

LOM FUNDS SAC LTD.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

LOM FUNDS SAC LTD.

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INDEPENDENT AUDITORS' REPORT

To the Shareholders and Board of Directors of
LOM Funds SAC Ltd.

We have audited the accompanying statements of assets and liabilities of LOM Funds SAC Ltd. (the "Company"), which comprises the LOM Money Market Fund USD, LOM Money Market Fund CAD, LOM Money Market Fund GBP, LOM Stable Income Fund, LOM Emerging Market Fund, LOM Fixed Income Fund USD, LOM Fixed Income Fund EUR, LOM Fixed Income Fund GBP, LOM Fixed Income Fund CAD, LOM Equity Growth Fund and LOM Balanced Fund, including the condensed schedules of investments, as of December 31, 2020, and the related statements of operations and changes in net assets for the year then ended (all expressed in the functional currency of each fund), and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of LOM Funds SAC Ltd. as of December 31, 2020, the results of its operations and changes in its net assets for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Deloitte Ltd.

June 24, 2021

LOM FUNDS SAC LTD.

STATEMENTS OF ASSETS AND LIABILITIES

AS OF DECEMBER 31, 2020

	LOM Money Market Fund \$ USD	LOM Money Market Fund \$ CAD	LOM Money Market Fund £ GBP	LOM Stable Income Fund \$ USD	LOM Emerging Market Fund \$ USD
Assets					
Investments in securities, at fair value (cost – \$30,578,357, C\$14,094,015, £2,788,870, \$36,314,228, \$1,230,580)	30,450,255	14,037,572	2,767,135	43,786,840	1,784,551
Cash	1,837,938	720,826	107,490	509,687	62,950
Dividends receivable	-	-	-	61,198	31
Interest receivable	225,182	122,940	57,423	39,449	-
Prepaid and other assets	-	17	32	-	6
Total Assets	32,513,375	14,881,355	2,932,080	44,397,174	1,847,538
Liabilities					
Derivative liabilities, at fair value (proceeds - \$0, C\$0, £0, \$8,879, \$0)	-	-	-	3,450	-
Distribution payable	-	-	-	118,839	-
Management fees payable	29,538	15,585	543	168,716	8,588
Accounts payable and accrued liabilities	12,075	5,960	1,403	20,530	791
Total Liabilities	41,613	21,545	1,946	311,535	9,379
Net Assets	32,471,762	14,859,810	2,930,134	44,085,639	1,838,159

See the accompanying notes to the financial statements

LOM FUNDS SAC LTD.

STATEMENT OF ASSETS AND LIABILITIES (CONTINUED)

AS OF DECEMBER 31, 2020

	LOM Fixed Income Fund \$ USD	LOM Fixed Income Fund € EUR	LOM Fixed Income Fund £ GBP	LOM Fixed Income Fund \$ CAD	LOM Equity Growth Fund \$ USD	LOM Balanced Fund \$ USD
Assets						
Investments in securities, at fair value (cost - \$69,852,153, €916,369, £2,840,440, C\$11,151,920 \$23,876,945, \$1,682,113)	70,880,048	947,826	2,860,802	11,368,095	38,359,852	2,224,625
Cash	419,395	2,753	42,098	1,594,531	228,697	8,426
Dividends receivable	36,505	-	-	-	11,171	115
Interest receivable	405,385	5,280	49,222	90,158	-	-
Prepaid and other assets	-	-	-	18	-	-
Total Assets	71,741,333	955,859	2,952,122	13,052,802	38,599,720	2,233,166
Liabilities						
Derivative liabilities, at fair value (proceeds - \$0, €0, £0, C\$0, \$18,838, \$0)	-	-	-	-	5,010	-
Management fees payable	184,757	-	6,183	24,828	186,071	3,585
Accounts payable and accrued liabilities	31,681	325	912	3,610	17,002	1,040
Total Liabilities	216,438	325	7,095	28,438	208,083	4,625
Net Assets	71,524,895	955,534	2,945,027	13,024,364	38,391,637	2,228,541

See the accompanying notes to the financial statements

LOM FUNDS SAC LTD.

CONDENSED SCHEDULES OF INVESTMENTS – LOM MONEY MARKET FUND USD

AS OF DECEMBER 31, 2020

	Cost USD	Fair Value USD	% of Net Assets
INVESTMENT IN SECURITIES, AT FAIR VALUE- LEVEL 2			
CORPORATE BONDS			
Canada			
Financials	<u>3,029,968</u>	<u>3,018,912</u>	<u>9.30%</u>
Denmark			
Financials	<u>1,012,705</u>	<u>1,011,965</u>	<u>3.12%</u>
Germany			
Financials	<u>1,006,575</u>	<u>1,001,275</u>	<u>3.08%</u>
Hong Kong			
Financials	<u>998,025</u>	<u>998,350</u>	<u>3.07%</u>
Japan			
Financials	<u>1,765,237</u>	<u>1,760,103</u>	<u>5.42%</u>
Mexico			
Financials	<u>640,759</u>	<u>638,771</u>	<u>1.97%</u>
United States of America			
Financials	12,338,384	12,257,207	37.75%
Industrials	2,130,824	2,128,257	6.55%
Services	2,041,824	2,036,768	6.27%
Utilities	<u>502,620</u>	<u>502,076</u>	<u>1.55%</u>
Total for United States of America	<u>17,013,652</u>	<u>16,924,308</u>	<u>52.12%</u>
United Kingdom			
Financials	<u>1,010,475</u>	<u>1,005,557</u>	<u>3.10%</u>
British Virgin Islands			
Financials	<u>1,005,025</u>	<u>1,002,364</u>	<u>3.09%</u>
Total for CORPORATE BONDS	<u>27,482,421</u>	<u>27,361,605</u>	<u>84.27%</u>
GOVERNMENT BONDS			
Cayman Islands	<u>300,394</u>	<u>300,192</u>	<u>0.92%</u>
Sweden	<u>1,010,592</u>	<u>1,004,434</u>	<u>3.09%</u>
United States of America	<u>1,784,950</u>	<u>1,784,024</u>	<u>5.49%</u>
Total for GOVERNMENT BONDS	<u>3,095,936</u>	<u>3,088,650</u>	<u>9.50%</u>
Total Investment in Securities	<u>30,578,357</u>	<u>30,450,255</u>	<u>93.77%</u>

See the accompanying notes to the financial statements

LOM FUNDS SAC LTD.

CONDENSED SCHEDULES OF INVESTMENTS – LOM MONEY MARKET FUND CAD

AS OF DECEMBER 31, 2020

Quantity		Cost CAD	Fair Value CAD	% of Net Assets
INVESTMENT IN SECURITIES, AT FAIR VALUE- LEVEL 2				
CORPORATE BONDS				
Canada				
Consumer, Cyclical				
1,000,000	BMW Canada Inc. 01/28/2021 2.80%	1,009,930	1,001,701	6.74%
	Others	<u>201,708</u>	<u>201,325</u>	<u>1.35%</u>
	Total for Consumer, Cyclical	<u>1,211,638</u>	<u>1,203,026</u>	<u>8.09%</u>
Financials				
1,000,000	Bank of Montreal 03/31/2021 1.88%	1,005,625	1,004,032	6.76%
1,000,000	Bank of Nova Scotia 01/11/2021 3.27%	1,001,655	1,000,854	6.74%
1,213,000	Cadillac Fairview 01/25/2021 4.31%	1,236,939	1,216,047	8.18%
1,000,000	Ctlone FRN 02/05/2021 0.84%	997,224	999,486	6.73%
1,200,000	VW Credit Canada Inc 03/29/2021 2.90%	1,206,914	1,202,645	8.09%
	Others	<u>406,891</u>	<u>405,711</u>	<u>2.73%</u>
	Total for Financials	<u>5,855,248</u>	<u>5,828,775</u>	<u>39.23%</u>
Industrials				
800,000	Inter Pipeline Ltd 02/2/2021 4.97%	809,553	803,053	5.40%
	Others	<u>205,242</u>	<u>204,488</u>	<u>1.38%</u>
	Total for Industrials	<u>1,014,795</u>	<u>1,007,541</u>	<u>6.78%</u>
Utilities				
1,000,000	Pembina Pipeline Corp 03/29/2021 4.89%	<u>1,013,912</u>	<u>1,010,911</u>	<u>6.80%</u>
	Total for Canada	<u>9,095,593</u>	<u>9,050,253</u>	<u>60.90%</u>
United States of America				
Financials				
1,000,000	JPM 03/05/2021 3.19%	1,006,387	1,005,220	6.76%
800,000	Wells Fargo & Co 03/15/2021 2.22%	805,385	801,383	5.39%
	Others	<u>201,592</u>	<u>200,717</u>	<u>1.35%</u>
	Total for United States of America	<u>2,013,364</u>	<u>2,007,320</u>	<u>13.50%</u>
	Total for CORPORATE BONDS	<u>11,108,957</u>	<u>11,057,573</u>	<u>74.40%</u>
GOVERNMENT BONDS				
Canada				
1,000,000	Ontario T-Bill 02/3/2021 0%	999,785	999,849	6.73%
1,350,000	Reg Muni of Waterloo 03/3/2021 2.95%	1,385,584	1,380,400	9.29%
	Others	<u>599,689</u>	<u>599,750</u>	<u>4.04%</u>
	Total for GOVERNMENT BONDS	<u>2,985,058</u>	<u>2,979,999</u>	<u>20.06%</u>
	Total Investment in Securities	<u>14,094,015</u>	<u>14,037,572</u>	<u>94.46%</u>

See the accompanying notes to the financial statements

LOM FUNDS SAC LTD.

