

ANNUAL REPORT 2020 (en)

Attached you will find the corrected file
(en)

Attachment:

1. **SOL_Annual report 2020_en**

Non Regulated

Publication Date: 14/05/2021



Mutual Fund «SOL GMM BALANCED FUND»

Collective Investments Scheme that has been established
according to the Laws of the Republic of Cyprus
(License Number UCITS 03/78)

Annual Report 2020 (Audited)

December 31, 2020

Table of contents

Entities linked to the Mutual Fund	page. 3
Board of Directors of Management Company	page. 4
Activity Report	page. 5
Certified Accountant Report	page. 6
Statement of Assets – Liabilities until December 31 2020	page. 8
Table of investments	page. 9
Statement of Assets changes until December 31 2020	page. 11
Financial results statement until December 31 2020	page. 12
Notes on the Financial Statements of December 31 2020	page. 13
Management Company Remuneration Policy	page. 18

«SOL GMM BALANCED FUND»**Entities linked to the Mutual Fund****Management Company**

GMM Global Money Managers Ltd
36 Stasinou Street
Strovolos 2003, Nicosia, Cyprus

Custodian

Eurobank Cyprus Ltd
41 Arch. Makarios III
Nicosia 1065, Cyprus

Fund Administration

Eurobank Ergasias AE
8 Iolkou & Filikis Etairias
Athens 14234, Greece

Investment Manager

GMM Global Money Managers Ltd
36 Stasinou Street
Strovolos 2003, Nicosia, Cyprus

External Auditor of the Mutual Fund

C&N Auditors Ltd
10 Gianni Kranidioti Street
Nicosia 1065, Cyprus

Risk Management

Georgios Karaoglanoglou (GMM Global Money Managers Ltd.).

Internal Auditor

Kostas Savvides (member of F.C.C.A)

Management Company Board of Directors GMM Global Money Managers Ltd

The Management Company is managed by the Board of Directors that consists of the following 7 members:

Ioanna Pouliasi	Director - Chairwoman of the Bod
Nikolaos – Ioannis Kaltsogiannis	Chief Investment Manager UCITS & AIFs (Executive Member)
Alexios Kartalis	General Manager A (Executive Member)
Ioannis Ninios	General Manager B (Executive Member) - Appointed 22/1/2021
Vassilios Maros	Director (Non Executive Member)
Andreas Karamanos	Director (Independent - Non Executive Member)
Konstantinos Georgaras	Director (Independent - Non Executive Member) - Appointed 22/1/2021

Activity report as of December 31, 2020

SOL GMM BALANCED FUND

The Mutual Fund was licensed from Cyprus Securities and Exchange Commission on August 6, 2013 and the deposit of the initial amount (assets) was executed on September 16, 2013.

The Mutual Fund has as investment objective, to achieve overall high returns over the medium- to long-term, by investing its assets in a balanced manner in a diversified portfolio of equities, corporate and treasury bonds and deposits, primarily in European markets and to a lesser extent in other international markets. Returns will come from added value and capital gains, and from income in the form of dividends, interest coupons and interest. For 2020 the M/F had a negative return of 4,19%. The benchmark of the M/F (Euribor 3-m + 200 bps) recorded for the same period a positive return of 1,57%.

The net asset value of the M/F on 31/12/2020 was € 6.797.234,17 demonstrating during the year a decrease of 11,08%.

On July 28, 2020 the Management Company has proceeded to a change in the Risk Rate of the Mutual Fund "SOL GMM BALANCED FUBD" to category "4" instead of category "3". This is due to the fact that the standard deviation of its returns has changed for more than four (4) consecutive months, so that it corresponds to a different risk category.

The M/F did not proceed to distribution of revenues and profits for the year 2020.

Note: The returns mentioned in the Annual Report are historical and are not necessarily indicative of the future returns of the M/F.

