

BMO INVESTMENTS II (IRELAND) PLC

(an investment company with variable capital incorporated with limited liability in Ireland with registered number 457359 and operating as an umbrella fund with segregated liability between sub-funds pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended.)

**Annual Report and Audited Financial Statements for the financial year
ended 31 December 2016**

BMO INVESTMENTS II (IRELAND) PLC

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BMO INVESTMENTS II (IRELAND) PLC

Directory

BOARD OF DIRECTORS

Anthony Cousins (British)*
Eimear Cowhey (Irish)‡
Barry McInerney (Canadian)****
Paul McNaughton (Irish)‡*
Liam Miley (Irish)‡**
Hugh Moir (British)***
Lars Nielsen (Danish)**
Drew Newman (British) (Chairman)
Diane Seymour-Williams (British)*

‡Independent Directors

*Resigned 1 April 2016

**Appointed 1 April 2016

***Appointed 1 April 2016 and resigned
3 April 2017

****Resigned 13 June 2016

AUDITOR

KPMG
1 Harbourmaster Place
International Financial Services Centre
Dublin 1
Ireland

LEGAL ADVISERS

Arthur Cox
10 Earlsfort Terrace
Dublin 2
Ireland

REGISTERED OFFICE

78 Sir John Rogerson's Quay
Dublin 2
Ireland

COMPANY SECRETARY

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10 Earlsfort Terrace
Dublin 2
Ireland

INVESTMENT MANAGER & DISTRIBUTOR

LGM Investments Limited
95 Wigmore Street
London
W1U 1FD
United Kingdom

GOVERNANCE SERVICE PROVIDER

KB Associates
Ground Floor
5 Georges Dock
IFSC
Dublin 1
Ireland

ADMINISTRATOR

State Street Fund Services (Ireland) Limited
78 Sir John Rogerson's Quay
Dublin 2
Ireland

REGISTRATION NUMBER

457359

DEPOSITARY

State Street Custodial Services (Ireland)
Limited
78 Sir John Rogerson's Quay
Dublin 2
Ireland

BMO INVESTMENTS II (IRELAND) PLC

General Information

The Company is an open-ended investment company with variable capital and was incorporated in Ireland on 14 May 2008 and is organised under the laws of Ireland with registration number 457359. The Company was formerly known as Lloyd George Investment Company Plc and, on 8 September 2014, the Company changed its name to BMO Investments II (Ireland) Plc. The Company has been authorised by the Central Bank of Ireland (the "Central Bank") as an undertaking for collective investment in transferable securities ("UCITS") pursuant to the provisions of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended (the "UCITS Regulations"). All capitalised terms used but not defined herein shall have the meaning ascribed thereto in the Company's prospectus dated 9 December 2015 (the "Prospectus").

The Company is structured as an umbrella fund consisting of different sub-funds ("Funds") each comprising one or more classes of shares and with segregated liability between Funds and, as such, as a matter of Irish law, the assets of a Fund will not be exposed to the liabilities of the Company's other Funds. Each Fund of the Company will be responsible for paying its own fees and expenses regardless of the level of its profitability. Notwithstanding the foregoing, there can be no assurance that, should an action be brought against the Company in the courts of another jurisdiction, the segregated nature of the Funds would necessarily be upheld.

The Shares issued in each Fund will rank pari passu with each other in all respects, provided that they may differ as to certain matters including currency of denomination, hedging strategies, if any, applied to the currency of a particular Class, dividend policy, voting rights, return of capital, the level of fees and expenses to be charged, or the Minimum Subscription and Minimum Holding applicable. The assets of each Fund will be invested separately on behalf of each Fund in accordance with the investment objective and policies of each Fund. A separate portfolio of assets is not maintained for each Class within a Fund.

Fund Share Classes

| Name of Fund | Currency | Class |
|--------------------------------------|-----------------|---|
| BMO LGM Asian Growth and Income Fund | USD | Class A Income Shares Class A Accumulating Shares Class B Income Shares Class B Accumulating Shares* Class E Income Shares Class E Accumulating Shares Class S Income Shares Class S Accumulating Shares Class W Income Shares Class W Accumulating Shares |
| BMO LGM Frontier Markets Fund | USD | Class A Income Shares* Class A Accumulating Shares Class B Income Shares* Class B Accumulating Shares* Class E Income Shares Class E Accumulating Shares* |

*These Classes of Shares are active as at 31 December 2016.

BMO INVESTMENTS II (IRELAND) PLC

General Information cont/d

Fund Share Classes cont/d

| Name of Fund | Currency | Class |
|--|-----------------|---|
| BMO LGM Global Emerging Markets Growth and Income Fund | USD | Class A Income Shares Class A Accumulating Shares Class B Income Shares Class B Accumulating Shares* Class D Income Shares Class D Accumulating Shares Class E Income Shares Class E Accumulating Shares* Class F Income Shares Class F Accumulating Shares Class S Income Shares Class S Accumulating Shares* Class W Income Shares* Class W Accumulating Shares* |
| BMO LGM Greater India Fund | USD | Class A Income Shares Class A Accumulating Shares Class B Income Shares Class B Accumulating Shares Class E Income Shares Class E Accumulating Shares* |
| BMO LGM Asian Smaller Companies Fund | USD | Class A Income Shares Class A Accumulating Shares Class B Income Shares Class B Accumulating Shares* Class E Income Shares Class E Accumulating Shares |

* These Classes of Shares are active as at 31 December 2016.

The BMO LGM Asian Growth and Income Fund Class B Income Shares terminated on 5 January 2016.

The BMO LGM Greater India Fund Class B Income Shares terminated on 5 January 2016.

The BMO LGM Global Emerging Markets Growth and Income Fund Class S Accumulating Shares launched on 20 April 2016.

The BMO LGM Global Emerging Markets Growth and Income Fund Class W Accumulating Shares was launched on 22 July 2016.

The BMO LGM Global Emerging Markets Growth and Income Fund Class W Income Shares was launched on 22 July 2016.

There are currently five active Funds in operation as at 31 December 2016, BMO LGM Asian Growth and Income Fund, BMO LGM Frontier Markets Fund, BMO LGM Global Emerging Markets Growth and Income Fund, BMO LGM Greater India Fund and BMO LGM Asian Smaller Companies Fund.

Investment Objectives and Policies

The following is a summary of the investment objectives and policies of the active Funds. It does not purport to be a complete account of the investment objectives and policies and you should refer to the Prospectus in case of any uncertainty.

Investment Objective and Policies of the BMO LGM Asian Growth and Income Fund

The Fund aims to achieve long-term capital growth through investment in an actively managed portfolio, primarily invested in equity and equity-related securities of companies in the Asian region with the potential for capital appreciation and a growing stream of dividends.

BMO INVESTMENTS II (IRELAND) PLC

General Information cont/d

Investment Objective and Policies of the BMO LGM Asian Growth and Income Fund cont/d

The Fund will invest primarily in equity and equity-related securities of companies in the Asian region which are listed or traded on a Recognised Exchange and which have, in the opinion of the Investment Manager, the potential for growth appreciation and a growing stream of dividends. The Fund may also invest in companies that have, in the opinion of the Investment Manager, substantial economic activities in the Asian region.

The Asian region may include, but is not limited to, Hong Kong, Singapore, Malaysia, Thailand, Taiwan, China, Indonesia, South Korea and the Philippines. Investment may be made in developed and emerging markets and Frontier Markets in the Asian region and exposure to countries that do not form part of the MSCI AC Asia ex Japan Index (Net Dividends Reinvested), such as Japan and Vietnam, is permitted up to a maximum of 20% of the Fund's Net Asset Value. In addition to the above, in constructing the portfolio, the Investment Manager will focus on the selection of securities of quality companies and consider factors, including, but not limited to, sustainable business models, robust balance sheets, proven management teams with disciplined capital management, clear and fair alignment between majority and minority shareholders, share valuations, market capitalisation, liquidity and dividend yield.

Investment Objective and Policies of the BMO LGM Frontier Markets Fund

The Fund aims for long-term capital growth through investment in an actively managed portfolio, primarily invested in equity and equity-related securities of companies in Frontier Markets worldwide. In exceptional circumstances, the Fund may invest in debt securities.

The Fund will invest primarily in equities and equity-related securities of companies which are listed or traded on a Recognised Exchange in countries of Frontier Markets and companies which have, in the opinion of the Investment Manager, substantial economic activities in Frontier Markets, but whose stock listing may only be on a Recognised Exchange outside the Frontier Markets region.

In constructing the portfolio, the Investment Manager will focus on the selection of securities of quality companies and consider factors, including, but not limited to, sustainable business models, robust balance sheets, proven management teams with disciplined and fair alignment between majority and minority shareholders, share valuations, market capitalisation, liquidity and dividend yield.

Investment Objective and Policies of the BMO LGM Global Emerging Markets Growth and Income Fund

The Fund aims for long-term capital growth through investment in an actively managed portfolio, primarily invested in equity and equity-related securities of companies in emerging markets worldwide with the potential for capital appreciation and a growing stream of dividends.

The Fund will invest primarily in equity and equity related securities of companies which are listed or traded on a Recognised Exchange in emerging market countries worldwide, including Russia, which have, in the opinion of the Investment Manager, the potential for both capital appreciation and a growing stream of dividends.

Investment Objective and Policies of the BMO LGM Greater India Fund

The Fund aims to achieve long-term capital growth through investment in an actively managed portfolio, primarily invested in equity and equity-related securities of companies in India and may include investment in other countries in the Indian sub-continent such as Sri Lanka and Bangladesh.

The Fund will invest primarily in equity securities and equity-related securities of companies in India or other countries in the Indian sub-continent that are listed or traded on a Recognised Exchange. The Fund may also invest in companies that, in the opinion of the Investment Manager, have substantial economic activities in India or other countries in the Indian sub-continent, but that are listed or traded on a Recognised Exchange outside of India or other countries in the Indian sub-continent.

BMO INVESTMENTS II (IRELAND) PLC

General Information cont/d

Investment Objective and Policies of the BMO LGM Asian Smaller Companies Fund

The Fund aims to achieve long-term capital growth through investment in an actively managed portfolio, primarily invested in equity and equity-related securities of smaller companies in the Asian region.

The Fund will invest primarily in equity and equity-related securities smaller companies in the Asian region which are listed or traded on a Recognised Exchange. In this context, smaller companies generally mean companies which are, at the time of investment, of a market capitalisation within a small company sector benchmark market capitalisation range. Investments in companies which subsequently outgrow the small company sector benchmark will not be sold unless, in the opinion of the Investment Manager, this is in the best interests of Shareholders.

Redemption of Shares

The redemption price per Share shall be the Net Asset Value per Share. A redemption fee of up to 3% of the Net Asset Value per Share being redeemed may be charged in respect of Class E Income Shares and Class E Accumulating Shares of BMO LGM Frontier Markets Fund. Other than as set forth below or in the section of the Prospectus entitled "Redemption of Shares" it is not the intention to charge a redemption fee in respect of any other Class of any Fund. The Directors are empowered to charge a redemption fee of up to 3% of the Net Asset Value per Share of any Class of any Fund and may exercise their discretion to charge the redemption fee if they have reason to believe that any Shareholder requesting redemption is attempting any form of arbitrage on the yield of Shares in the Fund. In addition, in respect of BMO LGM Frontier Markets Fund only, if a Shareholder requests redemption within six months of the initial investment, then the Directors may exercise their discretion to charge a redemption fee. The Directors will give not less than one month's notice to Shareholders of their intention to introduce a redemption fee generally. In the event of a redemption fee being charged, Shareholders should view their investment as medium to long term. A redeeming Shareholder of Shares may also receive additional redemption proceeds if any Equalisation Credit paid at the time of subscription has not been fully applied.

Dividends and Distributions

The Directors are empowered to declare and pay dividends on Shares issued in any Class or Fund in the Company.

Income Share Classes: Dividends will be declared and paid on these Shares. Dividends will normally be declared in respect of the financial year end (i.e., 31 December in each year) and paid to Shareholders as of 31 December within four months of the financial year end and will usually be paid to the Shareholder's bank account as detailed on the Application Form. Dividends which are not claimed or collected within six years of payment shall revert to and form part of the assets of the relevant class. The Directors will declare dividends in respect of any Shares in the Company out of the net income (i.e., income less expenses) of the Company (whether in the form of dividends, interest or otherwise), subject to certain adjustments.

Accumulating Share Classes: Dividends will be declared on these Shares but automatically reinvested and will be reflected in the Net Asset Value of the Share class. Dividends will normally be declared in respect of the financial year end (i.e., 31 December in each year). The Directors will declare dividends in respect of any Shares in the Company out of the net income (i.e., income less expenses) of the Company (whether in the form of dividends, interest or otherwise), subject to certain adjustments.

With effect from 1 October 2013, all Classes of Shares are permitted to operate equalisation. Where the Classes of Shares operate equalisation, distributions made by such Classes of Shares will include an amount of income equalisation. This amount corresponds to the equalisation income included in the Net Asset Value per Share of such Classes.

All investors, including UK investors, should seek their own tax advice in relation to the implications (if any) of these distribution policies.

Any change to the dividend policy will be provided in an updated Prospectus and all Shareholders will be notified in advance.

BMO INVESTMENTS II (IRELAND) PLC

General Information cont/d

Reporting to investors – UK Reporting Fund Regime

It is the intention of each Fund to continue to meet its annual obligations to be a “reporting fund”, as defined in the Offshore Funds (Tax) Regulations 2009 (SI 2009 No. 3001). The Fund will report income to investors via the company’s website at www.bmo.com/lgminvestments and this is expected to be made available to investors by 30 June in each year.

Net Asset Value and Valuation of Assets

The Net Asset Value of each Fund or, if there are different classes within a Fund, each class, will be calculated by the Administrator as at the Valuation Point on or with respect to each Dealing Day in accordance with the Articles of Association. The Net Asset Value of a Fund shall be determined as at the Valuation Point for the relevant Dealing Day by valuing the assets of the relevant Fund (including income accrued but not collected) and deducting the liabilities of the relevant Fund (including a provision for duties and charges, accrued expenses and fees and other liabilities). The Net Asset Value attributable to a class shall be determined as at the Valuation Point for the relevant Dealing Day by calculating that portion of the Net Asset Value of the relevant Fund attributable to the relevant class as at the Valuation Point, subject to adjustment to take account of assets and/or liabilities attributable to the class.

The Net Asset Value of a Fund will be expressed in the Base Currency of the Fund, or in such other currency as the Directors may determine either generally or in relation to a particular class or in a specific case.

The Net Asset Value per share shall be calculated as at the Valuation Point on or with respect to each Dealing Day by dividing the Net Asset Value of the relevant Fund or attributable to a class by the total number of shares in issue in the Fund or class at the relevant Valuation Point and rounding the resulting total to four decimal places.

For further information regarding the method and principles by which the Net Asset Value is determined and the circumstances under which the Directors may temporarily suspend the determination of the Net Asset Value, please refer to the Prospectus.

BMO INVESTMENTS II (IRELAND) PLC

Investment Manager's Report

BMO LGM Asian Growth and Income Fund

2016 delivered decent returns for Asian equities to the tune of 5.4% (based on the MSCI AC Asia ex Japan Index in USD). It was a reasonably bumpy year for regional equities. Early on, we had significant weakness in Chinese equities after the administration's failed 'circuit breaker' endeavour in Q1, although the market recovered well later in the year when calmness returned and economic data stabilised. Indonesia, Thailand and Taiwan were the strongest performers, delivering double digit returns, while the Philippines (where we have some exposure) sold off heavily (around 7%) on the back of the market's unease with President Duterte's "war on drugs" and vocal (and sometimes contradictory) rhetoric towards the US. India also had a relatively difficult year, though this was concentrated in the last quarter where we had the surprise demonetisation announcement by the Prime Minister (discussed in detail below).

Although it was not the most attention grabbing headline globally (unlike events like Trump's election win and Brexit) the most significant political event for the fund was undoubtedly demonetisation in India. In a single stroke, the Prime Minister announced that the entire stock of rupees (Rs)500 and Rs1000 bank notes were no longer legal tender. This meant that 86% of the value of all currency in circulation (roughly \$220bn) was rendered unusable. The scale of this move is unprecedented. Given that more than 80% of all transactions in India are cash-based, there will be a significant short-term impact on consumers, who will likely reduce their spending on all but essential goods until the situation stabilises and new bank notes are fully adopted. Many of the domestically-focused, consumer oriented names, where the portfolio has significant exposure, have been affected by this disruption. Having said this, we believe in the bottom-up, long-term investment case for our companies and our conviction levels following this event have only become stronger.

The portfolio delivered a positive absolute return in the year of 6.5%, ahead of its benchmark (5.4%). Key contributors included the fund's security selection in India where Yes Bank was a strong contributor, and stock picking in Indonesian banks also helped. Detracting from performance was the fund's lack of exposure in Taiwan while our holding in Universal Robina in the Philippines also hurt.

Yes Bank is one of the youngest private sector banks in India. Started in 2004, Yes Bank created a niche in the corporate banking segment, then embarked on a transformational journey towards retail banking. It has performed excellent execution to develop the building blocks for a fully-fledged retail bank. Yes Bank has increased branches from 150 in 2010 to 900 along with building a good liability side with low cost current and savings account (CASA) deposits forming 30% of total deposits, which were just 10% in 2010. With considerable progress made on the retail side, Yes Bank still has a large corporate book (68% of the loan book). At the beginning of 2016, investors were circumspect with regards to Yes Bank's asset quality on corporate loans, especially in the challenging macro environment that India has gone through in the last few years. This was further exasperated by the central bank's push to downgrade loans issued by select leveraged corporates in late 2015. During the course of 2016, Yes Bank did not show any significant stress on its asset quality post the central bank review of stressed assets, thus dispelling some of the investor concerns and leading to the stock's outperformance. With less than 1% market share of system loans, it could outpace the system growth to gain market share. Yes Bank generates a return on assets (ROA) of 1.8%, which should improve as it transforms into a retail bank.

We have long been fans of Indonesian banks. The market is underpenetrated, highly profitable and reasonably valued. The long-term growth potential is thus significant and, having learned the lessons of the Asian financial crisis, Indonesian bank management teams are typically risk averse. This means that high returns do not come at the cost of excessive leverage. Rakyat and Mandiri were significant drags on performance in November, caught up in the anxieties surrounding the alleged risks to "carry trade" markets such as Indonesia posed by Trump's election victory. As discussed in our November monthly, this was all reminiscent of 2013's "Taper Tantrums" and we expected the impact to be short-lived. It was therefore gratifying to see the banks – and indeed the broader Indonesian market – recover so rapidly in December.

BMO INVESTMENTS II (IRELAND) PLC

Investment Manager's Report cont/d

BMO LGM Asian Growth and Income Fund cont/d

URC in the Philippines is a leading beverage and food company in both its local market and surrounding region. The company has dominant market shares in many of its categories while management has shown an ability to target specific segments and grow profitability with a focus on free cash flow generation. The company has had a difficult few months following some earnings disappointments, investor concerns over an international acquisition and of the general concerns over the country leadership. We spoke to URC through the year and many of our concerns were addressed. We are comfortable that domestic growth could be coming back, albeit slowly, with a focus on 'modern trade' while the focus on premium products could in the long term help maintain the market leadership position without destroying the margins. We share concerns over the political landscape and we will monitor the situation closely.

References to benchmark (MSCI AC Asia ex Japan Index) are for illustrative purposes only. There is no guarantee that the Fund will outperform its benchmark.