CONDENSED SCHEDULES OF INVESTMENTS – LOM MONEY MARKET FUND GBP

AS OF DECEMBER 31, 2020

Quantity		Cost GBP	Fair Value GBP	% of Net Assets
INVESTMENT IN SECURITIES, AT FAIR VALUE- LEVEL 2				
CORPORATE BONDS				
United States of America				
Financials				
500,000	Bank of America Corp 09/15/2021 6.12%	<u>523,025</u>	<u>522,270</u>	<u>17.82%</u>
United Kingdom				
Financials				
200,000	Bat Intl Finance Plc 07/5/2021 1.75%	201,625	201,520	6.88%
500,000	Friends Life Holdings 12/05/2021 12%	539,175	525,531	17.94%
400,000	Heathrow Funding Ltd 03/29/2021 9.20%	<u>415,425</u>	<u>408,164</u>	<u>13.93%</u>
	Total for Financials	<u>1,156,225</u>	<u>1,135,215</u>	<u>38.75%</u>
	Total for CORPORATE BONDS	<u>1,679,250</u>	<u>1,657,485</u>	<u>56.57%</u>
GOVERNMENT BONDS				
Canada				
300,000	Export Dev Canada 10/13/2022 0.13%	<u>299,845</u>	<u>299,822</u>	<u>10.23%</u>
	Total for GOVERNMENT BONDS	<u>299,845</u>	<u>299,822</u>	<u>10.23%</u>
INVESTMENT IN SECURITIES, AT FAIR VALUE- LEVEL 1				
MUTUAL FUNDS				
Ireland				
39	Fidelity Institutional Liquidity Fund PLC - The Sterling Fund	<u>809,775</u>	<u>809,828</u>	<u>27.64%</u>
	Total for MUTUAL FUNDS	<u>809,775</u>	<u>809,828</u>	<u>27.64%</u>
	Total Investment in Securities	<u>2,788,870</u>	<u>2,767,135</u>	<u>94.44%</u>

See the accompanying notes to the financial statements

LOM FUNDS SAC LTD.

CONDENSED SCHEDULES OF INVESTMENTS – LOM STABLE INCOME FUND

AS OF DECEMBER 31, 2020

	Cost USD	Fair Value USD	% of Net Assets
INVESTMENT IN SECURITIES, AS FAIR VALUE- LEVEL 1			
COMMON STOCKS			
Canada			
Technology	282,316	363,580	0.82%
Netherlands			
Energy	231,277	175,700	0.40%
United Kingdom			
Consumer Non-Cyclicals	408,625	452,700	1.03%
Utilities	161,140	165,460	0.38%
Total for United Kingdom	569,765	618,160	1.41%
United States of America			
Consumer, Cyclical	1,285,636	1,996,108	4.53%
Consumer Non-Cyclicals	1,727,622	2,638,102	5.98%
Energy	597,941	461,880	1.05%
Financials	1,448,383	2,106,370	4.78%
Healthcare	1,763,493	2,469,490	5.60%
Industrials	743,635	960,134	2.18%
Real estates	153,477	159,190	0.36%
Technology	2,610,199	4,847,936	11.00%
Utilities	2,296,698	2,684,210	6.09%
Total for United States of America	12,627,084	18,323,420	41.57%
Total for COMMON STOCKS	13,710,442	19,480,860	44.20%
EXCHANGE TRADED FUNDS			
United States of America			
Financials	5,521,638	6,325,878	14.35%
Total for EXCHANGE TRADED FUNDS	5,521,638	6,325,878	14.35%
PREFERRED STOCKS			
Bermuda			
Consumer, Non-Cyclicals	625,400	678,200	1.54%
Financials	849,568	940,230	2.13%
Total for Bermuda	1,474,968	1,618,430	3.67%
Marshall Islands			
Industrial	609,540	636,750	1.44%
United States of America			
Communications	1,294,699	1,371,430	3.11%
Consumer, Cyclical	2,472,536	2,631,642	5.97%
Consumer, Non-Cyclicals	372,025	408,150	0.93%
Energy	503,320	429,600	0.97%
Financials	3,329,754	3,533,575	8.02%
Utilities	2,810,980	3,105,340	7.04%
Total for United States of America	10,783,314	11,479,737	26.04%
Total for PREFERRED STOCKS	12,867,822	13,734,917	31.15%
Total for Investment in Securities	32,099,902	39,541,655	89.70%

See the accompanying notes to the financial statements

LOM FUNDS SAC LTD.

CONDENSED SCHEDULES OF INVESTMENTS – LOM STABLE INCOME FUND (CONTINUED)

AS OF DECEMBER 31, 2020

	Cost USD	Fair Value USD	% of Net Assets
INVESTMENT IN SECURITIES, AS FAIR VALUE- LEVEL 2			
ASSET BACKED SECURITIES			
Liberia			
Financials	133,564	164,502	0.37%
Total for ASSET BACKED SECURITIES	133,564	164,502	0.37%
CORPORATE BONDS			
Australia			
Financials	256,591	293,183	0.67%
Norway			
Financials	242,318	229,915	0.52%
United Kingdom			
Financials	1,166,158	1,161,456	2.63%
United States of America			
Financials	1,032,590	937,800	2.13%
Industrials	780,800	811,598	1.84%
Services	302,280	336,759	0.76%
Utilities	300,025	309,972	0.70%
Total for United States of America	2,415,695	2,396,129	5.43%
Total for CORPORATE BONDS	4,080,762	4,080,683	9.25%
Total Investment in Securities	36,314,228	43,786,840	98.95%
DERIVATIVE LIABILITIES, AS FAIR VALUE			
OPTIONS			
United States of America			
Consumer, Non-cyclicals	8,879	3,450	0.01%
Total for OPTIONS	8,879	3,450	0.01%
Total Derivative liabilities, at fair value	8,879	3,450	0.01%

See the accompanying notes to the financial statements

LOM FUNDS SAC LTD.

CONDENSED SCHEDULES OF INVESTMENTS – LOM EMERGING MARKET FUND

AS OF DECEMBER 31, 2020

Quantity		Cost USD	Fair Value USD	% of Net Assets
INVESTMENT IN SECURITIES, AT FAIR VALUE- LEVEL 1				
COMMON STOCKS				
	China			
	Technology	40,449	57,219	3.11%
	Singapore			
	Technology	14,699	35,829	1.95%
	United States of America			
	Academic & Educational Services	18,197	37,162	2.02%
	Consumer Cyclical	23,966	70,320	3.83%
	Energy	10,530	7,136	0.38%
	Financials	52,743	70,040	3.81%
	Technology			
1,000	Taiwan Semiconductor Manufacturing Co Ltd	29,763	109,040	5.93%
	Others	100,101	155,574	8.47%
	Total for Technology	129,864	264,614	14.40%
	Total for United States of America	235,300	449,272	24.44%
	Total for COMMON STOCKS	290,448	542,320	29.50%
EXCHANGE TRADED FUNDS				
	United States of America			
	Financials			
5,600	Emerging Markets Internet & Ecommerce ETF	178,999	356,048	19.37%
2,000	iShares MSCI Emerging Markets ETF	85,221	103,340	5.62%
1,350	iShares MSCI South Korea ETF	80,039	116,168	6.32%
3,400	Vanguard FTSE Emerging Market - ETF	155,531	170,374	9.27%
	Others	440,342	496,301	27.00%
	Total for EXCHANGE TRADED FUNDS	940,132	1,242,231	67.58%
	Total Investment in Securities	1,230,580	1,784,551	97.08%

See the accompanying notes to the financial statements

LOM FUNDS SAC LTD.

CONDENSED SCHEDULES OF INVESTMENTS – LOM FIXED INCOME FUND USD

AS OF DECEMBER 31, 2020

	Cost USD	Fair Value USD	% of Net Assets
INVESTMENT IN SECURITIES, AT FAIR VALUE- LEVEL 1			
COMMON STOCKS			
Bermuda			
Financials	432,525	447,897	0.63%
United States of America			
Financials	2,155,309	2,339,604	3.27%
Utilities	379,975	407,100	0.57%
Total for United States of America	<u>2,535,284</u>	<u>2,746,704</u>	<u>3.84%</u>
Total for COMMON STOCKS	<u>2,967,809</u>	<u>3,194,601</u>	<u>4.47%</u>
EXCHANGE TRADED FUNDS			
United States of America			
Financials	451,595	455,345	0.64%
Total for EXCHANGE TRADED FUNDS	<u>451,595</u>	<u>455,345</u>	<u>0.64%</u>
PREFERRED STOCKS			
United States of America			
Communications	1,623,534	1,808,820	2.53%
Consumer, Cyclicals	1,375,054	1,476,370	2.06%
Energy	381,764	322,200	0.45%
Financials	191,330	217,100	0.30%
Utilities	4,863,128	5,490,815	7.68%
Total for United States of America	<u>8,434,810</u>	<u>9,315,305</u>	<u>13.02%</u>
Bermuda			
Financials	421,290	438,040	0.61%
Total for PREFERRED STOCKS	<u>8,856,100</u>	<u>9,753,345</u>	<u>13.63%</u>
MUTUAL FUNDS			
Ireland			
Mutual Fund	1,000,025	1,057,947	1.48%
Total for MUTUAL FUNDS	<u>1,000,025</u>	<u>1,057,947</u>	<u>1.48%</u>
INVESTMENT IN SECURITIES, AT FAIR VALUE- LEVEL 2			
ASSET BACKED SECURITIES			
Bermuda			
Financials	514,335	5,390	0.01%
Liberia			
Financials	1,675,725	1,425,684	1.99%
United States of America			
Financials	40,395	40,350	0.06%
TOTAL FOR ASSET BACKED SECURITIES	<u>2,230,455</u>	<u>1,471,424</u>	<u>2.06%</u>
CORPORATE BONDS			
Australia			
Industrials	1,134,585	1,140,790	1.59%
Bermuda			
Financials	1,006,315	1,061,000	1.48%
Industrials	1,489,693	1,445,300	2.02%
Total for Bermuda	<u>2,496,008</u>	<u>2,506,300</u>	<u>3.50%</u>

See the accompanying notes to the financial statements

LOM FUNDS SAC LTD.

