

TENDER OFFER

for the shares of the Company



initiated by

KAON V

presented by



Presenting Bank

Presenting Bank and Guarantor

INFORMATION RELATING IN PARTICULAR TO THE LEGAL, FINANCIAL AND ACCOUNTING CHARACTERISTICS OF KAON V



This document relating to other information in particular legal, financial and accounting information, concerning Kaon V was filed with the French stock market authority (*Autorité des marchés financiers*) (the “**AMF**”) on 19 June 2025, in accordance with the provisions of Article 231-28 of the AMF general regulation (the “**AMF General Regulation**”) and the AMF instruction no. 2006-07 of 25 July 2006 (as amended on 29 April 2021). This document has been prepared under the responsibility of Kaon V.

This document supplements the offer document relating to the tender offer for the shares of Verallia initiated by Kaon V, approved by the AMF on 5 June 2025 under number 25-196, pursuant to the decision of the same day (the “**Offer Document**”).

This document and the Offer Document are available on the websites of the AMF (www.amf-france.org) and Verallia (www.verallia.com) and may be obtained free of charge from:

Kaon V
70 Sir John Rogerson's Quay
Dublin 2, Ireland

**Bank of America Europe
DAC (Paris branch)**
51, rue La Boétie
75008 Paris
France

**Crédit Agricole Corporate and
Investment Bank**
12, place des Etats-Unis
CS 70052, 92547 Montrouge
Cedex, France
France

In accordance with article 231-28 of the AMF General Regulation, a press release will be made available to the public no later than the day before the opening of the public tender offer to inform the public of the manner in which the information will be made available.

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1. REMINDER OF THE MAIN TERMS AND CHARACTERISTICS OF THE OFFER

This document has been prepared by Kaon V (hereinafter “**Kaon V**” or the “**Offeror**”), a sub-fund of the Irish-registered fund Kaon Investment Fund ICAV (“**Kaon ICAV**”), a fund managed by BW Gestão de Investimentos Ltda., a limited liability company (*sociedade limitada*) incorporated under the laws of Brazil, with its registered address at Av. Brigadeiro Faria Lima, 4440, 15th floor, Itaim Bibi, São Paulo, State of São Paulo, 04538-132 (Brazil) and registered with the Brazilian National Register of Corporate Taxpayers under number 03.214.650/0001-28 (“**BWGI**”)¹, 99.955% owned² by Brasil Warrant Administração de Bens e Empresas S.A., a joint-stock company (*sociedade anônima fechada*) incorporated under the laws of Brazil, with its registered address at Rodovia Washington Luiz, SN, Fazenda Tamandua - Km 307, Matão, State of São Paulo, 15994-500 (Brazil) and registered with the Brazilian National Register of Corporate Taxpayers under number 33.744.277/0001-88 (“**BWSA**”), itself controlled by the Moreira Salles family, in accordance with the provisions of Article 231-28 of the AMF General Regulation, as part of a tender offer (the “**Offer**”) initiated by Kaon V for the shares of Verallia, a public limited company (*société anonyme*) with a board of directors, having its registered office at Tour Carpe Diem, 31 Place des Corolles, 92400 Courbevoie, registered with the Nanterre Trade and Companies Registry (*Registre du Commerce et des Sociétés*) under number 812 163 913 (“**Verallia**”), whose shares are listed on Compartment A of the regulated market of Euronext Paris under ISIN code FR0013447729, ticker symbol “**VRLA**” (the “**Shares**”).

As of the date of this document, the Offeror directly holds 34,837,565 Shares and 40,109,169 voting rights and, by way of assimilation, 2,000 Shares and 4,000 voting rights held by BWSA and BWGI who are both acting in concert with the Offeror³, representing in aggregate 34,839,565 Shares and 40,113,169 voting rights representing respectively 28.84⁴ % of the share capital and 27.92⁵ % of the theoretical voting rights of Verallia.

The Offer targets all outstanding or to be issued Shares which are not held by the Offeror, with the exception of the following Shares:

- 2,968,796 Shares held in treasury by Verallia, which Verallia’s Board of directors has decided not to tender to the Offer;
- 102,407 free Shares issued to the managers of Verallia but legally unavailable, whose vesting period has expired but which are unavailable due to the provisions of article L. 225-197-1, II of the French Commercial Code, under which Verallia’s board of directors has imposed on the Verallia’s corporate officers an obligation to retain part of their Shares until they cease to hold office; and
- 587,063 Shares held by employees of the Group in certain countries as part of an international group savings plan (PEGI), already issued and for which the five-year lock-up period provided for in article L. 3332-25 of the French Labor Code will not have expired before the closing date of the Offer.

¹ BWGI is registered as an asset management company with the Brazilian Securities and Exchange Commission (*Comissão de Valores Mobiliários*).

² BWGI’s residual shareholders are managers benefiting from incentive programs.

³ BWGI and BWSA directly held 1,000 Shares and 2,000 voting rights each.

⁴ Based on a number of Shares equal to 120,805,103 as at 31 May 2025.

⁵ Based on a number of Verallia voting rights equal to 143,656,451 as at 31 May 2025.

The Offer is voluntary and will be carried out in accordance with the normal procedure, in accordance with the provisions of articles 232-1 *et seq.* of the AMF General Regulation. The Offer will be open for a period of twenty-five (25) trading days.

The Offer is subject to the minimum threshold referred to in Article 231-9, I of the AMF General Regulation.

In accordance with the provisions of article 231-13 of the AMF General Regulation, the Offer is presented by Bank of America Europe DAC (Paris Branch) and Crédit Agricole Corporate and Investment Bank it being specified that only Crédit Agricole Corporate and Investment Bank guarantees the content and irrevocable nature of the commitments made by the Offeror in connection with the Offer.

The context and terms of the Offer, including restrictions on participation in the Offer, are described in the Offer Document.

2. PRESENTATION OF THE OFFEROR

2.1. General information regarding the Offeror

(a) Name, legal form and nationality

Kaon V is a sub-fund of the Irish-registered fund Kaon Investment Fund ICAV (*Irish Collective Asset-management Vehicle*). The Offeror qualifies as an alternative investment fund according to the meaning of the European Directive no. 2011/61/EU (the “**AIFM Directive**”).

The various sub-funds of Kaon ICAV, including Kaon V, have a segregated liability between sub-funds, such that their assets and liabilities are separated and isolated from each other.

(b) Registered office

The registered office of the Offeror and Kaon ICAV is in Ireland, at 70, Sir John Rogerson's Quay, Dublin 2.

(c) Date of registration and term

The Offeror was registered on 22 December 2020 as an open-ended investment fund by the Central Bank of Ireland for an unlimited term.

The Offeror is registered with the Central Bank of Ireland under number C445324.

(d) Financial year

The financial year of the Offeror and Kaon ICAV begins on January 1 and ends on December 31 of each calendar year.

(e) Purpose

The purpose of Kaon ICAV, as provided for in Article 4 of the incorporation instrument is the collective investment of the funds in property and giving members the benefit of the results of the management of its funds. Therefore, Kaon ICAV invests the funds available to it, or the part thereof attributable to a fund, in property as permitted by the Central Bank in accordance with the AIFM Regulations and the AIFM Rules

for the purpose of giving to shareholders the benefit of the results of the management of its funds. Kaon ICAV may take any measure and carry out any operations which it may deem useful or necessary to the accomplishment and development of its purpose to the full extent permitted by applicable law.

Pursuant to its supplement document, Kaon V's investment objective is to generate consistent long term capital appreciation, seeking to achieve its objective by primarily investing in European listed equities.

(f) Approval of the financial statements

Article 37.9 of Kaon ICAV's incorporation instrument provides that its directors may elect to prepare separate accounts for each sub-fund of Kaon ICAV.

The procedure for approving these accounts is aligned with the process set out in Article 37 of Kaon ICAV's incorporation agreement for the approval of its annual report. As such, separate accounts for the Offeror are prepared each year.

Pursuant to Article 37 of Kaon ICAV's incorporation agreement, the Offeror's accounts are prepared at the end of each financial year under the directors' responsibility. These accounts must include an income statement and a balance sheet and be accompanied by a directors' report on the Offeror's financial position. All of these documents must be signed by at least two directors.

The Offeror's annual report is audited each year by an independent financial auditor who prepares a report on the annual accounts. This report, which reviewed and approved by the Kaon ICAV's Board of Directors, is attached to the balance sheet, in accordance with Kaon ICAV's incorporation instrument.

(g) Winding Up

As provided in Article 40.1 of the incorporation agreement of Kaon ICAV, in the event that Kaon ICAV or a fund shall be wound up or dissolved, the liquidator shall distribute the assets of the Offeror or Kaon ICAV (as the case may be) pro rata to the holders of shares of each class and between holders of shares of the same class, the assets shall be allocated pro rata to the number of shares of that class held by them.

2.2. Information concerning the Offeror's share capital

(a) Share Capital

As of initial subscription date, the Offeror's share capital consisted of 6,829.91 shares with a par value of €100,000 each. For information purposes, Kaon ICAV is a variable capital company and may issue up to 500,000,000,002 shares of no par value including:

- 2 "Subscriber Shares"; and
- 500,000,000,000 Shares of no par value.

(b) Breakdown of the share capital

The shares of the Offeror are directly held by the Brazilian investment fund Sintra Fundo de Investimento Financeiro Ações Responsabilidade Limitada, which is wholly owned by the Moreira Salles family.

2.3. Information concerning the administration, management and control of the Offeror's accounts

(a) Shareholder of the Offeror

The Offeror, as a sub-fund of the Kaon ICAV, is managed by BWGI, an asset management company registered with the Brazilian Securities and Exchange Commission (*Comissão de Valores Mobiliários*), established in 2008 with discretionary powers to manage the investment portfolio of BWSA's controlling shareholders through certain investment vehicles.

