

Scarabaeus Master Fund Limited

**Public Mutual Fund under the Mutual Funds Act, Chapter 154 of the Revised Laws
of Saint Vincent and the Grenadines, 2009**

Annual report 2020

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About

ISIN Number	VCP853241047
Valoren Number	CH032684277
Launch date	24 th May 2016
Reference Currency	USD
Duration	indeterminate period
Initial Offer Price	USD/EUR/CHF 100.00
Minimum Initial Subscription	USD/EUR/CHF 100.00
Valuation day	End of Month <i>At the sole discretion of the Directors there may be determined further Valuation Days</i>
Valuation interval	Monthly
Deadline for subscriptions	Valuation Day, 4 pm (CET)
Deadline for redemptions	Valuation Day, 4 pm (CET)
End of financial year	December 31
Maximum Subscription Fee	defined per Class
Maximum Redemption Fee	defined per Class
Maximum Management Fee	defined per Class
Performance Fee	defined per Class
Maximum administrative commission	defined per Class
Maximum Custodian Fee	market standard fee

Investment Objectives

The Manager seeks to achieve the Fund's investment objective by pursuing a variety of investments. To achieve this goal there will be no restrictions with regards the type of the securities and the respective share of a security in the fund volumes. This provides the required freedom for reacting to different phases of the economic development.

The asset of the Fund may invest in (inter alia):

- a) affiliated and unaffiliated funds, including open end and closed-end funds and exchange-traded funds ("ETFs" and, collectively with other funds, "Underlying Funds");
- b) Exchange traded products ("Exchange Traded Products"), including ETFs and exchange-traded notes ("ETNs");
- c) All kind of equities;
- d) All kind of bonds;
- e) All kind of non-financial instruments;

The Fund could be "non-diversified", which means that it may invest a large portion of its assets in a single issuer.

The Fund invests inter alia in a diversified portfolio consisting of high-quality bonds and other debt securities. Debt securities in which the Fund may invest include government and government-related obligations, mortgage- and asset-backed securities, corporate and municipal bonds, and other debt securities, and may include fixed and floating rate instruments. The Fund's assets may be invested in debt obligations rated below investment grade too.

Furthermore, the Fund pursues an active asset allocation and invests in different asset classes.

Fund`s structure and Fund`s parties

Scarabaeus Master Fund Limited (the "Company") was incorporated under the laws of Saint Vincent and the Grenadines on the Incorporation Date as an open-ended investment company and limited liability and registered as a Public Mutual Fund under the Mutual Funds Act, Chapter 154 of the Revised Laws of Saint Vincent and the Grenadines, 2009. The Initial Offer is made on the Launch Date, at the Initial Offer Price of USD 100.- per Investor Share and, thereafter, on the Subscription Day at the prevailing Subscription Price.

Registered office

St. Vincent Trust Service Limited
Trust House
112 Bonadie Street
Kingstown
St. Vincent and the Grenadines

Directors of the Company

Mr. Patrick Demi
c/o Scarabaeus Wealth Management AG
Pflugstrasse 20
9490 Vaduz
Liechtenstein

Mr. Michael Zuther
c/o Scarabaeus Wealth Management AG
Pflugstrasse 20
9490 Vaduz
Liechtenstein

Fund Administrator / Transfer Agent

Fortuna Administration Limited
Trust House
112 Bonadie Street
P.O. Box 613
Kingstown, Saint Vincent

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Investment Manager

Scarabaeus Wealth Management AG
Pflugstrasse 20
9490 Vaduz
Liechtenstein

Saint Vincent Legal Advisor

Mr. Michael Zuther
Lawyer and Tax Lawyer
Sonnenhaldenstrasse 26a
9403 Goldach
Switzerland