CONDENSED SCHEDULES OF INVESTMENTS – LOM FIXED INCOME FUND USD (CONTINUED)

AS OF DECEMBER 31, 2020

	Cost USD	Fair Value USD	% of Net Assets
INVESTMENT IN SECURITIES, AT FAIR VALUE- LEVEL 2			
CORPORATE BONDS			
Canada			
Financials	39,361	39,340	0.06%
Cayman Islands			
Financials	1,314,327	1,458,119	2.04%
Germany			
Financials	1,185,180	1,200,913	1.68%
Mexico			
Financials	1,599,863	1,492,346	2.09%
Saudi Arabia			
Financials	1,068,129	1,111,436	1.55%
Spain			
Financials	985,777	976,925	1.37%
Switzerland			
Financials	652,504	656,494	0.92%
Services	1,209,050	1,276,860	1.79%
	Total for Switzerland	1,933,354	2.71%
United Arab Emirates			
Financials	857,590	853,604	1.19%
Industrials	1,007,625	1,000,480	1.40%
	Total for United Arab Emirates	1,854,084	2.59%
United Kingdom			
Financials	1,245,140	1,333,851	1.86%
Industrials	1,326,200	1,422,779	1.99%
	Total for United Kingdom	2,756,630	3.85%
United States of America			
Financials	19,917,624	19,279,033	26.95%
Industrials	5,574,104	5,764,318	8.06%
Services	2,247,171	2,296,753	3.21%
Utilities	1,025,025	1,059,071	1.48%
	Total for United States of America	28,399,175	39.70%
	Total for CORPORATE BONDS	44,869,412	62.73%
MORTGAGE BACKED SECURITIES			
United States of America			
Financials	5,008,778	5,500,323	7.69%
United Kingdom			
Financials	1,306,259	1,359,312	1.90%
	Total for MORTGAGE BACKED SECURITIES	6,859,635	9.59%
GOVERNMENT BONDS			
Canada	876,029	953,028	1.33%
Cayman Islands	1,264,866	1,265,531	1.77%
Supranational	1,004,974	999,780	1.40%
	Total for GOVERNMENT BONDS	3,218,339	4.50%
	Total Investment in Securities	70,880,048	99.10%

See the accompanying notes to the financial statements

LOM FUNDS SAC LTD.

CONDENSED SCHEDULES OF INVESTMENTS – LOM FIXED INCOME FUND EUR

AS OF DECEMBER 31, 2020

Quantity		Cost EUR	Fair Value EUR	% of Net Assets
INVESTMENT IN SECURITIES, AT FAIR VALUE- LEVEL 1				
EXCHANGE TRADED FUNDS				
Ireland				
981	iShares EUR Corp Bond Large Cap UCITS ETF	136,607	139,412	14.59%
12,296	PIMCO Funds Global Investor Series PLC - Euro Credit Fund	199,968	212,482	22.24%
	Total for Ireland	<u>336,575</u>	<u>351,894</u>	<u>36.83%</u>
Luxembourg				
10,113	Fidelity Funds - Core Euro Bond Fund/ 4Y-ACC-EUR	158,645	168,590	17.64%
	Total for EXCHANGE TRADED FUNDS	<u>495,220</u>	<u>520,484</u>	<u>54.47%</u>
INVESTMENT IN SECURITIES, AT FAIR VALUE- LEVEL 2				
CORPORATE BONDS				
France				
	Financials	28,220	26,465	2.77%
Germany				
	Financials			
50,000	Commerzbank AG 03/23/2026 4%	55,932	56,028	5.86%
	Others	25,200	26,862	2.81%
	Total for Germany	<u>81,132</u>	<u>82,890</u>	<u>8.67%</u>
United Kingdom				
	Financials			
100,000	Royal Bank of Scotland PLC 03/02/2026 Floating	102,900	106,096	11.10%
50,000	Royal Bank of Scotland PLC 06/14/2022 Floating	47,290	48,851	5.11%
	Total for Financials	<u>150,190</u>	<u>154,947</u>	<u>16.21%</u>
	Industrials			
100,000	LLOYDS BK CORP MKTS PLC 04/09/2026 2.38%	110,325	111,768	11.70%
	Total for United Kingdom	<u>260,515</u>	<u>266,715</u>	<u>27.91%</u>
United States of America				
	Financials			
50,000	Goldman Sachs Group Inc 07/26/2022 1.38%	51,282	51,272	5.37%
	Total for CORPORATE BONDS	<u>421,149</u>	<u>427,342</u>	<u>44.72%</u>
	Total for Investment in Securities	<u>916,369</u>	<u>947,826</u>	<u>99.19%</u>

See the accompanying notes to the financial statements

LOM FUNDS SAC LTD.

CONDENSED SCHEDULES OF INVESTMENTS – LOM FIXED INCOME FUND GBP

AS OF DECEMBER 31, 2020

Quantity		Cost GBP	Fair Value GBP	% of Net Assets
INVESTMENT IN SECURITIES, AT FAIR VALUE- LEVEL 2				
COMMERCIAL MORTGAGE BACKED SECURITIES				
	Bermuda			
	Financials	117,753	118,306	4.02%
	United Kingdom			
	Financials	223,300	223,318	7.58%
	Total for COMMERCIAL MORTGAGE BACKED SECURITIES	341,053	341,624	11.60%
CORPORATE BONDS				
	Denmark			
	Financials	100,900	104,695	3.55%
	France			
	Financials	238,400	237,526	8.07%
	Germany			
	Financials	100,325	105,637	3.59%
	Ireland			
	Financials	112,190	109,556	3.72%
	Italy			
	Utilities	120,825	105,745	3.59%
	United States of America			
	Utilities			
200,000	Glaxosmithkline Capital 10/12/2028 1.25%	198,625	208,352	7.07%
	United Kingdom			
	Financials			
200,000	Canary Warf Finance II PLC 01/22/2035 5.95%	246,027	291,110	9.88%
200,000	Scottish Windows Ltd 06/16/2023 5.50%	221,965	221,634	7.53%
	Others	614,794	570,971	19.39%
	Total for Financials	1,082,786	1,083,715	36.80%
	Industrials	102,063	106,116	3.60%
	Services			
200,000	Society of Lloyd`s 10/30/2024 4.75%	212,223	226,138	7.68%
	Utilities	100,275	103,346	3.51%
	Total for United Kingdom	1,497,347	1,519,315	51.59%
	Total for CORPORATE BONDS	2,368,612	2,390,826	81.18%
GOVERNMENT BONDS				
	Netherlands	130,775	128,352	4.36%
	Total for GOVERNMENT BONDS	130,775	128,352	4.36%
	Total for Investment in Securities	2,840,440	2,860,802	97.14%

See the accompanying notes to the financial statements

LOM FUNDS SAC LTD.

CONDENSED SCHEDULES OF INVESTMENTS – LOM FIXED INCOME FUND CAD

AS OF DECEMBER 31, 2020

	Cost CAD	Fair Value CAD	% of Net Assets
INVESTMENT IN SECURITIES, AT FAIR VALUE- LEVEL 2			
ASSET BACKED SECURITIES			
Canada			
Financials	750,003	768,395	5.90%
Total for ASSET BACKED SECURITIES	750,003	768,395	5.90%
CORPORATE BONDS			
Canada			
Financials	5,026,071	5,102,866	39.18%
Industrials	1,282,552	1,297,993	9.96%
Services	824,086	834,730	6.41%
Utilities	422,764	429,320	3.30%
Total for Canada	7,555,473	7,664,909	58.85%
United States			
Financials	813,863	834,583	6.41%
Industrials	304,692	319,131	2.45%
Utilities	535,174	556,131	4.26%
Total for United States of America	1,653,729	1,709,845	13.12%
United Kingdom			
Industrials	201,777	206,958	1.59%
Total for CORPORATE BONDS	9,410,979	9,581,712	73.56%
GOVERNMENT BONDS			
Canada	598,926	608,950	4.68%
United States of America	392,012	409,038	3.14%
Total for GOVERNMENT BONDS	990,938	1,017,988	7.82%
Total Investment in Securities	11,151,920	11,368,095	87.28%

See the accompanying notes to the financial statements

LOM FUNDS SAC LTD.

CONDENSED SCHEDULES OF INVESTMENTS – LOM EQUITY GROWTH FUND

AS OF DECEMBER 31, 2020

Quantity		Cost USD	Fair Value USD	% of Net Assets
INVESTMENT IN SECURITIES, AT FAIR VALUE- LEVEL 1				
COMMON STOCKS				
	China			
	Technology	473,472	575,120	1.50%
	Ireland			
	Technology	313,677	731,388	1.91%
	United Kingdom			
	Consumer Non-Cyclicals	187,667	211,260	0.55%
	United States of America			
	Consumer Cyclicals	1,621,397	3,326,867	8.67%
	Consumer Non-Cyclicals	1,358,332	2,165,744	5.64%
	Energy	466,355	334,340	0.87%
	Financials	2,218,502	3,088,167	8.04%
	Funds	125,089	189,590	0.49%
	Healthcare	2,800,244	4,271,800	11.13%
	Industrials	1,123,768	1,480,878	3.86%
	Non financial corporations	62,316	93,744	0.24%
	Other MFIs/ Money market funds	915,517	881,200	2.30%
	Technology			
1,150	Alphabet Inc	880,017	2,014,662	5.25%
	Others	5,205,495	10,924,318	28.45%
		Total for Technology	12,938,980	33.70%
	Utilities	561,313	582,890	1.52%
		Total for United States of America	29,354,200	76.46%
		Total for COMMON STOCKS	30,871,968	80.42%
EXCHANGE TRADED FUNDS				
	United States of America			
	Financials	5,563,784	7,487,884	19.50%
		Total for EXCHANGE TRADED FUNDS	7,487,884	19.50%
		Total Investment in Securities	38,359,852	99.92%
DERIVATIVE LIABILITIES, AT FAIR VALUE				
OPTIONS				
	United States of America			
	Financials	18,838	5,010	0.01%
		Total for OPTIONS	5,010	0.01%
		Total Derivative Liabilities, at Fair Value	5,010	0.01%

See the accompanying notes to the financial statements

LOM FUNDS SAC LTD.