Nicosia, April 26, 2021

C & N Auditors Ltd

Auditor's report

To the unit holders of the Mutual Fund «SOL GMM Balanced Fund»

We performed our control at the attached financial statements of the Mutual Fund “SOL GMM Balanced Fund”, that include the net property and its investments as of December 31, 2020, as well as the results and the changes in net asset value during the period that elapsed and also a summary of the accounting principles that were followed and other notes to the financial statements.

Responsibility of the members of the Board of Directors of the Management Company for the financial statements

The Board of Directors of the Management Company is responsible for the preparation and the proper presentation of the above mentioned financial statements according to the prevailing legal and regulatory framework in Cyprus for the preparation of financial statements and internal control as defined by the Board of Directors of the Management Company, in relation to the preparation and the proper presentation of the financial statements, in a way that they do not include inaccuracies and they do not miss information, either because of fraud or mistake.

Auditor's responsibility

Our responsibility lies on expressing an opinion on these financial statements, based on the control we have performed. The control was performed according to the International Accounting Standards, as they have been adopted. These standards request the compliance with the moral requirements of the Code of Conduct as well as the design and execution of the auditing work in such a way that ensures with reasonable certainty that the Annual Management Report does not suffer from substantial inaccuracies and omissions.

The control includes examination of the proof evidence that support the amounts and information that are included in the financial statements. The selected procedures depend on auditor's judgment, including his/her estimation for the risk of inaccuracies and omissions – either due to fraud or mistake – in the financial statements.

For the estimation of the above risk, the auditor takes into consideration the internal controls related to the preparation and proper presentation of the financial statements of the fund, in order to define the proper accounting procedures under the specific circumstances, but not in order to express opinion for the effectiveness of the fund's internal control.

The control also includes evaluation of the accounting principles that were followed, the estimations of the Board of Directors of the management company and generally the data presentation in the Annual Report.

We believe that the evidence we have gathered are sufficient and suitable in order to give us sufficient grounds for the shaping of our accounting opinion.

Opinion

To our opinion the specific financial statements give a true and accurate picture of the financial condition of the Mutual Fund “SOL GMM Balanced Fund” as of December 31, 2020, the results of this period and the changes in the net assets during the year that elapsed, according to the legal and regulatory framework prevailing in Cyprus related to the preparation of financial statements.

Moreover, we confirm that for the evaluation of the assets of the Mutual Fund we have used methods and criteria according to the prevailing legal and regulatory framework in Cyprus and also the assets of the Mutual Fund have been valued at fair value.

Other issues

Additional information that is included in the Annual Report has been checked in the framework of our mandate, but they are not subject to specific accounting principles that have been followed according to the above mentioned standards. Consequently, we cannot express an opinion on these. However, we do not have a specific note to make in the general framework of the financial statements.

Nicosia, April 23, 2021

C & N Auditors Ltd

Assets - Liabilities statement		
for the period ending December 31, 2020		
		SOL GMM BALANCED FUND
Currency		EUR
Assets		
Securities portfolio		4.912.477,58
Bank deposits		1.742.542,83
Receivables from interest and dividends		60.205,58
Derivatives Financial Instruments:Options		95.009,40
Total Assets		6.810.235,39
Liabilities		
Derivatives Financial Instruments: Options, Swaps and Time Deposit Contracts		
Payments and other liabilities		13.001,22
Dividend distribution		-
Total Liabilities		13.001,22
Total Net Assets		6.797.234,17
Information for the total number of active units and net value per unit		
Active units on 31/12/2020		651.910,269
Net asset value per unit		10,2868
Currency		EUR
Historical table		
Total Assets on	31/12/2020	6.797.234,17
	31/12/2019	6.119.408,40
	31/12/2018	5.830.270,86
Net unit price on	31/12/2020	10,4266
	31/12/2019	10,8829
	31/12/2018	10,6350
Active units on	31/12/2020	651.910,2690
	31/12/2019	562.294,6760
	31/12/2018	548.213,0240

SOL GMM BALANCED FUND

Investments Table

as of December 31, 2020

(All prices in Euros)