Auditor

Audit firm "Glavbuh" Limited
18 B, Chervonotkatska Str.
Kiev 02094
Ukraine

Key figures

	31.12.2020	31.12.2019
Balance sheet total in USD	101'730'875.98	67'679'909.17
Total income in USD	4'914'522.64	-7'181'602.23
Performance	13.65%	-29.91%
Total Expense Ratio (TER 1)	1.28%	3.91%
Total amount of subscriptions in USD	5'683'186.42	43'181'861.68
Total amount of redemptions in USD	30'002'772.44	9'630'636.33
Net investment income in USD	4'914'522.64	-7'181'602.23
Statutory reinvestments in USD	4'914'522.64	-7'181'602.23

Development of net asset value

Date	Number of shares	Net asset value in USD	Net asset value per unit in USD	Performance
24.05.2016	1'000.00	100'000.00	100.00	0.00%
31.12.2017	387'531.20	42'346'579.29	109.2727	9.27%
31.12.2018	387'845.641	41'310'286.05	115.4416	5.64%
31.12.2019	736'959.310	67'679'909.17	91.8367	-20.45%
31.12.2020	974'689.773	101'730'875.98	104.3726	13.65%

The displayed past performance is not necessarily indicative of future performance.

Financial statement – P&L

	01.01.2020 – 31.12.2020	01.01.2019 – 31.12.2019
	in USD	in USD
Net income from cash and cash equivalents	0.00	0.00
Net income from bonds	513'481.55	2'278'177.79
Net income from dividends	579'748.41	233'725.15
Net income from derivative instruments	209'255.00	116'472.33
Other income	283'190.99	236'223.20
Total income	1'585'675.95	2'864'598.47
Remuneration for the asset manager	-631'330.00	-329'955.59
Remuneration for the fund administrator	-140'976.86	-21'106.10
Remuneration for the Bank	-128'187.02	-78'759.56
Performance Fees	-1'007'205.36	-68'882.52
Transaction Costs	-453'163.78	-411'407.97
Other Expenses	-657'997.27	-584'918.10
Total expenses	-3'018'860.29	-1'495'029.84
Net income	-1'433'184.34	1'369'568.63
Realised capital gains	2'024'975.11	1'291'713.39
Realised capital losses	-32'501'308.30	-780'607.60
Realised profit	-30'476'333.19	511'105.79
Unrealised capital gains	37'536'732.94	743'502.83
Unrealised capital losses	-712'692.77	-9'805'779.48
Unrealised profit	36'824'040.17	-9'062'276.65
Overall performance	4'914'522.64	-7'181'602.23

Appropriation of profit

01.01.2020 – 31.12.2020

in USD

Net income in financial year 01.01.2020 – 31.12.2020	4'914'522.64
Financial year capital gains available for distribution	0.00
Capital gains envisaged for distribution from earlier financial years	-7'181'602.23
Balance brought forward	0.00
Income available for distribution	-2'267'079.59
Income envisaged for distribution to investors	0.00
Income retained for reinvestment	-7'181'602.23
Balance carried forward to new account	-2'267'079.59

Change in net asset from 01.01.2020 to 31.12.2020

01.01.2020 – 31.12.2020

in USD

Net asset at the beginning of the financial period	67'679'909.17
Net increase from issuance and redemption	29'136'444.17
Total earnings	4'914'522.64
Net asset at the end of the financial period	101'730'875.98

Performance of the shares from 01.01.2020 to 31.12.2020

Number of shares at the beginning of the financial period	736'959.31
Number of shares issued	456'152.81
Number of shares redeemed	-218'422.35
Number of shares at the end of the financial period	974'689.77