CONDENSED SCHEDULES OF INVESTMENTS – LOM BALANCE FUND

AS OF DECEMBER 31, 2020

Quantity		Cost USD	Fair Value USD	% of Net Assets
INVESTMENT IN SECURITIES, AT FAIR VALUE- LEVEL 1				
EXCHANGE TRADED FUNDS				
	Ireland			
	Financials	103,054	104,570	4.69%
	United States of America			
1,446	Technology Select Sect SPDR Fund	126,313	188,009	8.44%
	Others	405,844	491,615	22.06%
	Total for United States of America	<u>532,157</u>	<u>679,624</u>	<u>30.50%</u>
	Total for EXCHANGE TRADED FUNDS	<u>635,211</u>	<u>784,194</u>	<u>35.19%</u>
INVESTMENT IN SECURITIES, AT FAIR VALUE- AT NAV PER SHARE				
MUTUAL FUNDS				
	Bermuda			
53,116	LOM Equity Growth Fund	605,632	973,277	43.67%
42,046	LOM Stable Income Fund	441,270	467,154	20.96%
	Total for Bermuda	<u>1,046,902</u>	<u>1,440,431</u>	<u>64.63%</u>
	Total for MUTUAL FUNDS	<u>1,046,902</u>	<u>1,440,431</u>	<u>64.63%</u>
	Total Investment in Securities	<u><u>1,682,113</u></u>	<u><u>2,224,625</u></u>	<u><u>99.82%</u></u>

See the accompanying notes to the financial statements

LOM FUNDS SAC LTD.

STATEMENTS OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2020

	LOM Money Market Fund \$ USD	LOM Money Market Fund \$ CAD	LOM Money Market Fund £ GBP	LOM Stable Income Fund \$ USD	LOM Emerging Market Fund \$ USD
Investment income					
Interest income	523,422	278,412	48,992	233,032	-
Dividends, net of withholding taxes (\$0, C\$0, £0, \$205,116, \$6,055)	-	-	-	1,630,438	18,407
Total investment income	523,422	278,412	48,992	1,863,470	18,407
Expenses					
Interest expense	-	-	27	2,612	120
Management fees	140,573	67,575	4,756	628,011	29,363
Audit fees	12,406	7,633	1,326	18,782	652
Miscellaneous expenses	51,910	25,440	6,918	97,691	4,939
Total expenses	204,889	100,648	13,027	747,096	35,074
Management fees waived	(17,349)	(2,982)	(2,135)	-	-
Net expenses	187,540	97,666	10,892	747,096	35,074
Net investment income/(loss)	335,882	180,746	38,100	1,116,374	(16,667)
Realized and change in unrealized gain/(loss) on investments					
Net realized gain/(loss) on investments	(100,959)	(72,337)	3,163	(1,756,945)	(76,987)
Net change in unrealized gain/(loss) on investments	(97,050)	(39,232)	(34,621)	392,324	371,148
Net realized and change in unrealized gain/(loss) on investments	(198,009)	(111,569)	(31,458)	(1,364,621)	294,161
Net increase/(decrease) in net assets resulting from operations	137,873	69,177	6,642	(248,247)	277,494

See the accompanying notes to the financial statements

LOM FUNDS SAC LTD.
STATEMENTS OF OPERATIONS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2020

	LOM Fixed Income Fund \$ USD	LOM Fixed Income Fund € EUR	LOM Fixed Income Fund £ GBP	LOM Fixed Income Fund \$ CAD	LOM Equity Growth Fund \$ USD	LOM Balanced Fund \$ USD
Investment income						
Interest income	2,074,522	5,370	104,600	228,884	-	-
Dividends, net of withholding taxes (\$1,230, €0, £0, C\$0, \$149,342, \$3,116)	599,232	1,238	-	-	363,346	22,575
Total investment income	2,673,754	6,608	104,600	228,884	363,346	22,575
Expenses						
Interest expense	-	230	37	-	2,792	49
Management fees	694,483	-	21,345	75,719	633,518	12,686
Audit fees	31,748	343	1,353	3,183	14,033	887
Miscellaneous expenses	143,055	1,940	6,067	16,616	70,144	4,787
Total expenses	869,286	2,513	28,802	95,518	720,487	18,409
Management fees waived	-	-	-	-	-	-
Net expenses	869,286	2,513	28,802	95,518	720,487	18,409
Net investment income/(loss)	1,804,468	4,095	75,798	133,366	(357,141)	4,166
Realized and change in unrealized gain/(loss) on investments						
Net realized gain/(loss) on investments	(1,307,939)	459	(6,432)	(15,280)	(1,091,633)	167,032
Net change in unrealized gain/(loss) on investments	(93,663)	20,915	(13,477)	175,982	4,849,888	65,984
Net realized and change in unrealized gain/(loss) on investments	(1,401,602)	21,374	(19,909)	160,702	3,758,255	233,016
Net increase/(decrease) in net assets resulting from operations	402,866	25,469	55,889	294,068	3,401,114	237,182

See the accompanying notes to the financial statements

LOM FUNDS SAC LTD.

STATEMENTS OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2020

	LOM Money Market Fund \$ USD	LOM Money Market Fund \$ CAD	LOM Money Market Fund £ GBP	LOM Stable Income Fund \$ USD	LOM Emerging Market Fund \$ USD
Net increase/(decrease) in net assets resulting from operations					
Net investment income/(loss)	335,882	180,746	38,100	1,116,374	(16,667)
Net realized gain/(loss) on investments	(100,959)	(72,337)	3,163	(1,756,945)	(76,987)
Net change in unrealized gain/(loss) on investments	(97,050)	(39,232)	(34,621)	392,324	371,148
Net increase/(decrease) in net assets resulting from operations	137,873	69,177	6,642	(248,247)	277,494
Capital share transactions					
Issuance of non-restricted, voting Participating Shares	37,186,435	17,424,375	1,146,820	5,379,384	151,662
Redemption of non-restricted, voting Participating Shares	(27,245,346)	(19,452,392)	(2,282,001)	(7,346,205)	(151,422)
Dividends distributed	-	-	-	(1,447,941)	-
Net increase/(decrease) in net assets from capital share transactions	9,941,089	(2,028,017)	(1,135,181)	(3,414,762)	240
Net increase/(decrease) in net asset during the year	10,078,962	(1,958,840)	(1,128,539)	(3,663,009)	277,734
Net assets at beginning of year	22,392,800	16,818,650	4,058,672	47,748,648	1,560,425
Net assets at end of year	32,471,762	14,859,810	2,930,134	44,085,639	1,838,159

See the accompanying notes to the financial statements

LOM FUNDS SAC LTD.

STATEMENTS OF CHANGES IN NET ASSETS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2020

	LOM Fixed Income Fund \$ USD	LOM Fixed Income Fund € EUR	LOM Fixed Income Fund £ GBP	LOM Fixed Income Fund \$ CAD	LOM Equity Growth Fund \$ USD	LOM Balanced Fund \$ USD
Net increase/(decrease) in net assets resulting from operations						
Net investment income/(loss)	1,804,468	4,095	75,798	133,366	(357,141)	4,166
Net realized gain/(loss) on investments	(1,307,939)	459	(6,432)	(15,280)	(1,091,633)	167,032
Net change in unrealized gain/(loss) on investments	(93,663)	20,915	(13,477)	175,982	4,849,888	65,984
Net increase/(decrease) in net assets resulting from operations	402,866	25,469	55,889	294,068	3,401,114	237,182
Capital share transactions						
Issuance of non-restricted, voting Participating Shares	9,777,543	223,914	1,179,130	13,509,346	7,327,556	98,950
Redemption of non-restricted, voting Participating Shares	(11,759,863)	(25,226)	(828,577)	(6,981,252)	(5,108,026)	(262,455)
Net increase/(decrease) in net assets from capital share transactions	(1,982,320)	198,688	350,553	6,528,094	2,219,530	(163,505)
Net increase/(decrease) in net asset during the year	(1,579,454)	224,157	406,442	6,822,162	5,620,644	73,677
Net assets at beginning of year	73,104,349	731,377	2,538,585	6,202,202	32,770,993	2,154,864
Net assets at end of year	71,524,895	955,534	2,945,027	13,024,364	38,391,637	2,228,541

See the accompanying notes to the financial statements

LOM FUNDS SAC LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 1 - NATURE OF THE COMPANY

ORGANIZATION

LOM Funds SAC Ltd. (the “Company”) was incorporated in Bermuda as a segregated accounts company pursuant to the Companies Act of 1981 (as amended) and registered under the Segregated Accounts Companies Act 2000, as amended, on November 28, 2011, and began operations on January 2, 2012. The names of the segregated accounts each, a “Segregated Account,” collectively (the “Funds”) are as follows:

- LOM Money Market Fund USD
- LOM Money Market Fund CAD
- LOM Money Market Fund GBP
- LOM Stable Income Fund
- LOM Emerging Market Fund
- LOM Fixed Income Fund USD
- LOM Fixed Income Fund EUR
- LOM Fixed Income Fund GBP
- LOM Fixed Income Fund CAD
- LOM Equity Growth Fund
- LOM Balanced Fund

As a segregated accounts company, the Company is permitted to create Segregated Accounts in order to segregate the assets and liabilities that are held within or on behalf of a particular Segregated Account from the assets and liabilities of any other Segregated Account and from the Company’s general assets and liabilities. Segregated Account assets are only available and may only be used to meet liabilities to creditors in respect of a particular Segregated Account and are not available to meet liabilities to creditors in respect of other Segregated Accounts or to general creditors of the Company. As of December 31, 2020, there were eleven Segregated Accounts, all of which are within these financial statements.