Currency	Stocks/ Nominal Value	Description	Cost Value	Current Value	% on NAV
Listed securities					
Bonds					
EUR	1000	VOLKSWAGEN INTL FIN NV #N/A Field Not Applicable 3,875 VARIABLE	106.875,00	107.445,00	1,58%
EUR	840	GEK TERNA HLD ESTATE 3/7/2027 2,75 FIXED	84.000,00	82.424,41	1,21%
EUR	1000	VEOLIA ENVIRONNEMENT SA #N/A Field Not Applicable 2,5 VARIABLE	99.470,00	101.124,00	1,49%
EUR	1000	PROSUS NV 3/8/2028 1,539 FIXED	101.550,00	103.082,00	1,52%
EUR	1000	NATIONAL BANK GREECE SA 8/10/2026 2,75 VARIABLE	99.470,00	99.448,00	1,46%
EUR	1000	TEVA PHARM FNC NL II 31/3/2023 1,25 FIXED	95.600,00	96.573,00	1,42%
EUR	1000	PIAGGIO & C SPA 30/4/2025 3,625 FIXED	98.750,00	102.017,00	1,50%
EUR	1000	VALE SA 10/1/2023 3,75 FIXED	99.250,00	106.848,00	1,57%
EUR	1000	INFINEON TECHNOLOGIES AG #N/A Field Not Applicable 3,625 VARIABLE	103.550,00	107.225,00	1,58%
EUR	1000	IBERDROLA INTL BV #N/A Field Not Applicable 2,625 VARIABLE	105.450,00	105.740,00	1,56%
EUR	1000	INFINEON TECHNOLOGIES AG #N/A Field Not Applicable 2,875 VARIABLE	104.250,00	103.690,00	1,53%
EUR	1370	PROSIEBENSAT.1 MEDIA SE 15/4/2021 2,625 FIXED	138.233,00	137.054,80	2,02%
EUR	500	ROMANIA 3/4/2049 4,625 FIXED	62.375,00	67.447,00	0,99%
EUR	1000	BNQ CEN TUNISIA INT BOND 17/2/2024 5,625 FIXED	92.250,00	92.417,00	1,36%
EUR	7000	BUNDESREPUB. DEUTSCHLAND 4/7/2022 1,75 FIXED	732.430,00	726.012,00	10,68%
EUR	400	ROMANIA 8/2/2038 3,375 FIXED	38.000,00	45.970,00	0,68%
EUR	1000	NORTH MACEDONIA 26/7/2023 5,625 FIXED	116.500,00	111.771,00	1,64%
			2.278.003,00	2.296.288,21	33,78%
USD	2000	ADANI GREEN ENERGY UP 10/12/2024 6,25 FIXED	184.549,54	180.754,62	2,66%
USD	800	RWE AG 30/7/2075 6,625 VARIABLE	78.073,94	75.821,69	1,12%
USD	2000	RENEW POWER PVT LTD 5/3/2027 5,875 FIXED	192.759,93	173.221,42	2,55%
USD	1000	FIBRIA OVERSEAS FINANCE 17/1/2027 5,5 FIXED	99.901,13	93.199,41	1,37%
USD	1200	ALPHABET INC 15/8/2040 1,9 FIXED	100.412,16	95.361,42	1,40%
USD	600	UNITED MEXICAN STATES 8/3/2044 4,75 FIXED	57.581,93	58.231,93	0,86%
USD	970	REPUBLIC OF ARGENTINA 9/7/2046 0,125 STEP CPN	37.027,59	29.013,05	0,43%
USD	848,17	REPUBLIC OF ARGENTINA 9/7/2029 1 FIXED	32.707,38	30.048,48	0,44%
			783.013,60	735.652,02	10,82%
CNY	15000	ASIAN DEVELOPMENT BANK 5/3/2024 2,9 FIXED	193.863,73	190.077,91	2,80%
			193.863,73	190.077,91	2,80%
AUD	1500	EUROPEAN INVESTMENT BANK 8/6/2021 6,25 FIXED	93.752,31	96.828,13	1,42%
			93.752,31	96.828,13	1,42%
INR	70000	INTL FINANCE CORP 25/11/2024 6,3 FIXED	88.980,77	80.896,16	1,19%
			88.980,77	80.896,16	1,19%
ZAR	20000	EUROPEAN INVESTMENT BANK 5/5/2027 8 FIXED	122.375,41	122.267,91	1,80%
			122.375,41	122.267,91	1,80%
Total Investments in	Bonds		3.559.988,82	3.522.010,34	51,82%

