

BlueBox Funds

Société Anonyme
Société d'Investissement à Capital Variable

Annual Report and Audited Financial Statements
for the year ended 31 December 2023

R.C.S. Luxembourg B 222 997

No subscription can be received on the basis of these financial statements. Subscriptions are only valid if made on the basis of the current Prospectus, the Key Information Document (“KID”) for Packaged Retail and Insurance-based Investment Products (“PRIIPS”) supplemented by the most recent annual report and audited financial statements or semi-annual report and unaudited financial statements, if published after such annual report and audited financial statements.

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Directory, Administration and Management

Registered Office

10, rue du Château d'Eau
L-3364 Leudelange
Grand Duchy of Luxembourg

Board of Directors of the Company

Sandrine Dubois, Chairperson, Independent
Director

Luis Enrique Viveros Martinez, Managing Director,
BlueBox Asset Management S.A.

Maria de los Angeles Solis Amodio, Director,
BlueBox Asset Management S.A.

Management Company

Funds Avenue S.A.
(formerly Fuchs Asset Management S.A.)
49, boulevard Prince Henri
L-1724 Luxembourg
Grand Duchy of Luxembourg

Domiciliary Agent

Northern Trust Global Services SE
10, rue du Château d'Eau
L-3364 Leudelange
Grand Duchy of Luxembourg

Investment Manager

From 1 June 2023
BlueBox Asset Management UK Limited
Tolethorpe Grange
Tolethorpe, Stamford
Lincolnshire PE9 4BH
United Kingdom

Until 31 May 2023

Funds Avenue S.A.
(formerly Fuchs Asset Management S.A.)
49, boulevard Prince Henri
L-1724 Luxembourg
Grand Duchy of Luxembourg

Investment Advisor

Until 31 May 2023
BlueBox Asset Management UK Limited
Tolethorpe Grange
Tolethorpe, Stamford
Lincolnshire PE9 4BH
United Kingdom

Auditor

PricewaterhouseCoopers, *Société coopérative*
2, rue Gerhard Mercator
L-2182 Luxembourg
Grand Duchy of Luxembourg

**Administrator (Central Administration Agent, Registrar
and Transfer Agent)**

Northern Trust Global Services SE
10, rue du Château d'Eau
L-3364 Leudelange
Grand Duchy of Luxembourg

Depositary

Northern Trust Global Services SE
10, rue du Château d'Eau
L-3364 Leudelange
Grand Duchy of Luxembourg

Principal Distributor (ex-Switzerland)

From 1 June 2023
BlueBox Asset Management UK Limited
Tolethorpe Grange
Tolethorpe, Stamford
Lincolnshire PE9 4BH
United Kingdom

Distributor in Switzerland

BlueBox Asset Management S.A.
36, boulevard Helvétique
CH-1207 Geneva
Switzerland

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Directory, Administration and Management (continued)

Paying Agent in Switzerland

From 1 January 2024

REYL & Cie Ltd
4, rue du Rhône
CH-1204 Geneva
Switzerland

Until 31 December 2023

Banque Cantonale de Genève
17, quai de l'Île
CH-1204 Geneva
Switzerland

Representative in Switzerland

From 1 January 2024

REYL & Cie Ltd
4, rue du Rhône
CH-1204 Geneva
Switzerland

Until 31 December 2023

Carnegie Fund Services S.A.
11, rue du Général-Dufour
CH-1204 Geneva
Switzerland

Facilities Agent for investors in Austria and Germany

PricewaterhouseCoopers, *Société coopérative*
Global Fund Distribution
2, rue Gerhard Mercator B.P. 1443
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Grand Duchy of Luxembourg

Legal Advisers

Ashurst LLP
Le Dôme, Building A
15, rue Bender
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Grand Duchy of Luxembourg

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Investment Manager’s Report

BlueBox Funds – BlueBox Global Technology Fund

2023 saw three distinct factors at work, each impacting the Technology sector in a particular way:

- A cyclical recovery, after recession concerns in 2022;
- Excitement about Generative AI; and
- A market being moved mainly by retail investors.

This combination created a very strong tech market (the benchmark was up 51%), but one dominated by the very largest companies, most notably the “Magnificent 7”: Apple, Microsoft, NVIDIA, Alphabet, Amazon, Tesla and Meta. The strong market (especially for stocks perceived as enabling GenAI) worked very much in our favour, outweighing the headwind of mega-cap outperformance, so that the BlueBox Global Technology Fund (the “Sub-Fund”) was up 57% for the year (*Fig. 1*), comfortably ahead of the benchmark and well within the top decile of offshore tech funds tracked by Bloomberg (64/958).

Fig. 1 – BlueBox Global Technology Fund S class – NAV



The Sub-Fund spent most of the year ahead of the benchmark (the red line in *Fig. 2*, below), despite the mega-cap headwind through the year (*Fig. 3*, below).

Fig. 2 – BlueBox Global Technology Fund S class vs S&P Global BMI IT Index NTR



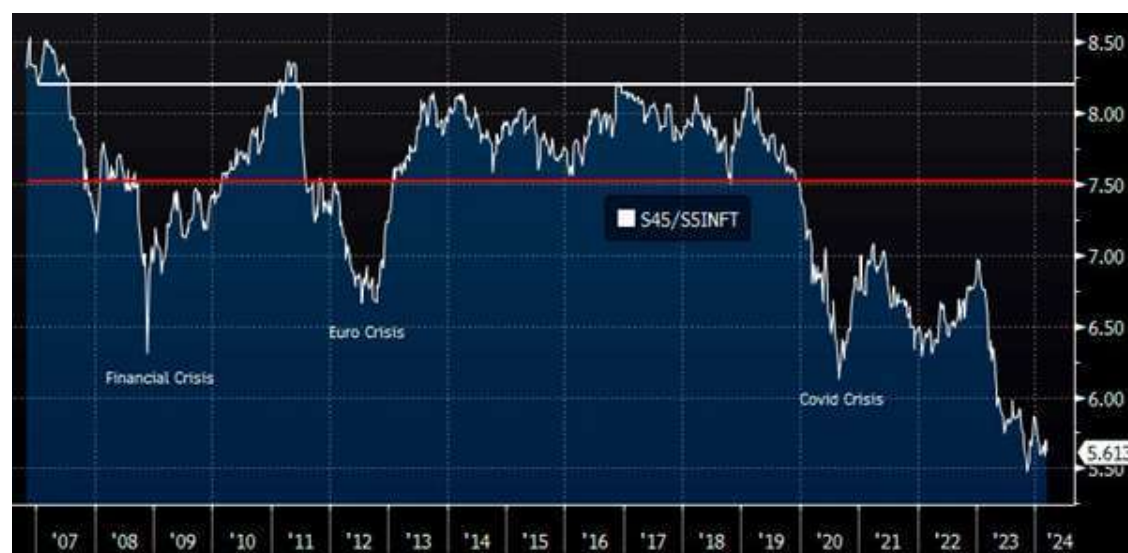
In my view, mega-caps dominated performance because the rebound in tech was driven not by institutional money (I am not aware of any professional investors who made significant increases in their tech allocation in 2023 – not one has claimed to have done so, out of the hundreds I have spoken to), but by US retail investors, for whom GenAI is the perfect story. Those individuals move fast and buy what they know, thus favouring the biggest names.

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Investment Manager's Report (continued)

BlueBox Funds – BlueBox Global Technology Fund (continued)

Fig. 3 – S&P Technology Index, equal-weighted vs market-cap-weighted



This took the mega-caps to a new high versus the rest of tech (*Fig. 3* at a new low), apart from a brief bit of window-dressing in the final 6 weeks of the year (the line bounced) which was immediately reversed in January. This mega-cap domination was a definite relative performance headwind for us, for example in April 2023, but was outweighed over the year by the other factors impacting 2023.

This was because GenAI excitement drove NVIDIA up 239% during the year (*Fig. 4*), and other perceived enablers were also up very strongly, especially a big portion of the semiconductor and semiconductor capital equipment industry (*Fig. 5*). NVIDIA is the leading vendor of graphics processors (GPUs), which are the preferred chips for processing vast quantities of data very fast, and hence for training AI systems. NVIDIA's CUDA platform has also become the default for creating AI systems, giving the company a solid lock on the industry, for now.