BWGI is 99.955%⁶ owned by BWSA, which is controlled by the Moreira Salles family. BWSA has been operating for seven decades as the holding company of the Moreira Salles family

(b) Board of directors and governing bodies

The Offeror's Board of Directors currently consists of five members, appointed for an indefinite term: Mark Fitzgerald, Alexis Martineau, Alfredo Althen Schiavo, Bryan Tiernan, and Juan Gomez.

The board of officers of BWGI, Kaon ICAV's investment manager, is composed of: (i) five executive officers appointed for an indefinite term: João Moreira Salles, Demosthenes Madureira de Pinho Neto, Marcia Maria Freitas de Aguiar, Nuno Miguel Campos Guapo de Almeida and Guilherme Bottura; and (ii) nine officers appointed for an indefinite term: Marcelo Figueiredo Salomon, Guilherme Augusto Rosa Jardim, Alex Silva e Amorim, Leonardo Lima Sakai, Julio Almeida Gomes, Pedro Frade de Andrade, Thiago Machado Castro de Barros, Marcelo Kishimoto and Odilon Camargo Leal.

(c) Auditors

As of the date of this document, PricewaterhouseCoopers acts as the independent auditor of the Offeror.

2.4. Description of the Offeror's activities

(a) Main activities

The Offeror's main activity is the holding of Verallia shares. As of the date of this document, the Offeror directly holds 34,837,565 Shares representing 40,109,169 voting rights.

Another sub-fund of the Kaon ICAV fund is also the largest shareholder in the listed French company Elis S.A.

(b) Exceptional events and significant disputes

To the best of the Offeror's knowledge, as of the date of this document, there are no significant disputes or exceptional events, other than the Offer and the transactions related thereto, that could have an impact on the Offeror's business, assets, results or financial position.

⁶ BWGI's residual shareholders are managers benefiting from incentive programs.

(c) Workforce

The Offeror is a sub-fund of an investment fund and does not employ any staff. The Offeror's investment manager, BWGI, employs approximately 100 people in São Paulo, New York and London.

3. INFORMATIONS RELATING TO THE OFFEROR'S ACCOUNTING AND FINANCIAL POSITION

3.1. Selected financial data

Statement of Assets and Liabilities as of December 31, 2024

Total assets	€ 1,439,345,905
Total liabilities	€ (644,158,945)
Net assets	€ 795,186,960

Statement of Operations as of December 31, 2024

Total investment income	€ 79,248,091
Total change in realized/unrealized gain/(loss)	€ (352,939,980)
Total expenses	€ (31,989,160)
Net increase/(decrease) in net assets from operations	€ (305,681,049)

The above selected financial data are extracted from the 2024 annual accounts of the Offeror, which are set out in **Appendix 1**.

Kaon V, the direct shareholder of Verallia, is a sub-fund of Kaon Investment Fund ICAV whose investment manager is BWGI. The controlling shareholder of BWGI is BWSA, which has been operating for over seven decades as the Moreira Salles family's holding company, successfully forging partnerships around the world with leading companies in a variety of sectors, such as financial services, natural resources, agriculture, consumer products, commercial services, distribution and industry. The shareholders controlling BWSA concentrate their activities in the banking and specialty materials sectors in Brazil, and co-control Alpargatas, known for "Havaianas" flip-flops, among others.

3.2. Costs and financing of the Offer

(a) Costs of the Offer

The overall amount of external fees, costs and expenses incurred by the Offeror in connection with the Offer (including the Offer financing fees), including in particular fees and other expenses relating to its various legal, financial and accounting advisors and any other experts and consultants, is estimated at approximately €22 million (tax excluded).

(b) Financing of the Offer

In the event that all the Shares targeted by the Offer are tendered to the Offer, the total cash consideration to be paid by the Offeror to the shareholders of Verallia who have tendered their Shares to the Offer would amount to €2,329,295,798 based on an Offer Price of €28.30 per Share after deduction of the 2024 dividend as indicated in the Offer Document (and excluding expenses, fees and commissions relating to the Offer).

The Offer will be financed through a bridge facility of a maximum principal amount of €2,550,000,000, with a maximum term of twelve months from the date of the first drawdown, i.e. an initial term of six months which may be extended for an additional six months at the sole discretion of the Offeror (the “**Bank Financing**”). For this purpose, the Offeror has entered into a credit agreement with different financial institutions. In addition to the use, where applicable, of the BWSA group’s own funds, the Bank Financing is intended to be refinanced at a later stage by one or more capital increases at the level of the Offeror. Furthermore, it is specified that no guarantee or security will be directly or indirectly granted by Verallia or its subsidiaries on their own assets, thereby excluding any direct recourse by the lenders against these entities or any of their assets in connection with the Bank Financing. The Bank Financing therefore fully preserves the financial structure and assets of Verallia and its subsidiaries.

4. SPECIFIC INFORMATION PROVIDED UNDER THE AIFM REGULATIONS

Pursuant to Article 28 of the AIFM Directive, the Offeror must make certain information available to Verallia, its shareholders and the competent authorities when it acquires control of a listed company such as Verallia, which would be the case if the Offer is successful.

For the purposes of this disclosure, the Offeror has prepared the notification set out in **Appendix 2**.

5. PERSON RESPONSIBLE FOR THIS DOCUMENT

“We certify that this document, which will be distributed no later than the day before the opening of the Offer, contains all the information required by Article 231-28 of the General Regulations of the Autorité des marchés financiers and by its Instruction No. 2006-07 dated 25 July 2006 (as amended on 29 April 2021), in connection with the tender offer initiated by Kaon V for the shares of Verallia.

To the best of our knowledge, this information is accurate and does not contain any omissions that would alter its meaning.”

Marcia Freitas

Executive Officer of BWGI (investment management company of the fund Kaon ICAV)

Guilherme Bottura

Executive Officer of BWGI (investment management company of the fund Kaon ICAV)

Appendix 1

2024 audited annual accounts of the Offeror

**Kaon V, a sub-fund of
Kaon Investment Fund
ICAV**

**(an umbrella fund with segregated
liability between sub-funds)**

C445324

**Annual Report and Audited Financial
Statements**

Year Ended December 31, 2024

Kaon V, a sub-fund of Kaon Investment Fund ICAV
(an umbrella fund with segregated liability between sub-funds)
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Year Ended December 31, 2024

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Kaon V, a sub-fund of Kaon Investment Fund ICAV
(an umbrella fund with segregated liability between sub-funds)
Directors and Other Information
Year Ended December 31, 2024

Registered Office

70 Sir John Rogerson's Quay
Dublin 2, Ireland

Administrator, Registrar & Transfer Agent

Northern Trust International Fund
Administration Services (Ireland) Limited
Georges Court
54-62 Townsend Street
Dublin 2, Ireland

Depository

Northern Trust Fiduciary Services (Ireland)
Limited
Georges Court
54-62 Townsend Street
Dublin 2, Ireland

Statutory Audit Firm

PricewaterhouseCoopers
Chartered Accountants and Statutory Audit
Firm
One Spencer Dock
North Wall Quay
Dublin 1, Ireland

**Alternative Investment Fund Manager
("AIFM")**

IQ EQ Fund Management (Ireland) Limited
("IQ-EQ")
5th Floor
76 Sir John Rogerson's Quay
Dublin 2, Ireland

Investment Manager

BW Gestão de Investimentos Ltda.
Av. Brigaderio Faria Lima, 4440
15th Floor, 04538-132
São Paulo, Brazil

Board of Directors

Mark Fitzgerald*
Alexis Eugène Maurice Martineau
Alfredo Althen Schiavo
Bryan Tiernan*
Juan Gomez

**Independent Non-executive*

Secretary

Matsack Trust Limited
70 Sir John Rogerson's Quay
Dublin 2, Ireland

Legal Advisers

Irish legal counsel to the Sub-Fund:
Matheson
70 Sir John Rogerson's Quay
Dublin 2, Ireland

Kaon V, a sub-fund of Kaon Investment Fund ICAV
(an umbrella fund with segregated liability between sub-funds)
Directors' Report
Year Ended December 31, 2024

The Directors of the Kaon Investment Fund ICAV ("the ICAV") present their Annual Report and Audited Financial Statements of Kaon V (the "Sub-Fund") for the year ended December 31, 2024. As of December 31, 2024, the Sub-Fund is one of two active subfunds alongside Kaon E.

Description of Principal Activities and Investment Objective

Kaon V is a sub-fund of Kaon Investment Fund ICAV, an Irish collective asset-management vehicle with variable capital established as an umbrella fund with segregated liability between sub-funds, in which different funds may be created from time to time, with the prior approval of the Central Bank of Ireland (the "CBI"). The Sub-Fund was authorized by the CBI, with registration number C445324 on December 22, 2020 pursuant to the Irish Collective Asset-Management Vehicles Act, 2015 (the "ICAV Act").

The primary objective of the Sub-Fund is to generate consistent long term capital appreciation.

IQ EQ Fund Management (Ireland) Limited has been appointed as the alternative investment fund manager (the "AIFM") of the ICAV. The AIFM is authorized and regulated as an alternative investment fund manager under the European Union (Alternative Investment Fund Managers) Regulations, 2013 (S.I. No. 257 of 2013), as amended (the "AIF Regulations") to provide portfolio management, risk management, marketing and other activities listed in paragraph 2(c) of Schedule 1 to the AIF Regulations and has the necessary permissions to manage an Irish domiciled alternative investment fund (the "AIF").

The AIFM has appointed BW Gestão de Investimentos Ltda. (the "Investment Manager") as the investment manager of the Sub-Fund on the terms set out in the delegation agreement between the AIFM, the ICAV and the Investment Manager.

There has been no change in the investment strategy of the Sub-Fund during the year ended December 31, 2024. The Sub-Fund commenced operations on January 31, 2021.

Accounting Records

The accounting records of the Sub-Fund are maintained by Northern Trust International Fund Administration Services (Ireland) Limited, at Georges Court, 54-62 Townsend Street, Dublin 2, Ireland.

