RIVER AND MERCANTILE INVESTMENTS ICAV

(An umbrella fund with segregated liability between funds)

An open-ended Irish collective asset management vehicle which is constituted as an umbrella fund with segregated liability between funds and with variable capital

AUDITED ANNUAL REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

Registration No. C167422

RIVER AND MERCANTILE INVESTMENTS ICAV

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Directors
Ronnie Culliton (Irish)*
Kevin Hayes (British) (resigned 27 May 2020)
Peter O'Dwyer (Irish)*
Tamsin Evans (British) (appointed 27 April 2020)

* Independent non-executive Directors.

Investment Manager for River and Mercantile Investments Global Macro Fund and River and Mercantile Inflation Plus Fund
River and Mercantile Investments Limited
30 Coleman Street
London
EC2R 5AL
United Kingdom

Investment Manager for River and Mercantile Emerging Markets Equity Absolute Return Fund
River and Mercantile LLC
130 Turner Street, Building 3, Suite 51
Waltham, Massachusetts 02453
U.S.A.

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

Legal Advisers
A & L Goodbody
25/28 North Wall Quay
Dublin 1
Ireland

Secretary
Goodbody Secretarial Limited
25/28 North Wall Quay
Dublin 1
Ireland

Registered Office
25/28 North Wall Quay
Dublin 1
Ireland

Manager
Carne Global Fund Managers (Ireland) Limited
2nd Floor, Block E
Iveagh Court
Harcourt Road
Dublin 2
Ireland

Administrator
BNY Mellon Fund Services (Ireland)
Designated Activity Company
One Dockland Central
Guild Street
IFSC
Dublin 1
Ireland

Auditors
KPMG
Chartered Accountants
1 Harbourmaster Place
IFSC
Dublin 1
Ireland

The Board of Directors (the "Directors") of River and Mercantile Investments ICAV (the "ICAV") herewith present their report together with the financial statements for the financial year ended 31 December 2020 (the "financial year").

Principal activities

The ICAV was registered in Ireland on 27 March 2017 as an umbrella Irish collective asset-management vehicle with segregated liability between funds pursuant to Part 2, Chapter 1 of the Irish Collective Asset-management Vehicles Act 2015 and 2020 (the "ICAV Act").

The ICAV was authorised by the Central Bank of Ireland on 13 October 2017 in accordance with the European Communities (Undertakings for Collective Investments in Transferable Securities) Regulations 2011 (as amended) (the "UCITS Regulations") and is regulated by the Central Bank of Ireland in accordance with the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (the "Central Bank UCITS Regulations").

At the date of these financial statements, the ICAV consists of the following funds, which have been approved by the Central Bank of Ireland: River and Mercantile Investments Global Macro Fund, River and Mercantile Inflation Plus Fund and River and Mercantile Emerging Markets Equity Absolute Return Fund (each the "Fund" and together the "Funds"). River and Mercantile Emerging Markets Equity Absolute Return Fund commenced operations on 31 December 2019. As at 31 December 2020, River and Mercantile Inflation Plus Fund had not launched.

At the Board meeting on 27 April 2020, the Directors resolved to close River and Mercantile Inflation Plus Fund and River and Mercantile Emerging Markets Equity Absolute Return Fund and with effect from 30 December 2020, both these Funds were terminated; accordingly, the financial statements for both these Funds have been prepared on a non-going concern basis.

Results for the financial year and state of affairs at 31 December 2020

For a detailed summary, see the Statement of Comprehensive Income on page 14 and the Statement of Financial Position on page 12.

Principal risks and uncertainties

The principal risks and uncertainties facing the ICAV are set out in Note 7 to the financial statements.

Dividends

The Directors do not propose payment of a dividend for the financial year.

Review of the development of the business and future developments

The ICAV will continue to pursue its investment objectives as outlined in Note 1 to the financial statements. For a detailed review of the financial year please refer to the Investment Manager's Report on pages 7 and 8.

Connected person transactions

Regulation 43 of the Central Bank UCITS Regulations "Restrictions of transactions with connected persons" states that "A responsible person shall ensure that any transaction between a UCITS and a connected person is conducted a) at arm's length and b) in the best interest of the unit-holders of the UCITS".

As required under Regulation 81(4), the Directors, as responsible persons are satisfied that there are arrangements in place, evidenced by written procedures, to ensure that the obligations that are prescribed by Regulation 43(1) are applied to all transactions with a connected party; and all transactions with connected persons that were entered into during the year to which the report relates complied with the obligations that are prescribed by Regulation 43(1).

Significant events during the financial year

River and Mercantile Inflation Plus Fund

At the Board meeting on 27 April 2020, the Directors resolved to close River and Mercantile Inflation Plus Fund. Effective 30 December 2020, the River and Mercantile Inflation Plus Fund was terminated.

River and Mercantile Emerging Markets Equity Absolute Return Fund

In March 2020, River and Mercantile Emerging Markets Equity Absolute Return Fund sold all of its assets and distributed the proceeds to River and Mercantile Holdings Limited, the sole shareholder. At the Board meeting on 27 April 2020, the Directors resolved to close River and Mercantile Emerging Markets Equity Absolute Return Fund. Effective 30 December 2020, the River and Mercantile Emerging Markets Equity Absolute Return Fund was terminated.

Significant events during the financial year (continued)

COVID-19

Since the beginning of 2020, global financial markets have experienced and may continue to experience significant volatility resulting from the spread of COVID-19. While containment efforts were made to slow the spread of the epidemic the virus has now spread globally resulting in travel and border restrictions, quarantines, supply chain disruptions, lower consumer demand and general market uncertainty. The effects of COVID-19 have adversely affected the global economy and may continue to do so.

The Directors are aware that global financial markets have been reacting to the virus. All markets have incurred increased volatility and uncertainty since the onset of the pandemic.

The Directors have also noted the operational risks that are posed to the Fund and its service providers due to global and local movement restrictions that have been enacted by various governments. The COVID-19 pandemic is an unprecedented event and the eventual impact on the global economy and markets will largely depend on the scale and duration of the outbreak. The Directors will continue to monitor this situation.

Directorship changes

Tamsin Evans has been appointed as a director of the ICAV effective 27 April 2020.

Kevin Hayes has resigned as a director of the ICAV effective 27 May 2020.

Brexit

The United Kingdom ("UK") formally left the European Union ("EU") on 31 January 2020. However, the UK remained subject to EU regulations during an agreed transition period from 31 January 2020 to 31 December 2020.

The UK left the single market and customs union with an EU-UK Trade and Cooperation Agreement in place. Whilst the implications of leaving the EU are not possible to predict with certainty at this time, market volatility as well as instability in foreign exchange markets are potential impacts of Brexit. Volatility resulting from this uncertainty may mean that the returns on a Fund's investments maybe adversely affected by market movements.

There were no other significant events during the financial year.

Subsequent events

Apart from those disclosed in Note 17, there were no other events that would have a material impact on the financial statements subsequent to the financial year end.

Directors

The names of the persons who are Directors of the ICAV at the date of this report are listed in the General Information section on page 2.

Directors' and Secretary's interests

Neither the Directors, nor their families, nor the secretary, had any interests in the shares of the ICAV during the financial year ended 31 December 2020.

Accounting records

The Directors believe that they have complied with the requirements of Section 110 of the ICAV Act with regard to the accounting records by employing the resources of an administrator, BNY Mellon Fund Services (Ireland) Designated Activity Company (the "Administrator"). The accounting records are maintained at One Dockland Central, Guild Street, IFSC, Dublin 1.

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Independent Auditors

The Independent Auditors, KPMG, were appointed and have indicated their willingness to continue in office in accordance with the ICAV Act.

Corporate governance

The ICAV is subject to and complies with Irish Statute comprising the Instrument of Incorporation and the ICAV Act, as applicable to investment funds.

The ICAV is subject to corporate governance practices imposed by:

1. The ICAV Act, which are available for inspection at the registered office of the ICAV and may also be obtained at www.irishstatutebook.ie.
2. The Instrument of Incorporation of the ICAV which is available for inspection at the registered office of the ICAV and at www.centralbank.ie.
3. The Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment In Transferable Securities) Regulations 2019 which is available for inspection at the registered office of the ICAV and at www.centralbank.ie.

The Directors have adopted the voluntary Corporate Governance Code for Collective Investment Schemes and Management Companies (the "Code"). The Directors have reviewed and assessed the measures included in the Code and considers its corporate governance practices and procedures since the adoption of the Code as consistent therewith.

Statement on relevant audit information

The Directors acknowledge that they are in compliance with the below:

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

On behalf of the Board of Directors

DocuSigned by:
Peter O'Dwyer
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Peter O'Dwyer
Director
Date: 20 April 2021

DocuSigned by:
Ronald Culliton
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Ronnie Culliton
Director

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RIVER AND MERCANTILE INVESTMENTS ICAV

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Directors' Report and financial statements, in accordance with applicable law and regulations.

The Irish Collective Asset-management Vehicles Acts 2015 and 2020 requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU and applicable law.

The financial statements are required to give a true and fair view of the assets, liabilities and financial position of the ICAV at the end of the financial year and of the change in net assets attributable to holders of redeemable shares in the ICAV for the financial year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the ICAV's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the ICAV or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and decrease in net assets attributable to holders of redeemable shares in the ICAV and enable them to ensure that the financial statements comply with the Irish Collective Asset-management Vehicles Acts 2015 and 2020 and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the ICAV. In this regard they have entrusted the assets of the ICAV to a depositary for safe-keeping. The Depositary is responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and to prevent and detect fraud and other irregularities. The Directors are also responsible for preparing a Directors' Report that complies with the requirements of the Irish Collective Asset-management Vehicles Acts 2015 and 2020.

On behalf of the Board of Directors

DocuSigned by:
Peter O'Dwyer
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Peter O'Dwyer
Director
Date: 20 April 2021

DocuSigned by:
Ronald Culliton
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Ronnie Culliton
Director

River and Mercantile Investments Global Macro Fund (the "Fund")

Last year saw one of the sharpest bear markets and the worst economic periods in recorded history as numerous countries went into lockdown in response to the COVID-19 pandemic.

In the first quarter of 2020, shares tumbled across markets and sectors. United States ("US") stock market trading was even suspended on multiple occasions and companies were unable to issue bonds for several days. Vulnerable sectors related to travel and retail were particularly hit hard as were financial, industrial and energy stocks - the latter suffering even further from an oil price war. Of course, less lockdown sensitive sectors such as information technology and healthcare sectors held up better. Meanwhile, emerging market equities slightly underperformed developed markets, with a strong US Dollar proving to be an additional headwind, whilst corporate bonds underperformed government bonds with high yield credit particularly hit hard. Industrial metals, led by copper, also fell.

As the crisis unfolded, the extraordinary policy response via monetary easing and fiscal support drove a sharp rebound in equities from March to October. The US Federal Reserve cut interest rates twice in March for the first time since the global financial crisis and announced unlimited quantitative easing (buying bonds). The US Senate also passed a $2 trillion stimulus package. The European Central Bank announced the Pandemic Emergency Purchase Programme ("PEPP") – a €750 billion scheme. Governments across Europe also announced spending packages to help businesses and households. In line with other central banks, the Bank of England materially reduced interest rates, cutting by 65 basis points to 0.10%. This response was co-ordinated with the UK Government, which unveiled an unprecedented series of fiscal support measures.

The MSCI World Index was at one point down 35% before recovering 59% from the trough. However, both during the bear market and the Q2/Q3 recovery, growth stocks outperformed value stocks. In the fourth quarter of 2020, as the number of COVID-19 cases began to rise again in the US and Europe and the US Congress struggled to agree a new fiscal stimulus bill, equity and credit markets came under selling pressure, before rallying again in November and December following the US presidential election and positive vaccine news from several trials.

Overall, despite an unprecedented shock to the economy worldwide, global equity markets posted decent gains on the year, although they have been extremely narrow and concentrated in the technology sector.

Fund Activity

The Fund entered 2020 with an overweight allocation to risk assets, but this allocation was drastically cut in late February. Signals from the Fund's models had turned negative as the spread of the virus beyond China led to lockdowns globally and resulted in sharp falls in economic activity. The Fund was down circa 9% in February.

In March, the Fund increased long positions in developed sovereign bond markets and initiated long exposure in the US dollar and a portfolio of high-quality equities on a relative value basis. All these changes contributed to the Fund's small but positive performance in March.

In the second quarter of 2020, the equity market rally was strong and led to extreme valuations in some developed markets. Combined with continued economic uncertainty, the Fund maintained defensively positioned with risk exposure remaining modest throughout this quarter (leverage circa 170% net on average) and with a bias towards defensive assets (<10% average allocation to directional equity and credit).

In the summer, credit conditions recovered, helped by unprecedented levels of fiscal stimulus and some economic indicators improved as most major economies began to re-open from strict lockdowns. The Fund's macro gauges somewhat reconnected with market momentum, leading to moderate increases in long directional equity and credit exposure, particularly in the US. However, as valuations reached lofty levels and the economic backdrop remained uncertain, the Fund maintained an overall defensive bias, and held onto long positions in global sovereign bonds and quality equity relative value.

In September, the Fund reduced its modest long directional equity exposure driven by the negative signals from more tactical models. This de-risking helped protect circa 20% of the portfolio from the circa 10% drop in equity markets that ensued and resulted in a positive month for the Fund. Again, helped by bearish signals from tactical models, the Fund recorded another positive return in October despite challenging market conditions, including the S&P 500 Index having its worst ever loss in the week leading up to a US presidential election.

In November, following the US presidential election and positive vaccine news from several trials, equity markets posted strong gains, particularly cyclical stocks. The Fund's credit allocations performed well, however gains were offset by the Fund's defensive equity relative value position, and as a result the Fund's performance was flat on the month. Through the final two months of the year the Fund added back directional equity exposure contributing to a 0.5% gain in December.

Looking ahead, a strong vaccine-led recovery in global growth with continued very easy monetary and fiscal policies, should be a potent mix for risk assets next year, including commodities, cyclical equity sectors and emerging markets. However, with bond yields close to the zero lower bound, there is less of a buffer to protect against equity drawdowns. Added to this, equity risk has increased with high valuations and market concentration, which could make them more vulnerable to both growth and rates shocks. Until valuation metrics realign with macro fundamentals, the Fund's risk exposure is likely to remain modest.

River and Mercantile Investments Limited
February 2021

River and Mercantile Emerging Markets Equity Absolute Return Fund (the "Fund")

Fund Activity

The Fund was launched on 31 December 2019, with seed capital of $1.9 million plus £70,000 from River and Mercantile Holdings Limited. Trades were laddered in alignment with various settlement schedules between 2 January 2020 and 6 January 2020, with all trades having settled by 7 January 2020. In March 2020, the Fund sold all of its assets and distributed the proceeds to River and Mercantile Holdings Limited, the sole shareholder.

River and Mercantile LLC
February 2021

BNY MELLON

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REPORT FROM THE DEPOSITARY TO THE SHAREHOLDERS
DATED 20 APRIL 2021

For the period from 01 January 2020 to 31 December 2020 (the "**Period**")

The Bank of New York Mellon SA/NV, Dublin Branch (the "**Depositary**" "**us**", "**we**", or "**our**") has enquired into the conduct of River and Mercantile Investments ICAV (the "**ICAV**") for the Period, in its capacity as Depositary to the ICAV.

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

Responsibilities of the Depositary

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

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

Basis of Depositary Opinion

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

Opinion

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

(i) in accordance with the limitations imposed on the investment and borrowing powers of the ICAV by the constitutional documentation and the Regulations; and

(ii) otherwise in accordance with the provisions of the constitutional documentation and the Regulations.

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

Registered in Ireland No. 907126, VAT No. IE9578054E

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

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

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Ireland

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF RIVER AND MERCANTILE INVESTMENTS ICAV

Report on the audit of the financial statements

Opinion

We have audited the financial statements of River and Mercantile Investments ICAV ('the ICAV') for the year ended 31 December 2020 set out on pages 12 to 42, which comprise the Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Net Assets Attributable to Holders of Redeemable Shares, Statement of Cash Flows and related notes, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

In our opinion:

• the financial statements give a true and fair view of the assets, liabilities and financial position of the ICAV as at 31 December 2020 and of its change in net assets attributable to holders of redeemable participating shares for the year then ended;

• the financial statements have been properly prepared in accordance with IFRS as adopted by the European Union; and

• the financial statements have been properly prepared in accordance with the requirements of the Irish Collective Asset-management Vehicles Acts 2015 and 2020 and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the ICAV in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the ICAV's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the directors' report, the investment manager's report, the depositary's report, the statement of significant purchases and sales (unaudited), the schedule of investments (unaudited), remuneration policy and information (unaudited) and securities financing transactions regulation 2016 (unaudited). The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

KPMG, an Irish partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF RIVER AND MERCANTILE INVESTMENTS ICAV (Continued)

Other information (continued)

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work undertaken during the course of the audit, we have not identified material misstatements in the other information.

