ANNUAL REPORT 2019

Legislation and regulations incorporated on the basis of
2019 annual reporting requirements

Trustus Capital Management BV
Joure

Report on the annual accounts 2019

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FINANCIAL POSITION

For the discussion of the financial position following is a condensed compilation of the balance sheet ratios.

(amounts x € 1,000)		31.12.19		31.12.18
	€	%	€	%
ASSETS				
Intangible fixed assets	729	18.6	605	16.0
Tangible fixed assets	679	17.3	708	18.8
Financial fixed assets	55	1.4	-	-
Receivables, prepayments and accrued income	1,000	25.5	678	18.0
Securities	484	12.3	432	11.5
Cash	976	24.9	1,347	35.7
	----------	----------	----------	----------
	3,923	100.0	3,770	100.0
	======	======	======	======
LIABILITIES				
Group equity	3,415	87.1	3,309	87.8
Current liabilities and accruals	508	12.9	461	12.2
	----------	----------	----------	----------
	3,923	100.0	3,770	100.0
	======	======	======	======

Assuming fixed assets should be financed with long-term liabilities as much as possible, the equity position can be made up as such:

EQUITY POSITION	31.12.19	31.12.18
(amounts x € 1,000)	€	€
Group equity	3,415	3,309
	----------	----------
Less: Intangible fixed assets	729	605
Less: Tangible fixed assets	679	708
Less: Financial fixed assets	55	-
	----------	----------
Working capital	1,952	1,996
	======	======

These amounts are also apparent from the following pattern:

LIQUIDITY POSITION	31.12.19	31.12.18
(amounts x € 1,000)	€	€
Receivables, prepayments and accrued income	1,000	678
Securities	484	432
Cash	976	1,347
	----------	----------
	2,460	2,457
Less: Current liabilities and accruals	508	461
	----------	----------
Working capital	1,952	1,996
	======	======

A decrease in working capital of approximately € 44,000 is derived from the above displayed pattern.

REPORT OF THE SUPERVISORY BOARD

We hereby present you with the 2019 Annual Accounts drawn up by the Directors, which have been audited by Mazars Accountants N.V. who have added their independent auditor´s report.

We propose that you:
- adopt the 2019 Annual Accounts accordingly and accept the proposal for allocation of the result,
- discharge the Directors for the management pursued,
- discharge the Supervisory Board for its supervision over 2019.

The Supervisory Board met five times during the reporting year. Important items on the agenda were:
- general state of affairs
- interim results and market development
- budget
- organisation development
- corporate governance
- risk management and compliance (including Mifid II)
- marketing
- new products/product review
- investment strategy
- staff composition
- staff remuneration

The Supervisory Board has attended four meetings of the Supervisory Board of the investment funds that are managed by Trustus Capital Management B.V.
In 2019 the Supervisory Board was also involved in the supervision of the acquisition of Van Amstberg Capital Management B.V. in Hilversum by Trustus.

The Supervisory Board commends the management and staff for the 2019 results.

Joure, April 9, 2020

The Supervisory Board:
S. Wijma, chairman
A. Plantinga

DIRECTORS' REPORT

Results
The financial year 2019 was closed with a positive result. The net profit amounted to € 460,180.

Revenues/Expenses
Revenues for the 2019 financial year totalled € 3,412,033. An increase of 19.2% compared to 2018. Total operating costs increased by 3.5% in 2019 to € 2,820,457. Revenues comprised management and performance fees and income from service contracts. Revenue growth consisted mainly of higher performance fees, due to the strong returns on the AuM. Costs increased mainly due to higher salary costs and the depreciation and acquisition costs after the integration of Van Amstberg Capital Management.

Trustus Asset Management
Although the investors were left with great uncertainties at the end of 2018: simmering trade tensions between the world's two largest economies and persistent geopolitical issues such as Brexit, most financial markets enjoyed one of the best performances in years.
Across all risk profiles investors received a good return. Ranging from 7.2% to 24.2%, for respectively the most defensive risk profile and the most offensive risk profile.
During the year the investment committee started a search to achieve a better return on the risk avoiding portfolios, due to the (minus) zero interest rate environment. This resulted in an adjusted portfolio with a broad based number of alternative investments as a replacement for the traditional bond portfolios. With this change the risk of the risk avoiding portfolio increased slightly, but offers a more attractive expected return for our investors.
In 2019 a start was made with the introduction of Blanco, which offers digital 'in the cloud" solutions for client documentation and onboarding of new clients. The integration of Blanco's software offers the opportunity to comply with all KYC and other regulations in an automated and efficient way.

Van Amstberg Capital Management
On the 12th of July 2019 Trustus increased its stake in Van Amstberg Capital Management (VACM) from 79% to 100% (effective per June 30, 2019) and the two companies merged. On the 22nd of March 2018 DNB already approved the takeover. The takeover did contribute to the profit of Trustus in 2019.

TCM Investment Funds
The year 2019 proved to be a difficult year for Frontier Markets in general. The strong performances in developed markets made it less attractive for investors to take a good look at the Frontier space.
This might be one of the main reasons that most Frontier Market funds experienced serious outflow during the last 2 years. The outflow for the TCM funds remained limited.
Also investors were looking for large caps investments instead of small and midcaps in Frontier Markets. Since the TCM Frontier Market Equity funds have a more value oriented high dividend approach and therefore a tilt towards small and midcap companies, 2019 proved to be a difficult year to outperform the benchmarks.