LGM Investments Limited

February 2017

BMO INVESTMENTS II (IRELAND) PLC

Investment Manager's Report cont/d

BMO LGM Frontier Markets Fund

2016 turned out to be a very challenging year to invest. The year for us was characterised by further US dollar strength, a strong focus on 'top down' by our fellow frontier investors and, in the last part of 2016, a flight away from quality in both emerging and frontier markets. It was therefore satisfying to conclude the year with a positive absolute return of 6.8%, materially ahead of the portfolio's benchmark return of 2.6%. The portfolio also remains strongly ahead of its benchmark on a 1,3 and 5 year basis.

Vinamilk, our Vietnamese dairy company, remains the fund's largest investment and was also the second largest contributor to performance over the year. The company has been continuing to deliver good results and benefited in 2016 from the lower raw material prices which filtered through to strong margin improvement. The government's decision to allow Vietnamese companies to increase their foreign ownership limits also helped performance as it has historically been one of the reasons such a high quality company such as Vinamilk has traded on low valuations. The largest contributor to absolute performance during 2016 came from Aramex, our Dubai-based logistics company. The company continues to demonstrate good free cash flow generation as a result of its strong and asset-light business model. The company has also been subject to foreign ownership limits which have held back the business from being valued correctly but unlike Vinamilk it does not look like these will be removed any time soon. However, the share price was helped during the year by buying interest from two strategic shareholders who subsequently took sizable stakes in the company. Aramex had been one of the fund's largest investments but in December we decided to sell roughly half of the shares we own in the company. These shares were sold to a strategic investor at a good premium to the market.

During the year we saw a number of frontier market currencies continue to come under pressure, particularly in Nigeria and Egypt. The much needed, albeit insufficient, devaluation of the naira had a large impact on the performance of frontier markets. The fund's Nigerian holdings were amongst the largest detractors from absolute performance, however, the impact of the devaluation was limited by the fund's relatively low investments in the country. The majority of the fund's investment in Nigeria is in Guaranty Trust Bank which, having a significant long dollar position, was well positioned for such an event. The biggest currency event from the fund's point of view, however, was in Egypt. The final quarter of the year saw the signing of the long awaited IMF deal in Egypt and the launching of a sound monetary and fiscal reform agenda. The most immediate impact of this was the significant and greater-than-expected currency devaluation. This had a direct and indirect impact on all of our Egyptian holdings, however, we applaud the news and expect it to be positive for returns going forward. This is especially so as the Egyptian currency now looks to be one of the cheapest in our universe. The large currency adjustments we have seen over the last 24 months in frontier markets in part drives our conviction that frontier markets can deliver more attractive returns versus other global equities over the next 5 years.

Over the course of 2016 the fund saw two new companies enter the portfolio and five exit. Of the five sell decisions four of these were located in the Middle East – Omantel and Bank Muscat in Oman, First Gulf Bank in the UAE and Herfy in Saudi Arabia. All of these were good businesses selling at attractive valuations but we sold them to deploy the capital into even better businesses on attractive valuations. Unlike many other frontier currencies that have depreciated over the last two years Middle Eastern currencies have been artificially held up due to pegging. The two new companies to enter the portfolio were Unilever Ghana and Famous Brands, the fast food company located in South Africa. It is not surprising that both of these new investments were in Africa. The continent has very much fallen out of favour with other frontier market investors. This is a very good environment for us as it gave us the chance to buy some great businesses at very undemanding valuations.

References to benchmark are for illustrative purposes only. There is no guarantee that the Fund will outperform its benchmark.

LGM Investments Limited

February 2017

BMO INVESTMENTS II (IRELAND) PLC

Investment Manager's Report cont/d

BMO LGM Global Emerging Markets Growth and Income Fund

2016 was an unusually eventful year, characterised by news headlines and significant volatility in global markets. While all emerging markets were impacted, particularly as a result of foreign exchange rates, the most important for the strategy were: demonetisation in India, the election of Donald Trump and the following impact on Mexico, the election of Duterte in the Philippines, and the IMF bailout of Egypt. These markets make up more than 50% of the portfolio.

Although it was not the most attention grabbing headline, the most significant political event for the fund was undoubtedly demonetisation in India. In a single stroke, the Prime Minister announced that the entire stock of rupees Rs500 and Rs1000 bank notes were no longer legal tender. This meant that 86% of the value of all currency in circulation (roughly \$220bn) was rendered unusable. The scale of this move is unprecedented. Given that more than 80% of all transactions in India are cash-based, there will be a significant short-term impact on consumers, who will likely reduce their spending on all but essential goods until the situation stabilises and new bank notes are fully adopted. Many of the domestically-focused, consumer oriented names, where the portfolio has significant exposure have been affected by this disruption. Having said this, we believe in the bottom-up, long-term investment case for our companies and our conviction levels following this event have only become stronger.

The fund generated a return of 5.3% in 2016, although trailed the wider emerging markets index, which produced a return of over 11%. Needless to say the aim of the strategy is to "outperform" over time. However, given the bottom-up and benchmark agnostic approach it is natural that we incur "underperformance" from time to time. In our view, a one year time period is an erroneous yardstick as it doesn't capture the long-term value created by our holdings. Performance should be measured over longer periods of time (at least three years). Over the past five years the strategy has returned 2.73% p.a. compared to 1.28% p.a. for the MSCI Emerging Markets. Since inception the strategy has returned 3.67% p.a. compared to 0.88% p.a. for the MSCI Emerging Markets.

The largest contributor to performance in the year was Yes Bank which generated a return of 56.7% in USD. Yes Bank is one of the youngest private sector banks in India. Started in 2004, Yes Bank created a niche in the corporate banking segment, then embarked on a transformational journey towards retail banking. It has performed excellent execution to develop the building blocks for a fully-fledged retail bank. Yes Bank has increased branches from 150 in 2010 to 900 along with building a good liability side with low cost current and savings account (CASA) deposits forming 30% of total deposits, which were just 10% in 2010. With considerable progress made on the retail side, Yes Bank still has a large corporate book (68% of the loan book). At the beginning of 2016, investors were circumspect with regards to Yes Bank's asset quality on corporate loans especially in the challenging macro environment that India has gone through in the last few years. This was further exasperated by the central bank's push to downgrade loans issued by select leveraged corporates in late 2015. During the course of 2016, Yes Bank did not show any significant stress on its asset quality post the central bank review of stressed assets, thus dispelling some of the investor concerns and leading to the stock's outperformance. With less than 1% market share of system loans, it could outpace the system growth to gain market share. Yes Bank generates a return on assets (ROA) of 1.8%, which should improve as it transforms into a retail bank.

A notable detractor in USD terms was our Mexican food retailer Walmart De Mexico which was down 29% in USD. The lacklustre performance was to a large extent a result of the weak Mexican peso and increased investor scepticism towards Mexico. However, in local terms Walmart De Mexico continued its stellar performance with same-store-sales up by 8.0% and total sales increasing by almost 12% for the year. We have met management several times in the past 12 months and continue to believe it is one of the best management teams within our universe. Management still see strong growth prospects despite Walmart De Mexico's 2,300 stores and 53% market share in the formalised market, as the informal retail market makes up roughly 50% of the market and will continue to lose out to Walmart De Mexico which has economies of scale working to their advantage. As such, we are confident that management will be able to achieve their target of doubling sales within the next 10 years. The company has a net cash position and is now trading at a FCF Yield of ~5%. Therefore we took advantage of the opportunity and acquired a larger stake in what we believe to be one of the best companies in emerging markets at what we consider an attractive valuation.

BMO INVESTMENTS II (IRELAND) PLC

Investment Manager's Report cont/d

BMO LGM Global Emerging Markets Growth and Income Fund cont/d

References to benchmark (MSCI Emerging Markets Index) are for illustrative purposes only. There is no guarantee that the Fund will outperform its benchmark.

LGM Investments Limited

February 2017

BMO INVESTMENTS II (IRELAND) PLC

Investment Manager's Report cont/d

BMO LGM Greater India Fund

Indian equities delivered a small positive return in the year of around 1% (in USD). The portfolio delivered a positive return of 5.8%, outperforming the benchmark 1%. The fund's absolute performance was negatively impacted by our holdings in Jubilant Foods, United spirits, Container Corp and Emami while performance was added through exposures to Yes Bank, Escorts Ltd and HDFC Bank. Because of our bottom-up, quality-focused investment philosophy, as well as our preference for the domestic investment theme, the portfolio is overweight in consumer staples, discretionary and financials and underweight in energy, utilities, information technology and telcos.

The most significant event for the fund was undoubtedly demonetisation in India which occurred in November. In a single stroke, the Prime Minister announced that the entire stock of rupees Rs500 and Rs1000 bank notes were no longer legal tender. This meant that 86% of the value of all currency in circulation (roughly \$220bn) was rendered unusable. The scale of this move is unprecedented. Given that more than 80% of all transactions in India are cash-based, there will be a significant short-term impact on consumers, who will likely reduce their spending on all but essential goods until the situation stabilises and new bank notes are fully adopted. Many of the domestically-focused, consumer oriented names, where the portfolio has significant exposure, have been affected by this disruption. Having said this, we believe in the bottom-up, long-term investment case for our companies and our conviction levels following this event have only become stronger.

The largest contributor to performance in the year was Yes Bank which generated a return of 56.7% in USD. Yes Bank is one of the youngest private sector banks in India. Started in 2004, Yes Bank created a niche in the corporate banking segment, then embarked on a transformational journey towards retail banking. It has performed excellent execution to develop the building blocks for a fully-fledged retail bank. Yes Bank has increased branches from 150 in 2010 to 900 along with building a good liability side with low cost current and savings account (CASA) deposits forming 30% of total deposits, which were just 10% in 2010. With considerable progress made on the retail side, Yes Bank still has a large corporate book (68% of the loan book). At the beginning of 2016, investors were circumspect with regards to Yes Bank's asset quality on corporate loans especially in the challenging macro environment that India has gone through in the last few years. This was further exasperated by the central bank's push to downgrade loans issued by select leveraged corporates in late 2015. During the course of 2016, Yes Bank did not show any significant stress on its asset quality post the central bank review of stressed assets, thus dispelling some of the investor concerns and leading to the stock's outperformance. With less than 1% market share of system loans, it could outpace the system growth to gain market share. Yes Bank generates a return on assets (ROA) of 1.8%, which should improve as it transforms into a retail bank.

Unsurprisingly, the largest detractor from relative performance came in the consumer sectors given the impact of demonetisation. A key conviction investment, Emami was one of the largest 'victims' of the event. The company has leading brands in Ayurvedic cooling oils, balms and antiseptic creams. Emami has a strong rural presence and derives over 50% of revenues from this sector. It also has a high exposure to the wholesale channel. Demonetisation has resulted in significant disruption in the short-term demand in both rural India as well as wholesale distribution channels. While the prospects of near-term growth are likely to be muted, we remain confident in the long-term prospects for Emami. Despite being one of the smaller players in the fast-moving consumer goods (FMCG) industry, Emami has leveraged its strong product portfolio to build market-leading positions in attractive niche categories, with limited competition from multi-national companies. They generate one of the highest gross margins in the sector. Combined with its strong capital discipline and cost control, Emami is able to generate high returns on invested capital (ROICs) in excess of 50%.

References to benchmark (S&P BSE 100) are for illustrative purposes only. There is no guarantee that the Fund will outperform its Benchmark.

LGM Investments Limited

February 2017

BMO INVESTMENTS II (IRELAND) PLC

Investment Manager's Report cont/d

BMO LGM Asian Smaller Companies Fund

The fund delivered a positive absolute return for the year of 3.1%, outperforming its benchmark which lost 2.3%. The period was challenging for Asia generally and Q4 was a particularly difficult time. The latter part of the year was marked by a number of significant events (that dominated what went before) including Trump's election victory, an oil production freeze agreement between OPEC members and the first interest rate hike in 12-months by the US Federal Reserve (FED). Of greater significance, however, is what happened in India, which is the portfolio's largest country exposure. In a single stroke, the Prime Minister announced in early November that the entire stock of rupees Rs500 and Rs1000 bank notes were no longer legal tender. This meant that 86% of the value of all currency in circulation (roughly \$220bn) was rendered unusable. The scale of this move is unprecedented. Given that more than 80% of all transactions in India are cash-based, there will be a significant short-term impact on consumers, who will likely reduce their spending on all but essential goods until the situation stabilises and new bank notes are fully adopted.

Despite the demonetisation in India, the fund's holdings significantly outperformed those of the index. Escorts Ltd and Credit Analysis & Research were both notable positive contributors. The best performing stock in the period was our cosmetic and beauty product provider in Thailand – Beauty Community while Super Group (Super), the Singapore-listed food producer, also added materially. Super Group rose sharply in the period in anticipation of some form of "corporate activity". This was confirmed in Q4 with the announcement that Jacobs Douwe Egberts is to buy Super for S\$1.45bn. This compares with Super's market cap of just S\$1.1bn at the end of October and prompted another 30% jump in the share price. We never invest on the basis of M&A speculation, but the fact remains that well-managed, high quality small cap companies with a dominant niche in their respective markets or product categories can often be attractive and relatively affordable takeover targets for larger companies. Super's well-established 3-in-1 Owl coffee brand and strong distribution capabilities in both Myanmar and Thailand put the company firmly in this takeover category. Fortunately, we have plenty of exciting new investment candidates to fill the gap in the portfolio once Super's takeover deal is finalised.

On the down side, we lost some performance in our exposure to Jubilant Foodworks (JF) in India. The stock weakened following the surprise resignation of its CEO. JF is India's largest quick service restaurant chain (QSR), with a network of almost 1100 Domino's Pizza restaurants and a dominant 70% market share in the organized pizza market. In the last few years, urban consumer spending has been weak, putting pressure on JF's same-store sales growth. JF nevertheless continues to invest in network expansion and has taken a meaningful lead over the competition in terms of geographic expansion. The departure of the CEO is clearly unfortunate and inevitably raises questions over future strategy, but looking at the larger QSR opportunity and the success of Domino's model in other countries, we are confident that JF will recover once the demand environment improves.

References to benchmark (MSCI AC ex Japan Small Cap Index) are for illustrative purposes only. There is no guarantee that the Fund will outperform its Benchmark.

LGM Investments Limited

February 2017

BMO INVESTMENTS II (IRELAND) PLC

Directors' Report for the financial year ended 31 December 2016

The Directors present herewith the annual report and audited financial statements of BMO Investments II (Ireland) Plc (the "Company") for the financial year ended 31 December 2016.

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU"), the Companies Act 2014 and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended (the "UCITS Regulations") and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015, as amended (the "Central Bank UCITS Regulations").

Statement of Directors' Responsibilities

The Directors are responsible for overseeing the preparation of the directors' report and the financial statements in accordance with applicable Irish laws and regulations.

Irish company law requires the Directors to oversee the preparation of financial statements for each financial year. Under that law, the Directors have prepared the financial statements in accordance with IFRS, as adopted by the EU, and applicable law.

Under Irish company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the Company's assets, liabilities, financial position as at the end of the financial year and of the profit or loss of the Company for the financial year.

In preparing these financial statements, the Directors are required to:

- oversee the selection of suitable accounting policies and ensure that such policies are consistently applied;
- ensure that judgements and estimates applied are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with IFRS as adopted by the EU and ensure that they contain the additional information required by the Companies Act 2014; and
- oversee the preparation of the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

The Directors are responsible for ensuring that adequate accounting records are kept which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that its financial statements comply with the Companies Act 2014. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company. In this regard they have entrusted the assets of the Company to a depositary for safe-keeping. They have 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 Companies Act 2014.

Statement of Compliance on Corporate Governance

The Company has adopted in full the voluntary Corporate Governance Code for Collective Investment Schemes and Management Companies (the "IF Code"), as published by Irish Funds (formerly the Irish Funds Industry Association), the text of which is available from the Irish Funds website, www.irishfunds.ie. The Company has been fully compliant with the IF Code for the financial year ended 31 December 2016.

BMO INVESTMENTS II (IRELAND) PLC

Directors' Report for the financial year ended 31 December 2016 cont/d

Directors

Unless indicated otherwise, the following Directors served throughout the year:

Anthony Cousins (British)*
Eimear Cowhey (Irish)‡
Barry McInerney (Canadian)****
Paul McNaughton (Irish)‡*
Liam Miley (Irish)‡**
Hugh Moir (British)***
Lars Nielsen (Danish)**
Drew Newman (British) (Chairman)
Diane Seymour-Williams (British)*

‡Independent Directors

*Resigned 1 April 2016

**Appointed 1 April 2016

***Appointed 1 April 2016 and resigned 3 April 2017

****Resigned 13 June 2016

The Directors are not required to retire by rotation under the Company's constitution (the "Constitution").

Directors' and Secretary Interests in shares and contracts

The Directors are not aware of any shareholding in the share capital of the Company by the Company Secretary during the financial year ended 31 December 2016 (2015: None). The Directors are aware of the shareholding by Diane Seymour-Williams, who resigned as a Director of the Company on 1 April 2016, in the share capital of the BMO LGM Frontier Markets Fund. The interests of the Directors in related parties are disclosed in note 9 of the financial statements.

Transactions Involving Directors

The Directors are not aware of any contracts or arrangements of any significance in relation to the business of the Company in which the Directors had any interest as defined in the Companies Act 2014 at any time during the financial year ended 31 December 2016 (2015: None) other than those disclosed in note 9 of the financial statements. Note 5 of these financial statements provides details of the Directors' fees for the year ended 31 December 2016 and prior year.

Directors' Compliance Statement

It is the policy of the Company to comply with its relevant obligations (as defined in the Companies Act 2014). As required by Section 225(2) of the Companies Act 2014, the Directors acknowledge that they are responsible for securing the Company's compliance with the relevant obligations. The Directors have drawn up a compliance policy statement as defined in Section 225(3)(a) of the Companies Act 2014 and a compliance policy which refers to the arrangements and structures that are in place and which are, in the Directors' opinion, designed to secure material compliance with the Company's relevant obligations. These arrangements and structures were reviewed by the Company during the financial year. In discharging their responsibilities under Section 225, the Directors relied upon, among other things, the services provided, advice and/or representations from third parties whom the Directors believe have the requisite knowledge and experience in order to secure material compliance with the Company's relevant obligations.

Audit Committee

The Company has not established an audit committee. Given the size and internal organisation of the Company, the nature, scope and complexity of the Company's activities and the existing processes and procedures adopted by the Company, the Board does not consider that an audit committee is required for the purposes of Section 167 of the Companies Act 2014.

BMO INVESTMENTS II (IRELAND) PLC

Directors' Report for the financial year ended 31 December 2016 cont/d

Results, Review of Business and Future Developments

The Company is organised in the form of an umbrella fund with segregated liability between Sub-Funds ("Funds"). As at 31 December 2016, the Company had five Funds which have launched.

The results for the financial year are set out in the Statement of Comprehensive Income on page 25. The investment objectives and policies of the active Funds are outlined on pages 5 to 7 and the performance of the active Funds is set out in the Investment Manager's Report on pages 9 to 15. The Directors do not anticipate any significant change in the structure or investment objectives of the Funds.

A detailed review of the development of the business and future developments is included in each Fund's Investment Manager's Report on pages 9 to 15.

Risk Management Objectives and Policies

Details of the Company's risk management objectives and policies are included in note 6 to the financial statements.

Key Performance Indicators

The Directors consider that the change in net asset value ("NAV") per share is a key indicator of the performance of the Company. Key performance indicators ("KPIs") monitored by the Directors for each Fund including: the month to month movement in the NAV per share; performance of the Fund against the benchmark it follows; and share capital movements are contained in the Investment Manager's Reports.

Distributions

Distributions declared for the financial years ended 31 December 2016 and 31 December 2015 are disclosed under note 11.

Segregated Liability

The Company is an umbrella fund with segregated liability between the Funds and, as such, as a matter of Irish law, the assets of a Fund will not be exposed to the liabilities of the Company's other Funds.