Opinion on other matter prescribed by the Irish Collective Asset-management Vehicles Acts 2015 and 2020

In our opinion, the information given in the Directors' Report is consistent with the financial statements.

Matters on which we are required to report by exception

The Irish Collective Asset-management Vehicles Acts 2015 and 2020 requires us to report to you, if in our opinion, the disclosures of Directors' remuneration specified by law are not made. We have nothing to report in this regard.

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the ICAV's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the ICAV or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A fuller description of our responsibilities is provided on IAASA's website at http://www.iaasa.ie/Publications/Auditing-standards/International-Standards-on-Auditing-for-use-in-Ire/Description-of-the-auditor-s-responsibilities-for.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the shareholders of the ICAV, as a body, in accordance with the Section 120 of the Irish Collective Asset-management Vehicles Act 2015. Our audit work has been undertaken so that we might state to the ICAVs shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the ICAV and the ICAV's shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.

Liam McNally
for and on behalf of
KPMG
Chartered Accountants, Statutory Audit Firm
1 Harbourmaster Place,
IFSC, Ireland

22 April 2021

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RIVER AND MERCANTILE INVESTMENTS ICAV

STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

	Note	River and Mercantile Investments Global Macro Fund US$	River and Mercantile Inflation Plus Fund* £	River and Mercantile Emerging Markets Equity Absolute Return Fund* US$	Total US$
Assets					
Cash and cash equivalents	4	47,829,626	-	19,718	47,849,344
Cash collateral	4	19,217,981	-	-	19,217,981
Financial assets at fair value through profit or loss	3	194,141,579	-	-	194,141,579
Interest receivable		285,475	-	-	285,475
Dividends receivable		-	-	10	10
Prepayment and other receivables		67,502	-	-	67,502
Receivable from the Investment Manager	10	-	14,647	15,124	35,153
Total assets		**261,542,163**	**14,647**	**34,852**	**261,597,044**
Liabilities					
Bank overdraft	4	(25,560,891)	-	-	(25,560,891)
Financial liabilities at fair value through profit or loss	3	(804,382)	-	-	(804,382)
Management fees payable	8	(5,632)	-	-	(5,632)
Investment manager fees payable	8	(290)	-	-	(290)
Administration fees payable	8	(21,525)	(3,810)	(5,000)	(31,735)
Audit fee payable	8	(20,932)	(4,657)	(7,990)	(35,290)
Depositary fee payable	8	(6,767)	-	-	(6,767)
Legal fee payable		(17,270)	(4,389)		(23,272)
Liquidation fee payable		-	-	(14,728)	(14,728)
Interest payable		(14,932)	-	-	(14,932)
Accrued expenses		(23,299)	(1,791)	(7,134)	(32,882)
Total liabilities (excluding net assets attributable to holders of redeemable shares)		**(26,475,920)**	**(14,647)**	**(34,852)**	**(26,530,801)**
Net assets attributable to holders of redeemable shares		**235,066,243**	**-**	**-**	**235,066,243**

*At the Board meeting on 27 April 2020, the Directors resolved to close River and Mercantile Inflation Plus Fund and River and Mercantile Emerging Markets Equity Absolute Return Fund. Effective 30 December 2020, both the River and Mercantile Inflation Plus Fund and the River and Mercantile Emerging Equity Markets Absolute Return Fund were terminated.

On behalf of the Board of Directors

DocuSigned by:
Peter O'Dwyer
BA37B45D12F450...
Peter O'Dwyer
Director
Date: 20 April 2021

DocuSigned by:
Ronald Culliton
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Ronnie Culliton
Director

The accompanying notes are an integral part of the financial statements and should be read in conjunction therewith.

As at 31 December 2019

	Note	River and Mercantile Investments Global Macro Fund US$	River and Mercantile Inflation Plus Fund* £	River and Mercantile Emerging Markets Equity Absolute Return Fund** US$	Total US$
Assets					
Cash and cash equivalents	4	14,504,728	-	-	14,504,728
Cash collateral	4	5,765,063	-	-	5,765,063
Financial assets at fair value through profit or loss	3	105,801,117	-	-	105,801,117
Subscription receivable		-	-	1,992,722	1,992,722
Interest receivable		4,881	-	-	4,881
Prepayment and other receivables		67,913	-	-	67,913
Receivable from the Investment Manager	10	-	15,050	-	19,939
Total assets		**126,143,702**	**15,050**	**1,992,722**	**128,156,363**
Liabilities					
Financial liabilities at fair value through profit or loss	3	(327,966)	-	-	(327,966)
Incentive fee payable	8	(27,665)	-	-	(27,665)
Management fees payable	8	(6,476)	-	-	(6,476)
Investment manager fees payable	8	(11,017)	-	-	(11,017)
Administration fees payable	8	(38,914)	(5,000)	-	(45,538)
Audit fee payable	8	(18,715)	(5,200)	-	(25,604)
Directors' fees payable	10	(14,193)	(750)	-	(15,187)
Depositary fee payable	8	(14,403)	(2,000)	-	(17,053)
Legal fee payable		(33,964)	(2,100)	-	(36,746)
Accrued expenses		(26,650)	-	-	(26,650)
Total liabilities (excluding net assets attributable to holders of redeemable shares)		**(519,963)**	**(15,050)**	**-**	**(539,902)**
Net assets attributable to holders of redeemable shares		**125,623,739**	**-**	**1,992,722**	**127,616,461**

*River and Mercantile Inflation Plus Fund had not commenced trading as at 31 December 2019.
**River and Mercantile Emerging Markets Equity Absolute Return Fund commenced operations on 31 December 2019.

The accompanying notes are an integral part of the financial statements and should be read in conjunction therewith.

RIVER AND MERCANTILE INVESTMENTS ICAV

STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2020

	Note	River and Mercantile Investments Global Macro Fund US$	River and Mercantile Inflation Plus Fund* £	River and Mercantile Emerging Markets Equity Absolute Return Fund* US$	Total US$
Investment income/(loss)					
Interest income	2	8,917,506	-	127	8,917,633
Net loss on financial assets and liabilities at fair value through profit or loss	5	(12,315,692)	-	(472,442)	(12,788,134)
Dividend income	2	-	-	4,984	4,984
Other income		178	-	80	258
Total investment loss		**(3,398,008)**	**-**	**(467,251)**	**(3,865,259)**
Operating Expenses					
Management fees	8	(61,050)	-	(122)	(61,172)
Investment manager fees	8	(3,417)	-	-	(3,417)
Administration fees	8	(169,547)	(8,817)	(31,585)	(212,450)
Audit fee	8	(20,375)	(250)	(11,606)	(32,302)
Legal fee		(35,128)	(438)	(8,454)	(44,144)
Directors' fees	10	(39,789)	(644)	(1,427)	(42,043)
Depositary fee	8	(74,904)	-	(17,351)	(92,255)
Liquidation fee		-	-	(14,728)	(14,728)
Other expenses		(90,207)	(96)	(9,606)	(99,936)
Total operating expenses		**(494,417)**	**(10,245)**	**(94,879)**	**(602,447)**
Fee reimbursement					
Fee reimbursement from the Investment Manager	10	-	10,245	95,514	108,665
Total fee reimbursement		**-**	**10,245**	**95,514**	**108,665**
Operating loss before finance costs		**(3,892,425)**	**-**	**(466,616)**	**(4,359,041)**
Finance costs					
Interest expense	2	(7,097,947)	-	(58)	(7,098,005)
Total finance costs		**(7,097,947)**	**-**	**(58)**	**(7,098,005)**
Less: Withholding tax expense		-	-	(819)	(819)
Decrease in net assets attributable to holders of redeemable shares		**(10,990,372)**	**-**	**(467,493)**	**(11,457,865)**

*At the Board meeting on 27 April 2020, the Directors resolved to close River and Mercantile Inflation Plus Fund and River and Mercantile Emerging Markets Equity Absolute Return Fund. Effective 30 December 2020, both the River and Mercantile Inflation Plus Fund and the River and Mercantile Emerging Equity Markets Absolute Return Fund were terminated. The Investment Manager is responsible for all costs up to and including 31 December 2020.

The accompanying notes are an integral part of the financial statements and should be read in conjunction therewith.

For the financial year ended 31 December 2019

	Note	River and Mercantile Investments Global Macro Fund US$	River and Mercantile Inflation Plus Fund* £	River and Mercantile Emerging Markets Equity Absolute Return Fund** US$	Total US$
Investment income					
Interest income	2	806,675	-	-	806,675
Net gain on financial assets and liabilities at fair value through profit or loss	5	10,598,908	-	-	10,598,908
Other income		722	-	-	722
Total investment income		**11,406,305**	**-**	**-**	**11,406,305**
Operating Expenses					
Incentive fee	8	(107,268)	-	-	(107,268)
Management fees	8	(34,811)	-	-	(34,811)
Investment manager fees	8	(58,619)	-	-	(58,619)
Administration fees	8	(97,900)	(5,000)	-	(104,283)
Audit fee	8	(19,400)	(5,200)	-	(26,038)
Legal fee		(34,423)	(1,241)	-	(36,007)
Directors' fees	10	(44,330)	(2,610)	(2,891)	(50,553)
Depositary fee	8	(49,000)	(2,000)	-	(51,553)
Other expenses		(59,997)	-	(5,829)	(65,827)
Total operating expenses		**(505,748)**	**(16,051)**	**(8,720)**	**(534,959)**
Fee reimbursement					
Fee reimbursement from the Investment Manager	10	81,274	16,051	8,720	110,485
Total fee reimbursement		**81,274**	**16,051**	**8,720**	**110,485**
Operating income before finance costs		**10,981,831**	**-**	**-**	**10,981,831**
Finance costs					
Interest expense	2	(688,405)	-	-	(688,405)
Total finance costs		**(688,405)**	**-**	**-**	**(688,405)**
Increase in net assets attributable to holders of redeemable shares		**10,293,426**	**-**	-	**10,293,426**

*River and Mercantile Inflation Plus Fund has not commenced trading as at 31 December 2019.
**River and Mercantile Emerging Markets Equity Absolute Return Fund commenced operations on 31 December 2019.
The Investment Manager is responsible for all costs up to and including 31 December 2019.
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The accompanying notes are an integral part of the financial statements and should be read in conjunction therewith.

RIVER AND MERCANTILE INVESTMENTS ICAV

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

For the financial year ended 31 December 2020

	River and Mercantile Investments Global Macro Fund	River and Mercantile Inflation Plus Fund*	River and Mercantile Emerging Markets Equity Absolute Return Fund*	Total
	US$	£	US$	US$
Net assets at beginning of the financial year	125,623,739	-	1,992,722	127,616,461
Decrease in net assets attributable to holders of redeemable shares	(10,990,372)	-	(467,493)	(11,457,865)
Subscriptions during the financial year				
Class Z (Accumulation) GBP	126,957,405	-	-	126,957,405
Total subscriptions during the financial year	**126,957,405**	**-**	**-**	**126,957,405**
Anti-dilution levy during the financial year				
Class Z (Accumulation) GBP	111,659	-	-	111,659
Total anti-dilution levy during the financial year	**111,659**	**-**	**-**	**111,659**
Redemptions during the financial year				
Class A1 (Accumulation) USD	-	-	(1,454,260)	(1,454,260)
Class B1 (Accumulation) GBP	-	-	(70,969)	(70,969)
Class Z (Accumulation) GBP	(6,636,188)	-	-	(6,636,188)
Total redemptions during the financial year	**(6,636,188)**	**-**	**(1,525,229)**	**(8,161,417)**
Net assets at end of the financial year	**235,066,243**	**-**	**-**	**235,066,243**

*At the Board meeting on 27 April 2020, the Directors resolved to close River and Mercantile Inflation Plus Fund and River and Mercantile Emerging Markets Equity Absolute Return Fund. Effective 30 December 2020, both the River and Mercantile Inflation Plus Fund and the River and Mercantile Emerging Equity Markets Absolute Return Fund were terminated.

The accompanying notes are an integral part of the financial statements and should be read in conjunction therewith.

RIVER AND MERCANTILE INVESTMENTS ICAV

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

For the financial year ended 31 December 2019

	River and Mercantile Investments Global Macro Fund	River and Mercantile Inflation Plus Fund*	River and Mercantile Emerging Markets Equity Absolute Return Fund**	Total
	US$	£	US$	US$
Net assets at beginning of the financial year	6,876,596	**-**	**-**	6,876,596
Increase in net assets attributable to holders of redeemable shares	10,293,426	-	-	10,293,426
Subscriptions during the financial year				
Class A1 (Accumulation) USD	-	-	1,900,000	1,900,000
Class B2 (Accumulation) GBP	-	-	92,722	92,722
Class Z (Accumulation) GBP	115,438,647	-	-	115,438,647
Total subscriptions during the financial year	**115,438,647**	**-**	**1,992,722**	**117,431,369**
Redemptions during the financial year				
Class A (Distribution) USD	(6,984,930)	-	-	(6,984,930)
Total redemptions during the financial year	**(6,984,930)**	**-**	**-**	**(6,984,930)**
Net assets at end of the financial year	**125,623,739**	**-**	**1,992,722**	**127,616,461**

*River and Mercantile Inflation Plus Fund has not commenced trading as at 31 December 2019.
**River and Mercantile Emerging Markets Equity Absolute Return Fund commenced operations on 31 December 2019.

The accompanying notes are an integral part of the financial statements and should be read in conjunction therewith.

RIVER AND MERCANTILE INVESTMENTS ICAV

STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2020

	River and Mercantile Investments Global Macro Fund US$	River and Mercantile Inflation Plus Fund* £	River and Mercantile Emerging Markets Equity Absolute Return Fund* US$	Total US$
Cash flows from operating activities				
Decrease in net assets attributable to holders of redeemable shares	(10,990,372)	-	(467,493)	(11,457,865)
Adjustments to reconcile dencrease in net assets attributable to holders of redeemable shares to net cash used in operating activities:				
Net change in operating assets and liabilities:				
Financial assets at fair value through profit or loss	(88,340,462)	-	-	(88,340,462)
Receivable from the Investment Manager	-	403	(15,124)	(14,610)
Interest receivable	(280,594)	-	-	(280,594)
Dividends receivable	-	-	(10)	(10)
Prepayment and other receivables	411	-	-	411-
Financial liabilities at fair value through profit or loss	476,416	-	-	476,416
Investment manager fees payable	(10,727)	-	-	(10,727)
Incentive fee payable	(27,665)	-	-	(27,665)
Interest Payable	14,932	-	-	14,932
Cash collateral	(13,452,918)	-	-	(13,452,918)
Management fees payable	(844)	-	-	(844)
Administration fees payable	(17,389)	(1,190)	5,000	(13,908)
Audit fee payable	2,217	(543)	7,990	9,514
Directors' fees payable	(14,193)	(750)	-	(15,150)
Depositary fee payable	(7,636)	(2,000)	-	(10,189)
Legal fee payable	(16,694)	2,289	-	(13,772)
Liquidation fee payable	-	-	14,728	14,728
Accrued expenses	(3,351)	1,791	7,134	6,069
Net cash used in operating activities	**(112,668,869)**	**-**	**(447,775)**	**(113,116,644)**
Cash flows from financing activities				
Proceeds from issuance of shares	126,957,405	-	1,992,722	128,950,127
Payments for redemption of shares	(6,636,188)	-	(1,525,229)	(8,161,417)
Anti-dilution levy	111,659	-	-	111,659
Net cash provided by financing activities	**120,432,876**	**-**	**467,493**	**120,900,369**
Net increase in cash and cash equivalents	7,764,007	-	19,718	7,783,725
Cash and cash equivalents at beginning of the financial year	14,504,728	-	-	14,504,728
Cash and cash equivalents at end of the financial year	**22,268,735**	**-**	**19,718**	**22,288,453**
Cash and cash equivalents at end of the financial year consists of:				
Cash and cash equivalents	47,829,626	-	19,718	47,849,344
Bank overdraft	(25,560,891)	-	-	(25,560,891)
Net change in cash and cash equivalents	**22,268,735**	**-**	**19,718**	**22,288,453**
Supplemental disclosure of cash flow information				
Interest received	8,636,912	-	127	8,637,039
Interest paid	(7,085,097)	-	(58)	(7,085,155)
Dividend received	-	-	4,974	4,974

*At the Board meeting on 27 April 2020, the Directors resolved to close River and Mercantile Inflation Plus Fund and River and Mercantile Emerging Markets Equity Absolute Return Fund. Effective 30 December 2020, both the River and Mercantile Inflation Plus Fund and the River and Mercantile Emerging Equity Markets Absolute Return Fund were terminated.

The accompanying notes are an integral part of the financial statements and should be read in conjunction therewith.