Fig. 4 – NVIDIA stock price

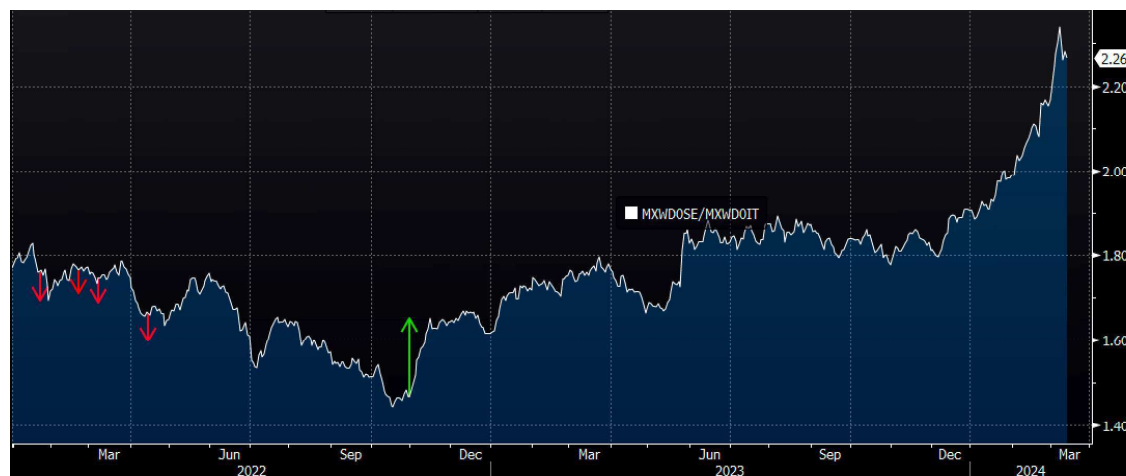


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Investment Manager's Report (continued)

BlueBox Funds – BlueBox Global Technology Fund (continued)

Fig. 5 – MSCI AC Semiconductor Index vs MSCI AC IT Index



Stock performance for 2023

While we were “underweight” NVIDIA all year (average portfolio weight 3.2% vs 6.2% for the benchmark), we took our weight up significantly in September (green arrow in *Fig. 4*) when the market failed to respond to NVIDIA’s second massive profit beat, which turned out to be fortuitously timed (especially for the renewed surge in 2024), but more importantly the Sub-Fund was heavily exposed to many of the other semi-related names that were correctly seen as winners from massive AI spend, following our return to maximum semiconductor target weight on 31/12/22 (green arrow in *Fig. 5*).

This can be seen from the Sub-Fund’s top performers: NVIDIA (the poster-child of GenAI, +239%), Advanced Micro Devices (the number 2 player in GPUs, +128%), ASM International (chip equipment, +108%), Arista Networks (data centre switch demand boosted by AI deployments, +94%), Lam Research (chip equipment again, +89%), Tokyo Electron (chip equipment again, +87%), Monolithic Power (high share of power management for NVIDIA AI GPUs, +80%), and so on.

The big exceptions were both margin improvement stories: Salesforce (+98%) is seeing huge growth in GAAP EPS as it finally focuses on profitability; while MercadoLibre (+86%) experienced big increases in expected 2023 and 2024 EPS through the year (64% and 50% respectively), driven by substantial year-on-year margin improvements.

The Sub-Fund’s laggards were Fortinet (-19%), EPAM Systems (-9%) and Amadeus IT Group (-1%). The purchase of Fortinet early in the year proved to be a mistake, with the company missing guidance for two quarters in a row, and we sold it after the second miss, as it wasn’t clear whether this was a competitive issue (very dangerous for cybersecurity stocks) or just the result of channel-stuffing (not good either, but something the company would recover from in time).

Our reductions in the EPAM position in 2022 (*Fig. 6*) proved fortuitous, as the company started to see a tangible negative impact on sales as well as margins from the Ukraine invasion. We started to add to the position in 2Q23, but then changed our minds, cutting the long-term rating from B to D, as we felt that the need to hire almost entirely outside Ukraine was probably impacting EPAM’s main competitive advantage: employing highly-skilled but cheap Eastern European software talent and marketing it around the world. EPAM is probably no longer a core position for us.

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Investment Manager's Report (continued)

BlueBox Funds – BlueBox Global Technology Fund (continued)

Stock performance for 2023 (continued)

Fig. 6 – EPAM vs S&P Global BMI NTR



As well as selling Fortinet and adding to NVIDIA in September, we also sold Hexagon and bought Amadeus in July. Hexagon was one of the original Direct Connection stocks from back in 2005, but we have felt for a while that the story was probably decelerating for this company and we have brought the position down over time accordingly. We finally sold it and switched into Amadeus, which is an even older play on automation, in this case of the air travel booking system, but which now has about 70% share (generally a very profitable position in much of tech) and is extending its reach into other areas of travel booking, giving scope for further earnings growth.

Outlook at 31 December 2023

In my opinion, it still looks as though the institutional/professional investor has not committed more capital to tech since 2022. From BlueBox's anecdotal point of view, that may have changed in early March 2024, as we are suddenly seeing big new commitments to the Sub-Fund from multiple large investors, each of which we have been talking to for several years. Maybe this is a coincidence, or to do with the length of track record (now approaching 6 years), but if there was a broad change in institutional allocations, it would probably feel like this.

At some point, that new commitment will have to happen, as institutional investors appear now to have missed the opportunity to buy any of the 2022 dip: tech is at new all-time highs and the well into what is probably next bull market. The development might be gradual, or it might turn into a sudden "melt-up" of the sector.

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Investment Manager's Report (continued)

BlueBox Funds – BlueBox Global Technology Fund (continued)

Outlook at 31 December 2023 (continued)

Fig. 7 – S&P Information Technology Index, equal-weighted, log scale



Overall, the trend is holding, as shown in *Fig. 7*, above. It looks as though the line is now nearing the top of the trend, but given a log scale and a 15% trend, reaching the top of the trend would require another 25% upside by the end of 2024, so there is plenty of upside.

This trend is not constrained by demand, but by supply – it looks as though demand for tech is in effect infinite currently, but the industry has shown that it can only sustain 15% annual growth. In 2020, we forced it grow faster, to maintain our societies through lockdown, but that led to two years of global inflation. We have now just about dealt with that inflation... and the index is right back in the trend again. I believe that this trend will hold for many years more, driven by Direct Connection in its many forms, and hopefully we can continue to add a few percent a year by focusing on high-quality technology companies, with barriers to entry and GAAP earnings growing in the mid-teens or better across the business cycle.

We therefore continue to be fully invested in what we believe to be the best-positioned profitable enablers, which remain the main engine of profit growth globally. This gives BlueBox investors exposure to the strongest technology trends, without the absurd valuations and poor business models of many of the high-profile, but profitless, disrupters.

William de Gale
Lead Portfolio Manager
14 March 2024

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Investment Manager’s Report

BlueBox Funds – BlueBox Precision Medicine Fund

Overview

Since inception on 28 February 2023, the BlueBox Precision Medicine Fund (the “Sub-Fund”) ended the year up 15.5% with the S&P Select Biotechnology Index +8.4% and the S&P BMI Healthcare Index +8.1%.

The year saw significant volatility, as can be seen in *Fig. 1*. A solid performance through to August (+5%) followed by a 16.7% decline to the trough on 27 October and subsequently rise of 32% to the end of the year.

Broad investor appetite for biotechnology was fairly subdued for most of 2023 and took a significant dip down during the September/October time frame. This wasn’t driven by any particular fundamental news but the general macro environment. The rally in biotechnology in the later part of the fourth quarter started with increasing comfort over potential interest rate cuts in 2024, followed by a series of positive clinical trial readouts and acquisitions of biotechnology companies during November/December. Data from Bloomberg points to December being a very strong month for M&A activity, by value it was the 7th highest in the last 5 years.

The Sub-Fund also benefited from the enabler group of companies, which had underperformed during the rest of the year, moving upwards during the fourth quarter as business stabilisation and return to growth in 2024 began to be anticipated. This is discussed in more detail below.

Fig. 1 – The BlueBox Precision Medicine Fund - S Class; S&P BMI Healthcare Index; S&P Select Biotechnology Index and MSCI ACWI World Index from Inception to 29/12/2023 (rebased to 100 at 28/02/2023)



Source: Bloomberg

Stock Specific Drivers of Return

During the year, the Sub-Fund’s top 5 positive contributors were:

Blueprint Medicines (+117%) contributed c.4% to return as it successfully launched its lead drug, Ayyvakit, in indolent systemic mastocytosis, a disease where immune mast cells are over-activated and proliferate into the skin and other organs. Furthermore, in December a competitor reported weak data strengthening Blueprint’s longer term position. Finally, the company has confirmed that it will invest with discipline in next generation pipeline assets, increasing the probability that it will be able to reach cashflow sustainability with existing resources.

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Investment Manager's Report (continued)

BlueBox Funds – BlueBox Precision Medicine Fund (continued)

Stock Specific Drivers of Return (continued)

Prometheus Biosciences (+63%) contributed c.4%. The company received an acquisition offer from Merck & Co in April, after reporting excellent phase 2 data for its lead antibody for inflammatory bowel disease in December 2023. The acquisition was at approximately twice the price of the last acquisition of a company with a drug in inflammatory bowel disease at a similar stage, underlining the quality of Prometheus' data.