			Stocks					
EUR		1500	DEUTSCHE WOHNEN SE	64.633,34	65.535,00	0,96%		
EUR		121391	QUALITY & RELIABILITY SA	10.925,19	33.746,70	0,50%		
EUR		5000	MYTILINEOS HOLDINGS S.A.	58.049,37	59.500,00	0,88%		
				133.607,90	158.781,70	2,34%		
HKD		1000	MEITUAN CLASS B	33.780,07	30.964,24	0,46%		
HKD		1200	HONG KONG EXCH& CLEARING	48.722,52	53.604,09	0,79%		
HKD		60000	CHINA LONGYUAN POWER GROUP	36.965,98	49.000,44	0,72%		
HKD		20000	XIAOMI CORP	52.971,54	69.790,42	1,03%		
				172.440,11	203.359,19	2,99%		
Total Investments in	Stocks			306.048,01	362.140,89	5,33%		
	Exchange Traded Funds							
EUR		6315	NORDEA I SIC-STAB RET-BP-EUR-ETF	102.681,90	107.355,00	1,58%		
				102.681,90	107.355,00	1,58%		
USD		3000	VELOCITYSHARES 2X VIX SH TRM	74.110,07	61.437,54	0,90%		
USD		15500	INVESCO DB AGRICUL ETF	193.717,90	203.870,92	3,00%		
				267.827,97	265.308,46	3,90%		
HKD		10000	GLOBAL X CHINA CLEAN ENERGY HKD	102.324,07	115.091,13	1,69%		
HKD		3000	PREMIA CHINA IN TECH ETF HKD	39.331,43	42.441,82	0,62%		
				141.655,50	157.532,95	2,32%		
Total Investments in	Exchange Traded Funds			512.165,37	530.196,41	7,80%		
	Mutual Funds							
EUR		10529,863	GMM GLOBAL OPPORTUNITIES BALANCED FUND	100.000,00	93.826,34	1,38%		
Total Investments in	Mutual Funds			100.000,00	93.826,34	1,38%		
	Non listed securities							
	Bonds							
EUR		2103,036	CULINARY 20/6/2019 1% FIXED	210.303,60	210.303,60	3,09%		
EUR		650	CELTONA LTD 10/06/2024	65.000,00	65.000,00	0,96%		
EUR		1290	Q & R CYPRUS LTD 21/7/2022 6%	129.000,00	129.000,00	1,90%		
	Bonds			404.303,60	404.303,60	5,95%		
Total investments in	Non listed securities			404.303,60	404.303,60	5,95%		
Total investments				4.882.505,80	4.912.477,58	72,27%		

Change in portfolio composition from 01/01/2020 until 31/12/2020

	Cost Value 31/12/2019	Cost Value 31/12/2020	
(All prices in Euros)			
-Stocks listed in an organized market	10.925,19	306.048,01	96,43%
-Bonds listed in an organized market	3.073.127,66	3.559.988,82	13,68%
-Exchange Traded Funds	544.601,49	512.165,37	-6,33%
Other Mutual Funds	100.000,00	100.000,00	0,00%
Non listed securities	425.303,60	404.303,60	-5,19%
Warrants	0,00	0,00	0,00%