For the financial year ended 31 December 2019

	River and Mercantile Investments Global Macro Fund US$	River and Mercantile Inflation Plus Fund* £	River and Mercantile Emerging Markets Equity Absolute Return Fund** US$	Total US$
Cash flows from operating activities				
Increase in net assets attributable to holders of redeemable shares	10,293,426	-	-	10,293,426
Adjustments to reconcile dencrease in net assets attributable to holders of redeemable shares to net cash used in operating activities:				
Net change in operating assets and liabilities:				
Financial assets at fair value through profit or loss	(99,943,443)	-	-	(99,943,443)
Receivable from the Investment Manager	300,631	(792)	-	299,620
Interest receivable	1,280	-	-	1,280
Prepayment and other receivables	(67,913)	-	-	(67,913)
Financial liabilities at fair value through profit or loss	318,813	-	-	318,813
Investment manager fees payable	(46,781)	-	-	(46,781)
Incentive fee payable	(19,769)	-	-	(19,769)
Cash collateral	(5,608,316)	-	-	(5,608,316)
Management fees payable	476	-	-	476
Administration fees payable	2,174	2,619	-	5,517
Audit fee payable	941	3,023	-	4,800
Directors' fees payable	14,193	(750)	-	13,236
Depositary fee payable	(3,275)	(2,000)	-	(5,828)
Legal fee payable	3,612	(2,100)	-	931
Accrued expenses	(5,791)	-	-	(5,791)
Net cash used in operating activities	**(94,759,742)**	**-**	**-**	**(94,759,742)**
Cash flows from financing activities				
Proceeds from issuance of shares	115,438,647	-	-	115,438,647
Payments for redemption of shares	(6,984,930)	-	-	(6,984,930)
Net cash provided by financing activities	**108,453,717**	**-**	**-**	**108,453,717**
Net increase in cash and cash equivalents	13,693,975	-	-	13,693,975
Cash and cash equivalents at beginning of the financial year	810,753	-	-	810,753
Cash and cash equivalents at end of the financial year	**14,504,728**	**-**	**-**	**14,504,728**
Supplemental disclosure of cash flow information				
Interest received	807,955	-	-	807,955
Interest paid	(686,418)	-	-	(686,418)

*River and Mercantile Inflation Plus Fund has not commenced trading as at 31 December 2019.
**River and Mercantile Emerging Markets Equity Absolute Return Fund commenced operations on 31 December 2019.

The accompanying notes are an integral part of the financial statements and should be read in conjunction therewith.

1. General information

River and Mercantile Investments ICAV (the "ICAV") was registered in Ireland on 27 March 2017 as an umbrella Irish collective asset-management vehicle with segregated liability between funds pursuant to Part 2, Chapter 1 of the ICAV Act.

The ICAV was authorised by the Central Bank of Ireland on 13 October 2017 in accordance with the European Communities (Undertakings for Collective Investments in Transferable Securities) Regulations 2011 (as amended) (the "UCITS Regulations") and is regulated by the Central Bank of Ireland in accordance with the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019, (the "Central Bank UCITS Regulations").

The financial statements are prepared in accordance with the ICAV Act, UCITS Regulations, Central Bank UCITS Regulations and in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

The ICAV is structured as an umbrella fund with segregated liability between funds. Shares representing interests in different funds may be issued from time to time by the ICAV. Shares of more than one class may be issued in relation to a fund. All Shares of each class will rank rateably amongst themselves and pari passu save as provided for in the relevant Supplement. On the introduction of any new fund (for which prior Central Bank of Ireland approval is required) or any new class of shares (which must be issued in accordance with the requirements of the Central Bank of Ireland), the ICAV will prepare and issue a new or updated Supplement setting out the relevant details of each such fund or new class of shares as the case may be. A separate portfolio of assets will be maintained for each fund (and accordingly not for each class of shares) and will be invested in accordance with the investment objective and policies applicable to such fund. Particulars relating to individual funds and the classes of shares available therein are set out in the relevant Supplement. Any amendments to the Prospectus and any Supplements must be notified to and cleared in advance by the Central Bank of Ireland.

The ICAV has segregated liability between its funds and accordingly any liability incurred on behalf of or attributable to any fund shall be discharged solely out of the assets of that fund. As at 31 December 2020, the ICAV has established three funds: River and Mercantile Investments Global Macro Fund, River and Mercantile Inflation Plus Fund and River and Mercantile Emerging Markets Equity Absolute Return Fund (each the "Fund" or collectively the "Funds"). Additional funds may be established by the Directors from time to time with the prior approval of the Central Bank of Ireland.

At the Board meeting on 27 April 2020, the Directors resolved to close River and Mercantile Inflation Plus Fund and River and Mercantile Emerging Markets Equity Absolute Return Fund. Effective 30 December 2020, both the River and Mercantile Inflation Plus Fund and the River and Mercantile Emerging Equity Markets Absolute Return Fund were terminated.

The ICAV has appointed River and Mercantile Investments Limited and River and Mercantile LLC as the Investment Managers (each the "Investment Manager" and together, the "Investment Managers") and Carne Global Fund Managers (Ireland) Limited as the Manager (the "Manager") to the ICAV. The ICAV has appointed BNY Mellon Fund Services (Ireland) Designated Activity Company as the Administrator (the "Administrator") of the ICAV pursuant to the Administration Agreement with responsibility for the day to day administration of the ICAV's affairs. The ICAV has appointed The Bank of New York Mellon SA/NV, Dublin Branch (the "Depositary") as Depositary of the ICAV pursuant to the Depositary Agreement with responsibility for acting as depositary of the assets of each Fund.

The investment objectives and policies of the Funds are summarised below. A full description of the investment objectives and policies of the Funds are contained in their respective Supplements.

River and Mercantile Investments Global Macro Fund

The investment objective of the Fund is to achieve long-term capital appreciation through the annual growth rate of an investment applied year on year for a specified period of time.

The investment strategy of the Fund is to invest globally long and short, using leverage (where appropriate) in a diversified range of liquid instruments, by following a systematic investment process that is based on statistical research. The Fund may either invest directly in instruments, or indirectly by investing through financial derivative instruments.

The Fund may invest in equity securities (including common stocks of companies of any market capitalisation, depositary receipts and exchange traded funds), exchange traded futures, equity options and forwards, currency forwards traded over-the-counter, U.S. Treasury obligations, debt instruments of any government, corporation or other entity, including instruments that are rated below investment grade, and financial derivative instruments linked to all such instruments (including swaps and equity index futures). The Fund may invest in futures which are listed on global indices. The types of such indices will be consistent with the investment objective and policy of the Fund and are likely to have a global macro focus.

The Fund may also invest a portion of its assets in other instruments for cash management purposes. These other instruments are expected to be predominantly comprised U.S. Treasury obligations but may include debt instruments of any government, corporation or other entity and may include other instruments such as money market funds.

The Fund is not focused on any one geographical region or industry sector.

River and Mercantile Inflation Plus Fund

The investment objective of the Fund was to grow capital by delivered a returned in excess of UK inflation as measured by the Retail Price Index. This was achieved by diversified investments across various asset classes and provided the opportunity for real capital growth. The Fund could offer downside capital preservation during adverse market conditions however this was not guaranteed. The Fund could invest up to 100% of its net assets in collective investment schemes ("CISs"). The CISs could be located in the following jurisdictions the United States, Ireland, UK, Luxembourg, Germany, France, Sweden, Norway, Guernsey and Jersey and could be diversified across investment managers.

At the Board meeting on 27 April 2020, the Directors resolved to close River and Mercantile Inflation Plus Fund. Effective 30 December 2020, the River and Mercantile Inflation Plus Fund was terminated.

1. General information (continued)

River and Mercantile Emerging Markets Equity Absolute Return Fund

The investment objective of the Fund was to achieve long-term capital appreciation, through investments in equities and similar instruments denominated in any freely convertible currency and issued by (or the value of which was linked directly to equity securities issued by) emerging market companies. The Fund could from time to time use financial derivative instruments for investment purposes to reduce the Fund's exposure to movements in emerging market equity prices generally, in line with the objective to achieve long-term capital appreciation.

In March 2020, River and Mercantile Emerging Markets Equity Absolute Return Fund sold all of its assets and distributed the proceeds to River and Mercantile Holdings Limited, the sole shareholder.

At the Board meeting on 27 April 2020, the Directors resolved to close River and Mercantile Emerging Markets Equity Absolute Return Fund. Effective 30 December 2020, the River and Mercantile Emerging Equity Markets Absolute Return Fund was terminated.

2. Significant accounting policies

(a) Statement of compliance

The financial statements have been prepared in accordance with IFRS as adopted by the European Union.

(b) Basis of preparation

The financial statements have been prepared on the historical cost basis, except for financial instruments at fair value through profit or loss, which are measured at fair value. The financial statements are prepared on a going concern basis, except for those of River and Mercantile Inflation Plus Fund and River and Mercantile Emerging Markets Equity Absolute Return Fund which have been prepared on a non-going concern basis concern basis for which all assets are stated at their estimated net realisable amounts and liabilities are stated at their contractual settlement values. Provision has also been made for any related liquidation costs. Any other additional costs that may arise as a result of the liquidation will be borne by the Investment Manager.

The financial statements of River and Mercantile Investments Global Macro Fund are presented in United States Dollars ("US$"), the Fund's functional currency. The financial statements of River and Mercantile Inflation Plus Fund are presented in Sterling ("£"), the Fund's functional currency. The financial statements of River and Mercantile Emerging Markets Equity Absolute Return Fund are presented in US$ the Fund's functional currency. The presentation currency of the ICAV is the US$. All amounts have been rounded to the nearest currency unit unless otherwise stated.

(c) Significant accounting estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The key judgement relates to the selection of the classification of investments and the associated valuation policies.

(d) New accounting standards, amendments and interpretations in issue and effective for the financial periods beginning on or after1 January 2020

At the date of approval of these financial statements, the following standards, amendments and interpretations to existing standards were adopted by the ICAV effective from 1 January 2020:

Definition of Material - Amendments to International Accounting Standards ("IAS") 1 and IAS 8
The IASB ("International Accounting Standards Board") has made amendments to IAS 1 "Presentation of Financial Statements" and IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" which use a consistent definition of materiality throughout International Financial Reporting Standards and the Conceptual Framework for Financial Reporting (the "Framework"), clarify when information is material and incorporate some of the guidance in IAS 1 about immaterial information.

In particular, the amendments clarify:

- that the reference to obscuring information addresses situations in which the effect is similar to omitting or misstating that information, and that an entity assesses materiality in the context of the financial statements as a whole, and
- the meaning of 'primary users of general purpose financial statements' to whom those financial statements are directed, by defining them as 'existing and potential investors, lenders and other creditors' that must rely on general purpose financial statements for much of the financial information they need.

The amendment is effective for annual reporting periods beginning or after 1 January 2020. Based on the ICAV's assessment, the amendment does not have a material impact on the ICAV's financial statements.

2. Significant accounting policies (continued)

(d) New accounting standards, amendments and interpretations in issue and effective for the financial periods beginning on or after1 January 2020 (continued)

Revised Conceptual Framework for Financial Reporting (the "Revised Framework")
The IASB has issued a revised Conceptual Framework which will be used in standard-setting decisions with immediate effect. Key changes include:

- increasing the prominence of stewardship in the objective of financial reporting
- reinstating prudence as a component of neutrality
- defining a reporting entity, which may be a legal entity, or a portion of an entity
- revising the definitions of an asset and a liability
- removing the probability threshold for recognition and adding guidance on derecognition
- adding guidance on different measurement basis, and
- stating that profit or loss is the primary performance indicator and that, in principle, income and expenses in other comprehensive income should be recycled where this enhances the relevance or faithful representation of the financial statements.

No changes will be made to any of the current accounting standards. However, entities that rely on the Framework in determining their accounting policies for transactions, events or conditions that are not otherwise dealt with under the accounting standards will need to apply the Revised Framework from 1 January 2020. These entities will need to consider whether their accounting policies are still appropriate under the Revised Framework.

The amendment is effective for annual reporting periods beginning on or after 1 January 2020. Based on the ICAV's assessment, the amendment does not have a material impact on the ICAV's financial statements.

Interest Rate Benchmark Reform - Amendment to IFRS 7, IFRS 9 and IAS 39 (Phase 1)
The amendments modify some specific hedge accounting requirements to provide certain reliefs in connection with interest rate benchmark reform. The reliefs relate to hedge accounting and have the effect that IBOR reform should not generally cause hedge accounting to terminate. However, any hedge ineffectiveness should continue to be recorded in the income statement. Given the pervasive nature of hedges involving IBOR-based contracts, the reliefs will affect companies in all industries.

The amendment is effective for annual reporting periods beginning on or after 1 January 2020. Based on the ICAV's assessment, the amendment does not have a material impact on the ICAV's financial statements.

There are no other standards, amendments or interpretations that are effective for period beginning on 1 January 2020 that have a material effect on the ICAV's financial statements.

(e) Standards, interpretations and amendments to existing standards in issue but not yet effective

Interest Rate Benchmark Reform - Amendment to IFRS 7, IFRS 9 and IAS 39 (Phase 2)
The amendments address issues that might affect financial reporting during the reform of an interest rate benchmark, including the effects of changes to contractual cash flows or hedging relationships arising from the replacement of an interest rate benchmark with an alternative benchmark rate (replacement issues). The amended requirements in IFRS 7, IFRS 9 and IAS 39 relates to:

- changes in the basis for determining contractual cash flows of financial assets and financial liabilities;
- hedge accounting, and;
- disclosures.

The Phase 2 amendments apply only to changes required by the interest rate benchmark reform to financial instruments and hedging relationships. The amendments apply retrospectively with earlier application permitted. Hedging relationships previously discontinued solely because of changes resulting from the reform will be reinstated if certain conditions are met.

The amendment is effective for annual reporting periods beginning on or after 1 January 2021. The ICAV is currently evaluating the impact, if any, that this amendment will have on its financial statements.

Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37)
IAS 37 Provisions Contingent Liabilities and Contingent Assets did not specify which costs to include in estimating the cost of fulfilling a contract for the purpose of assessing whether that contract is onerous. Research conducted by the IFRS Interpretations Committee indicated that differing views on which costs to include could lead to material differences in the financial statements of entities that enter into some types of contracts.
In this project, the IASB developed amendments to IAS 37 to clarify that for the purpose of assessing whether a contract is onerous, the cost of fulfilling the contract includes both the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

The IASB issued the amendments in May 2020. The amendments are effective for contracts for which an entity has not yet fulfilled all its obligations on or after 1 January 2022 with earlier application permitted. The ICAV is currently evaluating the impact, if any, that this amendment will have on its financial statements.

2. Significant accounting policies (continued)

(e) Standards, interpretations and amendments to existing standards in issue but not yet effective (continued)

Annual Improvements to IFRS Standards 2018–2020
The four proposed amendments included in the annual improvements consultation document are:

IFRS 1 First-time Adoption of International Financial Reporting Standards
Simplify the application of IFRS 1 by a subsidiary that becomes a first-time adopter of IFRS Standards after its parent company has already adopted them. The proposed amendment relates to the measurement of cumulative translation differences.

IFRS 9 Financial Instruments
Clarify the fees a company includes in assessing the terms of a new or modified financial liability to determine whether to derecognise a financial liability.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022 with earlier application permitted. The ICAV is currently evaluating the impact, if any, that these amendments will have on its financial statements.

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)
The amendments clarify a criterion in IAS 1 for classifying a liability as non-current: the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period.
The amendments:

– specify that an entity's right to defer settlement must exist at the end of the reporting period;
– clarify that classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement;
– clarify how lending conditions affect classification; and
– clarify requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.

In its Primary Financial Statements project, the IASB is developing proposals to improve the way information is communicated in financial statements. The IASB proposes to issue requirements in a new IFRS Standard that would replace IAS 1.

The amendments apply retrospectively for annual reporting periods beginning on or after 1 January 2023 with earlier application permitted. The ICAV is currently evaluating the impact, if any, that these amendments will have on its financial statements.

There are no other standards, interpretations and amendments to existing standards in issue but not yet effective that would be expected to have a significant impact on the ICAV.

(f) Financial assets and financial liabilities

The ICAV classifies and measures financial instruments in line with IFRS 9 "Financial Instruments" ("IFRS 9").

Recognition and initial measurement
The ICAV initially recognises financial assets and financial liabilities at fair value through profit or loss ("FVTPL") on the trade date, which is the date on which the ICAV becomes a party to the contractual provisions of the instrument. Other financial assets and financial liabilities are recognised on the date on which they are originated.

A financial asset or financial liability is measured initially at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

On initial recognition, the ICAV classifies financial assets as measured at amortised cost or FVTPL.
A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
– it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
– its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI").

All other financial assets of the ICAV are measured at FVTPL. These include, government bonds, total return swaps, forward currency contracts and futures contracts.

2. Significant accounting policies (continued)

(f) Financial assets and financial liabilities (continued)

Classification and subsequent measurement (continued)

Business model assessment
In making an assessment of the objective of the business model in which a financial asset is held, the ICAV considers all of the relevant information about how the business is managed, including:
- the documented investment strategy and the execution of this strategy in practice. This includes whether the investment strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the ICAV's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how the Investment Manager is compensated: e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the ICAV's continuing recognition of the assets.