Segregated liability ensures that the liabilities incurred on behalf of a Fund will generally be discharged solely out of the assets of that Fund and there can generally be no recourse to the other Funds to satisfy those liabilities.

Each Fund will be responsible for paying its fees and expenses regardless of the level of profitability. Notwithstanding the foregoing, there can be no guarantee or assurance that, should an action be brought against the Company in a court of another jurisdiction, that the segregated nature of the Funds would necessarily be upheld.

Connected Party Transactions

Regulation 41(1) of the Central Bank UCITS Regulations states that "a responsible person shall ensure that any transaction between a UCITS and a connected person is conducted: a) at arm's length; and b) in the best interest of the unit-holders of the UCITS".

As required under Regulation 78(4) of the Central Bank UCITS Regulations, the Directors are satisfied that there are in place arrangements, evidenced by written procedures, to ensure that the obligations that are prescribed by Regulation 41(1) are applied to all transactions with a connected party; and all transactions with connected parties that were entered into during the period to which the report relates complied with the obligations that are prescribed by Regulation 41(1).

Share Capital

The net assets under management amounted to USD 880,581,960 at 31 December 2016 (31 December 2015: USD 698,731,013). Full details of the Company's share capital and changes during the year under review, together with details of significant shareholders are disclosed in note 3. The Company is not subject to the European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006.

Employees

The Company had no employees during the financial year ended 31 December 2016 or during the prior financial year.

Significant Events During the Financial Year

See note 12 for details of significant events affecting the Company's financial statements during the financial year.

BMO INVESTMENTS II (IRELAND) PLC

Directors' Report for the financial year ended 31 December 2016 cont/d

Significant Events Since the Financial Year End

See note 13 for details of significant events affecting the Company since the financial year end.

Irish Regulatory Management

The Company has appointed KB Associates which is a company that offers operational compliance and governance support services to Irish funds and management companies. KB Associates' oversight of the Company enables the Directors to receive additional assurance that operations are being conducted to a consistently high standard. Frank Connolly and Ross Allen of KB Associates have been appointed as designated individuals and have been approved by the Central Bank to act in this capacity.

Adequate Accounting Records

To ensure that adequate accounting records are kept in accordance with Section 281 of the Companies Act 2014, the Company has employed State Street Fund Services (Ireland) Limited (the "Administrator") as its administrator. The accounting records are maintained at the offices of the Administrator at 78 Sir John Rogerson's Quay, Dublin 2, Ireland.

Relevant Audit Information

The Directors confirm that during the financial year ended 31 December 2016:

- a) so far as the Directors are aware, there is no relevant audit information of which the Company's statutory auditors are unaware; and
- b) the Directors have taken all steps that ought to have been taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's statutory auditors are aware of that information.

Independent Auditor

KPMG, Chartered Accountants, have indicated their willingness to continue in office in accordance with Section 383(2) of the Companies Act 2014.

ON BEHALF OF THE BOARD

Eimear Cowhey

Liam Miley

Date: 25 April 2017

BMO INVESTMENTS II (IRELAND) PLC

Report of the Depositary to the Shareholders of the Company

We have enquired into the conduct of BMO Investments II (Ireland) Plc ('the Company') for the year ended 31 December 2016, in our capacity as depositary to the Company.

This report including the opinion has been prepared for and solely for the shareholders in the Company and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

Responsibilities of the Depositary

Our duties and responsibilities are outlined in Part 5 of the UCITS Regulations and Part 12 of the Central Bank UCITS Regulations. One of those duties is to enquire into the conduct of the Company in each annual accounting period and report thereon to the shareholders.

Our report shall state whether, in our opinion, the Company has been managed in that period in accordance with the provisions of the Company's Constitution and the UCITS Regulations. It is the overall responsibility of the Company to comply with these provisions. If the Company has not so complied, we as depositary must state why this is the case and outline the steps which we have taken to rectify the situation.

Basis of Depositary Opinion

The Depositary conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties as outlined in Part 5 of the UCITS Regulations and Part 12 of the Central Bank UCITS Regulations, and to ensure that, in all material respects, the Company has been managed (i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of the Company's Constitution and the UCITS Regulations and (ii) otherwise in accordance with the Company's Constitution and the appropriate regulations.

Opinion

In our opinion, the Company has been managed during the year, in all material respects:

(i) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the Company's Constitution, the UCITS Regulations and the Central Bank UCITS Regulations; and

(ii) otherwise in accordance with the provisions of the Company's Constitution, the UCITS Regulations and the Central Bank UCITS Regulations.

State Street Custodial Services (Ireland) Limited
78 Sir John Rogerson's Quay
Dublin 2
Ireland

Date: 25 April 2017

BMO INVESTMENTS II (IRELAND) PLC

Independent Auditor's Report to the Members of BMO Investments II (Ireland) Plc

We have audited the financial statements of BMO Investments II (Ireland) PLC (the "Company") for the year ended 31 December 2016 which comprise the statement of financial position, statement of comprehensive income, statement of changes in net assets attributable to holders of redeemable participating shares, statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and International Financial Reporting Standards (IFRS) as adopted by the European Union. Our audit was conducted in accordance with International Standards on Auditing (UK and Ireland).

Opinions and conclusions arising from our audit

1 Our opinion on the financial statements is unmodified

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2016 and of its change in net assets attributable to holders of redeemable participating shares for the year then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014, the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015, as amended.

2 Our conclusions on other matters on which we are required to report by the Companies Act 2014 are set out below

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

In our opinion the information given in the Directors' Report is consistent with the financial statements.

3 We have nothing to report in respect of matters on which we are required to report by exception

ISAs (UK & Ireland) require that we report to you if, based on the knowledge we acquired during our audit, we have identified information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

In addition, the Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Companies Act 2014 are not made.

Basis of our report, responsibilities and restrictions on use

As explained more fully in the Statement of Directors' Responsibilities set out on page 16, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

BMO INVESTMENTS II (IRELAND) PLC

Independent Auditor's Report to the Members of BMO Investments II (Ireland) Plc cont/d

An audit undertaken in accordance with ISAs (UK & Ireland) involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.

Basis of our report, responsibilities and restrictions on use cont/d

This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors of the Company; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Whilst an audit conducted in accordance with ISAs (UK & Ireland) is designed to provide reasonable assurance of identifying material misstatements or omissions it is not guaranteed to do so. Rather the auditor plans the audit to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements does not exceed materiality for the financial statements as a whole. This testing requires us to conduct significant audit work on a broad range of assets, liabilities, income and expense as well as devoting significant time of the most experienced members of the audit team, in particular the engagement partner responsible for the audit, to subjective areas of the accounting and reporting.

Our report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Darina Barrett
for and on behalf of
KPMG
Chartered Accountants, Statutory Audit Firm

25 April 2017

1 Harbourmaster Place
International Financial Services Centre
Dublin 1
Ireland

BMO INVESTMENTS II (IRELAND) PLC

Statement of Financial Position

As at 31 December 2015

| | | BMO LGM Asian Growth and Income Fund USD | BMO LGM Frontier Markets Fund USD | BMO LGM Global Emerging Markets Growth and Income Fund USD | BMO LGM Greater India Fund* USD | BMO LGM Asian Smaller Companies Fund** USD | |
|--|-------------|---|--|---|--|---|------------------|
| Company Total USD | Note | | | | | | |
| Current Assets | | | | | | | |
| Financial assets at fair value through profit or loss: | | | | | | | |
| -Transferable securities | 6 | 684,007,243 | 7,133,720 | 547,402,528 | 118,445,071 | 3,198,974 | 7,826,950 |
| -Financial derivative instruments | 6 | 1,724 | - | - | 1,724 | - | - |
| Cash and cash equivalents | 7 | 17,606,092 | 231,345 | 9,939,480 | 5,969,608 | 230,553 | 1,235,106 |
| Other receivables | | 2,222,986 | 15,989 | 2,002,656 | 185,070 | 9,776 | 9,495 |
| Total Current Assets | | 703,838,045 | 7,381,054 | 559,344,664 | 124,601,473 | 3,439,303 | 9,071,551 |
| Current Liabilities | | | | | | | |
| Creditors - amounts falling due within one year: | | | | | | | |
| -Financial derivative instruments | 6 | (2,703) | - | - | (2,703) | - | - |
| Other payables | | (5,104,329) | (28,514) | (2,117,889) | (2,816,439) | (110,963) | (30,524) |
| Total Current Liabilities excluding net assets attributable to holders of redeemable participating shares | | (5,107,032) | (28,514) | (2,117,889) | (2,819,142) | (110,963) | (30,524) |
| Net assets attributable to redeemable participating shareholders | | 698,731,013 | 7,352,540 | 557,226,775 | 121,782,331 | 3,328,340 | 9,041,027 |

*The BMO LGM Greater India Fund launched on 20 January 2015.

**The BMO LGM Asian Smaller Companies Fund launched on 6 March 2015.

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

BMO INVESTMENTS II (IRELAND) PLC

Statement of Comprehensive Income For the financial year ended 31 December 2016

| | Note | Company Total USD | BMO LGM Asian Growth and Income Fund USD | BMO LGM Frontier Markets Fund USD | BMO LGM Global Emerging Markets Growth and Income Fund USD | BMO LGM Greater India Fund USD | BMO LGM Asian Smaller Companies Fund USD |
|---|------|-------------------------|--|--|---|---|--|
| Income | | | | | | | |
| Investment income | 1 | 28,018,212 | 117,576 | 22,831,863 | 4,820,596 | 20,010 | 228,167 |
| Other income | | 12,582 | 8,615 | - | - | 162 | 3,805 |
| Net gain on investment activities | 4, 1 | 35,649,160 | 35,839 | 34,761,820 | 516,464 | 80,980 | 254,057 |
| Total investment income | | 63,679,954 | 162,030 | 57,593,683 | 5,337,060 | 101,152 | 486,029 |
| Expenses | | | | | | | |
| Operating Expenses | 5 | (8,134,480) | (110,834) | (6,940,141) | (836,137) | (81,004) | (166,364) |
| Investment Management fee reimbursement | 5 | 98,507 | 33,164 | - | - | 65,343 | - |
| Net income | | 55,643,981 | 84,360 | 50,653,542 | 4,500,923 | 85,491 | 319,665 |
| Finance Costs | | | | | | | |
| Distributions | 11 | (17,078,319) | (36,492) | (14,549,329) | (2,441,463) | - | (51,035) |
| Bank interest expense | | (6,352) | - | (1,017) | (5,335) | - | - |
| Net increase in net assets attributable to holders of Redeemable Participating Shares before taxation | | 38,559,310 | 47,868 | 36,103,196 | 2,054,125 | 85,491 | 268,630 |
| Taxation | | | | | | | |
| Capital gains tax | 2 | (1,951,477) | - | (177,147) | (1,741,921) | (3,780) | (28,629) |
| Withholding tax | 2 | (1,965,622) | (10,877) | (1,542,728) | (399,878) | - | (12,139) |
| Net increase/(decrease) in net assets attributable to holders of Redeemable Participating Shares resulting from operations | | 34,642,211 | 36,991 | 34,383,321 | (87,674) | 81,711 | 227,862 |

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

BMO INVESTMENTS II (IRELAND) PLC

Statement of Comprehensive Income For the financial year ended 31 December 2015

| | Note | Company Total USD | BMO LGM Asian Growth and Income Fund USD | BMO LGM Frontier Markets Fund USD | BMO LGM Global Emerging Markets Growth and Income Fund USD | BMO LGM Greater India Fund* USD | BMO LGM Asian Smaller Companies Fund** USD |
|--|------|-------------------------|--|--|---|--|--|
| Income | | | | | | | |
| Investment income | 1 | 25,459,172 | 197,244 | 22,009,593 | 3,044,031 | 16,239 | 192,065 |
| Net loss on investment activities | | (84,243,148) | (923,681) | (63,754,802) | (18,024,470) | (265,961) | (1,274,234) |
| Total investment expense | | (58,783,976) | (726,437) | (41,745,209) | (14,980,439) | (249,722) | (1,082,169) |
| Expenses | | | | | | | |
| Operating Expenses | 5 | (7,115,776) | (128,763) | (6,292,377) | (457,375) | (105,846) | (131,415) |
| Investment Management fee reimbursement | 5 | 97,032 | 21,579 | - | - | 75,453 | - |
| Net expense | | (65,802,720) | (833,621) | (48,037,586) | (15,437,814) | (280,115) | (1,213,584) |
| Finance Costs | | | | | | | |
| Distributions | 11 | (16,691,483) | (57,903) | (13,963,598) | (2,669,982) | - | - |
| Net decrease in net assets attributable to holders of Redeemable Participating Shares before taxation | | (82,494,203) | (891,524) | (62,001,184) | (18,107,796) | (280,115) | (1,213,584) |
| Taxation | | | | | | | |
| Capital gains tax | 2 | (510,998) | - | (413,263) | (97,506) | (229) | - |
| Withholding tax | 2 | (1,432,284) | (19,376) | (1,175,473) | (227,760) | - | (9,675) |
| Net decrease in net assets attributable to holders of Redeemable Participating Shares resulting from operations | | (84,437,485) | (910,900) | (63,589,920) | (18,433,062) | (280,344) | (1,223,259) |

*The BMO LGM Greater India Fund launched on 20 January 2015.

**The BMO LGM Asian Smaller Companies Fund launched on 6 March 2015.

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

BMO INVESTMENTS II (IRELAND) PLC

Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares For the financial year ended 31 December 2016

| | | BMO LGM Asian Growth and Income Fund USD | BMO LGM Frontier Markets Fund USD | BMO LGM Global Emerging Markets Growth and Income Fund USD | BMO LGM Greater India Fund USD | BMO LGM Asian Smaller Companies Fund USD |
|--|----|---|--|---|---|---|
| Net assets attributable to redeemable participating shareholders at beginning of financial year | | 7,352,540 | 557,226,775 | 121,782,331 | 3,328,340 | 9,041,027 |
| Net movement in net assets attributable to redeemable participating shareholders resulting from operations | | 36,991 | 34,383,321 | (87,674) | 81,711 | 227,862 |
| Issue of redeemable participating shares during the financial year | | 2,774,098 | 41,580,524 | 128,708,110 | - | 23,074 |
| Distributions reinvested | 11 | 36,492 | 14,043,346 | 2,435,612 | - | 51,035 |
| Anti – dilution levy | 2 | 11,802 | 485,627 | 307,407 | 3,230 | - |
| Redemption of redeemable participating shares during the financial year | | (3,575,979) | (37,168,115) | (978,227) | (1,529,300) | - |
| Movement in net assets resulting from share transactions | | (753,587) | 18,941,382 | 130,472,902 | (1,526,070) | 74,109 |
| Net assets attributable to redeemable participating shareholders at end of financial year | | 6,635,944 | 610,551,478 | 252,167,559 | 1,883,981 | 9,342,998 |

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

BMO INVESTMENTS II (IRELAND) PLC

Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares For the financial year ended 31 December 2015

| | BMO LGM Asian Growth and Income Fund USD | BMO LGM Frontier Markets Fund USD | BMO LGM Global Emerging Markets Growth and Income Fund USD | BMO LGM Greater India Fund* USD | BMO LGM Asian Smaller Companies Fund** USD |
|--|---|--|---|--|---|
| Net assets attributable to redeemable participating shareholders at beginning of financial year | 9,147,656 | 623,725,164 | 116,838,434 | - | - |
| Net movement in net assets attributable to redeemable participating shareholders resulting from operations | (910,900) | (63,589,920) | (18,433,062) | (280,344) | (1,223,259) |
| Issue of redeemable participating shares during the financial year | 55,600 | 12,262,568 | 21,712,726 | 3,604,327 | 10,264,286 |
| Distributions reinvested | 57,684 | 13,622,482 | 2,664,390 | - | - |
| Anti – dilution levy | 2,500 | 331,646 | 51,501 | 4,357 | - |
| Redemption of redeemable participating shares during the financial year | (1,000,000) | (29,125,165) | (1,051,658) | - | - |
| Movement in net assets resulting from share transactions | (884,216) | (2,908,469) | 23,376,959 | 3,608,684 | 10,264,286 |
| Net assets attributable to redeemable participating shareholders at end of financial year | 7,352,540 | 557,226,775 | 121,782,331 | 3,328,340 | 9,041,027 |

*The BMO LGM Greater India Fund launched on 20 January 2015.

**The BMO LGM Asian Smaller Companies Fund launched on 6 March 2015.

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

BMO INVESTMENTS II (IRELAND) PLC

Statement of Cash Flow

For the financial year ended 31 December 2016

| | Company Total USD | BMO LGM Asian Growth and Income Fund USD | BMO LGM Frontier Markets Fund USD | BMO LGM Global Emerging Markets Growth and Income Fund USD | BMO LGM Greater India Fund USD | BMO LGM Asian Smaller Companies Fund USD |
|---|-------------------------|--|--|---|---|--|
| Cash flows from operating activities | | | | | | |
| Net increase in net assets attributable to holders of redeemable participating shares, before distributions | 51,720,530 | 73,483 | 48,932,650 | 2,353,789 | 81,711 | 278,897 |
| Adjustments for: | | | | | | |
| Movement in financial assets at fair value through profit or loss | (158,603,577) | 600,969 | (27,365,669) | (131,771,409) | 1,236,461 | (1,303,929) |
| Unrealised movement on derivative assets and liabilities | (979) | - | - | (979) | - | - |
| Operating cash flows before movements in working capital | (106,884,026) | 674,452 | 21,566,981 | (129,418,599) | 1,318,172 | (1,025,032) |
| Movement in other receivables | (87,619) | 8,431 | (27,360) | (56,485) | (13,583) | 1,378 |
| Movement in other payables | 2,083,827 | (9,626) | 274,726 | 1,776,647 | 5,827 | 36,253 |
| Cash inflow/(outflow) from operations | 1,996,208 | (1,195) | 247,366 | 1,720,162 | (7,756) | 37,631 |
| Net cash (outflow)/inflow from operating activities | (104,887,818) | 673,257 | 21,814,347 | (127,698,437) | 1,310,416 | (987,401) |
| Cash flows from financing activities | | | | | | |
| Proceeds from subscriptions | 173,802,127 | 2,785,900 | 41,974,406 | 129,015,517 | 3,230 | 23,074 |
| Payment of redemptions | (43,006,425) | (3,575,979) | (36,922,919) | (978,227) | (1,529,300) | - |
| Distributions paid | (511,834) | - | (505,983) | (5,851) | - | - |
| Net cash inflow/(outflow) from financing activities | 130,283,868 | (790,079) | 4,545,504 | 128,031,439 | (1,526,070) | 23,074 |
| Net increase/(decrease) in cash and cash equivalents | 25,396,050 | (116,822) | 26,359,851 | 333,002 | (215,654) | (964,327) |
| Cash and cash equivalents at the start of the financial year | 17,606,092 | 231,345 | 9,939,480 | 5,969,608 | 230,553 | 1,235,106 |
| Cash and cash equivalents at the end of the financial year | 43,002,142 | 114,523 | 36,299,331 | 6,302,610 | 14,899 | 270,779 |
| Cashflows from operating activities include: | | | | | | |
| Taxation paid | (1,983,568) | (10,280) | (1,542,728) | (418,421) | - | (12,139) |
| Interest received | - | - | - | - | - | - |
| Interest paid | (6,352) | - | (1,017) | (5,335) | - | - |
| Dividends received | 27,930,305 | 112,129 | 22,820,258 | 4,743,254 | 20,008 | 234,656 |

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

BMO INVESTMENTS II (IRELAND) PLC

Statement of Cash Flow

For the financial year ended 31 December 2015

| | Company Total USD | BMO LGM Asian Growth and Income Fund USD | BMO LGM Frontier Markets Fund USD | BMO LGM Global Emerging Markets Growth and Income Fund USD | BMO LGM Greater India Fund* USD | BMO LGM Asian Smaller Companies Fund** USD |
|---|----------------------------------|---|--|---|--|---|
| Cash flows from operating activities | | | | | | |
| Net decrease in net assets attributable to holders of redeemable participating shares, before distributions | (67,746,002) | (852,997) | (49,626,322) | (15,763,080) | (280,344) | (1,223,259) |
| Adjustments for: | | | | | | |
| Movement in financial assets at fair value through profit or loss | 47,427,153 | 1,675,884 | 59,163,047 | (2,486,808) | (3,098,020) | (7,826,950) |
| Unrealised movement on derivative assets and liabilities | 979 | - | - | 979 | - | - |
| Operating cash flows before movements in working capital | (20,317,870) | 822,887 | 9,536,725 | (18,248,909) | (3,378,364) | (9,050,209) |
| Movement in other receivables | 641,803 | 674 | 253,380 | 407,020 | (9,776) | (9,495) |
| Movement in other payables | 428,093 | (12,152) | 514,121 | (114,409) | 10,009 | 30,524 |
| Cash inflow/(outflow) from operations | 1,069,896 | (11,478) | 767,501 | 292,611 | 233 | 21,029 |
| Net cash (outflow)/inflow from operating activities | (19,247,974) | 811,409 | 10,304,226 | (17,956,298) | (3,378,131) | (9,029,180) |
| Cash flows from financing activities | | | | | | |
| Proceeds from subscriptions | 48,287,973 | 58,100 | 12,592,676 | 21,764,227 | 3,608,684 | 10,264,286 |
| Payment of redemptions | (31,154,995) | (1,000,000) | (29,103,337) | (1,051,658) | - | - |
| Distributions paid | (346,927) | (219) | (341,116) | (5,592) | - | - |
| Net cash inflow/(outflow) from financing activities | 16,786,051 | (942,119) | (16,851,777) | 20,706,977 | 3,608,684 | 10,264,286 |
| Net (decrease)/increase in cash and cash equivalents | (2,461,923) | (130,710) | (6,547,551) | 2,750,679 | 230,553 | 1,235,106 |
| Cash and cash equivalents at the start of the financial year | 20,068,015 | 362,055 | 16,487,031 | 3,218,929 | - | - |
| Cash and cash equivalents at the end of the financial year | 17,606,092 | 231,345 | 9,939,480 | 5,969,608 | 230,553 | 1,235,106 |
| Cashflows from operating activities include: | | | | | | |
| Interest received | - | - | - | - | - | - |
| Dividends received | 22,417,642 | - | 22,232,236 | - | - | 185,406 |

*The BMO LGM Greater India Fund launched on 20 January 2015.