Kaon V, a sub-fund of Kaon Investment Fund ICAV
(an umbrella fund with segregated liability between sub-funds)
Directors' Report
Year Ended December 31, 2024

Statement on Relevant Audit Information

In accordance with Section 128 of the ICAV Act:

- (i) so far as the Directors are aware, there is no relevant audit information of which the Sub-Fund's statutory auditors are unaware;
- (ii) the Directors have taken all steps that the Directors ought to have taken as Directors in order to make themselves aware of any relevant audit information and to ensure that the Sub-Fund's statutory auditors are aware of that information.

Review of the Business and Results

The business of the Sub-Fund is reviewed in detail in the Investment Manager's Report on page 7. The primary statements of the Sub-Fund are presented on pages 13 to 17, with accompanying notes on pages 18 to 29. As of the date of approval of the financial statements, the Board of Directors have no reason to believe that the Sub-Fund is not able to continue as a going concern.

Risk Management Objectives and Policies

The AIFM is responsible for identifying, measuring, monitoring, and controlling risks of the Sub-Fund and may delegate certain of these responsibilities under the AIF Regulations, including to the Investment Manager. The principal financial risks and uncertainties faced by the Sub-Fund are counterparty risk, market risk and liquidity risk.

Financial risks are included in Note 10 of the financial statements.

Transactions involving Directors and Secretary

There were no contracts or agreements of any significance in relation to the business of the Sub-Fund in which the Directors, the Secretary or connected persons had any interest, as defined in the ICAV Act at any time during the year ended December 31, 2024, other than those set out in Note 3 to these financial statements.

Directors

The Directors of the Sub-Fund are stated on page 1.

Kaon V, a sub-fund of Kaon Investment Fund ICAV
(an umbrella fund with segregated liability between sub-funds)
Directors' Report
Year Ended December 31, 2024

Directors' and Secretary's Interests

There were no actions in the shares of the Sub-Fund made by the Directors, their families or Secretary for their benefit throughout the year ended December 31, 2024. The Directors and the Secretary are not aware of any contracts or arrangements of any significance in relation to the business of the Sub-Fund in which the Directors or the Secretary had any interest.

Directors' Remuneration

The Directors' remuneration has been disclosed in Note 3 and Note 5 of the financial statements.

Dividends

The Sub-Fund is an accumulating fund and, therefore it is not currently intended to distribute dividends to the shareholders. The income, earnings and gains of the class in the Sub-Fund will be accumulated and reinvested on behalf of the shareholders. As a result, no dividends were paid in respect of the year ended December 31, 2024.

Independent auditor

The independent auditor, PricewaterhouseCoopers, have indicated their willingness to continue in office in accordance with the ICAV Act.

Directors' Responsibilities Statement

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with accounting principles generally accepted in the United States ("U.S. GAAP"). U.S. GAAP, the ICAV Act, and the AIF Rulebook require the Directors to prepare financial statements for each financial year which present fairly the assets and liabilities and financial position of the Sub-Fund and of the profit or loss of the Sub-Fund for that year. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, namely U.S. GAAP, subject to any material departures from those standards being disclosed and explained in the notes to the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Sub-Fund will continue in business.

Kaon V, a sub-fund of Kaon Investment Fund ICAV
(an umbrella fund with segregated liability between sub-funds)
Directors' Report
Year Ended December 31, 2024

Directors' Responsibilities Statement (continued)

The Board of Directors confirm that they believe that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for ensuring the maintenance of adequate accounting records which correctly explain and record the transactions of the Sub-Fund, enable at any time the assets, liabilities, financial position and profit or loss of the Sub-Fund to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the ICAV Act and enable the financial statements to be audited. The Directors believe that they have complied with the requirement with regard to adequate accounting records by employing an experienced Administrator with appropriate expertise and adequate resources to prepare the financial statements.

The Directors are also responsible for safeguarding the assets of the Sub-Fund. In this regard, they have entrusted the assets of the Sub-Fund to the Depositary who has been appointed to the Sub-Fund pursuant to the terms of a Depositary Agreement in accordance with the requirements of the AIF Regulations. The Directors have a general responsibility for taking such steps as are reasonably open to them to prevent and detect fraud and other irregularities. The Directors are also responsible for preparing a Directors' Report that complies with the requirements of the ICAV Act.

Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Corporate Governance Statement

The Directors, together with the Investment Manager, have adopted the voluntary Irish Funds ("IF") Corporate Governance Code (the "Code") for Irish domiciled Collective Investment Schemes and Management Companies. The Directors have reviewed and assessed the measures included in the Code and consider its corporate governance practices and procedures since the adoption of the Code as consistent therewith. The Directors have confirmed compliance with the Code.

Kaon V, a sub-fund of Kaon Investment Fund ICAV
(an umbrella fund with segregated liability between sub-funds)
Directors' Report
Year Ended December 31, 2024

Connected Person Transactions

The Board of Directors is satisfied that there are arrangements (evidenced by written procedures) in place, to ensure that the obligations set out in paragraph 1 of section 1.viii of the AIF Rulebook are applied to all transactions with connected persons; and the Board of Directors of the Kaon Investment Fund ICAV is satisfied that transactions with connected persons entered into during the year ended December 31, 2024 complied with the obligations set out in Part 1, section 1.xiii of chapter 2. of the AIF Rulebook.

The Connected Parties identified by the directors are the AIFM, Depositary, Administrator, Investment Manager and/or associated delegates or group companies of these.

Significant Events during the year

There were no other significant events during the year ended December 31, 2024.

Political Donations

The Sub-Fund has not made any political donations.


Kaon V, a sub-fund of Kaon Investment Fund ICAV
(an umbrella fund with segregated liability between sub-funds)
Directors' Report
Year Ended December 31, 2024

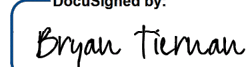
Subsequent Events

The Investment Manager has evaluated the possibility of subsequent events existing in the Sub-Fund's financial statements through June 18, 2025, the date the financial statements were available to be issued and has concluded that there are no events that require recognition or disclosure in the financial statements other than as noted below.

On April 24th, 2025, BWGI announced that it, acting through Kaon V, filed a voluntary tender offer for the shares of Verallia that it does not already own, at a price of 30 euros per share (cum 2024 dividend). The opening of the offer will be subject to the receipt of FDI clearances from the Italian and, if applicable, French authorities, as well as a clearance under the European foreign subsidies' regulation. Completion of the initial Offer period is expected around mid/end of July 2025. In the context of the tender offer, Kaon V entered into a EUR 2.55bn bridge facility to cover the entirety of the offer. The Bridge facility will be refinanced through equity sources from the broader BW Group.

For the period from January 1, 2025 through June 18, 2025, the Sub-Fund had EUR 110.0 million of subscriptions. There were no other significant events to note after the Statement of Financial Position date.

Signed by:
For and on behalf of Kaon V

93775A85E24E408...
Director
June 18, 2025

DocuSigned by:

5610804742A94CD
Director
June 18, 2025

Kaon V, a sub-fund of Kaon Investment Fund ICAV
(an umbrella fund with segregated liability between sub-funds)
Investment Manager's Report
Year Ended December 31, 2024

Kaon V

Market Performance

Throughout 2024, global markets experienced notable volatility amid shifting macroeconomic expectations and geopolitical developments. The year began with renewed concerns over sticky inflation, leading to wider yield curves and a partial reversal of the previous years' gains. Still, despite some disappointing data, risk assets rallied early in the year, supported by a strong 4Q23 earnings season. Both the S&P 500 and CAC 40 reached new highs, reflecting investor confidence in corporate resilience despite inflationary pressures. By April, market sentiment turned more cautious as geopolitical tensions in the Middle East and an upside surprise in U.S. inflation reignited fears of prolonged higher interest rates. Rate cut expectations were pushed out, triggering a sharp correction. May brought a short-lived rebound, helped by a dovish tone from the Fed and robust 1Q24 earnings. However, a divergence emerged: while U.S. assets benefited from softer inflation and retail sales, European markets came under pressure due to political uncertainty in France and the U.K., even as the ECB delivered its first rate cut in years. Sentiment improved in July following French elections that avoided extreme outcomes, but optimism faded as U.S. recession fears resurfaced. In August, volatility spiked with the Bank of Japan's surprise rate hike, but markets quickly rebounded on growing hopes of a Fed pivot. September delivered the long-awaited turning point, with both the Fed and ECB announcing rate cuts, and China unveiling a major stimulus package – all of which fueled a global rally. In the final stretch of the year, attention shifted to the U.S. presidential election. Markets initially wavered amid political uncertainty, but rallied strongly after a Republican clean sweep, only increasing the divergence between U.S. and European equities performance. December was relatively calm, with investors increasingly focused on the key risks and macro narratives heading into 2025. During 2024, the Euro Stoxx 50 index increased by 7.7% and the CAC 40 was down by 2.2%, while the S&P 500 increased by 23.3%.

Fund Performance

Kaon V's NAV per share decreased by 38.1% in 2024, primarily driven by the performance of Verallia, which declined by 30.3% over the year. Sales performance was negative, reaching €3,456m in 2024 and posting a -11.5% decline vs. 2023 due to negative price effect and a -1.3% volume slowdown given the continued destocking in the European market. Despite the challenging top line, Verallia maintained good profitability in 2024, with Adjusted EBITDA reaching €843m (-24.0% vs. 2023) during the year and margin of 24.4% (-400bps vs. 2023). Cash flow was positive due to disciplined CapEx and improved working capital, though leverage increased to 2.1x from 1.2x in December 2023 due to lower EBITDA, a €250m dividend payment as well as the closing of the €240m Vidrala Italy acquisition.

BW Gestão de Investimentos Ltda.