The ICAV has determined that it has two business models.
- Held-to-collect business model: this includes cash and cash equivalents and other receivables. These financial assets are held to collect contractual cash flow.
- Other business model: this includes debt instruments and derivatives. These financial assets are managed and their performance is evaluated, on a fair value basis, with frequent sales taking place.

Assessment whether contractual cash flows are SPPI
For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are SPPI, the ICAV considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the ICAV considers:
- Contingent events that would change the amount or timing of cash flows;
- leverage features;
- Prepayment and extension features;
- Terms that limit the ICAV's claim to cash flows from specified assets (e.g. non-recourse features); and
- Features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

Reclassifications
Financial assets are not reclassified subsequent to their initial recognition unless the ICAV were to change its business model for managing financial assets, in which case all affected financial assets would be reclassified on the first day of the first reporting period following the change in the business model.

Fair value measurement
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the ICAV has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the ICAV measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The ICAV measures instruments quoted in an active market at a mid price, because this price provides a reasonable approximation of the exit price.

If there is no quoted price in an active market, then the ICAV uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

Derecognition
The ICAV derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the ICAV neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset that is derecognised) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss. Any interest in such transferred financial assets that is created or retained by the ICAV is recognised as a separate asset or liability.

The ICAV enters into transactions whereby it transfers assets recognised on its Statement of Financial Position, but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. If all or substantially all of the risks and rewards are retained, then the transferred assets are not derecognised. Transfers of assets with retention of all or substantially all of the risks and rewards include sale and repurchase transactions.

3. Significant accounting policies (continued)

Derecognition (continued)

The ICAV derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any no cash assets transferred or liabilities assumed) is recognised in profit or loss

(g) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously. As at 31 December 2020 and 31 December 2019, no financial assets and financial liabilities are offset in the Statement of Financial Position.

(h) Derivatives

The ICAV, in its normal course of investing and trading activities, may enter into transactions in derivative financial instruments based on expectations of future market movements and conditions. The fair value of derivative financial instruments at the reporting date generally reflects the amount that the ICAV would receive or pay to terminate the contract at the reporting date. Many derivative financial instruments are exchange traded or traded in the over-the-counter ("OTC") market where market values are readily obtainable. These transactions have off-balance sheet risk, credit and/or liquidity risk.

Derivative financial instruments are recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, including discounted cash flow models and options pricing models, as appropriate. Models are calibrated by back testing to actual transactions to ensure outputs are reliable. Models use observable data to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require the Board of Directors to make estimates. Changes in assumptions about these factors could affect the reported fair value of derivative financial instruments at the valuation date.

All derivative financial instruments are carried in assets when amounts are receivable by the ICAV and in liabilities when amounts are payable by the ICAV. Changes in the fair values of derivatives are included in the Statement of Comprehensive Income. During the financial year, when the contract is open, changes in the value of the contracts are recognised as unrealised appreciation or depreciation to reflect the fair value of the contract at the last day of the valuation financial year. When the contract is closed, the ICAV records a realised gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the ICAV's basis in the contract.

The ICAV may engage in forward currency contracts, futures contracts and swap contracts.

- *Forward currency contracts*

Forward currency contracts are recorded on the trade date and are valued at the applicable foreign exchange rates on the last business day of the financial year. The difference between the fair value of the original contract amount and the fair value of the open forward currency contract position is reflected as unrealised appreciation or depreciation on open forward currency contracts which is included in financial assets or liabilities at fair value through profit or loss in the Statement of Financial Position and as a net change in unrealised appreciation or depreciation on open forward currency contracts which is included in net gain (loss) on financial assets and liabilities at fair value through profit or loss in the Statement of Comprehensive Income. Realised gains or losses are recognised on the maturity or trade date of the contract and are included in net gain (loss) on financial assets and liabilities at fair value through profit or loss in the Statement of Comprehensive Income.

- *Futures contracts*

A futures contract represents a commitment for the future purchase or sale of an asset at a specified price on a specified date.

The purchase and sale of futures contracts requires margin deposits with a Future Commission Merchant ("FCM"). Subsequent payments (variation margin) are made or received by the ICAV each day, depending on the daily fluctuations in the value of the contract, and are recorded as unrealised gains or losses by the ICAV. Futures contracts may reduce the ICAV's exposure to counterparty risk since futures contracts are exchange-traded; and the exchange's clearinghouse, as the counterparty to all exchange-traded futures, guarantees the futures against default.

- *Swap contracts*

Swaps are contractual agreements between two parties to exchange streams of payments over time based on specified notional amounts. The swaps are valued at an amount equal to the gain or loss that would be realised if the position was closed out on the valuation date.

Total return swaps

The ICAV may also hold investment positions through total return swaps. Total return swaps are contracts in which the ICAV pays or receives a series of cash flows based upon the total return of a specified asset in return for paying or receiving, respectively, a fixed or floating rate of interest based upon that same specified asset.

(i) Realised and unrealised gains and losses

All realised and unrealised gains and losses on securities and derivatives are recognised as net gain (loss) on financial assets and liabilities at fair value through profit or loss in the Statement of Comprehensive Income. The cost of securities sold is accounted for on a First In – First Out ("FIFO") basis. Unrealised gains and losses consist of movement in the fair value of financial instruments between the opening and closing financial year end, adjusted for a reversal of the prior financial year's unrealised gains and losses for financial instruments which were realised in this reporting financial year.

Realised gains and losses represent the difference between an instrument's initial carrying amount and disposal amount, or cash payments or receipts made on derivative contracts (excluding payments or receipts on collateral margin accounts for such instruments).

2. Significant accounting policies (continued)

(j) Interest income and expense

Interest income and expense on cash and cash equivalents, debt securities and financial derivatives is recognised on an accruals basis in the Statement of Comprehensive Income using the effective interest rate method.

(k) Dividend income and expense

Dividend income is recognised when the ICAV's right to receive the payment is established. Dividend income is presented gross of any non-recoverable withholding taxes. Dividend expense is recorded on an accruals basis. Dividend income and expense are recorded on the ex-dividend date.

(l) Transaction fees

Transaction costs are incremental costs, which are separately identifiable and directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. Transaction costs incurred by the ICAV during the financial year are recognised in the Statement of Comprehensive Income and are included in Other expenses.

(m) Currency transaction

Items included in the ICAV's financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency").

Transactions during the financial year denominated in foreign currencies have been translated at the rates of exchange ruling at the dates of the transactions. Assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the reporting date. For foreign currency investment transactions and for foreign currency investments held at the financial year end, the resulting profits or losses are recognised as net gain (loss) on financial assets and financial liabilities at fair value through profit or loss in the Statement of Comprehensive Income.

Gains and losses on forward currency contracts are included in the net gain (loss) on financial assets and liabilities at fair value through profit or loss in the Statement of Comprehensive Income and allocated to the relevant share class.

(n) Cash and cash equivalents and bank overdraft

Cash and cash equivalents include cash in hand and demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are short term financing options which are repayable on demand.

(o) Cash collateral

The cash collateral receivable and cash collateral payable amounts consist of funds held at or received from counterparties as disclosed in Note 4 and arising from such activities as collateral or margin cash for derivative contracts and other cash transactions.

(p) Taxation

The ICAV will only be subject to tax on chargeable events in respect of shareholders who are Taxable Irish Persons (generally persons who are resident or ordinarily resident in Ireland for tax purposes).

A chargeable event occurs for example on:

(i) a payment of any kind to a shareholder by the ICAV;
(ii) a transfer of shares; and
(iii) on the eighth anniversary of a shareholder acquiring shares and every subsequent eighth anniversary

but does not include any transaction in relation to shares held in a clearing system recognised by the Irish Revenue Commissioners, certain transfers arising as a result of an amalgamation or reconstruction of fund vehicles and certain transfers between spouses or former spouses.

If a shareholder is not a Taxable Irish Person at the time a chargeable event arises no Irish tax will be payable on that chargeable event in respect of that shareholder.

Where tax is payable on a chargeable event, subject to the comments below, it is a liability of the ICAV which is recoverable by deduction or, in the case of a transfer and on the eight year rolling chargeable event by cancellation or appropriation of Shares from the relevant shareholders. In certain circumstances, and only after notification by the ICAV to a shareholder, the tax payable on the eight year rolling chargeable event can at the election of the ICAV become a liability of the shareholder rather than the ICAV. In such circumstances the shareholder must file an Irish tax return and pay the appropriate tax to the Irish Revenue Commissioners.

In the absence of the appropriate declaration being received by the ICAV that a shareholder is not a Taxable Irish Person or if the ICAV has information that would reasonably suggest that a declaration is incorrect, and in the absence of written notice of approval from the Irish Revenue Commissioners to the effect that the requirement to have been provided with such declaration is deemed to have been complied with (or following the withdrawal of, or failure to meet any conditions attaching to such approval), the ICAV will be obliged to pay tax on the occasion of a chargeable event (even if, in fact, the shareholder is neither resident nor ordinarily resident in Ireland).

IFRIC Interpretation 23, Uncertainty over Income Tax Treatment clarifies the accounting for income taxes when tax treatments involve uncertainty that affects the application of IAS 12 in the ICAV financial statements.

2. Significant accounting policies (continued)

(p) Taxation (continued)

The Investment Manager evaluates such tax positions to determine whether, for all tax years still subject to assessment or challenge by the relevant taxation authorities, the tax positions are probable to be accepted on examination by the relevant tax authorities. If it is probable that the ICAV tax positions are accepted the taxable profit (tax loss) should be consistent with the ICAV tax filings. If not probable the ICAV must reflect the effect of the uncertainty in determining its taxable profit (tax loss). The effect of the uncertain tax treatment is determined by applying the expected value method or by applying the most likely method.

The Investment Manager has analysed the ICAV tax positions, and has concluded that no liability for unrecognised tax benefits should be recorded related to uncertain tax positions for the years ended 31 December 2020 and 31 December 2019. The ICAV recognises interest and penalties, if any, related to unrecognised tax benefits as income tax and expense in the Statement of Comprehensive Income. During the years ended 31 December 2020 and 31 December 2019, the ICAV did not incur any interest or penalties.

(q) Redeemable shares

Redeemable Shares are redeemable at the shareholders' option and are classified as financial liabilities. The Redeemable Shares can be put back to the ICAV under redemption terms set out in the ICAV's offering documents. A Redeemable Share is carried at the redemption amount that is payable at the reporting date if the shareholder exercised their right to put the Redeemable Share back to the ICAV in accordance with the redemption terms set out in the Prospectus.

(r) Anti-Dilution Levy

When there are net subscriptions or net redemptions, the ICAV may add to the subscription price or deduct from the redemption proceeds respectively, an anti-dilution levy. Any such levy will be retained for the benefit of the ICAV. The Directors reserve the right to waive such levy at any time. Anti-dilution levies are disclosed as part of share transactions in the Statement of Changes in Net Assets Attributable to Holders of Redeemable Shares.

(s) Subscription receivable

Subscriptions receivables relate to share subscriptions that have been contracted for but not yet settled or delivered on the reporting date and are held at amortised costs.

(t) Expenses

All expenses are recognised in the Statement of Comprehensive Income on an accruals basis.

3. Financial assets and financial liabilities at fair value through profit or loss

The following table summarises the financial assets and financial liabilities at fair value through profit or loss as at 31 December 2020 and 31 December 2019:

	31 December 2020 River and Mercantile Investments Global Macro Fund US$	31 December 2019 River and Mercantile Investments Global Macro Fund US$
Financial assets at fair value through profit or loss		
Transferable securities		
Government bonds	187,607,335	104,054,663
Total transferable securities	**187,607,335**	**104,054,663**
Derivative contracts		
Total return swaps	425,557	103,785
Forward currency contracts	4,574,688	1,360,590
Futures contracts	1,533,999	282,079
Total derivative contracts	**6,534,244**	**1,746,454**
Total financial assets at fair value through profit or loss	**194,141,579**	**105,801,117**
Financial liabilities at fair value through profit or loss		
Derivative contracts		
Total return swaps	(604,033)	(70,699)
Forward currency contracts	(189,864)	(33,629)
Futures contracts	(10,485)	(223,638)
Total derivative contracts	**(804,382)**	**(327,966)**
Total financial liabilities at fair value through profit or loss	**(804,382)**	**(327,966)**

3. Financial assets and liabilities at fair value through profit or loss (continued)

At the Board meeting on 27 April 2020, the Directors resolved to close River and Mercantile Inflation Plus Fund and River and Mercantile Emerging Markets Equity Absolute Return Fund. Effective 30 December 2020, both the River and Mercantile Inflation Plus Fund and the River and Mercantile Emerging Equity Markets Absolute Return Fund were terminated.

As at 31 December 2019, River and Mercantile Inflation Plus Fund had not commenced trading.

River and Mercantile Emerging Markets Equity Absolute Return Fund received subscriptions on 31 December 2019. However, the Fund did not hold any investments at 31 December 2019. The Fund commenced trading during the 31 December 2020 financial year, however, in March 2020, it sold all of its assets and distributed the proceeds to River and Mercantile Holdings Limited, the sole shareholder.

At the Board meeting on 27 April 2020, the Directors resolved to close River and Mercantile Emerging Markets Equity Absolute Return Fund. Effective 30 December 2020, both the River and Mercantile Inflation Plus Fund and the River and Mercantile Emerging Equity Markets Absolute Return Fund were terminated.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The ICAV discloses the values of its investments in accordance with IFRS 13 "Fair Value Measurement" ("IFRS 13"). This requires the ICAV to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 - inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety.

If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The ICAV recognises transfers between levels of the fair value hierarchy as at the end of the reporting year during which the change occurred. There were no transfers between levels during the year ended 31 December 2020 and 31 December 2019.

The following table analyses within the fair value hierarchy, the ICAV's financial assets and financial liabilities measured at fair value at 31 December 2020:

River and Mercantile Investments Global Macro Fund

	Level 1 US$	Level 2 US$	Level 3 US$	Total US$
Financial assets at fair value through profit or loss				
Interest bearing securities				
Government bonds	180,891,572	6,715,763	-	187,607,335
Total interest bearing securities	**180,891,572**	**6,715,763**	**-**	**187,607,335**
Derivative contracts				
Forward currency contracts	-	4,574,688	-	4,574,688
Futures contracts	1,533,999	-	-	1,533,999
Total return swaps	-	425,557	-	425,557
Total derivative contracts	**1,533,999**	**5,000,245**	**-**	**6,534,244**
Total assets	**182,425,571**	**11,716,008**	**-**	**194,141,579**
Financial liabilities at fair value through profit or loss				
Derivative contracts				
Forward currency contracts	-	(189,864)	-	(189,864)
Futures contracts	(10,485)	-	-	(10,485)
Total return swaps	-	(604,033)	-	(604,033)
Total derivative contracts	**(10,485)**	**(793,897)**	**-**	**(804,382)**
Total liabilities	**(10,485)**	**(793,897)**	**-**	**(804,382)**

For all other financial assets and financial liabilities not at fair value through profit or loss which include cash and cash equivalents, cash collateral, receivables, payables and net assets attributable to holders of redeemable shares, their carrying values are a reasonable approximation of fair value. As such, Level 1 is deemed to be the most appropriate categorisation for cash and cash equivalents, cash collateral and bank overdraft while Level 2 is deemed the most appropriate categorisation for all other financial assets and financial liabilities.

3. Financial assets and liabilities at fair value through profit or loss (continued)

At the Board meeting on 27 April 2020, the Directors resolved to close River and Mercantile Inflation Plus Fund and River and Mercantile Emerging Markets Equity Absolute Return Fund. Effective 30 December 2020, both the River and Mercantile Inflation Plus Fund and the River and Mercantile Emerging Equity Markets Absolute Return Fund were terminated

The following table analyses within the fair value hierarchy, the ICAV's financial assets and financial liabilities measured at fair value at 31 December 2019:

River and Mercantile Investments Global Macro Fund

	Level 1 US$	Level 2 US$	Level 3 US$	Total US$
Financial assets at fair value through profit or loss				
Interest bearing securities				
Government bonds	100,761,397	3,293,266	-	104,054,663
Total interest bearing securities	**100,761,397**	**3,293,266**	**-**	**104,054,663**
Derivative contracts				
Forward currency contracts	-	1,360,590	-	1,360,590
Futures contracts	282,079	-	-	282,079
Total return swaps	-	103,785	-	103,785
Total derivative contracts	**282,079**	**1,464,375**	**-**	**1,746,454**
Total assets	**101,043,476**	**4,757,641**	**-**	**105,801,117**
Financial liabilities at fair value through profit or loss				
Derivative contracts				
Forward currency contracts	-	(33,629)	-	(33,629)
Futures contracts	(223,638)	-	-	(223,638)
Total return swaps	-	(70,699)	-	(70,699)
Total derivative contracts	**(223,638)**	**(104,328)**	**-**	**(327,966)**
Total liabilities	**(223,638)**	**(104,328)**	**-**	**(327,966)**

As at 31 December 2019, River and Mercantile Inflation Plus Fund had not commenced trading.