Rhythm Pharmaceuticals (+89%) contributed c.3% after reporting solid commercial execution at Q323 results and an investor R&D day in December. The R&D day showed the potential to expand the eligible patient pool for its genetic obesity drug while also showcasing a lifecycle management strategy with a next-generation drug that can be given once weekly, instead of daily. During the year, the company also benefited from completing recruitment of its phase 3 trial for hypothalamic obesity which has the potential to triple the addressable market for its franchise.

Scholar Rock (+119%) added c.2% after it disclosed a move to test its muscle building drugs (anti-myostatin antibodies) in obesity patients. The rise of GLP-1 based drugs has transformed weight loss potential in obesity patients, but the downside is that patients also lose lean muscle mass. This is undesirable because muscle is metabolically active and functional e.g. loss of muscle in older age is linked to increased risk of falls/fractures. Some clinical data suggest that anti-myostatin drugs have potential to cause weight loss with lean muscle mass increase in obese diabetics, and pre-clinical data on the combination with GLP-1 agonists also looks intriguing. The Sub-Fund owns the position for the use of the lead drug, apitegromab, for a rare neuromuscular disease called spinal muscular atrophy (phase 3 data in 2H24), so the obesity related upside is a fortunate outcome.

Vertex Pharmaceuticals (+40%) added c.2%. Vertex has benefited from both good commercial execution as it rolls out its cystic fibrosis drugs to more groups of patients by receiving approval in younger children and babies (1 month and older) and expanding reimbursement in further ex-US countries. In addition, the pipeline continued to progress nicely. Vertex received the first ever approval for a gene editing therapy as Casgevy was approved for sickle cell disease in Europe, the US and Saudi Arabia. Vertex also achieved positive phase 2 results for its novel pain medicine, VX-548, in chronic pain. This drug targets the sodium channel, NAV 1.8, that is responsible for the transmission of pain along peripheral nerves (i.e. nerves not in the spine/brain). This means it has the potential to provide pain relief without the addictive effects of opioids. The drug has already shown activity in acute pain and the chronic pain market is significant too, so this drug has multi-billion-dollar potential. With these successful results, Vertex has achieved something that the rest of the industry has not managed despite 20+ years of attempting to produce selective drugs against the pain targets of NAV 1.7 and 1.8. Vertex has a broad and deep pipeline against NAV 1.7 and 1.8 so this is likely to be the beginning of a series of innovations.

The main detractors during the year were:

Replimune (-61%) detracted c.1.7%. Replimune's main product is an oncolytic virus, it is injected into tumours causing them to burst open and simultaneously stimulating the immune system, so that when it is given with currently approved immunotherapy drugs it can augment their effectiveness. Good data was reported in melanoma that has progressed despite existing immunotherapy, but a trial in cutaneous squamous cell carcinoma (CSCC) didn't quite hit statistical significance, despite showing a strong effect. The stock now trades at cash and we think there is a chance to resurrect CSCC development in some way as the totality of the data looked very encouraging so we have held on but are not adding until there is greater clarity.

Allogene (-49%) – detracted c.1.6%. The company's cell therapy programs for blood cancer progressed through phase 2 registrational trials, but in the absence of data until 2024 and with a tough environment for the sector the stock drifted as short sellers pressured it. In late 2023, the company announced a major strategic change moving from late-stage lymphoma to earlier stage trials with the aim of curing more patients. It also announced plans to enter autoimmune disease, an application for cell therapy that has emerged in recent months. This is a major strategic shift that we believe makes a lot of sense and this started to lift the stock in December. We think this will re-invigorate investor interest in the company and provides significant optionality for its unique products.

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Investment Manager's Report (continued)

BlueBox Funds – BlueBox Precision Medicine Fund (continued)

Stock Specific Drivers of Return (continued)

Maravai Life Sciences (-55%) detracted c.1.2% as it reset expectations following several months of post COVID normalisation in demand for its products which help with mRNA manufacturing. The tighter biotech funding environment also reduced early-stage project demand by its clients. Maravai is a key enabler of mRNA products. mRNA is used in both drugs & vaccines directly given to patients as well as used in manufacturing for some cell therapy products. While most industry projects are early, the potential for growth in the field of mRNA is significant so we have remained invested. The company's projected growth is to profitably increase revenues by 2.5x by 2028 implying significant upside from current levels.

Illumina (-30%) detracted c.1%. The company had a very volatile 2023 due to a number of issues. The proxy battle by Carl Icahn led to replacement of one director but more importantly turnover of the Chairman, CEO, Head of R&D and Chief Commercial Officer making way for a more sensible set of appointments following the disastrous GRAIL re-acquisition. At the same time, it launched new high-throughput genetic sequencing equipment which meant that earnings fell as customers transitioned from old to new equipment that reduced cost per sample but without a commensurate increase in volume during 2023. Lastly, both the withdrawal of the business in Russia and macro/competitive headwinds in China were headwinds. So far, we are pleased with the new CEO's direction and we expect Illumina to return to a more normalised operating and financial performance during 2024.

Lonza (-29%) detracted c.1%. The core business has not changed materially but there were two major issues that came through in 2023. Firstly, Moderna cancelled some manufacturing contracts as it scaled back capacity that was bought on to deal with peak pandemic demand for COVID vaccines. The result was that the market had over-estimated the base business profits. Secondly, the CEO resigned and the Chairman became interim CEO. Both of these events damaged investor confidence in the company. Importantly, they do not change the long-term outlook as the majority of Lonza's revenues is contracted years in advance. We held our position continuously through these events as we expect both issues to be resolved.

Both Lonza and Maravai belong to the group of enablers (Life Science companies). In total, this group of companies have detracted c.3% from performance this year as they battled with company specific issues as well as extended hangover from the COVID period where customers over-stocked and spent 2023 de-stocking. We haven't changed our position materially during this time and they remain a key part of the portfolio construction at c.30% of AUM.

Outlook

On a fundamental basis, the outlook for the sector remains good, innovation continues to be strong and the regulatory environment is generally supportive. The funding environment is still volatile but gradually improving. More clarity on this may come in 2024 as companies look to test the IPO/fund raising window on the back of recent positive share moves.

In 2024, there will be US Presidential elections, with the drug industry often a target for rhetoric. We will also see the first results of the US government negotiations on drug prices for the Medicare program (>65's), under the Inflation Reduction Act. We believe the sector can navigate these issues but they provide potential for volatility.

Precision medicine is still in the early stages of development and adoption but continues to be an accelerating trend to which mega-cap companies wish to boost their exposure via R&D partnerships as well as acquisitions.

We continue to be in a market environment of companies being perceived as "haves" or "have nots", albeit at slightly higher valuations than a few months ago. Those with good data and prospects are valued well and able to raise capital at reasonable cost. Those perceived to be early or with questionable data are having to pay more for capital or come up with innovative ways to access cash.

It pays to be highly selective about which companies to hold and we believe our strategy of >70% of the portfolio in revenue generating companies and >50% in fully profitable companies is appropriate. This explains why we have significantly outperformed the S&P Select Biotechnology Index during weak periods this year, and slightly underperformed in the last quarter.

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Investment Manager's Report (continued)

BlueBox Funds – BlueBox Precision Medicine Fund (continued)

Outlook (continued)

With a multi-year view, all of the pieces are in place for the Sub-Fund to benefit from the growth in precision medicine over the coming years by investing in both the companies developing and those enabling precision medicines.

Mark Dainty
Lead Portfolio Manager
14 March 2024

The information stated in this report is historical and is not representative of future results.



Audit report

To the Shareholders of
Bluebox Funds

Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Bluebox Funds (the “Fund”) and of each of its sub-funds as at 31 December 2023, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

What we have audited

The Fund’s financial statements comprise:

- the statement of net assets as at 31 December 2023;
- the statement of operations and changes in net assets for the year then ended;
- the statement of investments as at 31 December 2023; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the “Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the financial statements” section of our report.

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

We are independent of the Fund in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.

Other information

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our audit report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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*Cabinet de révision agréé. Expert-comptable (autorisation gouvernementale n°10028256)
R.C.S. Luxembourg B 65 477 - TVA LU25482518*



In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors of the Fund for the financial statements

The Board of Directors of the Fund is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the Fund is responsible for assessing the Fund's and each of its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Fund either intends to liquidate the Fund or close any of its sub-funds or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the “Réviseur d'entreprises agréé” for the audit of the financial statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit 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 the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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;
- obtain 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 Fund's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund;



- conclude on the appropriateness of the Board of Directors of the Fund'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 Fund's or any of its sub-funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit 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 audit report. However, future events or conditions may cause the Fund or any of its sub-funds to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers, Société coopérative

Luxembourg, 9 April 2024

Represented by

Electronically signed by
Bertrand Jaboulay

A handwritten signature in blue ink, appearing to read 'Bertrand Jaboulay', is written over a horizontal line. The signature is stylized and cursive.