**The BMO LGM Asian Smaller Companies Fund launched on 6 March 2015.

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

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the financial year ended 31 December 2016

1. Significant Accounting Policies

The principal accounting policies and estimation techniques applied in the preparation of these financial statements are set out below.

a) Basis of Preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as adopted by the European Union ("EU").

b) Basis of Measurement

The financial statements have been prepared under the historical cost basis except for financial instruments at fair value through profit or loss which are measured at fair value.

The financial statements have been prepared on a going concern basis.

c) Functional and Presentation Currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the relevant Fund operates (the "functional currency"). The functional currency of each Fund is USD. The Company also has adopted these functional currencies as the presentation currency of each of the Funds. The functional and presentation currency of the Company is USD. The majority of the Funds' investments and transactions are denominated in USD. Investor subscriptions and redemptions are determined based on the net asset value, and are received and paid in USD.

Transactions in foreign currencies are translated into USD at the exchange rate at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated into USD at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into USD at the exchange rate at the date on which fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss as net foreign exchange losses, except for those arising on financial instruments at fair value through profit or loss ("FVTPL"), which are recognised as a component of net gain from financial instruments at FVTPL.

d) Investments at Fair Value through Profit or Loss

Classification

Financial assets and liabilities at FVTPL are categorised as held for trading as they are acquired or incurred principally for the purpose of selling or repurchasing in the short-term. Equities and bonds (collectively "transferable securities") and forward foreign currency exchange contracts fall into this category.

A financial instrument is classified as held for trading if:

- it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
- on initial recognition, it is part of a portfolio that is managed together and for which there is evidence of a recent pattern of a short term profit taking; or
- it is a derivative, other than a designated and effective hedging instrument.

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the financial year ended 31 December 2016 cont/d

1. Significant Accounting Policies cont/d

d) Investments at Fair Value through Profit or Loss cont/d

Fair Value Measurement

Fair value is 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 in the principal or, in its absence, the most advantageous market to which the relevant Fund has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Funds measure the fair value of an investment using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. Funds measure instruments quoted in an active market at a last traded price, because this price provides a reasonable approximation of exit price.

If there is no quoted price in an active market, then a Fund uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction. A Fund recognises transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred.

Participation Notes

The Funds may invest in warrants, notes or other structured investments commonly referred to as participation notes designed to provide a return which is directly linked to the performance of a security as a means of gaining exposure to Asian securities markets. These are identified in the Schedule of Investments. Participation notes are valued based on the fair value of the underlying security.

Forward Foreign Exchange Contracts

The Funds may employ forward currency exchange contracts to purchase or sell a specific currency at a future date at a price set at the time of the contract. The Base Currency of each Fund is USD but securities in a Fund may be denominated in large range of currencies.

Consequently, a Fund may enter into forward currency contracts to hedge against exchange rate risk. Performance may be significantly influenced by movements in foreign exchange rates because currency positions held by a Fund may not correspond with the currency of the securities invested in.

The unrealized gain or loss on open forward foreign currency exchange contracts is calculated as the difference between the contract price and the spot price as at year end. Any changes in fair value are recognised in the Statement of Comprehensive Income.

Amortised Cost

Financial assets and financial liabilities other than those held for trading are held at amortised cost. The amortised cost of the financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the accumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

Right of Offset

Financial assets and liabilities are offset and the net amount presented in the Statement of Financial Position when, and only when, the Company has a legal right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Income and expenses are presented on a net basis for gains and losses from financial instruments at fair value through profit and loss and foreign exchange gains and losses. The Company's financial assets and liabilities are not subject to offsetting, enforceable master netting arrangements and similar agreements.

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the financial year ended 31 December 2016 cont/d

1. Significant Accounting Policies cont/d

d) Investments at Fair Value through Profit or Loss cont/d

Recognition and Initial Measurement

Purchases and sales of investments are recognised as of the day the transaction takes place, i.e., the trade date – the date on which the Company commits to purchase or sell the asset. Other financial assets and liabilities are recognised on the date in which they originated. Investments are initially recognised at fair value, and costs for all financial assets and financial liabilities carried at fair value through profit or loss are expensed as incurred. Financial assets and liabilities not at FVTPL are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue.

De-recognition

Investments are de-recognised when the rights to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership. On derecognition of a financial asset, the difference between the carrying amount of the asset and consideration received is recognised in the Statement of Comprehensive Income. Financial liabilities are recognised when the contractual obligations are discharged, cancelled or expired.

e) Dividend Income

Dividend income arising on the underlying equity investments of the Company is recognised as income of the Company on the ex-dividend date. Income is shown gross of any non-recoverable withholding taxes, which is disclosed separately in the Statement of Comprehensive Income, and net of any tax credits.

f) Interest Income and Interest Expense

Interest income and interest expense on cash and cash equivalents are recognised in the Statement of Comprehensive Income using the effective interest rate method. The effective interest rate method is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or where appropriate, a shorter period) to the carrying amount of the financial asset or liability. When calculating the effective interest rate, the Company estimates future cash flows considering all contractual terms but not future credit losses. Interest received or receivable and interest paid or payable are recognised in the Statement of Comprehensive Income as interest income and interest expense, respectively.

g) Expenses

All expenses, including management fees, are recognised in the Statement of Comprehensive Income on an accruals basis.

h) Realised Gains and Losses

Realised gains and losses on sales of investments are calculated based on the average book cost of the investment in local currency and are included in net gains/(losses) on investment activities at fair value in the Statement of Comprehensive Income. Realised gains and losses on investments include interest received on debt securities.

i) Unrealised Gains and Losses

Unrealised gains and losses on investments arising during the year are included in net gains/(losses) on investment activities in the Statement of Comprehensive Income.

j) Redeemable Participating Shares

The Company issues redeemable participating shares, which are redeemable at the holder's option and are classified as financial liabilities. Redeemable participating shares can be put back to the Company at any time for cash equal to a proportionate share of the Company's Net Asset Value.

The Company's Net Asset Value per Share is calculated by dividing the net assets attributable to the holders of redeemable participating shares with the total number of outstanding redeemable participating shares.

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the financial year ended 31 December 2016 cont/d

1. Significant Accounting Policies cont/d

k) Taxation

Dividend and interest income and capital gains received by the Company may be subject to withholding tax imposed in the country of origin. Investment income is recorded gross of such taxes and the corresponding withholding tax is recognised as a tax expense. Withholding tax reclaims receivable are recorded as receivables in the Statement of Financial Position.

l) Transaction Costs

Transaction costs are defined as the incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or a financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument. When a financial asset or a financial liability is recognised initially, an entity shall measure it at its fair value through profit or loss plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs on purchases and sales of equities are included in net realised or unrealised gains/(losses) on investments in the Statement of Comprehensive Income account and transaction costs on custody transactions are included in Depository fees in the Statement of Comprehensive Income for each Fund. These costs are separately identifiable transaction costs and the total costs incurred by each Fund during the year are disclosed in note 5.

m) Distributions

Distributions declared with an ex-date during the financial year are included as a finance cost in the statement of comprehensive income.

n) Significant Accounting Estimates and Assumptions

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Critical accounting estimates are those which involve the most complex or subjective judgments or assessments. There were no estimates used in measuring the fair value of investments at year end as there were no investments classified as Level 3.

Management has also made the assessment on tax liabilities with respect to foreign capital gains taxes as outlined in note 2.

o) Anti-Dilution Levy

Where the Company deems there to be large net subscriptions and net redemptions and to prevent any adverse effect on the value of the assets of a Fund, the Company may charge an anti-dilution levy for retention as part of the assets of the Fund. The levy will be calculated to cover the dealing costs and to preserve the value of underlying investments of the Fund. Such costs will include any dealing spreads, commissions, transfer taxes and other dealing costs relating to the acquisition or disposal of assets and to preserve the value of the underlying assets of a Fund in the event of receipt for processing of net subscription or net redemption requests.

If charged, such anti-dilution levy will be based on estimated actual costs up to a maximum of 0.5% of the value of any net subscription or net redemption of each Class of Shares of each Fund (other than BMO LGM Frontier Markets Fund in respect which the anti-dilution levy may be up to 1.25% of the value of any net subscription or net redemption of each Class of Shares of such Fund and the BMO LGM Greater India Fund in respect which the anti-dilution levy may be up to 1% of the value of any net subscription or net redemption of each Class of Shares of such Fund). Such Anti-Dilution Levy shall be added/deducted from the subscription amount and the redemption proceeds, respectively.

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the financial year ended 31 December 2016 cont/d

1. Significant Accounting Policies cont/d

p) Cash and Cash Equivalents

Cash comprises current deposits with banks. Cash and cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. Cash and cash equivalents are carried at amortised cost which approximates its fair value.

q) New Accounting Standards

New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2016 and not early adopted

A number of new standards, amendments to standards and interpretations in issue are not yet effective and have not been applied in preparing these financial statements. None of these are currently expected to have a material effect on the financial statements except for the following set out below:

IFRS 9 "Financial Instruments", issued on 24 July 2014, is the IASB's replacement of IAS 39 "Financial Instruments: Recognition and Measurement". The Standard includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets carried at amortised cost, and new general hedge accounting requirements. It also carries forward the guidance on recognition and de-recognition of financial instruments from IAS 39.

IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted. Based on the initial assessment, this standard is not expected to have a material impact on the Company. This is because the financial instruments currently measured at FVTPL will continue to be measured at FVTPL under IFRS 9 and those currently measured at amortised cost will continue to be measured at amortised cost under IFRS 9.

The IASB have now tentatively decided to require entities to apply IFRS 9 for annual periods beginning on or after 1 January 2018. Entities are required to apply IFRS 9 (2013) retrospectively, in accordance with the requirements of IAS 8, with certain exceptions. IFRS 7 "Financial Instruments: Disclosures", requires additional disclosures on transition from IAS 39 "Financial Instruments: Recognition and Measurement" to IFRS 9.

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the Company.

2. Taxation

The Directors have been advised that the Company is an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997. The Company will generally not be liable to Irish tax in respect of its income and gains, other than on the occurrence of a chargeable event. Generally a chargeable event arises on any distribution, redemption, repurchase, cancellation, transfer of shares or on the ending of a "Relevant Period". A "Relevant Period" being an eight year period beginning with the acquisition of the shares by the Shareholder and each subsequent period of eight years beginning immediately after the preceding relevant Period.

A gain on a chargeable event does not arise in respect of:

- (i) a shareholder who is not Irish resident and not ordinarily resident in Ireland at the time of the chargeable event, provided the necessary signed statutory declarations are held by the Company; or
- (ii) certain exempted Irish resident investors who have provided the Company with the necessary signed statutory declarations; or
- (iii) any transactions in relation to shares held in a recognised clearing system as designated by the order of the Revenue Commissioners of Ireland; or
- (iv) an exchange of shares representing one Fund for another Fund of the Company; or

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the financial year ended 31 December 2016 cont/d

2. Taxation cont/d

(v) an exchange of shares arising on a qualifying amalgamation or reconstruction of the Company with another Company; or

(vi) certain exchanges of shares between spouses and former spouses.

In the absence of an appropriate declaration, the Company will be liable to Irish tax on the occurrence of a chargeable event.

There were no chargeable events during the year under review.

The Company is exposed to tax risks with regard to the imposition of taxes in the jurisdictions in which it invests (including but not limited to capital gains tax and withholding tax), and has put in place a process for the identification of its obligations in this regard including periodic updates to its tax database and external, third party validation of this database at regular intervals.

Dividends and interest received may be subject to withholding taxes imposed by the country of origin and such taxes may not be recoverable by the Company or its shareholders. The dividend withholding tax charge for the financial year ending 31 December 2016 was USD 1,965,622 (2015: USD 1,432,284).

Following a review of taxation arrangements in all investible markets which concluded in October 2016, the Company now makes period adjustments for potential unrealised capital gains liabilities of the Funds in order to more accurately reflect the valuation of assets and protect long-term investors. As at year-end three Funds include negative adjustments for theoretical liabilities in India. Since the end of the year, a positive adjustment has been made to the financial statements of one Fund holding assets in Pakistan to reflect a confirmed refund due. The capital gains tax charge for the financial year ending 31 December 2016 was USD 1,951,477 (2015: USD 510,998).

3. Share Capital and Net Asset Value per Share

Authorised

The authorised share capital of the Company is five hundred billion (500,000,000,000) Shares of no par value and 300,000 redeemable non-participating shares of no par value. Redeemable non-participating Shares do not entitle the holders thereof to any dividend and on a winding up entitle the holders thereof to receive the amount paid up thereon but do not otherwise entitle them to participate in the assets of the Company. The Directors have the power to allot shares in the capital of the Company on such terms and in such manner as they may think fit.

Redeemable Participating Shares

Each of the shares (other than subscriber shares) entitles the holder to participate equally on a pro rata basis in the dividends (save in the case of dividends declared prior to becoming a shareholder) and net assets of the Company attributable to such shares. Each of the shares entitles the holder to attend and vote at meetings of the Company and of the Fund represented by those shares. No class of shares confers on the holder thereof any preferential or pre-emptive rights or any rights to participate in the profits and dividends of any other class of shares or any voting rights in relation to matters relating solely to any other class of shares. The Company's capital currently exceeds EUR 300,000, being the capital required to establish a self-managed investment company under the UCITS Regulations.

Subscriber shares

As at year end, two subscriber shares of €1 each were in issue. These subscriber shares were issued for the purposes of the incorporation of the Company, and are legally and beneficially owned by the Investment Manager and Drew Newman. The subscriber shares do not form part of the Net Asset Value of the Company and are thus disclosed in the financial statements by way of this note only.

The subscriber shares do not entitle the shareholders thereof to any dividend and on a winding up entitle the holders thereof to receive the amount paid up thereon but do not otherwise entitle them to participate in the assets of the Company.

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the financial year ended 31 December 2016 cont/d

3. Share Capital and Net Asset Value per Share cont/d

Issued Share Capital

| | BMO LGM Asian Growth and Income Fund | BMO LGM Asian Growth and Income Fund | BMO LGM Frontier Markets Fund | BMO LGM Frontier Markets Fund | BMO LGM Frontier Markets Fund | BMO LGM Frontier Markets Fund | BMO LGM Global Emerging Markets Growth and Income Fund |
|--|--|--|-------------------------------------|----------------------------------|-------------------------------------|-------------------------------------|--|
| | Class B Income Shares* | Class B Accumulating Shares | Class A Income Shares | Class B Income Shares | Class B Accumulating Shares | Class E Accumulating Shares | Class B Income Shares |
| | 31 December 2016 | 31 December 2016 | 31 December 2016 | 31 December 2016 | 31 December 2016 | 31 December 2016 | 31 December 2016 |
| Shares | | | | | | | |
| Shares in issue at beginning of financial year | 384,465 | 425,904 | 98,683 | 2,565,257 | 9,286,934 | 28,501,317 | 60,171 |
| Shares issued | - | 273,694 | 9,291 | 1,751,609 | 624,063 | 480,001 | 573,852 |
| Shares redeemed | (384,465) | (18,141) | (70,520) | (621,643) | (1,626,698) | - | (111,199) |
| Shares in issue at end of financial year | - | 681,457 | 37,454 | 3,695,223 | 8,284,299 | 28,981,318 | 522,824 |
| Net Asset Value | - | USD 6,635,944 | USD 637,832 | USD 55,792,769 | USD 142,354,037 | USD 411,766,840 | USD 3,270,556 |
| Net Asset Value per Share | - | USD 9.7379 | USD 17.0298 | USD 15.0986 | USD 17.1836 | USD 14.2080 | USD 6.2556 |
| | 2016 USD | 2016 USD | 2016 USD | 2016 USD | 2016 USD | 2016 USD | 2016 USD |
| Capital | | | | | | | |
| Subscriptions during the financial year | - | 2,774,098 | 159,199 | 25,244,006 | 10,220,123 | 5,957,196 | 4,013,153 |
| Redemptions during the financial year | (3,382,776) | (193,203) | (1,166,426) | (8,651,068) | (27,350,621) | - | (758,738) |

*The BMO LGM Asian Growth and Income Fund Class B Income Shares terminated on 5 January 2016.

The BMO LGM Asian Growth and Income Fund Class W Accumulating Shares launched on 30 December 2016. 100 shares at USD 10 each were issued on 2 January 2017.

The Investment Manager is entitled to charge an investment management fee per annum in respect of each share class noted above. Please refer to note 5 for the annual investment management fee rate of each share class.

