

**Unaudited semi-annual report
as at 30th June 2017**

ARMONY INVESTMENT FUND

Société d'Investissement à Capital Variable
organised under the laws of Luxembourg

R.C.S. Luxembourg B 204 934

No subscription can be received on the basis of this financial report. Subscriptions are only valid if made on the basis of the current prospectus and the key investor information document ("KIID") supplemented by the latest annual report and the most recent semi-annual report, if published thereafter.

ARMONY INVESTMENT FUND

Contents

Organisation2

General information4

Combined statement of net assets5

ARMONY - AGECA FUND6

 Statement of net assets6

 Statement of investments and other net assets7

 Industrial and geographical classification of investments9

Notes to the financial statements11

Additional information15

ARMONY INVESTMENT FUND

Organisation

Registered office

11, rue Aldringen
L-1118 LUXEMBOURG

Board of Directors

Chairman

Josep SARLE GUIU
Fimarge, Societat Financera D'Inversio, S.A.
Bonaventura Armengol n°10,
Bâtiment 1, 5ème étage
AD500 Andorra la Vella
ANDORRA

Directors

Serge D'ORAZIO
Head of Investment Funds & Global Custody Services
KBL EUROPEAN PRIVATE BANKERS S.A.
43, boulevard Royal
L-2955 LUXEMBOURG

Javier VALLS
The Directors' Office S.A.
21st Century Building
19, rue de Bitbourg
L-1273 LUXEMBOURG

Management Company

KREDIETRUST LUXEMBOURG S.A.
11, rue Aldringen
L-2960 LUXEMBOURG

Board of Directors of the Management Company

Chairman

Vincent DECALF (since 17th March 2017)
Olivier de JAMBLINNE de MEUX (until 17th March 2017)

Directors

Vincent DECALF (until 17th March 2017)
Olivier de JAMBLINNE de MEUX (since 17th March 2017)

Managing Director

Stefan VAN GEYT

**Conducting officers of
the Management Company**

Aurélien BARON
Kristel COOLS
Stefan VAN GEYT

**Central Administration Agent
and Domiciliary Agent**

KREDIETRUST LUXEMBOURG S.A.
11, rue Aldringen
L-2960 LUXEMBOURG

**Administration Agent and
Registrar and Transfer Agent**

EUROPEAN FUND ADMINISTRATION
2, rue d'Alsace
L-1017 LUXEMBOURG

ARMONY INVESTMENT FUND

Organisation (continued)

Depository and Paying Agent

KBL EUROPEAN PRIVATE BANKERS S.A.
43, boulevard Royal
L-2955 LUXEMBOURG

Investment Manager

GVC Gaesco Gestion SGIIIC
Doctor Ferran, 3
Planta 1
08034 BARCELONA
SPAIN
(since 1st February 2017)

Investment Advisor

Fimarge, Societat Financera D'Inversio, S.A.
Bonaventura Armengol n°10
Bâtiment 1, 5ème étage
AD500 Andorra la Vella
ANDORRA

Cabinet de révision agréé

KPMG Luxembourg, Société coopérative
39, avenue John F. Kennedy
L-1855 LUXEMBOURG

ARMONY INVESTMENT FUND

General information

ARMONY INVESTMENT FUND (hereinafter the "Fund") is an open-ended investment company incorporated under the laws of Luxembourg as a Société d'Investment à Capital Variable in accordance with the provisions of the Part I of the amended Law of 17th December 2010 for an unlimited period of time.

The Directive 2014/91/EUR of the European Parliament and of the Council of 23rd July 2014 amending the Directive 2009/65/EC had been transposed by the Law of 10th May 2016 coming into force on 1st June 2016 and amending the amended Law of 17th December 2010.

The Fund was incorporated as a UCITS governed by the provisions of Part I of the amended Law of 17th December 2010, on 18th March 2016, under the name of ARMONY INVESTMENT FUND.

The Fund is an umbrella fund designed to offer investors access to a variety of investment strategies through a range of separate Sub-Funds.

