	-1,557.43	-6,381.06
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-1,954,411.88	2,342,605.89

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of IN.focus Global Flexible Allocation Wealth July

Name	Quantity on 31/12/2019	Currency	Price in currency	Evaluation (in the currency of the sub-fund)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Investment funds</b>							
Closed-end funds							
Listed closed-end investment funds							
<u>Belgium</u>							
KBC EQUITY FUND STRATEGIC	873.00	EUR	953.610	832,501.53	0.20	4.30	4.24
KBC INSTITUTIONAL FUND EURO CORP BOND EX FINANCIAL IS B KAP	128.00	EUR	1,344.230	172,061.44	0.04	0.89	0.88
KBC PARTICIPATION CASH PLUS IS B KAP	159.00	EUR	1,030.657	163,874.46	0.03	0.85	0.83
<u>Luxembourg</u>							
KBC BONDS EMU SHORT MEDIUM IS B KAP	482.00	EUR	1,189.180	573,184.76	0.03	2.96	2.92
KBC RENTA STRATEGIC ACCENTS 1 IS B KAP	451.00	EUR	1,107.780	499,608.78	0.06	2.58	2.54
Open-end funds							
UCITS registered with the FSMA							
<u>Belgium</u>							
CELEST CURRENCY STRATEGY LACERTA IS B	187.00	EUR	1,035.100	193,563.70	0.09	1.00	0.99
KBC EQUITY FUND BUYBACK AMERICA IS B KAP	248.00	USD	2,347.010	518,537.62	0.07	2.68	2.64
KBC EQUITY FUND BUYBACK EUROPE IS B KAP	408.00	EUR	1,166.690	476,009.52	0.07	2.46	2.42
KBC EQUITY FUND SATELLITES IS B KAP	93.00	EUR	1,557.690	144,865.17	0.10	0.75	0.74
KBC INSTITUTIONAL FUND EURO BONDS INSTITUTIONAL B SHARES CA	108.00	EUR	1,135.250	122,607.00	0.01	0.63	0.62
KBC INSTITUTIONAL FUND EURO CORPO BONDS INSTIT B SHARES CAP	628.00	EUR	1,118.900	702,669.20	0.06	3.63	3.58
KBC INSTITUTIONAL FUND KBC IF EURO BONDS SHORT INST B	73.00	EUR	5,211.560	380,443.88	0.28	1.96	1.94
KBC MULTI INTEREST SRI CASH STANDARD DURATION ISB	165.00	EUR	992.621	163,782.47	0.06	0.85	0.83
KBC MULTI INTEREST SRI CASH 4 MONTH DURATION IS B	168.00	EUR	975.796	163,933.73	0.03	0.85	0.84
KBC MULTI INTEREST SRI 3 MONTH DURATION - IS B KAP	169.00	EUR	971.417	164,169.47	0.03	0.85	0.84
KBC MULTI INTEREST 5 MONTH DURATION IS B	169.00	EUR	973.496	164,520.82	0.05	0.85	0.84
PLATO INSTITUTIONAL INDEX FUND EMERGING MARKETS EQUITIES INST B SHA	1,913.00	EUR	1,033.240	1,976,588.12	0.30	10.20	10.07
PLATO INSTITUTIONAL INDEX FUND EURO EQUITY INST B SHARES	634.00	EUR	5,655.530	3,585,606.02	0.42	18.50	18.26
PLATO INSTITUTIONAL INDEX FUND EUROPEAN EQUITY INST B SHARES	213.00	EUR	6,649.630	1,416,371.19	0.21	7.31	7.21
PLATO INSTITUTIONAL INDEX FUND NORTH AMERICAN EQUITY INST B SHARES	375.00	EUR	10,319.630	3,869,861.25	0.21	19.97	19.71
PLATO INSTITUTIONAL INDEX FUND PACIFIC EQUITY INST B SHARES	254.00	EUR	7,889.250	2,003,869.50	0.27	10.34	10.20
<u>Luxembourg</u>							
DNB FUND/LUXEMBOURG TMT ABSOLUTE RETURN-A INST	1,259.00	EUR	113.034	142,309.81		0.73	0.73
KBC BONDS SRI STRATEGIC EMU SHORT MEDIUM ISB C	466.00	EUR	1,000.130	466,060.58	0.03	2.40	2.37
SCHRODER ISF-EURIZON ABS PRUD Z ACC	1,509.00	EUR	127.920	193,031.28		1.00	0.98
SCHRODER ISF-G FUND A FIX INCOME IC EUR	175.00	EUR	1,102.490	192,935.75		1.00	0.98
SCHRODER SCHRODER ISF-EUROPEAN ALAR-CA EUR	1,050.00	EUR	95.004	99,754.20		0.52	0.51
Total investment funds				19,382,721.25		100.00	98.70
TOTAL SECURITIES PORTFOLIO				19,382,721.25		100.00	98.70
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP EURO	259,119.68	EUR	1.000	259,119.68			1.32
KBC GROUP GBP	716.82	GBP	1.000	845.98			0.00
KBC GROUP JPY	1,732.00	JPY	1.000	14.20			
KBC GROUP NOK	1.95	NOK	1.000	0.20			
KBC GROUP PLN	8.91	PLN	1.000	2.10			
KBC GROUP USD	917.51	USD	1.000	817.38			0.00
Total demand accounts				260,799.54			1.33
TOTAL CASH AT BANK AND IN HAND				260,799.54			1.33
OTHER							
Expenses payable		EUR		-5,085.78			-0.03



TOTAL OTHER				-5,085.78			-0.03
TOTAL NET ASSETS				19,638,435.01			100.00

### Geographic breakdown (as a % of securities portfolio)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
United Arab Emirates	0.06	0.02	0.05	0.03
Argentina	0.05	0.00	0.01	0.02
Australia	1.49	0.63	1.45	2.03
Austria	0.53	0.62	0.91	0.56
Belgium	9.48	23.05	8.91	4.99
Bermuda	0.06	0.03	0.06	0.11
Brazil	0.59	0.15	0.39	0.92
Canada	1.00	1.09	1.44	1.22
Switzerland	1.56	0.91	1.55	1.95
Chile	0.06	0.01	0.07	0.09
China	2.92	1.48	0.92	2.02
Colombia	0.15	0.00	0.02	0.07
Czech Republic	0.33	0.03	0.23	0.15
Cayman Islands	0.38	0.06	0.17	0.27
Cyprus	0.04	0.05	0.05	0.08
Germany	11.23	8.05	11.65	8.94
Denmark	0.84	0.20	0.32	0.32
Egypt	0.02	0.01	0.01	0.03
Spain	3.85	2.41	4.72	3.56
Europe	0.77	1.23	0.11	0.10
Finland	0.75	1.24	0.87	0.93
France	15.85	31.03	20.80	14.10
U.K.	4.57	5.72	3.00	3.19
Hong Kong	1.29	0.48	1.30	2.28
Hungary	0.29	0.03	0.05	0.06
India	0.56	0.19	0.40	0.90
Indonesia	0.29	0.06	0.09	0.22
Ireland	0.76	0.55	0.90	0.72
Israel	0.25	0.01	0.01	0.00
Italy	4.03	1.64	5.96	3.91
Jersey/The Channel Islands	0.05	0.02	0.00	0.00
Japan	3.83	2.33	4.69	7.25
South Korea	1.12	0.27	0.60	1.30
Croatia	0.07	0.00	0.00	0.00
Luxembourg	2.53	2.87	1.55	3.46
Morocco	0.05	0.00	0.01	0.00
Mexico	0.42	0.07	0.20	0.34
Malaysia	0.29	0.07	0.14	0.26
Netherlands	4.67	3.40	5.24	5.45
Norway	0.95	0.09	0.20	0.18
New Zealand	0.17	0.01	0.05	0.09
Peru	0.05	0.01	0.03	0.06
Philippines	0.05	0.01	0.08	0.12
Papua New Guinea	0.01	0.00	0.01	0.01
Poland	0.55	0.05	0.08	0.12
Portugal	0.10	0.25	0.83	0.37
Supranational	0.17	0.01	0.12	0.00
Romania	0.37	0.00	0.01	0.00
Russia	0.30	0.06	0.22	0.44
Saudi Arabia	0.06	0.01	0.01	0.00
Singapore	0.20	0.10	0.27	0.39
Sweden	0.65	0.78	0.48	0.62
Thailand	0.21	0.03	0.16	0.28
Turkey	0.25	0.01	0.02	0.07
Taiwan	0.70	0.19	0.52	1.37

U.S.A.	17.30	8.25	17.68	23.53
British Virgin Islands	0.02	0.00	0.00	0.00
Outside BLEU territory-(belgo-Lux ec	0.04	0.00	0.00	0.00
EU institutions outside BLEU terr.	0.28	0.00	0.07	0.03
Guernsey The Channel Islands	0.00	0.00	0.06	0.00
South Africa	0.48	0.13	0.25	0.48
Zaire	0.01	0.00	0.00	0.01
TOTAL	100.00	100.00	100.00	100.00

#### Sector breakdown (as a % of securities portfolio)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
Cyclicals	15.30	7.47	12.39	16.11
Consum(cycl)	10.14	5.13	8.85	11.83
Cons.goods	6.25	3.49	6.03	7.59
Pharma	5.78	2.73	4.73	6.98
Financials	22.13	20.07	18.42	18.28
Technology	8.48	3.78	8.04	13.21
Telecomm.	2.50	1.26	2.44	2.72
Utilities	2.78	1.98	2.92	3.78
Real est.	1.67	1.07	1.99	2.43
Governm.	24.86	50.04	33.25	13.60
Unit trusts	0.09	0.00	0.76	2.38
Various	0.02	2.98	0.18	1.09
TOTAL	100.00	100.00	100.00	100.00

#### Currency breakdown (as a % of net assets)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
ARGENTINIAN PESO	0.02	0.00	0.01	0.00
AUSTRALIAN DOLLAR	1.14	0.60	1.45	1.95
BRASILIAN REAL	0.61	0.16	0.46	0.92
CANADIAN DOLLAR	1.05	0.42	1.19	0.90
SWISS FRANC	0.91	0.71	1.20	1.82
	0.00	0.00	0.01	0.01
YUAN CHINA	0.03	0.00	0.00	0.00
PESO COLUMBIA	0.12	0.00	0.02	0.05
CZECH KORUNA	0.34	0.03	0.04	0.39
DANISH KRONE	0.40	0.19	0.25	0.29
EURO	62.00	84.10	65.80	48.34
POUND STERLING	2.90	1.57	2.08	3.00
HONG KONG DOLLAR	2.09	0.68	1.78	3.44
HUNGARIAN FORINT	0.29	0.03	0.05	0.06
INDONESIAN RUPIAH	0.31	0.08	0.11	0.22
INDIE RUPEE	0.64	0.20	0.48	0.90
JAPANESE YEN	3.82	2.05	4.61	7.18
KOREAN WON	0.88	0.26	0.59	1.30
MEXICAN PESO	0.31	0.05	0.12	0.27
MALAYSIAN RINGGIT	0.31	0.07	0.15	0.26
NORWEGIAN KRONE	1.05	0.16	0.08	0.33
NEW ZEALAND DOLLAR	0.18	0.01	0.22	-0.02
PESO	0.06	0.01	0.09	0.12
POLISH ZLOTY	0.50	0.03	0.09	0.13
RUSSIAN RUBLE	0.28	0.04	0.18	0.32
SWEDISH KRONA	0.63	0.23	0.26	0.72
SINGAPORE DOLLAR	0.19	0.10	0.26	0.38
THAI BATH	0.22	0.03	0.16	0.28
NEW TURKISH LIRA	0.17	0.01	0.03	0.07
NEW TAIWAN DOLLAR	0.71	0.19	0.52	1.39
US DOLLAR	16.77	7.86	17.43	24.49
SOUTH AFRICAN RAND	0.49	0.13	0.28	0.49
TOTAL	100.00	100.00	100.00	100.00

## 2.4.2. Changes in the composition of the assets of IN.focus Global Flexible Allocation Wealth July (in the currency of the sub-fund)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	25,574,742.23	16,130,195.86	41,704,938.10
<b>Sales</b>	29,309,221.81	20,712,132.82	50,021,354.62
<b>Total 1</b>	54,883,964.04	36,842,328.68	91,726,292.72
<b>Subscriptions</b>	0.00	156,650.64	156,650.64
<b>Redemptions</b>	3,305,349.18	4,429,748.31	7,735,097.49
<b>Total 2</b>	3,305,349.18	4,586,398.95	7,891,748.13
<b>Monthly average of total assets</b>	24,611,346.72	20,285,570.30	22.430.729.92
<b>Turnover rate</b>	209.57%	159.01%	373.75%

The table above shows the capital volume of portfolio transactions. This volume (adjusted to take account of total subscriptions and redemptions) is also compared to the average net assets at the beginning and end of the period. A figure close to 0% implies that the transactions relating to the securities or transactions relating to the assets (excluding deposits and cash) in a given period only involve subscriptions and redemptions. A negative percentage shows that subscriptions and redemptions entailed few, if any, transactions in the portfolio. Active asset management may result in high turnover rates (monthly percentage >50%).

The detailed list of transactions can be consulted free of charge at the company designated as financial service:  
 CBC Banque SA, Avenue Albert 1er 60, B-5000 Namur  
 KBC Bank NV, Havenlaan 2, B-1080 Brussels

## 2.4.3. Amount of commitments in respect of financial derivatives positions

Nil

## 2.4.4. Changes in the number of subscriptions and redemptions and the net asset value

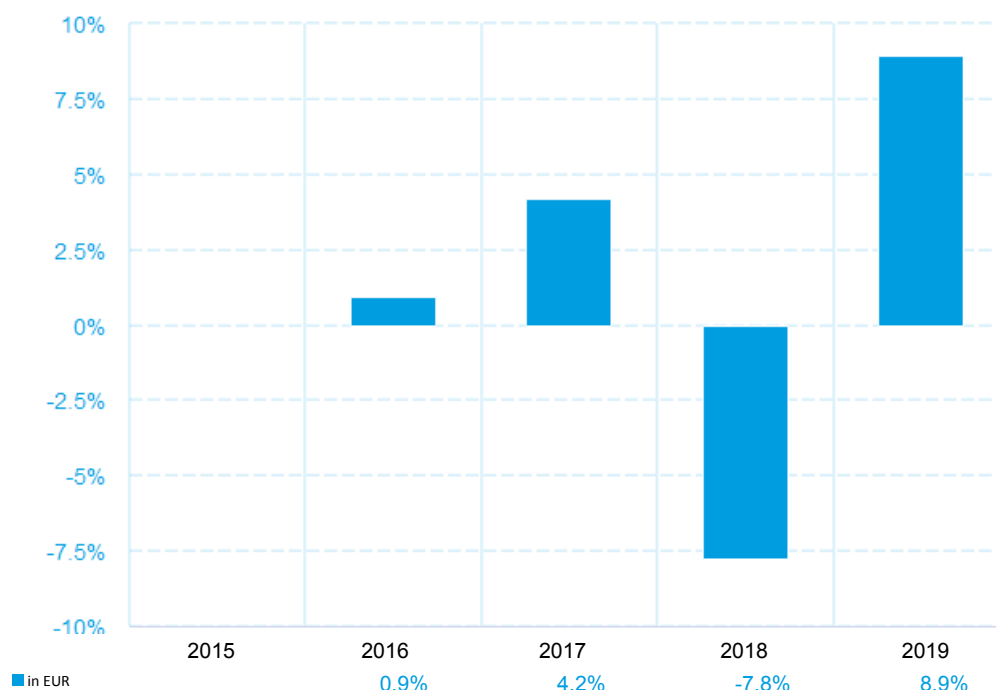
Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		Totaal
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	
2017 - 12	4,182.00		7,509.00		31,709.00		31,709.00
2018 - 12	1,770.00		8,043.00		25,436.00		25,436.00
2019 - 12	148.00		7,428.00		18,156.00		18,156.00

Period	Amounts received and paid by the UCITS (in the currency of the sub-fund)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2017 - 12	4,461,996.81		7,972,114.09	
2018 - 12	1,867,836.79		8,395,461.70	
2019 - 12	156,706.56		7,736,710.84	

Period	Net asset value		
	End of period (in the currency of the sub-fund)		
	Of the sub-fund	Of one share	
Capitalization		Distribution	
2017 - 12	34,126,319.71	1,076.23	
2018 - 12	25,262,469.97	993.18	
2019 - 12	19,638,435.01	1,081.65	

## 2.4.5. Performance figures

BE6280653971  
IN.focus Global Flexible Allocation Wealth July CAP  
Annual performance on 31/12/2019 (in EUR)



Cap Div	ISIN Code	Currency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
CAP	BE6280653971	EUR	8.94%		1.55%		%		%		25/09/2015	1.85%

Risk warning: Past performance is not a guide to future performance.

\* Return on annual basis.

- The bar chart shows the performance for full financial years.
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage.
- Calculation method for date D, where NAV stands for net asset value:  
Capitalisation units (CAP)  
Return on date D over a period of X years :  
$$\frac{NIW(D)}{NIW(Y)} ^{[1 / X]} - 1$$
  
where Y = D-X  
Return on date D since the start date S of the unit:  
$$\frac{NIW(D)}{NIW(S)} ^{[1 / F]} - 1$$
  
where F = 1 if the unit has existed for less than one year on date D  
where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the issue and redemption of units.
- These are the performance figures for capitalisation shares.

## 2.4.6. Costs

### Ongoing Charges and Transaction costs:

#### Capitalisation :

Ongoing Charges : 1.460%  
Transaction costs : 0.073%

Percentage calculated at reporting date: 31 December 2019 .

A more detailed explanation with respect to the method of calculating ongoing charges and the relevant exclusions can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.5. Ongoing charges'

More information on how transaction costs are calculated: the transaction costs are not included in the ongoing charges, but are instead shown separately. Moreover, this does not fully reflect the actual transaction costs as only the explicit transaction costs are given.

### Fee for managing the investment portfolio

The management fee amounts to 34,283.87 EUR. An additional fee of 75,676.11 EUR was charged regarding commissions and charges for allocating the assets.

### Existence of Commission Sharing Agreements

Not applicable

### Existence of fee sharing agreements and rebates

The management company has shared 34,80% of its fee with the distributor, and institutional and/or professional parties.

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

## 2.4.7. Notes to the financial statements and other data

Fee for managing the investment portfolio	Max 0.82%	<p>per year (0.30% of which is for the protection of the floor price) calculated on the basis of the average total net assets of the sub-fund.</p> <p>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.</p> <p>KBC Fund Management Limited receives a fee from the management company of max. 0,82% per year, calculated on that part of the portfolio that it manages, without the total management fee received by the management company being exceeded.</p> <p>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.</p>
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	0.03%	per year calculated on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding calendar year, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	see the 'Information concerning the Fund - G. Fees and charges regarding the Fund' for this non-structured sub-fund	
Annual tax <b>This tax must, in principle, be paid by the management company of the sub-fund, but is charged to the sub-fund.</b>	see the 'Information concerning the Fund - H. Tax treatment'	

### Exercising voting rights

If necessary, relevant and in the interest of the shareholders, the management company will exercise the voting rights attached to the shares in the Bevek's portfolio.

The management company will adhere to the following criteria when determining how it stands relative to the items on the agenda that are put to the vote:

- Shareholder value may not be adversely affected.
- Corporate governance rules, especially with regard to the rights of minority shareholders, must be respected.
- The minimum standards with regard to sustainable business and corporate social responsibility must be met.

The list of companies for which voting rights are exercised is available at the registered office of the Bevek.

### Management fees

Name	Maximum management fee
KBC Equity Fund - Strategic Satellites - Institutional B Shares	1.50%
KBC Institutional Fund - Euro Corporate Bonds ex Financials - Institutional B Shares	0.30%
KBC Participation - SRI Cash Plus - Institutional B Shares	0.40%
KBC Bonds - EMU Short Medium - Institutional B Shares Capitalisation	1.10%
KBC Renta - Strategic Accents 1 - Institutional B Shares Capitalisation	1.50%
Celest - Currency Strategy - Lacerta - Institutional B Shares	1.10%
KBC Equity Fund - Buyback America - Institutional B Shares	1.50%
KBC Equity Fund - Buyback Europe - Institutional B Shares	1.50%
KBC Equity Fund - Satellites - Institutional B Shares	1.50%
KBC Institutional Fund - Euro Bonds - Institutional B Shares	0.40%
KBC Institutional Fund - Euro Corporate Bonds - Institutional B Shares	0.30%
KBC Institutional Fund - Euro Bonds Short - Institutional B Shares	0.40%
KBC Multi Interest - SRI Cash Standard Duration - Institutional B Shares	0.40%
KBC Multi Interest - SRI Cash 4 Month Duration - Institutional B Shares	0.40%
KBC Multi Interest - SRI Cash 3 Month Duration - Institutional B Shares	0.40%
KBC Multi Interest - Cash 5 Month Duration - Institutional B Shares	0.40%
Plato Institutional Index Fund - Emerging Markets Equities - Institutional B Shares	0.80%
Plato Institutional Index Fund - Euro Equity - Institutional B Shares	0.50%
Plato Institutional Index Fund - European Equity - Institutional B Shares	0.50%
Plato Institutional Index Fund - North American Equity - Institutional B Shares EUR	0.50%
Plato Institutional Index Fund - Pacific Equity - Institutional B Shares EUR	0.50%
KBC Bonds - SRI Strategic EMU Short Medium - Institutional B Shares Capitalisation	1.10%

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# 2. Information on IN.focus Income Portfolio

## 2.1. Management report

### 2.1.1. Launch date and subscription price

#### Distribution

Launch date:	29 April 2016
Initial subscription price:	1 000 EUR
Currency:	EUR

### 2.1.2. Stock exchange listing

Not applicable.

### 2.1.3. Goal and key principles of the investment policy

#### Object of the sub-fund

The main object of the sub-fund is to generate the highest possible return for its unit holders by investing directly or indirectly in transferable securities. This is reflected in its pursuit of capital gains and income.

#### Sub-fund's investment policy

##### *Permitted asset classes*

The sub-fund may invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described above.

The sub-fund shall invest no more than 10% of its assets in units of other undertakings for collective investment.

##### *Restrictions of the investment policy*

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

##### *Permitted derivatives transactions*

**Derivatives can be used both to achieve the investment objectives and to hedge risks.**

**Listed and unlisted derivatives may be used to achieve the objectives: these may be forward contracts, futures, options or swaps on securities, indexes, currencies or interest rates or other transactions involving derivatives.** Unlisted derivatives transactions will only be concluded with prime financial institutions specialised in such transactions.

**Subject to the applicable laws and regulations and the articles of association, the sub-fund always seeks to conclude the most effective transactions. All costs associated with the transactions will be charged to the sub-fund and all income generated will be paid to the sub-fund.**

If the transactions result in a risk in respect of the counterparty, this risk can be hedged by using a margin management system that ensures that the sub-fund is the beneficiary of security (collateral) in the form of liquid instruments, such as, for instance, cash or investment grade bonds. The relationship with the counterparty or counterparties is governed by standard international agreements.

**Derivatives may also be used to hedge the assets of the sub-fund against open exchange rate risks in relation to the currency in which the sub-fund is denominated.**

**Where derivatives are used, they must be easily transferable and liquid instruments. Using derivatives does not, therefore, have a negative impact on liquidity risk.** The use of derivatives may, however, affect the spread of the portfolio across regions, sectors or themes. **Consequently, there may be an impact on concentration risk. Derivatives may not be used to protect capital, either fully or partially. They neither increase nor decrease capital risk. In addition, using derivatives has no negative impact on credit risk, settlement risk, custody risk, flexibility risk or inflation risk or risk dependent on external factors.**

**The UCITS may conclude contracts that entail a credit risk in respect of issuers of debt instruments. Credit risk is the risk that the issuer of the debt instrument will default. This credit risk relates to parties whose creditworthiness at the time the contract is concluded is equal to that of the issuers whose debt instruments**

**the UCITS can hold directly. Credit derivatives may possibly be used both to carry out the investment objectives and to cover the credit risk, but solely within the existing risk profile and without implying any shift to less creditworthy debtors than those the UCITS can invest in.**

### **Strategy selected**

The sub-fund aims to pay a dividend based on dividends received, income from interest-bearing investment instruments and net option premiums from the previous quarter. Net option premiums are calculated as the difference between (1) premiums received on the sale of options and (2) premiums paid on the purchase of options.

If the income from the previous quarter is not paid out fully as a dividend, it will be used to build up reserves in the sub-fund. To this end, the sub-fund will invest in shares ('equity component'), bonds, money market instruments and deposits ('fixed-income component').

The equity component can comprise a minimum of 25% and a maximum of 85% of the assets, while the fixed-income component can comprise a minimum of 15% and a maximum 75% of the assets.

The precise allocation is determined every month in two steps:

Step 1: A target allocation is set for the assets in the sub-fund. The target allocation is 55% for the equity component and 45% for the fixed-income component. Based on expectations about how these assets will perform, the manager will decide which assets should be overweighted or underweighted compared to the target allocation. This is done on the basis of the monthly investment strategy pursued by KBC Asset Management NV, as also set out at [www.kbcam.be/assetclasses](http://www.kbcam.be/assetclasses).

Step 2: The weighting of the asset class that is expected to deliver the highest income (dividends or coupons) is then adjusted. This is also done on a monthly basis.

The sub-fund will be invested in at least 50 shares and/or fixed-income instruments, denominated in euros.

The sub-fund's equity component will be chiefly invested in the shares of European companies offering a high dividend yield, by which means the manager sets out to mitigate the volatility of the equity component. This volatility is tracked using a quantitative model. The principal parameters of this model are the individual volatility of each share relative to the market and the correlation between these shares. The manager will determine the final allocation of the equity component based on fundamental parameters such as stability and anticipated dividend growth. All sectors may be considered.

The fixed-income component of the sub-fund will be invested in bonds and/or money market instruments and/or debt instruments and/or deposits of both governments and companies. All sectors may be considered.

The listed options will relate mainly to euro-area shares with a high dividend yield. The quarterly dividend is calculated at the end of each quarter (31 March, 30 June, 30 September and 31 December) and is payable 25 Belgian bank business days after the end of the quarter, following prior verification by the fund's auditor. A dividend notice will be published in this regard before the payment date.

The quarterly dividend can vary over time according to the dividend policy of the companies, the payment dates for income from the interest-bearing investment instruments in which the sub-fund has invested, and the net option premiums that are received. The quarterly dividend reflects market conditions and is therefore not guaranteed. If the profit to be allocated for the financial year is negative, the total of the paid quarterly dividends will comprise at most the income actually received from interest-bearing investment instruments, dividends and net option premiums.

### **Securities Financing Transactions (SFTs)**

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.1. Securities Financing Transactions (SFTs)'.

### **General strategy for hedging the exchange risk**

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.2. General strategy for hedging the exchange rate risk'.

### **Social, ethical and environmental aspects**

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.3. Social, ethical and environmental aspects'.

## **2.1.4. Financial portfolio management**

There is no delegation of the management of the asset allocation.

## **2.1.5. Distributors**

KBC Asset Management S.A., 4, Rue du Fort Wallis, L-2714 Luxembourg.

## 2.1.6. Index and benchmark

Not applicable.

## 2.1.7. Policy pursued during the financial year

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for a review of the market.

## 2.1.8. Future policy

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for an overview of the outlook.

## 2.1.9. Synthetic risk and reward indicator (SRRI)

4 on a scale of 1 (lowest risk) to 7 (highest risk)

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.4. Synthetic risk and reward indicator'

The synthetic risk indicator gives an idea of the risk associated with investing in an undertaking for collective investment or a sub-fund. It measures risk on a scale of zero (least risk) to seven (most risk).

### ***Leveraged finance***

The total amount of leveraged finance used by the sub-fund is 132,427.21 EUR.

This amount was calculated by multiplying the leverage ratio calculated using the commitment method by the sub-fund's total assets under management.

## 2.2. Balance sheet

<b>Balance sheet layout</b>		<b>31/12/2019</b> (in the currency of the sub-fund)	<b>31/12/2018</b> (in the currency of the sub-fund)
	<b>TOTAL NET ASSETS</b>	473,656,463.06	466,769,691.83
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
A.	Bonds and other debt instruments		
	a) Bonds	158,609,767.30	154,362,539.91
B.	Money market instruments	2,606,021.05	1,500,375.65
C.	Shares and similar instruments		
	a) Shares	298,563,589.70	307,829,505.85
D.	Other securities	131,394.94	264,982.96
F.	Derivative financial instruments		
	a) Bonds		
	Option contracts (+/-)	-980,998.50	-828,531.00
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	17,573.76	213,038.74
	c) Collateral	2,110,279.50	1,675,941.39
B.	Payables		
	a) Accounts payable (-)	-48,816.00	-784,134.50
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	13,310,174.83	3,295,487.06
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income	219.97	-0.03
C.	Accrued expense (-)	-662,743.49	-759,514.20
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	473,656,463.06	466,769,691.83
<b>A.</b>	<b>Capital</b>	409,443,673.22	546,739,634.38
<b>B.</b>	<b>Income equalization</b>	-480,241.05	433,348.52
<b>D.</b>	<b>Result of the bookyear</b>	64,693,030.89	-80,403,291.07
<b>Off-balance-sheet headings</b>			
I.	Collateral (+/-)		
I.A.	Collateral (+/-)		
I.A.b.	Cash at bank and in hand/deposits	2,110,279.50	1,675,941.39
II.	Underlying value of option contracts and warrants (+)		
II.B.	Written options and warrants	-24,634,580.00	-22,588,800.00

## 2.3. Profit and loss account

<b>Income Statement</b>		<b>31/12/2019</b> (in the currency of the fund)	<b>31/12/2018</b> (in the currency of the fund)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
A.	Bonds and other debt instruments		
	a) Bonds	7,935,876.57	-4,322,360.98
B.	Money market instruments	-859.04	
C.	Shares and similar instruments		
	a) Shares	52,927,953.47	-77,605,063.16
D.	Other securities	39,573.31	17,140.73
F.	Derivative financial instruments		
	e) Shares		
	options (+/-)	97,104.00	-121,389.72
	l) Financial indices		
	Option contracts	5,132,820.12	3,663,700.31
H.	Foreign exchange positions and transactions		
	b) Other foreign exchange positions and transactions	641,326.25	97,192.09
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	25,800,386.85	24,841,095.28
	Unrealised gains on investments	27,888,582.57	-32,083,755.68
	Realised losses on investments	-32,713,027.47	-43,431,004.90
	Unrealised losses on investments	38,486,015.33	-38,373,348.27
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	6,280,317.86	6,886,516.71
B.	Interests		
	a) Securities and money market instruments	1,476,984.99	1,673,320.65
	b) Cash at bank and in hand and deposits	4.71	19.69
C.	Interest on borrowings (-)	-41,449.62	-69,123.29
F.	Other investment income	29,789.76	159,834.01
<b>III.</b>	<b>Other income</b>		
B.	Other		900.00
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-1,184,080.85	-1,273,738.90
B.	Financial expenses (-)	-199.08	-305.70
C.	Custodian's fee (-)	-169,636.09	-193,330.66
D.	Manager's fee (-)		
	a) Financial management	-7,569,834.38	-8,400,813.30
	b) Administration and accounting management	-472,848.17	-524,845.29
E.	Administrative expenses (-)	-1,000.00	-1,000.00
F.	Formation and organisation expenses (-)	-8,712.62	-10,293.75
G.	Remuneration, social security charges and pension	-78.67	
H.	Services and sundry goods (-)	-8,344.53	-7,893.41
J.	Taxes	-433,557.32	-428,924.34
K.	Other expenses (-)	21,880.22	57,167.24
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	-2,080,763.79	-2,132,510.34
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	64,693,030.89	-80,403,291.07
<b>VII.</b>	<b>Result of the bookyear</b>	64,693,030.89	-80,403,291.07
	* dividends already paid for the financial year	-12,074,882.01	-16,336,886.77

<b>Appropriation Account</b>		<b>31/12/2019</b> (in the currency of the sub-fund)	<b>31/12/2018</b> (in the currency of the sub-fund)
<b>I.</b>	<b>Profit to be appropriated</b>	64,212,789.84	-79,969,942.55
	Profit for the period available for appropriation	64,693,030.89	-80,403,291.07
	Income on the creation of shares (income on the cancellation of shares)	-480,241.05	433,348.52
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-49,594,117.54	99,900,141.48
<b>IV.</b>	<b>(Dividends to be paid out)</b>	-14,618,672.30	-19,930,198.93

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of IN.focus Income Portfolio

Name	Quantity on 31/12/2019	Currency	Price in currency	Evaluation (in the currency of the sub-fund)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Bonds</b>							
Government bonds							
<u>Chile</u>							
REPUBLIC OF CHILE 15/30 +1.875% 27/05 27/05	870,000.00	EUR	112.467	985,448.52		0.22	0.21
<u>China</u>							
EX-IM BANK OF CHINA 17/20 0.25% 14-3	1,000,000.00	EUR	100.067	1,002,094.86		0.22	0.21
<u>Italy</u>							
REPUBLIC OF ITALY 16/26 +1.60% 01/03 01/06	460,000.00	EUR	104.739	482,306.15		0.11	0.10
<u>Mexico</u>							
MEXICO 16/31 +3.375% 23/02 23/02	600,000.00	EUR	121.725	742,660.89		0.16	0.16
Bonds issued by credit institutions							
<u>Australia</u>							
ANZ NEW ZEALAND INT L LTD/LON 16/23 +0.125% 22/09 22/09	700,000.00	EUR	100.828	705,972.55		0.15	0.15
ANZ NEW ZEALAND INT L LTD/LON 17/22 +0.40% 01/03 01/03	1,100,000.00	EUR	101.115	1,114,882.16		0.24	0.24
ANZ NEW ZEALAND INT L LTD/LON 18/25 +1.125% 20/03 20/03	600,000.00	EUR	104.421	630,298.46		0.14	0.13
BNZ INTERNATIONAL FUNDING LTD 16/21 +0.125% 17/06 17/06	200,000.00	EUR	100.581	201,258.23		0.04	0.04
BNZ INTERNATIONAL FUNDING LTD 17/23 +0.50% 13/11 13/05	1,800,000.00	EUR	101.418	1,829,614.87		0.40	0.39
COMMONWEALTH BANK AUST 17/22 +0.50% 11/04 11/07	600,000.00	EUR	101.455	609,755.85		0.13	0.13
NATIONAL AUSTRALIA BANK 16/23 +0.625% 10/11 10/11	1,200,000.00	EUR	102.059	1,225,526.58		0.27	0.26
NATIONAL AUSTRALIA BANK 17/24 +0.625% 18/09 18/09	1,200,000.00	EUR	102.145	1,227,320.27		0.27	0.26
WESTPAC BANKING 16/22 +0.25% 17/10 17/01	500,000.00	EUR	100.597	503,834.71		0.11	0.11
WESTPAC BANKING 17/23 +0.375% 05/09 05/03	1,000,000.00	EUR	100.898	1,011,186.39		0.22	0.21
WESTPAC SECURITIES NZ LTD 16/21 +0.125% 16/06 16/06	700,000.00	EUR	100.572	704,348.44		0.15	0.15
<u>Austria</u>							
AUST&NZ BANKING GROUP 16/23 +0.45% 22/11 22/11	1,500,000.00	EUR	102.151	1,532,838.44		0.33	0.32
<u>Belgium</u>							
BELFIUS BANK SA/NV 16/26 +3.125% 11/05 11/05	300,000.00	EUR	113.033	343,401.35		0.08	0.07
BELFIUS BANK SA/NV 19/26 0.00%	1,100,000.00	EUR	97.033	1,067,360.80		0.23	0.23
BNP PARIBAS FORTIS SA 16/23 0.00%	1,400,000.00	EUR	100.638	1,408,932.07		0.31	0.30
<u>Canada</u>							
BANK OF MONTREAL 16/23 +0.10% 20/10 20/10	1,600,000.00	EUR	100.927	1,615,064.13		0.35	0.34
BANK OF NOVA SCOTIA 19/26 +0.125% 05/09 04/09	900,000.00	EUR	98.235	884,378.12		0.19	0.19
C.I.B.C. 16/22 0.00%	600,000.00	EUR	100.593	603,559.56		0.13	0.13
C.I.B.C. 19/24 +0.375% 03/05 03/05	1,100,000.00	EUR	99.801	1,099,762.72		0.24	0.23
NAT. BK CANADA 16/23 0.00%	1,300,000.00	EUR	100.599	1,307,784.01		0.28	0.28
ROYAL BK CANADA 19/24 +0.125% 23/07 23/07	1,700,000.00	EUR	99.547	1,692,969.48		0.37	0.36
<u>China</u>							
CHINA DEVELOPMENT BANK CORP 16/21 0.5%	800,000.00	EUR	100.727	805,816.00		0.18	0.17
CHINA DEVELOPMENT BANK CORP 17/20 +0.125% 24/01 24/01	800,000.00	EUR	100.117	801,601.48		0.18	0.17
<u>Denmark</u>							
DANSKE BK AS 16/21 +0.50% 06/04 06/05	800,000.00	EUR	100.845	808,634.48		0.18	0.17
DANSKE BK AS 17/22 +0.25% 28/11 28/11	1,900,000.00	EUR	100.459	1,909,066.66		0.42	0.40
<u>France</u>							
BANQUE FEDERATIVE DU CREDIT MUTUEL 17/22 +0.375% 13/01 13/01	700,000.00	EUR	100.893	708,052.32		0.15	0.15
BANQUE FEDERATIVE DU CREDIT MUTUEL 18/25 +0.75% 17/01 17/07	1,300,000.00	EUR	102.450	1,335,078.83		0.29	0.28
BNP PARIBAS SA 15/25 +2.375% 17/02 17/02	700,000.00	EUR	108.492	769,742.32		0.17	0.16
BNP PARIBAS SA 17/23 +1.125% 10/10 10/10	700,000.00	EUR	103.340	724,705.31		0.16	0.15
BNP PARIBAS SA 19/24 +0.50% 11/07 15/07	400,000.00	EUR	100.428	402,382.82		0.09	0.09
BNP PARIBAS SA 19/26 +0.125% 04/09 04/09	400,000.00	EUR	97.115	388,579.72		0.09	0.08
BPCE SA 16/23 +0.375% 05/10 05/10	1,300,000.00	EUR	101.073	1,314,819.43		0.29	0.28
CREDIT AGRICOLE 15/27 +2.625% 17/03 17/03	300,000.00	EUR	112.329	341,430.08		0.07	0.07
CREDIT LOGEMENT SA 17/24 +1.35% 28/11 28/11	1,500,000.00	EUR	101.455	1,523,333.95		0.33	0.32
SOCIETE GENERALE SA 16/21 +0.125% 05/10 05/10	1,500,000.00	EUR	100.448	1,507,051.55		0.33	0.32