Introduction new TCM Emerging Fund Luxembourg
On March 25, 2019 the introduction of a new sub fund took place (under the umbrella TCM Investment Funds Luxembourg) with the name TCM Global Emerging High Dividend Equity (Luxembourg). The new sub fund is investing in companies in Emerging Markets that are paying a consistent higher than average dividend. The selection process can be split into quantitative and qualitative research. Selected companies have a higher ROE, stronger balance sheets and a growing dividend yield. Trustus has been using this strategy for over 10 years in Frontier Markets which has led to a strong performance compared to the relevant benchmarks, with on average a lower risk profile. Investors who are interested in the new sub fund can invest directly in the Luxembourg UCITS share classes. The new fund is not launched in the Netherlands under the Dutch umbrella structure.

Intereffekt Investment Funds
The Intereffekt Active Leverage funds had a good year with positive performances for its funds. The changes in the trading program that were announced and adapted at the end of 2018 were applied during 2019. For the more extended reporting on the TCM Investment Funds and Intereffekt Investment Funds N.V. (IIF) over 2019, we refer to the annual report, published on the website: www.tcminvestmentfunds.nl and www.intereffektfunds.nl.

Personnel
At year-end 2019, the company had 21 employees (16 FTE).

Equity
The law requires that Trustus maintains equity of at least € 125,000. Based on additional requirements and self-assessment, the company has determined a minimum comfortable equity level. For 2019, this was € 1,600,000. As at 31 December 2019, equity amounted to € 3,414,882 amply satisfying the prudential capital requirements and their supplements. A part of the equity is invested in a long-term portfolio.
At the start of 2019, the value of this portfolio was € 431,515 and by the close of 2019 € 484,381. These securities are highly liquid and can be disposed of instantly.

Risk Management Policy
The risk management policy is based on a policy document describing various processes and reports that are conducted and generated over the course of the year. At the heart of the risk management is a system with 'three lines of defence': fund management is the first line, risk management is the second line and the external compliance officer is the third line. The risk manager position is performed by one of Trustus' directors, not being the board member who also oversees the investment funds.
Four quarterly meetings of the risk management team (RMT) were held in 2019. The risks that are relevant to the funds and/or the manager were discussed at these meetings. The objective for 2020 remains to identify the relevant risks, to use a valuation system for these risks and to take mitigating measures.

Main risks for Trustus
With its funds, Trustus invests in the shares of companies in emerging and frontier markets. Some of these markets proved to be more volatile in the past year than the average of global stock markets. There is a risk that strong price falls on the markets in which Trustus is active create pressure on the Assets under Management for periods that may be short or long. This would have a direct impact on the income of Trustus as a manager. This risk is reduced by diversification across various activities (fund management and private asset management) and diversification across various sub funds and geographic areas.
Another risk that could materialise for Trustus is the risk of reputational damage if clients should file claims against it. These claims could be based on failure to comply with agreements made with clients or failure to satisfy statutory requirements. However, none of this occurred in 2019. Procedures are described in a manual and communicated to all employees each year. The external compliance officer regularly monitors compliance by means of a monitoring programme. In view of the rapidly-changing and complicated legislation and regulations, Trustus uses a subscription to an automated service that keeps us abreast of changes to legislation and regulations and their impact on our organisation.
As a result of Trustus' limited size, some key officers perform multiple functions and tasks in the organisation. The risk this entails is that Trustus may need to temporarily engage external experts to resolve capacity problems if one or more of these officers falls ill or leaves Trustus. Trustus has acknowledged this problem and has estimated the likelihood of such a situation arising at a chance of once every two years.
None of the risks mentioned above materialized in 2019. In the ICAAP (Internal Capital Adequacy Assessment Process), Trustus has reserved additional equity for the three risks described above as well as for risks with a lower likelihood or impact. In total Trustus reserved 1.6 million euro based on the ICAAP. The largest reservation under ICAAP was made for the risk of a fall in AuM of 30%; we reserved 442,000 euro, for damage due to reputational risk 50,000 euro and for single point of failure 50,000 euro.

Also in 2019, the external compliance officer assessed the effectiveness of the risk management policy pursued and reported on this to the management board and supervisory board. There were no situations worth mentioning which occurred in 2019 in respect of the relevant risks for Trustus and IIF.

Conflicts of interest policy
We have the following policies in place that requires the staff to disregard any personal interest, relationship or arrangement which gives rise to a conflict of interest and to ensure that the interests of clients prevail:
- Personal Code (including the personal transaction policy);
- Bankers' Oath or Affirmation;
- Remuneration policy.

Trustus places significant emphasis on its compliance culture, and the efficient operation of systems and controls, to manage issues such as conflicts of interest. Our compliance officer conducts regular monitoring checks to confirm that the mandatory internal policies and procedures are followed. The conflict of interest policy was evaluated and adjusted in 2019.

Group structure
Trustus is the head of a group of legal entities. Per the ultimo 2019 Trustus owns 100% of the shares of the issued capital of IntFin Services BV.
CEO of Trustus is Wytze Riemersma, he is mainly responsible for the portfolio management of the investment funds, P & O and the financial administration. As asset management director Rob Visschedijk is mainly responsible for the asset management of private clients, Risk Management, IT, Mid-Office.
Trustus has a Supervisory Board that consists of two members: Sake Wijma (chairman) and Auke Plantinga.

Appointment of a new auditor

In 2016 a rule took effect which forces listed companies and financial institutions to replace their auditor after eight years. For Deloitte Accountants B.V. the maximum term applies in 2020.