At the date of the financial statements, the following Sub-Fund is offered:

- ARMONY - AGECA FUND

The Fund has appointed Kredietrust Luxembourg S.A. as its designated Management Company, within the meaning of the amended Law of 17th December 2010.

The financial year of the Fund ends on 31st December in each year.

The audited annual and unaudited semi-annual reports comprise consolidated financial statements of the Fund expressed in EUR, being the reference currency of the Fund.

The complete prospectus, the KIID, the Articles, the annual reports and unaudited half-yearly reports, as well as the list of the purchases and sales effected by the Fund are available at the Fund's registered office.

ARMONY INVESTMENT FUND

Combined statement of net assets (in EUR)

as at 30th June 2017

Assets

Securities portfolio at market value	22,702,304.00
Cash at banks	5,463,580.48
Formation expenses, net	16,357.74
Income receivable on portfolio	112,376.45
Unrealised gain on forward foreign exchange contracts	43,329.13
Prepaid expenses	3,712.34
Total assets	<u>28,341,660.14</u>

Liabilities

Expenses payable	<u>26,290.44</u>
Total liabilities	<u>26,290.44</u>
Net assets at the end of the period	<u><u>28,315,369.70</u></u>

The accompanying notes are an integral part of these financial statements.

ARMONY - AGECA FUND

Statement of net assets (in EUR)

as at 30th June 2017

Assets

Securities portfolio at market value	22,702,304.00
Cash at banks	5,463,580.48
Formation expenses, net	16,357.74
Income receivable on portfolio	112,376.45
Unrealised gain on forward foreign exchange contracts	43,329.13
Prepaid expenses	3,712.34
Total assets	<u>28,341,660.14</u>

Liabilities

Expenses payable	<u>26,290.44</u>
Total liabilities	<u>26,290.44</u>
Net assets at the end of the period	<u><u>28,315,369.70</u></u>

Breakdown of net assets per share class

Share class	Number of shares	Currency of share class	NAV per share in currency of share class	Net assets per share class (in EUR)
A	269,740.491	EUR	104.97	<u>28,315,369.70</u>
				<u>28,315,369.70</u>

The accompanying notes are an integral part of these financial statements.

ARMONY - AGECA FUND

Statement of investments and other net assets (in EUR)