<u>Germany</u>							
DEUTSCHE BANK AG 16/28 +0.25% 31/08 31/08	500,000.00	EUR	100.657	503,589.69	0.11	0.11	
DVB BANK SE 15/21 +0.875% 09/04 09/04	700,000.00	EUR	101.100	710,884.70	0.16	0.15	
<u>Italy</u>							
INTESA SANPAOLO SPA 14/26 +3.928% 15/09 15/09	100,000.00	EUR	114.334	115,182.92	0.03	0.02	
UNIONE DI BANCHE ITALIANE SCPA 18/24 +0.50% 15/01 15/07	1,000,000.00	EUR	102.433	1,026,005.10	0.22	0.22	
<u>Japan</u>							
MITSUBISHI UFJ FINANCIAL GROUP 17/24 +0.872% 07/09 07/09	600,000.00	EUR	102.403	615,628.37	0.13	0.13	
MITSUBISHI UFJ FINANCIAL GROUP 18/23 +0.68% 26/01 26/01	800,000.00	EUR	101.628	816,624.10	0.18	0.17	
MITSUBISHI UFJ FINANCIAL GROUP 18/23 +0.98% 09/10 09/10	1,100,000.00	EUR	102.883	1,133,544.22	0.25	0.24	
MIZUHO FINANCIAL GROUP INC 19/24 +0.118% 06/09 06/09	1,100,000.00	EUR	99.049	1,089,836.37	0.24	0.23	
SUMITOMO MITSUI FINANCIAL GROUP INC 17/22 +0.606% 18/01 18/01	1,200,000.00	EUR	101.227	1,219,642.06	0.27	0.26	
<u>Netherlands</u>							
COOPERATIEVE RABOBANK UA 16/21 +0.125% 11/10 11/10	800,000.00	EUR	100.533	804,433.91	0.18	0.17	
COOPERATIEVE RABOBANK UA 17/24 +0.25% 31/05 31/05	1,100,000.00	EUR	101.978	1,122,920.06	0.25	0.24	
ING GROEP NV 17/22 +0.75% 09/03 09/03	700,000.00	EUR	101.663	714,682.86	0.16	0.15	
ING GROEP NV 18/25 +1.125% 14/02 14/02	1,100,000.00	EUR	103.798	1,149,510.96	0.25	0.24	
ING GROEP NV 19/24 +0.10% 03/09 03/09	400,000.00	EUR	98.564	394,352.41	0.09	0.08	
<u>Norway</u>							
SPAREBANK 1 SR BANK ASA 16/22 +0.375% 10/11 10/02	600,000.00	EUR	100.817	606,324.83	0.13	0.13	
<u>Spain</u>							
SANTANDER CONSUMER BANK AS 18/23 +0.75% 01/03 01/03	1,200,000.00	EUR	101.903	1,228,194.08	0.27	0.26	
SANTANDER CONSUMER BANK AS 19/24 +0.125% 11/09 11/09	500,000.00	EUR	99.203	496,153.11	0.11	0.11	
SANTANDER ISSUANCES SAU 15/25 +2.50% 18/03 18/03	400,000.00	EUR	108.668	440,296.53	0.10	0.09	
<u>Sweden</u>							
LANSFORSKRINGAR HYPOTEK AB 17/22 +0.50% 19/09 19/09	1,900,000.00	EUR	101.237	1,925,476.24	0.42	0.41	
NORDEA BANK AB 16/21 +1.00% 07/09 07/09	900,000.00	EUR	101.270	913,516.03	0.20	0.19	
NORDEA BANK AB 18/23 +0.875% 26/06 26/06	600,000.00	EUR	102.426	616,504.22	0.13	0.13	
SBAB BANK AB 17/22 +0.25% 07/09 07/09	1,000,000.00	EUR	100.651	1,007,089.35	0.22	0.21	
SKANDINAVISKA ENSKILDA 16/23 +1.375% 31/10 31/10	1,500,000.00	EUR	102.178	1,535,320.36	0.34	0.32	
SVENSKA HANDBK 17/22 +0.25% 28/02 28/02	900,000.00	EUR	100.785	908,414.77	0.20	0.19	
SVENSKA HANDBK 18/23 +1.25% 02/03 02/03	600,000.00	EUR	102.519	619,558.56	0.14	0.13	
SVENSKA HANDBK 19/26 +0.05% 03/09 03/09	700,000.00	EUR	97.080	679,643.79	0.15	0.14	
SWEDBANK 17/22 +0.25% 07/11 07/11	900,000.00	EUR	100.435	904,173.73	0.20	0.19	
SWEDBANK 17/22 +1.00% 22/05 22/11	1,300,000.00	EUR	100.640	1,309,443.34	0.28	0.28	
SWEDBANK 18/23 +0.40% 29/08 29/08	300,000.00	EUR	100.832	302,795.62	0.07	0.06	
<u>Switzerland</u>							
UBS GROUP AG 16/26 +1.25% 01/09 01/09	400,000.00	EUR	105.273	422,305.08	0.09	0.09	
UBS LONDON 17/21 +0.125% 05/09 05/11	800,000.00	EUR	100.479	803,953.06	0.18	0.17	
UBS LONDON 18/21 +0.25% 10/01 10/01	1,000,000.00	EUR	100.697	1,008,697.42	0.22	0.21	
<u>U.K.</u>							
ABBAY NATIONAL TREASURY SERVIC 15/25 +1.125% 10/03 10/03	1,400,000.00	EUR	104.254	1,468,654.95	0.32	0.31	
HSBC HOLDING PLC 15/25 +3.00% 30/06 30/06	1,200,000.00	EUR	112.199	1,359,466.24	0.30	0.29	
HSBC HOLDING PLC 16/24 +0.875% 06/09 06/09	900,000.00	EUR	102.695	926,092.95	0.20	0.20	
LLOYDS BANKING GROUP PLC 16/23 +1.00% 09/11 09/11	400,000.00	EUR	102.680	411,164.28	0.09	0.09	
LLOYDS BANKING GROUP PLC 18/23 +0.625% 15/01 15/01	1,300,000.00	EUR	100.951	1,317,909.22	0.29	0.28	
NATIONWIDE BLDG SOCIETY 17/23 +0.625% 19/04 19/04	1,800,000.00	EUR	101.957	1,840,867.35	0.40	0.39	
STANDARD CHARTERED PLC 17/22 +0.75% 03/10 03/10	1,400,000.00	EUR	101.277	1,419,789.64	0.31	0.30	
YORKSHIRE BUILDING SOCIETY 18/23 +0.875% 20/03 20/03	500,000.00	EUR	101.988	512,385.06	0.11	0.11	
<u>U.S.A.</u>							
BANK OF AMERICA CORP 15/25 +1.375% 26/03 26/03	400,000.00	EUR	105.869	426,484.97	0.09	0.09	
BANK OF AMERICA CORP 16/23 +0.75% 26/07 26/07	900,000.00	EUR	102.206	921,968.83	0.20	0.20	
BANK OF AMERICA CORP 19/26 +0.808% 09/05 09/05	500,000.00	EUR	102.291	513,322.51	0.11	0.11	
CITIGROUP INC 16/28 +1.50% 26/10 26/10	200,000.00	EUR	107.331	215,074.73	0.05	0.05	
GOLDMAN SACHS 16/31 +3.00% 12/02 12/02	550,000.00	EUR	122.000	681,378.44	0.15	0.14	
GOLDMAN SACHS 19/24 +0.125% 19/08 19/08	1,100,000.00	EUR	99.091	1,090,364.77	0.24	0.23	
JPMORGAN CHASE & CO 16/23 +0.625% 25/07 25/01	1,600,000.00	EUR	101.893	1,636,930.81	0.36	0.35	
MORGAN STANLEY 19/24 +0.637% 29/04 26/07	800,000.00	EUR	101.574	814,186.49	0.18	0.17	
US BANCORP/MN 17/24 +0.85% 07/06 07/06	1,100,000.00	EUR	102.934	1,136,087.76	0.25	0.24	
WELLS FARGO COMPANY 15/25 +1.625% 02/06 02/06	700,000.00	EUR	106.804	752,369.08	0.16	0.16	
WELLS FARGO COMPANY 16/27 +1.00% 02/08 02/02	1,400,000.00	EUR	103.200	1,453,880.95	0.32	0.31	
Corporate bonds							
<u>Australia</u>							
BHP BILLITON FINANCE LTD 15/24 +5.625% 22/10 22/10	300,000.00	EUR	122.372	369,567.51	0.08	0.08	
TOYOTA FINANCE AUSTRALIA LTD 19/21 0.00%	800,000.00	EUR	100.253	802,027.36	0.18	0.17	
<u>Austria</u>							
UNIQA INSURANCE GROUP AG 15/26 +6.00% 27/07 27/07	200,000.00	EUR	126.314	256,368.65	0.06	0.05	



<u>Belgium</u>							
ANHEUSER-BUSCH INBEV NV 15/30 +1.50% 20/04 18/04	450,000.00	EUR	107.537	487,312.02		0.11	0.10
ANHEUSER-BUSCH INBEV NV 16/36 +2.75% 29/03 17/03	300,000.00	EUR	121.894	370,337.07		0.08	0.08
RESA SA/BELGIUM 16/26 +1.00% 22/07 22/07	500,000.00	EUR	102.231	512,761.56		0.11	0.11
TESSENDERLO GROUP 15/22 +2.875% 15/07 15/07	196,000.00	EUR	104.247	206,210.15		0.05	0.04
U.C.B. 15/22 +1.875% 02/04 02/04	600,000.00	EUR	103.433	626,601.07		0.14	0.13
VGP NV 16/23 +3.90% 21/09 21/09	1,500,000.00	EUR	105.358	1,592,341.72		0.35	0.34
VGP NV 18/26 +3.50% 19/09 19/03	500,000.00	EUR	104.421	531,911.69		0.12	0.11
WAREHOUSE DISTR. DE PAUW 14/21 +3.375% 13/06 13/06	700,000.00	EUR	103.893	736,604.18		0.16	0.16
<u>China</u>							
SINOPEC GROUP OVERSEAS DEVELOP 15/22 +1.00% 28/04 28/04	1,900,000.00	EUR	101.769	1,942,801.87		0.42	0.41
STATE GRID EUROPE DEVELOPMENT 16/25 +1.75% 19/05 19/05	800,000.00	EUR	105.889	853,326.26		0.19	0.18
STATE GRID EUROPE DEVELOPMENT 18/25 +1.375% 02/05 02/05	700,000.00	EUR	104.374	735,202.34		0.16	0.16
<u>Cyprus</u>							
AROUNDTOWN PROPERTY HOLD SA 16/24 +1.50% 15/07 15/07	700,000.00	EUR	104.485	734,906.47		0.16	0.16
<u>Finland</u>							
SAMPO OYJ 17/25 +1.25% 30/05 30/05	1,000,000.00	EUR	104.648	1,051,760.57		0.23	0.22
<u>France</u>							
ACCOR 17/24 +1.25% 25/01 25/01	100,000.00	EUR	104.164	104,993.86		0.02	0.02
CNP ASSURANCE 14/24 +4.00% 18/11 18/11	600,000.00	EUR	112.856	679,384.16		0.15	0.14
ELECTR. DE FRANCE 14/26 5.00% 22/01 22/01	500,000.00	EUR	114.626	589,864.56		0.13	0.13
ENGIE 14/24 +3.875% 02/06 02/06	300,000.00	EUR	112.062	341,031.93		0.07	0.07
KLEPIERRE (CIE FONCIERE) 16/31 +1.25% 29/09 29/09	300,000.00	EUR	104.650	314,660.28		0.07	0.07
LA MONDIALE SAM 14/25 +5.05% 17/12 17/12	300,000.00	EUR	116.789	350,946.89		0.08	0.07
MERCIALYS SA 14/23 +1.787% 31/03 31/03	500,000.00	EUR	103.216	520,881.03		0.11	0.11
SANOFI 16/22 0.00%	1,900,000.00	EUR	100.531	1,910,092.99		0.42	0.40
SCOR SE 15/26 +3.00% 07/12 08/06	1,000,000.00	EUR	113.321	1,145,376.43		0.25	0.24
SOGECAP SA 14/26 +4.125% 18/12 18/02	600,000.00	EUR	112.989	693,218.96		0.15	0.15
TOTAL 15/25 +2.625% 26/02 26/02	1,700,000.00	EUR	108.183	1,865,985.93		0.41	0.39
UNIBAIL-RODAMCO SE 15/25 +1.00% 15/04 14/03	1,400,000.00	EUR	104.117	1,465,614.23		0.32	0.31
UNIBAIL-RODAMCO SE 18/21 +0.125% 14/05 14/05	1,000,000.00	EUR	100.401	1,004,574.00		0.22	0.21
<u>Germany</u>							
ALLIANZ AG 14/24 +3.375% 18/09 18/09	1,400,000.00	EUR	111.572	1,571,953.26		0.34	0.33
DAIMLER AG 19/24 0.00%	300,000.00	EUR	98.811	296,433.12		0.07	0.06
HANNOVER RUECK SE 14/25 +3.375% 15/09 26/06	1,100,000.00	EUR	113.629	1,263,691.16		0.28	0.27
MERCK FIN SERVICES GMBH 19/23 +0.005% 05/07 15/12	700,000.00	EUR	99.638	697,470.34		0.15	0.15
<u>Hong Kong</u>							
CK HUTCHISON HOLDINGS LTD 16/23 +1.25% 08/04 06/04	1,100,000.00	EUR	102.902	1,139,153.52		0.25	0.24
CK HUTCHISON HOLDINGS LTD 16/24 +0.875% 03/10 03/10	300,000.00	EUR	101.674	305,500.43		0.07	0.06
<u>Ireland</u>							
MEDTRONIC GLOBAL HOLDINGS SCA 19/21 0.00%	1,100,000.00	EUR	100.274	1,103,011.97		0.24	0.23
<u>Italy</u>							
ASSICURAZIONI GENERALI 14/26 4.125% 02/05 04/05	400,000.00	EUR	117.936	479,539.33		0.10	0.10
ATLANTIA SPA 17/25 +1.625% 03/02 03/02	400,000.00	EUR	96.138	388,752.56		0.09	0.08
TERNA RETE ELETTRICA NAZIONALE 16/28 +1.00% 11/10 11/10	400,000.00	EUR	102.821	411,950.95		0.09	0.09
<u>Luxembourg</u>							
GRAND CITY PROPERTIES SA 15/25 +1.50% 17/04 17/10	400,000.00	EUR	104.569	419,203.65		0.09	0.09
NESTLE FINANCE INTERNATIONAL LTD 17/24 +0.375% 02/11 18/01	1,100,000.00	EUR	101.909	1,123,795.04		0.25	0.24
NOVARTIS FINANCE SA 16/23 +0.125% 20/09 20/09	1,300,000.00	EUR	100.912	1,312,190.56		0.29	0.28
<u>Mexico</u>							
AMERICA MOVIL S.A. DE C.V. 19/27 +0.75% 26/06 26/06	800,000.00	EUR	101.436	813,713.91		0.18	0.17
<u>Netherlands</u>							
ACHMEA BV 15/49 +4.25% 04/02 04/02	300,000.00	EUR	111.411	342,450.02		0.08	0.07
AEGON 14/24 4.00% 25/04 25/04	600,000.00	EUR	111.536	680,966.82		0.15	0.14
ASR NEDERLAND NV 14/24 5.00% 30/09 30/09	200,000.00	EUR	116.059	233,992.07		0.05	0.05
B.M.W. FIN 17/21 +0.125% 12/01 12/01	300,000.00	EUR	100.404	301,469.71		0.07	0.06
B.M.W. FIN 17/25 +0.875% 03/04 03/04	1,000,000.00	EUR	103.602	1,040,675.12		0.23	0.22
B.M.W. FIN 18/22 +0.50% 22/05 22/11	1,000,000.00	EUR	101.484	1,015,267.87		0.22	0.21
DAIMLERCHRYSLER INTL FIN 17/21 +0.20% 13/09 13/09	1,000,000.00	EUR	100.439	1,004,834.54		0.22	0.21
DAIMLERCHRYSLER INTL FIN 18/22 +0.25% 11/05 11/05	1,100,000.00	EUR	100.529	1,107,078.83		0.24	0.23
DELTA LLOYD 14/24 4.375% 13/06 13/06	200,000.00	EUR	112.710	228,883.97		0.05	0.05
ELM BV (SWISS LIFE) 16/27 +4.50% 19/05 19/05	100,000.00	EUR	120.122	122,119.10		0.03	0.03
EURONEXT NV 18/25 +1.00% 18/04 18/04	1,700,000.00	EUR	103.022	1,759,931.04		0.38	0.37
KONINKLIJKE KPN NV 16/28 +1.125% 09/09 11/09	500,000.00	EUR	103.085	516,685.91		0.11	0.11
NN GROUP NV 14/26 +4.50% 15/07 15/01	200,000.00	EUR	115.085	233,183.13		0.05	0.05
SWISS REINSURANCE CO VIA ELM B 15/25 +2.60% 01/09 01/09	1,100,000.00	EUR	109.195	1,208,094.58		0.26	0.26
UNILEVER 17/21 0.00%	1,900,000.00	EUR	100.439	1,908,335.97		0.42	0.40
UNILEVER 17/23 +0.375% 14/02 14/02	700,000.00	EUR	101.602	712,852.92		0.16	0.15
VOLKSWAGEN INTL.FIN. NV 15/22 +2.50% 20/03 20/03	400,000.00	EUR	102.913	417,237.20		0.09	0.09

VOLKSWAGEN INTL.FIN. NV 15/30 +1.625% 16/01 16/01	400,000.00	EUR	103.183	417,156.24	0.09	0.09
<u>Sweden</u>						
VATTENFALL AB 15/27 +3.00% 19/03 19/03	200,000.00	EUR	107.773	218,907.35	0.05	0.05
<u>Switzerland</u>						
DEMETER (SWISS LIFE) 16/26 3.5% 01/10	1,200,000.00	EUR	115.470	1,393,426.34	0.30	0.29
<u>U.K.</u>						
AVIVA PLC 14/24 +3.875% 03/07 03/07	300,000.00	EUR	111.705	339,272.98	0.07	0.07
AVIVA PLC 16/23 +0.625% 27/10 27/10	700,000.00	EUR	102.046	714,914.38	0.16	0.15
GLAXOSMITHKLINE CAPITAL PLC 17/20 0.00%	500,000.00	EUR	100.171	500,855.00	0.11	0.11
GLAXOSMITHKLINE CAPITAL PLC 19/21 0.00%	1,100,000.00	EUR	100.277	1,103,043.48	0.24	0.23
GLAXOSMITHKLINE CAPITAL PLC 19/23 0.00%	600,000.00	EUR	100.069	600,415.50	0.13	0.13
HEATHROW FUNDING LTD 15/30 +1.50% 11/02 11/02	1,100,000.00	EUR	106.001	1,176,422.10	0.26	0.25
LONDON STOCK EXCHANGE GRP PLC 17/24 +0.875% 19/09 19/06	1,300,000.00	EUR	102.816	1,338,983.51	0.29	0.28
LONDON STOCK EXCHANGE GRP PLC 17/29 +1.75% 19/09 19/09	600,000.00	EUR	107.270	645,810.37	0.14	0.14
VODAFONE GROUP PLC 16/31 +1.60% 29/07 29/07	800,000.00	EUR	104.745	841,900.18	0.18	0.18
WPP FINANCE DEUTSCHLAND GMBH 15/30 +1.625% 23/03 23/03	300,000.00	EUR	106.349	321,741.66	0.07	0.07
<u>U.S.A.</u>						
AT&T INC 15/34 +2.45% 15/03 09/12	800,000.00	EUR	109.016	883,265.04	0.19	0.19
BERKSHIRE HATHAWAY INC. 15/35 +1.625% 16/03 16/03	900,000.00	EUR	110.007	998,340.40	0.22	0.21
BERKSHIRE HATHAWAY INC. 16/24 +1.30% 15/03 15/03	800,000.00	EUR	104.870	844,867.74	0.18	0.18
BLACKROCK INC. 15/25 +1.25% 06/05 06/05	700,000.00	EUR	106.087	746,705.85	0.16	0.16
BLACKSTONE HOLDINGS FINANCE CO 16/26 +1.00% 05/10 05/10	1,700,000.00	EUR	102.854	1,751,522.74	0.38	0.37
BRISTOL-MYERS SQUIBB CO 15/25 +1.00% 15/05 15/05	700,000.00	EUR	104.964	737,907.21	0.16	0.16
COCA-COLA CO 17/24 +0.50% 09/03 08/03	2,000,000.00	EUR	102.127	2,048,362.21	0.45	0.43
COCA-COLA ENTERPRISE 15/30 +1.875% 18/03 18/03	700,000.00	EUR	110.383	780,061.30	0.17	0.17
DIMBERLY-CLARK CORP 17/24 +0.625% 07/09 07/09	600,000.00	EUR	102.581	616,354.66	0.13	0.13
I.B.M. 19/23 +0.375 31/01	1,200,000.00	EUR	101.151	1,216,741.33	0.27	0.26
I.B.M. 19/25 +0.875% 31/01 31/01	600,000.00	EUR	103.522	624,557.69	0.14	0.13
JEFFERIES GROUP LLC 19/24 +1.00% 19/07 19/07	700,000.00	EUR	100.620	706,626.72	0.15	0.15
MET LIFE GLOB FUNDING I 15/22 +0.875% 20/01 20/01	300,000.00	EUR	101.936	307,574.93	0.07	0.07
MONDELEZ INTERNATIONAL INC 15/35 +2.375% 06/03 06/03	800,000.00	EUR	115.379	934,151.67	0.20	0.20
PFIZER 17/22 +0.25% 06/03 06/03	1,900,000.00	EUR	100.917	1,920,198.93	0.42	0.41
PPG INDUSTRIES INC 15/27 +1.40% 13/03 13/03	800,000.00	EUR	104.979	846,234.57	0.18	0.18
SIMON INTERNATIONAL FINANCE SC 16/25 +1.25% 13/05 13/05	900,000.00	EUR	105.033	950,417.81	0.21	0.20
TOYOTA MOTOR CREDIT CORP 17/21 0.00%	1,500,000.00	EUR	100.351	1,505,260.13	0.33	0.32
UNITED PARCEL SERVICE 17/23 +0.375% 13/11 15/11	1,400,000.00	EUR	101.228	1,417,718.68	0.31	0.30
VERIZON COMMUNICATIONS INC 14/31 +2.625% 01/12 01/12	300,000.00	EUR	119.573	359,261.89	0.08	0.08
VERIZON COMMUNICATIONS INC 16/28 +1.375% 02/11 02/11	500,000.00	EUR	106.587	533,791.98	0.12	0.11
Total bonds				161,215,788.35	35.13	34.04
<b>Shares</b>						
Exchange-listed shares						
<u>Austria</u>						
ANDRITZ AG -	25,688.00	EUR	38.400	986,419.20	0.22	0.21
ERSTE GROUP BANK AG -	67,538.00	EUR	33.560	2,266,575.28	0.49	0.48
OMV AG (WIEN)	36,244.00	EUR	50.080	1,815,099.52	0.40	0.38
S&T AG -	48,971.00	EUR	21.280	1,042,102.88	0.23	0.22
<u>Belgium</u>						
AGEAS NV -	13,242.00	EUR	52.680	697,588.56	0.15	0.15
ANHEUSER-BUSCH INBEV NV -	78,226.00	EUR	72.710	5,687,812.46	1.24	1.20
BARCO NV NEW	7,771.00	EUR	219.000	1,701,849.00	0.37	0.36
D'IETEREN -	35,634.00	EUR	62.600	2,230,688.40	0.49	0.47
FAGRON -	39,724.00	EUR	19.330	767,864.92	0.17	0.16
KBC ANCORA -	24,209.00	EUR	44.760	1,083,594.84	0.24	0.23
KBC GROUP -	51,001.00	EUR	67.060	3,420,127.06	0.75	0.72
MONTEA SCA M	9,241.00	EUR	81.000	748,521.00	0.16	0.16
ORANGE BELGIUM -	42,883.00	EUR	20.700	887,678.10	0.19	0.19
RECTICEL -	170,485.00	EUR	8.310	1,416,730.35	0.31	0.30
SOLVAY -	19,822.00	EUR	103.300	2,047,612.60	0.45	0.43
TINC COMM VA -	83,808.00	EUR	13.350	1,118,836.80	0.24	0.24
WAREHOUSE DISTR. DE PAUW -	8,996.00	EUR	162.200	1,459,151.20	0.32	0.31
<u>Cyprus</u>						
AROUNDTOWN PROPERTY HOLD SA -	367,492.00	EUR	7.984	2,934,056.13	0.64	0.62
<u>Finland</u>						
KEMIRA (HEL)	53,392.00	EUR	13.260	707,977.92	0.15	0.15
TIETOEVRY CORP -	32,099.00	EUR	27.720	889,784.28	0.19	0.19
UPM-KYMMENE CORP -	36,588.00	EUR	30.910	1,130,935.08	0.25	0.24
<u>France</u>						
AKKA TECHNOLOGIES SA -	25,560.00	EUR	65.500	1,674,180.00	0.37	0.35
ALD SA -	169,749.00	EUR	13.840	2,349,326.16	0.51	0.50
ALTEN -	14,469.00	EUR	112.500	1,627,762.50	0.36	0.34
ARKEMA -	21,945.00	EUR	94.700	2,078,191.50	0.45	0.44

ATOS SE -	40,268.00	EUR	74.320	2,992,717.76		0.65	0.63
AXA -	262,239.00	EUR	25.110	6,584,821.29		1.44	1.39
BNP PARIBAS SA -	50,204.00	EUR	52.830	2,652,277.32		0.58	0.56
BOUYGUES -	61,477.00	EUR	37.880	2,328,748.76		0.51	0.49
CAPGEMINI SA -	32,849.00	EUR	108.900	3,577,256.10		0.78	0.76
CHARGEURS SA (PAR)	42,583.00	EUR	17.280	735,834.24		0.16	0.16
CIE DE ST-GOBAIN -	98,510.00	EUR	36.500	3,595,615.00		0.78	0.76
CREDIT AGRICOLE -	330,692.00	EUR	12.925	4,274,194.10		0.93	0.90
DANONE SA -	64,010.00	EUR	73.900	4,730,339.00		1.03	1.00
DEVOTEAM SA -	9,723.00	EUR	94.500	918,823.50		0.20	0.19
EIFFAGE SA -	45,516.00	EUR	102.000	4,642,632.00		1.01	0.98
ENGIE -	238,876.00	EUR	14.400	3,439,814.40		0.75	0.73
EUTELSAT -	112,326.00	EUR	14.490	1,627,603.74		0.36	0.34
FFP (PAR)	8,058.00	EUR	104.000	838,032.00		0.18	0.18
GECINA REG	8,143.00	EUR	159.600	1,299,622.80		0.28	0.27
IPSOS -	63,024.00	EUR	28.950	1,824,544.80		0.40	0.39
KAUFMAN & BROAD SA (PAR)	21,679.00	EUR	37.000	802,123.00		0.18	0.17
KERING -	6,585.00	EUR	585.200	3,853,542.00		0.84	0.81
KORIAN SA -	60,771.00	EUR	41.920	2,547,520.32		0.56	0.54
LAGARDERE S.C.A. -	77,267.00	EUR	19.430	1,501,297.81		0.33	0.32
LVMH-MOET HENNESSY LOUIS VUITT SE -	26,621.00	EUR	414.200	11,026,418.20		2.41	2.33
MAISONS DU MONDE SA -	66,836.00	EUR	12.970	866,862.92		0.19	0.18
MANITOU BF SA -	54,905.00	EUR	21.450	1,177,712.25		0.26	0.25
MERSEN (PAR)	52,161.00	EUR	34.150	1,781,298.15		0.39	0.38
MICHELIN (PAR)	24,933.00	EUR	109.100	2,720,190.30		0.59	0.57
ORANGE S.A. -	215,372.00	EUR	13.120	2,825,680.64		0.62	0.60
PERNOD RICARD SA -	16,874.00	EUR	159.400	2,689,715.60		0.59	0.57
PEUGEOT -	108,525.00	EUR	21.300	2,311,582.50		0.50	0.49
PUBLICIS GROUPE SA -	87,766.00	EUR	40.360	3,542,235.76		0.77	0.75
REMY COINTREAU SA -	7,393.00	EUR	109.500	809,533.50		0.18	0.17
REXEL SA (PAR)	68,813.00	EUR	11.845	815,089.99		0.18	0.17
SANOFI -	94,229.00	EUR	89.620	8,444,802.98		1.84	1.78
SMCP SA -	64,653.00	EUR	9.450	610,970.85		0.13	0.13
SOITEC -	10,042.00	EUR	93.700	940,935.40		0.21	0.20
SPIE SA -	42,487.00	EUR	18.160	771,563.92		0.17	0.16
STMICROELECTRONICS NV -	175,735.00	EUR	23.970	4,212,367.95		0.92	0.89
TELEPERFORMANCE -	7,957.00	EUR	217.400	1,729,851.80		0.38	0.37
TOTAL -	109,787.00	EUR	49.200	5,401,520.40		1.18	1.14
TRIGANO SA -	18,082.00	EUR	94.100	1,701,516.20		0.37	0.36
VEOLIA ENVIRONNEMENT SA (PAR)	108,062.00	EUR	23.710	2,562,150.02		0.56	0.54
<u>Germany</u>							
ALLIANZ AG REG	37,802.00	EUR	218.400	8,255,956.80		1.80	1.74
ALSTRIA OFFICE AG -	92,405.00	EUR	16.750	1,547,783.75		0.34	0.33
BASF SE -	23,383.00	EUR	67.350	1,574,845.05		0.34	0.33
CEWE STIFTUNG & CO KGAA -	8,662.00	EUR	105.800	916,439.60		0.20	0.19
CTS EVENTIM AG -	14,000.00	EUR	56.050	784,700.00		0.17	0.17
DATAGROUP AG -	15,470.00	EUR	65.400	1,011,738.00		0.22	0.21
DERMAPHARM HOLDING SE -	29,160.00	EUR	39.750	1,159,110.00		0.25	0.25
DEUTSCHE TELEKOM INT FIN REG	59,964.00	EUR	14.570	873,675.48		0.19	0.18
E.ON SE -	85,008.00	EUR	9.524	809,616.19		0.18	0.17
EVONIK INDUSTRIES AG -	48,500.00	EUR	27.210	1,319,685.00		0.29	0.28
FRESENIUS MEDICAL CARE AG & CO -	279.00	EUR	65.960	18,402.84		0.00	0.00
FRESENIUS SE & CO KGAA (FRA)	15,149.00	EUR	50.180	760,176.82		0.17	0.16
GERRESHEIMER AG -	11,377.00	EUR	69.000	785,013.00		0.17	0.17
HEIDELBERGCEMENT AG -	30,641.00	EUR	64.960	1,990,439.36		0.43	0.42
HOCHTIEF AG -	16,753.00	EUR	113.700	1,904,816.10		0.42	0.40
INDUS HOLDING AG -	20,104.00	EUR	38.850	781,040.40		0.17	0.17
SCHAEFFLER AG -	68,636.00	EUR	9.628	660,827.41		0.14	0.14
SIEMENS AG REG	17,485.00	EUR	116.540	2,037,701.90		0.44	0.43
SILTRONIC AG -	13,792.00	EUR	89.720	1,237,418.24		0.27	0.26
STROOER SE & CO KGAA -	20,401.00	EUR	72.050	1,469,892.05		0.32	0.31
TAKKT AG (FRA)	60,066.00	EUR	12.580	755,630.28		0.17	0.16
VOLKSWAGEN AG PREF	37,993.00	EUR	176.240	6,695,886.32		1.46	1.41
WIRECARD AG -	34,166.00	EUR	107.500	3,672,845.00		0.80	0.78
<u>Greece</u>							
OTE PLC -	113,826.00	EUR	14.260	1,623,158.76		0.35	0.34
<u>Ireland</u>							
GLANBIA PLC -	62,237.00	EUR	10.260	638,551.62		0.14	0.14
KERRY GROUP PLC -	18,670.00	EUR	111.100	2,074,237.00		0.45	0.44
<u>Italy</u>							
ENEL SOCIETA PER AZIONI -	706,184.00	EUR	7.072	4,994,133.25		1.09	1.05
INFRASTRUTTURA SPA -	165,471.00	EUR	8.730	1,444,561.83		0.32	0.31
INTESA SANPAOLO SPA -	627,409.00	EUR	2.349	1,473,470.04		0.32	0.31
MAIRE TECNIMONT SPA -	639,003.00	EUR	2.474	1,580,893.42		0.34	0.33
MEDIOBANCA (MIL)	196,878.00	EUR	9.814	1,932,160.69		0.42	0.41
RECORDATI SPA -	70,433.00	EUR	37.570	2,646,167.81		0.58	0.56
SESA SPA -	17,987.00	EUR	47.650	857,080.55		0.19	0.18
SNAM SPA -	311,120.00	EUR	4.686	1,457,908.32		0.32	0.31
<u>Luxembourg</u>							

CORESTATE CAPITAL HOLDING SA -	94,191.00	EUR	37.500	3,532,162.50		0.77	0.75
SOLUTIONS 30 SE -	68,955.00	EUR	9.960	686,791.80		0.15	0.14
<u>Netherlands</u>							
APERAM -	25,024.00	EUR	28.510	713,434.24		0.16	0.15
ASM INTERNATIONAL -	22,354.00	EUR	100.150	2,238,753.10		0.49	0.47
ASML HOLDING NV -	11,764.00	EUR	263.700	3,102,166.80		0.68	0.66
EURONEXT NV -	32,720.00	EUR	72.650	2,377,108.00		0.52	0.50
GRANDVISION BV -	28,879.00	EUR	27.420	791,862.18		0.17	0.17
HEINEKEN HOLDING (AMS)(A 25NLG)	10,641.00	EUR	86.400	919,382.40		0.20	0.19
ING GROEP NV -	389,595.00	EUR	10.688	4,163,991.36		0.91	0.88
INTERTRUST NV -	90,828.00	EUR	17.310	1,572,232.68		0.34	0.33
KON. AHOLD DELHAIZE NV -	125,726.00	EUR	22.295	2,803,061.17		0.61	0.59
KONINKLIJKE D.S.M. NV (AMS)	20,184.00	EUR	116.100	2,343,362.40		0.51	0.50
KONINKLIJKE KPN NV -	528,335.00	EUR	2.631	1,390,049.39		0.30	0.29
KONINKLIJKE PHILIPS ELECTRONICS N.V. -	104,873.00	EUR	43.520	4,564,072.96		1.00	0.96
KONINKLIJKE VOLKERWESSELS NV -	35,067.00	EUR	21.950	769,720.65		0.17	0.16
MUNICH RE FINANCE BV REG	13,283.00	EUR	263.000	3,493,429.00		0.76	0.74
OCI NV -	92,608.00	EUR	18.750	1,736,400.00		0.38	0.37
REPSOL INTERNATIONAL FINANCE B -	258,069.00	EUR	13.930	3,594,901.17		0.78	0.76
SBM OFFSHORE NV (AMS)	197,767.00	EUR	16.590	3,280,954.53		0.72	0.69
TKH GROUP NV -	51,538.00	EUR	49.900	2,571,746.20		0.56	0.54
UNILEVER (AMS) OS-VORM	161,855.00	EUR	51.230	8,291,831.65		1.81	1.75
<u>Portugal</u>							
ENERGIAS DE PORTUGAL SA -	631,639.00	EUR	3.864	2,440,653.10		0.53	0.52
NOS SPGS (LIS)	286,223.00	EUR	4.800	1,373,870.40		0.30	0.29
REN REDES ENERGETICAS -	289,471.00	EUR	2.720	787,361.12		0.17	0.17
<u>Spain</u>							
ACTIVIDADES CONSTRUCCY SERV -	84,428.00	EUR	35.650	3,009,858.20		0.66	0.64
AENA SA -	100.00	EUR	170.500	17,050.00		0.00	0.00
AMADEUS IT GROUP SA -	20,755.00	EUR	72.800	1,510,964.00		0.33	0.32
APPLUS SERVICES SA -	74,510.00	EUR	11.400	849,414.00		0.19	0.18
BANCO SANTANDER CENTRAL HISPANO SA -	666,405.00	EUR	3.730	2,485,690.65		0.54	0.53
FABRICA ESP. DE PROD. QUIMICOS Y FAR (MAD)	150,826.00	EUR	5.000	754,130.00		0.16	0.16
IBERDROLA SA -	602,899.00	EUR	9.180	5,534,612.82		1.21	1.17
INDUSTRIA DE DISENO TEXTIL SA -	129,305.00	EUR	31.450	4,066,642.25		0.89	0.86
<u>U.K.</u>							
COCA-COLA EUROPEAN PARTNERS PL -	48,278.00	EUR	44.650	2,155,612.70		0.47	0.46
<u>U.S.A.</u>							
FIAT CHRYSLER AUTOMOBILES NV -	183,002.00	EUR	13.194	2,414,528.39		0.53	0.51
Total shares				298,563,589.70		65.06	63.03
<b>Options and futures</b>							
Exchange-listed options							
<u>Austria</u>							
OMV AG PUT 51 17/01/2020	-142.00	EUR	1.420	-20,164.00		-0.00	-0.00
<u>Finland</u>							
NESTE OIL OYJ PUT 32.5 21/02/2020	-500.00	EUR	2.280	-114,000.00		-0.02	-0.02
<u>France</u>							
AIR LIQUIDE (L') PUT 125 17/01/2020	-78.00	EUR	0.940	-7,332.00		-0.00	-0.00
LAGARDERE S.C.A. PUT 20 17/01/2020	-385.00	EUR	0.690	-26,565.00		-0.01	-0.01
LVMH-MOET HENNESSY LOUIS VUITT SE PUT 420 17/01/2020	-16.00	EUR	9.400	-15,040.00		-0.00	-0.00
ORANGE S.A. CALL 15 17/01/2020	-500.00	EUR	0.010	-500.00			
ORANGE S.A. PUT 13.5 17/01/2020	-500.00	EUR	0.420	-21,000.00		-0.00	-0.00
ORANGE S.A. PUT 15 17/01/2020	-355.00	EUR	1.890	-67,095.00		-0.01	-0.01
PERNOD RICARD SA PUT 165 17/01/2020	-71.00	EUR	6.150	-43,665.00		-0.01	-0.01
SCHNEIDER ELECTRIC SE PUT 84 17/01/2020	-108.00	EUR	0.120	-1,296.00			
SCHNEIDER ELECTRIC SE PUT 86 17/01/2020	-107.00	EUR	0.190	-2,033.00			
TOTAL CALL 52 17/01/2020	-215.00	EUR	0.020	-430.00			
TOTAL PUT 45 17/01/2020	-215.00	EUR	0.050	-1,075.00			
<u>Germany</u>							
DEUTSCHE TELEKOM INT FIN CALL 14 21/02/2020	-355.00	EUR	0.700	-24,850.00		-0.00	-0.01
WIRECARD AG C120 17/01/20	-60.00	EUR	1.260	-7,560.00		-0.00	-0.00
<u>Italy</u>							
INTESA SANPAOLO SPA PUT 2.2 17/01/2020	-320.00	EUR	0.007	-2,336.00		-0.00	
INTESA SANPAOLO SPA PUT 2.3 17/01/2020	-320.00	EUR	0.023	-7,456.00		-0.00	-0.00
INTESA SANPAOLO SPA PUT 2.4 17/01/2020	-425.00	EUR	0.073	-30,982.50		-0.01	-0.01
<u>Netherlands</u>							
ING GROEP NV PUT 12 21/02/2020	-425.00	EUR	1.350	-57,375.00		-0.01	-0.01
KON. AHOLD DELHAIZE NV CALL 26 17/01/2020	-320.00	EUR	0.010	-320.00			
KON. AHOLD DELHAIZE NV PUT 22 17/01/2020	-320.00	EUR	0.190	-6,080.00		-0.00	-0.00
KON. AHOLD DELHAIZE NV PUT 25 17/01/2020	-250.00	EUR	2.710	-67,750.00		-0.01	-0.01
KONINKLIJKE KPN NV PUT 2.85 17/01/2020	-2,700.00	EUR	0.230	-62,100.00		-0.01	-0.01
SBM OFFSHORE NV CALL 17 21/02/2020	-460.00	EUR	0.450	-20,700.00		-0.00	-0.00