Bertrand Jaboulay

BlueBox Funds
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Statement of Net Assets as at 31 December 2023

Assets	Notes	BlueBox Funds – BlueBox Global Technology Fund USD	BlueBox Funds – BlueBox Precision Medicine Fund* USD	Combined USD
Investment portfolio at market value	2(c)	761,440,658	14,095,633	775,536,291
Cash at bank	2(c)	9,358,322	269,653	9,627,975
Receivable on subscriptions	2(c)	988,527	1,260,309	2,248,836
Dividend income receivable	2(f)	311,928	524	312,452
Formation expenses, net	2(h)	53,022	47,991	101,013
Bank interest receivable	2(c)	32,316	548	32,864
Due from brokers	2(d)	1,243	85,474	86,717
Prepaid expenses	2(c)	29,799	464	30,263
Total assets		772,215,815	15,760,596	787,976,411
Liabilities				
Due to brokers	2(d)	(1,697,837)	(1,381,890)	(3,079,727)
Distribution fees payable	3(d)	(970,577)	(11,049)	(981,626)
Payable on redemptions	2(c)	(332,847)	–	(332,847)
Professional fees payable	3(h)	(126,976)	(72,122)	(199,098)
Management fees payable	3(a)	(84,558)	(7,958)	(92,516)
Administration fees payable	3(e)	(51,707)	(3,059)	(54,766)
Investment management fees payable	3(b)	(36,554)	(486)	(37,040)
Subscription tax payable	4	(28,903)	(1,477)	(30,380)
Depository fees payable	3(f)	(18,925)	(257)	(19,182)
Unrealised loss on forward foreign exchange contracts	7	(4,086)	(69)	(4,155)
Other liabilities		(72,252)	(12,247)	(84,499)
Total liabilities		(3,425,222)	(1,490,614)	(4,915,836)
Total net assets		768,790,593	14,269,982	783,060,575

* Sub-Fund launched on 28 February 2023.

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

BlueBox Funds
Annual Report and Audited Financial Statements
For the year ended 31 December 2023

Statement of Operations and Changes in Net Assets
for the year ended 31 December 2023

	Notes	BlueBox Funds – BlueBox Global Technology Fund USD	BlueBox Funds – BlueBox Precision Medicine Fund* USD	Combined USD
Net assets at the beginning of the year		410,962,825	–	410,962,825
Income				
Bank interest		220,815	5,322	226,137
Dividend income, net of withholding tax	2(f)	3,651,279	6,227	3,657,506
Total income		3,872,094	11,549	3,883,643
Expenses				
Distribution fees	3(d)	(4,860,550)	(68,123)	(4,928,673)
Professional fees	3(h)	(1,094,128)	(142,188)	(1,236,316)
Administration fees	3(e)	(282,099)	(14,723)	(296,822)
Investment management fees	3(b)	(254,695)	(2,907)	(257,602)
Management fees	3(a)	(165,251)	(18,370)	(183,621)
Depository fees	3(f)	(109,235)	(1,081)	(110,316)
Subscription tax	4	(107,729)	(4,047)	(111,776)
Amortisation of formation expenses	2(h)	(49,758)	(5,023)	(54,781)
Directors' fees	3(g)	(27,289)	(253)	(27,542)
Investment advisory fees	3(c)	12,491**	(427)	12,064
Other expenses	5	(307,415)	(31,262)	(338,677)
Total expenses		(7,245,658)	(288,404)	(7,534,062)
Net investment loss		(3,373,564)	(276,855)	(3,650,419)
Net realised gain/(loss) on:				
Investments		10,596,250	445,729	11,041,979
Forward foreign exchange contracts		(173,404)	740	(172,664)
Foreign currency		29,338	(2,441)	26,897
Net realised gain for the year		10,452,184	444,028	10,896,212
Net change in unrealised gain/(loss) on:				
Investments	2(c)	248,405,275	1,584,971	249,990,246
Forward foreign exchange contracts	7	(4,086)	(69)	(4,155)
Foreign currency	2(b)	(675)	(869)	(1,544)
Net change in unrealised gain for the year		248,400,514	1,584,033	249,984,547
Increase in net assets as a result of operations		255,479,134	1,751,206	257,230,340
Movements in share capital				
Subscriptions		209,892,884	12,739,600	222,632,484
Redemptions		(107,544,250)	(220,824)	(107,765,074)
Increase in net assets as a result of movements in share capital		102,348,634	12,518,776	114,867,410
Net assets at the end of the year		768,790,593	14,269,982	783,060,575

* Sub-Fund launched on 28 February 2023.

** Investment advisory fees are positive due to the reversal of prior year accruals.

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

BlueBox Funds
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Statistical Information

Net Assets

	Currency	31 December 2023	31 December 2022	31 December 2021
BlueBox Funds – BlueBox Global Technology Fund				
Net asset value per share:				
Class A (USD) acc.	USD	1,958.28	1,267.30	1,987.38
Class A (GBP) acc.	GBP	1,234.18	847.11	1,179.80
Class A (EUR) acc.	EUR	1,181.70	791.63	1,165.12
Class C (USD) acc.	USD	1,347.13	877.68	1,386.06
Class C (GBP) acc.	GBP	1,257.38	868.65	1,218.31
Class C (EUR) acc.	EUR	1,229.40	828.73	1,228.21
Class C (CHF) acc.*	CHF	1,234.55	-	-
Class F-1 (USD) acc.	USD	2,388.23	1,529.98	2,374.48
Class F-2 (USD) acc.	USD	2,525.25	1,626.28	2,537.59
Class I (USD) acc.	USD	1,586.18	1,021.12	1,592.68
Class I (GBP) acc.	GBP	1,405.24	958.98	1,328.41
Class I (EUR) acc.	EUR	1,102.10	734.38	1,074.99
Class J (USD) acc.	USD	1,472.31	943.12	1,463.44
Class R (USD) acc.*	USD	1,023.58	-	-
Class R (GBP) acc.	GBP	1,378.85	941.27	-
Class R (EUR) acc.*	EUR	1,126.32	-	-
Class S (USD) acc.	USD	2,740.17	1,747.64	2,698.75
Total net assets	USD	768,790,593	410,962,825	1,090,021,841
BlueBox Funds – BlueBox Precision Medicine Fund**				
Net asset value per share:				
Class A (USD) acc.*	USD	1,087.57	-	-
Class A (GBP) acc.*	GBP	1,123.64	-	-
Class S (USD) acc.*	USD	1,155.14	-	-
Total net assets	USD	14,269,982	-	-

* Share class launched during the year ended 31 December 2023. For share class specific launch dates, please refer to Note 1.

** Sub-Fund launched on 28 February 2023.

BlueBox Funds
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Statistical Information (continued)

Changes in Shares Outstanding

	Currency	Balance as at 1 January 2023	Subscriptions	Redemptions	Balance as at 31 December 2023
BlueBox Funds – BlueBox Global Technology Fund					
Class A (USD) acc.	USD	8,412.285	6,415.404	6,752.793	8,074.896
Class A (GBP) acc.	GBP	1,090.962	2,395.727	419.814	3,066.875
Class A (EUR) acc.	EUR	7,022.070	6,763.600	5,324.639	8,461.031
Class C (USD) acc.	USD	30,026.906	14,224.693	6,458.321	37,793.278
Class C (GBP) acc.	GBP	3,343.836	3,809.761	2,595.860	4,557.737
Class C (EUR) acc.	EUR	4,898.716	6,829.785	3,916.760	7,811.741
Class C (CHF) acc.*	CHF	-	209.311	-	209.311
Class F-1 (USD) acc.	USD	21,435.417	-	2,026.416	19,409.001
Class F-2 (USD) acc.	USD	395.456	-	-	395.456
Class I (USD) acc.	USD	88,523.906	46,477.209	35,346.136	99,654.979
Class I (GBP) acc.	GBP	19,964.703	13,697.640	5,100.972	28,561.371
Class I (EUR) acc.	EUR	20,671.346	21,057.310	8,487.165	33,241.491
Class J (USD) acc.	USD	182,024.767	48,040.000	200.000	229,864.767
Class R (USD) acc.*	USD	-	50.000	-	50.000
Class R (GBP) acc.	GBP	39.968	1,133.082	39.770	1,133.280
Class R (EUR) acc.*	EUR	-	66.674	-	66.674
Class S (USD) acc.	USD	13,902.902	2.000	2,825.216	11,079.686
BlueBox Funds – BlueBox Precision Medicine Fund**					
Class A (USD) acc.*	USD	-	1,251.263	-	1,251.263
Class A (GBP) acc.*	GBP	-	55.264	-	55.264
Class S (USD) acc.*	USD	-	11,322.912	216.000	11,106.912

* Share class launched during the year ended 31 December 2023. For share class specific launch dates, please refer to Note 1.