Statement of changes	
for the period endind December 31, 2020	
	SOL GMM BALANCED FUND
	-
Currency	EUR
Assets as of December 31, 2020	6.119.408,40
Capital as of December 31, 2020	5.459.522,82
Previous years results	675.704,93
Appreciation / Depreciation of investments as of	(15.819,35)
Increase /Decrease of capital	896.106,30
Subscriptions	896.106,300
Redemptions	-
Net Result for the period (Profit / Loss)	(260.098,39)
Appreciation / Depreciation of investments for tl	41.817,86
Total result for the period (Profit / Loss)	(218.280,53)
Distributed profits	-
Total change in assets	677.825,77
Total net assets	6.797.234,17
Units in circulation	
Active units on 31/12/2020	651.910,269
Active units on 31/12/2019	562.294,676

Income statement	
for the period ending December 31, 2020	
	SOL GMM BALANCED FUND
Currency	EUR
Previous years results	659.885,58
Income	174.516,37
Income from bonds coupons and dividends	172.917,84
Income from current accounts	1.598,53
Other income	-
Expenses	187.916,43
Management fees	96.773,17
Performance fees	-
Custody fees	4.516,21
Fund adminostartion fees	5.161,31
Expenses and commissions from transactions	69.174,68
Set-up costs	-
Other expenses	10.458,87
Other taxes	1.832,19
Result for the period (Revenues - Expenses)	(13.400,06)
Profit / Loss from transactions	(246.698,33)
- Stocks	122.335,19
- Bonds	(179.352,16)
- Other portfolio	(131.872,57)
- Exchange differences from other currencies	(84.164,25)
- Forwards	-
- Derivatives	26.355,46
Net Result for the Period	(260.098,39)
Appreciation / Depreciation form investments on 31//12/2020	41.817,86
- Stocks	44.196,56
- Bonds	(55.901,79)
- Other portfolio	56.736,86
- Exchange differences from other currencies	(3.213,77)
- Forwards	-
- Derivatives	-
Total result on 31/12/2020 (Profit / Loss)	(218.280,53)

Notes on the Financial Statements of December 31, 2020

1. General

The Mutual Fund “SOL GMM BALANCED FUND” was formed on August 6, 2013 as a single scheme fund organized according to the provisions of Law 78 (I) of the Republic of Cyprus that regulates the Collective Investment Schemes.

The distribution of the units of the Fund started on 16/9/2013.

2. Summary of the basic accounting principles

The financial statements have been prepared according to the regulations prevailing in the Republic of Cyprus and refer to Collective Investment Schemes.

a) Basis of presentation of financial statements

The financial statements of the mutual fund are expressed in Euro.

b) Evaluation of transferable securities

The evaluation of the assets of the Mutual Fund is performed according to the following common and general rules:

(a) The value of securities and money market instruments listed in an organized market is evaluated according to the closing price of market transactions of the same day.

(b) For the evaluation of the assets that are expressed in other currencies the average fixing price (of that other currency versus Euro) of the previous day of the evaluation is taken into consideration.

(c) For the markets operating outside European Union, when the evaluation according to the above price is not possible due to the time difference, the evaluation is performed according to the published closing price of the previous working day.

(d) The evaluation of the listed derivatives instruments is performed according to the closing price, or in case this is not defined, according to the last transaction that the market publishes the same day. For markets operating outside European Union, when the evaluation according as above is not possible due to the time difference, the evaluation is performed according to the published closing price of the previous working day.

(e) In case no transaction has been executed the evaluation day, the price of the previous day of the market is taken into consideration and if even that day no transaction has been executed the last price of bid/offer is considered.

(f) In case in a market, where securities are listed, the uniform price system is in force, this price is taken into consideration for the evaluation.

For the evaluation of the assets of the mutual fund that are not listed in an organized market all the relevant information from the issuer is taken into consideration, as well as for the conditions in the market during the specific moment and the potential liquidation price of these assets.

c) Foreign exchange transactions

The expenses for the investments and the transactions during the said period that expressed in foreign currency, they are converted to the reference currency of the mutual fund according to the exchange rate of the day of the purchase, or the transaction.