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the financial year ended 31 December 2016 cont/d

3. Share Capital and Net Asset Value per Share cont/d

Issued Share Capital

| | BMO LGM Global Emerging Markets Growth and Income Fund | BMO LGM Global Emerging Markets Growth and Income Fund | BMO LGM Global Emerging Markets Growth and Income Fund | BMO LGM Global Emerging Markets Growth and Income Fund | BMO LGM Global Emerging Markets Growth and Income Fund | BMO LGM Greater India Fund | BMO LGM Greater India Fund |
|--|---|--|--|--|--|-------------------------------|-----------------------------------|
| | Class B Accumulating Shares | Class E Accumulating Shares | Class S Accumulating Shares* | Class W Income Shares** | Class W Accumulating Shares** | Class B Income Shares*** | Class E Accumulating Shares |
| | 31 December 2016 | 31 December 2016 | 31 December 2016 | 31 December 2016 | 31 December 2016 | 31 December 2016 | 31 December 2016 |
| Shares | | | | | | | |
| Shares in issue at beginning of financial year | 280,063 | 11,735,721 | - | - | - | 181,440 | 181,120 |
| Shares issued | 1,623,272 | 8,263,855 | 1,280,000 | 3,412 | 193 | - | - |
| Shares redeemed | (16,354) | - | - | - | - | (181,440) | - |
| Shares in issue at end of financial year | 1,886,981 | 19,999,576 | 1,280,000 | 3,412 | 193 | - | 181,120 |
| Net Asset Value | USD 23,173,233 | USD 213,430,110 | USD 12,260,925 | USD 30,982 | USD 1,753 | USD | USD 1,883,981 |
| Net Asset Value per Share | USD 12.2808 | USD 10.6717 | USD 9.5788 | USD 9.0803 | USD 9.0811 | USD | USD 10.4018 |
| | 2016 USD | 2016 USD | 2016 USD | 2016 USD | 2016 USD | 2016 USD | 2016 USD |
| Capital | | | | | | | |
| Subscriptions during the financial year | 21,944,191 | 89,775,000 | 12,941,904 | 31,931 | 1,931 | - | - |
| Redemptions during the financial year | (219,489) | - | - | - | - | (1,529,300) | - |

*The BMO LGM Global Emerging Markets Growth and Income Fund Class S Accumulating Shares launched on 20 April 2016.

**The BMO LGM Global Emerging Markets Growth and Income Fund Class W Income Shares and Class W Accumulating Shares launched on 22 July 2016.

***The BMO LGM Grater India Fund Class B income Shares terminated on 5 January 2016.

The Investment Manager is entitled to charge an investment management fee per annum in respect of each share class noted above. Please refer to note 5 for the annual investment management fee rate of each share class.

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the financial year ended 31 December 2016 cont/d

3. Share Capital and Net Asset Value per Share cont/d

| Issued Share Capital | BMO LGM Asian Smaller Companies Fund Class B Accumulating Shares 31 December 2016 |
|--|--|
| Shares | |
| Shares in issue at beginning of financial year | 1,026,486 |
| Shares issued | 2,535 |
| Shares redeemed | - |
| Shares in issue at end of financial year | 1,029,021 |
| Net Asset Value | USD 9,342,998 |
| Net Asset Value per Share | <u>USD 9.0795</u> |
| | 2016 USD |
| Capital | |
| Subscriptions during the financial year | 23,074 |
| Redemptions during the financial year | - |

The Investment Manager is entitled to charge an investment management fee per annum in respect of each share class noted above. Please refer to note 5 for the annual investment management fee rate of each share class.

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the financial year ended 31 December 2016 cont/d

3. Share Capital and Net Asset Value per Share cont/d

Issued Share Capital

| | BMO LGM Asian Growth and Income Fund | BMO LGM Asian Growth and Income Fund | BMO LGM Frontier Markets Fund | BMO LGM Frontier Markets Fund | BMO LGM Frontier Markets Fund | BMO LGM Frontier Markets Fund | BMO LGM Global Emerging Markets Growth and Income Fund |
|--|--|--|-------------------------------------|----------------------------------|-------------------------------------|-------------------------------------|--|
| | Class B Income Shares | Class B Accumulating Shares | Class A Income Shares | Class B Income Shares | Class B Accumulating Shares | Class E Accumulating Shares | Class B Income Shares |
| | 31 December 2015 | 31 December 2015 | 31 December 2015 | 31 December 2015 | 31 December 2015 | 31 December 2015 | 31 December 2015 |
| Shares | | | | | | | |
| Shares in issue at beginning of financial year | 379,011 | 519,613 | 245,822 | 2,755,958 | 9,953,533 | 28,501,317 | 61,431 |
| Shares issued | 5,454 | - | 9,820 | 32,950 | 660,251 | - | - |
| Shares redeemed | - | (93,709) | (156,959) | (223,651) | (1,326,850) | - | (1,260) |
| Shares in issue at end of financial year | 384,465 | 425,904 | 98,683 | 2,565,257 | 9,286,934 | 28,501,317 | 60,171 |
| Net Asset Value | USD 3,457,366 | USD 3,895,175 | USD 1,594,155 | USD 36,578,019 | USD 149,383,201 | USD 369,671,399 | USD 479,128 |
| Net Asset Value per Share | USD 8.9927 | USD 9.1457 | USD 16.1543 | USD 14.2590 | USD 16.0853 | USD 12.9703 | USD 7.9628 |
| | 2015 USD | 2015 USD | 2015 USD | 2015 USD | 2015 USD | 2015 USD | 2015 USD |
| Capital | | | | | | | |
| Subscriptions during the financial year | 55,550 | - | 172,941 | 500,266 | 11,513,289 | - | - |
| Redemptions during the financial year | - | (998,126) | (2,761,226) | (3,381,354) | (22,894,628) | - | (11,835) |

The Investment Manager is entitled to charge an investment management fee per annum in respect of each share class noted above. Please refer to note 5 for the annual investment management fee rate of each share class.

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the financial year ended 31 December 2016 cont/d

3. Share Capital and Net Asset Value per Share cont/d

Issued Share Capital

| | BMO LGM Global Emerging Markets Growth and Income Fund | BMO LGM Global Emerging Markets Growth and Income Fund | BMO LGM Greater India Fund* | BMO LGM Greater India Fund* | BMO LGM Asian Smaller Companies Fund*** |
|--|---|---|---|---|---|
| | Class B Accumulating Shares 31 December 2015 | Class E Accumulating Shares 31 December 2015 | Class B Income Shares 31 December 2015 | Class E Accumulating Shares** 31 December 2015 | Class B Accumulating Shares 31 December 2015 |
| Shares | | | | | |
| Shares in issue at beginning of financial year | 273,711 | 9,975,000 | - | - | - |
| Shares issued | 86,468 | 1,760,721 | 181,440 | 181,120 | 1,026,486 |
| Shares redeemed | (80,116) | - | - | - | - |
| Shares in issue at end of financial year | 280,063 | 11,735,721 | 181,440 | 181,120 | 1,026,486 |
| Net Asset Value | USD 3,265,741 | USD 118,037,826 | USD 1,547,868 | USD 1,780,472 | USD 9,041,027 |
| Net Asset Value per Share | USD 11.6607 | USD 10.0580 | USD 8.5310 | USD 9.8303 | USD 8.8077 |
| | 2015 USD | 2015 USD | 2015 USD | 2015 USD | 2015 USD |
| Capital | | | | | |
| Subscriptions during the financial year | 1,163,891 | 20,460,464 | 1,793,125 | 1,811,203 | 10,264,226 |
| Redemptions during the financial year | (1,033,633) | - | - | - | - |

*The BMO LGM Greater India Fund launched on 20 January 2015.

**The BMO LGM Greater India Fund Class E Accumulating Shares launched on 25 August 2015.

***The BMO LGM Asian Smaller Companies Fund launched on 6 March 2015.

The Investment Manager is entitled to charge an investment management fee per annum in respect of each share class noted above. Please refer to note 5 for the annual investment management fee rate of each share class.

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the financial year ended 31 December 2016 cont/d

3. Share Capital and Net Asset Value per Share cont/d

Significant Shareholders

The following table details the number of shareholders with significant holdings of at least 20% of the relevant Fund and the percentage of that holding as at 31 December 2016 and 31 December 2015.

| Fund | Number of significant shareholders | Total number of shares held at 31 Dec 2016 | Aggregate Shareholding as a % of the sub fund as at 31 Dec 2016 | Total number of shares held at 31 Dec 2015 | Aggregate Shareholding as a % of the sub fund as at 31 Dec 2015 |
|--|---|---|--|---|--|
| BMO LGM Asian Growth and Income Fund | 2 | 637,292 | 93.50% | 406,292 | 95.40% |
| BMO LGM Frontier Markets Fund | 1 | 11,854,493 | 29.16% | 11,454,492 | 28.46% |
| BMO LGM Global Emerging Markets Growth and Income Fund | 1 | 20,201,196 | 85.03% | 11,735,721 | 97.18% |
| BMO LGM Greater India Fund | 1 | 181,120 | 100.00% | 341,458 | 94.18% |
| BMO LGM Asian Smaller Companies Fund | 1 | 1,029,021 | 100.00% | 1,026,486 | 100.00% |

Share Rights

The rights attaching to the Shares issued in any class or Fund may, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the Shareholders of three-quarters of the issued Shares of that Class or Fund, or with the sanction of an ordinary resolution passed at a general meeting of the Shareholders of that Class or Fund.

A resolution in writing signed by all the Shareholders for the time being entitled to attend and vote on such resolution at a general meeting of the Company shall be as valid and effective for all purposes as if the resolution had been passed at a general meeting of the Company duly convened and held and if described as a special resolution shall be deemed to be a special resolution.

The rights attaching to the Shares shall not, unless expressly provided otherwise by the terms of issue of the shares of that class or a Fund, be deemed to be varied by the creation, allotment or issue of any further Shares ranking pari passu with Shares already in issue.

Redemption of Shares

As detailed in the Prospectus, requests for a redemption received prior to the Dealing Deadline for any Dealing Day will be processed on that Dealing Day (save during any period when the calculation of the Net Asset Value is suspended). Requests for a redemption received after the Dealing Deadline for any Dealing Day will be processed on the next Dealing Day, unless the Company, in its absolute discretion, determines otherwise.

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the Financial Year ended 31 December 2016 cont/d

4. Net (Loss)/Gain on Investment Activities during the Financial Year

Financial Year ended 31 December 2016

| | Total | BMO LGM Asian Growth and Income Fund | BMO LGM Frontier Markets Funds | BMO LGM Global Emerging Markets Growth and Income fund | BMO LGM Greater India Fund | BMO LGM Asian Smaller Companies Fund |
|---|-------------------|---|---|---|---|---|
| | 2016 | 2016 | 2016 | 2016 | 2016 | 2016 |
| | USD | USD | USD | USD | USD | USD |
| Gains/(losses) on: | | | | | | |
| Investments | 41,647,270 | 248,307 | 38,175,841 | 2,727,068 | 150,792 | 345,262 |
| Foreign currency | (5,998,110) | (212,468) | (3,414,021) | (2,210,604) | (69,812) | (91,205) |
| Net gains on investment activities | 35,649,160 | 35,839 | 34,761,820 | 516,464 | 80,980 | 254,057 |

Financial Year ended 31 December 2015

| | Total | BMO LGM Asian Growth and Income Fund | BMO LGM Frontier Markets Funds | BMO LGM Global Emerging Markets Growth and Income fund | BMO LGM Greater India Fund* | BMO LGM Asian Smaller Companies Fund** |
|--|---------------------|---|---|---|--|---|
| | 2015 | 2015 | 2015 | 2015 | 2015 | 2015 |
| | USD | USD | USD | USD | USD | USD |
| Gains/(losses) on: | | | | | | |
| Investments | (73,112,005) | (806,872) | (55,112,874) | (15,672,387) | (241,845) | (1,278,027) |
| Foreign currency | (11,131,143) | (116,809) | (8,641,928) | (2,352,083) | (24,116) | 3,793 |
| Net losses on investment activities | (84,243,148) | (923,681) | (63,754,802) | (18,024,470) | (265,961) | (1,274,234) |

*The BMO LGM Greater India Fund launched on 20 January 2015.

**The BMO LGM Asian Smaller Companies Fund launched on 6 March 2015.

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the financial year ended 31 December 2016 cont/d

5. Fees

Directors' Fees

The Articles of Association authorise the Directors to charge a fee for their services at a rate determined by the Directors and which is not expected to exceed EUR 70,000. The Directors may be entitled to special remuneration if called upon to perform any special or extra services to the Company. All Directors will be entitled to reimbursement by the Company of expenses properly incurred in connection with the business of the Company or the discharge of their duties. Directors' fees charged for the financial year ended 31 December 2016 were USD 72,465 (31 December 2015: USD 35,814) of which USD Nil (31 December 2015: USD 18,660) was outstanding at the financial year end.

Administration Fee

The Company pays to the Administrator out of the assets of the Company an annual fee, accrued at each Valuation Point and payable monthly in arrears at a rate which shall not exceed 0.07% per annum of the Net Asset Value of each Fund subject to a minimum annual fee of USD 72,000 (plus VAT, if any thereon), which may be negotiated from time to time. Shareholders will be notified in advance of any proposed increase in the Administrator's annual fee.

The Administrator is also entitled to be repaid out of the assets of the Company all of its reasonable out-of-pocket expenses incurred on behalf of a Fund.

The Administrator's fees charged during the financial year were USD 534,346 (31 December 2015: USD 481,742) of which USD 16,003 (31 December 2015: USD 77,272) was payable at financial year end 31 December 2016.

Depositary's Fees

With effect from the implementation of the UCITS V Directive (2014/91/eu) ("UCITS V") into Irish law on 18 March 2016, the Depositary is entitled to receive out of the assets of the Company an annual fee, accrued at each Valuation Point and payable monthly in arrears, which shall not exceed 0.025% (0.020% custodian fee, prior to 18 March 2016) per annum of the average monthly Net Asset Value of each Fund thereon. The Depositary is also entitled to be repaid all of its disbursements out of the assets of the Funds, including couriers' fees and telecommunication costs and expenses and the fees, transaction charges and expenses of any sub-custodian appointed by it which shall be at normal commercial rates together with VAT, if any, thereon.

The Depositary's fees charged during the financial year were USD 1,964,697 (31 December 2015: USD 2,046,417) of which USD 230,233 (31 December 2015: USD 301,198) was payable at financial year end 31 December 2016.

Investment Manager's Fees

The Investment Manager is entitled to receive the following annual investment management fees, out of the assets of the relevant Fund pursuant to the Prospectus.

| Fund | Share Class | Annual Fee |
|--------------------------------------|-----------------------------|-------------------|
| BMO LGM Asian Growth and Income Fund | Class A Income Shares | 1.00% |
| | Class A Accumulating Shares | 1.00% |
| | Class B Income Shares | 0.75% |
| | Class B Accumulating Shares | 0.75% |
| | Class E Income Shares | 0.00% |
| | Class E Accumulating Shares | 0.00% |
| | Class S Income Shares | 0.75% |
| | Class S Accumulating Shares | 0.75% |
| | Class W Income Shares | 1.50% |
| | Class W Accumulating Shares | 1.50% |

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the financial year ended 31 December 2016 cont/d

5. Fees cont/d

Investment Manager's Fees cont/d

| Fund | Share Class | Annual Fee |
|--|-----------------------------|-------------------|
| BMO LGM Frontier Markets Fund | Class A Income Shares | 2.00%* |
| | Class A Accumulating Shares | 2.00%* |
| | Class B Income Shares | 1.50%* |
| | Class B Accumulating Shares | 1.50%* |
| | Class E Income Shares | 0.00% |
| | Class E Accumulating Shares | 0.00% |
| BMO LGM Global Emerging Markets Growth and Income Fund | Class A Income Shares | 1.00% |
| | Class A Accumulating Shares | 1.00% |
| | Class B Accumulating Shares | 0.75% |
| | Class B Income Shares | 0.75% |
| | Class D Income Shares | 0.75% |
| | Class D Accumulating Shares | 0.75% |
| | Class E Income Shares | 0.00% |
| | Class E Accumulating Shares | 0.00% |
| | Class F Income Shares | 0.75% |
| | Class F Accumulating Shares | 0.75% |
| | Class S Income Shares | 0.75% |
| | Class S Accumulating Shares | 0.75% |
| | Class W Income Shares | 1.50% |
| Class W Accumulating Shares | 1.50% | |
| BMO LGM Greater India Fund | Class A Income Shares | 1.50% |
| | Class A Accumulating Shares | 1.50% |
| | Class B Income Shares | 1.00% |
| | Class B Accumulating Shares | 1.00% |
| | Class E Income Shares | 0.00% |
| | Class E Accumulating Shares | 0.00% |
| BMO LGM Asian Smaller Companies Fund | Class A Income Shares | 1.50% |
| | Class A Accumulating Shares | 1.50% |
| | Class B Income Shares | 1.00% |
| | Class B Accumulating Shares | 1.00% |
| | Class E Income Shares | 0.00% |
| | Class E Accumulating Shares | 0.00% |

*For these share classes, in addition to the investment management fees detailed above, the Investment Manager is also entitled to receive annual performance fees out of the assets of the Fund, as disclosed below.

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the financial year ended 31 December 2016 cont/d

5. Fees cont/d

Investment Manager's Fees cont/d

The Investment Manager's fees charged during the financial year were USD 3,203,117 (31 December 2015: USD 3,243,120) of which USD 277,318 (31 December 2015: USD 505,275) was payable at financial year end 31 December 2016.

The Investment Manager received fee reimbursements of USD 98,507 during the financial year (31 December 2015: USD 97,032).

Performance Fee

The Investment Manager is entitled to receive a performance fee out of the assets of the Fund in respect of certain of the classes as listed in the table above (the "performance fee"). The performance fee is calculated in respect of each year ending 31 December (or the immediately preceding Business Day if it is not a Business Day) in each year (a "calculation period" with each end date being a "calculation day"). The first calculation period is the period commencing on the business day immediately following the close of the Initial Offer Period and ending on 31 December of the same year. The performance fee accrues on each Dealing Day. The performance fee is normally payable to the Investment Manager in arrears within 14 days of the end of each calculation period. However, in the case of shares redeemed during a calculation period, the accrued performance fee in respect of those shares are payable within 14 days after the date of repurchase as though the date of redemption was the end of the relevant calculation period. The Depositary verifies the calculation of any performance fee paid to the Investment Manager.

The performance fee is calculated separately for each shareholder as set out below. The performance fee is payable at the rate of 20% of the amount by which the Net Asset Value per share on the calculation day without deduction of any accrued performance fee, exceeds the Benchmark Value. In order for a performance fee to be payable in respect of a calculation period, the Net Asset Value per share on the relevant calculation date, without deduction of any accrued performance fee (the "Final Net Asset Value per Share") must exceed the Benchmark Value. Where the Benchmark Value is exceeded, the performance fee payable per share is equal to 20% of the amount by which the final net asset value per share exceeds the Benchmark Value.

For the purpose of calculating the performance fee, the Net Asset Value per Share is calculated without accounting for the performance fee payable in respect of the relevant calculation period. If the determination of the Net Asset Value per Share is suspended on any calculation day, the calculation of the performance fee on that date is based upon the next available determination of the Net Asset Value per Share and the amount of any performance fee accrued is adjusted accordingly. Any underperformance of the Benchmark Index in preceding periods is claimed back (cleared) before a fee becomes due in subsequent periods.

If the Investment Manager receives a performance fee with respect to the performance of a Fund during a calculation period, and the Fund suffers losses in a subsequent calculation period, the Investment Manager is under no obligation to, and will not, refund such performance fee.

If the Investment Management Agreement is terminated during a calculation period, the performance fee in respect of the current calculation period will be calculated and paid as though the date of termination were the end of the relevant calculation period. Upon termination of the Fund the Investment Manager will receive the performance fee for the calculation period in which the termination occurs. If the termination occurs prior to the end of a month, the Investment Manager shall receive the amount of the investment management fee prorated through the effective date of the termination of the Fund, as appropriate.