SBM OFFSHORE NV PUT 17 21/02/2020	-460.00	EUR	0.870	-40,020.00		-0.01	-0.01
<u>Spain</u>							
AMADEUS IT GROUP SA PUT 78 21/02/2020	-355.00	EUR	5.920	-210,160.00		-0.05	-0.04
BANCO SANTANDER CENTRAL HISPANO SA C3.5 21/02/20	-1,775.00	EUR	0.290	-52,504.50		-0.01	-0.01
BANCO SANTANDER CENTRAL HISPANO SA PUT 4.1 21/02/2020	-1,775.00	EUR	0.390	-70,609.50		-0.01	-0.02
Total options and futures				-980,998.50		-0.21	-0.21
<b>Rights</b>							
<u>Spain</u>							
FABRICA ESP. DE PROD. QUIMICOS Y FAR CP 16/12/2019	150,826.00	EUR	0.147	22,231.75		0.01	0.01
REPSOL INTL FINANCE CP 17/12/19	258,069.00	EUR	0.423	109,163.19		0.02	0.02
Total rights				131,394.94		0.03	0.03
TOTAL SECURITIES PORTFOLIO				458,929,774.49		100.00	96.89
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP EURO	13,303,997.77	EUR	1.000	13,303,997.77			2.81
KBC GROUP USD	31,353.81	USD	1.000	27,932.12			0.01
KBC GROUP ZAR	940.15	ZAR	1.000	59.90			
Total demand accounts				13,331,989.79			2.82
<b>Managed futures accounts</b>							
<u>U.S.A.</u>							
JPMORGAN CHASE & CO EURO FUT REK	-21,814.96	EUR	1.000	-21,814.96			-0.01
Total managed futures accounts				-21,814.96			-0.01
TOTAL CASH AT BANK AND IN HAND				13,310,174.83			2.81
OTHER RECEIVABLES AND PAYABLES							
<b>Receivables</b>							
<u>Belgium</u>							
KBC GROUP EUR RECEIVABLE	17,573.76	EUR	1.000	17,573.76			0.00
<u>U.S.A.</u>							
JPMORGAN CHASE & CO DEKKING EUR	2,110,279.50	EUR	1.000	2,110,279.50			0.45
Total receivables				2,127,853.26			0.45
<b>Payables</b>							
<u>Belgium</u>							
KBC GROUP EUR PAYABLE	-48,816.00	EUR	1.000	-48,816.00			-0.01
Payables				-48,816.00			-0.01
TOTAL RECEIVABLES AND PAYABLES				2,079,037.26			0.44
OTHER							
Interest receivable		EUR		219.97			
Expenses payable		EUR		-662,743.49			-0.14
TOTAL OTHER				-662,523.52			-0.14
TOTAL NET ASSETS				473,656,463.06			100.00

### Geographic breakdown (as a % of securities portfolio)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
United Arab Emirates	0.16	0.18	0.18	0.00
Australia	1.43	1.84	1.86	2.31
Austria	1.63	1.80	2.38	1.66
Belgium	8.28	5.98	6.08	9.38
Canada	0.44	0.64	0.75	1.52
Switzerland	1.40	1.20	1.45	0.76
Chile	0.17	0.19	0.21	0.21
China	1.26	1.40	1.61	1.29
Colombia	0.11	0.00	0.00	0.00
Cayman Islands	0.22	0.19	0.00	0.00
Cyprus	0.10	0.62	0.68	0.77
Germany	16.93	16.65	12.08	10.43
Denmark	0.19	0.21	0.47	0.57
Spain	4.38	5.77	4.63	5.02
Finland	0.91	0.96	1.27	0.78
France	29.51	31.22	28.50	29.37
U.K.	3.75	3.43	4.57	4.00
Greece	0.00	0.00	0.00	0.34

Hong Kong	0.17	0.19	0.42	0.30
Ireland	1.39	1.37	0.76	0.80
Israel	0.13	0.00	0.00	0.00
Italy	6.45	4.78	4.05	4.05
Japan	0.12	0.39	0.63	1.03
Luxembourg	1.21	0.53	1.60	1.49
Mexico	0.97	0.74	0.82	0.33
Netherlands	9.04	9.83	13.12	12.82
Norway	0.25	0.39	0.39	0.13
Peru	0.09	0.08	0.08	0.00
Portugal	0.00	0.18	0.94	0.97
Romania	0.08	0.09	0.07	0.00
Sweden	1.55	1.85	2.13	2.31
Turkey	0.10	0.00	0.00	0.00
U.S.A.	7.41	7.11	8.08	7.36
EU institutions outside BLEU terr.	0.17	0.19	0.19	0.00
TOTAL	100.00	100.00	100.00	100.00

**Sector breakdown (as a % of securities portfolio)**

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
Cyclicals	22.87	19.98	17.28	13.88
Consum(cycl)	13.06	10.01	11.68	13.15
Cons.goods	9.24	10.92	11.44	11.18
Pharma	6.68	6.67	5.20	5.43
Financials	28.55	32.57	34.55	35.92
Technology	6.57	6.01	6.36	6.37
Telecomm.	3.52	3.89	2.95	3.22
Utilities	4.75	4.32	4.43	4.93
Real est.	2.90	3.22	4.14	4.48
Governm.	1.40	1.78	1.69	0.47
Unit trusts	0.24	0.26	0.28	0.21
Various	0.22	0.37	0.00	0.76
TOTAL	100.00	100.00	100.00	100.00

**Currency breakdown (as a % of net assets)**

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
EURO	100.00	100.00	99.99	99.99
US DOLLAR	0.00	0.00	0.01	0.01
TOTAL	100.00	100.00	100.00	100.00

## 2.4.2. Changes in the composition of the assets of IN.focus Income Portfolio (in the currency of the sub-fund)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	255,160,315.34	127,683,275.59	382,843,590.93
<b>Sales</b>	291,684,165.38	160,609,258.20	452,293,423.58
<b>Total 1</b>	546,844,480.72	288,292,533.79	835,137,014.51
<b>Subscriptions</b>	19,894,513.38	18,131,327.90	38,025,841.28
<b>Redemptions</b>	50,741,111.23	28,998,095.74	79,739,206.97
<b>Total 2</b>	70,635,624.61	47,129,423.64	117,765,048.25
<b>Monthly average of total assets</b>	476,412,731.12	467,881,325.64	472.061.371.70
<b>Turnover rate</b>	99.96%	51.54%	151.97%

The table above shows the capital volume of portfolio transactions. This volume (adjusted to take account of total subscriptions and redemptions) is also compared to the average net assets at the beginning and end of the period. A figure close to 0% implies that the transactions relating to the securities or transactions relating to the assets (excluding deposits and cash) in a given period only involve subscriptions and redemptions. A negative percentage shows that subscriptions and redemptions entailed few, if any, transactions in the portfolio. Active asset management may result in high turnover rates (monthly percentage >50%).

The detailed list of transactions can be consulted free of charge at the company designated as financial service:  
 CBC Banque SA, Avenue Albert 1er 60, B-5000 Namur  
 KBC Bank NV, Havenlaan 2, B-1080 Brussels

### 2.4.3. Amount of commitments in respect of financial derivatives positions

Name	Currency	Value in currency	In the currency of the sub-fund	Lot-size	Transaction date
AIRLIQUI PUT 125 17/01/2020	EUR	-78.00	-975,000.00	N/A	18.11.2019
AMADEUSI PUT 78 21/02/2020	EUR	-355.00	-2,769,000.00	N/A	13.12.2019
BCOSANTA C3.5 21/02/20	EUR	-1,775.00	-633,675.00	N/A	13.12.2019
BCOSANTA PUT 4.1 21/02/2020	EUR	-1,775.00	-742,305.00	N/A	13.12.2019
DEUTELEK CALL 14 21/02/2020	EUR	-355.00	-497,000.00	N/A	13.12.2019
INGGROEP PUT 12 21/02/2020	EUR	-425.00	-510,000.00	N/A	13.12.2019
JPMORGAN DEKKING EUR	EUR	2,110,279.50	2,110,279.50	N/A	31.12.2019
KONAHOLD CALL 26 17/01/2020	EUR	-320.00	-832,000.00	N/A	18.11.2019
KONAHOLD PUT 22 17/01/2020	EUR	-320.00	-704,000.00	N/A	18.11.2019
KONAHOLD PUT 25 17/01/2020	EUR	-250.00	-625,000.00	N/A	18.11.2019
KONKPN PUT 2.85 17/01/2020	EUR	-2,700.00	-769,500.00	N/A	18.11.2019
LAGARDER PUT 20 17/01/2020	EUR	-385.00	-770,000.00	N/A	18.11.2019
LVMH PUT 420 17/01/2020	EUR	-16.00	-672,000.00	N/A	18.11.2019
NESTEOIL PUT 32.5 21/02/2020	EUR	-500.00	-1,625,000.00	N/A	12.12.2019
OMV PUT 51 17/01/2020	EUR	-142.00	-724,200.00	N/A	18.11.2019
ORANGES CALL 15 17/01/2020	EUR	-500.00	-750,000.00	N/A	18.11.2019
ORANGES PUT 13.5 17/01/2020	EUR	-500.00	-675,000.00	N/A	18.11.2019
ORANGES PUT 15 17/01/2020	EUR	-355.00	-532,500.00	N/A	18.11.2019
PERNODRI PUT 165 17/01/2020	EUR	-71.00	-1,171,500.00	N/A	19.11.2019
SANPAOLO PUT 2.2 17/01/2020	EUR	-320.00	-704,000.00	N/A	18.11.2019
SANPAOLO PUT 2.3 17/01/2020	EUR	-320.00	-736,000.00	N/A	19.11.2019
SANPAOLO PUT 2.4 17/01/2020	EUR	-425.00	-1,020,000.00	N/A	18.11.2019
SBMOFFSH CALL 17 21/02/2020	EUR	-460.00	-782,000.00	N/A	06.12.2019
SBMOFFSH PUT 17 21/02/2020	EUR	-460.00	-782,000.00	N/A	06.12.2019
SCHNEID PUT 84 17/01/2020	EUR	-108.00	-907,200.00	N/A	18.11.2019
SCHNEID PUT 86 17/01/2020	EUR	-107.00	-920,200.00	N/A	18.11.2019
TOTAL CALL 52 17/01/2020	EUR	-215.00	-1,118,000.00	N/A	18.11.2019
TOTAL PUT 45 17/01/2020	EUR	-215.00	-967,500.00	N/A	18.11.2019
WIRECARD C120 17/01/20	EUR	-60.00	-720,000.00	N/A	13.12.2019

### 2.4.4. Changes in the number of subscriptions and redemptions and the



## net asset value

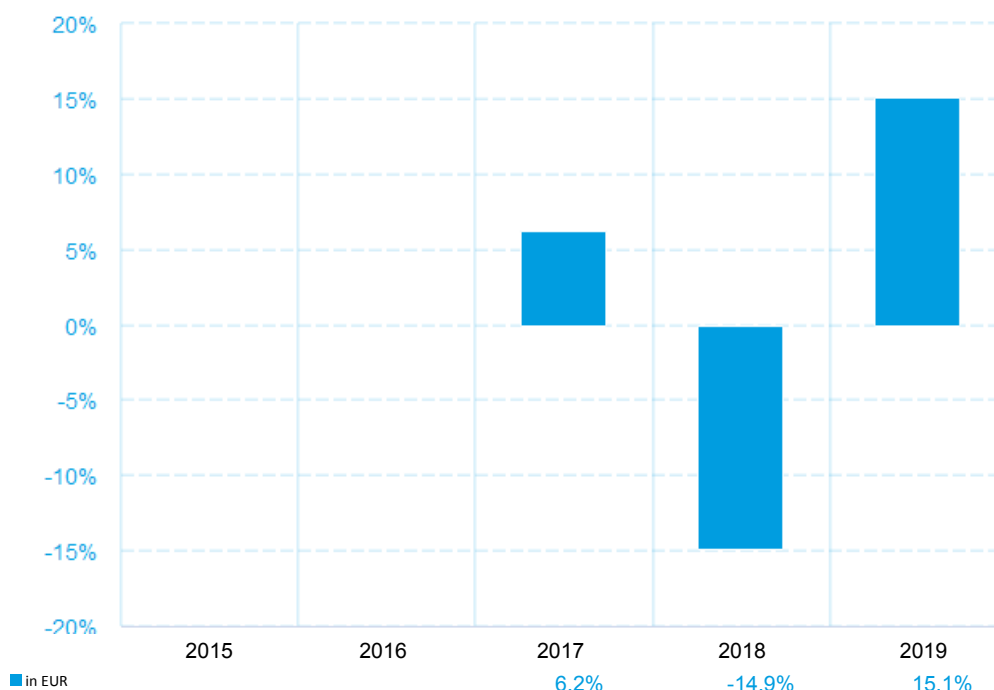
Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2017 - 12		360,616.50		21,480.58		457,834.92	457,834.92
2018 - 12		141,855.00		68,598.39		531,091.53	531,091.53
2019 - 12		41,067.00		86,331.50		485,827.02	485,827.02

Period	Amounts received and paid by the UCITS (in the currency of the sub-fund)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2017 - 12		384,753,190.91		23,015,450.88
2018 - 12		146,329,510.63		68,144,141.72
2019 - 12		38,603,920.65		80,787,304.28

Period	Net asset value End of period (in the currency of the sub-fund)		
	Of the sub-fund	Of one share	
		Capitalization	Distribution
2017 - 12	489,103,999.12		1,068.30
2018 - 12	466,769,691.83		878.89
2019 - 12	473,656,463.06		974.95

## 2.4.5. Performance figures

BE6284729025  
IN.focus Income Portfolio DIS  
Annual performance on 31/12/2019 (in EUR)



Cap Div	ISIN Code	Currency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
DIS	BE6284729025	EUR	15.13%		1.33%		%		%		29/04/2016	2.64%

Risk warning: Past performance is not a guide to future performance.

\* Return on annual basis.

- The bar chart shows the performance for full financial years.
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage. In the case of units that pay dividends, the dividend is incorporated geometrically in the return.
- Calculation method for date D, where NAV stands for net asset value:  
Distribution units (DIV)  
Return on date D over a period of X years :  
 $[C * NIW(D) / NIW(Y)]^{[1 / X]} - 1$   
where Y = D-X  
Return on date D since the start date S of the unit:  
 $[C * NIW(D) / NIW(S)]^{[1 / F]} - 1$   
where F = 1 if the unit has existed for less than one year on date D  
where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D  
where C is a factor that is determined for all N dividends between the calculation date D and the reference date.  
For dividend i on date Di with value Wi:  
 $C_i = [W_i / NIW(D_i)] + 1$   
i = 1 ... N  
from which C = C0 \* ... \* CN.
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the issue and redemption of units.
- These are the performance figures for distribution shares.

Dividend on ex-dividend date 25/10/2019: 6,4808 net (6,4808 gross).  
Dividend on ex-dividend date 29/04/2019: 5,4699 net (5,4699 gross).  
Dividend on ex-dividend date 25/07/2019: 12,3832 net (12,3832 gross).  
Dividend on ex-dividend date 28/01/2020: 5,2360 net (5,2360 gross).

## 2.4.6. Costs

### Ongoing Charges and Transaction costs:

#### Distribution :

Ongoing Charges : 1.847%  
Transaction costs : 0.111%

Percentage calculated at reporting date: 31 December 2019 .

A more detailed explanation with respect to the method of calculating ongoing charges and the relevant exclusions can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.5. Ongoing charges'

More information on how transaction costs are calculated: the transaction costs are not included in the ongoing charges, but are instead shown separately. Moreover, this does not fully reflect the actual transaction costs as only the explicit transaction costs are given.

### Existence of Commission Sharing Agreements

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.7. Commission Sharing Agreements'.

No CSA accrual during this period.

### Existence of fee sharing agreements and rebates

The management company has shared 54,74% of its fee with the distributor, and institutional and/or professional parties.

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

## 2.4.7. Notes to the financial statements and other data

Fee for managing the investment portfolio	1.60%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
	0.02%	per year calculated on the basis of the portion of the average total net assets of the sub-fund that are invested in bonds and debt instruments, compensating the use of research to those instruments. If the actual cost of the research comprises a lower percentage than the percentage stated, the management company will receive only this lower amount.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	Max 0.04%	per year calculated on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding calendar year, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	see the 'Information concerning the Fund - G. Fees and charges regarding the Fund' for this non-structured sub-fund	
Annual tax <b>This tax must, in principle, be paid by the management company of the sub-fund, but is charged to the sub-fund.</b>	see the 'Information concerning the Fund - H. Tax treatment'	

### ***Exercising voting rights***

If necessary, relevant and in the interest of the shareholders, the management company will exercise the voting rights attached to the shares in the Bevek's portfolio.

The management company will adhere to the following criteria when determining how it stands relative to the items on the agenda that are put to the vote:

- Shareholder value may not be adversely affected.
- Corporate governance rules, especially with regard to the rights of minority shareholders, must be respected.
- The minimum standards with regard to sustainable business and corporate social responsibility must be met.

The list of companies for which voting rights are exercised is available at the registered office of the Bevek.

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# 2. Information on IN.focus KBC ExpertEase Defensive Balanced

## 2.1. Management report

### 2.1.1. Launch date and subscription price

#### **Classic Shares Capitalisation**

Launch date:	31 January 2017
Initial subscription price:	1 000 EUR
Currency:	EUR

#### **Classic Shares Distribution**

Launch date:	31 January 2017
Initial subscription price:	1 000 EUR
Currency:	EUR

#### **Comfort Portfolio Shares Capitalisation**

Launch date:	3 June 2019
Initial subscription price:	1 000 EUR
Currency:	EUR

#### **Comfort Portfolio Shares Distribution**

Launch date:	3 June 2019
Initial subscription price:	1 000 EUR
Currency:	EUR

### 2.1.2. Stock exchange listing

Not applicable.

### 2.1.3. Goal and key principles of the investment policy

#### Object of the sub-fund

The main objective of this sub-fund is to generate the highest possible return for its shareholders by investing directly or indirectly in transferable securities. This is reflected in its pursuit of capital gains and income. To this end, the assets are invested, either directly or indirectly via correlated financial instruments, primarily in shares.

#### Sub-fund's investment policy

##### **Permitted asset classes**

The sub-fund may invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described above.

##### **Restrictions of the investment policy**

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

##### **Permitted derivatives transactions**

**Derivatives can be used both to achieve the investment objectives and to hedge risks.**

**Listed and unlisted derivatives may be used to achieve the objectives: these may be forward contracts, futures, options or swaps on securities, indexes, currencies or interest rates or other transactions involving derivatives.** Unlisted derivatives transactions will only be concluded with prime financial institutions specialised in such transactions.

**Subject to the applicable laws and regulations and the articles of association, the sub-fund always seeks to conclude the most effective transactions. All costs associated with the transactions will be charged to the sub-fund and all income generated will be paid to the sub-fund.**

If the transactions result in a risk in respect of the counterparty, this risk can be hedged by using a margin management system that ensures that the sub-fund is the beneficiary of security (collateral) in the form of liquid instruments, such as, for instance, cash or investment grade bonds. The relationship with the counterparty or counterparties is governed by standard international agreements.



Derivatives may also be used to hedge the assets of the sub-fund against open exchange rate risks in relation to the currency in which the sub-fund is denominated.

Where derivatives are used, they must be easily transferable and liquid instruments. Using derivatives does not, therefore, have a negative impact on liquidity risk. The use of derivatives may, however, affect the spread of the portfolio across regions, sectors or themes. Consequently, there may be an impact on concentration risk. Derivatives may not be used to protect capital, either fully or partially. They neither increase nor decrease capital risk. In addition, using derivatives has no negative impact on credit risk, settlement risk, custody risk, flexibility risk or inflation risk or risk dependent on external factors.

The UCITS may conclude contracts that entail a credit risk in respect of issuers of debt instruments. Credit risk is the risk that the issuer of the debt instrument will default. This credit risk relates to parties whose creditworthiness at the time the contract is concluded is equal to that of the issuers whose debt instruments the UCITS can hold directly. Credit derivatives may possibly be used both to carry out the investment objectives and to cover the credit risk, but solely within the existing risk profile and without implying any shift to less creditworthy debtors than those the UCITS can invest in.

### Strategy selected

The sub-fund sets out to achieve the highest possible return by investing in line with the investment view of KBC Asset Management NV (see [www.kbc.be/investment-view](http://www.kbc.be/investment-view)). To this end, the fund invests directly or indirectly in various asset classes, such as shares and/or share-related investments ('equity component'), bonds and/or bond-related investments ('bond component'), money market instruments, cash and cash equivalents, and/or alternative investments (including real estate and financial instruments that are linked to price movements on commodity markets).

The target allocation for the asset classes is 30% for the equity component and 70% for the bond component. This allocation may be significantly deviated from in line with the investment view of KBC Asset Management NV, as illustrated below.

Therefore, the sub-fund may invest a sizeable portion of its assets in asset classes that are not included in the target allocation (such as money market instruments and cash). The equity component can amount to a maximum of 45% of the sub-fund.

When applying KBC Asset Management NV's investment view, the management bases their investment decisions on the analysis of the financial and economic developments and prospects for specific regions, sectors and themes. If conditions on the financial markets are uncertain, volatile or both, part of the portfolio can also be converted into investments with a lower level of risk (such as money market instruments and cash). If the equity component outperforms the bond component, or vice versa, the managers can likewise use part of the portfolio to buy additional assets in the best-performing of these two classes and sell assets in the worst-performing one.

When applying KBC Asset Management NV's investment view, the managers pay twice as much attention to the downside risk as to the upside potential. The more attention that is paid to downside risk, the larger the portion of the portfolio that can be converted into investments with a lower level of risk, such as cash and money market instruments, in times of uncertain and/or volatile markets. This part of the portfolio will ultimately amount to between 40% and 80% of the assets. This limit is indicative and may be reviewed annually based on the long-term trend of the financial markets. Any change to this indicative limit does not imply a change in the strategy of the sub-fund. However, under certain market conditions, the sub-fund's assets will not be invested in these asset classes in accordance with the pre-set target allocation.

The equity component is invested in a worldwide selection of shares that may come from any region, sector or theme.

For details of the bond component, please see the 'Characteristics of the bonds and debt instruments' section below.

### Characteristics of the bonds and debt instruments

Some of the assets are invested in bonds and debt securities issued by both companies and governments.

The sub-fund invests, directly and/or indirectly, at least 50% of the bonds and debt instruments:

- in securities that have an investment grade (minimum BBB-/Baa3 long term, A3/F3/P3 short term) rating of at least one of the following rating agencies:
  - Moody's (Moody's Investors Service);
  - S&P (Standard & Poor's, a Division of the McGraw-Hill Companies);
  - Fitch (Fitch Ratings), and/or
- in money market instruments whose issuer has been given an investment grade rating of 1 of the above-mentioned rating agencies.

In addition, the subfund can invest up to 50% of the in bonds and debt instruments invested assets

- in securities that have a lower rating (or money market instruments whose issuer has a lower rating)
- in securities for which no credit rating of any of the above mentioned agencies is available (or money market instruments whose issuer does not have a rating of one of above mentioned agencies).

All maturities are taken into consideration when selecting the bonds and debt instruments.

### Investments in assets other than securities or money market instruments

The sub-fund will invest primarily in units of undertakings for collective investment.

## Securities Financing Transactions (SFTs)

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.1. Securities Financing Transactions (SFTs)'.

## General strategy for hedging the exchange risk

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.2. General strategy for hedging the exchange rate risk'.

## Social, ethical and environmental aspects

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.3. Social, ethical and environmental aspects'.

## 2.1.4. Financial portfolio management

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

## 2.1.5. Distributors

KBC Asset Management S.A., 4, Rue du Fort Wallis, L-2714 Luxembourg.

## 2.1.6. Index and benchmark

Not applicable.

## 2.1.7. Policy pursued during the financial year

The investment objective of the fund is to generate the highest possible return while adapting to changing market environments. The asset allocation adapts to these environments using a dynamic model, utilising three diversifying investment techniques. An Opportunities Inspiration that overweight's the best performing asset class, providing a momentum effect. A Protection Inspiration providing a floor protection technique and Long Term Inspiration, which provides a balanced asset allocation. The weight of each in the fund is dependent on the investor's risk and loss profile, while the asset allocation between more risky assets and less risky assets is determined by the aggregate result of the three inspirations.

The funds entered 2019 in a defensive asset allocation position, with increased cash in the Protection Inspiration and reduced equity in the Opportunity Segment. This occurred as a result of equity market declines at the tail-end of 2018, occurring over trade tensions between the US & China and continuing Brexit uncertainty which led to fears of a global growth slowdown.

Equity markets rebounded strongly in H1 2019 with robust US economic growth, positive expectations regarding a potential trade deal between the US & China, supportive Central Bank monetary policy, and reduced political risks within the EU all contributing to positive equity market performance. As a result, the ExpertEase asset allocation moved towards a less defensive position, increasing exposure to equity in the Opportunity and Protection Inspirations and reducing exposure to cash.

The dominant theme throughout 2019 continued to be the US/China trade tensions and its impact on global growth. Returns in August dipped as tensions in this dispute rose, the result of this being that the ExpertEase funds once again started to become more defensive in its allocation to risky assets.

As expectations of a trade deal rose as the year moved into Q4, equity markets responded positively allowing the ExpertEase funds to increase their exposure to risky assets, with the funds ending the year overweight to equity.

The position in the following funds represented more than 25% of the number of units outstanding of that sub-fund:

KBC Bonds Strategic Corporate Bonds 26, 56 %  
KBC Bonds Strategic Euro Corporate Bonds 26,56%  
KBC Bonds Strategic Government Bonds 26, 56 %

In accordance with answer 4(a) of the European Securities and Markets Authority (ESMA) document 'Questions and Answers on the Application of the UCITS Directive', the management company shall assess a rebalancing of the investment portfolio in the best interests of investors, always with a normal prudent management of the investment portfolio in mind.

## 2.1.8. Future policy

Future investment and the allocation to risky assets will be determined by the ExpertEase model.

## 2.1.9. Synthetic risk and reward indicator (SRRI)

Classic Shares: 3 on a scale of 1 (lowest risk) to 7 (highest risk)

Comfort Portfolio Shares: 3 on a scale of 1 (lowest risk) to 7 (highest risk)

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.4. Synthetic risk and reward indicator'

The synthetic risk indicator gives an idea of the risk associated with investing in an undertaking for collective investment or a sub-fund. It measures risk on a scale of zero (least risk) to seven (most risk).

### **Leveraged finance**

The total amount of leveraged finance used by the sub-fund is 145,086,595.70 EUR.

This amount was calculated by multiplying the leverage ratio calculated using the commitment method by the sub-fund's total assets under management.

## 2.2. Balance sheet

<b>Balance sheet layout</b>		<b>31/12/2019</b> (in the currency of the sub-fund)	<b>31/12/2018</b> (in the currency of the sub-fund)
	<b>TOTAL NET ASSETS</b>	2,055,036,830.76	1,709,150,648.54
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
E.	Open-end undertakings for collective investment	2,053,359,703.43	1,703,258,269.34
F.	Derivative financial instruments		
	a) Bonds		
	Futures and forward contracts (+/-)	-82,939.70	
	m) Financial indices		
	Futures and forward contracts (+/-)	-4,049.49	
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	6,665,745.54	1,385,796.87
	c) Collateral	1,809,249.30	
B.	Payables		
	a) Accounts payable (-)	-1,438,289.00	-1,664,053.54
	c) Borrowings (-)	-4,403,310.02	
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	52,224.49	6,857,821.56
<b>VI.</b>	<b>Accruals and deferrals</b>		
C.	Accrued expense (-)	-921,503.79	-687,185.69
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	2,055,036,830.76	1,709,150,648.54
<b>A.</b>	<b>Capital</b>	1,979,266,242.05	1,810,098,627.51
<b>B.</b>	<b>Income equalization</b>	-6,043.63	
<b>D.</b>	<b>Result of the bookyear</b>	75,776,632.34	-100,947,978.99
<hr/>			
	<b>Off-balance-sheet headings</b>		
I.	Collateral (+/-)		
I.A.	Collateral (+/-)		
I.A.b.	Cash at bank and in hand/deposits	1,809,249.30	
III.	Notional amounts of futures and forward contracts (+)		
III.A.	Purchased futures and forward contracts	105,939,148.67	

## 2.3. Profit and loss account

<b>Income Statement</b>		<b>31/12/2019</b> (in the currency of the fund)	<b>31/12/2018</b> (in the currency of the fund)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
E.	Open-end undertakings for collective investment	108,429,588.26	-83,317,394.80
F.	Derivative financial instruments		
	a) Bonds		
	Futures and forward contracts	-976,185.82	-266,635.29
	l) Financial indices		
	Futures and forward contracts	-2,492,377.58	-12,232,411.44
G.	Receivables, deposits, cash at bank and in hand and payables	0.01	
H.	Foreign exchange positions and transactions		
	b) Other foreign exchange positions and transactions	2,171,811.35	6,220,887.91
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	44,905,492.96	19,936,384.46
	Unrealised gains on investments	163,230,913.30	-60,315,887.42
	Realised losses on investments	-38,659,924.53	-57,357,087.13
	Unrealised losses on investments	-62,343,645.51	8,141,036.47
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	-295,492.50	1,497.79
B.	Interests		
	b) Cash at bank and in hand and deposits	7,888.51	2,176.55
C.	Interest on borrowings (-)	-99,679.65	-130,557.73
<b>III.</b>	<b>Other income</b>		
B.	Other	7,789.86	
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-7,463,243.16	-3,359,029.86
B.	Financial expenses (-)	-8,389.76	-16,866.43
C.	Custodian's fee (-)	-2,163.01	
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	-21,449,872.62	-6,359,469.88
	Comfort Portfolio Shares	-12,557.89	0.00
	b) Administration and accounting management	-1,982,268.29	-1,518,049.43
E.	Administrative expenses (-)	-1,000.00	-1,000.00
F.	Formation and organisation expenses (-)	-4,410.90	-6,940.99
G.	Remuneration, social security charges and pension	-336.83	
H.	Services and sundry goods (-)	-10,747.17	-3,256.64
J.	Taxes		
	Classic Shares	-15,689.81	-4,221.28
	Comfort Portfolio Shares	-33.07	0.00
K.	Other expenses (-)	-25,997.59	43,292.53
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	-31,356,203.88	-11,352,425.38
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	75,776,632.34	-100,947,978.99
<b>VII.</b>	<b>Result of the bookyear</b>	75,776,632.34	-100,947,978.99

<b>Appropriation Account</b>		<b>31/12/2019</b> (in the currency of the sub-fund)	<b>31/12/2018</b> (in the currency of the sub-fund)
<b>I.</b>	<b>Profit to be appropriated</b>	75,770,588.71	-100,947,978.99
	Profit for the period available for appropriation	75,776,632.34	-100,947,978.99
	Income on the creation of shares (income on the cancellation of shares)	-6,043.63	
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-73,977,398.64	103,174,678.81
<b>IV.</b>	<b>(Dividends to be paid out)</b>	-1,793,190.07	-2,226,699.82

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of IN.focus KBC ExpertEase Defensive Balanced

Name	Quantity on 31/12/2019	Currency	Price in currency	Evaluation (in the currency of the sub-fund)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Investment funds</b>							
Closed-end funds							
Listed closed-end investment funds							
<u>Belgium</u>							
CELEST INTEREST STRATEGY ORION IS B	263.00	EUR	902.480	237,352.24	3.22	0.01	0.01
KBC EQUITY FUND AMERICA IS B KAP	43,682.45	USD	3,267.380	127,151,159.51	4.89	6.19	6.19
KBC EQUITY FUND STRATEGIC	45,928.95	EUR	953.610	43,798,303.15	10.45	2.13	2.13
KBC PARTICIPATION CASH PLUS IS B KAP	26,093.00	EUR	1,030.657	26,892,933.10	5.11	1.31	1.31
<u>Luxembourg</u>							
KBC BONDS EMU SHORT MEDIUM IS B KAP	176,369.00	EUR	1,189.180	209,734,487.42	11.56	10.22	10.21
KBC BONDS STRATEGIC CORPORATE BONDS	178,429.95	EUR	1,085.880	193,753,508.68	26.56	9.44	9.43
KBC BONDS STRATEGIC EURO CORPORATE BONDS	190,335.24	EUR	1,079.590	205,484,027.15	26.56	10.01	10.00
KBC BONDS STRATEGIC GOVERNMENT BONDS	198,688.75	EUR	919.750	182,743,975.05	26.56	8.90	8.89
KBC INTEREST FUND EURO MEDIUM IS B_KAP	11,354.40	EUR	4,127.230	46,862,199.68	11.34	2.28	2.28
KBC RENTA EURORENTA IS B KAP	14,267.00	EUR	3,116.650	44,465,245.55	9.25	2.17	2.16
KBC RENTA SHORT EUR IS B KAP	64,026.00	EUR	715.550	45,813,804.30	10.74	2.23	2.23
Open-end funds							
UCITS registered with the FSMA							
<u>Belgium</u>							
CELEST CURRENCY STRATEGY LACERTA IS B	4,636.00	EUR	1,035.100	4,798,723.60	2.22	0.23	0.23
CELEST VOLATILITY STRATEGY ANDROMEDA IS B	245.00	EUR	991.950	243,027.75	2.95	0.01	0.01
KBC EQUITY FUND BUYBACK AMERICA IS B KAP	13,097.00	USD	2,347.010	27,384,222.69	3.54	1.33	1.33
KBC EQUITY FUND BUYBACK EUROPE IS B KAP	21,357.00	EUR	1,166.690	24,916,998.33	3.75	1.21	1.21
KBC EQUITY FUND EUROZONE IS B KAP	69,865.65	EUR	585.820	40,928,694.50	6.32	1.99	1.99
KBC EQUITY FUND JAPAN IS B KAP	32,932.09	JPY	66,573.000	17,972,205.75	6.87	0.88	0.88
KBC EQUITY FUND NEW MARKETS IS B KAP	30,192.65	EUR	2,046.870	61,800,435.65	5.26	3.01	3.01
KBC EQUITY FUND QUANT EMU IS B KAP	5,893.28	EUR	924.630	5,449,100.71	7.00	0.27	0.27
KBC EQUITY FUND SATELLITES IS B KAP	4,960.79	EUR	1,557.690	7,727,369.86	5.40	0.38	0.38
KBC EQUITY FUND STRATEGIC CYCLICALS IS KAP	114,451.05	EUR	1,000.300	114,485,382.31	7.45	5.58	5.57
KBC EQUITY FUND STRATEGIC FINANCE IS B KAP	146,190.95	EUR	511.290	74,745,971.34	7.67	3.64	3.64
KBC EQUITY FUND STRATEGIC NON CYCLICALS IS B KAP	147,912.51	EUR	445.600	65,909,813.12	7.65	3.21	3.21
KBC EQUITY FUND STRATEGIC TEL & TECHNOLOGY IS B KAP	479,929.61	EUR	271.810	130,449,667.57	6.76	6.35	6.35
KBC EQUITY FUND US SMALL CAPS IS B KAP	10,233.28	USD	1,974.180	17,997,622.08	4.25	0.88	0.88
KBC MULTI INTEREST EURO MEDIUM IS B KAP	975,802.00	EUR	46.952	45,815,855.50	11.10	2.23	2.23
KBC MULTI INTEREST SRI CASH STANDARD DURATION ISB	40,008.00	EUR	992.621	39,712,780.97	14.82	1.93	1.93
KBC MULTI INTEREST SRI CASH 4 MONTH DURATION IS B	40,701.00	EUR	975.796	39,715,873.00	7.87	1.93	1.93
KBC MULTI INTEREST SRI 3 MONTH DURATION - IS B KAP	40,883.00	EUR	971.417	39,714,441.21	7.72	1.93	1.93
KBC MULTI INTEREST 5 MONTH DURATION IS B	40,798.00	EUR	973.496	39,716,689.81	11.06	1.93	1.93
PLATO INSTITUTIONAL INDEX FUND PACIFIC EQUITY INST B SHARES	2,728.00	EUR	7,889.250	21,521,874.00	2.85	1.05	1.05
<u>Luxembourg</u>							
DNB FUND/LUXEMBOURG TMT ABSOLUTE RETURN-A INST	26,959.00	EUR	113.034	3,047,283.61		0.15	0.15
KBC BONDS SRI STRATEGIC EMU SHORT MEDIUM ISB C	90,468.00	EUR	1,000.130	90,479,760.84	5.57	4.41	4.40
SCHRODER ISF-EURIZON ABS PRUD Z ACC	37,201.00	EUR	127.920	4,758,751.92		0.23	0.23
SCHRODER ISF-G FUND A FIX INCOME IC EUR	4,320.00	EUR	1,102.490	4,762,756.80		0.23	0.23
SCHRODER SCHRODER ISF-EUROPEAN ALAR-CA EUR	24,919.00	EUR	95.004	2,367,404.68		0.12	0.12
Total investment funds				2,053,359,703.43		100.00	99.92
<b>Options and futures</b>							
Exchange-listed futures							
<u>Germany</u>							
EURO - STOXX 50 MAR 20	225.00	EUR	3,729.000	8,390,250.00		0.41	0.41
EURO BOBL 5 YEARS FUTURE MAR 20	294.00	EUR	133.630	39,287,220.00		1.91	1.91
EURO SCHATZ MAR 20	332.00	EUR	111.905	37,152,460.00		1.81	1.81
<u>Japan</u>							
NIKKEI-INDEX MAR 20	32.00	JPY	23,375.000	3,065,883.17		0.15	0.15
<u>U.K.</u>							