as at 30th June 2017

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<u>Investments in securities</u>					
<u>Transferable securities admitted to an official stock exchange listing</u>					
Shares					
CHF	2,482	Co Financière Richemont SA	140,209.08	178,409.58	0.63
CHF	74	Givaudan SA Reg	124,471.99	129,461.47	0.46
			264,681.07	307,871.05	1.09
DKK	7,280	Novo Nordisk AS B	265,081.54	271,378.96	0.96
EUR	2,250	Air Liquide SA	210,819.42	243,562.50	0.86
EUR	3,600	Airbus SE	197,366.22	259,992.00	0.92
EUR	6,582	Amadeus IT Group SA A	287,919.02	341,539.98	1.21
EUR	9,400	Axa SA	205,248.32	227,151.00	0.80
EUR	48,551	Banco Santander Reg SA	199,403.74	286,887.86	1.01
EUR	2,000	Bayer AG Reg	178,345.49	236,200.00	0.83
EUR	11,344	Bpost SA	266,737.30	240,379.36	0.85
EUR	3,663	Coca-Cola Eur Partners PLC	126,929.18	130,036.50	0.46
EUR	50,228	CTT Correios de Portugal SA	358,435.02	279,719.73	0.99
EUR	8,000	Enagas SA	218,203.65	199,840.00	0.71
EUR	5,200	Euronext NV	193,789.70	236,106.00	0.83
EUR	10,265	Freenet AG Reg	260,559.60	287,060.73	1.01
EUR	7,379	Grifols SA A	149,086.32	181,634.09	0.64
EUR	6,789	Kone Oyj B	277,886.85	302,789.40	1.07
EUR	6,195	Koninklijke Boskalis Westminster NV	189,759.62	176,495.55	0.62
EUR	1,200	Muenchener Rueckver AG REG	195,540.00	210,900.00	0.74
EUR	46,365	Talgo SA	196,671.73	243,648.08	0.86
EUR	6,728	Viscofan SA	331,051.66	348,577.68	1.23
EUR	6,103	Wolters Kluwer NV	216,059.18	225,841.52	0.80
			4,259,812.02	4,658,361.98	16.44
GBP	7,618	Diageo Plc	186,139.78	198,061.13	0.70
GBP	4,720	Intertek Group Plc	185,003.20	226,374.58	0.80
GBP	11,400	Prudential Plc	198,364.26	230,849.48	0.82
GBP	2,290	Randgold Resources Ltd	187,157.75	176,712.55	0.62
GBP	9,200	Royal Dutch Shell Plc A	201,591.02	215,701.53	0.76
			958,256.01	1,047,699.27	3.70
JPY	1,600	Fanuc Corp	215,250.72	272,551.22	0.96
JPY	3,000	Nidec Corp	204,308.25	273,880.40	0.97
JPY	4,400	Toyota Motor Corp	201,284.88	202,128.16	0.71
			620,843.85	748,559.78	2.64
USD	242	Alphabet Inc C	182,720.70	194,385.77	0.69
USD	3,200	Caterpillar Inc	209,372.14	295,858.57	1.05
USD	5,000	Citigroup Inc	203,717.19	293,103.45	1.04
USD	2,698	Colgate-Palmolive Co	182,430.97	175,018.17	0.62
USD	3,125	Dr Pepper Snapple Group Inc WI	260,808.08	248,610.62	0.88
USD	6,256	Hormel Foods Corp	186,149.85	185,938.88	0.66
USD	7,400	Invesco Ltd	199,295.74	226,676.00	0.80
USD	2,434	Johnson & Johnson	267,175.14	282,553.61	1.00
USD	3,154	Medtronic Plc	236,797.05	244,872.52	0.86
USD	1,739	Microsoft Corp	87,916.39	104,239.55	0.37
USD	12,280	Newmont Mining Corp	373,508.68	346,389.29	1.22
USD	5,193	Oracle Corp	183,988.30	228,153.86	0.81
USD	3,226	PayPal Holdings Inc	127,534.98	150,825.24	0.53
USD	3,175	Pepsico Inc	331,102.40	320,056.45	1.13
			3,032,517.61	3,296,681.98	11.66
Total shares			9,401,192.10	10,330,553.02	36.49
Bonds					
EUR	200,000	Banco Bilbao Vizcaya Argent SA VARConvSub 15/18.05.Perpetual	198,800.00	207,834.00	0.73

The accompanying notes are an integral part of these financial statements.

ARMONY - AGECA FUND

Statement of investments and other net assets (in EUR) (continued)