River and Mercantile Emerging Markets Equity Absolute Return Fund received subscriptions on 31 December 2019. However, the Fund did not hold any investments at 31 December 2019.

4. Cash and cash equivalents, bank overdraft and cash collateral

As at 31 December 2020 and 31 December 2019, cash and cash equivalents, bank overdraft and cash collateral were with the following counterparties as disclosed below:

River and Mercantile Investments Global Macro Fund

	31 December 2020 US$	31 December 2019* US$
Cash and cash equivalents		
BNY Mellon	17,820,156	10,602,965
JPMorgan	-	1,562,460
Morgan Stanley	30,009,470	6,683,738
Total cash and cash equivalents	**47,829,626**	**18,849,163**
Bank overdraft		
Morgan Stanley	(25,560,891)	(4,344,435)
Total bank overdraft	**(25,560,891)**	**(4,344,435)**
Cash collateral		
Barclays PLC	1,987,672	-
JPMorgan	2,340,543	-
Morgan Stanley	14,889,765	5,765,063
Total cash collateral	**19,217,980**	**5,765,063**

*At 31 December 2019, cash and cash equivalents and bank overdraft were presented net in the Statement of Financial Position.

At the Board meeting on 27 April 2020, the Directors resolved to close River and Mercantile Inflation Plus Fund and River and Mercantile Emerging Markets Equity Absolute Return Fund. Effective 30 December 2020, both the River and Mercantile Inflation Plus Fund and the River and Mercantile Emerging Equity Markets Absolute Return Fund were terminated.

4. Cash and cash equivalents, bank overdraft and cash collateral (continued)

At 31 December 2020, River and Mercantile Emerging Markets Equity Absolute Return Fund held cash and cash equivalents amounting to US$19,718 with The Bank of New York Mellon SA/NV, Dublin Branch.

As at 31 December 2019, River and Mercantile Inflation Plus Fund had not commenced trading.

River and Mercantile Emerging Markets Equity Absolute Return Fund received subscriptions on 31 December 2019 but did not trade any investments as of that date.

5. Net (loss) gain on financial assets and financial liabilities at fair value through profit or loss

For the financial year ended 31 December 2020 and 31 December 2019

	31 December 2020 River and Mercantile Investments Global Macro Fund US$	31 December 2019 River and Mercantile Investments Global Macro Fund US$
Realised gain on investments	1,955,939	1,106,714
Realised (loss)/gain on derivative contracts	(16,925,870)	8,313,819
Realised gain/(loss) on foreign currency	381,535	(477,353)
	(14,588,396)	8,943,180
Change in unrealised (loss)/gain on investment	(1,155,688)	281,255
Change in unrealised gain on derivative contracts	4,311,374	1,327,916
Change in unrealised (loss)/gain on foreign currency	(882,982)	46,557
	2,272,704	1,655,728
Total	**(12,315,692)**	**10,598,908**

	31 December 2020 River and Mercantile Emerging Markets Equity Absolute Return Fund US$	31 December 2019 River and Mercantile Emerging Markets Equity Absolute Return Fund US$
Realised loss on investments	(521,417)	-
Realised gain on derivative contracts	51,330	-
Realised loss on foreign currency	(2,355)	-
Total	**(472,442)**	**-**

At the Board meeting on 27 April 2020, the Directors resolved to close River and Mercantile Inflation Plus Fund and River and Mercantile Emerging Markets Equity Absolute Return Fund. Effective 30 December 2020, both the River and Mercantile Inflation Plus Fund and the River and Mercantile Emerging Equity Markets Absolute Return Fund were terminated.

As at 31 December 2019, River and Mercantile Inflation Plus Fund had not commenced trading.

River and Mercantile Emerging Markets Equity Absolute Return Fund received subscriptions on 31 December 2019 but did not trade any investments as of that date.

6. Offsetting of financial assets and liabilities

River and Mercantile Investments Global Macro Fund
31 December 2020

Counterparty	Gross amounts of assets presented in the Statement of Financial Position	Gross amounts not offset in the Statement of Financial Position: Financial instruments	Gross amounts not offset in the Statement of Financial Position: Cash collateral received	Net amount
	US$	US$	US$	US$
BNY Mellon	4,574,688	(189,864)	-	4,384,824
JPMorgan	425,557	-	-	425,557
Morgan Stanley	1,533,999	(10,485)	-	1,523,514
Total	6,534,244	(200,349)	-	6,333,895

Counterparty	Gross amounts of liabilities presented in the Statement of Financial Position	Gross amounts not offset in the Statement of Financial Position: Financial instruments	Gross amounts not offset in the Statement of Financial Position: Cash collateral pledged	Net amount
	US$	US$	US$	US$
BNY Mellon	(189,864)	189,864	-	-
Barclays PLC	(604,033)	-	604,033	-
Morgan Stanley	(10,485)	10,485	-	-
Total	(804,382)	200,349	604,033	-

Cash collateral pledged to JP Morgan and variation margin held with Morgan Stanley as noted in Note 4 are not considered in the analysis.

At the Board meeting on 27 April 2020, the Directors resolved to close River and Mercantile Inflation Plus Fund and River and Mercantile Emerging Markets Equity Absolute Return Fund. Effective 30 December 2020, both the River and Mercantile Inflation Plus Fund and the River and Mercantile Emerging Equity Markets Absolute Return Fund were terminated.

River and Mercantile Investments Global Macro Fund
31 December 2019

Counterparty	Gross amounts of assets presented in the Statement of Financial Position	Gross amounts not offset in the Statement of Financial Position: Financial instruments	Gross amounts not offset in the Statement of Financial Position: Cash collateral received	Net amount
	US$	US$	US$	US$
BNY Mellon	1,360,590	(33,629)	-	1,326,961
JPMorgan	74,487	(70,699)	-	3,788
Morgan Stanley	311,377	(223,638)	-	87,739
Total	1,746,454	(327,966)	-	1,418,488

6. Offsetting of financial assets and liabilities (continued)

River and Mercantile Investments Global Macro Fund
31 December 2019

Counterparty	Gross amounts of liabilities presented in the Statement of Financial Position	Gross amounts not offset in the Statement of Financial Position: Financial instruments	Gross amounts not offset in the Statement of Financial Position: Cash collateral pledged	Net amount
	US$	US$	US$	US$
BNY Mellon	(33,629)	33,629	-	-
JPMorgan	(70,699)	70,699	-	-
Morgan Stanley	(223,638)	223,638	-	-
Total	(327,966)	327,966	-	-

As at 31 December 2019, River and Mercantile Inflation Plus Fund had not commenced trading.

River and Mercantile Emerging Markets Equity Absolute Return Fund held no financial assets and liabilities subject to offsetting as at 31 December 2019.

7. Financial instruments and associated risks

Market risk

Market risk is the risk of potentially adverse changes to the value of financial instruments and their derivatives caused by changes in market conditions, which may include changes in interest rates, foreign currency exchange rates, credit spreads, or volatility in market prices. These fluctuations have the potential for both losses and gains and includes currency risk, interest rate risk and price risk. Changes in market prices will directly affect net income.

i) Market price risk
Market price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, other than those arising from currency risk or interest rate risk.

Price movements are influenced by, among other things, changing supply and demand relationships, monetary and exchange control programs, policies of governments, political and economic events, and policies and emotions of the marketplace.

The Investment Manager manages positions on a daily basis, with daily and real-time monitoring, and seeks to mitigate market price risk.

The Investment Manager considers the absolute Value at Risk ("VaR") methodology an appropriate methodology to calculate the ICAV's global exposure and market risk, taking into account the investment objectives and policies of the ICAV. VaR methodology provides an estimate of the maximum potential loss over a specific holding period and at a given level of confidence i.e. probability level. In accordance with the requirements of the Central Bank, the VaR of the ICAV's portfolio may not exceed 20% of the NAV of the Funds, the confidence level is not less than 99% and the holding period is 1 month (20 working days). The Investment Manager utilises the Monte Carlo calculation method providing an observation period of at least 250 days.

As at 31 December 2020, the VaR for River and Mercantile Investments Global Macro Fund was 2.43% (31 December 2019 2.50%). During the year the lowest, highest and average utilisation of the VaR limit was 0.94%, 10.29% and 3.37% respectively.

At the Board meeting on 27 April 2020, the Directors resolved to close River and Mercantile Inflation Plus Fund and River and Mercantile Emerging Markets Equity Absolute Return Fund. Effective 30 December 2020, both the River and Mercantile Inflation Plus Fund and the River and Mercantile Emerging Equity Markets Absolute Return Fund were terminated.

As at 31 December 2020, River and Mercantile Emerging Markets Equity Absolute Return Fund held no investments and therefore no VaR has been disclosed.

As at 31 December 2020, River and Mercantile Inflation Plus Fund had not commenced trading and therefore no VaR has been disclosed.

ii) Foreign currency risk
Foreign currency risk exists where assets and liabilities are denominated in currencies other than the functional currency, and also on non-functional currency redeemable shares. The ICAV uses forward currency contracts for the purpose of economically hedging its foreign currency risk exposure. Details of forward currency contracts at the financial year end are disclosed in the Schedule of Investments.

7. Financial instruments and associated risks (continued)

Market risk (continued)

ii) Foreign currency risk (continued)

As at 31 December 2020 and 31 December 2019, the foreign currency exposure of the ICAV is as follows:

Currency	31 December 2020 River and Mercantile Investments Global Macro Fund US$	31 December 2019 River and Mercantile Investments Global Macro Fund US$
Australian dollar	38,719	(101,008)
Canadian dollar	(1,646,086)	-
Euro	(8,562,806)	594,672
Japanese yen	(1,638,472)	98,638
U.K. pound	8,862,745	4,748,258
Total	(2,945,900)	5,340,560

At the Board meeting on 27 April 2020, the Directors resolved to close River and Mercantile Inflation Plus Fund and River and Mercantile Emerging Markets Equity Absolute Return Fund. Effective 30 December 2020, both the River and Mercantile Inflation Plus Fund and the River and Mercantile Emerging Equity Markets Absolute Return Fund were terminated.

As at 31 December 2019, River and Mercantile Emerging Markets Equity Absolute Return Fund had no foreign currency exposure.

As at 31 December 2019, River and Mercantile Inflation Plus Fund had not commenced trading and therefore had no foreign currency exposure.

iii) Interest rate risk

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

The ICAV's interest rate risk is managed on an ongoing basis by the ICAV's Investment Manager and is monitored on a periodic basis by the Directors.

A summary of the ICAV's interest rate gap position on interest bearing assets and liabilities as at 31 December 2020 is as follows:

River and Mercantile Investments Global Macro Fund	Less than 1 month US$	1 month to 1 year US$	Greater than 1 year US$	Total US$
Financial assets				
Cash and cash equivalents	47,829,626	-	-	47,829,626
Cash collateral	19,217,981	-	-	19,217,981
Financial assets at fair value through profit or loss	-	-	42,696,268	42,696,268
Total assets	**67,047,607**	**-**	**42,696,268**	**109,743,875**
Financial liabilities				
Bank overdraft	(25,560,891)	-	-	(25,560,891)
Total liabilities	**(25,560,891)**	**-**	**-**	**(25,560,891)**
Total interest rate gap	**41,486,716**	**-**	**42,696,268**	**84,182,984**

At the Board meeting on 27 April 2020, the Directors resolved to close River and Mercantile Inflation Plus Fund and River and Mercantile Emerging Markets Equity Absolute Return Fund. Effective 30 December 2020, both the River and Mercantile Inflation Plus Fund and the River and Mercantile Emerging Equity Markets Absolute Return Fund were terminated.

As at 31 December 2020, River and Mercantile Inflation Plus Fund River and Mercantile Emerging Markets Equity Absolute Return Fund had no significant interest risk exposure.

A summary of the ICAV's interest rate gap position on interest bearing assets and liabilities as at 31 December 2019 is as follows:

River and Mercantile Investments Global Macro Fund	Less than 1 month US$	1 month to 1 year US$	Greater than 1 year US$	Total US$
Financial assets				
Cash and cash equivalents	14,504,728	-	-	14,504,728
Cash collateral	5,765,063	-	-	5,765,063
Financial assets at fair value through profit or loss	-	-	3,293,266	3,293,266
Total assets	**20,269,791**	**-**	**3,293,266**	**23,563,057**
Total interest rate gap	**20,269,791**	**-**	**3,293,266**	**23,563,057**

7. Financial instruments and associated risks (continued)

Market risk (continued)

iii) interest rate risk (continued)

As at 31 December 2019, River and Mercantile Emerging Markets Equity Absolute Return had no significant interest rate risk exposure.

As at 31 December 2019, River and Mercantile Inflation Plus Fund had not commenced trading and therefore had no significant interest rate risk exposure.

Credit risk

Counterparty credit risk is generally the risk of counterparty default. Counterparty credit risk is generally higher when a non-exchange-traded financial instrument, such as an OTC derivative, is involved because the counterparties for non-exchange-traded financial instruments are not backed by an exchange clearing house. However, counterparty credit risk exists whenever another entity has possession and/or use of assets belonging to the ICAV. The amount of exposure to credit risk is represented by the carrying amount of the assets on the Statement of Financial Position and the possible inability to replicate these contracts at market price. Substantially all financial instruments are cleared through or held in custody by the Depositary.

When the ICAV uses non-exchange-traded derivative instruments, it is exposed to the counterparty's credit risk: the risk that derivative counterparties may not perform in accordance with the contractual provisions. This risk is offset by the value of collateral received from the counterparty, if any. The ICAV's exposure to credit risk associated with counterparty non-performance at any point in time is generally limited to the unrealised gains inherent in such transactions at such time that are recognised in the Statement of Financial Position plus the amount of any collateral pledged, if any, by the ICAV to the counterparty to support these transactions.

The ICAV seeks to minimise its credit and counterparty risk through continuous monitoring of the credit rating of the different issuers and ensuring that the counterparty employed is a reputable institution and the associated credit risk is acceptable to the ICAV. The ICAV will seek to minimise downside risk and protect principal by maintaining a diversified portfolio with respect to the size of individual holdings and actively monitoring the risk of each of the investments and risk of portfolio correlation among assets.

Investments in derivative contracts are subject to additional risks that can result in a loss of all or part of an investment. The ICAV's derivative activities and exposure to derivative contracts are classified by the following primary underlying risks: foreign currency exchange rate, credit, and price. In addition to its primary underlying risks, the ICAV is also subject to additional counterparty risk due to inability of its counterparties to meet the terms of their contracts.

The Standard & Poor's credit ratings of the ICAV's counterparties as at 31 December 2020 and 31 December 2019 are as follows:

	31 December 2020 Rating	31 December 2019 Rating
Counterparty		
BNY Mellon	A	A
Morgan Stanley	BBB+	BBB+
JP Morgan	A-	A-
Barclays PLC	BBB	n/a

At the Board meeting on 27 April 2020, the Directors resolved to close River and Mercantile Inflation Plus Fund and River and Mercantile Emerging Markets Equity Absolute Return Fund. Effective 30 December 2020, both the River and Mercantile Inflation Plus Fund and the River and Mercantile Emerging Equity Markets Absolute Return Fund were terminated.

As at 31 December 2019, River and Mercantile Emerging Markets Equity Absolute Return Fund had no significant counterparty credit risk exposure.

As at 31 December 2019, River and Mercantile Inflation Plus Fund had not commenced trading and therefore had no significant counterparty credit risk exposure.

Securities are clearly recorded to ensure they are held on behalf of the ICAV. Bankruptcy or insolvency of the Depositary and/or one of its agents or affiliates may cause the ICAV's rights with respect to the securities held by the Depositary to be delayed.

Liquidity risk

Liquidity risk is the risk that the ICAV will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Where assets become less liquid the ICAV might only be able to liquidate such assets at disadvantageous prices and thereby resulting in losses or a decrease in the NAV of the ICAV.

The ICAV's liquidity risk is managed in accordance with policies and procedures in place. The analysis and management of liquidity risks are monitored and assessed at all stages in the investment selection process. The ICAV's overall liquidity risk is monitored on a daily basis by the Investment Managers and on a regular basis by the Directors. The majority of the assets of the ICAV are considered to be readily realisable.

The ICAV may decline to effect a redemption request which would have the effect of reducing the value of any holding of shares relating to any Fund below the minimum shareholding for that class of shares of that fund. Any redemption request having such an effect may be treated by the ICAV as a request to redeem the shareholder's entire holding of that class of shares.