In preparation for the appointment of a new auditor several auditor firms were consulted last year and the resulting proposals were discussed with the Supervisory Board. Mazars Accountants NV in Amsterdam has been appointed as auditor of the company with effect from the financial year 2019.

Remuneration policy

The remuneration policy of the company is carried out in accordance with the relevant terms agreed. The remuneration policy is applicable to the Supervisory Board, management board and the staff. The following guidelines have been the foundation for the remuneration policy.

- The remuneration is in line with general market conditions and is socially acceptable;
- The remuneration policy stimulates integrity and the stability of the company in the long term;
- The remuneration policy contains no incentives that undermine the obligation of the management board and employees to engage in the best interests of its clients and other stakeholders;
- The long term interests of the management board are in line with the long term interests of its clients and other stakeholders;
- The remuneration policy should not lead to unmanageble costs of staff, which might pose a risk to the continuity of the company;
- The remuneration policy is transparant and simple;
- The company has a long history of relatively low variable remuneration.

By applying the above guideliness, the remuneration policy attributes to a stable and efficient risk control process. The remuneration policy is in line with the strategy of the company, goals, values and long term interests and includes measures to avoid conflict of interests.

The manager does not have a separate remuneration committee, due to the limited size, internal organisation, complexity and activities. The directors of the company take care of this task.

The remuneration policy is approved on a yearly basis by the Supervisory Board of the company.

The Supervisory Board is responsible for the supervision of the management board and the remuneration of the staff which is engaged in control of rules and regulations.

On the basis of good governance the company voluntarily installed a Supervisory Board, which is not mandatory regarding rules and regulations. The remuneration policy document is available on the website. On request a copy (free of charge) of the remuneration policy can be obtained.

In control statement

The management board hereby declares to have a description of the business operations, complying with the requirements of the financial supervision and supervision of the conduct of financial enterprises (Bgfo). During the past financial year several aspects of business operations are evaluated. There is no evidence to support that the descriptions of the operations referred to in article 121 of the Bgfo do not meet the requirements as set out in the law on financial supervision and related regulations.

On this basis the management board declares to have a description of the operations in place referred to in article 121 Bgfo, which meets the requirements of the Bgfo. Also, the management board notes that the business operations are effective and in accordance with the description. Therefore the management board states with a reasonable degree of certainty that during the year 2019 the business operations were effective and in accordance with the description.

The last update of the business operations description was finalized in June 2018.

2019 and outlook 2020

Although the 2019 financial results were healthy, the management acknowledges the fact that further pressure on margins and growing costs need a healthy growth in AuM going forward. Next to our new distribution partner in the Nordics, we are also looking for further distribution and acquisition possibilities in the Dutch market.

The low interest rate environment remains challenging; it's the manager's task to find responsible middle ground, where the client profile and the risk profile are properly balanced.

In addition to the points discussed above, we are very much aware that stock market developments in 2020 will be a key factor again in the growth and development of the results.

The costs to be incurred in 2019 for research and development are expected to remain limited to the costs for employee training and education. The management board does not foresee making any special investments in the coming financial year. Other costs will be largely comparable to the costs incurred in the financial year 2019.

COVID-19 virus
Beginning in January 2020, global financial markets have experienced and may continue to experience significant volatility resulting from the spread of a novel coronavirus known as COVID-19.
The outbreak of COVID-19 has resulted in travel and border restrictions, quarantines, supply chain disruptions, lower consumer demand and general market uncertainty. The effects of COVID-19 have and may continue to adversely affect the global economy, the economies of certain nations and individual investors, all of which may negatively impact the business and AuM of Trustus.

To mitigate the contamination risk, Trustus applied a Home Base Work program, where the majority of employees can work out of their homes.
The main risk for Trustus is the decline of AuM which corresponds directly with the realized turnover. The company conducts several stress tests during the year, which also include large market disruptions. The current decline of markets (-30%) falls within the range of our stress tests, the company is financially sound and able to handle these circumstances.
In line with the wealth management activities the AuM of the managed funds by Trustus also declined substantially. Although the market decline was severe there were no material outflows, on balance the funds experienced light inflows.
If, in the future the current uncertainty remains and market declines continue, the company will, where possible, make use of facilities made available by the Dutch government and / or will adapt its level of (organizational) costs over time.
For the foreseeable future we expect volatile markets, but for the long term we expect that markets will regain most of the losses after the COVID-19 virus has been contained.

The management board thanks its employees for their continued constructive and pleasant cooperation in the past year. The management board also welcomes our new colleagues from VACM, as the pleasant cooperation resulted in a smooth merger in July of last year.

Joure, April 9, 2020

Directors:
W.Y. Riemersma, chairman
R.J.F. Visschedijk

Consolidated financial statements for the year ended
31 December 2019

- Consolidated balance sheet
- Consolidated profit and loss account
- Consolidated cash flow statement
- Statement of changes in equity of the legal entity
- Notes to the consolidated financial statements

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER
(before appropriation of result)

ASSETS	Note		**2019**		**2018**
			€		€
Fixed assets					
Intangible fixed assets	(1)				
Goodwill VACM			729,057		604,693
Tangible fixed assets	(2)				
Land and buildings		628,748		654,107	
Other operating assets		50,694		54,404	
		------------		------------	
			679,442		708,511
Financial fixed assets					
Staff loans			54,588		-
Current assets					
Receivables, prepayments and accrued income					
Income tax receivable		-		63,613	
Other receivables, prepayments and accrued income	(3)	999,494		614,270	
		------------		------------	
			999,494		677,883
Securities	(4)		484,381		431,515
Cash at banks	(5)		975,784		1,347,473
			------------		------------
			3,922,746		3,770,075
			========		========

The numbers in brackets refer to the notes to the consolidated financial statements.