Financial statement – Balance

Scarabaeus Master Fund Limited

	31.12.2020	31.12.2019
Assets	USD	USD
Bank deposit at sight and equivalents	18'540'015.04	10'811'351.93
Bonds (incl. accrued interest)	44'601'332.03	31'383'626.44
Stocks	21'541'765.26	13'477'088.29
Collective investment schemes	18'858'870.42	11'478'759.10
Commodities	0.00	0.00
Diamonds	385'091.00	385'091.00
Derivatives	-16'039.68	294'802.26
Structured products	0.00	0.00
Other receivables	287'002.53	115'741.37
Total assets	104'198'036.60	67'946'460.39
Liabilities	USD	USD
Deferred income and accrued expenses	-793'135.24	266'551.23
Investment account	98'490'378.72	74'861'511.39
Performance	4'914'522.64	-7'181'602.23
Total liabilities	102'611'766.12	67'946'460.39

Annex

I. Off-balance sheet transactions per 31.12.2020

Forward exchange contract

EUR/USD 31.03.2021	23'101.62
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II. Gains/losses of Derivative financial instruments

None

III. Securities Borrowing

None

IV. Disclosure of contingent assets and liabilities

None

V. Events after the balance sheet date

Events after the balance sheet date are those events, both favourable and unfavourable, that occur between the balance sheet date and the date when the financial statements are authorized for issue.

The financial statement was authorized by the directors on 19th April 2021.

VI. Currency table 2020

USD

Swiss franc	CHF 1 = 1.096688
Euro	EUR 1 = 1.1248
Canadian dollar	CAD 1 = 0.6415
British Pound	GBP 1 = 1.277298

VII. Custodians per 31.12.2020

On the closing date of for the financial statements, securities were deposited with the different custodians.

VIII. Information for investors

The organ of publication of the fund is the website of the Fund administrator www.fortuna.vc. Significant changes to the complete prospectus are published in the organ of publication. The fund publishes the issue and redemption prices in the organ of publication. The prices are published monthly. The prospectus and the current annual and interim reports may be obtained free of charge from the fund administration in physical form or www.fortuna.vc.

IX. Valuation principles

In the case of investments listed on a stock exchange or traded on a regulated market open to the public, the market value shall be the price. In all other cases, the market value of a tangible asset or right shall be the price that would probably be attained if a careful sale were made at the time of the estimate. If a security is listed on several stock exchanges, the last available listing on the stock exchange that represents the major market for this security will apply.

Securities which are not listed on an official stock exchange, but which are traded on another regulated market which is recognised, open to the public and operating in a due and orderly fashion, are valued at the last available price on this market. If these prices do not conform to market conditions, the securities, as in the case of any other legally permitted assets, shall be valued at a price specified by the Board of Directors acting in good faith on the basis of the probable sales price that could be attained. Liquid assets are valued at their nominal value plus accrued interest.

X. Matters of particular business or legal significance

None

Audit firm "Glavbuh" LLC

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INDEPENDENT AUDITOR'S REPORT

To Owners, and/or Management of Scarabaeus Master Fund Limited, Saint Vincent and the Grenadines

We have audited the accounting records and the annual report of Scarabaeus Master Fund Limited for the year then ended December 31, 2020.

In our opinion,

- the investments, the statement of net assets and profit & loss accounts, the calculation of the net assets value and the allocation of the profit comply with the offering memorandum;
- the information regarding the issue, repurchase and the total number of units in circulation is complete and correct;
- the information regarding custodian, investment and other involved parties and important economic or legal information is disclosed in the annual report

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the annual report section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the annual report. The 'International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants' and we have fulfilled our other 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 qualified opinion

EMPHASIS OF MATTER

We explicitly draw your attention to the fact, that compliance with the law of St. Vincent and Grenadines was no subject of our Audit.

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE ANNUAL REPORT

Directors are responsible for the preparation of the annual report and all its components.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE ANNUAL REPORT

Our objectives are to obtain reasonable assurance about whether the annual report as a whole

are free from material misstatements, 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 auditing standards accepted in the country 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 the annual report.

The Audit partner who performed this Independent Auditor's report is Nosov Vladimir.

On behalf of the "Audit Firm "Glavbuh" LLC

Director

/ Vladimir Nosov/



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May 20, 2021