7. Financial instruments and associated risks (continued)

Liquidity risk (continued)

The table below details the ICAV's liabilities as at 31 December 2020:

River and Mercantile Investments Global Macro Fund	Less than 1 month US$	1 month to 1 year US$	Greater than 1 year US$	No stated maturity US$	Total US$
Financial liabilities at fair value through profit or loss					
Financial liabilities at fair value through profit or loss	(609,986)	(194,396)	-	-	(804,382)
Bank overdraft	(25,560,891)	-	-	-	(25,560,891)
Management fees payable	-	(5,632)	-	-	(5,632)
Investment manager fees payable	(290)	-	-	-	(290)
Administration fee payable	-	(21,525)	-	-	(21,525)
Audit fee payable	-	(20,932)	-	-	(20,932)
Depositary fee payable	-	(6,767)	-	-	(6,767)
Legal fee payable	-	(17,270)	-	-	(17,270)
Interest Payable	-	(14,932)	-	-	(14,932)
Accrued expenses	-	(23,299)	-	-	(23,299)
Redeemable shares	-	-	-	(235,066,243)	(235,066,243)
Liquidity exposure	**(26,171,167)**	**(304,753)**	**-**	**(235,066,243)**	**(261,542,163)**

At the Board meeting on 27 April 2020, the Directors resolved to close River and Mercantile Inflation Plus Fund and River and Mercantile Emerging Markets Equity Absolute Return Fund. Effective 30 December 2020, both the River and Mercantile Inflation Plus Fund and the River and Mercantile Emerging Equity Markets Absolute Return Fund were terminated.

As at 31 December 2020, River and Mercantile Inflation Plus and River and Mercantile Emerging Markets Equity Absolute Return Fund had no significant liquidity risk exposure.

The table below details the ICAV's liabilities as at 31 December 2019:

River and Mercantile Investments Global Macro Fund	Less than 1 month US$	1 month to 1 year US$	Greater than 1 year US$	No stated maturity US$	Total US$
Financial liabilities at fair value through profit or loss					
Financial liabilities at fair value through profit or loss	(327,966)	-	-	-	(327,966)
Incentive fee payable	-	(27,665)	-	-	(27,665)
Management fees payable	-	(6,476)	-	-	(6,476)
Investment manager fees payable	(11,017)	-	-	-	(11,017)
Administration fee payable	-	(38,914)	-	-	(38,914)
Audit fee payable	-	(18,715)	-	-	(18,715)
Directors' fees payable	-	(14,193)	-	-	(14,193)
Depositary fee payable	-	(14,403)	-	-	(14,403)
Legal fee payable	-	(33,964)	-	-	(33,964)
Accrued expenses	-	(26,650)	-	-	(26,650)
Redeemable shares	-	-	-	(125,623,739)	(125,623,739)
Liquidity exposure	**(338,983)**	**(180,980)**	**-**	**(125,623,739)**	**(126,143,702)**

As at 31 December 2019, River and Mercantile Emerging Markets Equity Absolute Return Fund had no significant liquidity risk exposure.

As at 31 December 2019, River and Mercantile Inflation Plus Fund had not commenced trading and therefore had no significant liquidity risk exposure.

8. Fee arrangements

River and Mercantile Investments Global Macro Fund

Manager
The Manager will be entitled to a management fee payable out of the assets of the Fund calculated and accruing at each valuation point and payable monthly in arrears at a maximum rate of up to 0.03% of the net asset value ("NAV") of the Fund, subject to an annual minimum fee of €30,000. The Manager will also be reimbursed out of the assets of the Fund for reasonable out-of-pocket expenses incurred by the Manager including expenses relating to due diligence and monitoring of the Fund.

For the financial year ended 31 December 2020, the Fund incurred management fees of US$61,050(2019: US$34,811) of which US$5,632 (2019: US$6,476) was payable at the financial year end.

Investment Manager
Pursuant to the Investment Management Agreement, the Fund pays to the Investment Manager a monthly fee at the annual rate of 100 basis points (1%) (the "Investment Manager Fee") on Class A, B and C Shares. The Investment Manager is not entitled to any fee in respect of Class U, V, W, X, Y and Z Shares, but will agree a separate fee with each holder of such Class to be paid directly by the shareholders.

The Investment Manager Fee is applied to the Fund's NAV, before the deduction of any incentive fee. The Investment Manager Fee is accrued daily and paid weekly.

For the financial year ended 31 December 2020, the Fund incurred Investment Manager Fees of US$3,417 (2019: US$58,619) of which US$290 (2019: US$11,017) was payable at the financial year end.

Depositary and Administrator
The Fund shall pay from the assets of the Fund the following fees to the Depositary and the Administrator together with value added tax thereon, if applicable.

The Fund shall pay the Depositary a base fee up to a maximum 0.03% of the NAV of the Fund subject to a minimum of US$40,000 per annum accrued on each dealing day and payable monthly in arrears. The Depositary is also entitled to recover sub-custody fees at normal commercial rates.

For the financial year ended 31 December 2020, the Fund incurred depositary fees of US$74,904 (2019: US$49,000) of which US$6,767 (2019: US$14,403) was payable at the financial year end.

The Fund shall pay the Administrator a fee which shall not exceed 0.0825% of the NAV of the Fund. The Administrator shall be entitled to a minimum fee per Fund of US$90,000 per annum accrued on each dealing day and payable monthly in arrears.

The Administrator is also entitled to receive a fee for financial reporting services, the maintenance of the share register and investor accounts as well as processing investor transactions at normal commercial rates.

For the financial year ended 31 December 2020, the Fund incurred administration fees of US$169,547 (2019: US$97,900) of which US$21,525 (2019: US$38,914) was payable at the financial year end.

The Depositary and Administrator will also be entitled to be reimbursed their reasonable out-of-pocket expenses from the assets of the Fund.

Incentive fee
The Fund will pay to the Investment Manager a performance-based fee (the "Incentive Fee"), which will be calculated for each Performance Period (as defined below) and accrued as of the end of each valuation point paid quarterly in arrears following the last day of each Performance Period, with respect to each share class of an amount equal to the product of: (i) 15.00% of the investment profits attributable to each class of shares for such Performance Period; and (ii) the amount by which the NAV per relevant share before the deduction of any accrued unpaid Incentive Fee exceeds the high water mark for such share as at the valuation point for the relevant Performance Period. The performance periods of the Fund comprise successive quarterly periods ending on the last business day in each calendar quarter (each a "Performance Period").

For the financial year ended 31 December 2020, the Fund incurred Incentive Fee of US$Nil (2019: US$107,268) of which US$Nil (2019: US$27,665) was payable at the financial year end.

Audit fee
Fees and expenses paid to the auditor, KPMG, in respect of the financial year, entirely relate to the audit of the financial statements of the Fund and tax advisory services. There were no fees and expenses paid in respect of other assurance, or non-audit services provided by the auditors for the financial year ended 31 December 2020 (2019: US$Nil).

Audit fees charged for the financial year ended 31 December 2020 were US$20,375 (inclusive of VAT) (2019: US$19,400 (inclusive of VAT)) of which US$20,932 (2019: US$18,715)) was payable at the financial year end. Tax advisory services rendered for the financial year ended 31 December 2020 were US$12,277 (2019: US$Nil), exclusive of VAT.

River and Mercantile Inflation Plus Fund

Manager
The Manager will be entitled to a management fee payable out of the assets of the Fund calculated and accruing at each valuation point and payable monthly in arrears at a maximum rate of up to 0.03% of the NAV of the Fund, subject to an annual minimum fee of €30,000. The Manager is also entitled to receive a once off, set-up cost which will not exceed €10,000. The Manager will also be reimbursed out of the assets of the Fund for reasonable out-of-pocket expenses incurred by the Manager including expenses relating to due diligence and monitoring of the Fund.

Investment Manager
The Investment Manager will be entitled to receive from the Fund an annual fee of 1.25% of the net assets of the Class A Shares, 0.25% of the net assets of the Class B Shares and 0.25% of the net assets of the Class B (Accumulation) Shares. The Investment Manager is not entitled to any fee in respect of the Class C Shares, but will agree a separate fee with each holder of Class C Shares to be paid directly by such Shareholder. These fees will accrue and be calculated on each dealing day and be payable monthly in arrears. The Investment Manager will be responsible for all its own out of pocket costs and expenses.

The Fund had not launched and therefore incurred no Investment Manager Fee during the financial years ended 31 December 2020 and 31 December 2019.

8. Fee arrangements (continued)

River and Mercantile Inflation Plus Fund (continued)

Depositary and Administrator
The Administrator will be entitled to receive out of the assets of the Fund an annual fee which will not exceed 0.025% of the net assets of the Fund plus US$20,000 per annum and US$20,000 for each additional Investment Manager (where there is more than one Investment Manager) (plus VAT, if any) in the performance of its duties as Administrator of the Fund. These fees shall accrue and be calculated on each dealing day and shall be payable monthly in arrears. The Administrator is also entitled to receive a fee for financial reporting services.

As at 31 December 2020 the Fund had not launched and therefore incurred no depositary fees.

The Registrar and Transfer Agent will be entitled to receive from the ICAV out of the assets of the Fund an annual fee which will not exceed US$2,500 plus US$1,000 for each additional share class greater than four, together with reasonable costs and expenses incurred by the Registrar and Transfer Agent in the performance of its duties as Registrar and Transfer Agent of the Fund. These fees shall accrue and be calculated on each dealing day and shall be payable monthly in arrears. The Registrar and Transfer Agent shall also be entitled to be reimbursed out of the assets of the Fund all agreed transaction charges (which will be charged at normal commercial rates).

As at 31 December 2020 the Fund had not launched and therefore incurred no registrar and transfer agent fees.

For the financial year ended 31 December 2020, the Fund incurred administration fees of £8,817 (2019: £5,000) of which £3,810 (2019: £5,000) was payable at the financial year end.

The Depositary will be entitled to receive from the ICAV out of the assets of the Fund an annual trustee fee which will not exceed 0.02% of the net assets of the Fund (plus VAT, if any) together with reasonable costs and expenses incurred by the Depositary in the performance of its duties as Depositary of the Fund. These fees shall accrue and be calculated on each dealing day and shall be payable monthly in arrears. The Depositary shall also be entitled to be reimbursed out of the assets of the Fund all agreed safekeeping fees, expenses and all agreed transaction charges (which will be charged at normal commercial rates).

For the financial year ended 31 December 2020, the Fund accrued depositary fees of £Nil (2019: £2,000) of which £Nil (2019: £2,000) was payable at the financial year end. The 2019 depositary fees, which were accrued based on estimates, were written off against the receivable from the Investment Manager balance, as the Fund has not launched and was not charged with depositary fees.

Audit fee
Fees and expenses paid to the auditor, KPMG, in respect of the financial year, entirely relate to the audit of the financial statements of the Fund. There were no fees and expenses paid in respect of other assurance, tax advisory or non-audit services provided by the auditors for the financial year ended 31 December 2020 (2019: US$Nil).

KPMG's remuneration for the financial year ended 31 December 2020 amounted to £3,133 (exclusive of VAT) (2019: £5,200 (exclusive of VAT)) of which £3,133 (2019: £5,200)) was payable at the financial year end.

River and Mercantile Emerging Markets Equity Absolute Return Fund

Manager
The Manager will be entitled to a management fee payable out of the assets of the Fund calculated and accruing at each Valuation Point and payable monthly in arrears at a maximum rate of up to 0.03% of the Net Asset Value of the Fund, subject to an annual minimum fee of €30,000. The Manager will also be reimbursed out of the assets of the Fund for reasonable out-of-pocket expenses incurred by the Manager including expenses relating to due diligence and monitoring of the Fund.

As the Fund only launched on 31 December 2019 and was subsequently closed in April 2020, the Manager agreed to suspend management fees for the rest of the 31 December 2020 financial year and the entire 31 December 2019 financial year.

Investment Manager
Pursuant to the Investment Management Agreement, the Fund pays to the Investment Manager a monthly fee at the annual rate of 0.45% (the "Investment Manager Fee") on Share Classes ending 2 or 4. The Investment Manager is not entitled to any fee in respect of Share Classes ending in 1 or 3, but will agree a separate fee with each holder of such Class to be paid directly by the shareholders.

The Investment Manager Fee is applied to the Fund's Net Asset Value, accrued daily and paid monthly. The Investment Manager may also appoint a Sub-Investment Advisor to assist with its investment process. The Investment Manager may pay the Sub-Investment Advisor ("Sub-Investment Advisor") a fee for its services. The payment or non-payment of any fee to the Sub-Investment Advisor is the responsibility of the Investment Manager and will not serve to increase or decrease the Investment Manager Fee. No fees will be paid directly to the Sub-Investment Advisor by the Fund

The Fund did not incur any Investment Manager Fees for the financial years ended 31 December 2020 and 31 December 2019.

Depositary and Administrator

The Fund shall pay the Depositary a base fee up to a maximum 0.03% of the Net Asset Value of the Fund subject to a minimum of $40,000 per annum accrued on each Dealing Day and payable monthly in arrears. The Depositary is also entitled to recover sub-custody fees at normal commercial rates.

The Fund shall pay the Administrator a fee which shall not exceed 0.0825% of the Net Asset Value of the Fund. The Administrator shall be entitled to a minimum fee per Fund of US$100,000 per annum accrued on each Dealing Day and payable monthly in arrears.

The Administrator is also entitled to receive a fee for the maintenance of the share register and investor accounts as well as processing investor transactions at normal commercial rates.

The Depositary and Administrator will also be entitled to be reimbursed their reasonable out-of-pocket expenses from the assets of the Fund.

For the financial year ended 31 December 2020, the Fund incurred Depositary and Administrator fees of US$15,414 and US$31,585 (2019: n/a) of which US$Nil and US$5,000 (2019: US$Nil and US$Nil) was payable at the financial year end, respectively.

8. Fee arrangements (continued)

River and Mercantile Emerging Markets Equity Absolute Return Fund (continued)

Audit fee
Fees and expenses paid to the auditor, KPMG, in respect of the financial year, entirely relate to the audit of the financial statements of the Fund. There were no fees and expenses paid in respect of other assurance, tax advisory or non-audit services provided by the auditors for the financial year ended 31 December 2020 (2019: US$Nil).

Audit fees charged for the financial year ended 31 December 2020 were US$11,606 (2019: US$3,449) (inclusive of VAT) of which US$7,990 (2019: US$Nil)) was payable at the financial year end.

9. Share transactions

The authorised share capital of the ICAV is 2 subscriber shares of €1 each and 1,000,000,000,000,000 Shares of no par value initially designated as unclassified shares.

	31 December 2020	31 December 2019
Authorised		
1,000,000,000,000,000 shares of €1 each	1,000,000,000,000,000	1,000,000,000,000,000
Issued and fully paid		
2 subscriber shares of €1 each	2	2

The subscriber shares are held by River and Mercantile Group PLC and River and Mercantile Holdings Limited.

The unclassified shares are available for issue as shares. There are no rights of pre-emption attaching to the shares in the ICAV.

As at 31 December 2020 and 31 December 2019, the following share classes are available for issue in River and Mercantile Investments Global Macro Fund:

31 December 2020	31 December 2019
Class A (Accumulation) USD - active as at 31 December 2020	Class A (Accumulation) USD - active as at 31 December 2019
Class B (Accumulation) GBP* - active as at 31 December 2020	Class B (Accumulation) GBP* - active as at 31 December 2019
Class C (Accumulation) YEN*	Class C (Accumulation) YEN*
Class A (Distribution) USD - active as at 31 December 2020	Class A (Distribution) USD - active as at 31 December 2019
Class B (Distribution) GBP*	Class B (Distribution) GBP*
Class C (Distribution) YEN*	Class C (Distribution) YEN*
Class U (Accumulation) CHF*	Class U (Accumulation) CHF*
Class V (Distribution) AUD*	Class V (Distribution) AUD*
Class W (Accumulation) YEN*	Class W (Accumulation) YEN*
Class X (Accumulation) EUR*	Class X (Accumulation) EUR*
Class Y (Accumulation) USD	Class Y (Accumulation) USD
Class Z (Accumulation) GBP* - active as at 31 December 2020	Class Z (Accumulation) GBP* - active as at 31 December 2019
* Indicates hedged share classes	* Indicates hedged share classes

All classes of Shares are for institutional investors. Share Classes U, V, W, X, Y and Z are limited to investors that already have an arrangement with the Investment Manager as regards to fees so as to avoid double charging of fees.

At the Board meeting on 27 April 2020, the Directors resolved to close River and Mercantile Inflation Plus Fund and River and Mercantile Emerging Markets Equity Absolute Return Fund. Effective 30 December 2020, both the River and Mercantile Inflation Plus Fund and the River and Mercantile Emerging Equity Markets Absolute Return Fund were terminated.