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER

EQUITY AND LIABILITIES	Note		**2019**		**2018**
			€		€
Capital and reserves attributable to equityholders of the group					
Issued share capital		96,475		96,475	
Other reserves		2,858,227		3,127,503	
Result for the year		460,180		53,175	
		------------		------------	
			3,414,882		3,277,153
Minority interests			-		31,520
			------------		------------
Group equity			3,414,882		3,308,673
Current liabilities, accruals and deferred income					
Taxes and social security liabilities		17,607		23,741	
Payable acquisition price		-		75,000	
Income tax payable/Current tax liability		187,885		103,142	
Other liabilities and accruals	(6)	302,372		259,519	
		------------		------------	
			507,864		461,402
			------------		------------
			3,922,746		3,770,075
			========		========

The numbers in brackets refer to the notes to the consolidated financial statements.

CONSOLIDATED PROFIT AND LOSS ACCOUNT

	Note		2019		2018
			€		€
OPERATING INCOME	(7)		3,412,033		2,862,841
Wages, salaries and social security charges	(8)	2,078,797		2,041,380	
Depreciation of intangible fixed assets		80,064		37,484	
Depreciation of tangible fixed assets		45,914		58,546	
Other operating expenses	(9)	615,682		586,634	
		-----------		-----------	
TOTAL OPERATING EXPENSES			2,820,457		2,724,044
			------------		------------
OPERATING RESULT			591,576		138,797
Income from securities		19,920		21,724	
Changes in value of securities	(10)	19,693		-62,551	
Interest and similar income		1,267		77	
Interest expense and similar charges		-		-	
		------------		------------	
RESULT FROM FINANCIAL TRANSACTIONS			40,880		-40,750
			------------		------------
Result of ordinary activities before taxation			632,456		98,047
Taxation on result of ordinary activities	(11)		-161,680		-26,963
			------------		------------
Consolidated result after taxation			470,776		71,084
Minority interests in the results			-10,596		-17,909
			------------		------------
			460,180		53,175
			========		========

The numbers in brackets refer to the notes to the consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT

(according to the indirect method)		2019		2018
		€		€
Operating result		591,576		138,797
Adjustments for:				
Depreciation	125,978		96,030	
	------------		-------------	
		125,978		96,030
Changes in working capital:				
. movements operating accounts receivable	-385,237		77,815	
. movements operating accounts payable	-37,869		84,798	
. adjustments at acquisition VACM	-		106,664	
	------------		-------------	
		-423,106		269,277
		------------		------------
Cash flow from business activities		294,448		504,104
Interest received	1,280		90	
Dividends received	19,920		21,724	
Corporate income tax paid on operating activities	-13,736		-100,535	
	------------		-------------	
		7,464		-78,721
		------------		------------
Cash flow from operating activities		301,912		425,383
Investments in tangible fixed assets	-16,845		-10,107	
Disposals in tangible fixed assets	-		1,316	
Investments in financial fixed assets	-61,487		-	
Repayment on financial fixed assets	6,899		-	
Investments in associated companies	-213,280		-452,495	
Investment in securities	-54,965		-46,236	
Disposals of securities	21,792		-	
	------------		------------	
Cash flow from investment activities		-317,886		-507,522
Purchase own shares	-418,366		-	
Re-issue own shares	149,090		-	
Interest paid	-		-	
Dividends paid	-86,439		-347,226	
	------------		------------	
Cash flow from financing activities		-355,715		-347,226
		------------		------------
Movements in cash and cash equivalents		-371,689		-429,365
		========		========
Cash and cash equivalents as at January 1st		1,347,473		1,776,838
Cash and cash equivalents as at December 31		975,784		1,347,473
		------------		------------
Movements in cash and cash equivalents		-371,689		-429,365

The numbers in brackets refer to the notes to the consolidated financial statements.

Statement of changes in equity of the legal entity for the year ended 31 December

		2019		2018
		€		€
Consolidated net result after taxation attributable to the legal entity		470,776		71,084
Total amount of the direct equity movements of the legal entity				
as part of the group equity		-		-
		-----------		-----------
Total result of the legal entity		470,776		71,084
		========		========

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

GENERAL

Activities

The objectives of the Company are:

- performing services as an investment institution and other financial services, including advising and mediating in connection with security transactions, financing and (commodity) futures transactions;
- asset management, including acting as manager of investment institutions;
- participating in, financing and managing companies, businesses and other enterprises, borrowing money either publicly or privately by means of issuing bonds or other financial instruments and, in general, effecting financial transactions, giving warranties and providing services in the field of trade and finance, buying and selling claims, acquiring, having, alienating or otherwise acting with regard to all types of participations and stakes in other companies, businesses and other enterprises.

All work that may promote attainment of the objectives stated above is deemed to fall within the objectives of the Company.

Group structure

TRUSTUS Capital Management BV, located at Sewei 2 in Joure is the head of a group of legal entities. The company is registered in the chamber of commerce under number 01054956. A summary of the information required under Articles 2:379 and 2:414 of the Dutch Civil Code is given below:

Consolidated companies:

Name	Registered Office	Percentage of shares of issued capital
IntFin Services BV	8501 SP Joure, Sewei 2	100.00%

An acquisition took place during the financial year 2018. The acquisition has been recognised in accordance with the principles for the recognition of group companies. The company obtained in 2018 79.33% of the shares of Van Amstberg Capital Management BV (VACM) in this acquisition. The acquisition has been recognised in the financial statements as from April 1, 2018. In 2019 the company obtained 100.00 % of the shares of VACM and afterwards a legal merger has been achieved with VACM as disappearing company.