FTSE 100 ID X FUT MAR 20	38.00	GBP	7,499.000	3,363,059.33		0.16	0.16
<u>U.S.A.</u>							
STAND & POORS MAR 20	102.00	USD	3,231.100	14,680,276.17		0.72	0.71
Suspense accounts (futures)							
<u>Germany</u>							
EURO - STOXX 50 MAR 20	-8,417,250.00	EUR	1.000	-8,417,250.00		-0.41	-0.41
EURO BOBL 5 YEARS FUTURE DEC 19	-0.05	EUR	1.000	-0.05			
EURO BOBL 5 YEARS FUTURE JUN 19	0.01	EUR	1.000	0.01			
EURO BOBL 5 YEARS FUTURE MAR 20	-39,351,899.99	EUR	1.000	-39,351,899.99		-1.92	-1.92
EURO BOBL 5 YEARS FUTURE SEP 19	0.03	EUR	1.000	0.03			
EURO SCHATZ JUN 19	0.16	EUR	1.000	0.16			
EURO SCHATZ MAR 19	-0.04	EUR	1.000	-0.04			
EURO SCHATZ MAR 20	-37,170,720.00	EUR	1.000	-37,170,720.00		-1.81	-1.81
EURO SCHATZ SEP 19	0.18	EUR	1.000	0.18			
<u>Japan</u>							
NIKKEI-INDEX MAR 20	-380,320,000.00	JPY	1.000	-3,117,691.68		-0.15	-0.15
<u>U.K.</u>							
FTSE 100 ID X FUT MAR 20	-2,865,580.00	GBP	1.000	-3,381,894.97		-0.16	-0.17
<u>U.S.A.</u>							
STAND & POORS MAR 20	-16,373,550.00	USD	1.000	-14,586,681.51		-0.71	-0.71
Total options and futures				-86,989.19		-0.00	-0.00
TOTAL SECURITIES PORTFOLIO				2,053,272,714.24		100.00	99.91
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP EURO	-3,797,129.91	EUR	1.000	-3,797,129.91		-0.19	-0.19
KBC GROUP GBP	-95,577.58	GBP	1.000	-112,798.57		-0.01	-0.01
KBC GROUP JPY	-10,207,395.00	JPY	1.000	-83,675.62		-0.00	-0.00
KBC GROUP NOK	-0.12	NOK	1.000	-0.01			
KBC GROUP PLN	-0.48	PLN	1.000	-0.11			
KBC GROUP USD	-454,792.42	USD	1.000	-405,160.29		-0.02	-0.02
Total demand accounts				-4,398,764.51		-0.21	-0.21
<b>Managed futures accounts</b>							
<u>U.S.A.</u>							
JPMORGAN CHASE & CO EURO FUT REK	109,949.11	EUR	1.000	109,949.11		0.01	0.01
JPMORGAN CHASE & CO FUT.REK.GBP	1,900.00	GBP	1.000	2,242.34			
JPMORGAN CHASE & CO JPY FUT REK	-720,000.00	JPY	1.000	-5,902.23			
JPMORGAN CHASE & CO USD FUT REK	-65,790.00	USD	1.000	-58,610.24		-0.00	-0.00
Total managed futures accounts				47,678.98		0.00	0.00
TOTAL CASH AT BANK AND IN HAND				-4,351,085.53		-0.21	-0.21
OTHER RECEIVABLES AND PAYABLES							
<b>Receivables</b>							
<u>Belgium</u>							
KBC GROUP EUR RECEIVABLE	6,665,745.54	EUR	1.000	6,665,745.54		0.32	0.32
<u>U.S.A.</u>							
JPMORGAN CHASE & CO DEKKING EUR	956,018.59	EUR	1.000	956,018.59		0.05	0.05
JPMORGAN CHASE & CO DEKKING GBP	127,870.00	GBP	1.000	150,909.38		0.01	0.01
JPMORGAN CHASE & CO DEKKING JPY	15,840,000.00	JPY	1.000	129,849.17		0.01	0.01
JPMORGAN CHASE & CO DEKKING USD	642,600.00	USD	1.000	572,472.16		0.03	0.03
Total receivables				8,474,994.84		0.41	0.41
<b>Payables</b>							
<u>Belgium</u>							
KBC GROUP EUR PAYABLE	-1,438,289.00	EUR	1.000	-1,438,289.00		-0.07	-0.07
Payables				-1,438,289.00		-0.07	-0.07
TOTAL RECEIVABLES AND PAYABLES				7,036,705.84		0.34	0.34
OTHER							
Expenses payable		EUR		-921,503.79		-0.04	-0.04
TOTAL OTHER				-921,503.79		-0.05	-0.05
TOTAL NET ASSETS				2,055,036,830.76		100.00	100.00

### Geographic breakdown (as a % of securities portfolio)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
United Arab Emirates	0.13	0.05	0.06	0.08
Argentina	0.00	0.00	0.01	0.02
Australia	0.91	0.21	0.27	0.79
Austria	0.60	1.49	1.14	1.19



Belgium	11.72	20.28	14.56	5.94
Bermuda	0.03	0.00	0.01	0.05
Brazil	0.49	0.08	0.19	0.47
Canada	0.89	1.14	1.71	1.20
Switzerland	1.31	0.46	0.64	1.07
Chile	0.03	0.00	0.00	0.00
China	3.64	0.80	0.54	1.40
Czech Republic	0.11	0.04	0.04	0.07
Cayman Islands	0.27	0.07	0.06	0.07
Cyprus	0.03	0.02	0.04	0.14
Germany	13.16	12.97	12.27	13.57
Denmark	1.06	0.09	0.12	0.23
Spain	3.73	2.32	4.53	5.46
Europe	-1.10	-2.22	0.33	0.75
Finland	0.40	1.20	0.47	0.68
France	20.87	35.11	29.99	21.44
U.K.	4.17	4.86	2.72	2.72
Greece	0.00	0.00	0.01	0.05
Hong Kong	0.46	0.12	0.41	0.74
Hungary	0.12	0.05	0.03	0.03
India	0.29	0.07	0.21	0.43
Indonesia	0.36	0.06	0.08	0.07
Ireland	0.56	0.61	0.92	0.97
Israel	0.09	0.01	0.00	0.01
Italy	4.31	2.01	6.41	8.76
Jersey/The Channel Islands	0.07	0.04	0.00	0.00
Japan	2.11	1.15	1.45	2.46
South Korea	0.82	0.16	0.17	0.51
Lithuania	0.00	0.00	0.00	0.01
Luxembourg	3.81	2.75	1.84	1.46
Monaco	0.00	0.00	0.00	0.01
Mexico	0.51	0.11	0.13	0.23
Malaysia	0.31	0.06	0.05	0.05
Netherlands	3.71	3.88	3.85	4.81
Norway	1.26	0.17	0.20	0.25
New Zealand	0.04	0.03	0.01	0.00
Peru	0.03	0.00	0.02	0.05
Philippines	0.01	0.00	0.01	0.01
Papua New Guinea	0.02	0.01	0.02	0.00
Poland	0.44	0.06	0.05	0.03
Portugal	0.06	0.54	0.80	0.65
Supranational	0.09	0.01	0.02	0.07
Romania	0.07	0.01	0.00	0.00
Russia	0.33	0.08	0.11	0.19
Saudi Arabia	0.03	0.01	0.01	0.01
Singapore	0.10	0.05	0.04	0.11
Sweden	0.47	0.67	0.30	0.79
Thailand	0.13	0.02	0.05	0.05
Turkey	0.24	0.02	0.01	0.02
Taiwan	0.17	0.08	0.20	0.60
U.S.A.	16.07	8.04	12.54	18.96
British Virgin Islands	0.03	0.01	0.00	0.00
EU institutions outside BLEU terr.	0.03	0.02	0.00	0.00
Guernsey The Channel Islands	0.00	0.00	0.17	0.00
South Africa	0.39	0.12	0.18	0.27
TOTAL	100.00	100.00	100.00	100.00

### Sector breakdown (as a % of securities portfolio)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
Cyclicals	11.13	4.99	6.07	8.89
Consum(cycl)	7.47	3.42	4.61	7.31
Cons.goods	3.52	1.94	3.89	3.99
Pharma	3.31	2.17	2.79	4.25
Financials	24.65	17.31	17.66	15.09
Technology	6.86	3.12	4.50	8.55
Telecomm.	1.53	1.14	1.90	2.25
Utilities	1.82	1.13	2.23	1.82
Real est.	0.90	0.54	1.86	1.38
Governm.	38.69	64.30	53.85	44.27
Unit trusts	0.13	0.04	0.20	0.58
Various	(0.01)	-0.10	0.44	1.62
TOTAL	100.00	100.00	100.00	100.00

### Currency breakdown (as a % of net assets)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
AUSTRALIAN DOLLAR	0.22	0.09	0.14	0.47
BRASILIAN REAL	0.46	0.09	0.19	0.47
CANADIAN DOLLAR	0.84	0.45	0.72	0.78
SWISS FRANC	0.44	0.23	0.31	0.67
	0.01	0.00	0.00	0.00
YUAN CHINA	0.08	0.00	0.00	0.00
CZECH KORUNA	0.20	0.02	0.01	1.07
DANISH KRONE	0.31	0.08	0.06	0.05
EURO	73.18	88.96	82.74	70.18
POUND STERLING	1.52	0.72	0.76	1.28
HONG KONG DOLLAR	0.99	0.35	0.74	1.64
HUNGARIAN FORINT	0.13	0.05	0.03	0.03
INDONESIAN RUPIAH	0.37	0.07	0.09	0.08
SHEQUEL ISRAEL	0.07	0.00	0.00	0.01
INDIE RUPEE	0.29	0.07	0.19	0.39
JAPANESE YEN	2.13	0.92	1.48	2.30
KOREAN WON	0.52	0.17	0.17	0.49
MEXICAN PESO	0.32	0.02	0.06	0.08
MALAYSIAN RINGGIT	0.30	0.06	0.05	0.05
NORWEGIAN KRONE	1.16	0.15	0.09	1.18
NEW ZEALAND DOLLAR	0.04	0.03	0.05	-0.03
PESO	0.01	0.00	0.01	0.01
POLISH ZLOTY	0.47	0.05	0.05	0.03
ROMANIAN LEU NEW	0.10	0.01	0.00	0.00
RUSSIAN RUBLE	0.26	0.04	0.04	0.00
SWEDISH KRONA	0.81	0.13	0.10	0.28
SINGAPORE DOLLAR	0.10	0.05	0.03	0.08
THAI BATH	0.12	0.02	0.05	0.05
NEW TURKISH LIRA	0.21	0.02	0.01	0.02
NEW TAIWAN DOLLAR	0.17	0.08	0.21	0.60
US DOLLAR	13.77	6.95	11.44	17.47
SOUTH AFRICAN RAND	0.38	0.12	0.18	0.27
TOTAL	100.00	100.00	100.00	100.00

## 2.4.2. Changes in the composition of the assets of IN.focus KBC ExpertEase Defensive Balanced (in the currency of the sub-fund)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	1,866,729,544.38	2,422,998,782.33	4,289,728,326.71
<b>Sales</b>	1,631,790,514.04	2,443,663,512.77	4,075,454,026.80
<b>Total 1</b>	3,498,520,058.42	4,866,662,295.09	8,365,182,353.51
<b>Subscriptions</b>	356,830,055.47	154,639,668.88	511,469,724.35
<b>Redemptions</b>	95,079,738.50	142,654,864.39	237,734,602.89
<b>Total 2</b>	451,909,793.97	297,294,533.27	749,204,327.24
<b>Monthly average of total assets</b>	1,906,580,299.33	2,048,330,052.04	1.978.617.058.90
<b>Turnover rate</b>	159.79%	223.08%	384.91%

The table above shows the capital volume of portfolio transactions. This volume (adjusted to take account of total subscriptions and redemptions) is also compared to the average net assets at the beginning and end of the period. A figure close to 0% implies that the transactions relating to the securities or transactions relating to the assets (excluding deposits and cash) in a given period only involve subscriptions and redemptions. A negative percentage shows that subscriptions and redemptions entailed few, if any, transactions in the portfolio. Active asset management may result in high turnover rates (monthly percentage >50%).

The detailed list of transactions can be consulted free of charge at the company designated as financial service:  
 CBC Banque SA, Avenue Albert 1er 60, B-5000 Namur  
 KBC Bank NV, Havenlaan 2, B-1080 Brussels

## 2.4.3. Amount of commitments in respect of financial derivatives positions

Name	Currency	Value in currency	In the currency of the sub-fund	Lot-size	Transaction date
EUROBOBL MAR 20	EUR	39,287,220.00	39,287,220.00	1,000.00	20.12.2019
EUROSTOX MAR 20	EUR	8,390,250.00	8,390,250.00	10.00	20.12.2019
EURSCHAT MAR 20	EUR	37,152,460.00	37,152,460.00	1,000.00	20.12.2019
FTSE MAR 20	GBP	2,849,620.00	3,363,059.33	10.00	20.12.2019
JPMORGAN DEKKING EUR	EUR	956,018.59	956,018.59	N/A	31.12.2019
JPMORGAN DEKKING GBP	GBP	127,870.00	150,909.38	N/A	20.12.2019
JPMORGAN DEKKING JPY	JPY	15,840,000.00	129,849.17	N/A	23.12.2019
JPMORGAN DEKKING USD	USD	642,600.00	572,472.16	N/A	20.12.2019
NIKKEI MAR 20	JPY	374,000,000.00	3,065,883.17	500.00	23.12.2019
STPOORS MAR 20	USD	16,478,610.00	14,680,276.17	50.00	20.12.2019

## 2.4.4. Changes in the number of subscriptions and redemptions and the net asset value

## Classic Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2017 - 12	1,076,984.16	150,948.50	31,008.94	6,513.20	1,045,975.23	144,435.30	1,190,410.52
2018 - 12	647,479.13	88,157.00	115,815.93	16,586.11	1,577,638.43	216,006.19	1,793,644.62
2019 - 12	441,785.65	78,204.00	217,648.96	25,269.42	1,801,775.11	268,940.78	2,070,715.89

Period	Amounts received and paid by the UCITS (in the currency of the class)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2017 - 12	1,090,690,157.54	152,798,437.48	31,454,543.46	6,607,801.82
2018 - 12	646,930,250.60	87,173,613.09	115,268,094.78	16,306,162.78
2019 - 12	431,106,155.00	74,983,089.83	213,381,262.00	24,254,757.02

Period	Net asset value End of period (in the currency of the class)		
	Of the class	Of one share	
		Capitalization	Distribution
2017 - 12	1,209,590,357.63	1,016.10	1,016.19
2018 - 12	1,709,150,648.54	954.31	942.51
2019 - 12	2,050,804,596.43	993.35	970.55

## Comfort Portfolio Shares

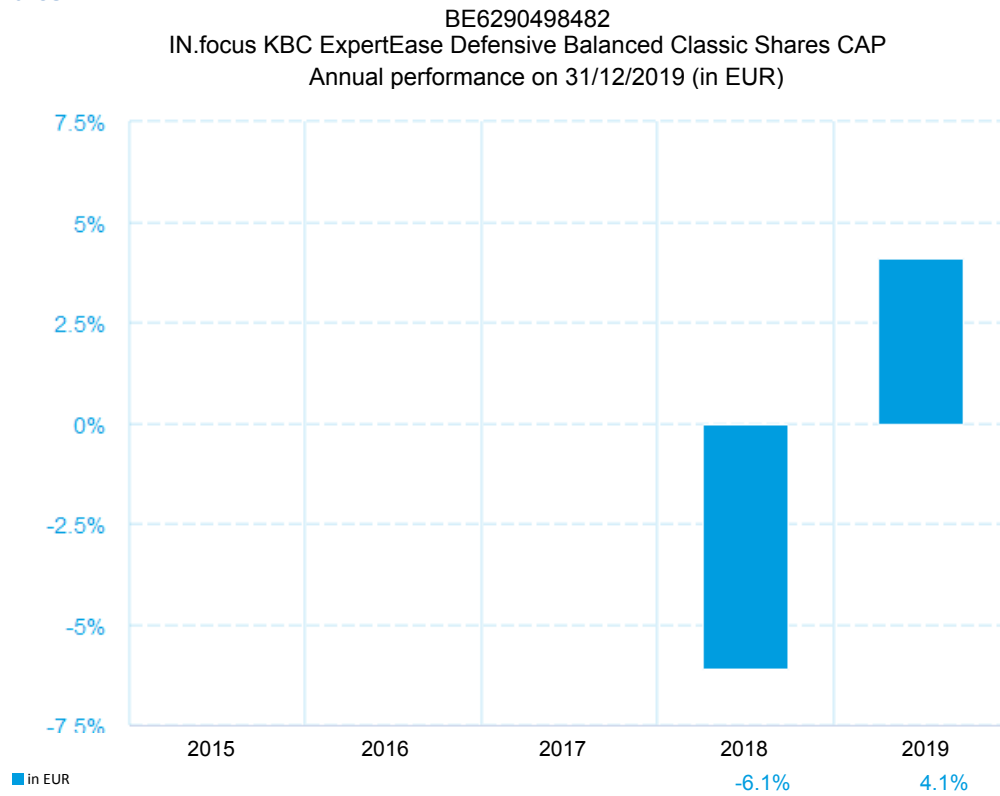
Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2019 - 12	2,684.00	1,484.00	12.96	17.00	2,671.04	1,467.00	4,138.04

Period	Amounts received and paid by the UCITS (in the currency of the class)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2019 - 12	2,707,786.80	1,497,699.05	13,058.00	17,160.94

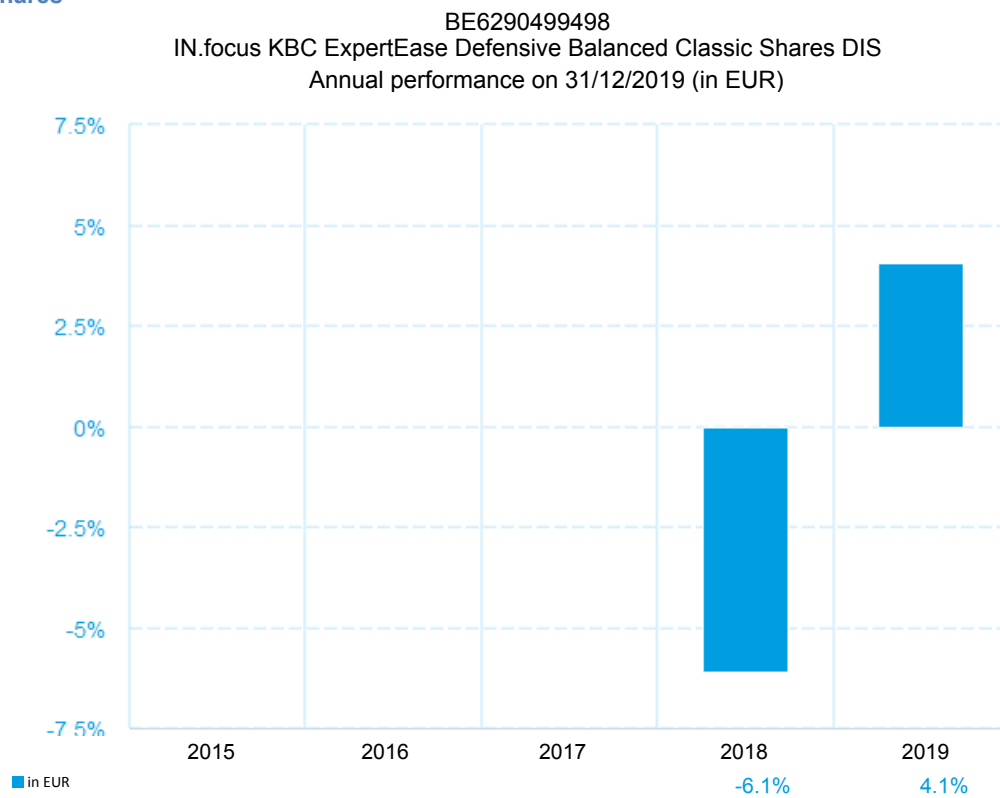
Period	Net asset value End of period (in the currency of the class)		
	Of the class	Of one share	
		Capitalization	Distribution
2019 - 12	4,232,234.33	1,022.54	1,023.18

## 2.4.5. Performance figures

### Classic Shares



### Classic Shares



Cap Div	ISIN Code	Curr ency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
CAP	BE6290498482	EUR	4.08%		%		%		%		31/01/2017	-0.23%
DIS	BE6290499498	EUR	4.08%		%		%		%		31/01/2017	-0.23%

Risk warning: Past performance is not a guide to future performance.

\* Return on annual basis.

### Classic Shares

- The bar chart shows the performance for full financial years.
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage. In the case of units that pay dividends, the dividend is incorporated geometrically in the return.
- Calculation method for date D, where NAV stands for net asset value:

#### Capitalisation units (CAP)

Return on date D over a period of X years :

$$[\text{NIW}(D) / \text{NIW}(Y)]^{[1 / X]} - 1$$

where Y = D-X

Return on date D since the start date S of the unit:

$$[\text{NIW}(D) / \text{NIW}(S)]^{[1 / F]} - 1$$

where F = 1 if the unit has existed for less than one year on date D

where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D

#### Distribution units (DIV)

Return on date D over a period of X years :

$$[C * \text{NIW}(D) / \text{NIW}(Y)]^{[1 / X]} - 1$$

where Y = D-X

Return on date D since the start date S of the unit:

$$[C * \text{NIW}(D) / \text{NIW}(S)]^{[1 / F]} - 1$$

where F = 1 if the unit has existed for less than one year on date D

where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D

where C is a factor that is determined for all N dividends between the calculation date D and the reference date.

For dividend i on date Di with value Wi:

$$C_i = [\text{Wi} / \text{NIW}(D_i)] + 1$$

i = 1 ... N

from which C = C0 \* ... \* CN.

- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the issue and redemption of units.
- These are the performance figures for capitalisation and distribution shares

Dividend on ex-dividend date 28/03/2019: 20,3085 net (10,3085 gross).

**Comfort Portfolio Shares**

BE6311868788  
IN.focus KBC ExpertEase Defensive Balanced Comfort Portfolio Shares CAP  
Annual performance on 31/12/2019 (in EUR)

The cumulative returns are shown where they relate to a period of at least one year.

**Comfort Portfolio Shares**

BE6311870800  
IN.focus KBC ExpertEase Defensive Balanced Comfort Portfolio Shares DIS  
Annual performance on 31/12/2019 (in EUR)

The cumulative returns are shown where they relate to a period of at least one year.

## 2.4.6. Costs

### Ongoing Charges and Transaction costs:

#### Classic Shares Capitalisation :

Ongoing Charges : 2.015%  
Transaction costs : 0.094%

#### Classic Shares Distribution :

Ongoing Charges : 2.018%  
Transaction costs : 0.094%

#### Comfort Portfolio Shares Capitalisation :

Ongoing Charges : %  
Transaction costs : %

#### Comfort Portfolio Shares Distribution :

Ongoing Charges : %  
Transaction costs : %

Percentage calculated at reporting date: 31 December 2019 .

A more detailed explanation with respect to the method of calculating ongoing charges and the relevant exclusions can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.5. Ongoing charges'

More information on how transaction costs are calculated: the transaction costs are not included in the ongoing charges, but are instead shown separately. Moreover, this does not fully reflect the actual transaction costs as only the explicit transaction costs are given.

### Fee for managing the investment portfolio

The management fee amounts to 21,120,062.42 EUR. An additional fee of 342,368.09 EUR was charged regarding commissions and charges for allocating the assets.

### Existence of Commission Sharing Agreements

Not applicable

### Existence of fee sharing agreements and rebates

The management company has shared 54,64% of its fee with the distributor, and institutional and/or professional parties.

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

## 2.4.7. Notes to the financial statements and other data

### Classic Shares

Fee for managing the investment portfolio	1.51%	<p>per yearcalculated on the basis of the average total net assets of the sub-fund.</p> <p>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.</p> <p>KBC Fund Management Limited receives a fee from the management company of max. 1.51% per year, calculated on that part of the portfolio that it manages, without the total management fee received by the management company being exceeded.</p> <p>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.</p>
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	Max 0.04%	per year calculated on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding calendar year, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group.



Fee paid to the bevek's statutory auditor	see the 'Information concerning the Fund - G. Fees and charges regarding the Fund' for this non-structured sub-fund
Annual tax <b>This tax must, in principle, be paid by the management company of the sub-fund, but is charged to the sub-fund.</b>	see the 'Information concerning the Fund - H. Tax treatment'

### Comfort Portfolio Shares

Fee for managing the investment portfolio	Max 1.20%	per year calculated on the basis of the average total net assets of the sub-fund.  For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.  KBC Fund Management Limited receives a fee from the management company of max. 1.51% per year, calculated on that part of the portfolio that it manages, without the total management fee received by the management company being exceeded.  (* ) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	Max 0.04%	per year calculated on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding calendar year, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	see the 'Information concerning the Fund - G. Fees and charges regarding the Fund' for this non-structured sub-fund	
Annual tax <b>This tax must, in principle, be paid by the management company of the sub-fund, but is charged to the sub-fund.</b>	see the 'Information concerning the Fund - H. Tax treatment'	

### Exercising voting rights

If necessary, relevant and in the interest of the shareholders, the management company will exercise the voting rights attached to the shares in the Bevek's portfolio.

The management company will adhere to the following criteria when determining how it stands relative to the items on the agenda that are put to the vote:

- Shareholder value may not be adversely affected.
- Corporate governance rules, especially with regard to the rights of minority shareholders, must be respected.
- The minimum standards with regard to sustainable business and corporate social responsibility must be met.

The list of companies for which voting rights are exercised is available at the registered office of the Bevek.

### Financial derivatives on financial indices

The following financial indices were used as the underlying for financial derivatives::

**The EURO STOXX 50® (Bloomberg code: SX5E Index)** is a weighted equity index computed by Stoxx Ltd. The dividend is not reinvested. The main purpose of this index is to provide a continuous indication of market trends on the European stock markets. The base value of the index is 1000, calculated on the basis of the underlying prices recorded on 31 December 1991.

The Euro Stoxx 50® consists solely of shares from countries participating in the Economic and Monetary Union, with the exception of Luxembourg. On 10 April 1998, the following countries were included in the index: Belgium, Cyprus, Germany, Estonia, Finland, France, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Austria, Portugal, Slovakia, Slovenia and Spain.

The index consists of the 50 largest European shares in terms of shares that are freely negotiable, and the shares are accordingly weighted on the basis of this criterion.

The Euro Stoxx 50® is published daily in L'Echo, De Tijd, The Financial Times and The Wall Street Journal Europe.

Stoxx Limited has all proprietary rights with respect to the index. In no way Stoxx Limited endorses, sponsors or is otherwise involved in the issue and offering the shares of IN.focus KBC ExpertEase Defensive Balanced. Stoxx Limited disclaims any liability for the issue and offering of the shares of this undertaking for collective investment.

The **FTSE 100** is an equity index computed by the Financial Times Ltd. The dividend is not reinvested. It comprises 100 shares. The FTSE 100 serves primarily as a continuous indicator of market trends on the UK stock market. The value of the FTSE 100 is based on the market value of the shares of 100 companies listed on the London Stock Exchange. These are the companies with the biggest market capitalisation, and the shares are weighted accordingly. The base value of the index is 1000, calculated on the basis of the underlying prices recorded on 3 January 1984.

The FTSE 100 is published daily in the leading financial newspapers, i.e. The Financial Times and The Wall Street Journal Europe. In Belgium, the index is published in De Tijd and L'Echo.

Financial Times Ltd has all proprietary rights with respect to the index. In no way Financial Times Ltd endorses, sponsors or is otherwise involved in the issue and offering the shares of this undertaking for collective investment. Financial Times Ltd disclaims any liability for the issue and offering of the shares of this undertaking for collective investment.

The **Nikkei 225** is an equity index computed by Nikkei, Inc. The dividend is not reinvested. It comprises 225 shares. The Nikkei 225 serves primarily as a continuous indicator of market trends on the Japanese stock market. The value of the Nikkei 225 is based on the market value of the shares of 225 companies. These are the 225 leading and most liquid shares on the first section of the Tokyo Stock Exchange. The index was launched on 16 May 1949, with a base value of 176.21.

The Nikkei 225 is published daily in the leading financial newspapers, i.e. The Financial Times and The Wall Street Journal Europe. In Belgium, the index is published in De Tijd and L'Echo.

Nikkei, Inc has all proprietary rights with respect to the index. In no way Nikkei, Inc endorses, sponsors or is otherwise involved in the issue and offering the shares of this undertaking for collective investment. Nikkei, Inc. disclaims any liability for the issue and offering of the shares of this undertaking for collective investment.

The **S&P 500** is an equity index computed by Standard & Poor's that is made up of 500 shares. The dividend is not reinvested. The S&P 500 serves primarily as a continuous indicator of market trends on the US stock markets. The value of the S&P 500 index is calculated on the basis of the market value of the shares of 500 companies at a given point in time, compared to the market value of the shares of 500 similar companies during the reference period from 1941 to 1943. The index is published daily in L'Echo, De Tijd, The Financial Times and The Wall Street Journal Europe.

Standard & Poor's has all proprietary rights with respect to the index. In no way Standard & Poor's endorses, sponsors or is otherwise involved in the issue and offering the shares of this undertaking for collective investment. Standard & Poor's disclaims any liability for the issue and offering of the shares of this undertaking for collective investment.

The value and, if available for distribution, the composition of the aforementioned financial indices may be obtained from the branches providing the financial service.

## Management fees

Name	Maximum management fee
Celest - Interest Strategy - Orion - Institutional B Shares	1.10%
KBC Equity Fund - America - Institutional B Shares	1.50%
KBC Equity Fund - Strategic Satellites - Institutional B Shares	1.50%
KBC Participation - SRI Cash Plus - Institutional B Shares	0.40%
KBC Bonds - EMU Short Medium - Institutional B Shares Capitalisation	1.10%
KBC Bonds - Strategic Corporate Bonds - Institutional B Shares Capitalisation	1.30%
KBC Bonds - Strategic EURO Corporate Bonds - Institutional B Shares Capitalisation	1.30%
KBC Bonds - Strategic Government Bonds - Institutional B Shares Capitalisation	1.30%
KBC Interest Fund - EURO MEDIUM - Institutional B Shares Capitalisation	0.50%
KBC Renta - Eurorenta - Institutional B Shares Capitalisation	1.10%
KBC Renta - Short EUR - Institutional B Shares Capitalisation	1.10%
Celest - Currency Strategy - Lacerta - Institutional B Shares	1.10%
Celest - Volatility Strategy - Andromeda - Institutional B Shares	1.50%
KBC Equity Fund - Buyback America - Institutional B Shares	1.50%
KBC Equity Fund - Buyback Europe - Institutional B Shares	1.50%
KBC Equity Fund - Eurozone - Institutional B Shares	1.50%
KBC Equity Fund - Japan - Institutional B Shares	1.50%
KBC Equity Fund - New Markets - Institutional B Shares	1.60%
KBC Equity Fund - Quant EMU - Institutional B Shares	1.50%
KBC Equity Fund - Satellites - Institutional B Shares	1.50%
KBC Equity Fund - Strategic Cyclical - Institutional B Shares	1.50%
KBC Equity Fund - Strategic Finance - Institutional B Shares	1.50%
KBC Equity Fund - Strategic Non Cyclical - Institutional B Shares	1.50%
KBC Equity Fund - Strategic Communication Services & Technology - Institutional B Shares	1.50%
KBC Equity Fund - US Small Caps - Institutional B Shares	1.50%
KBC Multi Interest - EURO Medium - Institutional B Shares	0.40%
KBC Multi Interest - SRI Cash Standard Duration - Institutional B Shares	0.40%
KBC Multi Interest - SRI Cash 4 Month Duration - Institutional B Shares	0.40%
KBC Multi Interest - SRI Cash 3 Month Duration - Institutional B Shares	0.40%
KBC Multi Interest - Cash 5 Month Duration - Institutional B Shares	0.40%
Plato Institutional Index Fund - Pacific Equity - Institutional B Shares EUR	0.50%
KBC Bonds - SRI Strategic EMU Short Medium - Institutional B Shares Capitalisation	1.10%

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## 2. Information on IN.focus KBC ExpertEase Dynamic

### 2.1. Management report

#### 2.1.1. Launch date and subscription price

##### Capitalisation

Launch date:	31 January 2017
Initial subscription price:	1 000 EUR
Currency:	EUR

##### Distribution

Launch date:	31 January 2017
Initial subscription price:	1 000 EUR
Currency:	EUR

#### 2.1.2. Stock exchange listing

Not applicable.

#### 2.1.3. Goal and key principles of the investment policy

##### Object of the sub-fund

The main objective of this sub-fund is to generate the highest possible return for its shareholders by investing directly or indirectly in transferable securities. This is reflected in its pursuit of capital gains and income. To this end, the assets are invested, either directly or indirectly via correlated financial instruments, primarily in shares.

##### Sub-fund's investment policy

###### Permitted asset classes

The sub-fund may invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described above.

###### Restrictions of the investment policy

The investment policy will be implemented within the limits set by law and regulations. The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

###### Permitted derivatives transactions

**Derivatives can be used both to achieve the investment objectives and to hedge risks.**

**Listed and unlisted derivatives may be used to achieve the objectives: these may be forward contracts, futures, options or swaps on securities, indexes, currencies or interest rates or other transactions involving derivatives.** Unlisted derivatives transactions will only be concluded with prime financial institutions specialised in such transactions.

**Subject to the applicable laws and regulations and the articles of association, the sub-fund always seeks to conclude the most effective transactions. All costs associated with the transactions will be charged to the sub-fund and all income generated will be paid to the sub-fund.**

If the transactions result in a risk in respect of the counterparty, this risk can be hedged by using a margin management system that ensures that the sub-fund is the beneficiary of security (collateral) in the form of liquid instruments, such as, for instance, cash or investment grade bonds. The relationship with the counterparty or counterparties is governed by standard international agreements.

**Derivatives may also be used to hedge the assets of the sub-fund against open exchange rate risks in relation to the currency in which the sub-fund is denominated.**

**Where derivatives are used, they must be easily transferable and liquid instruments. Using derivatives does not, therefore, have a negative impact on liquidity risk.** The use of derivatives may, however, affect the spread of the portfolio across regions, sectors or themes. **Consequently, there may be an impact on concentration risk. Derivatives may not be used to protect capital, either fully or partially. They neither increase nor decrease capital risk. In addition, using derivatives has no negative impact on credit risk, settlement risk, custody**

risk, flexibility risk or inflation risk or risk dependent on external factors.

The UCITS may conclude contracts that entail a credit risk in respect of issuers of debt instruments. Credit risk is the risk that the issuer of the debt instrument will default. This credit risk relates to parties whose creditworthiness at the time the contract is concluded is equal to that of the issuers whose debt instruments the UCITS can hold directly. Credit derivatives may possibly be used both to carry out the investment objectives and to cover the credit risk, but solely within the existing risk profile and without implying any shift to less creditworthy debtors than those the UCITS can invest in.

### **Strategy selected**

The sub-fund sets out to achieve the highest possible return by investing directly or indirectly in various asset classes, such as shares and/or share-related investments ("the stock component"), bonds and/or bond-related investments ("the bond component"), money market instruments, cash and/or alternative investments (including real estate and financial instruments that are linked to price movements on the commodity market).

The target allocation for the asset classes is 55% shares and/or share-related investments ('the stock component') and 45% bonds and/or bond-related investments ('the bond component').

The target allocation may be deviated from in line with the investment strategy of KBC Asset Management NV (see [www.kbc.be/investment-strategy](http://www.kbc.be/investment-strategy)). It is therefore possible for the sub-fund to invest in asset classes that are not included in the target allocation. The portfolio is generally evenly allocated between shares and bonds.

The stock component is invested in a worldwide selection of shares that may come from any region, sector or theme.

For details of the bond component, please see the 'Characteristics of the bonds and debt instruments' section, below.

### **Characteristics of the bonds and debt instruments**

The subfund invests directly and/or indirectly at least 50% of the in bonds and debt instruments invested assets.

The bonds and other debt instruments must be issued by governments and/or companies.

- in securities that have an investment grade (minimum BBB-/Baa3 long term, A3/F3/P3 short term) rating of at least one of the following rating agencies:

o Moody's (Moody's Investors Service);

o S&P (Standard & Poor's, a Division of the McGraw-Hill Companies);

o Fitch (Fitch Ratings), and/or

- in money market instruments whose issuer has been given an investment grade rating of 1 of the above-mentioned rating agencies.

In addition, the subfund can invest up to 50% of the in bonds and debt instruments invested assets

- in securities that have a lower rating (or money market instruments whose issuer has a lower rating)

- in securities for which no credit rating of any of the above mentioned agencies is available (or money market instruments whose issuer does not have a rating of one of above mentioned agencies).

All maturities are taken into consideration when selecting the bonds and debt instruments.

### **Investments in assets other than securities or money market instruments**

The sub-fund will invest primarily in units of undertakings for collective investment.

### **Securities Financing Transactions (SFTs)**

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.1. Securities Financing Transactions (SFTs)'.

### **General strategy for hedging the exchange risk**

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.2. General strategy for hedging the exchange rate risk'.

### **Social, ethical and environmental aspects**

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.3. Social, ethical and environmental aspects'

## **2.1.4. Financial portfolio management**

There is no delegation of the management of the asset allocation.

## **2.1.5. Distributors**

KBC Asset Management S.A., 4, Rue du Fort Wallis, L-2714 Luxembourg.

## **2.1.6. Index and benchmark**

Not applicable.

## **2.1.7. Policy pursued during the financial year**

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for a review of the market.

### **2.1.8. Future policy**

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for an overview of the outlook.

### **2.1.9. Synthetic risk and reward indicator (SRRI)**

4 on a scale of 1 (lowest risk) to 7 (highest risk)

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.4. Synthetic risk and reward indicator'

The synthetic risk indicator gives an idea of the risk associated with investing in an undertaking for collective investment or a sub-fund. It measures risk on a scale of zero (least risk) to seven (most risk).

#### ***Leveraged finance***

The total amount of leveraged finance used by the sub-fund is 13,937,354.41 EUR.

This amount was calculated by multiplying the leverage ratio calculated using the commitment method by the sub-fund's total assets under management.