Where performance fees are payable by a Fund, these fees will be based on net realized and net unrealized gains and losses as at the end of each calculation period. As a result, performance fees may be paid on unrealized gains which may subsequently never be realized.

The performance fees charged during the financial year were USD 1,959,801 (31 December 2015: USD 1,021,720) of which USD 1,669,604 (31 December 2015: USD 996,057) was payable at financial year end 31 December 2016.

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the financial year ended 31 December 2016 cont/d

5. Fees cont/d

Governance Service Provider's Fees

The fees charged by KB Associates for services provided since 1 January 2016 and charged to the Company during the financial year ended 31 December 2016 amounted to USD17,914 (31 December 2015: USD17,914).

Auditor Remuneration

The remuneration for all work carried out by the statutory audit firm in respect of the financial year 31 December 2016 and 31 December 2015 is as follows:

| | 31 December 2016 | 31 December 2015 |
|------------------|-------------------------|-------------------------|
| | EUR | EUR |
| Statutory Audit* | 30,500 | 34,000 |
| Total | <u>30,500</u> | <u>34,000</u> |

*The fees for statutory audit of the accounts disclosed in the table above are exclusive of VAT and inclusive of out of pocket expenses.

There were no fees for other assurance services or other non-audit services during the financial year ended 31 December 2016 and 31 December 2015.

Transaction Costs

For the financial year ended 31 December 2016, and 31 December 2015, the Funds incurred transaction costs as follows:

| Fund Name | 31 December 2016 | 31 December 2015 |
|--|-------------------------|-------------------------|
| | USD | USD |
| BMO LGM Asian Growth and Income Fund | 49,443 | 19,481 |
| BMO LGM Frontier Markets Fund | 643,112 | 869,847 |
| BMO LGM Global Emerging Markets Growth and Income Fund | 401,716 | 233,193 |
| BMO LGM Greater India Fund* | 28,447 | 68,970 |
| BMO LGM Asian Smaller Companies Fund** | 33,720 | 24,126 |

*The BMO LGM Greater India Fund launched on 20 January 2015.

**The BMO LGM Asian Smaller Companies Fund launched on 6 March 2015.

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the financial year ended 31 December 2016 cont/d

5. Fees cont/d

Operating Expenses

For the financial year ended 31 December 2016 and 31 December 2015, the Funds incurred the following operating expenses:

Financial year ended 31 December 2016

| Expenses | Company Total USD | BMO LGM Asian Growth and Income Fund USD | BMO LGM Frontier Markets Fund USD | BMO LGM Global Emerging Markets Growth and Income Fund USD | BMO LGM Greater India Fund USD | BMO LGM Asian Smaller Companies Fund USD |
|---------------------------|------------------------------|---|--|---|---|---|
| Investment | | | | | | |
| Management fees | (3,203,117) | (41,468) | (2,939,537) | (127,767) | (724) | (93,621) |
| Performance fees | (1,959,801) | - | (1,959,801) | - | - | - |
| Administration fees | (534,346) | (31,932) | (311,622) | (158,842) | (13,393) | (18,557) |
| Depositary fees | (1,964,697) | (27,764) | (1,440,735) | (404,515) | (55,344) | (36,339) |
| Audit Fees | (39,569) | (500) | (22,763) | (15,306) | (500) | (500) |
| Directors' fees | (72,465) | (469) | (50,748) | (20,203) | (215) | (830) |
| Legal fees | (202,985) | (2,823) | (132,923) | (60,477) | (2,558) | (4,204) |
| Registration fees | (24,598) | (93) | (12,583) | (11,701) | (48) | (173) |
| Other expenses | (132,902) | (5,785) | (69,429) | (37,326) | (8,222) | (12,140) |
| Operating Expenses | (8,134,480) | (110,834) | (6,940,141) | (836,137) | (81,004) | (166,364) |

Financial year ended 31 December 2015

| Expenses | Company Total USD | BMO LGM Asian Growth and Income Fund USD | BMO LGM Frontier Markets Fund USD | BMO LGM Global Emerging Markets Growth and Income Fund USD | BMO LGM Greater India Fund* USD | BMO LGM Asian Smaller Companies Fund** USD |
|---------------------------|------------------------------|---|--|---|--|---|
| Investment | | | | | | |
| Management fees | (3,243,120) | (62,510) | (3,052,296) | (33,255) | (14,643) | (80,416) |
| Performance fees | (1,021,720) | - | (1,021,196) | (524) | - | - |
| Administration fees | (481,472) | (32,261) | (310,696) | (108,181) | (13,863) | (16,471) |
| Depositary fees | (2,046,417) | (24,624) | (1,685,181) | (241,741) | (71,926) | (22,945) |
| Audit Fees | (25,614) | (153) | (19,626) | (3,882) | (419) | (1,534) |
| Directors' fees | (35,184) | (435) | (28,645) | (5,574) | (73) | (457) |
| Legal fees | (109,751) | (674) | (89,135) | (19,125) | (111) | (706) |
| Registration fees | (12,379) | (42) | (4,317) | (7,968) | (7) | (45) |
| Other expenses | (140,119) | (8,064) | (81,285) | (37,125) | (4,804) | (8,841) |
| Operating Expenses | (7,115,776) | (128,763) | (6,292,377) | (457,375) | (105,846) | (131,415) |

*The BMO LGM Greater India Fund launched on 20 January 2015.

**The BMO LGM Asian Smaller Companies Fund launched on 6 March 2015.

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the financial year ended 31 December 2016 cont/d

6. Risks Associated with Financial Instruments

Strategy in Using Financial Instruments

The Company is exposed to a variety of financial risks in pursuing its stated investment objective and policy such as: including credit risk, liquidity risk and market risk (which in turn includes currency risk, interest rate risk and price risk). The Company takes exposure to certain of these risks to generate investment returns on its portfolio, although these risks can also potentially result in a reduction in the Company's net assets. The Investment Manager will use its best endeavours to minimise the potentially adverse effects of these risks on the Funds' performance where it can do so while still managing the investments of the Funds in a way that is consistent with the Funds' investment objectives and policies.

(a) Market Price Risk

Market price risk is defined as risk that the fair value of a financial instrument or its future cash flows will fluctuate because of changes in market prices.

The management of market risk is effected through asset allocation and diversification based on the Funds' investment objective's as well as the Investment Manager's developed investment process, which includes in-depth research as well as continuing analysis of invested companies and the macroeconomics of the invested areas.

The maximum risk arising from an investment in a financial instrument is determined by the fair value of the financial instruments, except for short positions in derivatives and securities where the loss may potentially be unlimited.

For the purposes of IFRS 7, market price sensitivity is measured using Beta. Market Beta is defined as the "line of least squares" between the relevant Fund's performance and the Index.

The following table provides an analysis of the Funds' equity exposure and the Company's best estimate of the impact on the Net Asset Value of a 5% increase in the value of each Index (detailed below). A 5% decrease would have an equal but opposite effect.

| Fund | Index | Beta as at 31 December 2016 | Monetary Impact on NAV as at 31 December 2016 USD | Beta as at 31 December 2015 | Monetary Impact on NAV as at 31 December 2015 USD |
|--|---|--|--|--|--|
| BMO LGM Asian Growth and Income Fund | MSCI Asia Pacific ex Japan Index 50% MSCI Frontier Markets Index, 50% MSCI Frontier Markets Index ex. GCC Countries Index | 0.76 | 187,368 | 0.93 | 341,893 |
| BMO LGM Frontier Markets Fund | MSCI Emerging Markets Index | 0.81 | 22,735,270 | 0.93 | 25,911,045 |
| BMO LGM Global Emerging Markets Growth and Income Fund | | 0.76 | 9,403,285 | 0.90 | 5,480,205 |
| BMO LGM Greater India Fund* | | 1.06 | 98,662 | 0.87 | 144,783 |
| BMO LGM Asian Smaller Companies Fund** | | 0.98 | 447,413 | 0.84 | 379,723 |

*The BMO LGM Greater India Fund launched on 20 January 2015.

**The BMO LGM Asian Smaller Companies Fund launched on 6 March 2015.

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the financial year ended 31 December 2016 cont/d

6. Risks Associated with Financial Instruments cont/d

(a) Market Price Risk cont/d

Some limitations of sensitivity analysis are:

- the models are based on historical data and cannot take account of the fact that future market price movements, correlations between markets and levels of market liquidity in conditions of market stress may bear no relation to historical patterns;
- the market price risk information is a relative estimate of risk rather than a precise and accurate number;
- the market price information represents a hypothetical outcome and is not intended to be predictive; and
- future market conditions could vary significantly from those experienced in the past.

b) Foreign Currency Risk

Currency risk is defined as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Each Fund is exposed to currency risk as monetary assets and liabilities of a Fund may be denominated in a currency other than the functional currency of the Fund which is its base currency, the US Dollar. Currency risk on non-monetary assets, i.e., equities, is included in market price risk.

The fluctuations in the rate of exchange between the currency in which the asset or liability is denominated and the functional currency could result in an appreciation or depreciation in the fair value of that asset. The Investment Manager may attempt to mitigate this risk by using financial derivative instruments. In accordance with each Fund's investment policy, the Investment Manager monitors each Fund's currency exposures on a daily basis and reports monthly to the relevant designated person and to the Board of Directors, which reviews the information provided by the Investment Manager on any significant exposures at its periodic meetings.

The following table sets out each Fund's total exposure to foreign currency risk at last traded market prices as at 31 December 2016 and 31 December 2015:

BMO LGM Asian Growth and Income Fund

| | 31 December 2016 | 31 December 2015 |
|-------------------|----------------------------|----------------------------|
| | Net Monetary Assets | Net Monetary Assets |
| | USD | USD |
| Hong Kong Dollar | 57 | 58 |
| Malaysian Ringgit | 67 | 70 |
| Vietnamese Dong | 66,731 | 3,150 |
| | <u>66,856</u> | <u>3,278</u> |

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the financial year ended 31 December 2016 cont/d

6. Risks Associated with Financial Instruments cont/d

b) Foreign Currency Risk cont/d

BMO LGM Frontier Markets Fund

| | 31 December 2016 | 31 December 2015 |
|--------------------|----------------------------|----------------------------|
| | Net Monetary Assets | Net Monetary Assets |
| | USD | USD |
| CFA Franc BCEAO | - | (584,092) |
| Costa Rican Colon | 231 | 82 |
| Croatian Kuna | 19,898 | 11,340 |
| Egyptian Pound | 15 | 921,393 |
| Nigerian Naira | 40 | 329 |
| Omani Rial | 23 | 1,987,976 |
| Peruvian Nuevo Sol | 137 | - |
| UAE Dirham | 66,341 | (210,481) |
| | <u>86,685</u> | <u>2,126,547</u> |

BMO LGM Global Emerging Markets Growth and Income Fund

| | 31 December 2016 | 31 December 2015 |
|--------------------|----------------------------|----------------------------|
| | Net Monetary Assets | Net Monetary Assets |
| | USD | USD |
| Brazilian Real | 8 | (58,394) |
| Chilean Peso | - | (135,040) |
| Hong Kong Dollar | - | (18,531) |
| Indonesia Rupiah | - | (302,046) |
| Malaysian Ringgit | - | (69,856) |
| Mexican Peso | - | (652,540) |
| Nigerian Naira | 15,616 | - |
| Philippine Peso | - | (81,595) |
| Singapore Dollar | - | (379,347) |
| South African Rand | - | (90,277) |
| South Korea Won | - | (132,910) |
| Taiwan New Dollar | - | - |
| Thai Baht | - | (57,227) |
| Vietnamese Dong | 9,400 | 183 |
| | <u>25,024</u> | <u>(1,977,580)</u> |

BMO LGM Asian Smaller Companies Fund*

| | 31 December 2016 | 31 December 2015 |
|-------------------|----------------------------|----------------------------|
| | Net Monetary Assets | Net Monetary Assets |
| | USD | USD |
| Hong Kong Dollar | - | 5,841 |
| Pakistani Rupee | 3 | - |
| Singapore Dollar | - | 692 |
| Taiwan New Dollar | 4,196 | 4,131 |
| Vietnamese Dong | 9,007 | - |
| | <u>13,206</u> | <u>10,664</u> |

*The BMO LGM Asian Smaller Companies Fund launched on 6 March 2015.

At 31 December 2016, had the exchange rate between the US Dollar and other currencies increased or decreased by 1% with all other variables held constant, the increase or decrease in the value of the net assets attributable to holders of redeemable participating shares would be as follows: BMO LGM Asian Growth and Income Fund: USD 662, BMO LGM Frontier Markets Fund: USD 859, BMO LGM Global Emerging Markets Growth and Income Fund USD 248, and BMO LGM Asian Smaller Companies Fund USD 131.

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the financial year ended 31 December 2016 cont/d

6. Risks Associated with Financial Instruments cont/d

b) Foreign Currency Risk cont/d

At 31 December 2015, had the exchange rate between the US Dollar and other currencies increased or decreased by 1% with all other variables held constant, the increase or decrease in the value of the net assets attributable to holders of redeemable participating shares would be as follows: BMO LGM Asian Growth and Income Fund: USD 33, BMO LGM Frontier Markets Fund: USD 21,265, BMO LGM Global Emerging Markets Growth and Income Fund USD (19,778), and BMO LGM Asian Smaller Companies Fund USD 107.

A majority of the monetary assets and liabilities of BMO LGM Greater India Fund were denominated in USD and therefore is not exposed to foreign currency risk as at 31 December 2016 and as at 31 December 2015.

c) Interest Rate Risk

The majority of the Company's financial assets and financial liabilities are non-interest bearing and any excess cash and cash equivalents are invested at short-term market interest rates. There was no significant exposure to interest rate risk at 31 December 2016 or 31 December 2015.

d) Credit Risk

Credit risk is defined as the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Investments in equity securities are not exposed to credit risk except for exposure to custody risk as detailed in note 6 (g). The Company has counterparty risk in relation to transactions with brokers, banks and other third parties if the counterparty fails to complete any transaction to which the Company is a party. Risk relating to unsettled transactions is considered small due to short settlement period involved and the high credit quality of the brokers used.

The Funds are exposed to credit risk on participation notes ("p-notes"). This risk is mitigated through the careful evaluation of counterparties across several key areas such as credit rating, strength and depth of the organisation and the ability to provide the desired exposure. The counterparty risk on participation notes held at 31 December 2016 and 31 December 2015 for the relevant Funds are detailed in the below table.

31 December 2016:

| | BMO LGM Asian Growth and Income Fund | BMO LGM Frontier Markets Fund | BMO LGM Global Emerging Markets Growth and Income Fund | BMO LGM Greater India Fund | BMO LGM Asian Smaller Companies Fund |
|----------------|---|--|---|---|---|
| | % of NAV | % of NAV | % of NAV | % of NAV | % of NAV |
| Citigroup | 8.32 | - | 0.09 | - | - |
| Deutsche Bank | 6.36 | - | - | - | - |
| HSBC | - | 1.66 | - | - | - |
| Merrill Lynch | - | 0.85 | - | - | - |
| Morgan Stanley | 9.46 | - | - | - | - |

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the financial year ended 31 December 2016 cont/d

6. Risks Associated with Financial Instruments cont/d

d) Credit Risk cont/d

31 December 2015:

| | BMO LGM Asian Growth and Income Fund % of NAV | BMO LGM Frontier Markets Fund % of NAV | BMO LGM Global Emerging Markets Growth and Income Fund % of NAV | BMO LGM Greater India Fund* % of NAV | BMO LGM Asian Smaller Companies Fund** % of NAV |
|------------------|--|---|--|---|--|
| Citigroup | 7.35 | - | 0.16 | - | 8.23 |
| Deutsche Bank AG | 9.26 | - | - | - | 9.76 |
| HSBC | - | 4.33 | - | - | - |
| Merrill Lynch | - | 1.30 | - | - | - |
| Morgan Stanley | - | - | - | - | 3.47 |

*The BMO LGM Greater India Fund launched on 20 January 2015.

**The BMO LGM Asian Smaller Companies Fund launched on 6 March 2015.

The long-term credit ratings of the counterparties as at 31 December 2016, as rated by Moody's rating agency are as follows: Citigroup A2; Deutsche Bank AG A3, HSBC Aa2; Merrill Lynch Baa1; Morgan Stanley A3 (31 December 2015: Citigroup Baa1; Deutsche Bank AG A2, HSBC Aa2; Merrill Lynch Baa1; Morgan Stanley A3). The long term credit rating of State Street Bank and Trust Company as at 31 December 2016 was Aa1 as rated by Moody's rating agency (31 December 2015: Aa2).

All cash at bank balances are held by State Street Bank, London which had a credit rating of A1 at the financial year end (31 December 2015: AA).

The Investment Manager may use forward foreign currency exchange contracts to hedge over-valued foreign currency exposure. These have a similar credit or default risk to a regular currency spot transaction.

Forward foreign currency exchange contracts are 'over-the-counter' traded and therefore have counterparty risk which arises from the potential failure of counterparties to meet their obligations under the contract or arrangement. Forward contracts also carry roll risk, which is the risk that when a forward contract expires, a new forward to replace the expired one cannot be put into place at the same cost or on the same hedge basis. This may occur due to changes in market liquidity or interest rates, resulting in a potential slippage or loss in the hedge position due to the contract expiration and roll.

As at 31 December 2016, the Fund had no open forward foreign exchange contracts (2015: nine open forward foreign exchange contracts).

As at 31 December 2016 and 2015, there was no cash collateral or any other security held or pledged as collateral by the Company.

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the financial year ended 31 December 2016 cont/d

6. Risks Associated with Financial Instruments cont/d

e) Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities as they fall due. Not all securities or instruments invested in by the Funds will be listed or rated and consequently liquidity may be low. Moreover, the accumulation and disposal of holdings in some investments may be time consuming and may need to be conducted at unfavourable prices. The Funds may also encounter difficulties in disposing of assets at their fair price due to adverse market conditions leading to limited liquidity. Specific liquidity reports are sent to the Investment Manager for review on a monthly basis but on a daily basis, the Investment Manager also reviews and monitors the investments of the Funds, including their liquidity status. Liquidity is currently managed within each Fund by investing in relatively liquid securities within the asset class. All investments made by a Fund must be in transferable securities in accordance with the UCITS Regulations.

If a Fund is established which allows investment in markets which may not have the same degree of liquidity as those in which the other Funds invest, the requirement of the UCITS Regulations for stress testing will be addressed by reviewing liquidity against average market trading volumes over extended periods of time, as well as under current conditions. Liquidity issues will be reported to the relevant designated person as part of the Investment Manager's compliance reporting.

The Prospectus provides for daily creation and cancellation of shares and, therefore, the Funds are exposed to daily cash redemptions of redeemable participating shares at any time. The Funds invest the majority of their assets in securities and other instruments that are traded on an active market and which are considered to be liquid as they can be readily disposed of in an event that cash needs to be raised to meet redemptions or to pay expenses.

As at 31 December 2016 and 31 December 2015, each Fund's financial liabilities, including net assets attributable to redeemable participating shareholders, are all due in less than one month, with the exception of Directors' fees, audit fees, legal fees, taxation fees and other fees which fall due between three months to one year.