As at 31 December 2019, the following share classes were available for issue in River and Mercantile Inflation Plus Fund:

31 December 2019
Class A GBP
Class B GBP
Class C GBP
Class B (Accumulation) Shares

As at 31 December 2019, the following share classes were available for issue in River and Mercantile Emerging Markets Equity Absolute Return Fund:

9. Share transactions (continued)

31 December 2019

Class A1 (Accumulation) USD - active as at 31 December 2019	Class C2 (Accumulation) EUR
Class A2 (Accumulation) USD	Class C3 (Accumulation) EUR*
Class B1 (Accumulation) GBP - active as at 31 December 2019	Class C4 (Accumulation) EUR*
Class B2 (Accumulation) GBP	Class D1 (Accumulation) AUD
Class B3 (Accumulation) GBP*	Class D2 (Accumulation) AUD
Class B4 (Accumulation) GBP*	Class D3 (Accumulation) AUD*
Class C1 (Accumulation) EUR	Class D4 (Accumulation) AUD*

* Indicates hedged share classes

Share movements during the financial year ended 31 December 2020 for each share class are as follows:

River and Mercantile Investments Global Macro Fund

Classes	Shares outstanding 1 January 2020	Shares Issued	Shares Redeemed	Shares outstanding 31 December 2020
Class A (Accumulation) USD	1,010	-	-	1,010
Class B (Accumulation) GBP	1,035	-	-	1,035
Class A (Distribution) USD	1,000	-	-	1,000
Class Z (Accumulation) GBP	947,797	998,609	(55,553)	1,890,853

River and Mercantile Emerging Markets Equity Absolute Return Fund

Classes	Shares outstanding 1 January 2020	Shares Issued	Shares Redeemed	Shares outstanding 31 December 2020
Class A1 (Accumulation) USD	19,000	-	(19,000)	-
Class B1 (Accumulation) GBP	700	-	(700)	-

No shares were issued or redeemed by River and Mercantile Inflation Plus Fund during the financial year ended 31 December 2020.

Share movements during the financial year ended 31 December 2019 for each share class are as follows:

River and Mercantile Investments Global Macro Fund

Classes	Shares outstanding 1 January 2019	Shares Issued	Shares Redeemed	Shares outstanding 31 December 2019
Class A (Accumulation) USD	1,010	-	-	1,010
Class B (Accumulation) GBP	1,035	-	-	1,035
Class A (Distribution) USD	63,475	-	(62,475)	1,000
Class Z (Accumulation) GBP	-	947,797	-	947,797

River and Mercantile Emerging Markets Equity Absolute Return Fund

Classes	Shares outstanding 1 January 2019	Shares Issued	Shares Redeemed	Shares outstanding 31 December 2019
Class A1 (Accumulation) USD	-	19,000	-	19,000
Class B1 (Accumulation) GBP	-	700	-	700

No shares were issued or redeemed by River and Mercantile Inflation Plus Fund during the financial year ended 31 December 2019.

The following tables summarise the Net Asset Value per Share and total net assets of each share class for River and Mercantile Investments Global Macro Fund and River for the financial year ended 31 December 2020.

9. Share transactions (continued)

River and Mercantile Investments Global Macro Fund

	Net Asset Value per share	Net Asset Value
Class A (Accumulation) USD	$102.33	$103,385
Class B (Accumulation) GBP	£98.98	£102,368
Class A (Distribution) USD	$102.21	$102,265
Class Z (Accumulation) GBP	£90.77	£171,632,689

At the Board meeting on 27 April 2020, the Directors resolved to close River and Mercantile Inflation Plus Fund and River and Mercantile Emerging Markets Equity Absolute Return Fund. Effective 30 December 2020, both the River and Mercantile Inflation Plus Fund and the River and Mercantile Emerging Equity Markets Absolute Return Fund were terminated.

The following table summarises the Net Asset Value per Share and total net assets of each share class for River and Mercantile Investments Global Macro Fund for the financial year ended 31 December 2019.

River and Mercantile Investments Global Macro Fund

	Net Asset Value per share	Net Asset Value
Class A (Accumulation) USD	$112.62	$113,781
Class B (Accumulation) GBP	£109.82	£113,579
Class A (Distribution) USD	$112.50	$112,561
Class Z (Accumulation) GBP	£99.76	£94,552,267

River and Mercantile Emerging Markets Equity Absolute Return Fund

	Net Asset Value per share	Net Asset Value
Class A1 (Accumulation) USD	$100.00	$1,900,000
Class B1 (Accumulation) GBP	£100.00	£70,000

River and Mercantile Emerging Markets Equity Absolute Return Fund commenced operations on 31 December 2019.

The following table summarises the Net Asset Value per Share and total net assets of each share class for River and Mercantile Investments Global Macro Fund for the financial year ended 31 December 2018.

River and Mercantile Investments Global Macro Fund

	Net Asset Value per share	Net Asset Value
Class A (Accumulation) USD	$104.53	$105,608
Class B (Accumulation) GBP	£103.23	£106,764
Class A (Distribution) USD	$104.52	$6,634,438

As at 31 December 2018, River and Mercantile Inflation Plus Fund had not commenced trading.

10. Related party transactions

Investment management transactions have been disclosed in Note 8. Except as disclosed below, the ICAV had no other related party transactions for the financial year ended 31 December 2020 and the financial year ended 31 December 2019.

As at 31 December 2020, River and Mercantile Holdings Limited owned 0.15% and 0% (31 December 2019 0.30% and 100%) of the Net Asset Value in the River and Mercantile Investments Global Macro Fund and River and Mercantile Emerging Markets Equity Absolute Return Fund, respectively.

The Investment Manager has agreed to reduce fees and reimburse expenses to the extent necessary to keep total annual fund operating expenses after fee reductions and/or expense reimbursements from exceeding 0.45% of the Fund's average daily net assets, until five years from the date of authorisation of the Fund. As at 31 December 2020, River and Mercantile Investments Global Macro Fund had a receivable from the Investment Manager of US$Nil (2019: US$Nil) for fee reimbursements. As at 31 December 2020, River and Mercantile Inflation Plus Fund has a receivable from the Investment Manager of £14,647 (2019: £15,050) for fee reimbursements. As at 31 December 2020, River and Mercantile Emerging Markets Equity Absolute Return Fund has a receivable from the Investment Manager of $15,124 (2019: $Nil) for fee reimbursements. The Investment Manager agreed to cover all costs incurred by the River and Mercantile Inflation Plus Fund for the financial year ended 31 December 2020. The Investment Manager agreed to cover all costs incurred by the Funds for the financial year ended 31 December 2019. The Investment Manager has agreed to cover all organisational expenses with the exception of £50,000, which will be borne by the Funds and as a result the Funds reversed organisational expenses of US$Nil (2019: US$Nil) during the financial year. The organisational expenses will be amortised at the beginning of year 5.

During the financial year ended 31 December 2020, the Investment Manager paid certain expenses on behalf of River and Mercantile Investments Global Macro Fund amounting to US$56,003 (2019: US$155,835). During the financial year ended 31 December 2020, the Investment Manager paid certain expenses on behalf of River and Mercantile Inflation Plus Fund amounting to £17,670 (2019: £27,070). During the financial year ended 31 December 2020, the Investment Manager paid certain expenses on behalf of River and Mercantile Emerging Markets Equity Absolute Return Fund amounting to US$15,901 (2019: 17,206). During the financial year ended 31 December 2020, River and Mercantile Investments Global Macro Fund paid US$56,003 (2019: $61,957) to the Investment Manager for certain expenses paid on behalf of the Fund.

10. Related party transactions (continued)

Carne Global Fund Managers (Ireland) Limited, as Manager is a related party to the ICAV as it is considered to have significant influence over the ICAV in its role as Manager. Fees paid to the Manager are disclosed in Note 8. Carne Global Financial Services Limited, the parent company of the Manager, received fees from River and Mercantile Investments Global Macro Fund amounting to US$14,578 during the financial year ended 31 December 2020 (2019: US$11,825) in respect of other fund governance services. No fees have been received for other fund governance services from River and Mercantile Inflation Plus Fund and River and Mercantile Emerging Markets Equity Absolute Return Fund.

The Directors who are not connected with the Investment Manager are entitled to remuneration for their services as directors provided however that the aggregate emoluments of each Director in respect of any twelve month accounting period shall not exceed €22,500 (2019: €22,500) (plus VAT if applicable) and the aggregate emoluments of all Directors in respect of any twelve month accounting period shall not exceed €50,000 (plus VAT if applicable). In addition, the Directors will also be entitled to be reimbursed for their reasonable out of pocket expenses incurred in discharging their duties as directors. Kevin Hayes was an employee of River and Mercantile Group PLC and was not entitled to directors' fees up to the date of his resignation. Tamsin Evans is an employee of River and Mercantile Group PLC and is not entitled to directors' fees.

For the financial year ended 31 December 2020, River and Mercantile Investments Global Macro Fund incurred directors' fees of US$39,789 (2019: US$44,330) of which US$Nil (2019: US$14,193) was payable at the financial year end. For the financial year ended 31 December 2020, River and Mercantile Inflation Plus Fund incurred directors' fees of £644 (2019: £2,610) of which £Nil (2019: £750) was payable at the financial year end. For the financial year ended 31 December 2020, River and Mercantile Emerging Markets Equity Absolute Return Fund incurred directors' fees of US$1,427 (2019: US$2,891) of which US$Nil (2019: Nil) was payable at the financial year end.

Provision has also been made for any related liquidation costs. Any other additional costs that may arise as a result of the liquidation will be borne by the Investment Manager.

11. Exchange rates

The following exchange rates have been used to translate assets and liabilities as at 31 December 2020:

River and Mercantile Investments Global Macro Fund

	31 December 2020
Australian dollar	0.7710
Canadian dollar	0.7856
Euro	1.2217
Japanese yen	0.0097
U.K. pound	1.3675

River and Mercantile Inflation Plus Fund

	31 December 2020
Euro	1.1172
United States dollar	0.7313

River and Mercantile Emerging Markets Equity Absolute Return Fund

	31 December 2020
U.K. pound	1.3675
Euro	1.2217

The following exchange rates have been used to translate assets and liabilities as at 31 December 2019:

River and Mercantile Investments Global Macro Fund

	31 December 2019
Australian dollar	0.7018
Euro	1.1217
Japanese yen	0.0092
U.K. pound	1.3246

River and Mercantile Inflation Plus Fund

	31 December 2019
Euro	0.8473
United States Dollar	0.7548

River and Mercantile Emerging Markets Equity Absolute

	31 December 2019
U.K. pound	1.3246
Euro	1.1217

12. Transaction costs

In order to achieve its investment objective, the ICAV incurs transaction costs in relation to trading activity on its portfolio. These include certain broker and commission fees incurred on trades through the financial year. The commission fees borne by River and Mercantile Investments Global Macro Fund during the financial year were US$47,861 (2019: US$19,991). As part of its trading activity conducted with counterparties for OTC derivatives, the ICAV does not incur other transactions costs which are not separately identifiable.

13. Dividends

There were no dividends declared and paid by the ICAV during the financial year ended 31 December 2020 and the financial year ended 31 December 2019.

14. Soft commissions and directed brokerage services

The Investment Manager did not engage in any soft commission or directed brokerage arrangements impacting the ICAV during the financial year ended 31 December 2020 and the financial year ended 31 December 2019.

15. Efficient Portfolio Management

A fund may employ investment techniques and instruments (including, but not limited to, the use of securities lending, repurchase agreements and reverse repurchase agreements) relating to transferable securities and/or other financial instruments in which it invests for efficient portfolio management purposes in accordance with the investment strategy of the relevant fund and subject to the conditions and limits set out in the UCITS Rulebook. The specific techniques and instruments to be utilised by each fund (if any) are set out in the Supplement for each fund. Any such technique or instrument should be reasonably believed by the Investment Manager to be economically appropriate to the efficient portfolio management of the relevant fund. During the financial year, futures, swaps, and forwards were entered into for the purpose of efficient portfolio management in order to hedge currency and market exposure and/or for investment purposes.

16. Significant events during the financial year

River and Mercantile Inflation Plus Fund

At the Board meeting on 27 April 2020, the Directors resolved to close River and Mercantile Inflation Plus Fund. Effective 30 December 2020, the River and Mercantile Inflation Plus Fund was terminated.

River and Mercantile Emerging Markets Equity Absolute Return Fund

In March 2020, River and Mercantile Emerging Markets Equity Absolute Return Fund sold all of its assets and distributed the proceeds to River and Mercantile Holdings Limited, the sole shareholder. At the Board meeting on 27 April 2020, the Directors resolved to close River and Mercantile Emerging Markets Equity Absolute Return Fund. Effective 30 December 2020, the River and Mercantile Emerging Markets Equity Absolute Return Fund was terminated.

COVID-19

Since the beginning of 2020, global financial markets have experienced and may continue to experience significant volatility resulting from the spread of COVID-19. While containment efforts were made to slow the spread of the epidemic the virus has now spread globally resulting in travel and border restrictions, quarantines, supply chain disruptions, lower consumer demand and general market uncertainty. The effects of COVID-19 have adversely affected the global economy and may continue to do so.

The Directors are aware that global financial markets have been reacting to the virus. All markets have incurred increased volatility and uncertainty since the onset of the pandemic.

The Directors have also noted the operational risks that are posed to the Fund and its service providers due to global and local movement restrictions that have been enacted by various governments. The COVID-19 pandemic is an unprecedented event and the eventual impact on the global economy and markets will largely depend on the scale and duration of the outbreak. The Directors will continue to monitor this situation.

Directorship changes

Tamsin Evans has been appointed as a director of the ICAV effective 27 April 2020.

Kevin Hayes has resigned as a director of the ICAV effective 27 May 2020.

Brexit

The United Kingdom ("UK") formally left the European Union ("EU") on 31 January 2020. However, the UK remained subject to EU regulations during an agreed transition period from 31 January 2020 to 31 December 2020.

The UK left the single market and customs union with an EU-UK Trade and Cooperation Agreement in place. Whilst the implications of leaving the EU are not possible to predict with certainty at this time, market volatility as well as instability in foreign exchange markets are potential impacts of Brexit. Volatility resulting from this uncertainty may mean that the returns on a Fund's investments maybe adversely affected by market movements.

There were no other significant events during the financial year.

17. Subsequent events

At a Board meeting in February 2021, the Directors resolved to launch a new Fund, River and Mercantile Global Recovery Fund. This is currently subject to approval by the Central Bank of Ireland.

Since the financial year end to 31 March 2021, the River and Mercantile Investments Global Macro Fund recorded total redemptions amounting to €3,120,510. There were no subscriptions for the same period.

River and Mercantile Global Recovery Fund was approved by the board in February 2021.

There are no other events that would have a material impact on the financial statements subsequent to 31 December 2020.

18. Directors approval

The Directors approved the financial statements on 20 April 2021.

The Statement of Significant Purchases and Sales reflects the aggregate purchases of transferable securities exceeding one percent of the total value of purchases and aggregate disposals of transferable securities greater than one percent of the total value of the sales for the financial year. At minimum the largest 20 purchases and sales must be given or all purchases and sales if less than 20.