** Sub-Fund launched on 28 February 2023.

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Statement of Investments as at 31 December 2023

BlueBox Funds – BlueBox Global Technology Fund

Currency	Holdings	Description	Market value USD	% of net assets
Transferable securities and money market instruments admitted to an official stock exchange listing or dealt in on another regulated market				
Equities				
Japan				
JPY	815,200	Murata Manufacturing Co Ltd	17,306,665	2.25
JPY	154,200	Tokyo Electron Ltd	27,623,216	3.59
		Total Japan	44,929,881	5.84
Netherlands				
EUR	37,150	ASM International NV	19,285,690	2.51
EUR	41,853	ASML Holding NV	31,516,979	4.10
		Total Netherlands	50,802,669	6.61
South Korea				
KRW	403,574	Samsung Electronics Co Ltd - Pref	19,522,215	2.54
		Total South Korea	19,522,215	2.54
Spain				
EUR	218,000	Amadeus IT Group SA	15,623,993	2.03
		Total Spain	15,623,993	2.03
Switzerland				
USD	117,229	TE Connectivity Ltd	16,470,674	2.14
		Total Switzerland	16,470,674	2.14
Taiwan				
USD	343,001	Taiwan Semiconductor Manufacturing Co Ltd - ADR	35,672,104	4.64
		Total Taiwan	35,672,104	4.64
United States of America				
USD	47,919	Adobe Inc	28,588,475	3.72
USD	162,200	Advanced Micro Devices Inc	23,909,902	3.11
USD	110,200	Airbnb Inc - A	15,002,628	1.95
USD	141,400	Alphabet Inc - A	19,752,166	2.57
USD	154,350	Amphenol Corp - A	15,300,715	1.99
USD	116,626	Analog Devices Inc	23,157,259	3.01
USD	69,360	ANSYS Inc	25,169,357	3.27
USD	197,456	Applied Materials Inc	32,001,694	4.16
USD	113,100	Arista Networks Inc	26,636,181	3.46
USD	4,400	Booking Holdings Inc	15,607,768	2.03
USD	114,867	Cadence Design Systems Inc	31,286,325	4.07
USD	64,029	EPAM Systems Inc	19,038,383	2.48
USD	45,502	Intuit Inc	28,440,115	3.70
USD	41,366	Lam Research Corp	32,400,333	4.21
USD	260,700	Marvell Technology Inc	15,722,817	2.05
USD	20,236	MercadoLibre Inc	31,801,683	4.14
USD	126,470	Microsoft Corp	47,557,779	6.19
USD	26,000	Monolithic Power Systems Inc	16,400,280	2.13
USD	62,560	NVIDIA Corp	30,980,963	4.03
USD	72,600	Salesforce Inc	19,103,964	2.49
USD	59,210	Synopsys Inc	30,487,821	3.97
USD	88,478	Texas Instruments Inc	15,081,960	1.96
USD	288,238	Trimble Inc	15,334,262	1.99

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

BlueBox Funds
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Statement of Investments as at 31 December 2023 (continued)

BlueBox Funds – BlueBox Global Technology Fund (continued)

Currency	Holdings	Description	Market value USD	% of net assets
Transferable securities and money market instruments admitted to an official stock exchange listing or dealt in on another regulated market (continued)				
Equities (continued)				
United States of America (continued)				
USD	102,100	Veeva Systems Inc - A	19,656,292	2.56
		Total United States of America	578,419,122	75.24
		Total equities	761,440,658	99.04
Total transferable securities and money market instruments admitted to an official stock exchange listing or dealt in on another regulated market			761,440,658	99.04
Total investment portfolio			761,440,658	99.04
Other assets and liabilities			7,349,935	0.96
Net assets at the end of the year			768,790,593	100.00

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

BlueBox Funds
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Statement of Investments as at 31 December 2023

BlueBox Funds – BlueBox Precision Medicine Fund

Currency	Holdings	Description	Market value USD	% of net assets
Transferable securities and money market instruments admitted to an official stock exchange listing or dealt in on another regulated market				
Equities				
Denmark				
DKK	3,479	Novo Nordisk A/S - B	359,894	2.52
		Total Denmark	359,894	2.52
France				
EUR	2,991	Sartorius Stedim Biotech	791,310	5.55
		Total France	791,310	5.55
Italy				
USD	15,634	Stevanato Group SpA	426,652	2.99
		Total Italy	426,652	2.99
Netherlands				
EUR	2,253	Argenx SE	854,895	5.99
		Total Netherlands	854,895	5.99
Switzerland				
CHF	1,056	Lonza Group AG	443,780	3.11
		Total Switzerland	443,780	3.11
United Kingdom				
USD	17,622	Bicycle Therapeutics PLC - ADR	318,606	2.23
USD	7,326	Immunocore Holdings PLC - ADR	500,512	3.51
		Total United Kingdom	819,118	5.74
United States of America				
USD	62,978	Allogene Therapeutics Inc	202,159	1.42
USD	2,719	Anylam Pharmaceuticals Inc	520,444	3.65
USD	13,598	Avantor Inc	310,442	2.18
USD	8,907	BioMarin Pharmaceutical Inc	858,813	6.02
USD	6,511	Blueprint Medicines Corp	600,575	4.21
USD	2,600	Cytokinetics Inc	217,074	1.52
USD	2,257	Danaher Corp	522,134	3.66
USD	7,895	Denali Therapeutics Inc	169,427	1.19
USD	15,215	Dyne Therapeutics Inc	202,360	1.42
USD	9,514	Edgewise Therapeutics Inc	104,083	0.73
USD	4,390	Illumina Inc	611,264	4.28
USD	7,905	Immunovant Inc	333,038	2.33
USD	9,428	Inhibrx Inc	358,264	2.51
USD	26,554	Maravai LifeSciences Holdings Inc - A	173,929	1.22
USD	4,938	Moderna Inc	491,084	3.44
USD	9,594	Natera Inc	600,968	4.21
USD	4,293	Nuvalent Inc - A	315,922	2.21
USD	620	Regeneron Pharmaceuticals Inc	544,540	3.82
USD	16,622	Replimune Group Inc	140,123	0.98
USD	12,274	REVOLUTION Medicines Inc	352,018	2.47
USD	11,135	Rhythm Pharmaceuticals Inc	511,876	3.59
USD	12,196	Rocket Pharmaceuticals Inc	365,514	2.56
USD	10,644	Scholar Rock Holding Corp	200,107	1.40
USD	11,422	SpringWorks Therapeutics Inc	416,903	2.92
USD	1,055	Thermo Fisher Scientific Inc	559,983	3.92

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

BlueBox Funds
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Statement of Investments as at 31 December 2023 (continued)

BlueBox Funds – BlueBox Precision Medicine Fund (continued)

Currency	Holdings	Description	Market value USD	% of net assets
Transferable securities and money market instruments admitted to an official stock exchange listing or dealt in on another regulated market (continued)				
Equities (continued)				
United States of America (continued)				
USD	1,762	Vertex Pharmaceuticals Inc	716,940	5.02
		Total United States of America	10,399,984	72.88
		Total equities	14,095,633	98.78
Total transferable securities and money market instruments admitted to an official stock exchange listing or dealt in on another regulated market			14,095,633	98.78
Total investment portfolio			14,095,633	98.78
Other assets and liabilities			174,349	1.22
Net assets at the end of the year			14,269,982	100.00

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

BlueBox Funds
Annual Report and Audited Financial Statements
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Geographical and Industrial Classifications as at 31 December 2023

BlueBox Funds – BlueBox Global Technology Fund

Geographical classification (by domicile of issuer)	% of net assets	Industrial classification	% of net assets
United States of America	75.24	Technology Hardware & Semiconductors	47.75
Netherlands	6.61	Software & Technology Services	34.48
Japan	5.84	Media	6.55
Taiwan	4.64	Industrial Products	6.12
South Korea	2.54	Retail & Wholesale - Discretionary	4.14
Switzerland	2.14		99.04
Spain	2.03		
	99.04		

BlueBox Funds – BlueBox Precision Medicine Fund

Geographical classification (by domicile of issuer)	% of net assets	Industrial classification	% of net assets
United States of America	72.88	Health Care	98.78
Netherlands	5.99		98.78
United Kingdom	5.74		
France	5.55		
Switzerland	3.11		
Italy	2.99		
Denmark	2.52		
	98.78		

BlueBox Funds
Annual Report and Audited Financial Statements
For the year ended 31 December 2023

Notes to the Financial Statements

1. General

BlueBox Funds (the “Company”) was incorporated for an unlimited period on 16 March 2018 as a société anonyme qualifying as an open-ended *société d’investissement à capital variable - fonds d’investissement alternatif réservé* under the laws of the Grand Duchy of Luxembourg. By decision of the extraordinary general meeting of the Shareholders held on 27 April 2021 and with effect from 1 May 2021, the Shareholders resolved to convert the Company into an undertaking for collective investment in transferable securities (“UCITS”) qualifying as an open-ended *société d’investissement à capital variable* under Part I of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment (“Law of 2010”), as amended.