As at 31 December 2015

BMO LGM Global Emerging Markets Growth and Income Fund

| | <u>Currency</u> | <u>Less than 3 months</u> |
|---------------|-----------------|---------------------------|
| Inflows..... | USD | 428,997 |
| Outflows..... | USD | 429,976 |

f) Fair Value Hierarchy

The Company is required to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The amendment to the standard requires an entity to provide a quantitative and qualitative analysis of those instruments recognised at fair value based on a three-level measurement hierarchy. The fair value hierarchy has the following levels:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 – Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the financial year ended 31 December 2016 cont/d

6. Risks Associated with Financial Instruments cont/d

f) Fair Value Hierarchy cont/d

Furthermore, for those instruments which have significant unobservable inputs (Level 3), the amendment requires disclosures on the transfers into and out of Level 3, a reconciliation of the opening and closing balances, total gains and losses for the period split between those recognised in the Statement of Comprehensive Income and recognised through the statement of total recognised gains and losses, purchases, sales issues and settlements. The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Funds. The Funds consider observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

As at 31 December 2016, all equity investments, with the exception of Florida Ice & Farm Co SA held in BMO LGM Frontier Markets Fund (Level 2), are classified as Level 1 and all holdings in Participation Notes are classified as Level 2.

The following tables analyse within the fair value hierarchy the Funds' financial assets and financial liabilities measured at fair value at 31 December 2015.

December 2015:

BMO LGM Asian Growth and Income Fund

| | Level 1 USD | Level 2 USD | Level 3 USD | Total USD |
|---------------------|------------------------|------------------------|------------------------|----------------------|
| Financial Assets: | | | | |
| Equities | 4,982,529 | 149,433 | - | 5,131,962 |
| Participation notes | - | 2,001,758 | - | 2,001,758 |
| | <u>4,982,529</u> | <u>2,151,191</u> | <u>-</u> | <u>7,133,720</u> |

BMO LGM Frontier Markets Fund

| | Level 1 USD | Level 2 USD | Level 3 USD | Total USD |
|---------------------|------------------------|------------------------|------------------------|----------------------|
| Financial Assets: | | | | |
| Equities | 458,089,281 | 57,959,957 | - | 516,049,238 |
| Participation notes | - | 31,353,290 | - | 31,353,290 |
| | <u>458,089,281</u> | <u>89,313,247</u> | <u>-</u> | <u>547,402,528</u> |

BMO LGM Global Emerging Markets Growth and Income Fund

| | Level 1 USD | Level 2 USD | Level 3 USD | Total USD |
|-----------------------------------|------------------------|------------------------|------------------------|----------------------|
| Financial Assets and Liabilities: | | | | |
| Equities | 113,424,745 | 4,821,963 | - | 118,246,708 |
| Participation notes | - | 198,363 | - | 198,363 |
| Forwards | - | (979) | - | (979) |
| | <u>113,424,745</u> | <u>5,019,347</u> | <u>-</u> | <u>118,444,092</u> |

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the financial year ended 31 December 2016 cont/d

6. Risks Associated with Financial Instruments cont/d

f) Fair Value Hierarchy cont/d

| BMO LGM Greater India Fund* | Level 1 USD | Level 2 USD | Level 3 USD | Total USD |
|--|------------------------|------------------------|------------------------|----------------------|
| Financial Assets: | | | | |
| Equities | 3,198,974 | - | - | 3,198,974 |
| | <u>3,198,974</u> | <u>-</u> | <u>-</u> | <u>3,198,974</u> |
| BMO LGM Asian Smaller Companies Fund* | Level 1 USD | Level 2 USD | Level 3 USD | Total USD |
| Financial Assets: | | | | |
| Equities | 5,886,514 | - | - | 5,886,514 |
| Participation notes | - | 1,940,436 | - | 1,940,436 |
| | <u>5,886,514</u> | <u>1,940,436</u> | <u>-</u> | <u>7,826,950</u> |

As at 31 December 2015, financial instruments that were not listed but were valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs were classified within level 2. As at 31 December 2015, these were participation notes on the BMO LGM Global Emerging Markets Growth and Income Fund, the BMO LGM Asian Growth and Income Fund, BMO LGM Frontier Markets Fund and the BMO LGM Asian Smaller Companies Fund. For the BMO LGM Asian Growth and Income Fund, BMO LGM Frontier Markets Fund, and BMO LGM Global Emerging Markets Growth and Income Fund, positions held with Vietnam Dairy Products JSC were fair valued in accordance with the Prospectus by the Directors of the Company (in consultation with the Investment Manager) and with the approval of the Depositary.

Transfers between levels of the fair value hierarchy are deemed to have occurred at the end of the period and are deemed to have occurred when the pricing source or methodology used to price an investment has changed which triggers a change in level as defined under IFRS 13.

Following a change in valuation due to the absence of premium on the positions of Vietnam Dairy Products JSC held in BMO LGM Asian Growth and Income Fund, BMO LGM Frontier Markets Fund and BMO LGM Global Emerging Markets Growth and Income Fund during the year ended 31 December 2016, these positions were transferred from Level 2 to Level 1. Additionally, following a review of the pricing inputs for the Florida Ice & Farm Co SA equity position held in BMO LGM Frontier Markets Fund, this position was transferred from Level 1 to Level 2 during the year ended 31 December 2016. There were no transfers between levels during the year ended 31 December 2015.

There were no level 3 securities held in the Funds as at 31 December 2016 or 31 December 2015.

For each class of assets and liabilities not measured at fair value in the Statement of Financial Position but for which fair value is disclosed, IFRS 13 requires the Company to disclose the level within the fair value hierarchy which the fair value measurement would be categorised and a description of the valuation technique and inputs used in the technique. Assets and liabilities not carried at fair value are carried at amortised cost; their carrying values are a reasonable approximation of fair value.

Cash and cash equivalents include deposits held with banks and other short-term investments in an active market and they are categorised as Level 2. Receivable for investments sold and other receivables include the contractual amounts for settlement of trades and other obligations due to the Company. Payable for investments sold and other payables represent the contractual amounts and obligations due by the Company for settlement of trades and expenses. All receivable and payable balances are categorised as Level 2.

The puttable value of redeemable shares is calculated based on the net difference between total assets and all other liabilities of each Fund within the Company in accordance with the Prospectus. A demand feature is attached to these shares, as they are redeemable at the holders' option and can be put back to the Funds at any dealing date for cash equal to a proportionate share of the relevant Fund's net asset value attributable to the share class. The fair value is based on the amount payable on demand. As such, Level 2 is deemed to be the most appropriate categorisation for net assets attributable to holders of redeemable shares.

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the financial year ended 31 December 2016 cont/d

6. Risks Associated with Financial Instruments cont/d

g) Custody Risk

The Company's Depository is State Street Custodial Services (Ireland) Limited ("Depository"), whose parent State Street Corporation has a credit rating of AA- (31 December 2015: A-1). Substantially all of the assets and cash of the Funds are held within the custodial network of the Depository.

Bankruptcy or insolvency of the Depository or of its parent company, State Street Corporation, may cause the Company's rights with respect to the Funds' assets held by the Depository to be delayed or limited. The maximum exposure to this risk at 31 December 2016 and 31 December 2015 is the total value of investments disclosed in the Schedules of Investments and the value of cash as disclosed in note 7.

In accordance with the requirements of the depository agreement and the UCITS Regulations, the Funds' securities are maintained within the Depository's custodial network in segregated accounts. The Depository will ensure that any agents it appoints to assist in safekeeping the assets of the Funds will segregate the investments of the Funds.

Thus in the event of insolvency or bankruptcy of the Depository, the Funds' assets are segregated and protected and this further reduces counterparty risk. The Funds will, however, be exposed to the risk of the Depository or certain depositories used by the Depository, in relation to the Funds' cash held by the Depository. In the event of the insolvency or bankruptcy of the Depository, the Funds will be treated as a general creditor of the Depository in relation to cash holdings of the Funds.

h) Global Exposure

Global exposure is calculated using the commitment approach.

Where derivatives are used, the Company is subject to limitations under the UCITS Regulations on the value of any exposure created as a result. In general terms this exposure (described as "Global Exposure" in the UCITS Regulations) is measured by adding together the gross value of the assets notionally underlying each derivative position, and must be checked on a daily basis by the Investment Manager. It is also reported to the Board at periodic intervals.

i) Concentration Risk

The Investment Manager reviews the concentration of equity securities held based on industries and geographical location. The Funds' geographical exposures measured in terms of percentage of net asset value of the relevant Fund are shown in the Schedules of Investments on pages 65 to 75. At 31 December 2016 the Funds' exposure to industries above 5% of the Net Asset Value ("NAV") was as follows:

| | BMO LGM Asian Growth and Income Fund % of NAV | BMO LGM Frontier Markets Fund % of NAV | BMO LGM Global Emerging Markets Growth and Income Fund % of NAV | BMO LGM Greater India Fund % of NAV | BMO LGM Asian Smaller Companies Fund % of NAV |
|--------------------------------|--|---|--|--|--|
| Agriculture | - | - | - | 5.40% | - |
| Auto manufacturers | - | - | - | - | - |
| Banks | 6.08% | 5.26% | 5.13% | 5.76% | - |
| Diversified financial services | - | - | 5.69% | - | - |
| Food | - | 8.23% | - | - | - |
| Household Products | - | - | - | - | 6.24% |
| Media | - | - | - | - | - |
| Pharmaceuticals | 5.14% | - | - | 5.21% | - |

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the financial year ended 31 December 2016 cont/d

6. Risks Associated with Financial Instruments cont/d

i) Concentration Risk cont/d

At 31 December 2015 the Funds' exposure to industries above 5% of the Net Asset Value ("NAV") was as follows:

| | BMO LGM Asian Growth and Income Fund % of NAV | BMO LGM Frontier Markets Fund % of NAV | BMO LGM Global Emerging Markets Growth and Income Fund % of NAV | BMO LGM Greater India Fund % of NAV | BMO LGM Asian Smaller Companies Fund % of NAV |
|-----------------------------------|--|---|--|--|--|
| Agriculture | - | - | 6.39% | - | - |
| Auto manufacturers | - | - | - | 5.14% | - |
| Banks | - | 5.79% | 5.06% | - | - |
| Diversified financial services | - | - | - | 5.96% | - |
| Food | 5.07% | 10.40% | 5.37% | - | - |
| Household Products | - | - | - | 5.31% | - |
| Media | - | - | - | 5.12% | - |
| Transportation | - | 5.35% | - | - | - |

j) Leverage Risk

It is not the intention of the Company that the Funds be leveraged for investment or efficient portfolio management purposes. Any leverage resulting from the use of financial derivative instruments and efficient portfolio management techniques are in accordance with the requirements of the Central Bank and will not exceed 100% of the net asset value of the relevant Fund.

k) Legal and Regulatory Risk

Legal and regulatory changes could occur during the duration of the Company which may adversely affect the Company.

l) Risks Associated with the UK Leaving the European Union

On 23 June 2016, the UK voted in a referendum to leave the European Union. The political, economic and legal consequences of the referendum vote are not yet known and the mechanics of the UK leaving the European Union are unclear.

In the short term, it is likely there will be volatility in the financial markets, particularly those in the UK and Europe but possibly also in the United States and Asia. The UK may be less stable than it has been in recent years and investments in the UK may be difficult to value, to assess for suitability or risk, harder to buy or sell or subject to greater or more frequent rises and falls in value. Changes in currency exchange rates may make it more expensive for a Fund to buy investments that are not denominated in Sterling. Funds may see higher levels of redemption. In the event that the Investment Manager is unable to accurately value the assets of a Fund, or in the event of high levels of redemption, the Investment Manager may use certain liquidity management tools permitted by the Central Bank, including deferred redemptions, the implementation of fair value pricing or temporary suspension of the determination of the Net Asset Value of any Fund as attributable to a Class and the issue, conversion and redemption of Shares in any Fund or Class.

In the longer term, there is likely to be a period of significant political, regulatory and commercial uncertainty as the UK seeks to negotiate its exit from the European Union. The UK's laws and regulations concerning funds may in the future diverge from those of the European Union. Depending on the terms of the agreement reached with the European Union, it may or may not be possible for Irish funds to be sold to investors in the UK in the future.

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the financial year ended 31 December 2016 cont/d

7. Cash and Cash Equivalents

All cash and cash equivalents are held with State Street Bank and Trust Company. The State Street Time Deposit is an overnight facility. The long-term credit rating of State Street Bank and Trust Company as at 31 December 2016 was Aa1 as rated by Moody's rating agency (31 December 2015: Aa2).

8. Offsetting and Master Netting Agreements

There is no master netting arrangement in place.

9. Related Party Disclosures

Transactions with Entities with Significant Influence

As at 31 December 2016, Pyrford International Limited held 406,292 BMO LGM Asian Growth and Income Fund B Accumulating Class shares (31 December 2015: 406,292). Pyrford International Limited and LGM Investments Limited are wholly owned subsidiaries of BMO Financial Group and are therefore deemed to be related parties.

As at 31 December 2016, F & C Management Ltd, a wholly owned subsidiary of BMO Financial Group held 100 shares in BMO LGM Asian Growth and Income Fund B Accumulating Class (31 December 2015: Nil), 193 shares in BMO LGM Global Emerging Markets Growth and Income Fund W Income Class (31 December 2015: Nil), and 193 shares in BMO LGM Global Emerging Markets Growth and Income Fund W Accumulating Class (31 December 2015: Nil).

LGM Investments Limited is the Investment Manager and Distributor to the Company. The Investment Manager charged USD 3,203,117 (December 2015: USD 3,243,120) during the financial year of which USD 277,318 (December 2015: USD 505,275) was payable at financial year end. Additionally, the performance fees charged by the Investment Manager for the financial year were USD 1,959,801 (31 December 2015: USD 1,021,720) of which USD 1,669,604 (31 December 2015: USD 996,057) was payable at financial year end 31 December 2016.

The Investment Manager received fee reimbursements of USD 98,507 during the financial year (31 December 2015: USD 97,032).

Transactions with Key Management Personnel

The interests of the Directors in related entities are as follows:

Diane Seymour-Williams and Barry McInerney were Directors of the Investment Manager and Distributor, LGM Investments Limited, and were deemed to be interested in any contract entered into by the Company with LGM Investments Limited. Diane Seymour-Williams resigned as a Director of the Company on 1 April 2016 and Barry McInerney resigned as a Director of the Company on 13 June 2016.

Diane Seymour-Williams and connected parties hold shares in the BMO LGM Frontier Markets Fund Class B Accumulating Shares under the nominee Smith & Williamson Nominees Limited. At 31 December 2016 they held 2,708 shares (31 December 2015: 5,720 shares) and 2,030 shares, respectively, (31 December 2015: 2,030 shares). As noted above, Diane Seymour-Williams resigned as a Director of the Company on 1 April 2016.

Hugh Moir who resigned as a director of the Company on 3 April 2017 is also a Director of affiliated BMO entities.

As at year end 31 December 2016 and 2015, two subscriber shares of €1 each were in issue. These subscriber shares were issued for the purposes of the incorporation of the Company, and are legally and beneficially owned by LGM Investments and Drew Newman.

Directors who are also employees of the Investment Manager are not entitled to directors' fees.

Transactions with Directors

Amounts earned by the Directors and amounts payable to the Directors are disclosed in note 5.

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the financial year ended 31 December 2016 cont/d

10. Efficient Portfolio Management

The Company may, on behalf of each Fund, engage in techniques and instruments (such as in financial derivative instruments, repurchase/reverse repurchase and stock lending agreements and when issued/delayed delivery securities) for the purposes of efficient portfolio management, including as part of a cash management strategy and reduction of risk or cost or the generation of additional capital or income for each Fund with an appropriate level of risk, taking into account the risk profile of each Fund and the general provisions of the UCITS Directive. Such transactions may include foreign exchange transactions which alter the currency characteristics of transferable securities held by each Fund. There were no such derivatives held during the financial year ended 31 December 2016 or 31 December 2015.

11. Distributions

The following distributions were declared by the funds during the financial year ended 31 December 2016. The distributions relating to accumulating share classes were reinvested.

| BMO LGM Frontier Markets Fund | Value US\$ | Per Share US\$ | Ex-date |
|--------------------------------------|-----------------------|-------------------------------|----------------|
| Class B Accumulating Shares* | 1,786,910 | 0.20 | 29 Jan 2016 |
| Class A Income Shares | 17,035 | 0.17 | 29 Jan 2016 |
| Class B Income Shares | 488,948 | 0.15 | 29 Jan 2016 |
| Class E Accumulating Shares* | 12,256,436 | 0.43 | 29 Jan 2016 |
| Total | 14,549,329 | | |

| BMO LGM Global Emerging Markets Growth and Income Fund | Value US\$ | Per Share | Ex-date |
|---|-----------------------|----------------------|----------------|
| Class E Accumulating Shares* | 2,395,377 | 0.20 | 29 Jan 2016 |
| Class B Income Shares | 5,851 | 1.97 | 29 Jan 2016 |
| Class B Accumulating Shares* | 40,235 | 0.14 | 29 Jan 2016 |
| Total | 2,441,463 | | |

| BMO LGM Asian Growth and Income Fund | Value US\$ | Per Share US\$ | Ex-date |
|---|-----------------------|-------------------------------|----------------|
| Class B Accumulating Shares* | 36,492 | 0.09 | 29 Jan 2016 |
| Total | 36,492 | | |

| BMO LGM Asian Smaller Companies Fund | Value US\$ | Per Share US\$ | Ex-date |
|---|-----------------------|-------------------------------|----------------|
| Class B Accumulating Shares | 51,035 | 0.05 | 29 Jan 2016 |
| Total | 51,035 | | |

*Dividends declared to accumulating shares were automatically re-invested to the Fund.

BMO INVESTMENTS II (IRELAND) PLC

Notes to the Financial Statements for the financial year ended 31 December 2016 cont/d

12. Significant Events during the Financial Year

Class B Income Shares of the BMO LGM Asian Growth and Income Fund terminated on 5 January 2016.

Class B Income Shares of the BMO LGM Greater India Fund terminated on 5 January 2016.

The European Union (Undertakings for Collective Investment and Transferable Securities) (Amendment) Regulations 2016 (the "UCITS V Regulations"), which implemented UCITS V into Irish law, became effective on 18 March 2016.

Effective 1 April 2016, the following Directors resigned as directors of the Company: Anthony Cousins, Paul McNaughton and Diane Seymour-Williams. Effective the same date, the following appointments were made as Directors of the Company: Liam Miley, Hugh Moir and Lars Nielsen.

Class S Accumulating Shares of the BMO LGM Global Emerging Markets Growth and Income Fund launched on 20 April 2016.

Effective 13 June 2016, Barry McInerney resigned as a director of the Company.

Class W Accumulating Shares of the BMO LGM Global Emerging Markets Growth and Income Fund launched on 22 July 2016.

Class W Income Shares of the BMO LGM Global Emerging Markets Growth and Income Fund launched on 22 July 2016.

At the annual general meeting of the Company held on 8 August 2016 it was resolved to amend the Company's memorandum and articles of association to reflect legislative changes arising from the implementation of the provisions of the Companies Act 2014 and also to reflect other amendments detailed in the letter to shareholders accompanying the AGM materials.

A revised Depositary Agreement was entered into on 7 October 2016 to inter alia, reflect the Depositary's responsibilities under the UCITS V Regulations.

Class W Accumulating Shares of the BMO LGM Asian Growth and Income Fund launched on 30 December 2016.

There were no other significant events affecting the Company during the financial year.

13. Significant Events since the Financial Year End

Hugh Moir resigned as a director of the Company with effect from 3 April 2017 and Stuart Woodyatt was appointed as a director of the Company with effect from 3 April 2017.

14. Comparative Figures

The comparative figures are for the financial period from 1 January 2015 to 31 December 2015.

15. Approval of the Financial Statements

The Financial Statements were approved by the Board of Directors on 25 April 2017.