June 18, 2025

Kaon V, a sub-fund of Kaon Investment Fund ICAV
(an umbrella fund with segregated liability between sub-funds)
Depository's Report
Year Ended December 31, 2024

We, Northern Trust Fiduciary Services (Ireland) Limited, appointed Depository to Kaon Investment Fund (the "ICAV") provide this report solely in favour of the shareholder of the Sub-Fund for the year ended December 31, 2024 ("Accounting Period"). This report is provided in accordance with current Depository obligation under the Central Bank of Ireland AIF Rulebook, Chapter 5 (iii) ("AIF Rule Book"). We do not, in the provision of this report, accept nor assume responsibility for any other purpose or person to whom this report is shown.

In accordance with our Depository obligation under the AIF Rule Book, we have enquired into the conduct of the IQ EQ Fund Management (Ireland) Limited the current authorised alternative investment fund manager (the "AIFM") of the ICAV for this Accounting Period and we hereby report thereon to the shareholders of the ICAV as follows:

We are of the opinion that the ICAV has been managed by the AIFM during the Accounting Period, in all material respects:

- i. in accordance with the limitations imposed on the investment and borrowing powers of the ICAV by the constitutional document and by the Central Bank of Ireland under the powers granted to the Central Bank of Ireland by the investment fund legislation; and
- ii. otherwise in accordance with the provisions of the ICAV's constitutional document and the investment fund legislation.



For and on behalf of
Northern Trust Fiduciary Services (Ireland) Limited
June 18, 2025



Independent auditors' report to the shareholders of Kaon V, a sub-fund of Kaon Investment Fund ICAV

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of Kaon V, a sub-fund of Kaon Investment Fund ICAV:

- give a true and fair view of the sub-fund's assets, liabilities and financial position as at 31 December 2024 and of its results and cash flows for the year then ended;
- have been properly prepared in accordance with accounting principles generally accepted in the United States of America; and
- have been properly prepared in accordance with the requirements of the Irish Collective Asset-management Vehicles Act 2015.

We have audited the financial statements, included within the Annual Report and Audited Financial Statements, which comprise:

- the Statement of Assets and Liabilities as at 31 December 2024;
 - the Statement of Operations for the year then ended;
 - the Statement of Cash Flows for the year then ended;
 - the Statement of Changes in Net Assets for the year then ended;
 - the Schedule of Investments as at 31 December 2024; and
 - the notes to the financial statements, which include a description of the accounting policies.
-

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law.

Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities 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.

Independence

We remained independent of the ICAV in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the sub-fund's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report and Audited Financial Statements other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information 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 we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

Based on the responsibilities described above and our work undertaken in the course of the audit, the Irish Collective Asset-management Vehicles Act 2015 requires us to also report the opinion as described below:

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2024 is consistent with the financial statements.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the sub-fund's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the ICAV or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:

https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf.

This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the shareholders of the sub-fund as a body in accordance with section 120 of the Irish Collective Asset-management Vehicles Act 2015 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Other required reporting

Irish Collective Asset-management Vehicles Act 2015 exception reporting

Directors' remuneration

Under the Irish Collective Asset-management Vehicles Act 2015 we are required to report to you if, in our opinion, the disclosures of directors' remuneration specified by section 117 of that Act have not been made. We have no exceptions to report arising from this responsibility.

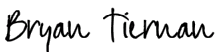
A handwritten signature in dark ink, appearing to read 'PricewaterhouseCoopers'.

PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Dublin
18 June 2025


Kaon V ICAV
Statement of Assets and Liabilities
December 31, 2024
(Expressed in Euro)

	Note		
Assets			
Investments in securities, at fair value (cost €1,306,588,860)	2(d)	€	1,138,233,611
Investment in affiliated entity (cost €277,134,029)			277,134,029
Cash	2(g)		22,638,497
Interest receivable			1,339,768
Total assets			1,439,345,905
Liabilities			
Loan payable	4		364,455,944
Unsettled payable			277,134,029
Interest payable	4		2,351,348
Accrued fund administration fees	3		138,837
Accrued audit fee			44,620
Accrued depo fee	3		34,167
Total liabilities			644,158,945
Net assets		€	795,186,960
Net assets comprised of:			
Class V Shares (11,664 shares outstanding)		€	795,186,960
Net assets		€	795,186,960

Approved on behalf of the Board of Directors

DocuSigned by:

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Director:
Date:

Signed by:

93776A95E24E408...

Director:
Date: June 18, 2024

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

Kaon V ICAV
Statement of Operations
December 31, 2024
(Expressed in Euro)

	Note		
Investment income			
Dividends	2(e)	€	74,900,765
Interest income			4,329,418
Other income			17,908
Total investment income			<u>79,248,091</u>
Expenses			
Loan interest	2(e)		30,565,751
Professional fees and other			466,110
Administration fee	3		399,062
AIFM fee	3		109,292
Depositary fee	3		129,823
Custody Fees	3		319,122
Total expenses			<u>31,989,160</u>
Net investment income/(loss)			<u>47,258,931</u>
Net realized gain/(loss) and change in unrealized gain/(loss) from investments and foreign currency			
Net realized gain/(loss) on:			
Investments			1,891,217
Net change in unrealized gain/(loss) on:			
Investments			(355,697,624)
Foreign currency transactions			36
Net realized gain/(loss) on			
Foreign currency transactions			866,391
Net realized gain/(loss) and change in unrealized gain/(loss) from investments and foreign currency			<u>(352,939,980)</u>
Net increase/(decrease) in net assets from operations		€	<u>(305,681,049)</u>

The accompanying notes are an integral part of these financial statements

Kaon V ICAV

Statement of Changes in Net Assets

December 31, 2024

(Expressed in Euro)

Increase/(decrease) in net assets from operations

Net investment income/(loss)	€	47,258,931
Net realized gain/(loss)		2,757,608
Net change in unrealized gain/(loss)		(355,697,588)
Net increase/(decrease) in net assets from operations		<u>(305,681,049)</u>

Capital Transactions:**Changes in net assets from capital share transactions****Subscriptions:**

Class V Shares	545,162,984
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Redemptions:

Class V Shares	<u>(195,834,365)</u>
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Net increase/(decrease) in net assets from capital transactions	<u>349,328,619</u>
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Net increase/(decrease) in net assets	43,647,570
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Net assets, beginning of year	<u>751,539,390</u>
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Net assets, end of year	<u>€ 795,186,960</u>
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The accompanying notes are an integral part of these financial statements.

Kaon V ICAV
Statement of Cash Flows
December 31, 2024
(Expressed in Euro)

Cash flows from operating activities:

Net decrease in net assets resulting from operations	€	(305,681,049)
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Adjustments to reconcile net increase/(decrease) in net assets from operations to net cash provided by/(used in) operating activities

Purchases of securities	(331,475,412)
Purchases of investment in affiliated entity	(277,134,029)
Sales of securities	39,366,635
Net change in unrealized (gain)/loss on investments	355,697,624
Net amortization/(accretion) on securities and derivatives	(1,080,154)
Net realized (gain)/loss on sale of investments	(1,891,217)

Increase/(decrease) in operating assets

Increase in interest receivable	(1,339,768)
---------------------------------	-------------

Increase/(decrease) in operating liabilities

Increase in unsettled payable	277,134,029
Decrease in interest payable	(2,770,110)
Increase in accrued fund administration fees	1,321
Decrease in accrued audit fees	(11,630)
Decrease in accrued depository fees	(10,421)

Net cash provided by/(used in) operating activities	(249,194,181)
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Cash flows from financing activities:

Capital subscriptions - Class V Shares	545,162,984
Capital redemptions - Class V Shares	(195,834,365)
Net decrease in loan payable	(260,544,056)

Net cash provided by/(used in) financing activities	88,784,563
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Net decrease in cash	(160,409,618)
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Cash, beginning of year	183,048,115
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Cash, end of year	€ 22,638,497
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Supplemental disclosure of cash flow information:

Cash paid for interest	€ 33,335,860
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Supplemental disclosure of non-cash flow information:

In-kind subscription from Sintra Fund Ltd.	€ 769,971,326
In-kind redemption from Lepton Fund Ltd. Class Y	€ (769,971,326)

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

Kaon V ICAV
Schedule of Investments
December 31, 2024
(Expressed in Euro)

Description	Shares/ Principal amount	Fair Value	Percent of Net Assets
Assets - Investments in securities, at fair value			
Common stocks			
Europe			
Industrial			
Verallia SA common shares	34,837,565	€ 845,856,078	106.37 %
Total common stocks (cost €1,027,020,715)		845,856,078	106.37
Government bonds			
North America			
The United States of America			
<i>maturities 01/30/2025 - 10/31/2026, coupons 0.00% - 4.77%</i>	\$ 303,000,000	292,377,533	36.77 %
Total government bonds (cost €279,568,145)		292,377,533	36.77
Total investments in securities, at fair value (cost €1,306,588,860)		€ 1,138,233,611	143.14 %
Assets- Investment in affiliated entity			
Cayman			
Baryon Fund Ltd.	221,515	€ 277,134,029	34.85 %
Total investment in affiliated entity (cost €277,134,029)		€ 277,134,029	34.85 %

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

Kaon V, a sub-fund of Kaon Investment Fund ICAV
(an umbrella fund with segregated liability between sub-funds)
Notes to Financial Statements
December 31, 2024
(Expressed in Euro)

1. Organization

Kaon Investment Fund ICAV (the “ICAV”) is structured as an umbrella type Irish collective asset-management vehicle with variable capital and segregated liability between its sub-funds (each, a “Fund”) registered with and authorized by the Central Bank of Ireland (the “Central Bank”) pursuant to Part 2 of the Irish Collective Asset-Management Vehicles Act 2015, as may be amended from time to time (the “Act”), with registration number C445324 on December 22, 2020.

As of December 31, 2024, the ICAV had two active sub-funds, Kaon V (the “Sub-Fund”), and Kaon E.

The Sub-Fund’s investment objective is to generate consistent long term capital appreciation. The Sub-Fund will seek to achieve its objective by primarily investing in European listed equities. The Sub-Fund may also gain exposure to equity and debt securities, currencies, options, futures, options on futures and other derivative instruments negotiated in various capital markets globally. The Sub-Fund commenced operations on January 31, 2021.