as at 30th June 2017

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
EUR	200,000	Banco Santander SA VAR Sub 14/12.03.Perpetual	200,100.00	206,512.00	0.73
EUR	300,000	BBVA Subordinated Capital SA VAR Reg S Sub 14/11.04.24	313,200.00	315,498.00	1.11
EUR	425,000	Espana 4.85% Sen 10/31.10.20	512,222.75	494,570.37	1.75
EUR	375,000	Grifols SA 3.2% Sen Reg S /01.05.25	373,312.50	376,048.13	1.33
EUR	425,000	Italia 0.65% BOT 15/01.11.20	434,460.50	430,104.25	1.52
EUR	700,000	Mapfre SA VAR Sub 07/24.07.37	726,775.00	702,068.50	2.48
EUR	360,000	Nomad Foods BondCo Plc 3.25% Sen Reg S 17/15.05.24	366,192.00	367,507.80	1.30
EUR	775,000	Ontex Group NV 4.75% Reg S Sen 14/15.11.21	831,612.50	806,065.88	2.85
EUR	365,000	Telecom Italia SpA 2.5% EMTN Reg S Sen 17/19.07.23	368,650.00	384,865.13	1.36
EUR	350,000	Thomas Cook Group Plc 6.25% Reg S Sen 16/15.06.22	366,275.00	377,707.75	1.33
			4,691,600.25	4,668,781.81	16.49
GBP	300,000	Debenhams Plc 5.25% Sen 14/15.07.21	352,882.26	345,723.18	1.22
GBP	450,000	United Kingdom 1.25% T-Stock 13/22.07.18	592,242.10	516,798.61	1.83
GBP	450,000	United Kingdom 1.75% T-Stock 13/22.07.19	604,727.63	526,438.25	1.86
			1,549,851.99	1,388,960.04	4.91
USD	185,000	Anglo American Capital Plc 9.375% Reg S Sen 09/08.04.19	187,019.15	181,804.69	0.64
USD	390,000	Kraft Heinz Foods Co 2.8% Sen 16/02.07.20	360,883.11	346,653.20	1.22
USD	200,000	Vedanta Resources Plc 6.375% Sen Reg S 17/30.07.22	187,474.11	175,773.68	0.62
			735,376.37	704,231.57	2.48
Total bonds			6,976,828.61	6,761,973.42	23.88
Transferable securities dealt in on another regulated market					
Bonds					
USD	500,000	Activision Blizzard Inc 2.3% Ser B Sen 17/15.09.21	448,146.33	434,928.01	1.54
USD	650,000	US 0.625% Ser Y-2018 13/30.04.18	576,560.34	565,966.93	2.00
USD	650,000	US 1.625% T-Notes 14/30.04.19	588,238.18	571,600.16	2.02
USD	1,420,000	US 1.625% T-Notes Ser B-2026 16/15.02.26	1,254,317.31	1,184,330.14	4.18
Total bonds			2,867,262.16	2,756,825.24	9.74
Other transferable securities					
Shares					
EUR	618	Talgo SA Bearer Emission 2017	2,837.54	3,247.59	0.01
Total shares			2,837.54	3,247.59	0.01
Open-ended investment funds					
Investment funds (UCITS)					
EUR	387	Carmignac Portfolio Global Bond A EUR Cap	543,700.17	542,999.70	1.92
EUR	28,540	F Templeton Inv Fds Global Bond A EUR H1 Cap	545,970.20	602,764.80	2.13
EUR	8,469	Pictet Fds (LUX) Emerging Local Currency Debt HI Cap	927,355.50	944,039.43	3.33
EUR	2,060	Pictet Global Emerging Debt HI EUR Cap	553,872.20	566,252.80	2.00
Total investment funds (UCITS)			2,570,898.07	2,656,056.73	9.38
Tracker funds (UCITS)					
EUR	5,200	Lyxor Da Dble ShBund UCITS ETF	189,852.00	193,648.00	0.68
Total tracker funds (UCITS)			189,852.00	193,648.00	0.68
Total investments in securities			22,008,870.48	22,702,304.00	80.18
Cash at banks				5,463,580.48	19.30
Other net assets/(liabilities)				149,485.22	0.52
Total				28,315,369.70	100.00

The accompanying notes are an integral part of these financial statements.

ARMONY - AGECA FUND

Industrial and geographical classification of investments

as at 30th June 2017

Industrial classification

(in percentage of net assets)

Countries and governments	15.16 %
Investment funds	10.06 %
Food, beverage and tobacco	7.58 %
Insurance	4.84 %
Pharmaceuticals and biotechnology	4.76 %
Capital goods	4.62 %
Software and services	4.42 %
Raw materials	4.42 %
Banks	3.51 %
Household and personal products	3.47 %
Diversified financial services	3.27 %
Transportation	2.71 %
Commercial services and supplies	2.01 %
Telecommunication services	1.36 %
Hotels, restaurants and leisure	1.33 %
Retailing	1.22 %
Technology hardware and equipment	0.97 %
Health care equipment and services	0.86 %
Media	0.80 %
Energy	0.76 %
Utilities	0.71 %
Automobiles and components	0.71 %
Consumer durables and apparel	0.63 %
Total	<u>80.18 %</u>

ARMONY - AGECA FUND

Industrial and geographical classification of investments (continued)

as at 30th June 2017

Geographical classification

(by domicile of the issuer)

(in percentage of net assets)