Consolidation principles

Financial information relating to group companies and other legal entities controlled by TRUSTUS Capital Management BV (herein: TRUSTUS) or where central management is conducted, has been consolidated in the financial statements of TRUSTUS. The consolidated financial statements have been prepared in accordance with the accounting principles of TRUSTUS, as set out in the notes to the consolidated financial statement below.
The financial information relating to TRUSTUS is presented in the consolidated financial statements. In accordance with article 2:402 of the Dutch Civil Code, the company-only financial statements only contain an abridged profit and loss account. Financial information relating to the group/parent entity and its subsidiaries are fully included in the consolidated financial statements, eliminating the intercompany relationships and transactions. Non-controlling shares in equity and results of group companies are disclosed separately in the consolidated financial statements.
Third-party shares in equity and results of group companies are disclosed separately in the consolidated financial statements. The results of newly acquired group companies are consolidated from the acquisition date. On that date the assets and liabilities acquired are measured at the fair values. If the acquisation price exceeds the fair values of the acquired assets and liabilities this is goodwill, which is capitalised and amortised over the expected useful life.

GENERAL ACCOUNTING PRINCIPLES FOR THE PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (2)

General
The consolidated financial statements are prepared in accordance with the stipulations in chapter 9 Book 2 of the Dutch Civil Code and the Financial Supervision Act. Valuation of assets and liabilities and determination of the result takes place under the historical cost convention, unless stated otherwise. Income and expenses are accounted for on an accrual basis. Profit is only included when realized on balance sheet date. Liabilities and any losses originating before the end of the financial year are taken into account for the purposes of the financial statements if they are known at the time of the preparation of the financial statements.

Fiscal unity
The company forms a tax group with IntFin Services for corporation tax and VAT. Corporation tax and VAT are calculated as if the companies were one entity.

Financial instruments
Financial instruments are both primary financial instruments, such as receivables and debts, and derivative financial instruments (derivatives). The notes to the consolidated financial statements below disclose the fair value of the related instrument if it deviates from the carrying amount. If the financial instrument is not recorded in the balance sheet, the information on the fair value is disclosed in the notes to the 'Contingent assets and liabilities'. For the principles of primary financial instruments, refer is made to the recognition per balance sheet item of the 'Principles for the valuation of assets and liabilities'. As at 31 December 2019 no financial derivatives are possessed.

Translation of foreign currency
Receivables, liabilities and obligations denominated in foreign currency are translated at the exchange rates prevailing as at balance sheet date.
Transactions in foreign currency during the financial year are recognized in the financial statements at the exchange rates prevailing at transaction date. The exchange differences resulting from the translation as at balance sheet date, are recorded in the profit and loss account.

PRINCIPLES OF VALUATION OF ASSETS AND LIABILITIES

Tangible fixed assets
Tangible fixed assets are presented at cost less accumulated depreciation and, if applicable, less impairments in value. Depreciation is based on the expected future useful life and calculated as a fixed percentage of cost, taking into account any residual value. Assets are depreciated from the date an asset comes into use. Land is not depreciated. Costs for periodical major maintenance are charged at the moment they arise.

Intangible fixed assets
Goodwill is presented at cost less accumulated amortisation and, if applicable, less impairments in value. Amortisation is charged as a fixed percentage of cost.

Financial fixed assets
The staff loan is granted to finance the purchase of shares in the company, the annual interest rate is 2% and the maturity of the loan is 10 years. Financial assets are at initial recognition stated at its fair value. Subsequently financial assets are stated at amortized costs, using the effective interest rate method.

Receivables
Receivables are valued at fair value upon initial recognition and at amortised cost thereafter. The fair value and amortised cost equal the face value. Provisions deemed necessary for possible bad debts losses are deducted. These provisions are determined by individual assessment of the receivables.

Securities
The listed shares and bonds that are part of a trading portfolio are valued at quoted market value as at balance sheet date. Realized and unrealized value changes are directly recognised in the profit and loss account.
The securities for which market value is not reliable to estimate, are valued at acquisition price. If necessary an impairment has been taken into account.

Cash and cash equivalents
The cash and cash equivalents are valued at face value. If cash is not freely disposable, then this has been taken into account upon valuation.

Liabilities
Liabilities valued are stated at fair value upon initial recognition and valued at amortised cost thereafter.

PRINCIPLES FOR THE DETERMINATION OF THE RESULT

Operating income
The operating income consist of fees for asset management and commissions charged to clients. Also, the commissions and asset management fees received from third parties, administration and interest are included in income.
Operating income from services are recognised in proportion to the services rendered, based on the cost incurred in respect of the services rendered up to balance sheet date, in proportion to the estimated costs of the aggregate services to be performed. The costs of these services are allocated to the same period.

Pension plans personnel
The pension scheme is a defined contribution scheme, in which a contribution is paid each month. The plans are financed through contributions to pension providers, i.e., insurance companies and industry pension funds. The pension obligations of the plans are valued according to the ‘valuation to pension fund approach’. This approach accounts for the contribution payable to the pension provider as an expense in the profit and loss account.

As at year-end 2019 (and 2018) no pension obligations existed for the group in addition to the payment of the annual contribution due to the pension provider.

Taxation
Corporate income tax is calculated at the applicable rate on the result for the financial year, taking into account permanent differences between profit calculated according to the financial statements and profit calculated for taxation purposes.