## 2.2. Balance sheet

<b>Balance sheet layout</b>		<b>31/12/2019</b> (in the currency of the sub-fund)	<b>31/12/2018</b> (in the currency of the sub-fund)
	<b>TOTAL NET ASSETS</b>	407,306,611.87	290,133,953.82
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
E.	Open-end undertakings for collective investment	401,189,018.73	288,981,803.45
F.	Derivative financial instruments		
	j) Foreign exchange		
	Futures and forward contracts (+/-)		989.09
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	156,723.45	877,835.17
B.	Payables		
	a) Accounts payable (-)	-32,580.98	-1,078,867.65
	c) Borrowings (-)	-14,853.33	-424,346.56
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	6,204,865.62	1,900,037.50
<b>VI.</b>	<b>Accruals and deferrals</b>		
C.	Accrued expense (-)	-196,561.62	-123,497.18
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	407,306,611.87	290,133,953.82
<b>A.</b>	<b>Capital</b>	365,086,372.60	314,579,273.71
<b>B.</b>	<b>Income equalization</b>	-1,174.25	-7,775.25
<b>D.</b>	<b>Result of the bookyear</b>	42,221,413.52	-24,437,544.64
<b>Off-balance-sheet headings</b>			
III.	Notional amounts of futures and forward contracts (+)		
III.A.	Purchased futures and forward contracts		131,557.23

## 2.3. Profit and loss account

<b>Income Statement</b>		<b>31/12/2019</b> (in the currency of the fund)	<b>31/12/2018</b> (in the currency of the fund)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
E.	Open-end undertakings for collective investment	45,944,750.14	-25,040,459.16
F.	Derivative financial instruments		
	l) Financial indices		
	Futures and forward contracts	-90,913.97	
H.	Foreign exchange positions and transactions		
	a) Derivative financial instruments		
	Futures and forward contracts	-989.09	989.09
	b) Other foreign exchange positions and transactions	769,029.25	1,695,632.13
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	4,922,455.63	1,756,021.77
	Unrealised gains on investments	24,873,977.69	-3,643,960.22
	Realised losses on investments	-2,394,283.56	-2,727,848.63
	Unrealised losses on investments	19,219,726.57	-18,728,050.86
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	-10,057.61	-6,444.49
B.	Interests		
	b) Cash at bank and in hand and deposits	67.73	23.04
C.	Interest on borrowings (-)	-27,600.91	-16,615.42
<b>III.</b>	<b>Other income</b>		
B.	Other	6,058.86	
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-444,683.60	-452,534.06
B.	Financial expenses (-)	-462.56	-122.85
C.	Custodian's fee (-)	-1,565.40	
D.	Manager's fee (-)		
	a) Financial management	-3,547,225.38	-349,788.08
	b) Administration and accounting management	-352,053.16	-209,358.13
E.	Administrative expenses (-)	-1,000.00	-1,000.00
F.	Formation and organisation expenses (-)	-3,538.27	-4,006.64
G.	Remuneration, social security charges and pension	-58.75	
H.	Services and sundry goods (-)	-3,389.19	-2,208.01
J.	Taxes	-16,439.52	-1,083.41
K.	Other expenses (-)	1,484.95	-50,568.65
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	-4,400,462.81	-1,093,706.65
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	42,221,413.52	-24,437,544.64
<b>VII.</b>	<b>Result of the bookyear</b>	42,221,413.52	-24,437,544.64

<b>Appropriation Account</b>		<b>31/12/2019</b> (in the currency of the sub-fund)	<b>31/12/2018</b> (in the currency of the sub-fund)
<b>I.</b>	<b>Profit to be appropriated</b>	42,220,239.27	-24,445,319.89
	Profit for the period available for appropriation	42,221,413.52	-24,437,544.64
	Income on the creation of shares (income on the cancellation of shares)	-1,174.25	-7,775.25
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-41,712,098.36	24,584,487.70
<b>IV.</b>	<b>(Dividends to be paid out)</b>	-508,140.91	-139,167.81

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of IN.focus KBC ExpertEase Dynamic

Name	Quantity on 31/12/2019	Currency	Price in currency	Evaluation (in the currency of the sub-fund)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Investment funds</b>							
Closed-end funds							
Listed closed-end investment funds							
<u>Belgium</u>							
CELEST INTEREST STRATEGY ORION IS B	224.00	EUR	902.480	202,155.52	2.74	0.05	0.05
KBC EQUITY FUND AMERICA IS B KAP	12,563.00	USD	3,267.380	36,568,458.74	1.41	9.12	8.98
KBC EQUITY FUND EMU SMALL & MEDIUM CAPS IS B	1,781.00	EUR	1,907.560	3,397,364.36	1.40	0.85	0.83
KBC INSTITUTIONAL FUND EURO CORP BOND EX FINANCIAL IS B KAP	6,184.00	EUR	1,344.230	8,312,718.32	1.78	2.07	2.04
KBC PARTICIPATION CASH PLUS IS B KAP	3,876.00	EUR	1,030.657	3,994,826.53	0.76	1.00	0.98
<u>Luxembourg</u>							
KBC BONDS CORPORATES EURO IS B KAP	28,379.00	EUR	947.440	26,887,399.76	2.44	6.70	6.60
KBC BONDS EMU SHORT MEDIUM IS B KAP	23,481.00	EUR	1,189.180	27,923,135.58	1.54	6.96	6.86
KBC INTEREST FUND EURO MEDIUM IS B_KAP	1,448.00	EUR	4,127.230	5,976,229.04	1.45	1.49	1.47
KBC RENTA EURORENTA IS B KAP	1,849.00	EUR	3,116.650	5,762,685.85	1.20	1.44	1.42
KBC RENTA SHORT EUR IS B KAP	8,356.00	EUR	715.550	5,979,135.80	1.40	1.49	1.47
KBC RENTA STRATEGIC ACCENTS 1 IS B KAP	21,703.00	EUR	1,107.780	24,042,149.34	2.66	5.99	5.90
Open-end funds							
UCITS registered with the FSMA							
<u>Belgium</u>							
CELEST CURRENCY STRATEGY LACERTA IS B	3,724.00	EUR	1,035.100	3,854,712.40	1.78	0.96	0.95
CELEST DIVIDEND STRATEGY - CYGNUS IS B	2,562.00	EUR	965.500	2,473,611.00	7.94	0.62	0.61
CELEST VOLATILITY STRATEGY ANDROMEDA IS B	209.00	EUR	991.950	207,317.55	2.52	0.05	0.05
KBC ECO FUND WATER IS B KAP	4,440.00	EUR	1,652.060	7,335,146.40	0.77	1.83	1.80
KBC EQUITY FUND BUYBACK AMERICA IS B KAP	3,783.00	USD	2,347.010	7,909,789.60	1.02	1.97	1.94
KBC EQUITY FUND BUYBACK EUROPE IS B KAP	6,189.00	EUR	1,166.690	7,220,644.41	1.09	1.80	1.77
KBC EQUITY FUND EUROZONE IS B KAP	20,043.00	EUR	585.820	11,741,590.26	1.81	2.93	2.88
KBC EQUITY FUND JAPAN IS B KAP	9,431.00	JPY	66,573.000	5,146,830.58	1.97	1.28	1.26
KBC EQUITY FUND NEW MARKETS IS B KAP	8,700.00	EUR	2,046.870	17,807,769.00	1.52	4.44	4.37
KBC EQUITY FUND QUANT EMU IS B KAP	1,727.00	EUR	924.630	1,596,836.01	2.05	0.40	0.39
KBC EQUITY FUND SATELLITES IS B KAP	1,416.00	EUR	1,557.690	2,205,689.04	1.54	0.55	0.54
KBC EQUITY FUND STRATEGIC CYCLICALS IS KAP	33,126.00	EUR	1,000.300	33,135,937.80	2.16	8.26	8.14
KBC EQUITY FUND STRATEGIC FINANCE IS B KAP	42,261.00	EUR	511.290	21,607,626.69	2.22	5.39	5.31
KBC EQUITY FUND STRATEGIC NON CYCLICALS IS B KAP	42,810.00	EUR	445.600	19,076,136.00	2.21	4.76	4.68
KBC EQUITY FUND STRATEGIC TEL & TECHNOLOGY IS B KAP	138,788.00	EUR	271.810	37,723,966.28	1.96	9.40	9.26
KBC EQUITY FUND US SMALL CAPS IS B KAP	2,967.00	USD	1,974.180	5,218,166.65	1.23	1.30	1.28
KBC MASTER FUND MINIMUM VARIANCE GLOBAL IS B KAP	1,135.00	EUR	1,797.390	2,040,037.65	1.31	0.51	0.50
KBC MULTI INTEREST EURO MEDIUM IS B KAP	127,355.00	EUR	46.952	5,979,571.96	1.45	1.49	1.47
KBC MULTI INTEREST SRI CASH 4 MONTH DURATION IS B	4,094.00	EUR	975.796	3,994,908.82	0.79	1.00	0.98
KBC MULTI INTEREST SRI 3 MONTH DURATION - IS B KAP	4,113.00	EUR	971.417	3,995,438.12	0.78	1.00	0.98
KBC MULTI INTEREST 5 MONTH DURATION IS B	4,105.00	EUR	973.496	3,996,201.08	1.11	1.00	0.98
KBC PARTICIPATION SRI CORPORATE BONDS IS B KAP	5,155.00	EUR	1,344.590	6,931,361.45	0.53	1.73	1.70
PLATO INSTITUTIONAL INDEX FUND PACIFIC EQUITY INST B SHARES	786.00	EUR	7,889.250	6,200,950.50	0.82	1.55	1.52
<u>Luxembourg</u>							
DNB FUND/LUXEMBOURG TMT ABSOLUTE RETURN-A INST	22,950.00	EUR	113.034	2,594,130.30		0.65	0.64
KBC BONDS SRI STRATEGIC EMU SHORT MEDIUM ISB C	22,656.00	EUR	1,000.130	22,658,945.28	1.40	5.65	5.56
SCHRODER ISF-EURIZON ABS PRUD Z ACC	30,048.00	EUR	127.920	3,843,740.16		0.96	0.94
SCHRODER ISF-G FUND A FIX INCOME IC EUR	3,506.00	EUR	1,102.490	3,865,329.94		0.96	0.95
SCHRODER SCHRODER ISF-EUROPEAN ALAR-CA EUR	18,740.00	EUR	95.004	1,780,374.96		0.44	0.44
Total investment funds				401,189,018.73		100.00	98.50
TOTAL SECURITIES PORTFOLIO				401,189,018.73		100.00	98.50
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP EURO	6,171,365.18	EUR	1.000	6,171,365.18			1.52
KBC GROUP GBP	2,328.94	GBP	1.000	2,748.56			0.00
KBC GROUP JPY	-1,786,925.00	JPY	1.000	-14,648.40			-0.00
KBC GROUP NOK	20,968.93	NOK	1.000	2,125.86			0.00

KBC GROUP PLN	12,548.28	PLN	1.000	2,951.67		0.00
KBC GROUP USD	28,589.42	USD	1.000	25,469.42		0.01
Total demand accounts				6,190,012.29		1.52
TOTAL CASH AT BANK AND IN HAND				6,190,012.29		1.52
OTHER RECEIVABLES AND PAYABLES						
<b>Receivables</b>						
<u>Belgium</u>						
KBC GROUP EUR RECEIVABLE	156,723.45	EUR	1.000	156,723.45		0.04
Total receivables				156,723.45		0.04
<b>Payables</b>						
<u>Belgium</u>						
KBC GROUP EUR PAYABLE	-32,580.98	EUR	1.000	-32,580.98		-0.01
Payables				-32,580.98		-0.01
TOTAL RECEIVABLES AND PAYABLES				124,142.47		0.03
OTHER						
Expenses payable		EUR		-196,561.62		-0.05
TOTAL OTHER				-196,561.62		-0.05
TOTAL NET ASSETS				407,306,611.87		100.00

### Geographic breakdown (as a % of securities portfolio)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
Netherlands Antilles	0.01	0.00	0.00	0.00
United Arab Emirates	0.09	0.07	0.04	0.08
Argentina	0.05	0.00	0.01	0.04
Australia	0.76	0.48	0.33	0.83
Austria	0.79	1.44	1.03	1.02
Belgium	8.74	8.94	11.12	6.58
Bermuda	0.05	0.03	0.03	0.09
Brazil	0.58	0.29	0.34	0.72
Canada	1.49	1.60	1.80	1.40
Switzerland	1.21	1.06	1.05	1.33
Chile	0.05	0.02	0.02	0.01
China	2.43	1.20	1.05	2.00
Colombia	0.15	0.00	0.01	0.00
Czech Republic	0.39	0.02	0.03	0.03
Cayman Islands	0.25	0.12	0.14	0.10
Cyprus	0.03	0.05	0.08	0.10
Germany	11.28	13.29	10.23	9.05
Denmark	0.81	0.23	0.17	0.15
Spain	3.89	3.26	4.46	4.39
Europe	0.07	-0.67	0.15	0.34
Finland	0.60	1.09	0.63	0.68
France	15.05	22.96	20.84	16.55
U.K.	3.85	3.57	2.45	2.72
Greece	0.01	0.03	0.04	0.08
Hong Kong	0.61	0.39	0.86	1.10
Hungary	0.35	0.08	0.04	0.05
India	0.46	0.29	0.39	0.60
Indonesia	0.27	0.07	0.09	0.12
Ireland	0.69	0.77	1.01	1.00
Israel	0.33	0.01	0.02	0.01
Italy	4.56	3.18	5.62	6.43
Jersey/The Channel Islands	0.09	0.15	0.00	0.00
Japan	3.33	3.14	2.84	3.34
South Korea	1.02	0.63	0.39	0.74
Croatia	0.09	0.00	0.00	0.00
Lithuania	0.00	0.00	0.00	0.01
Luxembourg	1.54	1.02	1.38	3.43
Morocco	0.06	0.01	0.01	0.00
Monaco	0.00	0.00	0.00	0.01
Mexico	0.46	0.08	0.14	0.23

Malaysia	0.30	0.09	0.07	0.03
Netherlands	4.45	4.69	4.76	5.25
Norway	1.08	0.24	0.23	0.25
New Zealand	0.20	0.03	0.01	0.00
Peru	0.07	0.02	0.03	0.07
Philippines	0.03	0.01	0.03	0.00
Papua New Guinea	0.03	0.04	0.03	0.00
Poland	0.57	0.05	0.04	0.05
Puerto Rico	0.00	0.01	0.00	0.00
Portugal	0.10	0.51	0.70	0.59
Supranational	0.22	0.04	0.11	0.04
Romania	0.46	0.00	0.01	0.00
Russia	0.22	0.16	0.12	0.29
Saudi Arabia	0.03	0.01	0.01	0.00
Singapore	0.17	0.15	0.06	0.16
Sweden	0.66	0.65	0.41	0.68
Thailand	0.22	0.08	0.09	0.05
Turkey	0.32	0.01	0.01	0.03
Taiwan	0.29	0.29	0.42	0.86
U.S.A.	23.29	23.62	23.70	25.90
British Virgin Islands	0.02	0.00	0.00	0.00
Outside BLEU territory-(belgo-Lux ec	0.05	0.00	0.00	0.00
EU institutions outside BLEU terr.	0.31	0.04	0.02	0.00
Guernsey The Channel Islands	0.01	0.00	0.00	0.00
South Africa	0.41	0.36	0.30	0.39
TOTAL	100.00	100.00	100.00	100.00

**Sector breakdown (as a % of securities portfolio)**

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
Cyclicals	14.91	13.19	10.35	12.05
Consum(cycl)	9.64	8.08	7.66	9.43
Cons.goods	4.91	4.62	6.19	5.42
Pharma	4.96	6.65	5.35	5.83
Financials	23.28	16.54	16.59	16.61
Technology	11.35	10.29	9.11	12.38
Telecomm.	1.68	2.79	2.83	2.84
Utilities	1.85	1.92	4.02	1.93
Real est.	1.21	1.00	2.83	1.70
Governm.	26.09	34.93	34.16	28.12
Unit trusts	0.11	0.00	0.70	2.33
Various	0.01	-0.01	0.21	1.36
TOTAL	100.00	100.00	100.00	100.00

### Currency breakdown (as a % of net assets)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
ARGENTINIAN PESO	0.03	0.00	0.01	0.00
AUSTRALIAN DOLLAR	0.46	0.31	0.32	0.66
BRASILIAN REAL	0.57	0.32	0.36	0.72
CANADIAN DOLLAR	1.54	1.42	1.48	0.98
SWISS FRANC	0.60	0.78	0.62	1.11
	0.03	0.02	0.02	0.01
YUAN CHINA	0.04	0.00	0.00	0.00
PESO COLUMBIA	0.13	0.00	0.01	0.00
CZECH KORUNA	0.40	0.03	0.03	0.71
DANISH KRONE	0.46	0.23	0.14	0.08
EURO	57.78	64.13	65.10	58.34
POUND STERLING	2.71	2.44	1.57	1.96
HONG KONG DOLLAR	1.74	1.22	1.58	2.43
HUNGARIAN FORINT	0.34	0.08	0.04	0.05
INDONESIAN RUPIAH	0.29	0.12	0.11	0.13
SHEQUEL ISRAEL	0.32	0.02	0.03	0.02
INDIE RUPEE	0.48	0.25	0.37	0.57
JAPANESE YEN	3.27	2.86	2.87	3.29
KOREAN WON	0.88	0.64	0.38	0.73
MEXICAN PESO	0.26	0.05	0.10	0.11
MALAYSIAN RINGGIT	0.29	0.10	0.07	0.03
NORWEGIAN KRONE	1.24	0.39	0.16	0.80
NEW ZEALAND DOLLAR	0.20	0.03	0.17	-0.11
PESO	0.03	0.01	0.03	0.00
POLISH ZLOTY	0.57	0.05	0.05	0.05
RUSSIAN RUBLE	0.18	0.02	0.02	0.01
SWEDISH KRONA	0.64	0.36	0.16	0.55
SINGAPORE DOLLAR	0.17	0.16	0.04	0.12
THAI BATH	0.22	0.08	0.09	0.05
NEW TURKISH LIRA	0.22	0.03	0.01	0.03
NEW TAIWAN DOLLAR	0.30	0.32	0.43	0.87
US DOLLAR	22.73	23.15	23.31	25.31
SOUTH AFRICAN RAND	0.43	0.38	0.32	0.39
TOTAL	100.00	100.00	100.00	100.00

### 2.4.2. Changes in the composition of the assets of IN.focus KBC ExpertEase Dynamic (in the currency of the sub-fund)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	101,282,716.66	134,216,062.93	235,498,779.59
<b>Sales</b>	78,190,081.86	92,879,052.73	171,069,134.59
<b>Total 1</b>	179,472,798.52	227,095,115.66	406,567,914.18
<b>Subscriptions</b>	51,753,733.58	65,400,739.92	117,154,473.50
<b>Redemptions</b>	20,820,524.36	21,066,061.20	41,886,585.56
<b>Total 2</b>	72,574,257.94	86,466,801.12	159,041,059.06
<b>Monthly average of total assets</b>	326,428,551.73	375,261,042.05	351.351.357.99
<b>Turnover rate</b>	32.75%	37.47%	70.45%

The table above shows the capital volume of portfolio transactions. This volume (adjusted to take account of total subscriptions and redemptions) is also compared to the average net assets at the beginning and end of the period. A figure close to 0% implies that the transactions relating to the securities or transactions relating to the assets (excluding deposits and cash) in a given period only involve subscriptions and redemptions. A negative percentage shows that subscriptions and redemptions entailed few, if any, transactions in the portfolio. Active asset management may result in high turnover rates (monthly percentage >50%).

The detailed list of transactions can be consulted free of charge at the company designated as financial service:  
 CBC Banque SA, Avenue Albert 1er 60, B-5000 Namur  
 KBC Bank NV, Havenlaan 2, B-1080 Brussels

### 2.4.3. Amount of commitments in respect of financial derivatives positions

Nil

### 2.4.4. Changes in the number of subscriptions and redemptions and the net asset value

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2017 - 12	117,386.64	11,517.00	2,818.81	765.31	114,567.83	10,751.69	125,319.52
2018 - 12	174,267.66	14,802.00	10,765.37	830.77	278,070.12	24,722.92	302,793.05
2019 - 12	98,930.10	13,400.00	37,716.20	2,385.67	339,284.01	35,737.26	375,021.27

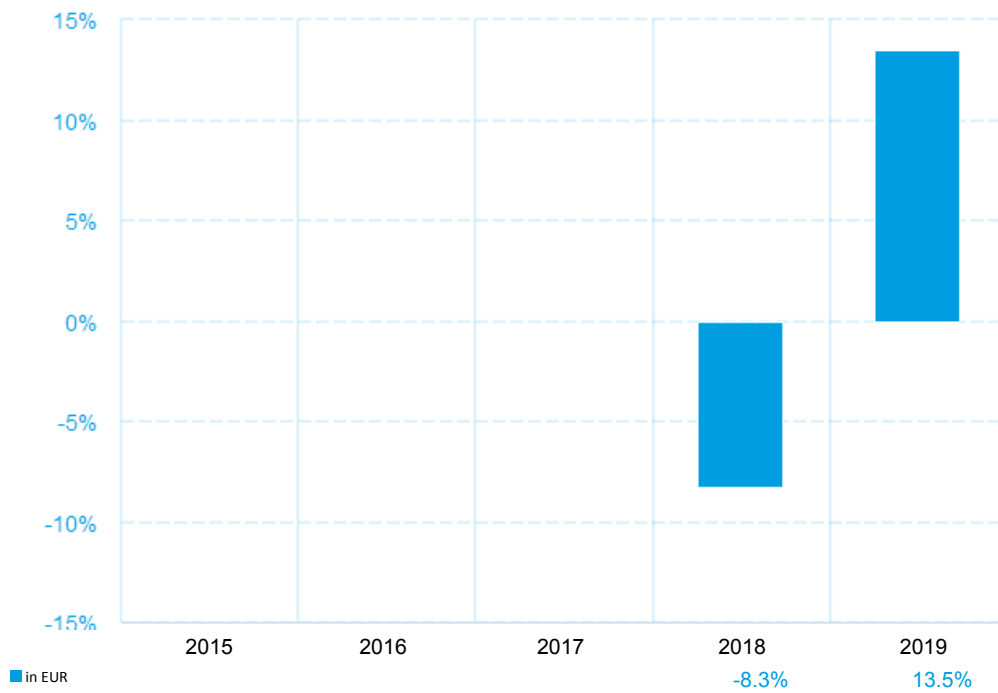
Period	Amounts received and paid by the UCITS (in the currency of the sub-fund)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2017 - 12	120,068,096.61	11,802,822.66	2,925,958.14	781,186.27
2018 - 12	180,567,953.65	15,162,042.54	11,126,596.06	859,760.72
2019 - 12	103,244,739.30	13,744,145.25	39,447,050.22	2,438,864.18

Period	Net asset value End of period (in the currency of the sub-fund)		
	Of the sub-fund	Of one share	
		Capitalization	Distribution
2017 - 12	131,018,694.85	1,045.48	1,045.43
2018 - 12	290,133,953.82	959.38	944.86
2019 - 12	407,306,611.87	1,088.24	1,065.70

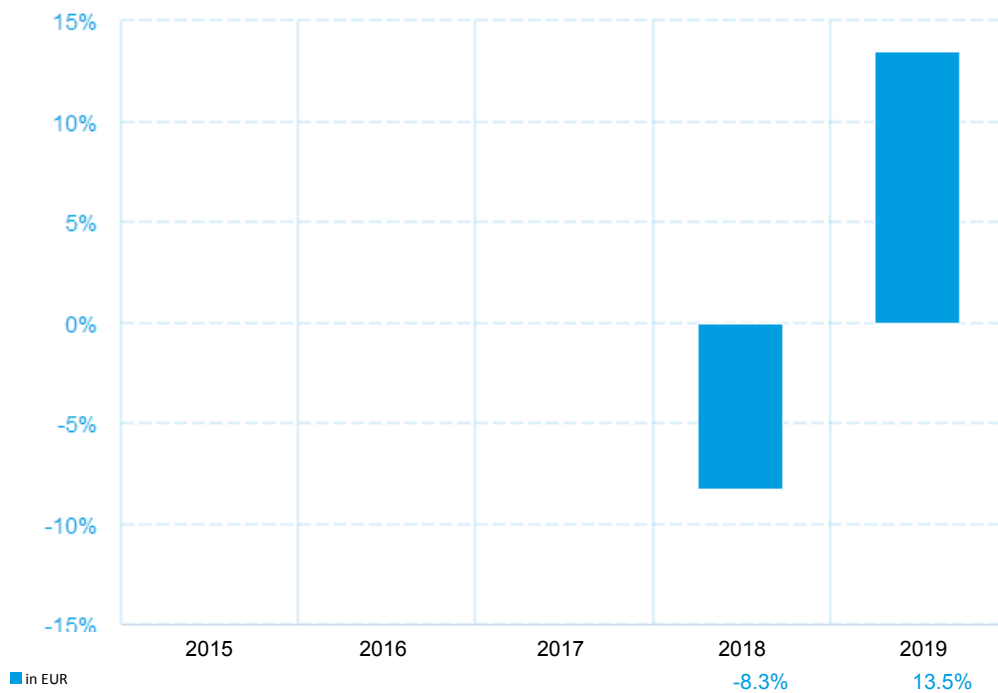


## 2.4.5. Performance figures

BE6290507571  
IN.focus KBC ExpertEase Dynamic CAP  
Annual performance on 31/12/2019 (in EUR)



BE6290508587  
IN.focus KBC ExpertEase Dynamic DIS  
Annual performance on 31/12/2019 (in EUR)



Cap Div	ISIN Code	Curr ency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
CAP	BE6290507571	EUR	13.51%		%		%		%		31/01/2017	2.94%
DIS	BE6290508587	EUR	13.50%		%		%		%		31/01/2017	2.93%

Risk warning: Past performance is not a guide to future performance.

\* Return on annual basis.

- The bar chart shows the performance for full financial years.
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage. In the case of units that pay dividends, the dividend is incorporated geometrically in the return.
- Calculation method for date D, where NAV stands for net asset value:  
Capitalisation units (CAP)  
Return on date D over a period of X years :  

$$[\text{NIW}(D) / \text{NIW}(Y)]^{[1 / X]} - 1$$
where Y = D-X  
Return on date D since the start date S of the unit:  

$$[\text{NIW}(D) / \text{NIW}(S)]^{[1 / F]} - 1$$
where F = 1 if the unit has existed for less than one year on date D  
where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D  
Distribution units (DIV)  
Return on date D over a period of X years :  

$$[C * \text{NIW}(D) / \text{NIW}(Y)]^{[1 / X]} - 1$$
where Y = D-X  
Return on date D since the start date S of the unit:  

$$[C * \text{NIW}(D) / \text{NIW}(S)]^{[1 / F]} - 1$$
where F = 1 if the unit has existed for less than one year on date D  
where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D  
where C is a factor that is determined for all N dividends between the calculation date D and the reference date.  
For dividend i on date Di with value Wi:  

$$C_i = [\text{Wi} / \text{NIW}(D_i)] + 1$$
i = 1 ... N  
from which C = C0 \* ... \* CN.
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the issue and redemption of units.
- These are the performance figures for capitalisation and distribution shares

Dividend on ex-dividend date 28/03/2019: 5,6291 net (5,6291 gross).

## 2.4.6. Costs

### Ongoing Charges and Transaction costs:

#### Capitalisation :

Ongoing Charges : 1.734%  
Transaction costs : 0.130%

#### Distribution :

Ongoing Charges : 1.745%  
Transaction costs : 0.130%

Percentage calculated at reporting date: 31 December 2019 .

A more detailed explanation with respect to the method of calculating ongoing charges and the relevant exclusions can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.5. Ongoing charges'

More information on how transaction costs are calculated: the transaction costs are not included in the ongoing charges, but are instead shown separately. Moreover, this does not fully reflect the actual transaction costs as only the explicit transaction costs are given.

### Fee for managing the investment portfolio

The management fee amounts to 3,525,151.05 EUR. An additional fee of 22,074.33 EUR was charged regarding commissions and charges for allocating the assets.

### Existence of Commission Sharing Agreements

Not applicable

### Existence of fee sharing agreements and rebates

The management company has shared 54,57% of its fee with the distributor, and institutional and/or professional parties.

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

## 2.4.7. Notes to the financial statements and other data

Fee for managing the investment portfolio	1.44%	per year calculated on the basis of the average total net assets of the sub-fund.  For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.  (* ) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	Max 0.04%	per year calculated on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding calendar year, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	see the 'Information concerning the Fund - G. Fees and charges regarding the Fund' for this non-structured sub-fund	
Annual tax <b>This tax must, in principle, be paid by the management company of the sub-fund, but is charged to the sub-fund.</b>	see the 'Information concerning the Fund - H. Tax treatment'	

## Exercising voting rights

If necessary, relevant and in the interest of the shareholders, the management company will exercise the voting rights attached to the shares in the Bevek's portfolio.

The management company will adhere to the following criteria when determining how it stands relative to the items on the agenda that are put to the vote:

- Shareholder value may not be adversely affected.
- Corporate governance rules, especially with regard to the rights of minority shareholders, must be respected.
- The minimum standards with regard to sustainable business and corporate social responsibility must be met.

The list of companies for which voting rights are exercised is available at the registered office of the Bevek.

## Management fees

Name	Maximum management fee
Celest - Interest Strategy - Orion - Institutional B Shares	1.10%
KBC Equity Fund - America - Institutional B Shares	1.50%
KBC Equity Fund - EMU Small & Medium Caps - Institutional B Shares	1.60%
KBC Institutional Fund - Euro Corporate Bonds ex Financials - Institutional B Shares	0.30%
KBC Participation - SRI Cash Plus - Institutional B Shares	0.40%
KBC Bonds - Corporates Euro - Institutional B Shares Capitalisation	1.10%
KBC Bonds - EMU Short Medium - Institutional B Shares Capitalisation	1.10%
KBC Interest Fund - EURO MEDIUM - Institutional B Shares Capitalisation	0.50%
KBC Renta - Eurorenta - Institutional B Shares Capitalisation	1.10%
KBC Renta - Short EUR - Institutional B Shares Capitalisation	1.10%
KBC Renta - Strategic Accents 1 - Institutional B Shares Capitalisation	1.50%
Celest - Currency Strategy - Lacerta - Institutional B Shares	1.10%
Celest - Dividend Strategy - Cygnus - Institutional B Shares	1.20%
Celest - Volatility Strategy - Andromeda - Institutional B Shares	1.50%
KBC Eco Fund - Water - Institutional B Shares	1.50%
KBC Equity Fund - Buyback America - Institutional B Shares	1.50%
KBC Equity Fund - Buyback Europe - Institutional B Shares	1.50%
KBC Equity Fund - Eurozone - Institutional B Shares	1.50%
KBC Equity Fund - Japan - Institutional B Shares	1.50%
KBC Equity Fund - New Markets - Institutional B Shares	1.60%
KBC Equity Fund - Quant EMU - Institutional B Shares	1.50%
KBC Equity Fund - Satellites - Institutional B Shares	1.50%
KBC Equity Fund - Strategic Cyclical - Institutional B Shares	1.50%
KBC Equity Fund - Strategic Finance - Institutional B Shares	1.50%
KBC Equity Fund - Strategic Non Cyclical - Institutional B Shares	1.50%
KBC Equity Fund - Strategic Communication Services & Technology - Institutional B Shares	1.50%
KBC Equity Fund - US Small Caps - Institutional B Shares	1.50%
KBC Master Fund - Minimum Variance Global - Institutional B Shares	1.50%
KBC Multi Interest - EURO Medium - Institutional B Shares	0.40%
KBC Multi Interest - SRI Cash 4 Month Duration - Institutional B Shares	0.40%
KBC Multi Interest - SRI Cash 3 Month Duration - Institutional B Shares	0.40%
KBC Multi Interest - Cash 5 Month Duration - Institutional B Shares	0.40%
KBC Participation - SRI Corporate Bonds - Institutional B Shares	1.25%
Plato Institutional Index Fund - Pacific Equity - Institutional B Shares EUR	0.50%
KBC Bonds - SRI Strategic EMU Short Medium - Institutional B Shares Capitalisation	1.10%

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# 2. Information on IN.focus KBC ExpertEase Dynamic Balanced

## 2.1. Management report

### 2.1.1. Launch date and subscription price

#### **Classic Shares Capitalisation**

Launch date:	31 January 2017
Initial subscription price:	1 000 EUR
Currency:	EUR

#### **Classic Shares Distribution**

Launch date:	31 January 2017
Initial subscription price:	1 000 EUR
Currency:	EUR

#### **Comfort Portfolio Shares Capitalisation**

Launch date:	3 June 2019
Initial subscription price:	1 000 EUR
Currency:	EUR

#### **Comfort Portfolio Shares Distribution**

Launch date:	3 June 2019
Initial subscription price:	1 000 EUR
Currency:	EUR

### 2.1.2. Stock exchange listing

Not applicable.

### 2.1.3. Goal and key principles of the investment policy

#### Object of the sub-fund

The main objective of this sub-fund is to generate the highest possible return for its shareholders by investing directly or indirectly in transferable securities. This is reflected in its pursuit of capital gains and income. To this end, the assets are invested, either directly or indirectly via correlated financial instruments, primarily in shares.

#### Sub-fund's investment policy

##### *Permitted asset classes*

The sub-fund may invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described above.

##### *Restrictions of the investment policy*

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

##### *Permitted derivatives transactions*

**Derivatives can be used both to achieve the investment objectives and to hedge risks.**

**Listed and unlisted derivatives may be used to achieve the objectives: these may be forward contracts, futures, options or swaps on securities, indexes, currencies or interest rates or other transactions involving derivatives.** Unlisted derivatives transactions will only be concluded with prime financial institutions specialised in such transactions.

**Subject to the applicable laws and regulations and the articles of association, the sub-fund always seeks to conclude the most effective transactions. All costs associated with the transactions will be charged to the sub-fund and all income generated will be paid to the sub-fund.**

If the transactions result in a risk in respect of the counterparty, this risk can be hedged by using a margin management system that ensures that the sub-fund is the beneficiary of security (collateral) in the form of liquid instruments, such as, for instance, cash or investment grade bonds. The relationship with the counterparty or counterparties is governed by standard international agreements.

Derivatives may also be used to hedge the assets of the sub-fund against open exchange rate risks in relation to the currency in which the sub-fund is denominated.

Where derivatives are used, they must be easily transferable and liquid instruments. Using derivatives does not, therefore, have a negative impact on liquidity risk. The use of derivatives may, however, affect the spread of the portfolio across regions, sectors or themes. Consequently, there may be an impact on concentration risk. Derivatives may not be used to protect capital, either fully or partially. They neither increase nor decrease capital risk. In addition, using derivatives has no negative impact on credit risk, settlement risk, custody risk, flexibility risk or inflation risk or risk dependent on external factors.

The UCITS may conclude contracts that entail a credit risk in respect of issuers of debt instruments. Credit risk is the risk that the issuer of the debt instrument will default. This credit risk relates to parties whose creditworthiness at the time the contract is concluded is equal to that of the issuers whose debt instruments the UCITS can hold directly. Credit derivatives may possibly be used both to carry out the investment objectives and to cover the credit risk, but solely within the existing risk profile and without implying any shift to less creditworthy debtors than those the UCITS can invest in.

### Strategy selected

The sub-fund sets out to achieve the highest possible return by investing in line with the investment view of KBC Asset Management NV (see [www.kbc.be/investment-view](http://www.kbc.be/investment-view)). To this end, the fund invests directly or indirectly in various asset classes, such as shares and/or share-related investments ('equity component'), bonds and/or bond-related investments ('bond component'), money market instruments, cash and cash equivalents, and/or alternative investments (including real estate and financial instruments that are linked to price movements on commodity markets).

The target allocation for the asset classes is 55% for the equity component and 45% for the bond component.

This allocation may be significantly deviated from in line with the investment view of KBC Asset Management NV, as illustrated below.

Therefore, the sub-fund may invest a sizeable portion of its assets in asset classes that are not included in the target allocation (such as money market instruments and cash). The equity component can amount to maximum 70% of the sub-fund.

When applying KBC Asset Management NV's investment view, the management bases their investment decisions on the analysis of the financial and economic developments and prospects for specific regions, sectors and themes. If conditions on the financial markets are uncertain, volatile or both, part of the portfolio can also be converted into investments with a lower level of risk (such as money market instruments and cash). If the equity component outperforms the bond component, or vice versa, the managers can likewise use part of the portfolio to buy additional assets in the best-performing of these two classes and sell assets in the worst-performing one.

When applying the investment view of KBC Asset Management NV, the management pays twice as much attention to the downside risk as to the upside potential. The more attention that is paid to downside risk, the larger the portion of the portfolio that can be converted into investments with a lower level of risk, such as cash and money market instruments, in times of uncertain and/or volatile markets. This part of the portfolio will ultimately amount to between 25% and 65% of the assets. This limit is indicative and may be reviewed annually based on the long-term trend of the financial markets. Any change to this indicative limit does not imply a change in the strategy of the sub-fund. However, under certain market conditions, the sub-fund's assets will not be invested in these asset classes in accordance with the pre-set target allocation.

The equity component is invested in a worldwide selection of shares that may come from any region, sector or theme.

For details of the bond component, please see the 'Characteristics of the bonds and debt instruments' section below.

### Characteristics of the bonds and debt instruments

Some of the assets are invested in bonds and debt securities issued by both companies and governments.

The sub-fund invests, directly and/or indirectly, at least 50% of the bonds and debt instruments:

- in securities that have an investment grade (minimum BBB-/Baa3 long term, A3/F3/P3 short term) rating of at least one of the following rating agencies:

- Moody's (Moody's Investors Service);
- S&P (Standard & Poor's, a Division of the McGraw-Hill Companies);
- Fitch (Fitch Ratings), and/or

- in money market instruments whose issuer has been given an investment grade rating of 1 of the above-mentioned rating agencies.

In addition, the subfund can invest up to 50% of the in bonds and debt instruments invested assets

- in securities that have a lower rating (or money market instruments whose issuer has a lower rating)

- in securities for which no credit rating of any of the above mentioned agencies is available (or money market instruments whose issuer does not have a rating of one of above mentioned agencies).

All maturities are taken into consideration when selecting the bonds and debt instruments.

### Investments in assets other than securities or money market instruments

The sub-fund will invest primarily in units of undertakings for collective investment.



## Securities Financing Transactions (SFTs)

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.1. Securities Financing Transactions (SFTs)'.

## General strategy for hedging the exchange risk

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.2. General strategy for hedging the exchange rate risk'.

## Social, ethical and environmental aspects

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.3. Social, ethical and environmental aspects'.