IQ EQ Fund Management (Ireland) Limited has been appointed as the alternative investment fund manager (“AIFM”) of the ICAV. The AIFM is authorized and regulated as an alternative investment fund manager under the European Union (Alternative Investment Fund Managers) Regulations, 2013 (S.I. No. 257 of 2013), as amended (the “AIF Regulations”) to provide portfolio management, risk management, marketing and other activities and has the necessary permissions to manage an Irish domiciled alternative investment fund.

The AIFM has appointed BW Gestão de Investimentos Ltda., an entity incorporated in the Federal Republic of Brazil, to serve as the ICAV and the Sub-Fund’s investment manager (the “Investment Manager”).

2. Significant Accounting Policies

a) Basis of Accounting

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”), the ICAV Act, and AIF Regulations which require management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates. The Sub-Fund is an investment company and follows the accounting and reporting guidance in Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 946, “Financial Services – Investment Companies”. All amounts are stated in Euros (“EUR”).

Kaon V, a sub-fund of Kaon Investment Fund ICAV
(an umbrella fund with segregated liability between sub-funds)
Notes to Financial Statements
December 31, 2024
(Expressed in Euro)

2. Significant Accounting Policies (continued)

b) Valuation of Investments

Securities listed on a national securities exchange are valued at their last traded price on the date of valuation. In the event that the date of valuation is not a date upon which a securities exchange was open for trading, then these securities are valued at their last traded price on the last prior date on which such securities exchanges were open. Securities that are not listed on an exchange but are traded over-the-counter ("OTC") are valued at representative "bid" quotations if held long and representative "ask" quotations if held short, unless included on the relevant national securities exchange, in which case they shall be valued based upon their last traded prices (if such prices are available); provided that, if the last traded price of a security does not fall between the last "bid" and "ask" price for such security on such date, the Investment Manager shall value such security at the mean between the last "bid" and "ask" price for such security on such date.

If it is determined that the price of any investment pursuant to the valuation procedures set forth above does not reasonably represent fair value, the Investment Manager will value such investments as it determines in its discretion and will set forth the basis of such valuation in writing in the Sub-Fund's records. Any values provided by the Investment Manager are subject to prior approval by the Board of Directors.

c) Fair Value Measurement

ASC 820 "Fair Value Measurements and Disclosures" establishes a fair value hierarchy and specifies that a valuation technique used to measure fair value shall maximize the use of observable inputs and minimize the use of unobservable inputs. The objective of a fair value measurement is to determine the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price).

Accordingly, the fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under ASC 820 are described below:

- Level 1 - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2 - Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly;
- Level 3 - Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

As required by ASC 820, investments are classified within the level of the lowest significant input considered in determining fair value. In evaluating the level at which the Sub-Fund's investments have been classified, the Investment Manager has assessed factors, including, but not limited to, price transparency and the existence or absence of certain restrictions at the measurement date.

Kaon V, a sub-fund of Kaon Investment Fund ICAV
(an umbrella fund with segregated liability between sub-funds)
Notes to Financial Statements
December 31, 2024
(Expressed in Euro)

2. Significant Accounting Policies (continued)

c) Fair Value Measurement (continued)

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuations decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgment by the Investment Manager. The Investment Manager considers observable data to be that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by multiple independent sources that are actively involved in the relevant market. The categorization of a financial instrument within the hierarchy is based on the pricing transparency of the instrument and does not necessarily correspond to the Investment Manager's perceived risk of that instrument.

d) Investments

Investments whose values are based on quoted market prices in active markets, and are therefore classified within level 1, include active listed equities. The Investment Manager does not adjust the quoted price for such instruments, even in situations where the Sub-Fund holds a large position and a sale could reasonably impact the quoted price.

Investments that are traded in markets that are not considered to be active but that are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. These include certain less liquid listed equities. As level 2 investments include positions that are not traded in active markets and/or are subject to transfer restriction, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently or not at all. Level 3 instruments may include less liquid listed equities. When observable prices are not available for these securities, the Investment Manager uses one or more valuation techniques (e.g., the market approach, the income approach) for which sufficient and reliable data is available. Within level 3, the use of the market approach generally consists of using comparable market transactions while the use of the income approach generally consists of the net present value of estimated future cash flows, adjusted as appropriate for liquidity, credit market and/or other risk factors.

The inputs used by the Investment Manager in estimating the value of level 3 investments include the original transaction price, recent transactions in the same or similar instruments, completed or pending third-party transactions in the underlying investment or comparable issuers, subsequent rounds of financing, recapitalizations and other transactions across the capital structure, offerings in the equity or debt capital markets, and changes in financial ratios or cash flows. Level 3 investments may also be adjusted to reflect illiquidity and/or non-transferability, with the amount of such discount estimated by the Investment Manager in the absence of market information. The fair value measurement of Level 3 investments does not include transaction costs that may have been capitalized as part of the security's cost basis. Assumptions used by the Investment Manager due to the lack of observable inputs may significantly impact the resulting fair value and therefore the Sub-Fund's results of operations.

Kaon V, a sub-fund of Kaon Investment Fund ICAV
(an umbrella fund with segregated liability between sub-funds)
Notes to Financial Statements
December 31, 2024
(Expressed in Euro)

2. Significant Accounting Policies (continued)

d) Investments (continued)

Refer to the schedule of investments for an analysis by region and industry.

(Expressed in Euro)	Assets at Fair Value as of December 31, 2024						Total
	Level 1	Level 2	Level 3				
Investments in securities							
Common stocks	€ 845,856,078	€ -	€ -			€ 845,856,078	
Government bonds	292,377,533	-	-			292,377,533	
Total investments in securities	€ 1,138,233,611	€ -	€ -			€ 1,138,233,611	
Investment in affiliated entity							
Baryon Fund Ltd.	€ -	€ -	€ 277,134,029			€ 277,134,029	
Total Investment in affiliated entity	€ -	€ -	€ 277,134,029			€ 277,134,029	

There were no purchases, transfers in or transfers out of Level 3 investments during the year ended December 31, 2024.

e) Investment Transactions, Related Income and Accrued Expenses

Purchases and sales of investments are recorded on a trade-date basis. Realized gains and losses on investments are recognized on the first-in, first out method. Dividend income on investments owned are recognized on the ex-dividend date, net of applicable withholding taxes. Interest income and expense are accrued as earned or incurred.

f) Income Taxes

Under current law and practice, the Sub-Fund qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act 1997, as amended. On that basis, it is not chargeable to Irish tax on its income or gains.

Notwithstanding the above, Irish tax may arise on the happening of a “chargeable event”. A chargeable event includes;

- Any distribution payments made to shareholders by the Sub-Fund in respect of their shares;
- Any encashment, redemption, cancellation or transfer of shares;
- The holding of shares at the end of each eight year period beginning with the acquisition of such shares; and
- The appropriation or cancellation of shares of a shareholder by the Sub-Fund for the purposes of meeting the amount of tax payable on a gain arising on a transfer.

No Irish tax will arise on the Sub-Fund in respect of chargeable events in respect of:

- A shareholder who is neither Irish nor ordinarily resident in Ireland for tax purposes, at the time of the chargeable event, provided appropriate valid declarations in accordance with Section 739D of the Taxes Consolidation Act 1997, as amended, are held by the Sub-Fund or the Sub-Fund has been authorized by the Revenue Commissioners to make gross payments in absence of appropriate declarations under the Sub-Fund with the necessary signed statutory declarations; and
- Certain exempted Irish tax resident shareholders who have provided the Sub-Fund with the necessary signed statutory declarations.

Kaon V, a sub-fund of Kaon Investment Fund ICAV
(an umbrella fund with segregated liability between sub-funds)
Notes to Financial Statements
December 31, 2024
(Expressed in Euro)

2. Significant Accounting Policies (continued)

f) Income Taxes (continued)

Capital gains, dividends and interest received by the Sub-Fund may be subject to taxes, including withholding taxes in the countries in which the issuers of investments are located, which may be reflected in the Net Asset Value ("NAV") of the Sub-Fund. Such taxes may not be recoverable by the Sub-Fund or its shareholders.

The Sub-Fund applies the authoritative guidance on accounting for and disclosure of uncertainty in tax positions (FASB – ASC 740), which required the Investment Manager, pursuant to delegation by the Directors and AIFM, to determine whether a tax position of the Sub-Fund is more likely than not to be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. For tax positions meeting the more likely than not threshold, the tax amount recognized in the financial statements is reduced by the largest benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement with the relevant taxing authority. The Investment Manager has determined that there was no effect on the financial statements from the Sub-Fund's adoption of this authoritative guidance.

The Sub-Fund will file tax returns as prescribed by the tax laws of the jurisdictions in which it operates. In the normal course of business, the Sub-Fund may be subjected to examination by local and foreign jurisdictions, where applicable.

g) Cash and Cash Equivalents

Cash and cash equivalents consists of highly liquid investments with original maturities of three months or less. This is classified as Level 1 in accordance with ASC 820. At December 31, 2024, the Sub-Fund held EUR 22,638,497 in cash.

h) Audit Fees

PricewaterhouseCoopers provides audit services to the Sub-Fund and is entitled to receive an annual fee of EUR 17,325. Payments for tax services of EUR 6,278 were paid to PricewaterhouseCoopers ("PwC") during the financial year ended December 31, 2024. PwC also provided tax compliance services of EUR 7,958 during the year.

3. Related Party Transactions

The Investment Manager is entitled to receive an investment management fee (the "Management Fee") payable out of the assets of the Sub-Fund accruing daily and payable quarterly in arrears at the end of each calendar month at an annualized rate of up to 3% of the NAV of the Sub-Fund. The Investment Manager shall be entitled to reimbursement of all reasonable out-of-pocket expenses incurred for the benefit of the Sub-Fund. For the year ended December 31, 2024, the Investment Manager waived the Management Fee.