Principles for preparation of the consolidated cash flow statement
The cash flow statement is prepared according to the indirect method.
The funds in the cash flow statement consist of cash and cash equivalents. Cash equivalents can be considered to be highly liquid investments.
Cash flows in foreign currencies are translated at an estimated average rate. Exchange rate differences concerning finances are shown separately in the cash flow statement.
Corporate income taxes, interest received and dividends received are presented under the cash flow from operating activities. Interest paid and dividends paid are presented under the cash flow from financing activities.
The cost of group companies acquired is presented under the cash flow from investment activities, as far as payment has been made with cash and cash equivalents. The cash and cash equivalents of the group companies acquired are deducted from the purchase cost.

Notes to the specific items of the consolidated balance sheet

Goodwill (1)

	2019	2018
	€	€
Balance at January 1	604,693	-
Goodwill paid	204,428	567,177
Amortisation of goodwill	-80,064	-37,484
Expected payment goodwill	-	75,000
	----------	----------
Balance as at December 31	729,057	604,693
	========	========

The goodwill is amortised in 10 years.

Tangible fixed assets (2)	**Land and buildings**	**Other assets**	**Total**
	€	€	€
Acquisition cost as at January 1, 2019	1,341,654	1,212,063	2,553,717
Cumulative depreciation in value as at January 1, 2019	687,547	1,157,659	1,845,206
	-----------	----------	----------
Carrying amount as at January 1, 2019	654,107	54,404	708,511
Investments	-	16,845	16,845
	-----------	-----------	-----------
	654,107	71,249	725,356
Depreciation	25,359	20,555	45,914
	-----------	-----------	-----------
Carrying amount as at December 31, 2019	628,748	50,694	679,442
	=======	=======	=======
The book value can be split as follows:			
Acquisition cost as at December 31, 2019	1,341,654	1,228,908	2,570,562
Cumulative depreciation as at December 31, 2019	712,906	1,178,214	1,891,120
	-----------	----------	----------
Carrying amount as at December 31, 2019	628,748	50,694	679,442
	=======	=======	=======

On investments in 2019 a proportional depreciation took place.
The annual depreciation rate for buildings is 3%; Land is not depreciated;
Other assets: inventory, transport, hardware and software are depreciated at 20%.

Receivables, prepayments and accrued income (3)	**31.12.19**	**31.12.18**
	€	€
Management fee	529,590	535,154
Performance fee	390,398	-
Service fee	5,896	5,350
Other receivables, prepayments and accrued income	73,610	73,766
	-----------	-----------
	999,494	614,270
	=======	=======

Other receivables and prepayments have a remaining maturity of less than one year.

Securities (4)	**31.12.19**	**31.12.18**
	€	€
Securities, quoted on the stock exchange	484,381	431,515
	-----------	-----------
	484,381	431,515
	=======	=======

Of this, € 443,997 is invested in affiliated companies. (2018: € 387,136).
Securities are highly liquid and can be disposed of instantly.

Cash and cash equivalents (5)

Total cash and cash equivalents are freely available to the group (2018: freely available), except for an amount of € 12,135 for a bank guarantee.

Group equity

For a detailed explanation of the share of the legal entity in the group equity refer is made to the notes to the shareholders' equity in the company-only financial statements.

Current liabilities, acrruals and deferred income (6)	**31.12.19**	**31.12.18**
	€	€
Holiday, 13th month bonus and benefits	187,966	163,095
Audit, consulting and legal fees	41,959	49,650
Other liabilities, accruals and deferred income	72,447	46,774
	-----------	-----------
	302,372	259,519
	=======	=======

The other payables and accrued liabilities have a remaining maturity of less than one year.

Contingent assets and liabilities

The total amount of long-term liabilities for making payments in order to obtain rights of use or other contingent rights is € 212,543 (2018: € 146,905).
Of this amount € 111,929 (2018: € 107,188) is due after one year and € 100,614 (2018: € 39,717) is due after five years.
On the rental contract for the Oegstgeest office as at 31 December 2014, a deposit of € 2,721 has been paid.
On the rental contract for the Alkmaar office as at 31 December 2015, a deposit of € 681 has been paid.
On the rental contract for the Rijssen office as at 31 December 2018, a deposit of € 1,020 has been paid.

NOTES TO THE SPECIFIC ITEMS OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

Operation income (7)	**2019**	**2018**
	€	€
Management fee	2,810,839	2,701,057
Performance fee	453,971	14,817
Administration fee	42,613	41,901
Other income	82,014	81,279
Service fee	22,596	23,787
	------------	------------
	3,412,033	2,862,841
	========	========

Wages, salaries and social security charges (8)	**2019**	**2018**
	€	€
Wages and salaries	1,577,426	1,572,848
Social security costs	207,630	200,811
Pension costs	219,534	193,471
Other personnel costs	74,207	74,250
	------------	------------
	2,078,797	2,041,380
	========	========

The annual contribution of the pension entitlements is between 5.05% and 30.02% of the salary on which the pension is based: gross earnings minus a franchise of € 14,770 (2018: € 14,297).
The company pays the entire pension premium.

The average number of employees of the group during the year, converted to full-time equivalents was in 2019: 16 (2018: 15).