Capitalized terms herein have been defined in the company’s Information Memorandum, or in a segregated Account’s Class Supplement unless otherwise noted.

Each Segregated Account has its own investment objective and strategy.

The LOM Money Market Fund USD is a money market fund designed to preserve investors’ capital and liquidity while providing, through active management, a return in line with US Dollar short-term money rates.

The LOM Money Market Fund CAD is a money market fund designed to preserve investors’ capital and liquidity while providing, through active management, a return in line with Canadian Dollar short-term money rates.

LOM FUNDS SAC LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 1 - NATURE OF THE COMPANY (CONTINUED)

The LOM Money Market Fund GBP is a money market fund designed to preserve investors' capital and liquidity while providing, through active management, a return in line with Pound Sterling short-term money rates.

The investment objective of the LOM Stable Income Fund is to generate premium returns over full market cycles and protect the purchasing power and principal of the LOM Stable Income Fund while providing relatively high levels of monthly current income through the purchase of attractively valued, higher yielding securities.

The investment objective of the LOM Emerging Market Fund is to provide long-term capital appreciation by investing in securities domiciled in and/or deriving the majority of their revenues from emerging market countries as popularly defined. The Fund invests in emerging markets through individual securities, American depository receipts (ADR's) and exchange-traded funds (ETF's).

The investment objective of the LOM Fixed Income Fund USD is to achieve above-average long-term absolute returns while controlling risk through an effective program of diversification when considered prudent and through an asset allocation strategy with an emphasis on fixed income securities with a focus on the United States.

The investment objective of the LOM Fixed Income Fund EUR is to achieve above-average long-term absolute returns while controlling risk through an effective program of diversification when considered prudent and through an asset allocation strategy with an emphasis on fixed income securities with a focus on the European region.

The investment objective of the LOM Fixed Income Fund GBP is to achieve above-average long-term absolute returns while controlling risk through an effective program of diversification when considered prudent and through an asset allocation strategy with an emphasis on fixed income securities with a focus on the UK and European regions.

The investment objective of the LOM Fixed Income Fund CAD is to achieve above-average long-term absolute returns while controlling risk through an effective program of diversification when considered prudent and through an asset allocation strategy with an emphasis on fixed income securities with a focus on Canada.

The investment objective of the LOM Equity Growth Fund is to achieve above-average long-term capital appreciation and dividend income while controlling risk through diversification by company, industry, and region. The LOM Equity Growth Fund invests primarily in the quoted equities of larger capitalisation global companies and in exchange traded funds.

The investment objective of the LOM Balanced Fund is to achieve above-average long-term appreciation of capital while controlling risk by primarily purchasing mutual funds and exchange traded funds, whilst maintaining disciplined and effective money management strategies.

LOM FUNDS SAC LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 1 - NATURE OF THE COMPANY (CONTINUED)

Each Segregated Account is listed on the Bermuda Stock Exchange.

LOM Asset Management Limited (“LOMAM” or the “Investment Manager”) (a related party to the Company) acts as the Investment Manager and owns 100% of the Organisational Shares (Note 4). Global Custody and Clearing Limited (the “Custodian”) (a related party to the Company) acts as paying agent and custodian to the Company. Certain directors of the Company are also principals, directors and officers of companies affiliated with LOMAM and the Custodian.

The Company is classified as an investment company as defined in Accounting Standards update (“ASU”) 2013-08, Investment Companies (Topic 946): Amendments to the scope, measurement and Disclosure Requirements. The Company applies the guidance set forth in Accounting Standards Codification (“ASC” or “Codification”) Topic 946 Financial Services – Investment Companies (“ASC 946”) in its financial statements and related notes.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by the Company in the preparation of its financial statements. The policies are in conformity with United States (“U.S.”) generally accepted accounting principles, which require management to make estimates and assumptions that affect the reported amounts, contingent assets and liabilities, and disclosures in the financial statements. Actual results could differ from those estimates. Management has considered the circumstances under which the Company should recognize or make disclosures regarding events or transactions occurring subsequent to the balance sheet date through the date the financial statements were issued. Adjustments or additional disclosures, if any, have been included in these financial statements.

CASH

Cash consists of interest bearing and non interest bearing accounts held by the Custodian, a related party.

INVESTMENT VALUATION AND REVENUE RECOGNITION

Investment transactions are accounted for on a trade date basis.

The Company invests in securities traded on a stock exchange or other market which are valued generally at last trade value and where this is not available at the last mid-market price on the relevant exchange or market or, if not available, at bid value prices (see Note 3).

The Company invests in bonds and other fixed income securities that may not trade on national exchanges. These investments are valued at the last quoted bid price and where this is not available at the last trade value, or if not available, at prices determined by an independent third party pricing source (see Note 3).

LOM FUNDS SAC LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INVESTMENT VALUATION AND REVENUE RECOGNITION (CONTINUED)

The Company invests in other investment companies which consist primarily of mutual funds and exchange traded funds (“ETFs”). Mutual funds are valued at the net asset value or bid prices of the fund, as published or otherwise reported by the respective stock exchange or administrator. The other investment companies in which the Company invests will generally value securities at fair value. Investments in ETFs are stated at the last reported sales price on the day of valuation or at the last quoted bid price, if no sale was reported on the valuation date (see Note 3).

Realized and unrealized gains and losses on investments are calculated using the first-in-first-out method, and are reported in the accompanying statements of operations.

INCOME RECOGNITION

Interest income is earned on cash balances, fixed income securities and money market securities. Interest income earned on cash balances is recognized when posted. Interest income on fixed income securities is recognized on an accrual basis based on the stated interest rate of the security. Dividend income is recognized on the ex-dividend date and is presented net of withholding taxes, which are withheld by the Custodian’s clearing brokers.

FOREIGN CURRENCY TRANSLATION

The functional currency for the LOM Money Market Fund CAD and LOM Fixed Income Fund CAD is the Canadian Dollar (“CAD”). The functional currency for the LOM Fixed Income Fund EUR is the Euro (“EUR”). The functional currency for the LOM Money Market Fund GBP and LOM Fixed Income Fund GBP is the British Pound (“GBP”). For all other Segregated Accounts, the functional currency is the United States Dollar (“USD”). Investment securities denominated in currencies other than a Segregated Account’s functional currency are translated to the Segregated Account’s functional currency at the date of valuation. Purchases and sales of investment securities and income and expense items denominated in currencies other than Segregated Account’s functional currency are translated to the Segregated Account’s function currency on the respective date of such transactions.

The Company does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net realized gain or loss on sale of investments, and the net change in unrealized appreciation or depreciation on investments.

LOM FUNDS SAC LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CONDENSED SCHEDULES OF INVESTMENTS

The accompanying condensed schedules of investments present the investments by country. The industry classifications included in the condensed schedules of investments represent management's belief as to the most meaningful presentation of the classification of the Company's investments.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

For the year ended December 31, 2020, there were no recent accounting pronouncements that would impact the financial statements of the Fund.

NOTE 3 - FAIR VALUE MEASUREMENTS

The Company follows a fair value hierarchy that distinguishes between market data obtained from independent sources (observable inputs) and the Company's own market assumptions (unobservable inputs). These inputs are used in determining the value of the Company's investments and are summarized in the following fair value hierarchy:

- Level 1 – inputs are based upon unadjusted quoted prices for identical instruments traded in active markets. Level 1 non-derivative investments primarily include U.S. treasuries, domestic and international equities, and actively traded mutual funds. Level 1 derivative assets and liabilities include those actively traded on exchanges.
- Level 2 – inputs are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant inputs are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Where applicable, these models project future cash flows and discount the future amounts to a present value using market-based observable inputs including interest rate curves, foreign exchange rates, and forward and spot prices for currencies and commodities. Level 2 non-derivative investments consist primarily of corporate notes and bonds, non-U.S. government debt, mortgage-backed securities, agency securities, certificates of deposit, and commercial paper. Level 2 derivative assets and liabilities primarily include certain over-the-counter option contracts.
- Level 3 – inputs are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques, including option pricing models and discounted cash flow models.

LOM FUNDS SAC LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 3 - FAIR VALUE MEASUREMENTS (CONTINUED)

Securities for which market quotations are not readily available are fair valued as determined by the Investment Manager. Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, the Company's own assumptions are set to reflect those that market participants would use in pricing the asset or liability at the measurement date. The Company uses prices and inputs that are current as of the measurement date, including periods of market dislocation. In periods of market dislocation, the observability of prices and inputs may be reduced for many securities. This condition could cause a security to be reclassified to a lower level within the fair value hierarchy.