River and Mercantile Investments Global Macro Fund
Statement of Significant Purchases for the financial year ended 31 December 2020

Description	Nominal	Cost US$
United States Treasury Bill 0% 08/13/20	40,482,500	40,475,244
United States Treasury Note/Bond 6.25% 05/15/2030	24,136,600	37,204,518
United Kingdom Gilt Inflation Linked 4.125% 07/22/2030	7,296,631	35,627,738
United States Treasury Bill 0% 02/04/20	33,729,600	33,645,949
United States Treasury Bill 0% 05/21/20	32,637,500	32,521,185
United States Treasury Bill 0% 07/05/2020	32,621,100	32,513,991
United States Treasury Bill 0% 14/05/2020	32,629,300	32,513,107
United States Treasury Bill 0% 12/03/2020	30,690,000	30,676,684
United States Treasury Bill 0% 28/05/2020	28,532,700	28,425,241
United States Treasury Bill 0% 12/11/2020	27,889,000	27,884,472
United States Treasury Bill 0% 11/05/2020	27,889,000	27,879,059
United States Treasury Bill 0% 01/07/2021	27,501,000	27,495,309
United States Treasury Bill 0%12/10/2020	27,152,000	27,148,255
United States Treasury Bill 0% 14/01/2021	25,622,000	25,618,553
United States Treasury Bill 0% 21/01/2021	25,622,000	25,617,836
United States Treasury Bill 0% 17/12/2020	25,273,000	25,270,568
United States Treasury Bill 0% 28/01/2021	24,567,000	24,563,260
United States Treasury Bill 0% 25/02/2021	24,567,000	24,562,724
United States Treasury Bill 0% 25/03/2021	24,567,000	24,561,054
United States Treasury Bill 0% 19/11/2020	24,351,000	24,348,571
United States Treasury Bill 0% 15/10/2020	23,912,000	23,909,563
United States Treasury Bill 0% 22/10/2020	23,912,000	23,909,147
United States Treasury Bill 0% 10/08/2020	23,912,000	23,904,868
United States Treasury Bill 0% 07/02/2020	23,534,000	23,531,772
United States Treasury Bill 0% 25/06/2020	23,533,000	23,531,619
United States Treasury Bill 0% 16/07/2020	23,535,000	23,531,138
United States Treasury Bill 0% 09/07/2020	23,534,000	23,531,094
United States Treasury Bill 0% 18/06/2020	23,532,000	23,529,991
United States Treasury Bill 0% 09/10/2020	21,928,300	21,922,794
United States Treasury Bill 0% 17/09/2020	19,731,000	19,729,055
United States Treasury Bill 0% 24/09/2020	19,731,000	19,728,811
United States Treasury Bill 0% 09/03/2020	18,049,700	18,045,999
United States Treasury Bill 0% 23/04/2020	17,544,500	17,502,795
United States Treasury Bill 0% 26/03/2020	10,839,600	10,825,603

The Statement of Significant Purchases and Sales reflects the aggregate purchases of transferable securities exceeding one percent of the total value of purchases and aggregate disposals of transferable securities greater than one percent of the total value of the sales for the financial year. At minimum the largest 20 purchases and sales must be given or all purchases and sales if less than 20. (continued)

River and Mercantile Investments Global Macro Fund
Statement of Significant Sales for the financial year ended 31 December 2020

Description	Nominal	Proceeds US$
United States Treasury Bill 0% 13/08/2020	40,482,500	40,479,522
United States Treasury Bill 0% 23/04/2020	34,358,400	34,336,017
United States Treasury Bill 0% 04/02/2020	33,729,600	33,716,142
United States Treasury Bill 0% 21/05/2020	32,637,500	32,612,036
United States Treasury Bill 0% 14/05/2020	32,629,300	32,606,017
United States Treasury Bill 0% 07/05/2020	32,621,100	32,599,926
United States Treasury Bill 0% 12/03/2020	30,690,000	30,688,459
United Kingdom Gilt Inflation Linked 4.125% 22/07/2030	6,007,623	30,167,247
United States Treasury Bill 0% 28/05/2020	28,532,700	28,521,732
United States Treasury Bill 0% 12/11/2020	27,889,000	27,888,254
United States Treasury Bill 0% 26/03/2020	27,633,300	27,595,625
United States Treasury Bill 0% 12/10/2020	27,152,000	27,151,531
United States Treasury Bill 0% 17/12/2020	25,273,000	25,272,411
United States Treasury Bill 0% 19/11/2020	24,351,000	24,350,294
United States Treasury Bill 0% 10/08/20	23,912,000	23,911,855
United States Treasury Bill 0% 15/10/2020	23,912,000	23,911,470
United States Treasury Bill 0% 22/10/2020	23,912,000	23,911,108
United States Treasury Bill 0% 16/07/2020	23,535,000	23,534,009
United States Treasury Bill 0% 07/02/2020	23,534,000	23,533,676
United States Treasury Bill 0% 09/07/2020	23,534,000	23,533,565
United States Treasury Bill 0% 25/06/2020	23,533,000	23,532,770
United States Treasury Bill 0% 18/06/2020	23,532,000	23,531,835
United States Treasury Bill 0% 09/10/2020	21,928,300	21,927,543
United States Treasury Bill 0% 17/09/2020	19,731,000	19,730,441
United States Treasury Bill 0% 24/09/2020	19,731,000	19,730,172
United States Treasury Bill 0% 09/03/2020	18,049,700	18,048,570
United States Treasury Bill 0% 19/03/2020	17,140,700	17,120,696
United States Treasury Bill 0% 27/02/2020	16,774,300	16,762,315
United States Treasury Bill 0% 13/02/2020	16,764,100	16,762,059
United States Treasury Bill 0% 30/01/2020	16,754,800	16,738,882

The Statement of Significant Purchases and Sales reflects the aggregate purchases of transferable securities exceeding one percent of the total value of purchases and aggregate disposals of transferable securities greater than one percent of the total value of the sales for the financial year. At minimum the largest 20 purchases and sales must be given or all purchases and sales if less than 20 (continued).

River and Mercantile Emerging Markets Equity Absolute Return Fund
Statement of Significant Purchases for the financial year ended 31 December 2020

Description	Nominal	Cost US$
Samsung Electronics Co Ltd	100	119,716
ISHARES MSCI KOREA	2,400	103,775
Alibaba Group Holding Ltd	465	100,181
Taiwan Semiconductor Manufacturing Co Ltd	1,300	77,787
Ping An Insurance Group Co of China Ltd	5,000	59,234
Banco do Brasil SA	4,200	55,022
Wal-Mart de Mexico SAB de CV	15,800	45,452
CNOOC Ltd	32,000	42,979
Sberbank of Russia	2,500	41,127
Petroleo Brasileiro SA	2,500	40,149
Bank of China Ltd	90,000	38,234
Agricultural Bank of China Ltd	82,000	35,804
PICC Property & Casualty Co Ltd	28,000	34,182
Grupo Financiero Banorte SAB de CV	5,800	32,934
ENN Energy Holdings Ltd	3,000	31,943
Gazprom PAO	3,800	31,750
Detsky Mir PJSC	18,700	31,518
International Container Terminal Services Inc	12,000	30,353
Bank Negara Indonesia Persero Tbk PT	55,000	30,066
Lukoil PJSC	300	29,719

River and Mercantile Emerging Markets Equity Absolute Return Fund
Statement of Significant Sales for the financial year ended 31 December 2020

Description	Nominal	Proceeds US$
United States Treasury Bill 0% 26/03/20 20	227,000	227,000
Samsung Electronics Co Ltd	100	91,734
Alibaba Group Holding Ltd	465	86,790
ISHARES MSCI KOREA	2,400	71,250
Taiwan Semiconductor Manufacturing Co Ltd	1,300	62,166
Ping An Insurance Group Co of China Ltd	5,000	46,431
Wal-Mart de Mexico SAB de CV	15,800	34,432
Bank of China Ltd	90,000	32,087
Agricultural Bank of China Ltd	82,000	29,446
Vipshop Holdings Ltd	1,900	28,292
CNOOC Ltd	32,000	27,842
PICC Property & Casualty Co Ltd	28,000	25,334
ENN Energy Holdings Ltd	3,000	25,040
Sberbank of Russia	2,500	24,272
Banco do Brasil SA	4,200	22,540
Detsky Mir PJSC	18,700	21,807
Lukoil PJSC	300	19,857
ZTO Express Cayman Inc	800	19,732
JD.com Inc	500	19,168
Lojas Renner SA	1,800	19,000

RIVER AND MERCANTILE INVESTMENTS ICAV

SCHEDULE OF INVESTMENTS (Unaudited)

Description	Counterparty	Number of Units	Fair Value US$	% of Net Assets
Financial assets at fair value through profit or loss				
Government bonds				
United Kingdom				
United Kingdom Gilt Inflation Linked 4.125% 22/07/2030		1,289,008	6,715,763	2.86%
			6,715,763	**2.86%**
United States of America				
United States Treasury Bill 0% 14/01/2021		24,153,000	24,152,765	10.28%
United States Treasury Bill 0% 21/01/2021		24,153,000	24,152,601	10.28%
United States Treasury Bill 0% 28/01/2021		24,153,000	24,152,235	10.28%
United States Treasury Bill 0% 25/03/2021		24,153,000	24,149,511	10.27%
United States Treasury Bill 0% 07/01/2021		24,153,000	24,152,960	10.28%
United States Treasury Bill 0% 25/02/2021		24,153,000	24,150,995	10.27%
United States Treasury Note/Bond 6.25% 15/05/2030		24,136,600	35,980,505	15.31%
			180,891,572	**76.97%**
Total Government bonds			**187,607,335**	**79.83%**
Total return swaps				
TRS-IHY0920 TRS Index (20/03/2021)	JP Morgan		143,734	0.06%
TRS-IIG1020 TRS Index (20/03/2021)	JP Morgan		44,043	0.02%
TRS-IJA1020 TRS Index (20/03/2021)	JP Morgan		5,076	0.00%
TRS-IYD1020 TRS Index (20/03/2021)	JP Morgan		10,859	0.00%
TRS-IYD1120 TRS Index (20/03/2021)	JP Morgan		85,795	0.04%
TRS-JPE0820 TRS Index (20/03/2021)	JP Morgan		126,833	0.05%
TRS-IJA1319 TRS Index (20/03/2021)	JP Morgan		9,217	0.00%
			425,557	**0.17%**
Futures contracts		**Number of Contracts**		
AUST 10Y BOND FUT MAR21	Morgan Stanley	38	19,142	0.01%
CAN 10YR BOND FUT MAR21	Morgan Stanley	57	27,433	0.01%
DAX INDEX FUTURE MAR21	Morgan Stanley	12	181,232	0.08%
EURO STOXX 50 MAR21	Morgan Stanley	161	95,393	0.04%
EURO-BTP FUTURE MAR21	Morgan Stanley	38	49,672	0.02%
EURO-BUND FUTURE MAR21	Morgan Stanley	96	93,823	0.04%
EURO-OAT FUTURE MAR21	Morgan Stanley	34	34,475	0.01%
LONG GILT FUTURE MAR21	Morgan Stanley	39	77,209	0.03%
MSCI EMGMKT MAR21	Morgan Stanley	112	245,840	0.10%
NIKKEI 225 (OSE) MAR21	Morgan Stanley	19	125,127	0.05%
S&P/TSX 60 IX FUT MAR21	Morgan Stanley	42	5,340	0.00%
S&P500 EMINI FUT MAR21	Morgan Stanley	100	545,000	0.23%
US 10YR NOTE (CBT) MAR21	Morgan Stanley	148	34,313	0.01%
			1,533,999	**0.63%**
Forward currency contracts				
Currency Receivable	**Amount Payable**	**Maturity Date**		
GBP170,985,000	US$229,266,757	08/01/2021	BNY Mellon	4,574,688	1.95%
				4,574,688	**1.95%**
Total financial assets at fair value through profit or loss				**194,141,579**	**82.58%**

Description	Counterparty	Number of Units	Fair Value US$	% of Net Assets
Financial liabilities at fair value through profit or loss				
Total return swaps				
TRS-GLAQ001 TRS (09/02/2021)	Barclays PLC		(604,033)	(0.26%)
			(604,033)	**(0.26%)**
Futures contracts		**Number of Contracts**		
10YR MINI JGB FUT MAR21	Morgan Stanley	40	(1,550)	(0.00%)
CAC40 10 EURO FUT JAN21	Morgan Stanley	106	(4,532)	(0.00%)
FTSE 100 IDX FUT MAR21	Morgan Stanley	7	(4,403)	(0.00%)
			(10,485)	**(0.00%)**

Forward currency contracts

Currency Receivable	Amount Payable	Maturity Date			
US$6,516,539	GBP4,859,000	08/01/2021	BNY Mellon	(128,696)	(0.05%)
US$5,443,865	EUR4,488,000	08/01/2021	BNY Mellon	(40,141)	(0.02%)
JP¥77,115,559	AUD996,000	08/01/2021	BNY Mellon	(21,027)	(0.01%)
				(189,864)	**(0.08%)**
Total financial liabilities at fair value through profit or loss				**(804,382)**	**(0.34%)**
Total financial assets and liabilities at fair value through profit or loss				**193,337,197**	**82.24%**
Cash and cash equivalents				47,829,626	20.35%
Bank overdraft				(25,560,891)	(10.87%)
Other net assets				19,460,311	8.28%
Net assets attributable to holders of redeemable shares				**235,066,243**	**100.00%**

Analysis of total assets	% of Total Assets
Transferable securities listed on an official stock exchange listing or traded on a regulated market	71.73%
Financial derivative instruments dealt in on a regulated market	0.59%
OTC financial derivative instruments	1.91%
Cash and cash equivalents	18.29%
Other assets	7.48%
Total Assets	100.00%

The European Union Directive 2014/91/EU as implemented in Ireland by S.I. No. 143/2016 - European Union (Undertakings for Collective Investment in Transferable Securities) (Amendment) Regulations 2016, requires management companies to establish and apply remuneration policies and practices that promote sound and effective risk management, and do not encourage risk taking which is inconsistent with the risk profile of the UCITS.

To that effect, Carne Global Fund Managers (Ireland) Limited (the "**Manager**"), has implemented a remuneration policy that applies to all UCITS for which the Manager acts as manager (the "**Remuneration Policy**") and covers all staff whose professional activities have a material impact on the risk profile of the Manager or the UCITS it manages ("**Identified Staff of the Manager**"). The Remuneration Policy also applies to all alternative investment funds for which the Manager acts as alternative investment fund manager. In accordance with the Remuneration Policy, all remuneration paid to Identified Staff of the Manager can be divided into:

- Fixed remuneration (payments or benefits without consideration of any performance criteria); and
- Variable remuneration (additional payments or benefits depending on performance or, in certain cases, other contractual criteria) which is not based on the performance of the UCITS.

The Manager has designated the following persons as Identified Staff of the Manager:

1. The Designated Persons;
2. Each of the Manager's directors;
3. Compliance Officer;
4. Risk Officer;
5. Chief Operating Officer; and
6. All members of the investment committee.

The Manager has a business model, policies and procedures which by their nature do not promote excessive risk taking and take account of the nature, scale and complexity of the Manager and the UCITS. The Remuneration Policy is designed to discourage risk taking that is inconsistent with the risk profile of the UCITS and the Manager is not incentivised or rewarded for taking excessive risk.

The Manager has determined not to constitute a separate remuneration committee and for remuneration matters to be determined through the Manager's Operations & Compliance Committee.

The Manager's Operations & Compliance Committee is responsible for the ongoing implementation of the Manager's remuneration matters and will assess, oversee and review the remuneration arrangements of the Manager as well as that of the delegates as relevant, in line with the provisions of the applicable remuneration requirements.

The Manager's parent company is Carne Global Financial Services Limited ("**Carne**"). Carne operates through a shared services organisational model which provides that Carne employs the majority of staff and enters into inter-group agreements with other Carne Group entities within the group to ensure such entities are resourced appropriately. Additionally, the Manager directly employs a limited number of staff. Each of the Identified Staff, other than one non-executive independent director, are employed and paid directly by Carne and remunerated based on their contribution to the Carne Group as a whole. In return for the services of each of the Carne Identified Staff, the Manager pays an annual staff recharge to Carne (the "**Staff Recharge**").

The non-executive independent director is paid a fixed remuneration and each other Identified Staff member's remuneration is linked to their overall individual contribution to the Carne Group, with reference to both financial and non-financial criteria and not directly linked to the performance of specific business units or targets reached or the performance of the UCITS.

The aggregate of the total Staff Recharge and the remuneration of the independent non-executive director is €1,208,000 paid to 12 individuals for the financial year ended 31 December 2020. The Manager has also determined that, on the basis of number of sub-funds / net asset value of the UCITS relative to the number of sub-funds / assets under management, the portion of this figure attributable to the UCITS is €3,095.

The ICAV does not pay any fixed or variable remuneration to identified staff of the Investment Manager.

There have been no material changes made to the Remuneration Policy or the Manager's remuneration practices and procedures during the financial year.

Securities Financing Transactions Regulation (Regulation (EU) 2015/2365) ("SFTR") came into force on 12 January 2016 and, amongst other requirements, introduces new disclosure requirements in the Fund's annual and interim reports published after 13 January 2017 detailing the ICAV's use of securities financing transactions. Securities financing transactions are defined as repurchase/reverse repurchase transactions, total return swaps, securities borrowing and lending and margin lending transactions.

For the financial year ended 31 December 2020, the ICAV has not entered into any repurchase/reverse repurchase transactions, stock lending, securities borrowing and margin lending transactions.

For the financial year ended 31 December 2020, the ICAV has entered into total return swaps. As a result, additional disclosures have been included in this supplementary section to the audited annual report.

River and Mercantile Investments Global Macro Fund

As at 31 December 2020, the Fund held total return swaps with fair value amounting to US$178,475.

For the financial year ended 31 December 2020, the total returns earned and costs incurred on trading in total return swaps were US$6,612,849 and US$6,051,059 respectively.

River and Mercantile Inflation Plus Fund and River and Mercantile Emerging Markets Equity Absolute Return Fund

For the financial year ended 31 December 2020, River and Mercantile Inflation Plus Fund and River and Mercantile Emerging Markets Equity Absolute Return Fund did not enter into any securities financing transactions.

Settlement and clearing

All OTC derivative transactions are entered into by the ICAV under an International Swap and Derivatives Association, Inc. Master Agreement ("ISDA Master Agreement") or similar agreement. An ISDA Master Agreement is a bilateral agreement between the ICAV and a counterparty that governs OTC derivative transactions (including total return swaps) entered into by the parties.

Collateral and safekeeping

All collateral received/pledged by the ICAV under the ISDA Master Agreement is transferred bilaterally under a title transfer arrangement. Collateral received by the ICAV is held by the Depositary in the name of the ICAV and is segregated by the Depositary from the assets belonging to the ICAV. The collateral posted by the ICAV is transferred under a security interest arrangement in accordance with the ISDA Master Agreement.

Non-cash collateral received by way of title transfer collateral arrangement in relation to OTC derivative transactions, cannot be sold, re-invested or pledged.

As at 31 December 2020, the ICAV has not received or pledged any non-cash collateral.

As at 31 December 2020, there has been cash collateral amounting to US$ 4,328,215 pledged in relation to SFTR transactions.