Other operating expenses (9)	**2019**	**2018**
	€	€
Car costs	75,489	73,479
Marketing expenses	40,846	29,936
Housing costs	81,510	65,522
Information costs	147,393	119,421
Office expenses	17,827	19,088
Fees audit firm	48,887	40,195
Consulting and legal fees	71,828	78,103
General expenses	131,902	160,890
	------------	------------
	615,682	586,634
	========	========

Fees audit firm	**2019**	**2018**
	€	€
Audit of financial statements	48,887	34,300
Other audit assignments	-	-
Tax advisory	-	-
Other non-audit services	-	5,895
	------------	------------
	48,887	40,195
	========	========

The current auditor has charged an amount of € 26,250 ex VAT for 2019 (2018: € 30,000 ex VAT) for carrying out the statutory audit of the annual report. No non-audit services have been provided by the current auditor. The difference relates to audit services for Van Amstberg Capital Management.

Revaluation of the securities	**2019**	**2018**
presented as current assets (10)		
	€	€
Realised	-11,038	-
Unrealised	30,731	-62,551
	-----------	-----------
	19,693	-62,551

Taxation on result of ordinary activities (11)	**€**
The calculation of the taxable amount of tax is as follows:	
Result according to the profit and loss account	632,456
Less: Investment: 28% of € 16,845	-4,717
Less: Fiscal higher depreciation buildings	-1,481
In: Amortisation of goodwill	80,064
In: Reduced deductible costs	2,746

Taxable amount	709,068
	========
Corporate income tax payable:	
20.00 % of € 64,366 out the fiscal unit	12,873
19.00 % of € 200,000 in the fiscal unit	38,000
25.00 % of € 444,702 in the fiscal unit	111,175
correction last year	-368

	161,680
	========

Transactions with related parties
Trustus Capital Management BV is the Investment Manager of Intereffekt Investment Funds NV (IIF). The total fees Trustus charged to IIF in 2019 with regard to management fee, performance fee, administrative and secretarial fee amounted to € 1,178,550 (2018: € 1,180,890).

Other notes
Remuneration of directors and the Supervisory Board
In 2019 an amount of € 371,138 (2018: € 365,703) for the remuneration of directors of the legal entity was charged to the company and its subsidiaries or group companies.

In 2019 an amount of € 42,350 (2018: € 42,350) for the remuneration of the supervisory board of the legal entity was charged to the company and its subsidiaries or group companies.

Credit risk and interest rate risk
By maintaining its own investment portfolio the company takes a number of risks on the positions held in the portfolio.
The most important are credit risk and interest rate risk.
In the equity portfolio the most important risk is the exchange rate risk. The return depends on the overall performance of the various stock markets and the currency developments. The overall risk to the organization's investment portfolio is limited because the portfolio amounts 12.35% of the total equity.
Within the portfolio 100% is invested in equities. The portfolio is monitored on a daily basis.

The investment manager met the obligations under Bgfo 123.4. The relevant items are included in the notes.

Company-only financial statements of the year ended 31 December 2019

- Company-only balance sheet
- Company-only profit and loss account
- Notes to the company-only financial statements

COMPANY-ONLY BALANCE SHEET AS AT 31 DECEMBER
(before appropriation of profit)

ASSETS	Note		**2019**		**2018**
			€		€
Fixed assets					
Intangible fixed assets					
Goodwill			729,057		604,693
Tangible fixed assets					
Land and buildings		628,748		654,107	
Other assets		43,727		44,018	
		------------		------------	
			672,475		698,125
Financial fixed assets	(1)				
Participation in Group Companies		185,507		376,853	
Staff loans		54,588		-	
		------------		------------	
			240,095		376,853
Current assets					
Receivables, prepayments and accrual income					
Receivables group company		7,671		5,777	
Other receivables and prepayments		992,289		512,647	
		------------		------------	
			999,960		518,424
Securities			484,381		431,515
Cash			794,540		1,061,135
			------------		------------
			3,920,508		3,690,745
			========		========

The numbers in brackets refer to the notes to the consolidated financial statements.

Equity	Note		**2019**		**2018**
			€		€
Shareholders' equity	(2)				
Issued share capital		96,475		96,475	
Other reserves		2,858,227		3,127,503	
Result for the year		460,180		53,175	
		------------		------------	
			3,414,882		3,277,153
Current liabilities, accruals and deferred income					
Taxes and social security liability		17,607		13,942	
Corporate income tax liability		182,080		75,484	
Debt subsidiaries		5,156		5,070	
Payable acquisition price		-		75,000	
Other payables and accrued liabilities		300,783		244,096	
		------------		------------	
			505,626		413,592
			------------		------------
			3,920,508		3,690,745
			========		========

The numbers in brackets refer to the notes to the consolidated financial statements.

Company-only profit and loss account

		2019		2018
		€		€
Share in result of associated companies		65,412		70,338
Other income and expense after taxation		394,768		-17,163
		-----------		-----------
Result after taxation		460,180		53,175
		=======		=======

The numbers in brackets refer to the notes to the consolidated financial statements.

Notes to the company-only financial statements

General accounting principles for the preparation of the financial statements

The company-only financial statements have been prepared in accordance with Title 9, Book 2 of the Dutch Civil Code and the Financial Supervision Act.
For the general principles for the preparation of the financial statements, the principles for valuation of assets and liabilities and determination of the result, as well as for the notes to the specific assets and liabilities and the results, reference is made to the notes to the consolidated financial statements, if not presented otherwise hereinafter.

Participations in group companies
Participations in group companies in which significant influence is exercised on the business and financial policy, are valued under the net equity value, but not lower than nil. This net asset value is based on the same accounting principles as applied by Trustus. If the net asset value is negative, the participating interest is valued at nil. This likewise takes into account other long-term interests that should effectively be considered part of the net investment in the participating interest. If the company fully or partially guarantees the liabilities of the associated company concerned, or has the effective obligation respectively to enable the associated company to pay its (share of the) liabilities, a provision is formed. Upon determining this provision, provisions for doubtful debts already deducted from receivables from the associated company are taken into account.