The use of valuation techniques and the availability of observable inputs can vary from security to security and is affected by a wide variety of factors and other characteristics particular to the transaction. Factors that may be considered when fair valuing a security are: fundamental analytical data relating to the investment in the security; evaluation of the forces that influence the market in which the security is purchased and sold; type of security or asset; financial statements of issuer; special reports prepared by analysts or the Investment Manager; information as to any transactions or offers with respect to the security; and the historical tendency of the security's price to track or respond to general and specific market movements (in terms of indices, sectors, or other market measurements). To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised by the Company in determining fair value is greatest for securities categorized in Level 3.

The inputs or methodology used for valuing securities are not an indication of the risk associated with investing in those securities.

The following are the Company's major categories of investment assets measured at fair value as of December 31, 2020:

Description	Level 1	Level 2	Level 3	Total
LOM Money Market Fund USD:	\$ USD	\$ USD	\$ USD	\$ USD
Corporate Bonds	-	27,361,605	-	27,361,605
Government Bonds	-	3,088,650	-	3,088,650
Total Investment Assets	-	30,450,255	-	30,450,255

LOM FUNDS SAC LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 3 - FAIR VALUE MEASUREMENTS (CONTINUED)

Description	Level 1	Level 2	Level 3	Total
LOM Money Market Fund CAD:	\$ CAD	\$ CAD	\$ CAD	\$ CAD
Corporate Bonds	-	11,057,573	-	11,057,573
Government Bonds	-	2,979,999	-	2,979,999
Total Investment Assets	-	14,037,572	-	14,037,572

Description	Level 1	Level 2	Level 3	Total
LOM Money Market Fund GBP:	£ GBP	£ GBP	£ GBP	£ GBP
Corporate Bonds	-	1,657,485	-	1,657,485
Government Bonds	-	299,822	-	299,822
Investment in Mutual Funds	809,828	-	-	809,828
Total Investment Assets	809,828	1,957,307	-	2,767,135

Description	Level 1	Level 2	Level 3	Total
LOM Stable Income Fund:	\$ USD	\$ USD	\$ USD	\$ USD
Asset Backed Securities	-	164,502	-	164,502
Common Stocks	19,480,860	-	-	19,480,860
Corporate Bonds	-	4,080,683	-	4,080,683
Exchange Traded Funds	6,325,878	-	-	6,325,878
Preferred Stocks	13,734,917	-	-	13,734,917
Total Investment Assets	39,541,655	4,245,185	-	43,786,840

Options	(3,450)	-	-	(3,450)
Total Investment Liabilities	(3,450)	-	-	(3,450)

Description	Level 1	Level 2	Level 3	Total
LOM Emerging Market Fund:	\$ USD	\$ USD	\$ USD	\$ USD
Common Stocks	542,320	-	-	542,320
Exchange Traded Funds	1,242,231	-	-	1,242,231
Total Investment Assets	1,784,551	-	-	1,784,551

LOM FUNDS SAC LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 3 - FAIR VALUE MEASUREMENTS (CONTINUED)

Description	Level 1	Level 2	Level 3	Total
LOM Fixed Income Fund USD:	\$ USD	\$ USD	\$ USD	\$ USD
Asset Backed Securities	-	1,471,424	-	1,471,424
Common Stocks	3,194,601	-	-	3,194,601
Corporate Bonds	-	44,869,412	-	44,869,412
Exchange Traded Funds	455,345	-	-	455,345
Government Bonds	-	3,218,339	-	3,218,339
Mortgage Backed Securities	-	6,859,635	-	6,859,635
Mutual Funds	1,057,947	-	-	1,057,947
Preferred Stocks	9,753,345	-	-	9,753,345
Total Investment Assets	14,461,238	56,418,810	-	70,880,048

Description	Level 1	Level 2	Level 3	Total
LOM Fixed Income Fund EUR:	€ EUR	€ EUR	€ EUR	€ EUR
Corporate Bonds	-	427,342	-	427,342
Exchange Traded Funds	520,484	-	-	520,484
Total	520,484	427,342	-	947,826

Description	Level 1	Level 2	Level 3	Total
LOM Fixed Income Fund GBP:	£ GBP	£ GBP	£ GBP	£ GBP
Corporate Bonds	-	2,390,826	-	2,390,826
Government Bonds	-	128,352	-	128,352
Mortgage Backed Securities	-	341,624	-	341,624
Total Investment Assets	-	2,860,802	-	2,860,802

Description	Level 1	Level 2	Level 3	Total
LOM Fixed Income Fund CAD:	\$ CAD	\$ CAD	\$ CAD	\$ CAD
Asset Backed Securities	-	768,395	-	768,395
Corporate Bonds	-	9,581,712	-	9,581,712
Government Bonds	-	1,017,988	-	1,017,988
Total Investment Assets	-	11,368,095	-	11,368,095

LOM FUNDS SAC LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 3 - FAIR VALUE MEASUREMENTS (CONTINUED)

Description	Level 1	Level 2	Level 3	Total
LOM Equity Growth Fund:	\$ USD	\$ USD	\$ USD	\$ USD
Common Stocks	30,871,968	-	-	30,871,968
Exchange Traded Funds	7,487,884	-	-	7,487,884
Total Investment Assets	<u>38,359,852</u>	<u>-</u>	<u>-</u>	<u>38,359,852</u>
Options	(5,010)	-	-	(5,010)
Total Investment Liabilities	<u>(5,010)</u>	<u>-</u>	<u>-</u>	<u>(5,010)</u>
Description	Level 1	Level 2	Level 3	Total
LOM Balanced Fund:	\$ USD	\$ USD	\$ USD	\$ USD
Exchange Traded Funds	784,194	-	-	784,194
Total Investment Assets	<u>784,194</u>	<u>-</u>	<u>-</u>	<u>784,194</u>
Investments in Mutual funds*	-	-	-	1,440,431
Total Investment Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,440,431</u>

* In accordance with Subtopic 820-10, certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Statements of Assets and Liabilities. Please refer to Note 2.

Industry classifications for these securities are detailed in the respective Condensed Schedules of Investments. Transfers into or out of Level 3 are made as of the beginning of the year. There were no transfers into or out of Level 3 during the year ended December 31, 2020.

The Company, in its normal course of investing and trading activities, enters into exchange traded equity option contracts and futures. Changes in fair value are included as realized gains (losses) or net change in unrealized gains (losses) on investments within the statements of operations. Details for the respective Segregated Account are noted below for the year ended December 31, 2020.

LOM Stable Income Fund

There were \$260,452 of realized gains on 199 option contracts traded and the change in unrealized gains/losses on options was \$5,429.

LOM FUNDS SAC LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 3 - FAIR VALUE MEASUREMENTS (CONTINUED)

LOM Equity Growth Fund

There were \$164,137 of realized gains on 372 option contracts traded and the change in unrealized losses on options was \$9,643.

VALUATION TECHNIQUES

EQUITY SECURITIES (COMMON STOCKS, MUTUAL FUNDS, PREFERRED STOCKS AND EXCHANGE TRADED FUNDS (“ETFs”))

Equity securities traded on a national securities exchange (or reported on a national market) are stated at the last reported sales price on the day of valuation. To the extent these securities are actively traded and valuation adjustments are not applied, they are categorized in Level 1 of the fair value hierarchy. Open-end mutual funds are valued at the last published price reported on the major market on which the mutual funds are listed and are classified as Level 1.

GOVERNMENT BONDS (U.S. AND FOREIGN)

The fair value of government bonds is generally based on quoted prices in active markets. When quoted prices are not available, fair value is determined based on a valuation model that uses inputs that include interest rate yield curves, cross-currency basis index spreads, and country credit spreads similar to the bond in terms of issuer, maturity and seniority. Government bonds are generally categorized in Levels 1 or 2 of the fair value hierarchy depending on the inputs used and market activity levels for specific securities, based upon independent pricing from known independent pricing services.

MUNICIPAL BONDS

The fair value of municipal bonds is estimated using recently executed transactions, market price quotations and pricing models that factor in, where applicable, interest rates, bond or credit default swap spreads and volatility. Municipal bonds are generally categorized in Level 2 of the fair value hierarchy.

CORPORATE BONDS (U.S. AND FOREIGN)

The fair value of corporate bonds is estimated using recently executed transactions, market price quotations (where available), bond spreads or credit default swap spreads. The spread data used is for the same maturity as the bond. If the spread data does not reference the issuer, then a comparable issuer is used. When observable price quotations are not available, fair value is determined based on cash flow models with yield curves, bond or single name credit default swap spreads and recovery rates based on collateral values as key inputs. To the extent that these inputs are observable the values of corporate bonds are generally categorized as Level 2.

LOM FUNDS SAC LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 3 - FAIR VALUE MEASUREMENTS (CONTINUED)

GOVERNMENT AGENCY SECURITIES (U.S. AND FOREIGN)

Government agency securities are normally valued using a model that incorporates market observable data such as reported sales of similar securities, broker quotes, yields, bids, offers, and reference data. Certain securities are valued principally using dealer quotations. To the extent that these inputs are observable, the values of government agency securities are categorized at Level 2.

MORTGAGE-BACKED SECURITIES

Mortgage-backed securities are typically fair valued using pricing models based on a security's average life volatility. The models take into account tranche characteristics such as average life of the underlying mortgages, including assumptions regarding pre-payments and default rates, loan to value ratios, ratings, the issuer and tranche type, geographic characteristics, and discount margin for certain floating rate issues. Certain securities are valued principally using dealer quotations.

To the extent that these inputs are observable, the values of mortgage-backed securities are categorized at Level 2.