The AIFM is entitled to receive a management fee (the "AIFM Fee") payable out of the assets of the Sub-Fund accruing monthly and payable quarterly in arrears at a rate of up to 0.025% per annum of the Gross Asset Value, which is the NAV plus borrowings) of the Sub-Fund, subject to a minimum fee of EUR 60,000 per annum. The AIFM shall be entitled to reimbursement of all reasonable out-of-pocket expenses incurred for the benefit of the Sub-Fund. For the year ended December 31, 2024, the AIFM charged an AIFM Fee of EUR 109,292, EUR 104,944 of which remains payable as of December 31, 2024.

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Notes to Financial Statements
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3. Related Party Transactions (continued)

The Sub-Fund will also pay a fund administration fee (the “Administration Fee”) to Northern Trust International Fund Administration Services (Ireland) Limited (the “Administrator”) in relation to the provision of its services under the Administration Agreement, payable out of the assets of the Sub-Fund accruing daily and payable monthly in arrears at a rate of up to 0.04% per annum of the NAV, subject to a minimum fee of \$USD 60,000 per annum. For the year ended December 31, 2024, the Administrator charged an Administration Fee of EUR 399,062 of which EUR 138,836 remains payable as of December 31, 2024.

During the year ended December 31, 2024, the Sub-Fund also paid custody fees of EUR 319,122 to the Administrator, of which none are outstanding.

The Depositary is entitled to receive a fee (the “Depositary Fee”) in relation to the provision of its services under the Depositary Agreement, payable out of assets of the Sub-Fund accruing daily and payable monthly in arrears at a rate of up to 0.02% per annum of the NAV, subject to a minimum fee of US\$40,000 per annum. The Depositary shall also be entitled to reimbursement of all reasonable out-of-pocket expenses incurred for the benefit of the Sub-Fund. For the year ended December 31, 2024, the Depositary charged a Depositary Fee of EUR 129,823, of which EUR 34,167 remains payable as of December 31, 2024.

The Sub-Fund invests in Verallia SA. Representatives of the Investment Manager and its parent company (Brasil Warrant Administracao de Bens e Empresas S.A.) were both appointed as directors of Verallia. Mr. Joao Moreira Salles is the current representative of the Investment Manager at the board, while Mrs. Marcia Freitas acts as the representative of the parent company. The Board of Verallia is comprised of thirteen members, which includes three employee representatives and one observer of the Investment Manager.

On December 18, 2024, the Lepton Fund disposed of its investments in Kaon V through an in-kind redemption of a related party investor, Sintra Fund Ltd (“Sintra”), for an equivalent value. Therefore, the Sub-Fund has a single investor, Sintra, an affiliated fund incorporated in Brazil. Sintra is also managed by the Investment Manager.

As of December 31, 2024, the Sub-Fund invests in Baryon Fund Ltd (“Baryon”), an affiliated fund incorporated in the Cayman Islands. Baryon is also managed by the Investment Manager.

4. Loan payable

On August 4, 2020, Lepton Fund entered into a loan agreement with Deutsche Bank AG for EUR 175,000,000 at an interest rate of EURIBOR + 1.70. On March 1, 2021, through a Novation, Accession, Amendment and Restatement Agreement, the Sub-Fund assumed the obligations of the loan agreement. On March 25, 2021, the Sub-Fund borrowed an additional EUR 250,000,000. Under the original loan agreement, the amounts matured 36 months from the initial disbursements of the loan to Lepton which occurred on August 6, 2020. On April 26, 2023, the loan was extended for an additional 36 months, with the amended maturity date being August 6, 2026. On the same date, the Sub-Fund borrowed an additional EUR 200,000,000.

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4. Loan payable (continued)

Per the loan agreement, the loan was initially collateralized by 34,190,450 shares of Verillia SA (the "Shares"). The collateral value is calculated by Deutsche Bank AG on each day which is a scheduled trading day of the Shares in accordance with the loan agreement. If Deutsche Bank AG determines that the loan to value ("LTV") ratio is equal to or above the LTV Margin Trigger Level, as defined in the loan agreement, Deutsche Bank AG may deliver a margin call notice to the Fund requiring the Fund to transfer additional cash or securities as collateral. The collateral is held in a separate account with The Northern Trust Company ("TNTC"), the sub-custodian of the Depositary. As of December 31, 2024, no collateral was held with TNTC.

For the year ended December 31, 2024, interest expense of EUR 30,565,751 was incurred, of which EUR 2,351,348 remains payable at December 31, 2024. At December 31, 2024, the Sub-Fund had EUR 364,455,944 loan payable. The loan is guaranteed by Lepton Fund Ltd.

5. Board of Directors

The Directors have overall management responsibility for the Sub-Fund and have appointed IQ EQ Fund Management (Ireland) Limited as Alternative Investment Fund Manager (the "AIFM"). The AIFM has in turn appointed BW Gestão de Investimentos Ltda. as Investment Manager, giving them investment discretion over the Sub-Fund's assets.

Directors' fees for the year ended December 31, 2024 were EUR 22,714. As of December 31, 2024, none was payable to directors.

The Sub-Fund will reimburse all Directors for their out-of-pocket expenses. For the year ended December 31, 2024, there were no out-of-pocket expenses.

6. Exchange Rates

During the year ended December 31, 2024, the Sub-Fund paid administration fees and professional fees in the amount of USD 137,106 and GBP 10,298. At December 31, 2024, the exchange rate for USD was approximately 0.966 and for GBP was approximately 1.208.

7. Soft Commissions

The Sub-Fund may pay for commissions for research and/or execution, but did not enter into any third party soft commission arrangements during the year ended December 31, 2024.

8. Gross Realized Gains and Losses

The Sub-Fund had gross realized gains on foreign exchange transactions of EUR 866,391 for the year ended December 31, 2024. The Sub-Fund had no net realized gains or losses related to investments during the year ended December 31, 2024.

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9. Share Capital

Offering of Shares

The authorized share capital of the ICAV is 500,000,000,002 Shares of no par value divided into two Subscriber Shares of no par value and 500,000,000,000 Shares of no par value.

The Subscriber Shares entitle the holders to attend and vote at general meetings of the ICAV but do not entitle the holders to participate in the profits or assets of the ICAV except for a return of capital on a winding-up. The Shares entitle the holders to attend and vote at general meetings of the ICAV. The Subscriber Shareholders shall have one vote for each Subscriber Share held.

Subscriptions and Redemptions

The Sub-Fund currently offers Class V Shares ("Shares"). During the initial offer period, Shares are available at the initial offer price of EUR 100,000. After the initial offer period, Shares will be issued at the subscription price per share equal to the NAV per Share on the relevant Dealing Date which the Investment Manager or Directors have determined.

Shareholders may request the redemption of all or any of their Shares on the relevant Dealing Date in accordance with the Supplement to the Prospectus. Redemption process will generally be paid within 30 business days of the relevant Dealing Date.

As of December 31, 2024, Sintra is the only investor in the Sub-Fund.

Share transactions for the year ended December 31, 2024 were as follows:

Transactions for each Class of shares were as follows:

	Class V
Beginning shares	6,829.91
Share subscriptions	6,414.12
Share redemptions	(1,579.73)
Share transfer	-
Net increase/(decrease)	4,834.39
Shares outstanding at December 31, 2024	11,664.30

	Class V
Subscriptions	EUR 545,162,984
Redemptions	EUR (195,834,365)

Dividends and Distributions

The Sub-Fund may from time to time declare dividends or pay distributions.

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9. Share Capital (continued)

NAV per Share

The NAV per share values as of the last three year-end dates were as follows:

Date	Class V
December 31, 2022	104,201.97
December 31, 2023	110,041.85
December 31, 2024	68,174.66

10. Off-Balance Sheet, Market and Credit Risk

The AIFM is responsible for identifying, measuring, monitoring, and controlling risks of the Sub-Fund and may delegate certain of these responsibilities under the AIF Regulations, including to the Investment Manager. The principal risks and uncertainties faced by the Sub-Fund are counterparty, market, credit and liquidity risk.

Market, Credit and Liquidity Risk

Market risk is the potential loss the Sub-Fund may incur as a result of changes in the market or fair value of a particular financial instrument.

The Sub-Fund may invest long and short in equities and equity-related instruments. Equity securities represent ownership interests in a company or corporation, and include common stock, preferred stock and warrants and other rights to acquire such instruments which may be subject to various types of risks including market risk, liquidity risk, counterparty credit risk, and legal and settlement risk. Investment in equity securities in general are subject to market risks that may cause their prices to fluctuate over time. In addition, equity-related instruments can involve significant economic leverage and may, in some cases, involve significant risk of loss. The value of convertible equity securities is also affected by prevailing interest rates, the credit quality of the issuer and any call provisions. The stock markets tend to be cyclical, with periods when stock prices generally rise and periods when stock prices generally decline. In general, stock values fluctuate in response to the activities of individual companies and in response to general market and economic conditions. Accordingly, the value of the stocks and other securities and instruments that the Sub-Fund holds directly or indirectly may decline over short or extended periods of time. The volatility of equity securities means that the value of an investment in the Sub-Fund may increase or decrease.

Credit risk is the potential loss the Sub-Fund may incur as a result of the failure of a counterparty or an issuer to make payments according to the terms of a contract. Credit risk can also arise from the Sub-Fund's transactions with counterparties, and the Sub-Fund generally is not restricted from dealing or concentrating transactions with any particular counterparty. To manage this risk, the Investment Manager seeks to monitor counterparty credit worthiness and diversify counterparty exposure but may not be able to adequately monitor such risk or diversify the related exposure.

At December 31, 2024, the Sub-Fund was concentrated in the region, industry, currency, and issuer listed on the condensed schedule of investments. As such, the Sub-Fund's return would be adversely affected should there be a decline in the value of its investments. Financial difficulty on the part of its investments will expose investors to a greater risk of loss than would be the case if the Sub-Fund held numerous investments.