The current value of the investments and other elements of the assets and liabilities that are expressed in foreign currency are converted to the reference currency of the mutual fund according to the exchange rate at the end of the period. Differences from the foreign currency conversion are offset with profit and losses.

The closing exchange rate of the foreign currencies versus Euro on December 31, 2020 is as follows:

1 GBP = 1.11230993 EUR

1 USD = 0.81492951 EUR

1 CAD = 0.63967249 EUR

1 AUD = 0.62908908 EUR

1 CHF = 0.92575449 EUR

1 HKD = 0.10510605 EUR

1 RUB = 0.01093289 EUR

d) Interest and income from dividends

For the calculation of the interest income the accrued interest is taken into consideration after deducting withholding taxes. Dividends are calculated on a pre-dividend basis net from withholding taxes.

e) Set-up costs

The set-up cost of the mutual fund is amortized in five year period.

f) Cash and time deposits

The mutual fund is also investing its assets in bank deposits and money market instruments, even if this is not its investment purpose. For more information regarding its cash and time deposits, please see below:

SOL GMM BALANCED FUND		
Current accounts and Time deposits	Maturity periods	Amounts In Eur
EUROBANK CYPRUS - CASH IN EUR	Current Account	766.655,05
INTERACTIVE BROKERS - MARGIN IN EUR	Margin Account	1,59
BETA - MARGIN IN EUR	Margin Account	19.238,59
BETA - MARGIN IN USD	Margin Account	24.939,11
TD OPTIMA	Time deposit	300.000,00
OPTIMA BANK - CASH IN EUR	Current Account	138,63
ALPHA BANK CYPRUS - CASH IN EUR	Current Account	100.101,67
NATIONAL BANK OF GREECE CYPRUS - CASH IN EUR	Current Account	253.591,96
EUROBANK CYPRUS - CASH IN USD	Current Account	276.287,21
EUROBANK CYPRUS - CASH IN ZAR	Current Account	15,18
EUROBANK CYPRUS - CASH IN HKD	Current Account	765,26
EUROBANK CYPRUS - CASH IN RUB	Current Account	808,58
		1.742.542,83

3. Management fees and performance fees

The management fees that refer to the mutual fund are calculated on a daily basis on the average of the net value of the units during the month and have to be paid on a monthly basis.

The above mentioned management fees include compensation that relate to operations and activities carried out by the management company, or services that are performed either by the management company itself, or by external vendors, further to outsourcing agreements.

The following need to be clarified: a) the commissions and taxes in the transactions executed on behalf of the mutual fund are not related to the above management fees and burden the mutual fund according to the terms and conditions of the agreement of the mutual fund and the executing companies. b) the fund administration services are not included in the management fee when they have been outsourced and c) for other operations and activities of the

management company that are included in the management fee, when they are outsourced, there is no other burden on the mutual fund for these outsourced activities.

On December 31, 2020 these figures were as follows:

SOL GMM BALANCED FUND	1,50% per annum
------------------------------	------------------------

On top of the management fee, the Management Company is entitled to receive from the mutual fund additional variable 15% performance fee, calculated on the potential positive difference between the positive percentage change of the net unit price of the Mutual Fund during the reference year and the benchmark (3M Euribor + 200 bps) for the same period, as defined in the Rules of the Fund.

The positive percentage difference of the net unit price that is taken into consideration for the calculation of that fee, is defined by dividing the difference between the net unit price at the end of the reference year from the net unit price at the end of the previous year with the net unit price at the end of the previous year. The value of the benchmark for the same period is taken into consideration accordingly.

Exceptionally for the first fiscal year, instead of the net unit price at the end of the previous year, the net unit price at inception date (10 Euros) will be taken into consideration, while the benchmark during the first fiscal year will also be considered.

There is a daily provision for this fee and the potential payment to the Management Company, after the final clearance at the end of the fiscal year, takes place within 10 calendar days from the end of the respective year. Basis for the calculation of the variable performance fee is the net unit price and the units in circulation that derive from previous day's evaluation.