ASSET-BACKED SECURITIES ("ABS")

Asset-backed securities are interests in pools of loans or other receivables. ABS are created from many types of assets, including auto loans, home equity loans and other receivables. ABS are typically fair valued using estimated expected future cash flows of each security by estimating the expected future cash flows of the underlying collateral and applying those collateral cash flows, together with any credit enhancements such as subordinating interests owned by third parties, to the security. The expected future cash flows of the underlying collateral are determined using the remaining contractual cash flows adjusted for future expected credit losses (including current delinquencies and nonperforming assets, future expected default rates and collateral value by vintage and geographic region) and prepayments.

The expected cash flows of the security are then discounted at the interest rate used to recognize interest income on the security to arrive at a present value amount. Certain securities are valued principally using dealer quotations. To the extent that these inputs are observable, the values of asset-backed securities are categorized at Level 2.

NOTE 4 - CAPITAL STOCK

The authorised share capital of the Company is \$10,001 divided into 100,000,000 Participating Shares of \$0.0001 par value each and 1,000 Organisational Shares of par value \$0.001 each. The rights attached to each class of shares are summarized below.

LOM FUNDS SAC LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 4 - CAPITAL STOCK (CONTINUED)

PARTICIPATING SHARES

The Directors have the power to issue Participating Shares in separate Classes corresponding to a Segregated Account from time to time up to the limit of the authorised capital. The assets and liabilities of each Class of Participating Shares are maintained and accounted for in its own Segregated Account. A Class Supplement is issued in respect of each such Segregated Account.

The Participating Shares have no voting rights and the holder of a Participating Share is not entitled to receive notice of, attend, nor vote at general meetings of Shareholders (except in connection with the variation of class rights). The Participating Shares of each Class have the right to participate equally in any dividends declared by the Company in respect of the Segregated Account to which such Participating Shares relate and are redeemable. In the event of a winding-up of the Company, each holder of a Participating Share is entitled to return of the paid-up par value and a pro-rata share in surplus assets of the relevant Segregated Account after return of the paid-up par value of the Organisational Shares.

ORGANISATIONAL SHARES

Organisational Shares may be issued at par value and to such person as the Directors may determine. Organisational Shares do not, while any Participating Shares are in issue, carry any right to participate in dividends declared by the Company and are not redeemable. The holder of an Organisational Share has the right to receive notice of, attend and vote at general meetings of the Company. In the event of a winding-up of the Company, the holder of an Organisational Share is entitled only to the return of its paid-up par value after the paid-up par value of Participating Share has been returned. All of the Organisational Shares have been issued to and fully paid for by the Investment Manager.

SUBSCRIPTIONS

Participating Shares are available for subscription at the discretion of the Directors on each Subscription Day at the Subscription Price calculated at the close of business on the relevant Valuation Day. The Subscription Day is defined in the relevant Class Supplement. The Subscription Price equals the Net Asset Value per Participating Share as at the Valuation Day on the Subscription Day on which the application is effective (exclusive of any Front End Load). The Participating Shares are issued in registered form. Share certificates are not issued.

FRONT END LOAD

A Front End Load of up to 5% on Subscription Price may be deducted from the Subscription. No Front End Load Fees were charged for the year ended December 31, 2020.

LOM FUNDS SAC LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 4 - CAPITAL STOCK (CONTINUED)

MINIMUM SUBSCRIPTION

The minimum initial subscription that will be accepted, and the minimum amount for any additional subscriptions for Participating Shares from a new investor will be as follows:

Fund	Minimum Initial Subscription	Minimum Additional Subscription
LOM Money Market Fund USD	USD \$10,000	USD \$1
LOM Money Market Fund CAD	CAD \$10,000	CAD \$1
LOM Money Market Fund GBP	GBP £10,000	GBP £1
LOM Stable Income Fund	USD \$10,000	USD \$1
LOM Emerging Market Fund	USD \$10,000	USD \$1
LOM Fixed Income Fund USD	USD \$10,000	USD \$1
LOM Fixed Income Fund EUR	EUR €10,000	EUR €1
LOM Fixed Income Fund GBP	GBP £10,000	GBP £1
LOM Fixed Income Fund CAD	CAD \$10,000	CAD \$1
LOM Equity Growth Fund	USD \$10,000	USD \$1
LOM Balanced Fund	USD \$10,000	USD \$1

The Directors may determine that the Company accept such lesser amount as they may in any particular case determine.

REDEMPTIONS

PROCEDURE

Participating Shares may be redeemed at the option of the holder on each Redemption Day. Shareholders wishing to redeem all or part of their holding of Participating Shares should send a completed Redemption Request (available from the Administrator) to the Administrator by fax (with original to follow by mail) to be received not later than the time specified in the relevant Class Supplement on the relevant Redemption Day.

Any delay in receipt of the Redemption Request will result in the request being deferred until the next Redemption Day and, in such cases, the Participating Shares will be redeemed at the Redemption Price prevailing on that Redemption day. The Directors reserve the right in their absolute discretion to waive the foregoing notice period.

LOM FUNDS SAC LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 4 - CAPITAL STOCK (CONTINUED)

A request for the redemption of part of a holding of Participating Shares may be refused, or the holding redeemed in its entirety, if, as a result of such partial redemption, the Net Asset Value of the Participating Shares retained by the holder would be less than the following amounts:

Fund	Holding Limit
LOM Money Market Fund USD	USD \$10,000
LOM Money Market Fund CAD	CAD \$10,000
LOM Money Market Fund GBP	GBP £10,000
LOM Stable Income Fund	USD \$10,000
LOM Emerging Market Fund	USD \$10,000
LOM Fixed Income Fund USD	USD \$10,000
LOM Fixed Income Fund EUR	EUR €10,000
LOM Fixed Income Fund GBP	GBP £10,000
LOM Fixed Income Fund CAD	CAD \$10,000
LOM Equity Growth Fund	USD \$10,000
LOM Balanced Fund	USD \$10,000

REDEMPTION PRICE

The Redemption Price for each Participating Share is equal to the Net Asset Value per Participating Share of the relevant Class on the relevant Redemption Day.

The Net Asset Value per Participating Share is determined as of the close of business on each Valuation Day in accordance with the provisions set out under the Information Memorandum.

PAYMENT OF REDEMPTION PROCEEDS

Redemption proceeds normally will be remitted within a certain number of business days as specified in the relevant Class Supplement, without interest for the period from that date to the payment date. Redemption payments will be made in the currency of the relevant class and will be remitted to the Shareholder by wire transfer (at the expense and risk of the Shareholder) to an account as specified by the Shareholder in his Redemption Request.

GATING

In the event that redemption requests on a particular Redemption Day exceed in aggregate twenty per cent (20%) of the total number of Participating Shares of a particular Segregated Account then in issue, the Directors may reduce the requests rateably amongst all Shareholders seeking to redeem Participating Shares of the relevant Class on the relevant Redemption Day and effect only sufficient redemptions which in aggregate equal twenty per cent (20%) of the number of Participating Shares of the particular Class then in issue. Participating Shares which are not thereby redeemed will be redeemed on the next Redemption Day (subject to further deferral if the deferred requests themselves exceed twenty per cent of the number of Participating Shares then in issue) in priority to any later redemption requests that may have been received.

LOM FUNDS SAC LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 4 - CAPITAL STOCK (CONTINUED)

All Participating Shares will be redeemed at the Redemption Price prevailing on the Redemption Day on which they are actually redeemed.

Transactions in shares of the Company for the year ended December 31, 2020 were as follows:

Fund:	Balance December 31, 2019	Shares Issued	Shares Redeemed	Balance December 31, 2020
LOM Money Market Fund USD	1,528,261	2,527,116	(1,851,657)	2,203,720
LOM Money Market Fund CAD	1,176,608	1,214,645	(1,356,976)	1,034,277
LOM Money Market Fund GBP	368,851	104,118	(207,192)	265,777
LOM Stable Income Fund	4,146,523	555,702	(734,329)	3,967,896
LOM Emerging Market Fund	120,824	10,732	(13,585)	117,971
LOM Fixed Income Fund USD	4,351,087	592,360	(716,195)	4,227,252
LOM Fixed Income Fund EUR	58,143	17,879	(1,962)	74,060
LOM Fixed Income Fund GBP	232,156	111,238	(75,831)	267,563
LOM Fixed Income Fund CAD	596,145	1,260,314	(656,910)	1,199,549
LOM Equity Growth Fund	1,983,899	484,080	(372,786)	2,095,193
LOM Balanced Fund	168,602	8,362	(24,188)	152,776

LOM FUNDS SAC LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 5 - RELATED PARTY TRANSACTIONS

MANAGEMENT AND PUBLISHING FEES

The Investment Manager is entitled to receive an annual fee of the Company's net asset value for each class of shares, accrued weekly and payable quarterly.

The management fee rate, publishing fee rate, as well as the related amount charged and paid during the year for each Segregated Account is as follows:

Fund	Annual Management Fee Rate as a Percentage of Net Asset Value per Share	Annual Publishing Fee Rate as a Percentage of Net Asset Value per Share	Amount Charged During Year	Amount Payable at Year-end
LOM Money Market Fund USD	0.50%	0.02%	\$123,224	\$29,538
LOM Money Market Fund CAD	0.50%	0.02%	CAD\$64,593	CAD\$15,585
LOM Money Market Fund GBP	0.15%	0.02%	£2,621	£543
LOM Stable Income Fund	1.50%	0.05%	\$628,011	\$168,716
LOM Emerging Market Fund	2.00%	0.05%	\$29,363	\$8,588
LOM Fixed Income Fund USD	1.00%	0.03%	\$694,483	\$184,757
LOM Fixed Income Fund EUR	0.00%	0.03%	€-	€-
LOM Fixed Income Fund GBP	0.75%	0.03%	£21,345	£6,183
LOM Fixed Income Fund CAD	1.00%	0.03%	CAD\$75,719	CAD\$24,828
LOM Equity Growth Fund	2.00%	0.05%	\$633,518	\$186,071
LOM Balanced Fund	0.65%	0.05%	\$12,686	\$3,585

Publishing fees are included in miscellaneous expenses on the Statements of Operations. Publishing fees payable are included in accounts payable and accrued liabilities on the Statements of Assets and Liabilities.