The Company is registered with the R.C.S. Luxembourg under number B 222 997.

The Company is managed by Funds Avenue S.A. (the “Management Company”). The Management Company is subject to the provisions of Chapter 15 of the UCI Law.

As at 31 December 2023, the Company consisted of two active sub-funds (the “Sub-Funds”):

Sub-Fund	Currency	Launch Date
BlueBox Funds – BlueBox Global Technology Fund	USD	16 March 2018
BlueBox Funds – BlueBox Precision Medicine Fund	USD	28 February 2023

Investment Objective

BlueBox Funds – BlueBox Global Technology Fund’s main objective is to seek to maximise total return. The Sub-Fund invests globally at least 70% of its total assets in the equity securities of companies whose predominant economic activity is in the technology sector. The remaining 30% of its total assets may be invested in equity securities of companies or issuers of any size in any sector of the economy globally and whose predominant economic activity is not in the technology sector.

BlueBox Funds – BlueBox Precision Medicine Fund’s main objective is to seek to maximise total return. The Sub-Fund invests globally with at least 85% of its total assets in the equity securities of companies whose predominant economic activity is in the pharmaceuticals, biotechnology and life science sectors. The remaining 15% of its total assets may be invested in equity securities of companies or issuers of any size in any sector of the economy globally and whose predominant economic activity is not in the pharmaceuticals, biotechnology and life science sectors.

Share Classes Launched

During the year ended 31 December 2023, the following share classes were launched:

Sub-Fund and share class	Currency	Launch Date
BlueBox Funds – BlueBox Global Technology Fund		
Class C (CHF) acc.	CHF	8 May 2023
Class R (USD) acc.	USD	20 December 2023
Class R (EUR) acc.	EUR	14 July 2023
BlueBox Funds – BlueBox Precision Medicine Fund		
Class A (USD) acc.	USD	14 June 2023
Class A (GBP) acc.	GBP	7 August 2023
Class S (USD) acc.	USD	28 February 2023

Share Classes Terminated

No share classes were terminated during the year ended 31 December 2023.

2. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied unless otherwise stated.

BlueBox Funds
Annual Report and Audited Financial Statements
For the year ended 31 December 2023

Notes to the Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

(a) Preparation of the Financial Statements

The combined primary statements of these financial statements (Statement of Net Assets and Statement of Operations and Changes in Net Assets) are the arithmetic sum of the financial statements of all Sub-Funds.

These financial statements have been prepared in accordance with Luxembourg regulations relating to undertakings for collective investment and are compliant with the Luxembourg legal and regulatory requirements relating to the preparation of financial statements.

The combined financial statements of the Company and each of its Sub-Funds have been prepared on a going concern basis.

This report is presented on the basis of the latest net asset value calculated during the financial year (i.e. 29 December 2023).

The reference currency of the Company and of its Sub-Funds is USD and all the financial statements of the Company are presented in USD.

(b) Foreign Currency Translation

Transactions and Balances

Foreign currency transactions are translated into the reference currency using the exchange rates prevailing on the dates of the transactions. Foreign currency assets and liabilities are translated into the base currency using the exchange rate prevailing at the Statement of Net Assets date and are detailed in Note 8.

Foreign exchange gains and losses arising from translation are included in the Statement of Operations and Changes in Net Assets.

(c) Valuation of Investments, Assets and Liabilities

The Company's investments, assets and liabilities are valued as follows:

(i) Investments Valuation

The value of securities which are quoted, traded or dealt in on any stock exchange shall be based on the closing price or, if appropriate, on the average price on the stock exchange which is normally the principal market of such securities, and each security traded on any other regulated market shall be valued in a manner as similar as possible to that provided for quoted securities.

For non-quoted securities or securities not traded or dealt in on any stock exchange or other regulated market (including non-quoted securities of closed-ended underlying funds), as well as quoted or non-quoted securities on such other market for which no valuation price is available, or securities for which the quoted prices are, in the opinion of the Board of Directors, not representative of the fair market value, the value thereof shall be determined prudently and in good faith by the Board of Directors on the basis of foreseeable sales prices.

Liquid assets and money market instruments may be valued at nominal value plus any accrued interest or on an amortised cost basis.

All other securities and assets will be valued at fair market value as determined in good faith pursuant to procedures established by the Board of Directors.

(ii) Cash at Bank

Cash at bank includes cash on hand or on deposit and is valued at its nominal/face value.

BlueBox Funds
Annual Report and Audited Financial Statements
For the year ended 31 December 2023

Notes to the Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

(c) Valuation of Investments, Assets and Liabilities (continued)

(iii) Assets

Assets, which include dividend income receivable, bank interest receivable, receivable on subscriptions, receivable for investments sold and prepaid expenses, are valued at nominal value unless it appears unlikely that such nominal amount is obtainable.

(iv) Liabilities

Liabilities, which include payable for redemptions, payable on investments purchased and expenses payable, are valued at nominal value.

(d) Due from/to Brokers

Balances due from/to brokers may include amounts receivable/payable for investments sold/purchased, if any, but not yet settled and unrealised gain/loss on spot contracts.

(e) Financial Derivative Instruments

The Company invests in the following financial derivative instruments:

Forward Foreign Exchange Contracts

Forward foreign exchange contracts are valued at the forward foreign rates applicable at the Statement of Net Assets date. Net realised gains and losses and changes in net unrealised gains and losses resulting from forward foreign exchange contracts are recorded in the Statement of Operations and Changes in Net Assets.

(f) Dividend Income

Dividend income is recorded on the ex-dividend date, net of withholding tax.

(g) Acquisition Cost of Investment Securities

Purchases of securities are recorded at cost. Realised gains and losses on investments are shown in the Statement of Operations and Changes in Net Assets.

(h) Formation Expenses

The costs and expenses of the formation of the Company shall be borne by the Company and amortised over a period not exceeding five years. As a consequence, new Sub-Funds may be called upon to reimburse a portion of the formation expenses previously paid by existing Sub-Funds.

The costs and expenses of the formation of each Sub-Fund shall be borne by the Sub-Fund.

(i) Distributions

Under normal circumstances, the Company does not intend to declare and make distributions with respect to the net investment income and realised capital gains, if any, attributable to the accumulation classes of its Sub-Funds. However, the Board may, in its sole discretion, at any time decide to make distributions, with respect to the net investment income or capital gains, if any, attributable to an accumulation class. If dividends are declared, such dividends may be paid out of net income and out of realised and unrealised gains, less realised and unrealised losses.

(j) Total Net Asset Value

The total net asset value is equal to the difference between the total assets and the total liabilities of the Sub-Funds and the total net asset value of each share class is expressed in the reference currency of the relevant share class.

BlueBox Funds
Annual Report and Audited Financial Statements
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Notes to the Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

(j) Total Net Asset Value (continued)

The net asset value per share is calculated as of each valuation day by dividing the total net asset value attributable to a share class by the total number of shares in issue or deemed to be in issue in that share class as of the relevant valuation day and rounding the resulting total to two decimal places or such number of decimal places as the Board of Directors may determine.

(k) Transaction Costs

Transaction costs represent costs incurred by the Company in relation to the purchase and sale of transferable securities. Direct transaction costs are included in the net realised gain/loss and net change in unrealised gain/loss balances on investments in the Statement of Operations and Changes in Net Assets. They include fees and commissions paid to agents, advisers, brokers and dealers. Indirect transaction costs, charged by the Depository for the execution of the Company's transactions, are included in the other expenses balance in the Statement of Operations and Changes in Net Assets. Direct and indirect transaction costs for the year ended 31 December 2023 are disclosed in Note 6.

3. Fees

(a) Management Fees

Management Company Fees

The Management Company is entitled to a management company fee, payable quarterly, accrued daily and calculated on the basis of the total average net assets of each Sub-Fund over the quarter, at an annual rate of maximum of 0.02%, subject to a minimum of EUR 25,000 per year for each Sub-Fund.