United States of America	20.96 %
Spain	13.80 %
United Kingdom	11.58 %
Luxembourg	9.38 %
The Netherlands	3.93 %
Belgium	3.70 %
Italy	2.88 %
Japan	2.64 %
Germany	2.58 %
France	2.34 %
Switzerland	1.09 %
Finland	1.07 %
Portugal	0.99 %
Denmark	0.96 %
Ireland	0.86 %
Bermuda	0.80 %
Jersey	0.62 %
Total	<u>80.18 %</u>

ARMONY INVESTMENT FUND

Notes to the financial statements

as at 30th June 2017

Note 1 - Significant accounting policies

a) Presentation of the financial statements

The financial statements of the Fund are prepared in accordance with Luxembourg legal and regulatory requirements concerning Undertakings for Collective Investment and with generally accepted accounting principles in Luxembourg.

b) Valuation of assets

- 1) The value of any cash in hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received are deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as the Board of Directors may consider appropriate in such case to reflect the true value thereof.
- 2) The value of all securities and/or money market instruments which are listed or traded on an official stock exchange or traded on any other Regulated Market are valued on the basis of the last available closing prices on the Valuation Day or on the basis of the last available prices on the main market on which the investments of the Sub-Fund are principally traded. The Board of Directors approves a provider of securities prices which supply the above prices. If, in the opinion of the Board of Directors, such prices do not truly reflect the fair market value of the relevant securities, the value of such securities is determined in good faith by the Board of Directors either by reference to any other publicly available source or by reference to such other sources as it deems in its discretion appropriate.
- 3) Securities not listed or traded on a stock exchange or a Regulated Market are valued on the basis of the probable sales price determined prudently and in good faith by the Board of Directors.
- 4) Securities issued by open-ended investment funds are valued at their last available Net Asset Value or in accordance with item (2) above where such securities are listed.
- 5) The liquidating value of futures, forward or options contracts that are not traded on exchanges or on other organised markets are determined pursuant to the policies established by the Board of Directors, on a basis consistently applied. The liquidating value of futures, forward or options contracts trades on exchanges or on other organised markets are based upon the last available settlement prices of these contracts on exchanges and organised markets on which the particular futures, forward or options contracts are traded; provided that if a futures, forward or options contract could not be liquidated on such Valuation Day with respect to which a Net Asset Value is being determined, then the basis for determined the liquidating value of such contract is such value as the Board of Directors may deem fair and reasonable.

c) Acquisition cost of securities in the portfolio

The acquisition cost of the securities held by each Sub-Fund that are denominated in a currency other than the reference currency of the Sub-Fund is converted to this currency at the exchange rate prevailing on the date of purchase.

d) Net realised gain/(loss) on securities portfolio

The realised gains and losses on securities portfolio are calculated on the basis of the average acquisition cost.

ARMONY INVESTMENT FUND

Notes to the financial statements (continued)

as at 30th June 2017

e) Investment income

Dividend income is recorded at the ex-date, net of any withholding tax.

Interest income accrued and payable are recorded, net of any withholding tax.

f) Valuation of forward foreign exchange contracts

Forward foreign exchange contracts are valued at forward rates for the remaining period from valuation date to the maturity of the contracts. Net unrealised gains or losses are recorded in the statement of net assets.

g) Formation expenses

Formation expenses were amortised on a straight-line basis over a period of 5 years.

If the launch of a sub-fund occurs after the launch date of the Fund, the costs of formation in relation to the launch of the new sub-fund is charged to such sub-fund alone and may be amortised over a maximum of five years with effect from the sub-fund's launch date.

h) Conversion of foreign currencies

Cash at banks, other net assets and liabilities and the market value of the securities in portfolio expressed in currencies other than the currency of the Sub-Fund are converted into this currency at the exchange rate prevailing on the date of the report. Income and expenses expressed in currencies other than the currency of the Sub-Fund are converted into this currency at the exchange rate prevailing on the date of the transaction.

i) Combined financial statements

The combined financial statements of the Fund are expressed in EUR and are equal to the corresponding items in the financial statements of the Sub-Fund.