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10. Off-Balance Sheet, Market and Credit Risk (continued)

Market, Credit and Liquidity Risk (continued)

If there is a substantial demand for redemptions, it may be more difficult for the Sub-Fund to execute its investment strategies on a smaller capital base. The Investment Manager might have to liquidate the Sub-Fund's positions at an inappropriate time or on unfavorable terms, to be able to fund its shareholder's redemptions, potentially resulting in losses and decreased diversification to the Sub-Fund.

The Investment Manager attempts to control credit, market and market concentration risk through credit approvals, limits monitoring procedures. The Investment Manager's investment and risk management teams monitor the LTV daily

A decline in market value of the Sub-Fund's assets may have particularly adverse consequences in instances where the Sub-Fund has borrowed money based upon the market value of those assets. A decrease in market value of those assets may require the Sub-Fund to post additional collateral or sell assets at a time when it may not be in the best interest of the Sub-Fund to do so.

The Sub-Fund is exposed to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its investments and cash flows. The Sub-Fund's exposure is determined by a number of factors.

Counterparty Risk

Substantially all of the cash and securities held by the Sub-Fund are held via the Depositary. Bankruptcy or insolvency by the Depositary may cause the Sub-Fund's rights with respect to the cash held by the Depositary to be delayed or limited. The credit rating of the Depositary is highly rated by prominent rating agencies. If the credit quality or financial position of the Depositary deteriorates significantly, the Investment Manager may move the cash holdings to another bank.

The Depositary has been appointed by the ICAV and approved by the Central Bank to act as depositary of the ICAV. The duty of the Depositary is to provide safekeeping, oversight and asset verification services in respect of the assets of the ICAV and the Sub-Fund in accordance with the provisions of the AIFM Legislation. The Depositary will also provide cash monitoring services in respect of the ICAV's cash flows and subscriptions.

Northern Trust Fiduciary Services (Ireland) Limited ("NTFSIL") is the appointed Depositary of the Sub-Fund, responsible for the safe-keeping of assets. NTFSIL has appointed TNTC as its global sub-custodian. Both NTFSIL and TNTC are wholly owned subsidiaries of Northern Trust Corporation ("NTC"). As of December 31, 2024, NTC had a long-term credit rating from Standard & Poor's of (A+).

TNTC (as global sub-custodian of NTFSIL) does not appoint external sub-custodians within the U.S., the U.K., Ireland, Canada, Belgium, France, Germany, Netherlands and Saudi Arabia. However, in all other markets, TNTC appoints local external sub-custodians.

NTFSIL, in the discharge of its depositary duties, verifies the Sub-Fund's ownership of Other Assets, (as defined under Other Assets,) Art 21 (8)(b) of Directive 2011/61/EU, by assessing whether the Sub-Fund holds the ownership based on information or documents provided by the Sub-Fund or where available, on external evidence.

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10. Off-Balance Sheet, Market and Credit Risk (continued)

Counterparty Risk (continued)

TNTC, in the discharge of its delegated depositary duties, holds in custody (i) all financial instruments that may be registered in a financial instruments account opened on the books of TNTC and (ii) all financial instruments that can be physically delivered to TNTC. TNTC ensures all financial instruments (held in a financial instruments account on the books of TNTC) are held in segregated accounts in the name of the Sub-Fund, clearly identifiable as belonging to the Sub-Fund, and distinct and separately from the proprietary assets of TNTC, NTFSIL and NTC.

In addition, TNTC, as banker, holds cash of the Sub-Fund on deposit. Such cash is held on the Statement of Financial Position of TNTC. In the event of insolvency of TNTC, in accordance with standard banking practice, the Sub-Fund will rank as an unsecured creditor of TNTC in respect of any cash deposits.

Where relevant please note the following currencies, Jordanian Dinar, Saudi Riyal, cash in the onshore China market (principally the currency of Chinese Yuan Renminbi, and any other currencies remitted into accounts in the onshore China market), are no longer held on the Balance Sheet of TNTC. For these off-book currencies, clients' cash exposure is directly to the relevant local sub-custodian / financial institution in the market.

Insolvency of NTFSIL and or one of its agents or affiliates may cause the Sub-Fund's rights with respect to its assets to be delayed.

The AIFM and the Board of Directors manage risk by monitoring the credit quality and financial position of the Depositary and such risk is further managed by the Depositary monitoring the credit quality and financial positions of sub-custodian appointments.

Liquidity Risk

The AIFM employs an appropriate liquidity management system and has adopted documented procedures which enable it to monitor the liquidity risk of each Fund and ensure that (where permitted) the liquidity profile of the Sub-Fund's investments enable the Sub-Fund to meet repurchase requests in normal circumstances. In addition, there are procedures that allow the AIFM to manage each Fund's liquidity in exceptional circumstances. The AIFM's liquidity management procedures are reviewed on at least an annual basis.

The AIFM conducts stress testing in respect of each Fund on an ongoing basis under normal and exceptional liquidity conditions, having regard to a range of issues, including each Fund's investment strategies, its status as an open-ended, open-ended with limited liquidity or closed-ended fund and the fact that Shares may not be purchased or held by persons who are not Qualifying Investors.

Exposure to liquidity risk arises because of the possibility that the Sub-Fund could be required to pay its liabilities or redeem its shares earlier than expected. The Sub-Fund is exposed to cash redemptions of its Redeemable shares on a regular basis as called for in the Sub-Fund's Supplemental to the Prospectus. Liquidity risk could prevent the Sub-Fund from liquidating unfavorable positions or prevent the Sub-Fund from paying redemption requests to existing shareholders.

Redemption payments generally will be made as soon as practicable (generally not more than 30 business days) after the relevant Dealing Day and no later than 60 business days after the relevant Dealing Day.

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11. Commitments and Contingencies

In the normal course of business, the Sub-Fund enters into contracts that contain a variety of representations and warranties and which provide general indemnifications. The Sub-Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Sub-Fund that have not yet occurred. However, based on experience, the Sub-Fund expects the risks of loss to be remote.

12. Financial Highlights

The following represents the participating share performance for the year ended December 31, 2024.

Per participating share performance throughout the year

Net asset value, beginning of year	110,041.85
Net investment income/(loss) ^(a)	6,287.27
Net realized and change in unrealized gain/(loss)	<u>(48,154.46)</u>
Net asset value, end of year	<u>68,174.66</u>

The following summarizes the financial highlights during the year.

Total return ^(b)	(38.05) %
Ratio of average net income/(loss) to average net assets	6.99 %
Ratio of expense to average net assets	(0.07) %

^(a) Per share net investment expense has been calculated using the average shares outstanding during the year.

^(b) The total return calculation is based on the value of a single participating share outstanding throughout the year. It represents the percentage change in the net asset values per participating share between the beginning and end of the year.

13. Subsequent Events

Management have evaluated subsequent events through June 18, 2025, the issuance date of the financial statements.

For the period from January 1, 2025 through June 18, 2025, the Sub-Fund had subscriptions of EUR 110,000,000 and no redemptions. There were no other significant events to note after the Statement of Financial Position date.

14. Approval of the Financial Statements

The Directors approved the financial statements on June 18, 2025.

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Other Information
SFT Regulation
Year Ended December 31, 2024

The Sub-Fund may enter into securities financing transactions including securities lending arrangements, repurchase and reverse repurchase agreements (collectively, "Securities Financing Transactions" or "SFTs") and/or Total Return Swaps within the meaning of Regulation (EU) 2015/2365 of the European Parliament and Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012, as may be amended from time to time (the "Securities Financing Transaction Regulation" or "SFTR"). Information relating to the use of SFTs and Total Return Swaps entered into by the Sub-Fund shall be reported pursuant to the SFTR and any applicable guidelines.

For the year ended December 31, 2024, the Sub-Fund did not engage in transactions which are in scope for this SFT regulation.

Kaon V, a sub-fund of Kaon Investment Fund ICAV
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Alternative Investment Fund Manager Report (Unaudited)
Year Ended December 31, 2024

Review of the Business

IQ EQ Fund Management (Ireland) Limited ("IQ-EQ" or the "AIFM"), was approved as an Alternative Investment Fund Manager ("AIFM") by the Central Bank of Ireland on 22 July 2014. An AIFM is an entity that provides portfolio and risk management services to one or more Alternative Investment Funds as its regular business. Kaon Investment Fund ICAV (the "ICAV") has designated IQ-EQ to provide AIFM services.

There are two sub-funds in existence as of December 31, 2024 – Kaon V (the "Fund") and Kaon E.

Material changes

Material changes are changes to information that would cause an investor to re-consider their investment in the Fund. In the opinion of the AIFM, material changes include changes in contractual arrangements that the Fund has in place. The following, while not a definitive full list, are changes that would be classified as material and would require at a minimum, notification to shareholders or require a shareholders' vote:

- Change in service provider to the Fund such as Depositary, Investment Manager;
- Change in auditors to the Fund;
- Change in investment objective of the Fund;
- Change in preferential status of any investor.

The service providers to whom the AIFM has delegated functions are detailed in the Management and Information section. This information is also detailed comprehensively in the Prospectus and Supplements. The Fund does not utilise the services of a prime broker.

The Fund did not have any special arrangements in place in relation to its shares in issue.

There were no material changes during the year.

Risk management disclosures and principal risks

The AIFM employs risk management systems that enable all relevant risks to be identified, monitored, measured, and managed. Furthermore, limits are set against each identified risk.

Leverage

The Fund may borrow and incur leverage for investment and/or liquidity purposes. Whilst the use of leverage may offer the opportunity for enhanced returns to the Funds, it also adds risk to the investment.

Pursuant to its regulatory obligations the AIFM is required to express the level which the Fund's leverage will not exceed. For the purposes of this disclosure, leverage is any method by which the Fund's exposure is increased, whether through borrowing of cash or securities, or leverage embedded in derivative positions, or by any other means. AIFMD requires that each leverage ratio be expressed as the ratio between a fund's exposure and its Net Asset Value, and prescribes two required methodologies, the gross methodology and the commitment methodology, for calculating such exposure.