CUSTODIAN FEES

Under the Custody Agreement, the Custodian is entitled to receive a fee of 0.03% per annum of the net asset value of each class of shares for each segregated account, calculated on each valuation day and payable monthly. During 2020, the Custodian charged and was paid by the Company fees totaling as follows:

Fund	Amount Charged During Year	Amount Payable at Year-end
LOM Money Market Fund USD	\$8,434	\$2,603
LOM Money Market Fund CAD	CAD\$4,055	CAD\$1,061
LOM Money Market Fund GBP	£951	£267
LOM Stable Income Fund	\$12,560	\$3,374
LOM Emerging Market Fund	\$440	\$129
LOM Fixed Income Fund USD	\$20,834	\$5,543
LOM Fixed Income Fund EUR	€251	€76
LOM Fixed Income Fund GBP	£854	£247
LOM Fixed Income Fund CAD	CAD\$2,272	CAD\$745
LOM Equity Growth Fund	\$9,503	\$2,791
LOM Balanced Fund	\$586	\$166

LOM FUNDS SAC LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 5 - RELATED PARTY TRANSACTIONS (CONTINUED)

Custodian fees are included in miscellaneous expenses on the Statements of Operations. Custodian fees payable are included in accounts payable and accrued liabilities on the Statements of Assets and Liabilities.

NOTE 6 - ADMINISTRATION FEES

In accordance with the terms of the contract with Apex Fund Services. (the “Administrator”), the Company is charged administrative fees equal to 0.09% of the combined net asset value of the segregated accounts created under the Company, allocated to each Fund pro-rata based on the net asset value of each Fund in relation to the combined net asset value. During 2020, administration fees amounted to \$182,220.

NOTE 7 - TAXATION

Under current Bermuda law, the Company is not required to pay taxes in Bermuda on either income or capital gains. The Company has received an undertaking from the Bermuda government that, in the event of income or capital gains taxes being imposed, the Company will be exempted from such taxes until March 31, 2035.

It is the Directors’ belief that the Company is not engaged in United States trade or business and is not subject to United States income or withholding taxes in respect of the profits and losses of the Company other than the 30% withholding tax on US source equity dividends. Foreign securities held by the Company may be subject to foreign taxation on gains, dividends and interest income received. Foreign taxes, if any, are withheld by the Company’s clearing brokers based on the tax laws in the applicable foreign jurisdiction.

In addition, the Directors believe that the Company is not subject to income taxes in any other jurisdiction and that there are no uncertain tax positions that would require recognition in the financial statements. As a result, the Company has made no provision for income taxes in the accompanying financial statements.

The Investment Manager’s conclusions regarding uncertain tax positions may be subject to review and adjustment at a later date based upon ongoing analyses of tax laws, regulations and interpretations thereof as well as other factors.

LOM FUNDS SAC LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 8 - DERIVATIVE FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company does not buy or hold derivative financial instruments outside of listed options on equity securities, Treasury futures and options on Treasury futures. Some of the other investment companies in which the Company invests are dealing or trading in these instruments as their principal investment activity or use these instruments as part of their investment strategy. This may result in market or credit risk to the other investment companies in excess of the amount invested in these instruments. However, the Company's risk is limited to the net asset values of its investments in the other investment companies.

NOTE 9 - FAIR VALUE OF FINANCIAL INSTRUMENTS

In addition to the fair values of investments as disclosed in the condensed schedules of investments, the fair values of the Company's other financial instruments, including cash and cash equivalents, accounts payable and accrued expenses approximate their carrying values due to the short term maturity of these financial instruments.

NOTE 10 - GUARANTEES

In the normal course of its operations, the Company enters into contracts or agreements that contain indemnifications and warranties. The Company's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Company that have not yet occurred. However, the Company has not had prior claims or losses pursuant to these contracts and expects the risk of loss to be remote.

LOM FUNDS SAC LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 11 - FINANCIAL HIGHLIGHTS

Financial highlights for the year ended December 31, 2020 are as follows:

	LOM Money Market Fund \$USD	LOM Money Market Fund \$CAD	LOM Money Market Fund £ GBP	LOM Stable Income Fund \$ USD	LOM Emerging Market Fund \$USD
Per Share Operating Performance					
Net asset value per share - beginning	14.65	14.29	11.00	11.52	12.91
Net investment income/(loss)*	0.17	0.19	0.13	0.27	(0.14)
Net realized and unrealized gain/(loss) on investments	(0.09)	(0.11)	(0.11)	(0.32)	2.81
Total income from investment operations	0.08	0.08	0.02	(0.05)	2.67
Less: Distributions	-	-	-	(0.36)	-
Net Asset Value Per Share - Ending	<u>14.73</u>	<u>14.37</u>	<u>11.02</u>	<u>11.11</u>	<u>15.58</u>
Total Return	0.55%	0.56%	0.18%	(3.56)%	20.64%
Ratio to Average Net Assets:					
Total expenses**	<u>0.67%</u>	<u>0.72%</u>	<u>0.34%</u>	<u>1.78%</u>	<u>2.38%</u>
Net investment income/(loss)**	<u>1.19%</u>	<u>1.33%</u>	<u>1.19%</u>	<u>2.66%</u>	<u>(1.13)%</u>

LOM FUNDS SAC LTD.

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NOTE 11 - FINANCIAL HIGHLIGHTS (CONTINUED)

	LOM Fixed Income Fund \$USD	LOM Fixed Income Fund € EUR	LOM Fixed Income Fund £ GBP	LOM Fixed Income Fund \$ CAD	LOM Equity Growth Fund \$USD	LOM Balance Fund \$USD
Per Share Operating Performance						
Net asset value per share - beginning	16.80	12.58	10.93	10.40	16.52	12.78
Net investment income/(loss)*	0.43	0.06	0.29	0.19	(0.18)	0.03
Net realized and unrealized gain/(loss) on investments	(0.31)	0.26	(0.21)	0.27	1.98	1.78
Total income from investment operations	0.12	0.32	0.08	0.46	1.80	1.81
Less: Distributions	-	-	-	-	-	-
Net Asset Value Per Share - Ending	<u>16.92</u>	<u>12.90</u>	<u>11.01</u>	<u>10.86</u>	<u>18.32</u>	<u>14.59</u>
Total Return	0.71%	2.54%	0.73%	4.42%	10.90%	14.16%
Ratio to Average Net Assets:						
Total expenses**	<u>1.25%</u>	<u>0.30%</u>	<u>1.01%</u>	<u>1.24%</u>	<u>2.27%</u>	<u>0.94%</u>
Net investment income/(loss)**	<u>2.59%</u>	<u>0.49%</u>	<u>2.66%</u>	<u>1.73%</u>	<u>(1.13)%</u>	<u>0.21%</u>

Financial highlights are calculated for the class of shares taken as a whole. An individual shareholder's return and ratios may vary based on the timing of capital transactions.

Total return is computed using a time-weighted methodology whereby the returns for the individual accounting periods are geometrically linked. The ratios are computed using a weighted-average of the net assets for the year ended December 31, 2020. Interest and dividend income from underlying funds, if any, is included in the net realized and unrealized gain on investment in the accompanying statements of operations and is not included in the net investment loss.

* Net of waived management fees as noted on the Statements of Operations.

** Includes waived management fees of 0.06%, 0.02% and 0.07% for LOM Money Market Fund USD, LOM Money Market Fund CAD and LOM Money Market Fund GBP respectively.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 12 - FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS

CREDIT AND LIQUIDITY RISK

The Company is potentially subject to both credit and liquidity risk, principally through its investments in securities. The Company's credit risk is equal to the replacement cost at the then estimated fair value of the instrument. Credit risk arises because the possibility that promised cash flows on securities held will not be paid in full. Credit risk is risk due to uncertainty in a counterparty's (also called an obligor's or creditor's) ability to meet its obligations.

MARKET RISK

Market risk arises primarily from uncertainty around the future prices of financial instruments held by the Company and represents the loss the Company might incur through holding such instruments in the face of price movements. The Investment Manager allocates the Company's portfolio of investments with a view to minimizing the risk associated with particular countries and industry sectors.

CURRENCY RISK

The investments of each Fund are denominated in the related base-currency thus minimizing currency risk. The investments of each Fund are exposed to changes in foreign exchange rates (currency risk) where gains or losses may exceed the related amounts recorded. The fair value may change based on the fluctuations in the exchange rate of these underlying currencies.

NOTE 13 – IMPACT OF COVID-19

In March 2020 the COVID-19 outbreak was declared a pandemic by the World Health Organisation. The outbreak and the response of Governments in dealing with the pandemic has seen a corresponding significant increase in financial market volatility and corresponding fluctuations in the fair value of the Company's investment portfolio.

The Company continues to determine net asset values with the frequency as set out in the offering documents, consistently applying valuation policies and reflective of prevailing market conditions. As the market conditions remain extremely volatile, management do not consider it meaningful to quantify the impact of this outbreak on the Company.

NOTE 14 – SUBSEQUENT EVENT

LOM Money Market Fund GBP has been put on hold on January 13, 2021. The Fund liquidated all holdings and Investor Capital has been redeemed at the last issued NAV on January 11, 2021 and have been paid in full.

No other significant events have occurred since the end of the reporting period which would have impact on the financial position of the Company as disclosed in the statement of financial position as at December 31, 2020 or on the results and cash flows of the Company for the year ended on that date.