Note 2 - Management fees

Pursuant to the Management Company Agreement, the Fund has appointed Kreditrust Luxembourg S.A. as its designated management company within the meaning of the amended 2010 Law. The Management Company is responsible, subject to the overall supervision of the Directors, for the provision of investment management services, administrative services and marketing services to the Fund.

As remuneration for the services of Management Company, Kreditrust Luxembourg S.A. is entitled to receive an annual fee of 0.05% of the average of the net assets of each sub-fund with an annual minimum of EUR 25,000 per sub-fund to be paid at the end of each quarter (except the first year with an annual minimum of EUR 12,500).

Until 31st January 2017, for its investment services, the Management Company is entitled to receive an investment management fee, accrued on each Valuation Day and payable quarterly in arrears, of 0.05% per annum of the average of the net assets of the Sub-Fund attributable to each Class with a minimum of EUR 17,500 per year (except the first year with an annual minimum of EUR 12,500).

Since 1st February 2017, under an agreement concluded with the Management Company, GVC Gaesco Gestion SGIIC, has been appointed as the Investment Manager to the Sub-Fund.

ARMONY INVESTMENT FUND

Notes to the financial statements (continued)

as at 30th June 2017

In consideration of its services, the Investment Manager receives an investment management fee, accrued on each Valuation Day and payable quarterly in arrears, of 0.50% per annum of the net assets of the Sub-Fund attributable to each Class (except from 1st February 2017 to 13th February 2017 with a rate of 0.05%)

Note 3 - Advisory fee

Under an agreement concluded with the Management Company, Fimarge, Societat Financera D'Inversio, S.A. has been appointed as the Investment Advisor to the Sub-Fund.

In consideration of its services, the Investment Advisor receives an investment advisory fee, accrued on each Valuation Day and payable monthly in arrears, of 0.50% per annum of the net assets of the Sub-Fund attributable to each Class.

Note 4 - Central administration costs

The item "Central administration costs" disclosed in the statement of operations and other changes in net assets is mainly composed of administration and domiciliation fees.

Note 5 - Subscription duty ("*taxe d'abonnement*")

The Fund is governed by Luxembourg Law.

Pursuant to the legislation and regulations in force, the Fund is subject to an annual subscription duty ("*taxe d'abonnement*") of 0.05 % which is payable quarterly and calculated on the basis of the net assets of each sub-fund on the last day of each quarter.

Pursuant to Article 175 (a) of the amended Law of 17th December 2010 the net assets invested in undertakings for collective investment already subject to the "*taxe d'abonnement*" are exempt from this tax.

Note 6 - Forward foreign exchange contracts

As at 30th June 2017, the outstanding forward foreign exchange contracts with KBL EUROPEAN PRIVATE BANKERS S.A. are as follows:

ARMONY - AGECA FUND

Currency	Purchases	Currency	Sales	Maturity	Unrealised result (in EUR)
EUR	2,264,721.58	USD	2,546,000.00	30.08.2017	43,329.13
					<u>43,329.13</u>

Note 7 - Statement of changes in the investments portfolio

The statement of changes in investments for the period covered by the report is available free of charge at the registered office of the Fund.

ARMONY INVESTMENT FUND

Notes to the financial statements (continued)

as at 30th June 2017

Note 8 - Event

The shareholders of ARMONY - AGECA FUND, a Sub-Fund of the Fund, are informed that the Management Company of the Fund has decided, under its responsibility and with the prior approval of the Board of Directors of the Fund, to appoint GVC Gaesco Gestion SGIC as Investment Manager to perform the discretionary management of the Sub-Fund's assets as from 1st February 2017.

For the services rendered, the delegated Investment Manager is entitled to receive a fee, accrued on each Valuation Day and payable quarterly in arrears, of 0.5% per annum of the average of the net assets of the Sub-Fund attributable to each Class.

ARMONY INVESTMENT FUND

Additional information (unaudited)
as at 30th June 2017

1 - Information concerning the transparency of securities financing transactions and of reuse of cash collateral (regulation EU 2015/2365, hereafter "SFTR")

At the date of the financial statements, the Fund is not in the scope of the publication requirements of SFTR. No transactions were carried out during the reporting period.