## 2.1.4. Financial portfolio management

The intellectual management, with the exception of the creation of the sub-fund and its maintenance in terms of the technical, product-specific and legal aspects has been delegated by the management company to KBC Fund Management Limited, Sandwith Street, Dublin 2, D02 X489, Ireland.

## 2.1.5. Distributors

KBC Asset Management S.A., 4, Rue du Fort Wallis, L-2714 Luxembourg.

## 2.1.6. Index and benchmark

Not applicable.

## 2.1.7. Policy pursued during the financial year

The investment objective of the fund is to generate the highest possible return while adapting to changing market environments. The asset allocation adapts to these environments using a dynamic model, utilising three diversifying investment techniques. An Opportunities Inspiration that overweight's the best performing asset class, providing a momentum effect. A Protection Inspiration providing a floor protection technique and Long Term Inspiration, which provides a balanced asset allocation. The weight of each in the fund is dependent on the investor's risk and loss profile, while the asset allocation between more risky assets and less risky assets is determined by the aggregate result of the three inspirations.

The funds entered 2019 in a defensive asset allocation position, with increased cash in the Protection Inspiration and reduced equity in the Opportunity Segment. This occurred as a result of equity market declines at the tail-end of 2018, occurring over trade tensions between the US & China and continuing Brexit uncertainty which led to fears of a global growth slowdown.

Equity markets rebounded strongly in H1 2019 with robust US economic growth, positive expectations regarding a potential trade deal between the US & China, supportive Central Bank monetary policy, and reduced political risks within the EU all contributing to positive equity market performance. As a result, the ExpertEase asset allocation moved towards a less defensive position, increasing exposure to equity in the Opportunity and Protection Inspirations and reducing exposure to cash.

The dominant theme throughout 2019 continued to be the US/China trade tensions and its impact on global growth. Returns in August dipped as tensions in this dispute rose, the result of this being that the ExpertEase funds once again started to become more defensive in its allocation to risky assets.

As expectations of a trade deal rose as the year moved into Q4, equity markets responded positively allowing the ExpertEase funds to increase their exposure to risky assets, with the funds ending the year overweight to equity.

## 2.1.8. Future policy

Future investment and the allocation to risky assets will be determined by the ExpertEase model.

## 2.1.9. Synthetic risk and reward indicator (SRI)

Classic Shares: 4 on a scale of 1 (lowest risk) to 7 (highest risk)

Comfort Portfolio Shares: 4 on a scale of 1 (lowest risk) to 7 (highest risk)

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.4. Synthetic risk and reward indicator'

The synthetic risk indicator gives an idea of the risk associated with investing in an undertaking for collective investment or a sub-fund. It measures risk on a scale of zero (least risk) to seven (most risk).

## Leveraged finance

The total amount of leveraged finance used by the sub-fund is 43,957,057.27 EUR.

This amount was calculated by multiplying the leverage ratio calculated using the commitment method by the sub-fund's total assets under management.

## 2.2. Balance sheet

<b>Balance sheet layout</b>		<b>31/12/2019</b> (in the currency of the sub-fund)	<b>31/12/2018</b> (in the currency of the sub-fund)
	<b>TOTAL NET ASSETS</b>	1,470,215,791.96	1,207,498,053.98
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
E.	Open-end undertakings for collective investment	1,466,812,592.21	1,204,531,099.92
F.	Derivative financial instruments		
	a) Bonds		
	Futures and forward contracts (+/-)	-0.14	
	j) Foreign exchange		
	Futures and forward contracts (+/-)	-199.25	
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	11,077,464.02	2,212,503.64
B.	Payables		
	a) Accounts payable (-)	-2,746,945.15	-2,228,386.95
	c) Borrowings (-)	-4,312,459.57	
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	95,388.67	3,536,185.19
<b>VI.</b>	<b>Accruals and deferrals</b>		
C.	Accrued expense (-)	-710,048.83	-553,347.82
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	1,470,215,791.96	1,207,498,053.98
<b>A.</b>	<b>Capital</b>	1,361,845,819.72	1,313,161,072.87
<b>B.</b>	<b>Income equalization</b>	-2,758.09	9.03
<b>D.</b>	<b>Result of the bookyear</b>	108,372,730.33	-105,663,027.92
<hr/>			
	<b>Off-balance-sheet headings</b>		
I.	Collateral (+/-)		
I.A.	Collateral (+/-)		
I.A.b.	Cash at bank and in hand/deposits		
III.	Notional amounts of futures and forward contracts (+)		
III.A.	Purchased futures and forward contracts		
III.B.	Written futures and forward contracts	-225,432.59	

## 2.3. Profit and loss account

<b>Income Statement</b>		<b>31/12/2019</b> (in the currency of the fund)	<b>31/12/2018</b> (in the currency of the fund)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
E.	Open-end undertakings for collective investment	130,507,767.11	-89,965,228.60
F.	Derivative financial instruments		
	a) Bonds		
	Futures and forward contracts	276,110.80	-184,901.14
	I) Financial indices		
	Futures and forward contracts	-1,094,875.76	-13,897,119.43
G.	Receivables, deposits, cash at bank and in hand and payables	0.01	
H.	Foreign exchange positions and transactions		
	a) Derivative financial instruments		
	Futures and forward contracts	-199.25	
	b) Other foreign exchange positions and transactions	2,704,009.84	6,323,824.74
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	44,750,666.13	17,381,477.27
	Unrealised gains on investments	72,690,822.28	-63,841,849.34
	Realised losses on investments	-32,692,317.49	-54,079,399.65
	Unrealised losses on investments	47,643,641.83	2,816,347.29
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	-161,916.48	902.85
B.	Interests		
	b) Cash at bank and in hand and deposits	11,484.80	2,463.18
C.	Interest on borrowings (-)	-77,340.70	-132,136.70
<b>III.</b>	<b>Other income</b>		
B.	Other	5,713.48	
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-4,919,102.96	-2,429,757.33
B.	Financial expenses (-)	-8,845.10	-14,546.51
C.	Custodian's fee (-)	-1,638.48	
D.	Manager's fee (-)		
	a) Financial management		
	Classic Shares	-17,416,948.29	-4,250,444.54
	Comfort Portfolio Shares	-62,911.59	0.00
	b) Administration and accounting management	-1,401,265.08	-994,937.71
E.	Administrative expenses (-)	-1,000.00	-1,000.00
F.	Formation and organisation expenses (-)	-3,917.01	-5,989.55
G.	Remuneration, social security charges and pension	-237.77	
H.	Services and sundry goods (-)	-8,506.45	-2,834.47
J.	Taxes		
	Classic Shares	-13,454.06	-1,313.30
	Comfort Portfolio Shares	-180.09	0.00
K.	Other expenses (-)	39,983.36	-110,009.41
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	-24,020,082.42	-7,939,603.51
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	108,372,730.33	-105,663,027.92
<b>VII.</b>	<b>Result of the bookyear</b>	108,372,730.33	-105,663,027.92

<b>Appropriation Account</b>		<b>31/12/2019</b> (in the currency of the sub-fund)	<b>31/12/2018</b> (in the currency of the sub-fund)
<b>I.</b>	<b>Profit to be appropriated</b>	108,369,972.24	-105,663,018.89
	Profit for the period available for appropriation	108,372,730.33	-105,663,027.92
	Income on the creation of shares (income on the cancellation of shares)	-2,758.09	9.03
<b>II.</b>	<b>(Appropriations to) Deductions from capital</b>	-106,606,488.21	107,049,021.47
<b>IV.</b>	<b>(Dividends to be paid out)</b>	-1,763,484.03	-1,386,002.58

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of IN.focus KBC ExpertEase Dynamic Balanced

Name	Quantity on 31/12/2019	Currency	Price in currency	Evaluation (in the currency of the sub-fund)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Investment funds</b>							
Closed-end funds							
Listed closed-end investment funds							
<u>Belgium</u>							
CELEST INTEREST STRATEGY ORION IS B	201.00	EUR	902.480	181,398.48	2.46	0.01	0.01
KBC EQUITY FUND AMERICA IS B KAP	52,961.49	USD	3,267.380	154,160,629.54	5.92	10.51	10.49
KBC EQUITY FUND STRATEGIC	55,686.30	EUR	953.610	53,103,009.68	12.66	3.62	3.61
KBC PARTICIPATION CASH PLUS IS B KAP	19,882.00	EUR	1,030.657	20,491,522.47	3.89	1.40	1.39
<u>Luxembourg</u>							
KBC BONDS EMU SHORT MEDIUM IS B KAP	71,139.00	EUR	1,189.180	84,597,076.02	4.66	5.77	5.75
KBC BONDS STRATEGIC CORPORATE BONDS	71,970.00	EUR	1,085.880	78,150,783.60	10.71	5.33	5.32
KBC BONDS STRATEGIC EURO CORPORATE BONDS	76,772.00	EUR	1,079.590	82,882,283.48	10.71	5.65	5.64
KBC BONDS STRATEGIC GOVERNMENT BONDS	80,141.00	EUR	919.750	73,709,684.75	10.71	5.03	5.01
KBC INTEREST FUND EURO MEDIUM IS B_KAP	4,580.00	EUR	4,127.230	18,902,713.40	4.57	1.29	1.29
KBC RENTA EURORENTA IS B KAP	5,755.00	EUR	3,116.650	17,936,320.75	3.73	1.22	1.22
KBC RENTA SHORT EUR IS B KAP	25,825.00	EUR	715.550	18,479,078.75	4.33	1.26	1.26
Open-end funds							
UCITS registered with the FSMA							
<u>Belgium</u>							
CELEST CURRENCY STRATEGY LACERTA IS B	3,539.00	EUR	1,035.100	3,663,218.90	1.70	0.25	0.25
CELEST VOLATILITY STRATEGY ANDROMEDA IS B	187.00	EUR	991.950	185,494.65	2.25	0.01	0.01
KBC EQUITY FUND BUYBACK AMERICA IS B KAP	15,878.00	USD	2,347.010	33,198,953.03	4.29	2.26	2.26
KBC EQUITY FUND BUYBACK EUROPE IS B KAP	25,895.00	EUR	1,166.690	30,211,437.55	4.55	2.06	2.06
KBC EQUITY FUND EUROZONE IS B KAP	84,707.06	EUR	585.820	49,623,089.89	7.67	3.38	3.38
KBC EQUITY FUND JAPAN IS B KAP	40,333.80	JPY	66,573.000	22,011,582.03	8.42	1.50	1.50
KBC EQUITY FUND NEW MARKETS IS B KAP	36,979.50	EUR	2,046.870	75,692,227.12	6.44	5.16	5.15
KBC EQUITY FUND QUANT EMU IS B KAP	7,144.90	EUR	924.630	6,606,390.74	8.49	0.45	0.45
KBC EQUITY FUND SATELLITES IS B KAP	6,015.06	EUR	1,557.690	9,369,606.60	6.55	0.64	0.64
KBC EQUITY FUND STRATEGIC CYCLICALS IS KAP	138,764.27	EUR	1,000.300	138,805,901.28	9.03	9.46	9.44
KBC EQUITY FUND STRATEGIC FINANCE IS B KAP	177,246.76	EUR	511.290	90,624,497.97	9.30	6.18	6.16
KBC EQUITY FUND STRATEGIC NON CYCLICALS IS B KAP	179,334.44	EUR	445.600	79,911,427.36	9.27	5.45	5.44
KBC EQUITY FUND STRATEGIC TEL & TECHNOLOGY IS B KAP	581,882.77	EUR	271.810	158,161,555.99	8.20	10.78	10.76
KBC EQUITY FUND US SMALL CAPS IS B KAP	12,407.68	USD	1,974.180	21,821,818.91	5.15	1.49	1.48
KBC MULTI INTEREST EURO MEDIUM IS B KAP	393,591.00	EUR	46.952	18,479,884.63	4.48	1.26	1.26
KBC MULTI INTEREST SRI CASH STANDARD DURATION ISB	12,995.00	EUR	992.621	12,899,109.90	4.82	0.88	0.88
KBC MULTI INTEREST SRI CASH 4 MONTH DURATION IS B	13,219.00	EUR	975.796	12,899,047.32	2.55	0.88	0.88
KBC MULTI INTEREST SRI 3 MONTH DURATION - IS B KAP	13,278.00	EUR	971.417	12,898,474.93	2.51	0.88	0.88
KBC MULTI INTEREST 5 MONTH DURATION IS B	13,251.00	EUR	973.496	12,899,795.50	3.59	0.88	0.88
PLATO INSTITUTIONAL INDEX FUND PACIFIC EQUITY INST B SHARES	3,341.00	EUR	7,889.250	26,357,984.25	3.50	1.80	1.79
<u>Luxembourg</u>							
DNB FUND/LUXEMBOURG TMT ABSOLUTE RETURN-A INST	20,579.00	EUR	113.034	2,326,126.69		0.16	0.16
KBC BONDS SRI STRATEGIC EMU SHORT MEDIUM ISB C	36,490.00	EUR	1,000.130	36,494,743.70	2.25	2.49	2.48
SCHRODER ISF-EURIZON ABS PRUD Z ACC	28,397.00	EUR	127.920	3,632,544.24		0.25	0.25
SCHRODER ISF-G FUND A FIX INCOME IC EUR	3,298.00	EUR	1,102.490	3,636,012.02		0.25	0.25
SCHRODER SCHRODER ISF-EUROPEAN ALAR-CA EUR	19,022.00	EUR	95.004	1,807,166.09		0.12	0.12
Total investment funds				1,466,812,592.21		100.00	99.77
<b>Options and futures</b>							
Suspense accounts (futures)							
<u>Germany</u>							
EURO BOBL 5 YEARS FUTURE DEC 19	-0.01	EUR	1.000	-0.01			
EURO BOBL 5 YEARS FUTURE SEP 19	-0.03	EUR	1.000	-0.03			
EURO SCHATZ DEC 19	-0.02	EUR	1.000	-0.02			
EURO SCHATZ MAR 19	-0.07	EUR	1.000	-0.07			
EURO SCHATZ SEP 19	-0.01	EUR	1.000	-0.01			
Total options and futures				-0.14			
Forward contracts		EUR		-199.25			

TOTAL SECURITIES PORTFOLIO				1,466,812,392.82		100.00	99.77
CASH AT BANK AND IN HAND							
<b>Demand accounts</b>							
<u>Belgium</u>							
KBC GROUP EURO	-4,312,459.57	EUR	1.000	-4,312,459.57			-0.29
KBC GROUP GBP	7,162.60	GBP	1.000	8,453.14			0.00
KBC GROUP JPY	8,920,974.00	JPY	1.000	73,130.12			0.01
KBC GROUP NOK	0.19	NOK	1.000	0.02			
KBC GROUP PLN	7,349.11	PLN	1.000	1,728.70			
KBC GROUP USD	13,555.93	USD	1.000	12,076.55			0.00
Total demand accounts				-4,217,071.04			-0.29
<b>Managed futures accounts</b>							
<u>U.S.A.</u>							
JPMORGAN CHASE & CO EURO FUT REK	0.14	EUR	1.000	0.14			
Total managed futures accounts				0.14			
TOTAL CASH AT BANK AND IN HAND				-4,217,070.90			-0.29
OTHER RECEIVABLES AND PAYABLES							
<b>Receivables</b>							
<u>Belgium</u>							
KBC GROUP EUR RECEIVABLE	8,957,437.10	EUR	1.000	8,957,437.10			0.61
KBC GROUP USD RECEIVABLE	2,379,730.22	USD	1.000	2,120,026.92			0.14
Total receivables				11,077,464.02			0.75
<b>Payables</b>							
<u>Belgium</u>							
KBC GROUP EUR PAYABLE	-617,769.20	EUR	1.000	-617,769.20			-0.04
KBC GROUP USD PAYABLE	-2,390,000.00	USD	1.000	-2,129,175.95			-0.14
Payables				-2,746,945.15			-0.19
TOTAL RECEIVABLES AND PAYABLES				8,330,518.87			0.57
OTHER							
Expenses payable		EUR		-710,048.83			-0.05
TOTAL OTHER				-710,048.83			-0.05
TOTAL NET ASSETS				1,470,215,791.96			100.00

### Geographic breakdown (as a % of securities portfolio)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
Netherlands Antilles	0.01	0.00	0.00	0.00
United Arab Emirates	0.12	0.06	0.04	0.05
Argentina	0.00	0.00	0.01	0.04
Australia	0.78	0.30	0.30	0.95
Austria	0.65	1.62	0.91	0.82
Belgium	8.00	15.31	11.93	4.41
Bermuda	0.05	0.00	0.02	0.08
Brazil	0.55	0.18	0.33	0.83
Canada	1.46	1.25	1.95	1.65
Switzerland	1.43	0.67	0.93	1.41
Chile	0.05	0.01	0.02	0.01
China	2.97	0.91	0.92	2.31
Colombia	0.00	0.00	0.00	0.01
Czech Republic	0.11	0.04	0.04	0.05
Cayman Islands	0.23	0.09	0.11	0.08
Cyprus	0.03	0.04	0.06	0.14
Germany	12.97	14.32	10.64	10.09
Denmark	0.96	0.17	0.20	0.21
Spain	3.31	2.63	4.04	4.02
Europe	-0.66	-2.24	0.24	0.43
Finland	0.53	1.21	0.54	0.61
France	16.66	31.39	25.01	16.09
U.K.	3.98	4.31	2.61	2.94
Greece	0.00	0.01	0.04	0.09
Hong Kong	0.67	0.21	0.70	1.25
Hungary	0.12	0.07	0.04	0.07
India	0.50	0.14	0.34	0.70

Indonesia	0.29	0.08	0.09	0.15
Ireland	0.62	0.68	0.85	0.88
Israel	0.11	0.01	0.02	0.01
Italy	3.78	2.46	5.25	5.66
Jersey/The Channel Islands	0.10	0.06	0.00	0.00
Japan	3.55	1.76	2.48	4.00
South Korea	1.10	0.28	0.34	0.90
Lithuania	0.00	0.00	0.00	0.01
Luxembourg	2.15	2.08	1.42	1.28
Monaco	0.00	0.00	0.00	0.01
Mexico	0.36	0.14	0.14	0.22
Malaysia	0.26	0.09	0.07	0.06
Netherlands	3.70	4.22	4.09	4.51
Norway	0.85	0.23	0.22	0.28
New Zealand	0.05	0.03	0.01	0.01
Peru	0.06	0.01	0.02	0.08
Philippines	0.02	0.00	0.04	0.01
Papua New Guinea	0.03	0.02	0.03	0.01
Poland	0.32	0.07	0.06	0.08
Portugal	0.11	0.57	0.59	0.42
Supranational	0.05	0.01	0.01	0.04
Romania	0.07	0.01	0.00	0.00
Russia	0.28	0.11	0.15	0.35
Saudi Arabia	0.02	0.01	0.01	0.01
Singapore	0.16	0.08	0.06	0.20
Sweden	0.61	0.64	0.33	0.68
Thailand	0.16	0.05	0.08	0.07
Turkey	0.18	0.03	0.01	0.04
Taiwan	0.31	0.15	0.40	1.03
U.S.A.	24.72	13.18	20.87	29.20
British Virgin Islands	0.02	0.01	0.00	0.00
EU institutions outside BLEU terr.	0.02	0.02	0.00	0.00
Guernsey The Channel Islands	0.01	0.00	0.12	0.00
South Africa	0.44	0.21	0.27	0.46
TOTAL	100.00	100.00	100.00	100.00

**Sector breakdown (as a % of securities portfolio)**

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
Cyclicals	16.05	7.58	9.29	13.36
Consum(cycl)	10.22	4.95	6.86	10.08
Cons.goods	5.20	2.86	5.74	5.94
Pharma	5.42	3.69	4.77	6.48
Financials	24.11	16.40	17.30	16.36
Technology	11.68	5.39	7.88	14.16
Telecomm.	1.62	1.73	2.65	2.94
Utilities	2.05	1.42	3.49	2.07
Real est.	1.19	0.70	2.69	1.97
Governm.	22.40	55.91	38.81	24.97
Unit trusts	0.08	0.04	0.20	0.62
Various	(0.02)	-0.67	0.32	1.05
TOTAL	100.00	100.00	100.00	100.00

### Currency breakdown (as a % of net assets)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
AUSTRALIAN DOLLAR	0.35	0.14	0.22	0.77
BRASILIAN REAL	0.53	0.20	0.33	0.83
CANADIAN DOLLAR	1.46	0.76	1.23	1.38
SWISS FRANC	0.83	0.43	0.61	1.12
	0.03	0.01	0.02	0.01
YUAN CHINA	0.05	0.00	0.00	0.00
PESO COLUMBIA	0.00	0.00	0.00	0.01
CZECH KORUNA	0.16	0.03	0.03	0.61
DANISH KRONE	0.56	0.16	0.15	0.10
EURO	58.30	80.71	69.58	51.56
POUND STERLING	2.58	1.22	1.38	2.16
HONG KONG DOLLAR	1.74	0.61	1.34	2.82
HUNGARIAN FORINT	0.13	0.07	0.04	0.07
INDONESIAN RUPIAH	0.31	0.11	0.10	0.16
SHEQUEL ISRAEL	0.08	0.01	0.02	0.02
INDIE RUPEE	0.49	0.13	0.32	0.67
JAPANESE YEN	3.48	1.62	2.55	3.91
KOREAN WON	0.94	0.29	0.34	0.89
MEXICAN PESO	0.24	0.05	0.09	0.14
MALAYSIAN RINGGIT	0.25	0.09	0.07	0.06
NORWEGIAN KRONE	0.83	0.20	0.15	0.82
NEW ZEALAND DOLLAR	0.05	0.03	0.05	-0.01
PESO	0.02	0.00	0.04	0.01
POLISH ZLOTY	0.34	0.06	0.06	0.08
ROMANIAN LEU NEW	0.09	0.01	0.00	0.00
RUSSIAN RUBLE	0.16	0.04	0.04	0.02
SWEDISH KRONA	0.80	0.21	0.18	0.43
SINGAPORE DOLLAR	0.17	0.09	0.04	0.15
THAI BATH	0.16	0.05	0.08	0.07
NEW TURKISH LIRA	0.17	0.03	0.01	0.04
NEW TAIWAN DOLLAR	0.32	0.16	0.41	1.04
US DOLLAR	23.92	12.26	20.25	29.60
SOUTH AFRICAN RAND	0.43	0.22	0.27	0.46
TOTAL	100.00	100.00	100.00	100.00

### 2.4.2. Changes in the composition of the assets of IN.focus KBC ExpertEase Dynamic Balanced (in the currency of the sub-fund)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	1,132,891,861.62	1,367,386,509.92	2,500,278,371.54
<b>Sales</b>	1,006,537,687.14	1,386,860,229.35	2,393,397,916.48
<b>Total 1</b>	2,139,429,548.76	2,754,246,739.27	4,893,676,288.03
<b>Subscriptions</b>	233,592,030.16	115,143,410.55	348,735,440.71
<b>Redemptions</b>	81,566,813.93	110,530,200.87	192,097,014.80
<b>Total 2</b>	315,158,844.09	225,673,611.42	540,832,455.51
<b>Monthly average of total assets</b>	1,350,090,446.55	1,446,280,015.31	1.399.183.048.03
<b>Turnover rate</b>	135.12%	174.83%	311.10%

The table above shows the capital volume of portfolio transactions. This volume (adjusted to take account of total subscriptions and redemptions) is also compared to the average net assets at the beginning and end of the period. A figure close to 0% implies that the transactions relating to the securities or transactions relating to the assets (excluding deposits and cash) in a given period only involve subscriptions and redemptions. A negative percentage shows that subscriptions and redemptions entailed few, if any, transactions in the portfolio. Active asset management may result in high turnover rates (monthly percentage >50%).

The detailed list of transactions can be consulted free of charge at the company designated as financial service:  
 CBC Banque SA, Avenue Albert 1er 60, B-5000 Namur  
 KBC Bank NV, Havenlaan 2, B-1080 Brussels



### 2.4.3. Amount of commitments in respect of financial derivatives positions

Name	Currency	Value in currency	In the currency of the sub-fund	Lot-size	Transaction date	
KBC VK-AK 200109-191230 122.0989	JPY-EUR	JPY	-27,500,000.00	-225,432.59	N/A	30.12.2019

### 2.4.4. Changes in the number of subscriptions and redemptions and the net asset value

#### Classic Shares

Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2017 - 12	605,238.18	63,827.00	11,215.99	2,867.27	594,022.19	60,959.73	654,981.93
2018 - 12	610,403.14	67,408.00	53,361.30	6,156.06	1,151,064.03	122,211.67	1,273,275.70
2019 - 12	291,620.83	42,788.00	175,867.18	16,665.90	1,266,817.68	148,333.77	1,415,151.45

Period	Amounts received and paid by the UCITS (in the currency of the class)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2017 - 12	620,460,495.50	65,379,570.76	11,576,267.07	2,972,136.21
2018 - 12	623,906,334.48	68,161,655.05	54,061,472.64	6,124,455.28
2019 - 12	288,647,007.50	41,424,058.83	175,754,887.40	16,254,156.57

Period	Net asset value End of period (in the currency of the class)		
	Of the class	Of one share	
		Capitalization	Distribution
2017 - 12	682,546,523.71	1,042.07	1,042.24
2018 - 12	1,207,498,053.98	949.77	934.89
2019 - 12	1,451,766,733.92	1,028.80	1,000.85

#### Comfort Portfolio Shares

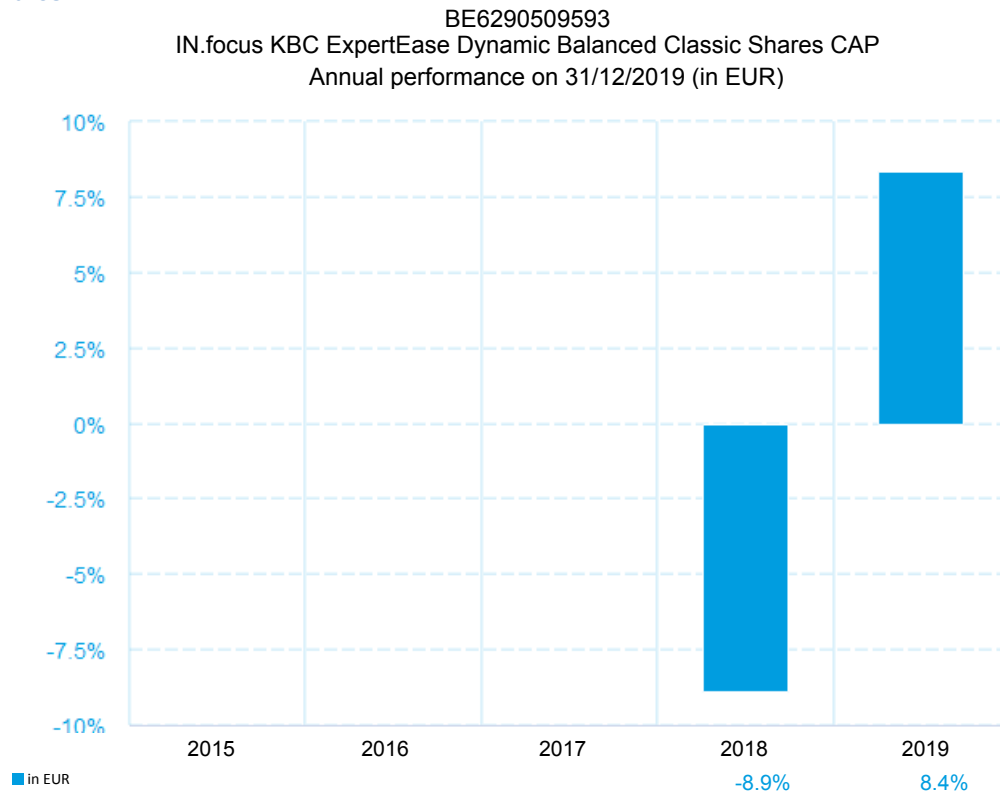
Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2019 - 12	13,426.13	4,247.00	72.00		13,354.13	4,247.00	17,601.13

Period	Amounts received and paid by the UCITS (in the currency of the class)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2019 - 12	13,599,948.13	4,315,217.14	74,250.90	

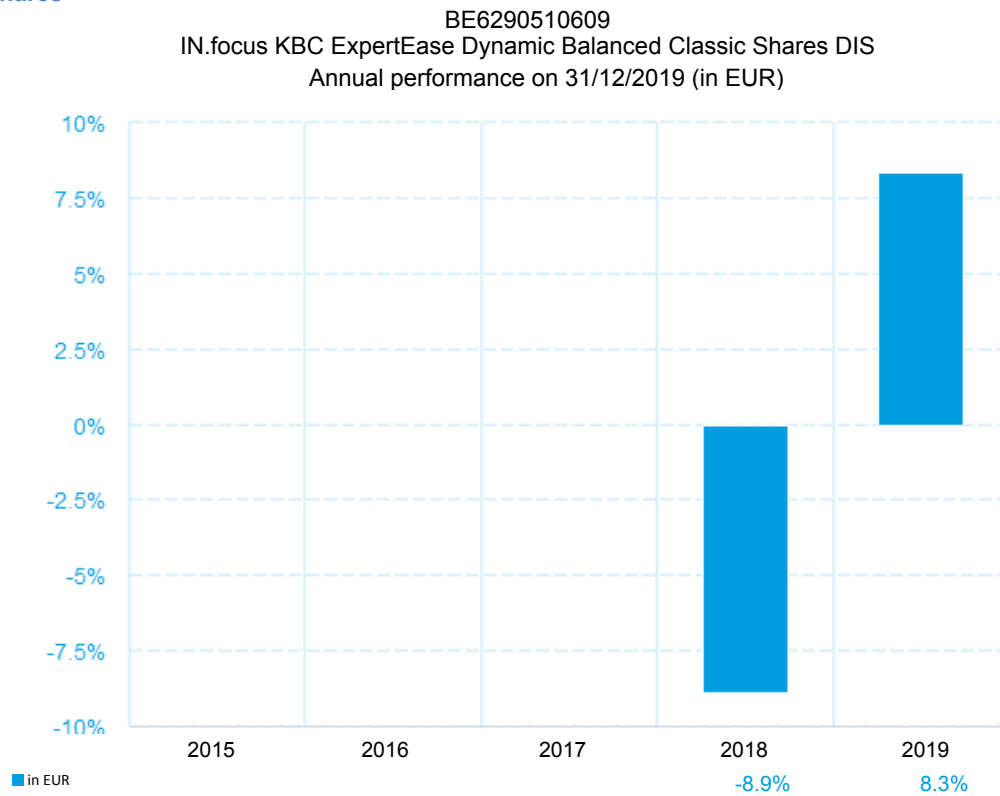
Period	Net asset value End of period (in the currency of the class)		
	Of the class	Of one share	
		Capitalization	Distribution
2019 - 12	18,449,058.04	1,048.13	1,048.31

## 2.4.5. Performance figures

### Classic Shares



### Classic Shares



Cap Div	ISIN Code	Curr ency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
CAP	BE6290509593	EUR	8.35%		%		%		%		31/01/2017	0.97%
DIS	BE6290510609	EUR	8.35%		%		%		%		31/01/2017	0.98%

Risk warning: Past performance is not a guide to future performance.

\* Return on annual basis.

### Classic Shares

- The bar chart shows the performance for full financial years.
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage. In the case of units that pay dividends, the dividend is incorporated geometrically in the return.
- Calculation method for date D, where NAV stands for net asset value:

#### Capitalisation units (CAP)

Return on date D over a period of X years :

$$[\text{NIW}(D) / \text{NIW}(Y)]^{[1 / X]} - 1$$

where Y = D-X

Return on date D since the start date S of the unit:

$$[\text{NIW}(D) / \text{NIW}(S)]^{[1 / F]} - 1$$

where F = 1 if the unit has existed for less than one year on date D

where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D

#### Distribution units (DIV)

Return on date D over a period of X years :

$$[C * \text{NIW}(D) / \text{NIW}(Y)]^{[1 / X]} - 1$$

where Y = D-X

Return on date D since the start date S of the unit:

$$[C * \text{NIW}(D) / \text{NIW}(S)]^{[1 / F]} - 1$$

where F = 1 if the unit has existed for less than one year on date D

where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D

where C is a factor that is determined for all N dividends between the calculation date D and the reference date.

For dividend i on date Di with value Wi:

$$C_i = [\text{Wi} / \text{NIW}(D_i)] + 1$$

i = 1 ... N

from which C = C0 \* ... \* CN.

- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the issue and redemption of units.
- These are the performance figures for capitalisation and distribution shares

Dividend on ex-dividend date 28/03/2019: 11,3410 net (11,3410 gross).

***Comfort Portfolio Shares***

BE6311871816

IN.focus KBC ExpertEase Dynamic Balanced Comfort Portfolio Shares CAP  
Annual performance on 31/12/2019 (in EUR)

The cumulative returns are shown where they relate to a period of at least one year.

***Comfort Portfolio Shares***

BE6311872822

IN.focus KBC ExpertEase Dynamic Balanced Comfort Portfolio Shares DIS  
Annual performance on 31/12/2019 (in EUR)

The cumulative returns are shown where they relate to a period of at least one year.

## 2.4.6. Costs

### Ongoing Charges and Transaction costs:

#### Classic Shares Capitalisation :

Ongoing Charges : 2.206%  
Transaction costs : 0.159%

#### Classic Shares Distribution :

Ongoing Charges : 2.210%  
Transaction costs : 0.159%

#### Comfort Portfolio Shares Capitalisation :

Ongoing Charges : %  
Transaction costs : %

#### Comfort Portfolio Shares Distribution :

Ongoing Charges : %  
Transaction costs : %

Percentage calculated at reporting date: 31 December 2019 .

A more detailed explanation with respect to the method of calculating ongoing charges and the relevant exclusions can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.5. Ongoing charges'

More information on how transaction costs are calculated: the transaction costs are not included in the ongoing charges, but are instead shown separately. Moreover, this does not fully reflect the actual transaction costs as only the explicit transaction costs are given.

### Fee for managing the investment portfolio

The management fee amounts to 17,236,825.28 EUR. An additional fee of 243,034.60 EUR was charged regarding commissions and charges for allocating the assets.

### Existence of Commission Sharing Agreements

Not applicable

### Existence of fee sharing agreements and rebates

The management company has shared 54,69% of its fee with the distributor, and institutional and/or professional parties.

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

## 2.4.7. Notes to the financial statements and other data

### Classic Shares

Fee for managing the investment portfolio	1.69%	<p>per yearcalculated on the basis of the average total net assets of the sub-fund.</p> <p>For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.</p> <p>KBC Fund Management Limited receives a fee from the management company of max. 1.69% per year, calculated on that part of the portfolio that it manages, without the total management fee received by the management company being exceeded.</p> <p>(*) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.</p>
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	Max 0.04%	per year calculated on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding calendar year, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group.

Fee paid to the bevek's statutory auditor	see the 'Information concerning the Fund - G. Fees and charges regarding the Fund' for this non-structured sub-fund
Annual tax <b>This tax must, in principle, be paid by the management company of the sub-fund, but is charged to the sub-fund.</b>	see the 'Information concerning the Fund - H. Tax treatment'

### Comfort Portfolio Shares

Fee for managing the investment portfolio	Max 1.22% 0.00%	per yearcalculated on the basis of the average total net assets of the sub-fund.  For the portion of net assets corresponding to an investment in undertakings for collective investment(*) managed by a financial institution belonging to the KBC group, the fee for managing the investment portfolio equals the difference between the fee for managing the investment portfolio of the aforementioned undertakings for collective investment and the percentage (to the left) that is paid for managing the investment portfolio.  KBC Fund Management Limited receives a fee from the management company of max. 1,69% per year, calculated on that part of the portfolio that it manages, without the total management fee received by the management company being exceeded.  (* ) The fee for the management of the investment portfolio of the undertakings for collective investment in which the sub-fund invests will amount to a year.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	Max 0.04%	per year calculated on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding calendar year, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	see the 'Information concerning the Fund - G. Fees and charges regarding the Fund' for this non-structured sub-fund	
Annual tax <b>This tax must, in principle, be paid by the management company of the sub-fund, but is charged to the sub-fund.</b>	see the 'Information concerning the Fund - H. Tax treatment'	

### Exercising voting rights

If necessary, relevant and in the interest of the shareholders, the management company will exercise the voting rights attached to the shares in the Bevek's portfolio.

The management company will adhere to the following criteria when determining how it stands relative to the items on the agenda that are put to the vote:

- Shareholder value may not be adversely affected.
- Corporate governance rules, especially with regard to the rights of minority shareholders, must be respected.
- The minimum standards with regard to sustainable business and corporate social responsibility must be met.

The list of companies for which voting rights are exercised is available at the registered office of the Bevek.

## Management fees

Name	Maximum management fee
Celest - Interest Strategy - Orion - Institutional B Shares	1.10%
KBC Equity Fund - America - Institutional B Shares	1.50%
KBC Equity Fund - Strategic Satellites - Institutional B Shares	1.50%
KBC Participation - SRI Cash Plus - Institutional B Shares	0.40%
KBC Bonds - EMU Short Medium - Institutional B Shares Capitalisation	1.10%
KBC Bonds - Strategic Corporate Bonds - Institutional B Shares Capitalisation	1.30%
KBC Bonds - Strategic EURO Corporate Bonds - Institutional B Shares Capitalisation	1.30%
KBC Bonds - Strategic Government Bonds - Institutional B Shares Capitalisation	1.30%
KBC Interest Fund - EURO MEDIUM - Institutional B Shares Capitalisation	0.50%
KBC Renta - Eurorenta - Institutional B Shares Capitalisation	1.10%
KBC Renta - Short EUR - Institutional B Shares Capitalisation	1.10%
Celest - Currency Strategy - Lacerta - Institutional B Shares	1.10%
Celest - Volatility Strategy - Andromeda - Institutional B Shares	1.50%
KBC Equity Fund - Buyback America - Institutional B Shares	1.50%
KBC Equity Fund - Buyback Europe - Institutional B Shares	1.50%
KBC Equity Fund - Eurozone - Institutional B Shares	1.50%
KBC Equity Fund - Japan - Institutional B Shares	1.50%
KBC Equity Fund - New Markets - Institutional B Shares	1.60%
KBC Equity Fund - Quant EMU - Institutional B Shares	1.50%
KBC Equity Fund - Satellites - Institutional B Shares	1.50%
KBC Equity Fund - Strategic Cyclical - Institutional B Shares	1.50%
KBC Equity Fund - Strategic Finance - Institutional B Shares	1.50%
KBC Equity Fund - Strategic Non Cyclical - Institutional B Shares	1.50%
KBC Equity Fund - Strategic Communication Services & Technology - Institutional B Shares	1.50%
KBC Equity Fund - US Small Caps - Institutional B Shares	1.50%
KBC Multi Interest - EURO Medium - Institutional B Shares	0.40%
KBC Multi Interest - SRI Cash Standard Duration - Institutional B Shares	0.40%
KBC Multi Interest - SRI Cash 4 Month Duration - Institutional B Shares	0.40%
KBC Multi Interest - SRI Cash 3 Month Duration - Institutional B Shares	0.40%
KBC Multi Interest - Cash 5 Month Duration - Institutional B Shares	0.40%
Plato Institutional Index Fund - Pacific Equity - Institutional B Shares EUR	0.50%
KBC Bonds - SRI Strategic EMU Short Medium - Institutional B Shares Capitalisation	1.10%

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# 2. Information on IN.focus Private Banking Active Income Selection

## 2.1. Management report

### 2.1.1. Launch date and subscription price

#### Distribution

Launch date:	31 October 2014
Initial subscription price:	1 000 EUR
Currency:	EUR

### 2.1.2. Stock exchange listing

Not applicable.