The performance fee will be equal to the compensation that has been defined for the mutual fund multiplied with the difference between the net unit price before the benchmark and the targeted net unit price, as this derives from the return of the benchmark multiplied with the average number of units during the year.

For the 2020 financial year no performance fee was paid to the Management Company.

4. Compensation of the custodian

As a return for the services provided the custodian is entitled to receive from the assets of the mutual fund compensation ("custodian fees"), paid at the end of each month, for the month elapsed, at an annual rate that does not exceed the one mentioned in the Prospectus. This percentage will be calculated on a daily basis on the net value of the unit that day for the entire period that the fee is calculated. The custodian can also receive a compensation that is related to the trades of the mutual fund.

5. Statement of changes in the investments

A list for the mutual fund that will specify for each investment the total number of subscriptions and redemptions that took place for the reference period can be received without any cost, after submitting an application at the Management Company offices.

6. Brokerage commissions and commissions on transactions

This element refers to the brokerage transaction expenses and the commissions on transactions that relate to securities and derivatives.

The amounts that refer to the commissions on transactions appear on the profit and loss statement in the category “expenses and commissions on transactions”.

7. Exposure calculation and risk limits

The Risk Department of the Management Company calculates the total risk exposure of the mutual with the value at risk (VAR) method.

In case the mutual fund uses derivatives instruments, including repurchase agreements, or securities lending transactions in order that additional leverage or risk exposure is created, the Risk Department takes into consideration this activity during the calculation of the total exposure.

Unless there is another limitation from the investment policy, the absolute VAR should not exceed 20% of the net asset value of the mutual fund. The Management Company uses non-parametrical techniques for the NAV calculation, avoiding in such a way the normal distribution hypothesis on the portfolio.

The historical VAR methods as well the Montecarlo Simulation method are the ones chosen. Derivatives instruments are calculated with the method of delta/gamma pricing (duration/convexity) that describes in an acceptable way the risks for the derivatives instruments used. Given the fact using OTC derivatives (that have a non-linear and complicated profile) is not allowed, this approach is considered acceptable and accurate.

Value At Risk – VaR

Mutual Fund	Calculation method	LOWEST VAR	HIGHEST VAR	AVERAGE VAR	Type	Confidence interval	Retention period	Historical
SOL GMM BALANCED FUND	Absolute VaR	0,96%	17,27%	8,78%	Historical Simulation	99%	20 days	250 observations

The Risk Management Department performs also stress tests and back tests.

8. Exposure in derivatives

It is noted that during the reporting period, futures contracts were concluded for risk hedging purposes from foreign exchange risk.

On December 31, 2020 the M/F had the following open position in futures contracts as follows:

MUTUAL FUND	DERIVATIVES CONTRACT	CURRENCY	NUMBER OF CONTRACTS	VALUE	PROFIT/LOSS
SOL GMM BALANCED FUND	EUR FX USD FUT MAR 21	USD	4	\$ 612.300,00	+ \$ 2.562,50

Additionally, during the reference period for the Annual Report no derivatives were used from the Mutual Fund, including repurchase agreements, securities lending transactions, future exchange contracts, rights and futures so that further leverage or risk exposure is created.

9. Non listed in regulated markets assets

On December 31, 2020 the Mutual Fund “SOL GMM BALANCED FUND” was holding the below securities, not listed in a regulated market.

- CULINARY SERVICES UK LIMITED BOND (ISIN: GB00BBHXPS12)
- CELTONA LTD BOND
- QUALITY AND RELIABILITY CYPRUS LTD BOND (ISIN: CY0148561711)

These assets are described in detail in the Investment Tables.

Notes for the company “Quality & Reliability Cyprus Ltd”

On July 21, 2020 the bond issued by the company Quality & Reliability Cyprus Ltd was expiring. After issuer’s proposal that was accepted by the majority of the unitholders, its duration was extended for 2 more years, therefore the new redemption date is 21/7/2022.