AML/CFT Compliance Officer Services' Fees and Expenses

The Management Company is entitled to an annual fee of up to EUR 10,000 (excluding VAT) for the services rendered to the Company, including for providing to the Company the AML/CFT Compliance Officer, under the AML/CFT Compliance Officer Services Agreement entered into between the Company and the Management Company.

Ancillary Services Fees

The Management Company is entitled to receive a remuneration for all ancillary services rendered to the Company. Such remuneration is not expected to represent more than 0.01% of the net asset value of a Sub-Fund.

(b) Investment Management Fees

From 1 June 2023

The Investment Manager is entitled to receive an investment management fee which is paid out of the assets of each Sub-Fund. The investment management fee is payable monthly, accrued daily and calculated based on the total average net assets of each Sub-Fund over the month, at an annual rate of 0.04% for Class J Shares and of 0.05% for all other Classes.

Until 31 May 2023

The Investment Manager was entitled to an investment management fee, payable quarterly, accrued daily and calculated on the basis of the total average net assets of each Sub-Fund over the quarter, at an annual rate of a maximum of 0.02%, subject to a minimum of EUR 25,000 per year for each Sub-Fund.

(c) Investment Advisory Fees

Until 31 May 2023

The Investment Advisor was entitled to receive an investment advisory fee which was paid out of the assets of the Sub-Funds. The investment advisory fee was payable monthly, accrued daily and calculated based on the total average net assets of the Sub-Funds over the month, at an annual rate of 0.02% for Class J Shares and of 0.03% for all other Classes.

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Notes to the Financial Statements (continued)

3. Fees (continued)

(d) Distribution Fees

The Distributors, including the Swiss Distributor, appointed by the Management Company are entitled to receive from the Company an annual distribution fee, payable at the end of each month.

Distribution fees rates applicable to the share classes are expressed as a percentage of the total net assets of each share class and are specified in the following table:

Share class	BlueBox Funds – BlueBox Global Technology Fund	BlueBox Funds – BlueBox Precision Medicine Fund
Class A	1.50%	1.50%
Class B	1.50%	1.50%
Class C	2.20%	2.20%
Class D	2.20%	2.20%
Class F-1	0.50%	N/A
Class F-2	1.00%	N/A
Class I	1.00%	1.00%
Class J	0.50%	0.50%
Class R	1.00%	1.00%
Class S		
below USD 100 million (or currency equivalent)	None	1.00%
USD 100 million – below USD 150 million (or currency equivalent)	None	0.50%
equal to or above USD 150 million (or currency equivalent)	None	None

(e) Administration Fees

The Administrator provides the services of central administration agent, registrar and transfer agent to the Company.

The Company pays to the Administrator out of the assets of the Sub-Funds an annual fee, accrued as of each valuation day and payable monthly in arrears.

The annual rates applied are as specified in the following table for the fund accounting fees:

Total net assets	Rate/fee
USD 0 – USD 350 million	0.04%
USD 350 million – USD 700 million	0.03%
USD 700 million – USD 1.05 billion	0.02%
Over USD 1.05 billion	0.01%
Minimum fee per annum	USD 90,000

The Administrator is entitled to receive the following transfer agency fees:

Service	Fee
Minimum fee per annum	USD 10,000
Annual share class maintenance	USD 1,000
Annual Investor maintenance fee	USD 50 per Investor account
Subscription/redemption	USD 25/manual; USD 10/automated transaction
Annual FATCA reporting fee	USD 1,000

The Administrator, in its capacity as Domiciliary Agent, is also entitled to receive a domiciliation fee of EUR 5,000 per year and EUR 15,000 per year for corporate secretarial services.

(f) Depositary Fees

The Depositary is entrusted with the safekeeping of the Company's assets.

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Notes to the Financial Statements (continued)

3. Fees (continued)

(f) Depositary Fees (continued)

The Company pays to the Depositary out of the assets of the Sub-Funds an annual fee, accrued as of each valuation day and payable quarterly in arrears.

The annual rates applied are as specified in the following table:

Total net assets	Rate/fee
USD 0 – USD 500 million	0.01%
Over USD 500 million	0.005%
Minimum fee per annum	USD 35,000

The above rates do not include any transaction related fees, and costs of sub-custodians or similar agents.

(g) Directors' Fees

Each of the Directors is entitled to remuneration for his/her services at the rate determined at the general meeting of Shareholders from time to time. The Directors may waive all or part of their fees.

The Independent Director is entitled to receive an annual fee of EUR 20,000.

(h) Professional Fees

The Company bears its own audit fees, legal fees and other professional fees, which are disclosed as professional fees in the Statement of Operations and Changes in Net Assets.

4. Taxation

Under current Law and practice, the Company is not liable to any Luxembourg tax on profits or income.

The Company is, however, liable in Luxembourg to an annual subscription tax (“*taxe d’abonnement*”) which is payable quarterly based on the value of the net assets of the Company at the end of the relevant calendar quarter.

The rate of the subscription tax is 0.05% per annum of the net asset value of each class which is available to all investors.

The rate of the subscription tax is 0.01% per annum of the net asset value for:

- Sub-Funds whose sole object is the collective investment in Money Market Instruments and the placing of deposits with credit institutions;
- Sub-Funds whose sole object is the collective investment in deposits with credit institutions; and
- Sub-Funds or Classes which are reserved to one or more Institutional Investors.

No Luxembourg tax is payable on the realised capital gains or unrealised capital appreciation of the assets of the Company.

Dividend and interest income received by the Company on its investments may be subject to irrecoverable withholding taxes at source.

5. Other Expenses

The Company pays other costs and expenses incurred for its set-up, its operations including, without limitation, taxes, PRIIPs KID services, investment compliance monitoring, reporting, directorship services, global distributor services, money laundering reporting officer services, research and consulting services, marketing and promotional activities, registration fees and services and other expenses due to supervisory authorities, insurance, interest, brokerage costs, tax reporting costs, costs of obtaining any listing of one or more Classes of Shares and all other fees and expenses incurred in connection therewith and the cost of the publication of net asset value, if applicable.

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Notes to the Financial Statements (continued)

6. Transaction Costs

For the year under review, the Sub-Funds incurred the following transaction costs:

	BlueBox Funds – BlueBox Global Technology Fund	BlueBox Funds – BlueBox Precision Medicine Fund
Direct transaction costs	USD 167,161	USD 6,221
Indirect transaction costs	USD 146,529	USD 11,817

7. Forward Foreign Exchange Contracts

Open forward foreign exchange contracts as at 31 December 2023 are detailed below:

BlueBox Funds – BlueBox Global Technology Fund

Forward foreign exchange contracts

	To receive	To pay	Maturity Date	Counterparty	Unrealised loss USD
JPY	239,330,607 USD	1,701,707	04/01/2024	Northern Trust	<u>(4,086)</u>
Unrealised loss on forward foreign exchange contract					<u>(4,086)</u>

Total unrealised loss on financial derivative instruments

(4,086)

BlueBox Funds – BlueBox Precision Medicine Fund

Forward foreign exchange contracts

	To receive	To pay	Maturity Date	Counterparty	Unrealised loss USD
CHF	53,048 USD	63,098	04/01/2024	Northern Trust	<u>(69)</u>
Unrealised loss on forward foreign exchange contract					<u>(69)</u>

Total unrealised loss on financial derivative instruments

(69)

8. Exchange Rates

The exchange rates applicable as at 31 December 2023 were as follows:

USD 1 =	CHF	0.841650
USD 1 =	DKK	6.748350
USD 1 =	EUR	0.905264
USD 1 =	GBP	0.784437
USD 1 =	JPY	140.980000
USD 1 =	KRW	1,287.900000

9. Statement of Changes in the Portfolio

A statement of changes in the portfolio for the year ended 31 December 2023 is available upon request, free of charge, from the registered office of the Company.

10. Significant Events During the Year

The BlueBox Funds – BlueBox Precision Medicine Fund was launched on 28 February 2023.

With effect from 1 June 2023, the investment manager function was transferred from Funds Avenue S.A. to BlueBox Asset Management UK Limited, who ceased to act as the Investment Advisor of the Company. The Management Company has also appointed BlueBox Asset Management UK Limited as the principal distributor of the Company with effect from 1 June 2023.

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Notes to the Financial Statements (continued)

10. Significant Events During the Year (continued)

New prospectuses were issued in February 2023 and June 2023.

On 26 September 2023, Fuchs Asset Management S.A. rebranded as Funds Avenue S.A.

With effect from 31 December 2023, Carnegie Fund Services S.A. ceased to act as the representative in Switzerland and this function was transferred to REYL & Cie Ltd effective 1 January 2024.

With effect from 31 December 2023, Banque Cantonale de Genève ceased to act as the paying agent in Switzerland and this function was transferred to REYL & Cie Ltd effective 1 January 2024.