### 2.1.3. Goal and key principles of the investment policy

#### Object of the sub-fund

The main object of the sub-fund is to generate the highest possible return for its unit holders by investing directly or indirectly in transferable securities. This is reflected in its pursuit of capital gains and income

#### Sub-fund's investment policy

##### *Permitted asset classes*

The sub-fund may invest in securities, money market instruments, units in undertakings for collective investment, deposits, financial derivatives, liquid assets and all other instruments insofar as permitted by the applicable laws and regulations and consistent with the object as described above.

The sub-fund shall invest no more than 10% of its assets in units of other undertakings for collective investment.

##### *Restrictions of the investment policy*

The investment policy will be implemented within the limits set by law and regulations.

The sub-fund may borrow up to 10% of its net assets, insofar as these are short-term borrowings aimed at solving temporary liquidity problems.

##### *Permitted derivatives transactions*

**Derivatives can be used both to achieve the investment objectives and to hedge risks.**

**Listed and unlisted derivatives may be used to achieve the objectives: these may be forward contracts, futures, options or swaps on securities, indexes, currencies or interest rates or other transactions involving derivatives.** Unlisted derivatives transactions will only be concluded with prime financial institutions specialised in such transactions.

**Subject to the applicable laws and regulations and the articles of association, the sub-fund always seeks to conclude the most effective transactions. All costs associated with the transactions will be charged to the sub-fund and all income generated will be paid to the sub-fund.**

If the transactions result in a risk in respect of the counterparty, this risk can be hedged by using a margin management system that ensures that the sub-fund is the beneficiary of security (collateral) in the form of liquid instruments, such as, for instance, cash or investment grade bonds. The relationship with the counterparty or counterparties is governed by standard international agreements.

**Derivatives may also be used to hedge the assets of the sub-fund against open exchange rate risks in relation to the currency in which the sub-fund is denominated.**

**Where derivatives are used, they must be easily transferable and liquid instruments. Using derivatives does not, therefore, have a negative impact on liquidity risk.** The use of derivatives may, however, affect the spread of the portfolio across regions, sectors or themes. **Consequently, there may be an impact on concentration risk. Derivatives may not be used to protect capital, either fully or partially. They neither increase nor decrease capital risk. In addition, using derivatives has no negative impact on credit risk, settlement risk, custody risk, flexibility risk or inflation risk or risk dependent on external factors.**

**The UCITS may conclude contracts that entail a credit risk in respect of issuers of debt instruments. Credit risk is the risk that the issuer of the debt instrument will default. This credit risk relates to parties whose creditworthiness at the time the contract is concluded is equal to that of the issuers whose debt instruments**

**the UCITS can hold directly. Credit derivatives may possibly be used both to carry out the investment objectives and to cover the credit risk, but solely within the existing risk profile and without implying any shift to less creditworthy debtors than those the UCITS can invest in.**

### **Strategy selected**

The sub-fund aims to pay a dividend based on dividends received, income from interest-bearing investment instruments and net option premiums from the previous quarter. Net option premiums are calculated as the difference between (1) premiums received on the sale of options and (2) premiums paid on the purchase of options. If the income from the previous quarter is not paid out fully as a dividend, it will be used to build up reserves in the sub-fund.

To this end, the sub-fund will invest in shares ('equity component'), bonds, money market instruments and deposits ('fixed-income component').

The equity component can comprise a minimum of 25% and a maximum of 85% of the assets, while the fixed-income component can comprise a minimum of 15% and a maximum 75% of the assets.

The precise allocation is determined in two steps:

Step 1: A target allocation is set for the assets in the sub-fund. The target allocation is 55% for the equity component and 45% for the fixed-income component. Based on expectations about how these assets will perform, the manager will decide which assets should be overweighted or underweighted compared to the target allocation. This is done on the basis of the monthly investment strategy pursued by KBC Asset Management NV, as also set out at [www.kbcam.be/assetclasses](http://www.kbcam.be/assetclasses).

Step 2: The weighting of the asset class that is expected to deliver the highest income (dividends or coupons) is then adjusted. This is also done on a monthly basis.

The sub-fund will be invested in at least 50 shares and/or fixed-income instruments, denominated in euros.

The sub-fund's equity component will be chiefly invested in the shares of European companies offering a high dividend yield, by which means the manager sets out to mitigate the volatility of the equity component. This volatility is tracked using a quantitative model. The principal parameters of this model are the individual volatility of each share relative to the market and the correlation between these shares. The manager will determine the final allocation of the equity component based on fundamental parameters such as stability and anticipated dividend growth. All sectors may be considered.

The fixed-income component of the sub-fund will be invested in bonds and/or money market instruments and/or debt instruments and/or deposits of both governments and companies. All sectors may be considered.

The listed options will relate mainly to euro-area shares with a high dividend yield.

The quarterly dividend is calculated at the end of each quarter (31 March, 30 June, 30 September and 31 December) and is payable 25 Belgian bank business days after the end of the quarter, following prior verification by the fund's auditor. A dividend notice will be published in this regard before the payment date. The quarterly dividend can vary over time according to the dividend policy of the companies, the payment dates for income from the interest-bearing investment instruments in which the sub-fund has invested, and the net option premiums that are received. The quarterly dividend reflects market conditions and is therefore not guaranteed. If the profit to be allocated for the financial year is negative, the total of the paid quarterly dividends will comprise at most the income actually received from interest-bearing investment instruments, dividends and net option premiums

### **Characteristics of the bonds and debt instruments**

The sub-fund will invest directly and/or indirectly at least 50% of the bonds and debt instruments:

- in investment-grade securities (at least BBB-/Baa3 long term or A3/F3/P3 short term) as rated by at least one of the following rating agencies:
  - Moody's (Moody's Investors Service);
  - S&P (Standard & Poor's, a Division of the McGraw-Hill Companies);
  - Fitch (Fitch Ratings), and/or
- in money market instruments issued by entities that have been assigned an investment grade rating by one of the above agencies.

In addition, the sub-fund may invest up to 50% of the bonds and debt instruments:

- in securities which have a lower credit rating (or, in the case of money market instruments, the issuer has a lower credit rating)
- in securities for which no credit rating is available from one of the above agencies (or, in the case of money market instruments, if the issuer does not have a rating from one of the above agencies).

All maturities are taken into consideration when selecting the bonds and debt instruments. The bonds and debt instruments in which the sub-fund invests, denominated in euros, may be issued by companies, governments or government bodies

### **Securities Financing Transactions (SFTs)**

A more detailed explanation can be found in this report's General information on the Beveik under 'Information for shareholders – 1.2.1.1. Securities Financing Transactions (SFTs)'.

### **General strategy for hedging the exchange risk**

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.2. General strategy for hedging the exchange rate risk'.

### **Social, ethical and environmental aspects**

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.3. Social, ethical and environmental aspects

### **2.1.4. Financial portfolio management**

There is no delegation of the management of the asset allocation.

### **2.1.5. Distributors**

KBC Asset Management S.A., 4, Rue du Fort Wallis, L-2714 Luxembourg.

### **2.1.6. Index and benchmark**

Not applicable.

### **2.1.7. Policy pursued during the financial year**

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for a review of the market.

### **2.1.8. Future policy**

We refer to the General information on the SICAV of this report under '1.2.2. General overview of the markets' for an overview of the outlook.

### **2.1.9. Synthetic risk and reward indicator (SRRI)**

5 on a scale of 1 (lowest risk) to 7 (highest risk)

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.4. Synthetic risk and reward indicator'

The synthetic risk indicator gives an idea of the risk associated with investing in an undertaking for collective investment or a sub-fund. It measures risk on a scale of zero (least risk) to seven (most risk).

### **Leveraged finance**

The total amount of leveraged finance used by the sub-fund is 184,346.39 EUR.

This amount was calculated by multiplying the leverage ratio calculated using the commitment method by the sub-fund's total assets under management.

## 2.2. Balance sheet

<b>Balance sheet layout</b>		<b>31/12/2019</b> (in the currency of the sub-fund)	<b>31/12/2018</b> (in the currency of the sub-fund)
<b>TOTAL NET ASSETS</b>		573,789,904.16	559,556,965.70
<b>II.</b>	<b>Securities, money market instruments, UCIs and derivatives</b>		
A.	Bonds and other debt instruments		
	a) Bonds	135,922,227.09	128,738,181.09
B.	Money market instruments	2,205,230.89	1,400,342.10
C.	Shares and similar instruments		
	a) Shares	417,754,472.16	426,596,228.62
D.	Other securities	182,908.30	368,964.32
F.	Derivative financial instruments		
	a) Bonds		
	Option contracts (+/-)	-1,379,800.00	-1,151,591.00
<b>IV.</b>	<b>Receivables and payables within one year</b>		
A.	Receivables		
	a) Accounts receivable	19,725.99	180,110.57
	c) Collateral	2,974,000.19	2,336,205.94
B.	Payables		
	a) Accounts payable (-)		-827,708.05
<b>V.</b>	<b>Deposits and cash at bank and in hand</b>		
A.	Demand balances at banks	16,864,460.71	2,743,718.41
<b>VI.</b>	<b>Accruals and deferrals</b>		
B.	Accrued income	2,418.95	-0.01
C.	Accrued expense (-)	-755,740.12	-827,486.29
<b>TOTAL SHAREHOLDERS' EQUITY</b>		573,789,904.16	559,556,965.70
<b>A.</b>	<b>Capital</b>	484,961,205.85	667,919,111.11
<b>B.</b>	<b>Income equalization</b>	-941,295.33	-92,197.41
<b>D.</b>	<b>Result of the bookyear</b>	89,769,993.64	-108,269,948.00
<b>Off-balance-sheet headings</b>			
I.	Collateral (+/-)		
I.A.	Collateral (+/-)		
I.A.b.	Cash at bank and in hand/deposits	2,974,000.19	2,336,205.94
II.	Underlying value of option contracts and warrants (+)		
II.B.	Written options and warrants	-34,600,000.00	-31,354,700.00

## 2.3. Profit and loss account

<b>Income Statement</b>		<b>31/12/2019</b> (in the currency of the fund)	<b>31/12/2018</b> (in the currency of the fund)
<b>I.</b>	<b>Net gains(losses) on investments</b>		
A.	Bonds and other debt instruments		
	a) Bonds	7,170,983.86	-3,716,766.89
B.	Money market instruments	-836.14	
C.	Shares and similar instruments		
	a) Shares	73,463,826.72	-111,399,162.85
D.	Other securities	56,731.29	23,415.34
F.	Derivative financial instruments		
	e) Shares		
	options (+/-)	135,514.00	-198,581.72
	l) Financial indices		
	Option contracts	7,240,202.85	5,334,029.14
H.	Foreign exchange positions and transactions		
	b) Other foreign exchange positions and transactions	2,119,026.41	1,518,148.80
	<b>Det.section I gains and losses on investments</b>		
	Realised gains on investments	38,448,161.11	43,640,243.91
	Unrealised gains on investments	36,254,963.06	-58,190,920.00
	Realised losses on investments	-44,370,025.40	-61,016,748.90
	Unrealised losses on investments	49,510,743.80	-48,298,072.81
<b>II.</b>	<b>Investment income and expenses</b>		
A.	Dividends	8,986,634.88	9,994,755.98
B.	Interests		
	a) Securities and money market instruments	830,514.85	1,460,403.95
	b) Cash at bank and in hand and deposits	15.48	20.49
C.	Interest on borrowings (-)	-52,815.47	-165,689.90
F.	Other investment income	42,803.04	230,188.06
<b>III.</b>	<b>Other income</b>		
B.	Other	469.35	900.00
<b>IV.</b>	<b>Operating expenses</b>		
A.	Investment transaction and delivery costs (-)	-1,687,701.40	-1,764,219.67
B.	Financial expenses (-)	-235.45	-380.31
C.	Custodian's fee (-)	-207,826.86	-255,237.07
D.	Manager's fee (-)		
	a) Financial management	-7,214,125.68	-8,180,455.09
	b) Administration and accounting management	-576,831.96	-654,214.17
E.	Administrative expenses (-)	-1,000.00	-1,000.00
F.	Formation and organisation expenses (-)	-11,227.02	-17,774.66
G.	Remuneration, social security charges and pension	-96.29	
H.	Services and sundry goods (-)	-8,764.68	-7,998.64
J.	Taxes	-520,937.11	-513,683.86
K.	Other expenses (-)	5,668.97	43,355.07
	<b>Income and expenditure for the period</b>		
	Subtotal II + III + IV	-415,455.35	168,970.18
<b>V.</b>	<b>Profit (loss) on ordinary activities before tax</b>	89,769,993.64	-108,269,948.00
<b>VII.</b>	<b>Result of the bookyear</b>	89,769,993.64	-108,269,948.00
	* dividends already paid for the financial year	-16,018,799.52	-22,343,998.84

<b>Appropriation Account</b>	<b>31/12/2019</b> (in the currency of the sub-fund)	<b>31/12/2018</b> (in the currency of the sub-fund)
<b>I. Profit to be appropriated</b>	88,828,698.31	-108,362,145.41
Profit for the period available for appropriation	89,769,993.64	-108,269,948.00
Income on the creation of shares (income on the cancellation of shares)	-941,295.33	-92,197.41
<b>II. (Appropriations to) Deductions from capital</b>	-69,568,405.18	135,382,773.16
<b>IV. (Dividends to be paid out)</b>	-19,260,293.13	-27,020,627.75

## 2.4. Composition of the assets and key figures

### 2.4.1. Composition of the assets of IN.focus Private Banking Active Income Selection

Name	Quantity on 31/12/2019	Currency	Price in currency	Evaluation (in the currency of the sub-fund)	% owned by UCI	% portfolio	% Net assets
NET ASSETS							
SECURITIES PORTFOLIO							
<b>Bonds</b>							
Government bonds							
<u>Chile</u>							
REPUBLIC OF CHILE 15/30 +1.875% 27/05 27/05	700,000.00	EUR	112.467	792,889.61		0.14	0.14
<u>China</u>							
EX-IM BANK OF CHINA 17/20 0.25% 14-3	800,000.00	EUR	100.067	801,675.89		0.14	0.14
<u>Mexico</u>							
MEXICO 16/31 +3.375% 23/02 23/02	560,000.00	EUR	121.725	693,150.16		0.13	0.12
Bonds issued by credit institutions							
<u>Australia</u>							
ANZ NEW ZEALAND INT L LTD/LON 16/23 +0.125% 22/09 22/09	500,000.00	EUR	100.828	504,266.11		0.09	0.09
ANZ NEW ZEALAND INT L LTD/LON 17/22 +0.40% 01/03 01/03	1,000,000.00	EUR	101.115	1,013,529.24		0.18	0.18
ANZ NEW ZEALAND INT L LTD/LON 18/25 +1.125% 20/03 20/03	498,000.00	EUR	104.421	523,147.72		0.09	0.09
BNZ INTERNATIONAL FUNDING LTD 16/21 +0.125% 17/06 17/06	200,000.00	EUR	100.581	201,258.23		0.04	0.04
BNZ INTERNATIONAL FUNDING LTD 17/23 +0.50% 13/11 13/05	1,600,000.00	EUR	101.418	1,626,324.33		0.29	0.28
COMMONWEALTH BANK AUST 17/22 +0.50% 11/04 11/07	500,000.00	EUR	101.455	508,129.88		0.09	0.09
NATIONAL AUSTRALIA BANK 16/23 +0.625% 10/11 10/11	1,000,000.00	EUR	102.059	1,021,272.15		0.18	0.18
NATIONAL AUSTRALIA BANK 17/24 +0.625% 18/09 18/09	1,000,000.00	EUR	102.145	1,022,766.89		0.18	0.18
WESTPAC BANKING 16/22 +0.25% 17/10 17/01	400,000.00	EUR	100.597	403,067.76		0.07	0.07
WESTPAC BANKING 17/23 +0.375% 05/09 05/03	900,000.00	EUR	100.898	910,067.76		0.16	0.16
WESTPAC SECURITIES NZ LTD 16/21 +0.125% 16/06 16/06	500,000.00	EUR	100.572	503,106.03		0.09	0.09
<u>Austria</u>							
AUST&NZ BANKING GROUP 16/23 +0.45% 22/11 22/11	1,500,000.00	EUR	102.151	1,532,838.44		0.28	0.27
<u>Belgium</u>							
BELFIUS BANK SA/NV 19/26 0.00%	1,000,000.00	EUR	97.033	970,328.00		0.18	0.17
BNP PARIBAS FORTIS SA 16/23 0.00%	1,300,000.00	EUR	100.638	1,308,294.07		0.24	0.23
<u>Canada</u>							
BANK OF MONTREAL 16/23 +0.10% 20/10 20/10	1,700,000.00	EUR	100.927	1,716,005.63		0.31	0.30
BANK OF NOVA SCOTIA 19/26 +0.125% 05/09 04/09	800,000.00	EUR	98.235	786,113.88		0.14	0.14
C.I.B.C. 16/22 0.00%	500,000.00	EUR	100.593	502,966.30		0.09	0.09
C.I.B.C. 19/24 +0.375% 03/05 03/05	1,000,000.00	EUR	99.801	999,784.29		0.18	0.17
NAT. BK CANADA 16/23 0.00%	1,400,000.00	EUR	100.599	1,408,382.78		0.25	0.25
ROYAL BK CANADA 19/24 +0.125% 23/07 23/07	1,500,000.00	EUR	99.547	1,493,796.60		0.27	0.26
<u>China</u>							
CHINA DEVELOPMENT BANK CORP 16/21 0.5%	700,000.00	EUR	100.727	705,089.00		0.13	0.12
CHINA DEVELOPMENT BANK CORP 17/20 +0.125% 24/01 24/01	700,000.00	EUR	100.117	701,401.29		0.13	0.12
<u>Denmark</u>							
DANSKE BK AS 16/21 +0.50% 06/04 06/05	300,000.00	EUR	100.845	303,237.93		0.06	0.05
DANSKE BK AS 17/22 +0.25% 28/11 28/11	2,000,000.00	EUR	100.459	2,009,543.85		0.36	0.35
<u>France</u>							
BANQUE FEDERATIVE DU CREDIT MUTUEL 17/22 +0.375% 13/01 13/01	600,000.00	EUR	100.893	606,901.98		0.11	0.11
BANQUE FEDERATIVE DU CREDIT MUTUEL 18/25 +0.75% 17/01 17/07	1,300,000.00	EUR	102.450	1,335,078.83		0.24	0.23
BNP PARIBAS SA 17/23 +1.125% 10/10 10/10	500,000.00	EUR	103.340	517,646.65		0.09	0.09
BNP PARIBAS SA 19/24 +0.50% 11/07 15/07	400,000.00	EUR	100.428	402,382.82		0.07	0.07
BNP PARIBAS SA 19/26 +0.125% 04/09 04/09	400,000.00	EUR	97.115	388,579.72		0.07	0.07
BPCE SA 16/23 +0.375% 05/10 05/10	1,100,000.00	EUR	101.073	1,112,539.51		0.20	0.19
CREDIT LOGEMENT SA 17/24 +1.35% 28/11 28/11	1,300,000.00	EUR	101.455	1,320,222.76		0.24	0.23
HSBC FRANCE SA 19/27 +0.10% 03/09 03/09	700,000.00	EUR	97.047	679,494.78		0.12	0.12
SOCIETE GENERALE SA 16/21 +0.125% 05/10 05/10	1,300,000.00	EUR	100.448	1,306,111.35		0.24	0.23
<u>Germany</u>							
DEUTSCHE BANK AG 16/28 +0.25% 31/08 31/08	400,000.00	EUR	100.657	402,871.75		0.07	0.07



DVB BANK SE 15/21 +0.875% 09/04 09/04	600,000.00	EUR	101.100	609,329.74	0.11	0.11
<u>Italy</u>						
UNIONE DI BANCHE ITALIANE SCPA 18/24 +0.50% 15/01 15/07	500,000.00	EUR	102.433	513,002.55	0.09	0.09
<u>Japan</u>						
MITSUBISHI UFJ FINANCIAL GROUP 17/24 +0.872% 07/09 07/09	500,000.00	EUR	102.403	513,023.64	0.09	0.09
MITSUBISHI UFJ FINANCIAL GROUP 18/23 +0.68% 26/01 26/01	700,000.00	EUR	101.628	714,546.10	0.13	0.13
MITSUBISHI UFJ FINANCIAL GROUP 18/23 +0.98% 09/10 09/10	1,000,000.00	EUR	102.883	1,030,494.74	0.19	0.18
MIZUHO FINANCIAL GROUP INC 19/24 +0.118% 06/09 06/09	1,000,000.00	EUR	99.049	990,760.33	0.18	0.17
SUMITOMO MITSUI FINANCIAL GROUP INC 17/22 +0.606% 18/01 18/01	1,300,000.00	EUR	101.227	1,321,278.91	0.24	0.23
<u>Netherlands</u>						
COOPERATIEVE RABOBANK UA 16/21 +0.125% 11/10 11/10	700,000.00	EUR	100.533	703,879.67	0.13	0.12
COOPERATIEVE RABOBANK UA 17/24 +0.25% 31/05 31/05	500,000.00	EUR	101.978	510,418.21	0.09	0.09
ING GROEP NV 17/22 +0.75% 09/03 09/03	300,000.00	EUR	101.663	306,292.65	0.06	0.05
ING GROEP NV 18/25 +1.125% 14/02 14/02	1,300,000.00	EUR	103.798	1,358,512.95	0.25	0.24
ING GROEP NV 19/24 +0.10% 03/09 03/09	400,000.00	EUR	98.564	394,352.41	0.07	0.07
<u>Norway</u>						
SPAREBANK 1 SR BANK ASA 16/22 +0.375% 10/11 10/02	500,000.00	EUR	100.817	505,270.70	0.09	0.09
<u>Spain</u>						
SANTANDER CONSUMER BANK AS 18/23 +0.75% 01/03 01/03	1,100,000.00	EUR	101.903	1,125,844.57	0.20	0.20
SANTANDER CONSUMER BANK AS 19/24 +0.125% 11/09 11/09	500,000.00	EUR	99.203	496,153.11	0.09	0.09
SANTANDER ISSUANCES SAU 15/25 +2.50% 18/03 18/03	300,000.00	EUR	108.668	330,222.40	0.06	0.06
<u>Sweden</u>						
LANSFORSKRINGAR HYPOTEK AB 17/22 +0.50% 19/09 19/09	1,700,000.00	EUR	101.237	1,722,794.53	0.31	0.30
NORDEA BANK AB 16/21 +1.00% 07/09 07/09	800,000.00	EUR	101.270	812,014.25	0.15	0.14
NORDEA BANK AB 18/23 +0.875% 26/06 26/06	800,000.00	EUR	102.426	822,005.63	0.15	0.14
SBAB BANK AB 17/22 +0.25% 07/09 07/09	900,000.00	EUR	100.651	906,380.41	0.16	0.16
SKANDINAVISKA ENSKILDA 16/23 +1.375% 31/10 31/10	1,300,000.00	EUR	102.178	1,330,610.98	0.24	0.23
SVENSKA HANDBK 17/22 +0.25% 28/02 28/02	800,000.00	EUR	100.785	807,479.79	0.15	0.14
SVENSKA HANDBK 18/23 +1.25% 02/03 02/03	500,000.00	EUR	102.519	516,298.80	0.09	0.09
SVENSKA HANDBK 19/26 +0.05% 03/09 03/09	600,000.00	EUR	97.080	582,551.81	0.11	0.10
SWEDBANK 17/22 +0.25% 07/11 07/11	800,000.00	EUR	100.435	803,709.99	0.14	0.14
SWEDBANK 17/22 +1.00% 22/05 22/11	1,100,000.00	EUR	100.640	1,107,990.52	0.20	0.19
SWEDBANK 18/23 +0.40% 29/08 29/08	300,000.00	EUR	100.832	302,795.62	0.06	0.05
<u>Switzerland</u>						
UBS GROUP AG 16/26 +1.25% 01/09 01/09	300,000.00	EUR	105.273	316,728.81	0.06	0.06
UBS LONDON 17/21 +0.125% 05/09 05/11	800,000.00	EUR	100.479	803,953.06	0.14	0.14
UBS LONDON 18/21 +0.25% 10/01 10/01	900,000.00	EUR	100.697	907,827.68	0.16	0.16
<u>U.K.</u>						
ABBNEY NATIONAL TREASURY SERVIC 15/25 +1.125% 10/03 10/03	1,200,000.00	EUR	104.254	1,258,847.10	0.23	0.22
HSBC HOLDING PLC 15/25 +3.00% 30/06 30/06	1,000,000.00	EUR	112.199	1,132,888.54	0.20	0.20
HSBC HOLDING PLC 16/24 +0.875% 06/09 06/09	800,000.00	EUR	102.695	823,193.73	0.15	0.14
LLOYDS BANKING GROUP PLC 16/23 +1.00% 09/11 09/11	400,000.00	EUR	102.680	411,164.28	0.07	0.07
LLOYDS BANKING GROUP PLC 18/23 +0.625% 15/01 15/01	1,100,000.00	EUR	100.951	1,115,153.96	0.20	0.19
NATIONWIDE BLDG SOCIETY 17/23 +0.625% 19/04 19/04	1,500,000.00	EUR	101.957	1,534,056.12	0.28	0.27
STANDARD CHARTERED PLC 17/22 +0.75% 03/10 03/10	1,300,000.00	EUR	101.277	1,318,376.10	0.24	0.23
YORKSHIRE BUILDING SOCIETY 18/23 +0.875% 20/03 20/03	400,000.00	EUR	101.988	409,908.04	0.07	0.07
<u>U.S.A.</u>						
BANK OF AMERICA CORP 15/25 +1.375% 26/03 26/03	400,000.00	EUR	105.869	426,484.97	0.08	0.07
BANK OF AMERICA CORP 16/23 +0.75% 26/07 26/07	700,000.00	EUR	102.206	717,086.87	0.13	0.13
BANK OF AMERICA CORP 19/26 +0.808% 09/05 09/05	400,000.00	EUR	102.291	410,658.01	0.07	0.07
CITIGROUP INC 16/28 +1.50% 26/10 26/10	210,000.00	EUR	107.331	225,828.47	0.04	0.04
GOLDMAN SACHS 16/31 +3.00% 12/02 12/02	550,000.00	EUR	122.000	681,378.44	0.12	0.12
GOLDMAN SACHS 19/24 +0.125% 19/08 19/08	1,000,000.00	EUR	99.091	991,240.70	0.18	0.17
JPMORGAN CHASE & CO 16/23 +0.625% 25/07 25/01	1,600,000.00	EUR	101.893	1,636,930.81	0.30	0.28
MORGAN STANLEY 19/24 +0.637% 29/04 26/07	700,000.00	EUR	101.574	712,413.18	0.13	0.12
US BANCORP/IN 17/24 +0.85% 07/06 07/06	1,000,000.00	EUR	102.934	1,032,807.05	0.19	0.18
WELLS FARGO COMPANY 15/25 +1.625% 02/06 02/06	800,000.00	EUR	106.804	859,850.38	0.16	0.15
WELLS FARGO COMPANY 16/27 +1.00% 02/08 02/02	1,200,000.00	EUR	103.200	1,246,183.67	0.23	0.22
Corporate bonds						
<u>Australia</u>						
TOYOTA FINANCE AUSTRALIA LTD 19/21 0.00%	700,000.00	EUR	100.253	701,773.94	0.13	0.12
<u>Austria</u>						
UNIQA INSURANCE GROUP AG 15/26 +6.00% 27/07 27/07	200,000.00	EUR	126.314	256,368.65	0.05	0.05
<u>Belgium</u>						
ANHEUSER-BUSCH INBEV NV 15/30 +1.50% 20/04 18/04	400,000.00	EUR	107.537	433,166.24	0.08	0.08
ANHEUSER-BUSCH INBEV NV 16/36 +2.75% 29/03 17/03	265,000.00	EUR	121.894	327,131.08	0.06	0.06
RESA SA/BELGIUM 16/26 +1.00% 22/07 22/07	500,000.00	EUR	102.231	512,761.56	0.09	0.09

TESSENDERLO GROUP 15/22 +2.875% 15/07 15/07	137,000.00	EUR	104.247	144,136.69	0.03	0.03
U.C.B. 15/22 +1.875% 02/04 02/04	500,000.00	EUR	103.433	522,167.56	0.09	0.09
VGP NV 16/23 +3.90% 21/09 21/09	1,200,000.00	EUR	105.358	1,273,873.38	0.23	0.22
VGP NV 18/26 +3.50% 19/09 19/03	500,000.00	EUR	104.421	531,911.69	0.10	0.09
WAREHOUSE DISTR. DE PAUW 14/21 +3.375% 13/06 13/06	600,000.00	EUR	103.893	631,375.01	0.11	0.11
<u>China</u>						
SINOPEC GROUP OVERSEAS DEVELOP 15/22 +1.00% 28/04 28/04	1,800,000.00	EUR	101.769	1,840,549.13	0.33	0.32
STATE GRID EUROPE DEVELOPMENT 16/25 +1.75% 19/05 19/05	300,000.00	EUR	105.889	319,997.35	0.06	0.06
STATE GRID EUROPE DEVELOPMENT 18/25 +1.375% 02/05 02/05	1,000,000.00	EUR	104.374	1,050,289.06	0.19	0.18
<u>Finland</u>						
SAMPO OYJ 17/25 +1.25% 30/05 30/05	900,000.00	EUR	104.648	946,584.51	0.17	0.17
<u>France</u>						
CNP ASSURANCE 14/24 +4.00% 18/11 18/11	500,000.00	EUR	112.856	566,153.47	0.10	0.10
ELECTR. DE FRANCE 14/26 5.00% 22/01 22/01	400,000.00	EUR	114.626	471,891.64	0.09	0.08
KLEPIERRE (CIE FONCIERE) 16/31 +1.25% 29/09 29/09	300,000.00	EUR	104.650	314,660.28	0.06	0.06
LA MONDIALE SAM 14/25 +5.05% 17/12 17/12	300,000.00	EUR	116.789	350,946.89	0.06	0.06
MERCIALYS SA 14/23 +1.787% 31/03 31/03	400,000.00	EUR	103.216	416,704.82	0.08	0.07
SANOFI 16/22 0.00%	1,700,000.00	EUR	100.531	1,709,030.57	0.31	0.30
SCOR SE 15/26 +3.00% 07/12 08/06	800,000.00	EUR	113.321	916,301.15	0.17	0.16
SOGECAP SA 14/26 +4.125% 18/12 18/02	400,000.00	EUR	112.989	462,145.97	0.08	0.08
TOTAL 15/25 +2.625% 26/02 26/02	1,400,000.00	EUR	108.183	1,536,694.30	0.28	0.27
UNIBAIL-RODAMCO SE 15/25 +1.00% 15/04 14/03	1,200,000.00	EUR	104.117	1,256,240.76	0.23	0.22
UNIBAIL-RODAMCO SE 18/21 +0.125% 14/05 14/05	900,000.00	EUR	100.401	904,116.60	0.16	0.16
<u>Germany</u>						
ALLIANZ AG 14/24 +3.375% 18/09 18/09	1,200,000.00	EUR	111.572	1,347,388.51	0.24	0.24
DAIMLER AG 19/24 0.00%	300,000.00	EUR	98.811	296,433.12	0.05	0.05
HANNOVER RUECK SE 14/25 +3.375% 15/09 26/06	900,000.00	EUR	113.629	1,033,929.13	0.19	0.18
MERCK FIN SERVICES GMBH 19/23 +0.005% 05/07 15/12	700,000.00	EUR	99.638	697,470.34	0.13	0.12
<u>Hong Kong</u>						
CK HUTCHISON HOLDINGS LTD 16/23 +1.25% 08/04 06/04	700,000.00	EUR	102.902	724,915.87	0.13	0.13
CK HUTCHISON HOLDINGS LTD 16/24 +0.875% 03/10 03/10	600,000.00	EUR	101.674	611,000.86	0.11	0.11
<u>Ireland</u>						
MEDTRONIC GLOBAL HOLDINGS SCA 19/21 0.00%	1,000,000.00	EUR	100.274	1,002,738.15	0.18	0.18
<u>Italy</u>						
ATLANTIA SPA 17/25 +1.625% 03/02 03/02	400,000.00	EUR	96.138	388,752.56	0.07	0.07
TERNA RETE ELETTRICA NAZIONALE 16/28 +1.00% 11/10 11/10	400,000.00	EUR	102.821	411,950.95	0.07	0.07
<u>Luxembourg</u>						
NESTLE FINANCE INTERNATIONAL LTD 17/24 +0.375% 02/11 18/01	1,000,000.00	EUR	101.909	1,021,631.85	0.18	0.18
NOVARTIS FINANCE SA 16/23 +0.125% 20/09 20/09	1,100,000.00	EUR	100.912	1,110,315.09	0.20	0.19
<u>Mexico</u>						
AMERICA MOVIL S.A. DE C.V. 19/27 +0.75% 26/06 26/06	700,000.00	EUR	101.436	711,999.67	0.13	0.12
<u>Netherlands</u>						
ACHMEA BV 15/49 +4.25% 04/02 04/02	300,000.00	EUR	111.411	342,450.02	0.06	0.06
AEGON 14/24 4.00% 25/04 25/04	500,000.00	EUR	111.536	567,472.35	0.10	0.10
ASR NEDERLAND NV 14/24 5.00% 30/09 30/09	200,000.00	EUR	116.059	233,992.07	0.04	0.04
B.M.W. FIN 17/21 +0.125% 12/01 12/01	300,000.00	EUR	100.404	301,469.71	0.05	0.05
B.M.W. FIN 17/25 +0.875% 03/04 03/04	900,000.00	EUR	103.602	936,607.61	0.17	0.16
B.M.W. FIN 18/22 +0.50% 22/05 22/11	900,000.00	EUR	101.484	913,741.10	0.17	0.16
DAIMLERCHRYSLER INTL FIN 17/21 +0.20% 13/09 13/09	900,000.00	EUR	100.439	904,351.09	0.16	0.16
DAIMLERCHRYSLER INTL FIN 18/22 +0.25% 11/05 11/05	1,000,000.00	EUR	100.529	1,006,435.29	0.18	0.18
DELTA LLOYD 14/24 4.375% 13/06 13/06	200,000.00	EUR	112.710	228,883.97	0.04	0.04
ELM BV (SWISS LIFE) 16/27 +4.50% 19/05 19/05	100,000.00	EUR	120.122	122,119.10	0.02	0.02
EURONEXT NV 18/25 +1.00% 18/04 18/04	1,500,000.00	EUR	103.022	1,552,880.33	0.28	0.27
NN GROUP NV 14/26 +4.50% 15/07 15/01	200,000.00	EUR	115.085	233,183.13	0.04	0.04
SWISS REINSURANCE CO VIA ELM B 15/25 +2.60% 01/09 01/09	1,000,000.00	EUR	109.195	1,098,267.80	0.20	0.19
UNILEVER 17/21 0.00%	1,700,000.00	EUR	100.439	1,707,458.50	0.31	0.30
UNILEVER 17/23 +0.375% 14/02 14/02	600,000.00	EUR	101.602	611,016.79	0.11	0.11
VOLKSWAGEN INTL.FIN. NV 15/22 +2.50% 20/03 20/03	350,000.00	EUR	102.913	365,082.55	0.07	0.06
VOLKSWAGEN INTL.FIN. NV 15/30 +1.625% 16/01 16/01	400,000.00	EUR	103.183	417,156.24	0.08	0.07
<u>Sweden</u>						
VATTENFALL AB 15/27 +3.00% 19/03 19/03	200,000.00	EUR	107.773	218,907.35	0.04	0.04
<u>Switzerland</u>						
DEMETER (SWISS LIFE) 16/26 3.5% 01/10	1,000,000.00	EUR	115.470	1,161,188.62	0.21	0.20
<u>U.K.</u>						
AVIVA PLC 14/24 +3.875% 03/07 03/07	300,000.00	EUR	111.705	339,272.98	0.06	0.06
AVIVA PLC 16/23 +0.625% 27/10 27/10	800,000.00	EUR	102.046	817,045.00	0.15	0.14
GLAXOSMITHKLINE CAPITAL PLC 17/20 0.00%	400,000.00	EUR	100.171	400,684.00	0.07	0.07
GLAXOSMITHKLINE CAPITAL PLC 19/21 0.00%	1,000,000.00	EUR	100.277	1,002,766.80	0.18	0.18
GLAXOSMITHKLINE CAPITAL PLC 19/23 0.00%	500,000.00	EUR	100.069	500,346.25	0.09	0.09