The Fund shall not have a leverage ratio of more than 1,000% of Net Asset Value (using the gross method of calculation) and 1,000% of Net Asset Value (using the commitment method of calculation). Exposure calculated using the gross method includes the Fund's physical holdings, excluding cash. Exposure calculated using the commitment method includes the Fund's physical holdings, including cash.

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Alternative Investment Fund Manager Report (Unaudited)
Year Ended December 31, 2024

The leverage employed as at 31 December 2024 is disclosed below:

Kaon V	Gross method	Commitment method
Maximum limit (% of NAV)	1,000%	1,000%
Actual leverage employed (% of NAV)	178%	178%

Operational risk

The Fund may be exposed to operational risks whereby the parties to whom key functions are delegated, do not carry out these functions in a proper manner.

All delegates shall have sufficient resources and shall employ sufficient personnel with the skills, knowledge and expertise necessary for the proper discharge of the tasks delegated to it and have an appropriate organizational structure to support the performance of the delegated tasks.

Contracts have been put in place with each delegate covering the remit of their designated functions. The AIFM conducts regular monitoring of delegates and ongoing oversight of their activities relevant to the Fund.

Liquidity risk

The AIFM maintains a liquidity management policy to monitor the liquidity risk of the Fund, which includes, among other tools and methods of measurement, the use of stress tests under both normal and exceptional liquidity conditions. The liquidity management systems and procedures employed by the AIFM allow the AIFM to apply various tools and arrangements necessary to respond appropriately to redemption requests. In normal circumstances, redemption requests will be processed as set out in the relevant Supplement to the Prospectus.

Other arrangements may also be used in response to redemption requests, including restriction of redemptions in certain circumstances as set out in the Supplement which, if applicable, will restrict the redemption rights investors. There have been no liquidity breaches during the year.

Conflicts of interest

The AIFM has established, implemented and applied effective written conflicts of interest policy taking into account the nature, scale and complexity of its business and that of the Funds.

The AIFM, the Investment Manager, the Administrator and the Depositary of the Fund and their respective affiliates, officers, directors and shareholders, employees and agents (collectively the "Parties") are or may be involved in other financial, investment and professional activities which may on occasion cause a conflict of interest with the management of the Fund and/or their respective roles with respect to the Fund.

Kaon V, a sub-fund of Kaon Investment Fund ICAV
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Alternative Investment Fund Manager Report (Unaudited)
Year Ended December 31, 2024

These activities include managing or advising other funds (including other collective investment schemes), banking and investment management services, brokerage services, valuation of unlisted securities/policies (in circumstances in which fees payable to the entity valuing such securities/policies may increase as the value of assets increases) and serving as directors, officers, advisers or agents of other funds or companies, including funds or companies in which the Funds may invest.

In particular, the AIFM and other companies within the IQ-EQ Group may be involved in advising or managing other investment funds (including other collective investment schemes).

Each of the Parties will use its reasonable endeavours to ensure that the performance of their respective duties will not be impaired by any such involvement they may have and that any conflicts which may arise will be resolved fairly and in the best interests of the shareholders.

Report on activities

The results of the Funds' activities are set out in the Investment Manager's Report and Statement of Operations.

IQ EQ Fund Management (Ireland) Limited
June 18, 2025

Kaon V, a sub-fund of Kaon Investment Fund ICAV
(an umbrella fund with segregated liability between sub-funds)
Alternative Investment Fund Manager Report (Unaudited)
Year Ended December 31, 2024

IQ EQ Fund Management (Ireland) Limited ("IQ-EQ") was approved as an Alternative Investment Fund Manager by the Central Bank of Ireland on 22 July 2014 and as a UCITS Management Company on 27 April 2017.

Remuneration

IQ-EQ has in place a Remuneration Policy (the "Policy") which has been drafted taking into consideration the European Union (Alternative Investment Fund Managers) Regulations, 2013 as amended and as may be further amended, consolidated or substituted from time to time and any regulations or notices issued by the Central Bank of Ireland for the time being in force (the "AIFM Regulations"), the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 as amended and as may be further amended, consolidated or substituted from time to time and any regulations or notices issued by the Central Bank of Ireland for the time being in force (the "UCITS Regulations") and the ESMA "Guidelines on Sound Remuneration Policies under the UCITS Directive" (ESMA/2016/575) and the ESMA "Guidelines on sound remuneration policies under the AIFMD" (ESMA/2013/232).

The Policy complies with the remuneration principles in a way which is proportionate and to the extent that is appropriate to the overall size of IQ-EQ, taking into account the nature, scope, and complexities of the business. The aim of the Policy is to promote sound and effective risk management in line with the business strategy, objectives, values, and interests of IQ-EQ and the UCITS and the AIFs it manages and of the investors in such funds.

It is important to note that:

- Staff engaged in control functions are independent, have appropriate authority, and are remunerated in accordance with the achievement of the objectives linked to their functions, independent of the performance of business areas;
- Where a component of an employee's remuneration is performance related, the total amount of remuneration is based on a combination of the assessment of the performance of the individual, and of the business unit concerned, and of the overall results of the firm;
- When assessing individual performance, financial and non-financial criteria are taken into account;
- Fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible remuneration policy, on variable remuneration components, including the possibility to pay no variable components;
- The Policy is consistent with and promotes sound and effective risk management and does not encourage risk taking which is not consistent with the risk profile of the Fund;
- A variety of factors both financial and non-financial influence the level of remuneration that IQ-EQ and the Investment Manager pays. IQ-EQ's role and activity is also governed by its Best Execution Policy, as applicable, and its Conflict of Interest Policy.

The remuneration figures are below:

- The total remuneration for the AIFM (IQ EQ Fund Management (Ireland) Limited) for the financial year was €2,392,268.
- This was allocated as 90% Fixed (€2,158,543) and 10% Variable (€233,725).

The average number of staff engaged during the financial year was 22.

These are the latest available remuneration figures for the year ended 31 December 2024.

IQ-EQ has put in place appropriate contractual arrangements to make sure that there is no circumvention of the AIFMD remuneration rules, as per point 18 of the ESMA Guidelines on sound remuneration policies under the AIFMD dated 3 July 2013 (ESMA/2013/232).

Kaon V, a sub-fund of Kaon Investment Fund ICAV
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Appendix – Sustainable Finance Disclosure Regulation (“SFDR”)
Disclosure (Unaudited)
Year Ended December 31, 2024

The Investment Manager, in consultation with the AIFM determined that, in accordance with Article 6 of the SFDR, sustainability risk is not relevant for the Sub-Fund.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Appendix 2

Notification pursuant to Article 28 of the AIFM Directive

The Board of Directors of Verallia SA
The Shareholders of Verallia SA

June 20, 2025

Dear Sirs/Madams

Notification pursuant to Regulation 28 of the European Union (Alternative Investment Fund Managers) Regulations 2013 of Ireland, as amended (the "AIFM Regulations") and disclosure of information pursuant to Regulations 28 and 29 of the AIFM Regulations

IQ EQ Fund Management (Ireland) Limited is the alternative investment fund manager, in the meaning of the AIFM Regulations, (the "**AIFM**") of Kaon Investment Fund ICAV, an alternative investment fund, acting in respect of its sub-fund, Kaon V (the "**AIF**").

On June 5, 2025, the French financial markets authority (the "**AMF**") cleared the tender offer launched by the AIF for the shares of Verallia SA (the "**Target Company**") (the "**Offer**"). Pursuant to the AMF's general regulations, the Offer will be successful if, at closing of the Offer, the AIF reaches a minimum threshold of 50% of the Target Company's share capital or voting rights. Such threshold will result in the AIF acquiring control of the Target Company. Under the AIFM Regulations, the AIFM is required to notify the Target Company of the acquisition of control and provide it with certain additional information. In this context, this letter, which constitutes that notification and provides that information, is attached to the "Other Information" document relating to the AIF's legal, financial and accounting characteristics.

Acquisition of control

If the Offer is successful, the AIF will acquire more than 50% of the share capital or voting rights in the Target Company. The results of the Offer will be published by the AMF.

In such event, the AIF will be treated as having acquired control of the Target Company by holding more than 50% of the voting power.

Management of conflicts of interest

The AIFM is a firm authorised and regulated by the Central Bank of Ireland ("**CBI**") and is therefore subject to the rules set by the CBI. The AIFM Regulations require the AIFM to manage conflicts of interest fairly and to identify, manage and record any conflicts of interest which may arise.

The AIFM has a written conflicts of interest policy in place addressing how potential conflicts of interest, including those which may occur between the AIFM or the AIF and companies in which the AIF invests such as the Target Company are identified, managed and recorded. Any conflict identified between the AIFM / the AIF and the Target Company will be managed in accordance with this policy.

Safeguards to ensure an arm's length agreement

All agreements between the AIFM / the AIF and the Target Company will be entered into in accordance with French law in respect of related-party transactions.

Communications policy

In accordance with French law, the board of the Target Company will continue to be responsible for all internal and external communications relating to the Target Company and its business.

The AIFM / the AIF will remain solely responsible for any internal and external communications in relation to its business and the activities of the AIF and any communications with the CBI or any other regulatory body.

Future Plans

The AIF reaffirms its support to the Target Company in executing its current strategy. The AIF has no current plans to make any material changes to either the strategy or operation of the Target Company or the employment levels and terms of employment at the Target Company. The intentions of the AIF are further described in Section 1.2 of the offer document (*note d'information*) relating to the Offer.

In accordance with the AIFM Regulations, the AIFM requests, in the event the Offer is successful, that the Board of Directors of the Target Company notifies its employees' representatives or, where there are none, the employees themselves, without undue delay of the acquisition of control by the AIF and the information disclosed above.

Yours faithfully,

For and on behalf of

IQ EQ Fund Management (Ireland) Limited