Participation in Group Companies

	VACM	IntFin
	€	€
Carrying amount as at January 1, 2019	216,092	160,761
Investment in associated companies	8,852	-
Dividend paid out to shareholder	-93,999	-
Share in result of associated companies	40,666	24,746
Legal merger	-171,611	-
	-----------	-----------
Carrying amount as at December 31, 2019	-	185,507
	=======	=======

Notes to the specific items of the balance sheet

Shareholders' equity (2) € 3,414,882
The issued share capital of the company amounts to € 450,000, divided into 450,000 ordinary shares.
The total number of issued shares is 96,475.

In 2019 10,467 (2018:nil) shares have been purchased and 3,599 (2018: 3,905) shares are re-issued, the balance of the amounts has been deducted from the other reserves. As at balance sheet date the legal entity holds an aggregate of 19,663 shares for their own account, amounting to € 708,671 in total. Its acquisition price (or carrying value) has been deducted from the other reserves.
In 2019 the last part of the acquisition of Van Amstberg Capital Management BV took place, where another 2,099 shares has been re-issued.

A summary of the movements in the Shareholder's equity is given below:

	Issued share capital	Other reserves	Retained earnings
	€	€	€
Balance at January 1, 2018	96,475	2,934,740	255,337
Distributed profits prior financial years	-	-	-
Dividend paid out 2017 shareholders Trustus Joure	-	-	-255,337
Purchase own shares	-	-	-
Sell own shares	-	192,763	-
Results 2018	-	-	53,175
	-------------	-------------	-------------
Balance as at December 31, 2018	96,475	3,127,503	53,175
	=======	=======	=======
Balance at January 1, 2019	96,475	3,127,503	53,175
Distributed profits prior financial years	-	-	-
Dividend paid out 2018 shareholders Trustus Joure	-	-	-53,175
Purchase own shares	-	-418,366	-
Sell own shares	-	149,090	-
Results 2019	-	-	460,180
	-------------	-------------	-------------
Balance as at December 31, 2019	96,475	2,858,227	460,180
	========	========	========

Contingent assets and liabilities
The legal entity is part of a fiscal unity for corporate income tax and VAT purposes and for that reason it is jointly and seperately liable for the tax liabilities of the fiscal unity as a whole.

Taxes
Corporate income tax is charged to the other companies that form part of the fiscal unity for corporate income tax purposes as if they were independently liable to pay tax.

Other notes
Employees
As at December 31, 2019 the company had 21 employees. Converted to full-time employees, 16 (2018: 15).

Post Balance sheet events
With the onset of the Coronavirus, and preventive measures taken by governments, there is high economic uncertainty for at least a short period and most likely for a longer period as well. Developments however remain very uncertain and subject to change. As the Corona-crisis could not have been foreseen at balance sheet date, the respective implications, if any, have not been reflected in the financial statements as per 31 December 2019. Considering the high level of uncertainty regarding the implications of the Corona-crisis and further developments of this crisis going forward, we are not able at this stage to reliably quantify the impact on the company in the future. The company is able to weather through the current turmoil thanks to a strong balance sheet and the ability to adapt to structural changes in the financial markets in the future.

Signing of the financial statements
Joure, April 9, 2020

Management Board:	Supervisory Board:
W.Y. Riemersma	S. Wijma
R.J.F. Visschedijk	A. Plantinga

OTHER INFORMATION

Independent auditor's report

Refer is made to the auditor's report as included hereinafter.

Appropriation of result according to articles of association

In Article 13 of the company statutory regulations the following has been presented concerning the appropriation of result:
1. Result means the adopted positive balance of the profit and loss account.

2. The result of the company is entirely at the disposal of the general meeting of shareholders.

3. The company may only make distributions to the shareholders from the result intended for distribution to the extent that the shareholders' equity exceeds the issued shared capital plus the reserves which must be maintained by law.

4. The directors may in accordance with the legal provisions adopt and pay out an interim-dividend, as long as the provisions of paragraph 3 of this article is fulfilled.

5. The shares held by the company shall not be taken into account for the calculation of the result distribution.

Independent auditor's report

To the shareholders and supervisory board of Trustus Capital Management B.V.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS 2019
INCLUDED IN THE ANNUAL REPORT

OUR OPINION

We have audited the financial statements 2019 of Trustus Capital Management B.V., based in Joure.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Trustus Capital management as at 31 December 2019, and of its result for 2019 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:
1. the consolidated and company balance sheet as at 31 December 2019;
2. the consolidated and company profit and loss account for 2019; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

BASIS FOR OUR OPINION

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Trustus Capital Management B.V. in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

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

REPORT ON THE OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:
- Report of the Supervisory Board
- Directors' report;
- Other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Based on the following procedures performed, we conclude that the other information:
- is consistent with the financial statements and does not contain material misstatements;
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the management board's report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

DESCRIPTION OF RESPONSIBILITIES REGARDING THE FINANCIAL STATEMENTS

RESPONSIBILITIES OF MANAGEMENT AND THE SUPERVISORY BOARD FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the company's financial reporting process.

OUR RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

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. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

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

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

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

We provide the supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Amsterdam, 9 April 2020

MAZARS ACCOUNTANTS N.V.

Original has been signed by drs. P.A.B. Schutjens RA