There were no other significant events during the year that require adjustment to, or disclosure in, the financial statements.

11. Subsequent Events

The management company function will be transferred from Funds Avenue S.A. to Carne Global Fund Managers (Luxembourg) S.A. with a target date of 1 July 2024.

There were no other significant events subsequent to the year-end date that require adjustment to, or disclosure in, the financial statements.

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Appendix (Unaudited)

1. Information concerning the Transparency of Securities Financing Transactions and of Reuse (Regulation EU 2015/2365, hereafter “SFTR”)

As at the date of the annual report, the Company is not in scope of the publication requirements of SFTR. No transactions were carried out during the reporting period.

2. Information concerning the Sustainability-related Disclosures in the Financial Services Sector (Regulation EU 2019/2088, hereafter the “Sustainable Finance Disclosure Regulation” or “SFDR”)

As at the date of the annual report, none of the Sub-Funds promotes environmental or social characteristics within the meaning of Article 8 of SFDR, nor are classified as products that have sustainable investments as their objective for the purposes of Article 9 SFDR.

The investments underlying these financial products do not take into account the EU criteria for environmentally sustainable economic activities as defined in Regulation EU 2020/852 on the establishment of a framework to facilitate sustainable investment (which is also known as the “Taxonomy Regulation” or “TR”).

3. Management Company Disclosures

(a) Remuneration of the Management Company

The Management Company, Funds Avenue S.A., has elaborated a remuneration policy as required by the Law of 17 December 2010 (UCITS Law). Such policy aims at preventing excessive risk taking and at ensuring a proper and effective management of risks. Variable remuneration as defined in the remuneration policy is consistent with the risk management and governance processes. Fixed remuneration is mainly based on the experience, the level of responsibility and the complexity of the task performed. No significant change in the remuneration policy has been noted in 2023.

The article 69 (3) of the UCITS V directive (Directive 2014/91/EU of 23 July 2014) require disclosures on the total remuneration of the employees of the Management Company for the financial year to be presented in the annual report of the Company.

Such information is detailed in the below tables.

Total amount of remuneration for the financial year 2023, split into fixed and variable remuneration, paid by Funds Avenue S.A. to its staff, and number of beneficiaries, and, where relevant, carried interest paid by the funds:

Fixed remuneration	Variable remuneration	Carried interest	Total remuneration	Average number of staff
EUR 5,258,322	EUR 1,826,549	–	EUR 7,084,871	42

Aggregate amount of remuneration broken down by senior management and members of staff of Funds Avenue S.A.:

Category	Total remuneration
Senior Management	EUR 3,240,940
Staff	EUR 3,843,931

(b) Global Exposure

In accordance with the Circular CSSF 11/512 as amended by Circular CSSF 18/69, the Board of Directors of the Company needs to determine the global risk exposure of the Company by applying either the commitment approach or the Value at Risk (“VaR”) approach.

In terms of risk management, the Board of Directors of the Company has decided to adopt the commitment approach for all Sub-Funds.

The Management Company of the Company has implemented a risk-management process which enables to monitor and measure the global risk exposure at Sub-Fund level.

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Additional Information for Investors in Switzerland (Unaudited)

Representative in Switzerland

With effect from 31 December 2023, Carnegie Fund Services S.A., 11, rue du Général-Dufour, CH-1204 Geneva, ceased to act as the representative in Switzerland and this function was transferred to REYL & Cie Ltd, 4, rue du Rhône, CH-1204 Geneva, effective 1 January 2024.

Paying Agent in Switzerland

With effect from 31 December 2023, Banque Cantonale de Genève, 17, quai de l'Île, CH-1204 Geneva, ceased to act as the paying agent in Switzerland and this function was transferred to REYL & Cie Ltd, 4, rue du Rhône, CH-1204 Geneva, effective 1 January 2024.

Distributor in Switzerland

The distributor in Switzerland is BlueBox Asset Management S.A., 36, boulevard Helvétique, CH-1207 Geneva.

Publications

The prospectus, the PRIIPs KIDs, the articles of association, the list of purchases and sales as well as the annual and semi-annual reports may be obtained free of charge from the representative. Publications concerning the foreign collective investments schemes are made in Switzerland on www.fundinfo.com. Each time shares are issued or redeemed, the issue and the redemption prices or the net asset value together with a reference stating “excluding commissions” are published for all share classes on www.fundeye.com. Prices are published daily.

Total Expense Ratio

The total expense ratio (“TER”) compares all operating expenses with the average net asset value of each Sub-Fund. The annualised TERs for the year ended 31 December 2023 for each share class are specified in the table below:

Sub-Fund and share class	TER (%)
BlueBox Funds – BlueBox Global Technology Fund	
Class A (USD) acc.	1.92%
Class A (GBP) acc.	1.97%
Class A (EUR) acc.	1.93%
Class C (USD) acc.	2.60%
Class C (GBP) acc.	2.64%
Class C (EUR) acc.	2.58%
Class C (CHF) acc. *	2.64%
Class F-1 (USD) acc.	0.91%
Class F-2 (USD) acc.	1.44%
Class I (USD) acc.	1.40%
Class I (GBP) acc.	1.42%
Class I (EUR) acc.	1.40%
Class J (USD) acc.	0.90%
Class R (USD) acc.*	1.45%
Class R (GBP) acc.	1.45%
Class R (EUR) acc.*	1.43%
Class S (USD) acc.	0.46%

* Share class launched during the year ended 31 December 2023. For share class specific launch dates, please refer to Note 1.

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Additional Information for Investors in Switzerland (Unaudited) (continued)

Total Expense Ratio (continued)

Sub-Fund and share class	TER (%)
BlueBox Funds – BlueBox Precision Medicine Fund	
Class A (USD) acc.*	4.82%
Class A (GBP) acc.*	4.82%
Class S (USD) acc.*	4.33%

* Share class launched during the year ended 31 December 2023. For share class specific launch dates, please refer to Note 1.

The TERs are calculated in accordance with the guidelines published by the Asset Management Association Switzerland.

Performance

The performance is defined as the total return of one share over a specified period, expressed as a percentage of the net asset value per share at the beginning of the observation period. The performance of each share class is detailed in the table below:

Sub-Fund and share class	Currency	2023	2022	2021
Performance (%)				
BlueBox Funds –				
BlueBox Global Technology Fund				
Class A (USD) acc.	USD	54.52	(36.23)	29.47
Class A (GBP) acc.	GBP	45.69	(28.20)	17.98
Class A (EUR) acc.	EUR	49.27	(32.06)	16.51
Class C (USD) acc.	USD	53.49	(36.68)	28.57
Class C (GBP) acc.	GBP	44.75	(28.70)	21.83
Class C (EUR) acc.	EUR	48.35	(32.53)	22.82
Class C (CHF) acc.*	CHF	23.45	–	–
Class F-1 (USD) acc.	USD	56.10	(35.57)	30.89
Class F-2 (USD) acc.	USD	55.28	(35.91)	30.18
Class I (USD) acc.	USD	55.34	(35.89)	30.17
Class I (GBP) acc.	GBP	46.53	(27.81)	31.37
Class I (EUR) acc.	EUR	50.07	(31.68)	7.50
Class J (USD) acc.	USD	56.11	(35.55)	30.87
Class R (USD) acc.*	USD	2.36	–	–
Class R (GBP) acc.	GBP	46.49	(5.87)	–
Class R (EUR) acc.*	EUR	12.63	–	–
Class S (USD) acc.	USD	56.79	(35.24)	31.58
Benchmark				
S&P Global BMI Information Technology Index**	USD	50.90	(31.34)	25.83

* Share class launched during the year ended 31 December 2023. For share class specific launch dates, please refer to Note 1.

** Net total return.

BlueBox Funds
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Additional Information for Investors in Switzerland (Unaudited) (continued)

Performance (continued)

Sub-Fund and share class	Currency	2023	Performance (%)	
			2022	2021
BlueBox Funds –				
BlueBox Precision Medicine Fund				
Class A (USD) acc.*	USD	8.76	–	–
Class A (GBP) acc.*	GBP	12.36	–	–
Class S (USD) acc.*	USD	15.51	–	–
Benchmark				
S&P Global BMI Healthcare Index**	USD	8.10***	–	–

* Share class launched during the year ended 31 December 2023. For share class specific launch dates, please refer to Note 1.

** Net total return.

*** Calculated since the launch of the Sub-Fund on 28 February 2023.

Share classes have different launch dates thus the performance shown in the table may correspond to a period shorter than the reporting year.

The performance is calculated in accordance with the guidelines published by the Asset Management Association Switzerland.

Past performance is no indication of current or future performance.

The performance data do not take account of the commissions and costs incurred on the issue and redemption of shares.