10. Events that followed

There were no events that took place after December 31, 2020 and until the day this report was prepared.

Management Company Remuneration Policy

The Management Company has a Remuneration Policy that defines the basic principles that rule the remuneration system of the Company. The remuneration system is defined according to the business strategy, the targets and the long term interests of the Company, the protection of the proper and efficient risk management, the avoidance of excessive risk taking that could negatively affect its financial condition, its capital adequacy or they could have a negative impact in the risk profile of the Mutual Funds under management and the interests of the unitholders, as well as the discouraging of the creation of conditions that could lead to a conflict of interest during the performance of the functions of the Company.

The Remuneration Policy applies to the members of the Board of Directors, the senior management, to the persons having control duties, to the persons that take up risks and to people whose professional activities have a substantial effect in the risk profile of the Management Company or the Mutual Funds it manages.

The total remuneration for the financial year 2020, paid by the Management Company to its staff, distinguishing between fixed and variable one, as well as the number of beneficiaries was:

Nbr of beneficiaries	Fixed remuneration	Variable remuneration
13	181.738 EUROS	0

The total remuneration for the financial year 2020, split per category of employees or other members of staff, as provided by subsection (3) of article 123A of the Law, paid by the Management Company, was:

Cetegory	Total remuneration
Members of the Board	87.228 EUROS
UCITS / AIF investment managers	39.975 EUROS
Internal Auditor	4.000 EUROS

Description of the calculation method of earnings and benefits

The remuneration of the members of the Board of Directors are defined as follows:

- I. Members of the Board of Directors who have no paid affiliation with the company, where they do not actively participate in daily decision-making, are remunerated with an annual amount, determined by the Board of Directors, depending on their contribution to the Company's Management.
- II. Members of the Board of Directors who participate in the Company's management and keep a paid relationship, are remunerated in accordance with the terms of their employment contract, and their remuneration may include additional compensation for their participation in the BoD meetings.
- III. Members of the Board of Directors, who participate in the Management of the Company and are actively involved in handling of current affairs without having a paid relationship with the Company, are remunerated on the basis of an agreement approved by the Board of Directors, depending on their contribution to the Company's management and operation.

Within the framework of individual agreements with the members of the Board, the use of a corporate car, credit card, mobile phone and group life and health insurance could be provided. Also, according to the annual corporate results, extraordinary extra payment may be granted to Board members.

Remuneration of other personnel of the Company:

The remuneration received by other members of the staff consists of fixed remuneration and benefits, which are non-discriminatory and are therefore not considered to provide incentives for risk taking. Exceptions may refer to specific benefits (such as using a corporate credit card and mobile phone) that are given to specific staff members, depending on their position and the level of responsibility. The above benefits are given with a predetermined limit, irrespective of qualitative and quantitative criteria.

In addition, it is possible to provide to the staff a group life and health insurance program and to provide extra payment to the staff (variable remuneration), following a written and documented recommendation of the head of staff to the Administration, as well as informing the Remuneration Committee.

Any variable remuneration is paid or pledged only if it is acceptable based on the overall financial position of the Company and is justified on the basis of the results of the Company, the relevant Unit and the staff member concerned, and the assessment of its individual performance, and qualitative criteria in relation to his / her duties.

The Company retains the right to suspend in whole or in part the payment of additional remuneration or benefits when certain indicators (capital adequacy, liquidity, etc.) are not met or when its financial situation deteriorates significantly, especially in cases where the smooth continuation of its activities becomes doubtful.

The Company does not currently offer any pension plan to its executives and staff.

The company's remuneration policy is designed to prevent excessive risk-taking.

There were no significant changes in the remuneration policy of the Management Company in the year 2020.

The Management Company



36 Stasinou Street, Strovolos

2003 Nicosia, Cyprus

T: +357 22205858

F: +357 22378194

www.global-mm.com, info@global-mm.com