HEATHROW FUNDING LTD 15/30 +1.50% 11/02 11/02	1,000,000.00	EUR	106.001	1,069,474.63		0.19	0.19
LONDON STOCK EXCHANGE GRP PLC 17/24 +0.875% 19/09 19/06	1,200,000.00	EUR	102.816	1,235,984.77		0.22	0.22
LONDON STOCK EXCHANGE GRP PLC 17/29 +1.75% 19/09 19/09	400,000.00	EUR	107.270	430,540.25		0.08	0.08
VODAFONE GROUP PLC 16/31 +1.60% 29/07 29/07	600,000.00	EUR	104.745	631,425.13		0.11	0.11
WPP FINANCE DEUTSCHLAND GMBH 15/30 +1.625% 23/03 23/03	300,000.00	EUR	106.349	321,741.66		0.06	0.06
<b>U.S.A.</b>							
AT&T INC 15/34 +2.45% 15/03 09/12	600,000.00	EUR	109.016	662,448.78		0.12	0.12
BERKSHIRE HATHAWAY INC. 15/35 +1.625% 16/03 16/03	800,000.00	EUR	110.007	887,413.68		0.16	0.16
BERKSHIRE HATHAWAY INC. 16/24 +1.30% 15/03 15/03	400,000.00	EUR	104.870	422,433.87		0.08	0.07
BLACKROCK INC. 15/25 +1.25% 06/05 06/05	400,000.00	EUR	106.087	426,689.05		0.08	0.07
BLACKSTONE HOLDINGS FINANCE CO 16/26 +1.00% 05/10 05/10	1,500,000.00	EUR	102.854	1,545,461.25		0.28	0.27
BRISTOL-MYERS SQUIBB CO 15/25 +1.00% 15/05 15/05	600,000.00	EUR	104.964	632,491.89		0.11	0.11
COCA-COLA CO 17/24 +0.50% 09/03 08/03	1,700,000.00	EUR	102.127	1,741,107.88		0.31	0.30
COCA-COLA ENTERPRISE 15/30 +1.875% 18/03 18/03	600,000.00	EUR	110.383	668,623.97		0.12	0.12
DIMBERLY-CLARK CORP 17/24 +0.625% 07/09 07/09	500,000.00	EUR	102.581	513,628.89		0.09	0.09
I.B.M. 19/23 +0.375 31/01	1,100,000.00	EUR	101.151	1,115,346.22		0.20	0.19
I.B.M. 19/25 +0.875% 31/01 31/01	500,000.00	EUR	103.522	520,464.74		0.09	0.09
JEFFERIES GROUP LLC 19/24 +1.00% 19/07 19/07	600,000.00	EUR	100.620	605,680.05		0.11	0.11
MET LIFE GLOB FUNDING I 15/22 +0.875% 20/01 20/01	300,000.00	EUR	101.936	307,574.93		0.06	0.05
MONDELEZ INTERNATIONAL INC 15/35 +2.375% 06/03 06/03	600,000.00	EUR	115.379	700,613.75		0.13	0.12
PFIZER 17/22 +0.25% 06/03 06/03	1,600,000.00	EUR	100.917	1,617,009.62		0.29	0.28
PPG INDUSTRIES INC 15/27 +1.40% 13/03 13/03	700,000.00	EUR	104.979	740,455.25		0.13	0.13
SIMON INTERNATIONAL FINANCE SC 16/25 +1.25% 13/05 13/05	800,000.00	EUR	105.033	844,815.83		0.15	0.15
TOYOTA MOTOR CREDIT CORP 17/21 0.00%	1,500,000.00	EUR	100.351	1,505,260.13		0.27	0.26
UNITED PARCEL SERVICE 17/23 +0.375% 13/11 15/11	1,400,000.00	EUR	101.228	1,417,718.68		0.26	0.25
VERIZON COMMUNICATIONS INC 14/31 +2.625% 01/12 01/12	300,000.00	EUR	119.573	359,261.89		0.07	0.06
VERIZON COMMUNICATIONS INC 16/28 +1.375% 02/11 02/11	300,000.00	EUR	106.587	320,275.19		0.06	0.06
Total bonds				138,127,457.98		24.90	24.07
<b>Shares</b>							
Exchange-listed shares							
<b>Austria</b>							
ANDRITZ AG -	36,351.00	EUR	38.400	1,395,878.40		0.25	0.24
ERSTE GROUP BANK AG -	94,338.00	EUR	33.560	3,165,983.28		0.57	0.55
OMV AG (WIEN)	51,379.00	EUR	50.080	2,573,060.32		0.46	0.45
S&T AG -	70,537.00	EUR	21.280	1,501,027.36		0.27	0.26
<b>Belgium</b>							
AGEAS NV -	18,895.00	EUR	52.680	995,388.60		0.18	0.17
ANHEUSER-BUSCH INBEV NV -	108,978.00	EUR	72.710	7,923,790.38		1.43	1.38
BARCO NV NEW	10,826.00	EUR	219.000	2,370,894.00		0.43	0.41
D'IETEREN -	49,587.00	EUR	62.600	3,104,146.20		0.56	0.54
FAGRON -	55,526.00	EUR	19.330	1,073,317.58		0.19	0.19
KBC ANCORA -	35,065.00	EUR	44.760	1,569,509.40		0.28	0.27
KBC GROUP -	71,026.00	EUR	67.060	4,763,003.56		0.86	0.83
MONTEA SCA M	13,181.00	EUR	81.000	1,067,661.00		0.19	0.19
ORANGE BELGIUM -	61,218.00	EUR	20.700	1,267,212.60		0.23	0.22
RECTICEL -	242,343.00	EUR	8.310	2,013,870.33		0.36	0.35
SOLVAY -	27,615.00	EUR	103.300	2,852,629.50		0.51	0.50
TINC COMM VA -	117,474.00	EUR	13.350	1,568,277.90		0.28	0.27
WAREHOUSE DISTR. DE PAUW -	12,753.00	EUR	162.200	2,068,536.60		0.37	0.36
<b>Cyprus</b>							
AROUNDTOWN PROPERTY HOLD SA -	511,959.00	EUR	7.984	4,087,480.66		0.74	0.71
<b>Finland</b>							
KEMIRA (HEL)	74,194.00	EUR	13.260	983,812.44		0.18	0.17
TIETOEVRY CORP -	44,717.00	EUR	27.720	1,239,555.24		0.22	0.22
UPM-KYMMENE CORP -	51,726.00	EUR	30.910	1,598,850.66		0.29	0.28
<b>France</b>							
AKKA TECHNOLOGIES SA -	35,942.00	EUR	65.500	2,354,201.00		0.42	0.41
ALD SA -	236,400.00	EUR	13.840	3,271,776.00		0.59	0.57
ALTEN -	20,651.00	EUR	112.500	2,323,237.50		0.42	0.41
ARKEMA -	30,572.00	EUR	94.700	2,895,168.40		0.52	0.51
ATOS SE -	56,079.00	EUR	74.320	4,167,791.28		0.75	0.73
AXA -	365,330.00	EUR	25.110	9,173,436.30		1.65	1.60
BNP PARIBAS SA -	70,752.00	EUR	52.830	3,737,828.16		0.67	0.65
BOUYGUES -	85,615.00	EUR	37.880	3,243,096.20		0.59	0.56
CAPGEMINI SA -	45,763.00	EUR	108.900	4,983,590.70		0.90	0.87
CHARGEURS SA (PAR)	61,154.00	EUR	17.280	1,056,741.12		0.19	0.18
CIE DE ST-GOBAIN -	137,189.00	EUR	36.500	5,007,398.50		0.90	0.87
CREDIT AGRICOLE -	460,693.00	EUR	12.925	5,954,467.03		1.07	1.04
DANONE SA -	89,174.00	EUR	73.900	6,589,958.60		1.19	1.15
DEVOTEAM SA -	14,005.00	EUR	94.500	1,323,472.50		0.24	0.23
EIFFAGE SA -	63,409.00	EUR	102.000	6,467,718.00		1.17	1.13
ENGIE -	332,783.00	EUR	14.400	4,792,075.20		0.86	0.84
EUTELSAT -	157,602.00	EUR	14.490	2,283,652.98		0.41	0.40

FFP (PAR)	11,214.00	EUR	104.000	1,166,256.00	0.21	0.20
GEICINA REG	11,381.00	EUR	159.600	1,816,407.60	0.33	0.32
IPSOS -	88,614.00	EUR	28.950	2,565,375.30	0.46	0.45
KAUFMAN & BROAD SA (PAR)	30,764.00	EUR	37.000	1,138,268.00	0.21	0.20
KERING -	9,170.00	EUR	585.200	5,366,284.00	0.97	0.94
KORIAN SA -	84,632.00	EUR	41.920	3,547,773.44	0.64	0.62
LAGARDERE S.C.A. -	109,714.00	EUR	19.430	2,131,743.02	0.38	0.37
LVMH-MOET HENNESSY LOUIS VUITT SE -	37,115.00	EUR	414.200	15,373,033.00	2.78	2.68
MAISONS DU MONDE SA -	94,930.00	EUR	12.970	1,231,242.10	0.22	0.22
MANITOU BF SA -	79,110.00	EUR	21.450	1,696,909.50	0.31	0.30
MERSEN (PAR)	74,339.00	EUR	34.150	2,538,676.85	0.46	0.44
MICHELIN (PAR)	35,081.00	EUR	109.100	3,827,337.10	0.69	0.67
ORANGE S.A. -	300,039.00	EUR	13.120	3,936,511.68	0.71	0.69
PERNOD RICARD SA -	23,500.00	EUR	159.400	3,745,900.00	0.68	0.65
PEUGEOT -	153,605.00	EUR	21.300	3,271,786.50	0.59	0.57
PUBLICIS GROUPE SA -	123,937.00	EUR	40.360	5,002,097.32	0.90	0.87
REMY COINTREAU SA -	10,300.00	EUR	109.500	1,127,850.00	0.20	0.20
REXEL SA (PAR)	97,598.00	EUR	11.845	1,156,048.31	0.21	0.20
SANOFI -	131,114.00	EUR	89.620	11,750,436.68	2.12	2.05
SMCP SA -	90,069.00	EUR	9.450	851,152.05	0.15	0.15
SOITEC -	13,989.00	EUR	93.700	1,310,769.30	0.24	0.23
SPIE SA -	60,254.00	EUR	18.160	1,094,212.64	0.20	0.19
STMICROELECTRONICS NV -	245,470.00	EUR	23.970	5,883,915.90	1.06	1.02
TELEPERFORMANCE -	11,188.00	EUR	217.400	2,432,271.20	0.44	0.42
TOTAL -	152,946.00	EUR	49.200	7,524,943.20	1.36	1.31
TRIGANO SA -	25,191.00	EUR	94.100	2,370,473.10	0.43	0.41
VEOLIA ENVIRONNEMENT SA (PAR)	150,492.00	EUR	23.710	3,568,165.32	0.64	0.62
<u>Germany</u>						
ALLIANZ AG REG	52,662.00	EUR	218.400	11,501,380.80	2.07	2.00
ALSTRIA OFFICE AG -	129,938.00	EUR	16.750	2,176,461.50	0.39	0.38
BASF SE -	32,575.00	EUR	67.350	2,193,926.25	0.40	0.38
CEWE STIFTUNG & CO KGAA -	12,546.00	EUR	105.800	1,327,366.80	0.24	0.23
CTS EVENTIM AG -	20,000.00	EUR	56.050	1,121,000.00	0.20	0.20
DATAGROUP AG -	21,551.00	EUR	65.400	1,409,435.40	0.25	0.25
DERMAPHARM HOLDING SE -	41,456.00	EUR	39.750	1,647,876.00	0.30	0.29
DEUTSCHE TELEKOM INT FIN REG	85,589.00	EUR	14.570	1,247,031.73	0.23	0.22
E.ON SE -	120,048.00	EUR	9.524	1,143,337.15	0.21	0.20
EVONIK INDUSTRIES AG -	68,590.00	EUR	27.210	1,866,333.90	0.34	0.33
FRESENIUS SE & CO KGAA (FRA)	21,507.00	EUR	50.180	1,079,221.26	0.20	0.19
GERRESHEIMER AG -	15,849.00	EUR	69.000	1,093,581.00	0.20	0.19
HEIDELBERGCEMENT AG -	42,672.00	EUR	64.960	2,771,973.12	0.50	0.48
HOCHTIEF AG -	23,895.00	EUR	113.700	2,716,861.50	0.49	0.47
INDUS HOLDING AG -	28,813.00	EUR	38.850	1,119,385.05	0.20	0.20
SCHAEFFLER AG -	95,618.00	EUR	9.628	920,610.10	0.17	0.16
SIEMENS AG REG	24,358.00	EUR	116.540	2,838,681.32	0.51	0.50
SILTRONIC AG -	19,214.00	EUR	89.720	1,723,880.08	0.31	0.30
STROOER SE & CO KGAA -	28,905.00	EUR	72.050	2,082,605.25	0.38	0.36
TAKKT AG (FRA)	83,283.00	EUR	12.580	1,047,700.14	0.19	0.18
VOLKSWAGEN AG PREF	52,929.00	EUR	176.240	9,328,206.96	1.68	1.63
WIRECARD AG -	47,725.00	EUR	107.500	5,130,437.50	0.93	0.89
<u>Greece</u>						
OTE PLC -	161,277.00	EUR	14.260	2,299,810.02	0.42	0.40
<u>Ireland</u>						
GLANBIA PLC -	88,270.00	EUR	10.260	905,650.20	0.16	0.16
KERRY GROUP PLC -	26,000.00	EUR	111.100	2,888,600.00	0.52	0.50
<u>Italy</u>						
ENEL SOCIETA PER AZIONI -	983,798.00	EUR	7.072	6,957,419.46	1.25	1.21
INFRASTRUTTURA SPA -	232,660.00	EUR	8.730	2,031,121.80	0.37	0.35
INTESA SANPAOLO SPA -	891,489.00	EUR	2.349	2,093,661.92	0.38	0.37
MAIRE TECNIMONT SPA -	900,532.00	EUR	2.474	2,227,916.17	0.40	0.39
MEDIABANCA (MIL)	278,951.00	EUR	9.814	2,737,625.11	0.49	0.48
RECORDATI SPA -	98,121.00	EUR	37.570	3,686,405.97	0.67	0.64
SESA SPA -	25,511.00	EUR	47.650	1,215,599.15	0.22	0.21
SNAM SPA -	434,216.00	EUR	4.686	2,034,736.18	0.37	0.36
<u>Luxembourg</u>						
CORESTATE CAPITAL HOLDING SA -	131,175.00	EUR	37.500	4,919,062.50	0.89	0.86
SOLUTIONS 30 SE -	96,063.00	EUR	9.960	956,787.48	0.17	0.17
<u>Netherlands</u>						
APERAM -	35,473.00	EUR	28.510	1,011,335.23	0.18	0.18
ASM INTERNATIONAL -	31,683.00	EUR	100.150	3,173,052.45	0.57	0.55
ASML HOLDING NV -	16,383.00	EUR	263.700	4,320,197.10	0.78	0.75
EURONEXT NV -	45,567.00	EUR	72.650	3,310,442.55	0.60	0.58
GRANDVISION BV -	40,857.00	EUR	27.420	1,120,298.94	0.20	0.20
HEINEKEN HOLDING (AMS)(A 25NLG)	14,864.00	EUR	86.400	1,284,249.60	0.23	0.22
ING GROEP NV -	542,568.00	EUR	10.688	5,798,966.78	1.05	1.01
INTERTRUST NV -	126,534.00	EUR	17.310	2,190,303.54	0.40	0.38
KON. AHOLD DELHAIZE NV -	175,151.00	EUR	22.295	3,904,991.55	0.70	0.68
KONINKLIJKE D.S.M. NV (AMS)	28,109.00	EUR	116.100	3,263,454.90	0.59	0.57

KONINKLIJKE KPN NV -	739,247.00	EUR	2.631	1,944,958.86		0.35	0.34
KONINKLIJKE PHILIPS ELECTRONICS N.V. -	146,100.00	EUR	43.520	6,358,272.00		1.15	1.11
KONINKLIJKE VOLKERWESSELS NV -	48,995.00	EUR	21.950	1,075,440.25		0.19	0.19
MUNICH RE FINANCE BV REG	18,498.00	EUR	263.000	4,864,974.00		0.88	0.85
OCI NV -	132,093.00	EUR	18.750	2,476,743.75		0.45	0.43
REPSOL INTERNATIONAL FINANCE B -	359,521.00	EUR	13.930	5,008,127.53		0.90	0.87
SBM OFFSHORE NV (AMS)	275,513.00	EUR	16.590	4,570,760.67		0.82	0.80
TKH GROUP NV -	71,774.00	EUR	49.900	3,581,522.60		0.65	0.62
UNILEVER (AMS) OS-VORM	225,483.00	EUR	51.230	11,551,494.09		2.08	2.01
<u>Portugal</u>							
ENERGIAS DE PORTUGAL SA -	879,948.00	EUR	3.864	3,400,119.07		0.61	0.59
NOS SPGS (LIS)	405,543.00	EUR	4.800	1,946,606.40		0.35	0.34
REN REDES ENERGETICAS -	415,922.00	EUR	2.720	1,131,307.84		0.20	0.20
<u>Spain</u>							
ACTIVIDADES CONSTRUCY SERV -	117,618.00	EUR	35.650	4,193,081.70		0.76	0.73
AMADEUS IT GROUP SA -	28,905.00	EUR	72.800	2,104,284.00		0.38	0.37
APPLUS SERVICES SA -	103,801.00	EUR	11.400	1,183,331.40		0.21	0.21
BANCO SANTANDER CENTRAL HISPANO SA -	944,213.00	EUR	3.730	3,521,914.49		0.64	0.61
FABRICA ESP. DE PROD. QUIMICOS Y FAR (MAD)	209,165.00	EUR	5.000	1,045,825.00		0.19	0.18
IBERDROLA SA -	839,909.00	EUR	9.180	7,710,364.62		1.39	1.34
INDUSTRIA DE DISENO TEXTIL SA -	180,137.00	EUR	31.450	5,665,308.65		1.02	0.99
<u>U.K.</u>							
COCA-COLA EUROPEAN PARTNERS PL -	67,234.00	EUR	44.650	3,001,998.10		0.54	0.52
<u>U.S.A.</u>							
FIAT CHRYSLER AUTOMOBILES NV -	254,944.00	EUR	13.194	3,363,731.14		0.61	0.59
Total shares				417,754,472.16		75.31	72.81
<b>Options and futures</b>							
Exchange-listed options							
<u>Austria</u>							
OMV AG PUT 51 17/01/2020	-200.00	EUR	1.420	-28,400.00		-0.00	-0.01
<u>Finland</u>							
NESTE OIL OYJ PUT 32.5 21/02/2020	-700.00	EUR	2.280	-159,600.00		-0.03	-0.03
<u>France</u>							
AIR LIQUIDE (L') PUT 125 17/01/2020	-110.00	EUR	0.940	-10,340.00		-0.00	-0.00
LAGARDERE S.C.A. PUT 20 17/01/2020	-540.00	EUR	0.690	-37,260.00		-0.01	-0.01
LVMH-MOET HENNESSY LOUIS VUITT SE PUT 420 17/01/2020	-22.00	EUR	9.400	-20,680.00		-0.00	-0.00
ORANGE S.A. CALL 15 17/01/2020	-700.00	EUR	0.010	-700.00			
ORANGE S.A. PUT 13.5 17/01/2020	-700.00	EUR	0.420	-29,400.00		-0.00	-0.01
ORANGE S.A. PUT 15 17/01/2020	-500.00	EUR	1.890	-94,500.00		-0.02	-0.02
PERNOD RICARD SA PUT 165 17/01/2020	-100.00	EUR	6.150	-61,500.00		-0.01	-0.01
SCHNEIDER ELECTRIC SE PUT 84 17/01/2020	-150.00	EUR	0.120	-1,800.00			
SCHNEIDER ELECTRIC SE PUT 86 17/01/2020	-150.00	EUR	0.190	-2,850.00		-0.00	
TOTAL CALL 52 17/01/2020	-300.00	EUR	0.020	-600.00			
TOTAL PUT 45 17/01/2020	-300.00	EUR	0.050	-1,500.00			
<u>Germany</u>							
DEUTSCHE TELEKOM INT FIN CALL 14 21/02/2020	-500.00	EUR	0.700	-35,000.00		-0.01	-0.01
WIRECARD AG C120 17/01/20	-85.00	EUR	1.260	-10,710.00		-0.00	-0.00
<u>Italy</u>							
INTESA SANPAOLO SPA PUT 2.2 17/01/2020	-450.00	EUR	0.007	-3,285.00		-0.00	-0.00
INTESA SANPAOLO SPA PUT 2.3 17/01/2020	-450.00	EUR	0.023	-10,485.00		-0.00	-0.00
INTESA SANPAOLO SPA PUT 2.4 17/01/2020	-600.00	EUR	0.073	-43,740.00		-0.01	-0.01
<u>Netherlands</u>							
ING GROEP NV PUT 12 21/02/2020	-600.00	EUR	1.350	-81,000.00		-0.01	-0.01
KON. AHOLD DELHAIZE NV CALL 26 17/01/2020	-450.00	EUR	0.010	-450.00			
KON. AHOLD DELHAIZE NV PUT 22 17/01/2020	-450.00	EUR	0.190	-8,550.00		-0.00	-0.00
KON. AHOLD DELHAIZE NV PUT 25 17/01/2020	-350.00	EUR	2.710	-94,850.00		-0.02	-0.02
KONINKLIJKE KPN NV PUT 2.85 17/01/2020	-3,800.00	EUR	0.230	-87,400.00		-0.02	-0.02
SBM OFFSHORE NV CALL 17 21/02/2020	-650.00	EUR	0.450	-29,250.00		-0.00	-0.01
SBM OFFSHORE NV PUT 17 21/02/2020	-650.00	EUR	0.870	-56,550.00		-0.01	-0.01
<u>Spain</u>							
AMADEUS IT GROUP SA PUT 78 21/02/2020	-500.00	EUR	5.920	-296,000.00		-0.05	-0.05
BANCO SANTANDER CENTRAL HISPANO SA C3.5 21/02/20	-2,500.00	EUR	0.290	-73,950.00		-0.01	-0.01
BANCO SANTANDER CENTRAL HISPANO SA PUT 4.1 21/02/2020	-2,500.00	EUR	0.390	-99,450.00		-0.02	-0.02
Total options and futures				-1,379,800.00		-0.25	-0.24
<b>Rights</b>							
<u>Spain</u>							
FABRICA ESP. DE PROD. QUIMICOS Y FAR CP 16/12/2019	209,165.00	EUR	0.147	30,830.92		0.01	0.01
REPSOL INTL FINANCE CP 17/12/19	359,521.00	EUR	0.423	152,077.38		0.03	0.03
Total rights				182,908.30		0.03	0.03
TOTAL SECURITIES PORTFOLIO				554,685,038.44		100.00	96.67

CASH AT BANK AND IN HAND						
<b>Demand accounts</b>						
<u>Belgium</u>						
KBC GROUP EURO	16,855,627.50	EUR	1.000	16,855,627.50		2.94
KBC GROUP USD	43,952.18	USD	1.000	39,155.62		0.01
KBC GROUP ZAR	1,358.16	ZAR	1.000	86.53		
Total demand accounts				16,894,869.65		2.94
<b>Managed futures accounts</b>						
<u>U.S.A.</u>						
JPMORGAN CHASE & CO EURO FUT REK	-30,408.94	EUR	1.000	-30,408.94		-0.01
Total managed futures accounts				-30,408.94		-0.01
TOTAL CASH AT BANK AND IN HAND				16,864,460.71		2.94
OTHER RECEIVABLES AND PAYABLES						
<b>Receivables</b>						
<u>Belgium</u>						
KBC GROUP EUR RECEIVABLE	19,725.99	EUR	1.000	19,725.99		0.00
<u>U.S.A.</u>						
JPMORGAN CHASE & CO DEKKING EUR	2,974,000.19	EUR	1.000	2,974,000.19		0.52
Total receivables				2,993,726.18		0.52
TOTAL RECEIVABLES AND PAYABLES				2,993,726.18		0.52
OTHER						
Interest receivable		EUR		2,418.95		
Expenses payable		EUR		-755,740.12		-0.13
TOTAL OTHER				-753,321.17		-0.13
TOTAL NET ASSETS				573,789,904.16		100.00

### Geographic breakdown (as a % of securities portfolio)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
United Arab Emirates	0.10	0.11	0.11	0.00
Australia	0.94	1.25	1.46	1.56
Austria	1.66	1.76	2.55	1.81
Belgium	9.01	6.14	5.63	9.79
Canada	0.32	0.46	0.63	1.20
Switzerland	0.83	0.81	0.95	0.56
Chile	0.11	0.13	0.14	0.14
China	0.87	0.98	1.21	0.94
Colombia	0.09	0.00	0.00	0.00
Cayman Islands	0.15	0.14	0.00	0.00
Cyprus	0.08	0.63	0.69	0.71
Germany	18.90	18.79	13.39	11.62
Denmark	0.12	0.14	0.40	0.40
Spain	4.49	6.10	4.96	5.60
Finland	1.02	1.07	1.39	0.80
France	32.33	34.10	31.62	31.93
U.K.	2.75	2.50	3.65	3.08
Greece	0.00	0.00	0.00	0.40
Hong Kong	0.12	0.14	0.16	0.23
Ireland	1.51	1.36	0.76	0.83
Israel	0.10	0.00	0.00	0.00
Italy	6.75	4.78	4.26	4.21
Japan	0.00	0.27	0.50	0.79
Luxembourg	0.96	0.38	1.68	1.40
Mexico	0.71	0.53	0.57	0.24
Netherlands	9.23	10.36	13.86	13.11
Norway	0.17	0.27	0.27	0.09
Peru	0.07	0.00	0.00	0.00
Portugal	0.00	0.21	1.11	1.13
Romania	0.06	0.06	0.00	0.00
Sweden	1.03	1.31	1.62	1.73
Turkey	0.08	0.00	0.00	0.00
U.S.A.	5.32	5.08	6.29	5.70

EU institutions outside BLEU terr.	0.12	0.14	0.14	0.00
TOTAL	100.00	100.00	100.00	100.00

#### Sector breakdown (as a % of securities portfolio)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
Cyclicals	24.63	21.97	19.15	15.35
Consum(cycl)	13.98	10.65	12.58	14.45
Cons.goods	9.21	11.59	12.62	12.08
Pharma	6.83	7.20	5.58	5.47
Financials	24.73	27.99	29.59	31.50
Technology	7.43	6.85	7.13	7.20
Telecomm.	3.77	4.17	3.11	3.23
Utilities	5.33	4.88	5.09	5.49
Real est.	2.78	3.03	3.79	4.12
Governm.	1.01	1.23	1.16	0.26
Unit trusts	0.16	0.19	0.20	0.14
Various	0.14	0.25	0.00	0.71
TOTAL	100.00	100.00	100.00	100.00

#### Currency breakdown (as a % of net assets)

	30/06/2018	31/12/2018	30/06/2019	31/12/2019
EURO	100.00	100.00	99.99	99.99
US DOLLAR	0.00	0.00	0.01	0.01
TOTAL	100.00	100.00	100.00	100.00

### 2.4.2. Changes in the composition of the assets of IN.focus Private Banking Active Income Selection (in the currency of the sub-fund)

	1 <sup>st</sup> half of year	2 <sup>nd</sup> half of year	Year
<b>Purchases</b>	357,649,002.18	149,959,566.40	507,608,568.58
<b>Sales</b>	392,265,624.04	205,950,250.36	598,215,874.39
<b>Total 1</b>	749,914,626.21	355,909,816.76	1,105,824,442.97
<b>Subscriptions</b>	23,047,769.58	22,348,583.61	45,396,353.19
<b>Redemptions</b>	54,702,617.88	44,603,351.39	99,305,969.27
<b>Total 2</b>	77,750,387.46	66,951,935.00	144,702,322.46
<b>Monthly average of total assets</b>	583,804,755.66	568,416,335.00	575.986.445.16
<b>Turnover rate</b>	115.14%	50.84%	166.87%

The table above shows the capital volume of portfolio transactions. This volume (adjusted to take account of total subscriptions and redemptions) is also compared to the average net assets at the beginning and end of the period. A figure close to 0% implies that the transactions relating to the securities or transactions relating to the assets (excluding deposits and cash) in a given period only involve subscriptions and redemptions. A negative percentage shows that subscriptions and redemptions entailed few, if any, transactions in the portfolio. Active asset management may result in high turnover rates (monthly percentage >50%).

The detailed list of transactions can be consulted free of charge at the company designated as financial service:  
 CBC Banque SA, Avenue Albert 1er 60, B-5000 Namur  
 KBC Bank NV, Havenlaan 2, B-1080 Brussels

### 2.4.3. Amount of commitments in respect of financial derivatives positions

Name	Currency	Value in currency	In the currency of the sub-fund	Lot-size	Transaction date
AIRLIQUI PUT 125 17/01/2020	EUR	-110.00	-1,375,000.00	N/A	18.11.2019
AMADEUSI PUT 78 21/02/2020	EUR	-500.00	-3,900,000.00	N/A	13.12.2019
BCOSANTA C3.5 21/02/20	EUR	-2,500.00	-892,500.00	N/A	13.12.2019
BCOSANTA PUT 4.1 21/02/2020	EUR	-2,500.00	-1,045,500.00	N/A	13.12.2019
DEUTELEK CALL 14 21/02/2020	EUR	-500.00	-700,000.00	N/A	13.12.2019
INGGROEP PUT 12 21/02/2020	EUR	-600.00	-720,000.00	N/A	13.12.2019
JPMORGAN DEKKING EUR	EUR	2,974,000.19	2,974,000.19	N/A	31.12.2019
KONAHOLD CALL 26 17/01/2020	EUR	-450.00	-1,170,000.00	N/A	18.11.2019
KONAHOLD PUT 22 17/01/2020	EUR	-450.00	-990,000.00	N/A	18.11.2019
KONAHOLD PUT 25 17/01/2020	EUR	-350.00	-875,000.00	N/A	18.11.2019
KONKPN PUT 2.85 17/01/2020	EUR	-3,800.00	-1,083,000.00	N/A	18.11.2019
LAGARDER PUT 20 17/01/2020	EUR	-540.00	-1,080,000.00	N/A	18.11.2019
LVMH PUT 420 17/01/2020	EUR	-22.00	-924,000.00	N/A	18.11.2019
NESTEOIL PUT 32.5 21/02/2020	EUR	-700.00	-2,275,000.00	N/A	12.12.2019
OMV PUT 51 17/01/2020	EUR	-200.00	-1,020,000.00	N/A	18.11.2019
ORANGES CALL 15 17/01/2020	EUR	-700.00	-1,050,000.00	N/A	18.11.2019
ORANGES PUT 13.5 17/01/2020	EUR	-700.00	-945,000.00	N/A	18.11.2019
ORANGES PUT 15 17/01/2020	EUR	-500.00	-750,000.00	N/A	18.11.2019
PERNODRI PUT 165 17/01/2020	EUR	-100.00	-1,650,000.00	N/A	19.11.2019
SANPAOLO PUT 2.2 17/01/2020	EUR	-450.00	-990,000.00	N/A	18.11.2019
SANPAOLO PUT 2.3 17/01/2020	EUR	-450.00	-1,035,000.00	N/A	18.11.2019
SANPAOLO PUT 2.4 17/01/2020	EUR	-600.00	-1,440,000.00	N/A	18.11.2019
SBMOFFSH CALL 17 21/02/2020	EUR	-650.00	-1,105,000.00	N/A	06.12.2019
SBMOFFSH PUT 17 21/02/2020	EUR	-650.00	-1,105,000.00	N/A	06.12.2019
SCHNEID PUT 84 17/01/2020	EUR	-150.00	-1,260,000.00	N/A	18.11.2019
SCHNEID PUT 86 17/01/2020	EUR	-150.00	-1,290,000.00	N/A	18.11.2019
TOTAL CALL 52 17/01/2020	EUR	-300.00	-1,560,000.00	N/A	18.11.2019
TOTAL PUT 45 17/01/2020	EUR	-300.00	-1,350,000.00	N/A	18.11.2019
WIRECARD C120 17/01/20	EUR	-85.00	-1,020,000.00	N/A	13.12.2019

### 2.4.4. Changes in the number of subscriptions and redemptions and the



## net asset value

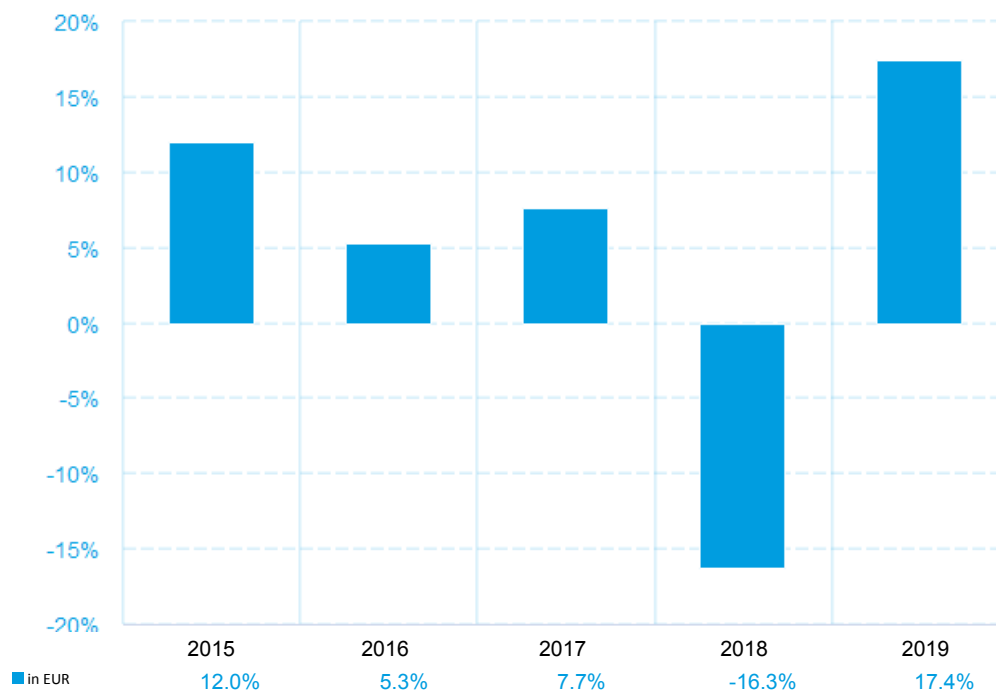
Period	Change in number of shares in circulation						
	Subscriptions		Redemptions		End of period		
	Capitalization	Distribution	Capitalization	Distribution	Capitalization	Distribution	Totaal
2017 - 12		263,500.00		33,128.84		565,693.16	565,693.16
2018 - 12		107,160.00		64,273.69		608,579.47	608,579.47
2019 - 12		46,566.00		101,583.36		553,562.10	553,562.10

Period	Amounts received and paid by the UCITS (in the currency of the sub-fund)			
	Subscriptions		Redemptions	
	Capitalization	Distribution	Capitalization	Distribution
2017 - 12		298,380,910.93		37,403,195.72
2018 - 12		117,985,450.21		67,363,687.42
2019 - 12		46,184,162.63		101,030,100.40

Period	Net asset value End of period (in the currency of the sub-fund)		
	Of the sub-fund	Of one share	
		Capitalization	Distribution
2017 - 12	643,707,600.40		1,137.91
2018 - 12	559,556,965.70		919.45
2019 - 12	573,789,904.16		1,036.54

## 2.4.5. Performance figures

BE6271861351  
IN.focus Private Banking Active Income Selection DIS  
Annual performance on 31/12/2019 (in EUR)



Cap Div	ISIN Code	Currency	1 year		3 years		5 years		10 years		Since Launch*	
			Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Share classes	Bench mark	Starting date	Share classes
DIS	BE6271861351	EUR	17.41%		1.89%		4.53%		%		31/10/2014	4.63%

Risk warning: Past performance is not a guide to future performance.

\* Return on annual basis.

- The bar chart shows the performance for full financial years.
- The figures do not take account of any restructuring..
- Calculated in EUR.
- The return is calculated as the change in the net asset value between two dates expressed as a percentage. In the case of units that pay dividends, the dividend is incorporated geometrically in the return.
- Calculation method for date D, where NAV stands for net asset value:  
Distribution units (DIV)  
Return on date D over a period of X years :  
$$[ C * NIW(D) / NIW(Y) ] ^ [ 1 / X ] - 1$$
where Y = D-X  
Return on date D since the start date S of the unit:  
$$[ C * NIW(D) / NIW(S) ] ^ [ 1 / F ] - 1$$
where F = 1 if the unit has existed for less than one year on date D  
where F = (D-S) / 365.25 if the unit has existed for longer than one year on date D  
where C is a factor that is determined for all N dividends between the calculation date D and the reference date.  
For dividend i on date Di with value Wi:  
$$Ci = [ Wi / NIW(Di) ] + 1$$
i = 1 ... N  
from which C = C0 \* ... \* CN.
- If the interval between the two dates exceeds one year, the ordinary return calculation is converted into a return on an annual basis by taking the nth square root of 1 plus the total return of the unit..
- The return figures shown above do not take account of the fees and charges associated with the issue and redemption of units.
- These are the performance figures for distribution shares.

Dividend on ex-dividend date 25/10/2019: 7,4497 net (7,4497 gross).  
Dividend on ex-dividend date 29/04/2019: 6,2305 net (6,2305 gross).  
Dividend on ex-dividend date 25/07/2019: 14,2268 net (14,2268 gross).  
Dividend on ex-dividend date 28/01/2020: 5,8557 net (5,8557 gross).

## 2.4.6. Costs

### Ongoing Charges and Transaction costs:

#### Distribution :

Ongoing Charges : 1.502%  
Transaction costs : 0.130%

Percentage calculated at reporting date: 31 December 2019 .

A more detailed explanation with respect to the method of calculating ongoing charges and the relevant exclusions can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.5. Ongoing charges'

More information on how transaction costs are calculated: the transaction costs are not included in the ongoing charges, but are instead shown separately. Moreover, this does not fully reflect the actual transaction costs as only the explicit transaction costs are given.

### Existence of Commission Sharing Agreements

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.7. Commission Sharing Agreements'.

No CSA accrual during this period.

### Existence of fee sharing agreements and rebates

The management company has shared 54,81% of its fee with the distributor, and institutional and/or professional parties.

A more detailed explanation can be found in this report's General information on the Bevek under 'Information for shareholders – 1.2.1.6. Fee-sharing agreements and rebates'.

## 2.4.7. Notes to the financial statements and other data

Fee for managing the investment portfolio	1.25%	per year calculated on the basis of the average total net assets of the sub-fund, no management fee is charged on assets invested in underlying undertakings for collective investment managed by a financial institution of the KBC group.
	0.02%	per year calculated on the basis of the portion of the average total net assets of the sub-fund that are invested in bonds and debt instruments, compensating the use of research to those instruments. If the actual cost of the research comprises a lower percentage than the percentage stated, the management company will receive only this lower amount.
Administration fee	0.10%	per year calculated on the basis of the average total net assets of the sub-fund.
Custodian's fee	Max 0.04%	per year calculated on the basis of the value of the securities held in custody by the custodian on the last banking day of the preceding calendar year, except on those assets invested in underlying undertakings for collective Investment managed by a financial institution of the KBC group.
Fee paid to the bevek's statutory auditor	see the 'Information concerning the Fund - G. Fees and charges regarding the Fund' for this non-structured sub-fund	
Annual tax <b>This tax must, in principle, be paid by the management company of the sub-fund, but is charged to the sub-fund.</b>	see the 'Information concerning the Fund - H. Tax treatment'	

### ***Exercising voting rights***

If necessary, relevant and in the interest of the shareholders, the management company will exercise the voting rights attached to the shares in the Bevek's portfolio.

The management company will adhere to the following criteria when determining how it stands relative to the items on the agenda that are put to the vote:

- Shareholder value may not be adversely affected.
- Corporate governance rules, especially with regard to the rights of minority shareholders, must be respected.
- The minimum standards with regard to sustainable business and corporate social responsibility must be met.

The list of companies for which voting rights are exercised is available at the registered office of the Bevek.