BMO INVESTMENTS II (IRELAND) PLC

BMO LGM ASIAN GROWTH AND INCOME FUND

Schedule of Investments as at 31 December 2016

| <u>Holding</u> | | <u>Fair Value USD</u> | <u>% of Fund</u> |
|----------------|---|---------------------------|------------------|
| | Transferable Securities | | |
| | Equities (74.30%) (2015 : 69.80%) | | |
| | China (7.88%) (2015 : 7.26%) | | |
| 71,000 | ANTA Sports Products | 211,998 | 3.20 |
| 12,700 | Tencent Holdings Ltd | 310,737 | 4.68 |
| | | <u>522,735</u> | <u>7.88</u> |
| | Hong Kong (10.88%) (2015 : 13.75%) | | |
| 29,000 | AIA Group Ltd | 163,643 | 2.47 |
| 29,670 | Dairy Farm International Holdings Ltd | 213,327 | 3.21 |
| 284,000 | NagaCorp Ltd | 164,104 | 2.47 |
| 90,000 | Vitasoy International Holdings Ltd | 180,856 | 2.73 |
| | | <u>721,930</u> | <u>10.88</u> |
| | India (4.92%) (2015 : Nil) | | |
| 3,188 | HDFC Bank Ltd (ADR)* | 193,448 | 2.91 |
| 17,779 | ICICI Bank Ltd (ADR)* | 133,164 | 2.01 |
| | | <u>326,612</u> | <u>4.92</u> |
| | Indonesia (15.74%) (2015 : 13.42%) | | |
| 469,300 | Bank Mandiri Persero Tbk PT | 403,203 | 6.08 |
| 292,000 | Bank Rakyat Indonesia Persero Tbk PT | 253,041 | 3.81 |
| 441,900 | Hanjaya Mandala Sampoerna Tbk PT | 125,624 | 1.89 |
| 1,398,100 | Kalbe Farma Tbk PT | 157,218 | 2.37 |
| 36,700 | Unilever Indonesia Tbk PT | 105,694 | 1.59 |
| | | <u>1,044,780</u> | <u>15.74</u> |
| | Macau (4.03%) (2015 : 1.77%) | | |
| 61,600 | Sands China Ltd | 267,752 | 4.03 |
| | Malaysia (5.40%) (2015 : 1.24%) | | |
| 18,300 | British American Tobacco Malaysia Bhd | 181,939 | 2.74 |
| 40,100 | Public Bank Bhd | 176,276 | 2.66 |
| | | <u>358,215</u> | <u>5.40</u> |
| | Philippines (4.46%) (2015 : 9.52%) | | |
| 90,060 | Universal Robina Corp | 296,199 | 4.46 |
| | Singapore Nil (2015 : 2.97%) | | |
| | South Korea (3.27%) (2015 : 5.08%) | | |
| 7,673 | Hanon Systems | 65,435 | 0.99 |
| 1,809 | KT&G Corp | 151,274 | 2.28 |
| | | <u>216,709</u> | <u>3.27</u> |
| | Taiwan (4.25%) (2015 : 5.69%) | | |
| 26,000 | President Chain Store Corp | 186,354 | 2.81 |
| 17,000 | Taiwan Semiconductor Manufacturing Co Ltd | 95,737 | 1.44 |
| | | <u>282,091</u> | <u>4.25</u> |
| | Thailand (3.08%) (2015: 7.07%) | | |
| 41,300 | Kasikornbank PCL | 204,709 | 3.08 |
| | United States (6.60%) (2015: Nil) | | |
| 4,825 | Mead Johnson Nutrition Co | 341,417 | 5.15 |
| 3,689 | Yum China Holdings Inc | 96,357 | 1.45 |
| | | <u>437,774</u> | <u>6.60</u> |
| | Vietnam (3.79%) (2015: 2.03%) | | |
| 45,550 | Vietnam Dairy Products JSC | 251,244 | 3.79 |
| | | <u>251,244</u> | <u>3.79</u> |
| | Total Equities | 4,930,750 | 74.30 |

BMO INVESTMENTS II (IRELAND) PLC

BMO LGM ASIAN GROWTH AND INCOME FUND

Schedule of Investments as at 31 December 2016 cont/d

| <u>Holding</u> | | <u>Fair Value USD</u> | <u>% of Fund</u> |
|----------------|---|---------------------------|------------------|
| | Transferable Securities cont/d | | |
| | Participation Notes (24.14%) (2015 : 27.22%) | | |
| 5,110 | Britannia Industries Ltd due 17/01/2017 – Citigroup Global Markets Holdings Inc (Participation Note) | 217,312 | 3.27 |
| 16,511 | Colgate-Palmolive India Ltd due 15/05/2017 – Morgan Stanley BV (Participation Note) | 220,066 | 3.32 |
| 4,581 | Container Corp Of India Ltd due 26/06/2017 – Morgan Stanley Asia Products Ltd (Participation Note) | 74,925 | 1.13 |
| 12,103 | Emami Ltd due 17/01/2017 – Citigroup Global Markets Holdings Inc (Participation Note) | 169,686 | 2.56 |
| 7,658 | Hindustan Unilever Ltd due 03/12/2018 – Morgan Stanley Asia Products Ltd (Participation Note) | 93,240 | 1.40 |
| 46,449 | ITC Ltd due 17/01/2017 – Citigroup Global Markets Holdings Inc (Participation Note) | 165,381 | 2.49 |
| 35,361 | Mahindra & Mahindra Financial Services Ltd due 17/03/2017 - Morgan Stanley Asia Products Ltd (Participation Note) | 140,803 | 2.12 |
| 1,522 | Nestle India Ltd due 12/06/2018 – Deutsche Bank AG London (Participation Note) | 135,187 | 2.04 |
| 11,348 | Pidilite Industries Ltd due 17/03/2017 – Morgan Stanley Asia Products Ltd | 98,616 | 1.49 |
| 16,207 | Titan Ltd due 30/06/2021 – Deutsche Bank AG (Participation Note) | 78,038 | 1.18 |
| 12,251 | Yes Bank Ltd due 12/08/2018 – Deutsche Bank AG (Participation Note) | 208,747 | 3.14 |
| | Total Participation Notes | 1,602,001 | 24.14 |
| | Total Value of Investments in Transferable Securities (98.44%) (2015: 97.02%) | 6,532,751 | 98.44 |
| | Other Net Assets (1.56%) (2015: 2.98%) | 103,193 | 1.56 |
| | Net Assets Attributable To Redeemable Participating Shareholders (At Dealing NAV) (100.00%) | 6,635,944 | 100.00 |

*American Depositary Receipt

Analysis of Total Assets

| | <u>% of Total Assets</u> |
|--|------------------------------|
| Transferable securities admitted to an official stock exchange listing | 71.44 |
| Other transferable securities of the type referred to in Regulation 68(1)(d) | 2.65 |
| Transferable securities dealt with in a regulated market (Participation Notes) | 24.07 |
| Current Assets | 1.84 |
| Total Assets | 100.00 |

The counterparties for the Participation Notes are:

Citigroup Global Markets Holdings (Moody's: Baa1; December 2015: Baa1)

Deutsche Bank AG (Moody's: A3, December 2015: A3)

Morgan Stanley Asia Products (Moody's: A3; December 2015: A3)

Country classifications are based upon country of incorporation and/or country of domicile.

BMO INVESTMENTS II (IRELAND) PLC

BMO LGM FRONTIER MARKETS FUND

Schedule of Investments as at 31 December 2016

| <u>Holding</u> | | <u>Fair Value USD</u> | <u>% of Fund</u> |
|----------------|---|---------------------------|------------------|
| | Transferable Securities | | |
| | Equities (91.94%) (2015 : 92.61%) | | |
| | Argentina (3.09%) (2015: 2.93%) | | |
| 1,083,330 | BBVA Banco Frances SA (ADR)* | 18,882,442 | 3.09 |
| | Bangladesh (1.25%) (2015: 1.63%) | | |
| 241,340 | British American Tobacco Bangladesh Co Ltd | 7,624,010 | 1.25 |
| | Botswana (1.16%) (2015: 1.55%) | | |
| 32,940,335 | Letshego Holdings Ltd | 7,060,563 | 1.16 |
| | Cayman Islands (3.16%) (2015: Nil) | | |
| 33,378,000 | NagaCorp Ltd | 19,286,798 | 3.16 |
| | Cambodia (Nil) (2015: 3.56%) | | |
| | Colombia (2.48%) (2015: 1.84%) | | |
| 1,460,921 | Almacenes Exito SA | 7,251,074 | 1.19 |
| 1,089,044,139 | Bolsa de Valores de Colombia | 7,872,171 | 1.29 |
| | | 15,123,245 | 2.48 |
| | Costa Rica (4.11%) (2015: 2.54%) | | |
| 14,844,810 | Florida Ice & Farm Co SA | 25,118,209 | 4.11 |
| | Croatia (1.80%) (2015: 1.70%) | | |
| 7,391 | Ledo dd | 11,000,016 | 1.80 |
| | Egypt (8.46%) (2015: 11.55%) | | |
| 8,793,093 | Commercial International Bank Egypt SAE (GDR**) | 32,094,789 | 5.26 |
| 801,617 | Eastern Tobacco | 12,286,450 | 2.01 |
| 155,300 | Edita Food Industries SAE | 124,291 | 0.02 |
| 297,358 | Edita Food Industries SAE (GDR**) | 1,308,375 | 0.21 |
| 17,188,830 | Juhayna Food Industries | 5,868,663 | 0.96 |
| | | 51,682,568 | 8.46 |
| | Ghana (1.61%) (2015: 0.58%) | | |
| 3,118,629 | FAN Milk Ltd | 8,136,189 | 1.33 |
| 856,600 | Unilever Ghana Ltd | 1,707,182 | 0.28 |
| | | 9,843,371 | 1.61 |
| | Jamaica (Nil) (2015: 0.48%) | | |
| | Kenya (5.57%) (2015: 6.06%) | | |
| 60,394,520 | Barclays Bank of Kenya Ltd | 5,363,425 | 0.88 |
| 1,340,900 | British American Tobacco Kenya Ltd | 11,894,975 | 1.95 |
| 6,804,700 | East African Breweries Ltd | 16,203,246 | 2.65 |
| 14,058,020 | Uchumi Supermarkets Ltd | 541,907 | 0.09 |
| | | 34,003,553 | 5.57 |
| | Mauritius (2.40%) (2015: 2.56%) | | |
| 2,455,711 | MCB Group Ltd | 14,661,979 | 2.40 |
| | Nigeria (5.43%) (2015: 7.34%) | | |
| 14,533,972 | Cadbury Nigeria PLC | 474,807 | 0.08 |
| 276,275,568 | Guaranty Trust Bank PLC | 21,664,888 | 3.55 |
| 1,347,129 | Nestle Nigeria PLC | 3,464,266 | 0.57 |
| 16,034,919 | Nigerian Breweries PLC | 7,533,836 | 1.23 |
| | | 33,137,797 | 5.43 |
| | Oman (Nil) (2015: 2.36%) | | |

BMO INVESTMENTS II (IRELAND) PLC

BMO LGM FRONTIER MARKETS FUND

Schedule of Investments as at 31 December 2016 cont/d

| <u>Holding</u> | | <u>Fair Value USD</u> | <u>% of Fund</u> |
|----------------|---|---------------------------|------------------|
| | Transferable Securities cont/d | | |
| | Equities (91.94%) (2015: 92.61%) cont/d | | |
| | Pakistan (5.18%) (2015: 2.76%) | | |
| 1,343,700 | Lucky Cement Ltd | 11,152,034 | 1.83 |
| 8,940,000 | United Bank Ltd | 20,462,429 | 3.35 |
| | | <u>31,614,463</u> | <u>5.18</u> |
| | Peru (5.52%) (2015: 2.97%) | | |
| 11,049,369 | Alicorp SAA | 24,057,263 | 3.94 |
| 8,090,895 | BBVA Banco Continental SA | 9,652,558 | 1.58 |
| | | <u>33,709,821</u> | <u>5.52</u> |
| | Philippines (2.43%) (2015: 2.90%) | | |
| 4,519,890 | Universal Robina Corp | 14,865,517 | 2.43 |
| | Romania (1.69%) (2015: 2.14%) | | |
| 55,973,804 | Fondul Proprietatea SA | 10,332,546 | 1.69 |
| | Senegal (3.58%) (2015: 4.04%) | | |
| 543,176 | Sonatel | 21,835,078 | 3.58 |
| | South Africa (4.12%) (2015: Nil) | | |
| 2,196,030 | Famous Brands Ltd | 25,133,503 | 4.12 |
| | Sri Lanka (2.34%) (2015: 1.37%) | | |
| 1,164,508 | Ceylon Tobacco Co PLC | 6,269,531 | 1.03 |
| 8,290,667 | Commercial Bank of Ceylon PLC | 8,025,011 | 1.31 |
| | | <u>14,294,542</u> | <u>2.34</u> |
| | Tunisia (1.44%) (Dec 2015: 1.55%) | | |
| 1,304,775 | Delice Holding | 8,803,247 | 1.44 |
| | United Arab Emirates (3.30%) (2015: 5.89%) | | |
| 18,179,618 | Aramex PJSC | 20,145,129 | 3.30 |
| | United Kingdom (5.89%) (2015: 5.30%) | | |
| 712,142 | BGEO Group PLC | 26,257,943 | 4.30 |
| 2,200,385 | Georgia Healthcare Group Plc | 9,709,888 | 1.59 |
| | | <u>35,967,831</u> | <u>5.89</u> |
| | United States (4.00%) (2015: 4.01%) | | |
| 292,223 | PriceSmart Inc | 24,400,621 | 4.00 |
| | Vietnam (9.79%) (2015: 11.52%) | | |
| 3,262,723 | Phu Nhuan Jewelry JSC | 9,528,395 | 1.56 |
| 9,111,606 | Vietnam Dairy Products JSC | 50,257,684 | 8.23 |
| | | <u>59,786,079</u> | <u>9.79</u> |
| | Zimbabwe (2.14%) (2015: 1.48%) | | |
| 14,747,746 | Delta Corp Ltd | 13,051,755 | 2.14 |
| | Total Equities | 561,364,683 | 91.94 |
| | Participation Notes (2.51%) (2015: 5.63%) | | |
| | Saudi Arabia (2.51%) (2015: 5.63%) | | |
| 169,635 | Jarir Marketing 02/03/2017 - Merrill Lynch International & Co (Participation Note) | 5,219,991 | 0.85 |
| 304,163 | Saudi Dairy & Foodstuff due 04/06/2018 - HSBC Bank PLC (Participation note) | 10,096,610 | 1.66 |
| | Total Participation Notes | 15,316,601 | 2.51 |

BMO INVESTMENTS II (IRELAND) PLC

BMO LGM FRONTIER MARKETS FUND

Schedule of Investments as at 31 December 2016 cont/d

| | | |
|--|--------------------|---------------|
| Total Value of Investments in Transferable Securities (94.45%) (2015: 98.24%) | 576,681,284 | 94.45 |
| Other Net Assets (5.55%) (2015: 1.76%) | 33,870,194 | 5.55 |
| Net Assets Attributable To Redeemable Participating Shareholders (At Dealing NAV) (100.00%) | 610,551,478 | 100.00 |

*American Depository Receipt

**Global Depository Receipt

Analysis of Total Assets

| | <u>% of Total Assets</u> |
|--|---------------------------------|
| Transferable securities admitted to an official stock exchange listing | 80.12 |
| Other transferable securities of the type referred to in Regulation 68(1)(d) | 11.44 |
| Transferable securities dealt with in a regulated market (Participation Notes) | 2.50 |
| Current Assets | 5.94 |
| Total Assets | 100.00 |

The counterparties for the Participation Notes are:

HSBC Bank Plc (Moody's: Aa2; 2015: Aa2)

Merrill Lynch International & Co (Moody's: Baa1; 2015: Baa1)

Country classifications are based upon country of incorporation and/or country of domicile.

BMO INVESTMENTS II (IRELAND) PLC

BMO LGM GLOBAL EMERGING MARKETS GROWTH AND INCOME FUND

Schedule of Investments as at 31 December 2016

| <u> Holding </u> | | <u> Fair Value </u> | |
|------------------|--|---------------------|--------------------|
| | | <u> USD </u> | <u> % of Fund </u> |
| | Transferable Securities | | |
| | Equities (98.13%) (2015: 97.10%) | | |
| | Brazil (0.82%) (2015: 0.63%) | | |
| 419,400 | CCR SA | 2,056,602 | 0.82 |
| | Chile (0.93%) (2015: 2.13%) | | |
| 4,481,393 | Aguas Andinas SA | 2,333,280 | 0.93 |
| | China Nil (2015: 1.09%) | | |
| | Egypt (4.00%) (2015: 4.36%) | | |
| 2,436,595 | Commercial International Bank Egypt SAE (GDR)* | 8,893,571 | 3.53 |
| 268,544 | Edita Food Industries SAE (GDR)* | 1,181,594 | 0.47 |
| | | <u>10,075,165</u> | <u>4.00</u> |
| | Hong Kong (2.92%) (2015: 2.84%) | | |
| 467,000 | AIA Group Ltd | 2,635,219 | 1.05 |
| 657,352 | Dairy Farm International Holdings Ltd | 4,726,361 | 1.87 |
| | | <u>7,361,580</u> | <u>2.92</u> |
| | India (28.81%) (2015: 29.10%) | | |
| 230,916 | Container Corp Of India Ltd | 3,776,754 | 1.50 |
| 593,422 | Emami Ltd | 8,319,886 | 3.30 |
| 285,445 | Hindustan Unilever Ltd | 3,475,431 | 1.38 |
| 343,688 | Housing Development Finance Corp Ltd | 6,393,701 | 2.53 |
| 2,446,842 | ICICI Bank Ltd | 9,204,048 | 3.65 |
| 3,826,680 | ITC Ltd | 13,624,830 | 5.40 |
| 83,595 | Jyothy Laboratories Ltd | 417,236 | 0.16 |
| 1,441,347 | Mahindra & Mahindra Financial Services Ltd | 5,739,267 | 2.28 |
| 57,257 | Nestle India Ltd | 5,085,682 | 2.02 |
| 345,012 | Pidilite Industries Ltd | 2,998,203 | 1.19 |
| 1,015,083 | Titan Co Ltd | 4,887,714 | 1.94 |
| 512,846 | Yes Bank Ltd | 8,738,482 | 3.46 |
| | | <u>72,661,234</u> | <u>28.81</u> |
| | Indonesia (16.04%) (2015: 13.81%) | | |
| 16,891,700 | Bank Mandiri Persero Tbk PT | 14,512,632 | 5.75 |
| 11,480,800 | Bank Rakyat Indonesia Persero Tbk PT | 9,949,032 | 3.95 |
| 19,252,325 | Hanjaya Mandala Sampoerna Tbk PT | 5,473,105 | 2.17 |
| 46,846,800 | Kalbe Farma Tbk PT | 5,267,983 | 2.09 |
| 1,821,200 | Unilever Indonesia Tbk PT | 5,244,948 | 2.08 |
| | | <u>40,447,700</u> | <u>16.04</u> |
| | Kenya (0.96%) (2015: 0.86%) | | |
| 1,017,700 | East African Breweries Ltd | 2,423,332 | 0.96 |
| | Macau (2.49) (2015: 1.84%) | | |
| 1,442,400 | Sands China Ltd | 6,269,565 | 2.49 |
| | Malaysia (1.02%) (2015: 0.74%) | | |
| 586,200 | Public Bank Bhd | 2,576,876 | 1.02 |
| | Mexico (10.40%) (2015: 8.27%) | | |
| 3,805,187 | Bolsa Mexicana de Valores SAB de CV | 5,040,582 | 2.00 |
| 327,000 | Fomento Economico Mexicano SAB de CV | 2,502,637 | 0.99 |
| 1,349,221 | Grupo Financiero Banorte SAB de CV | 6,699,770 | 2.66 |
| 888,570 | Grupo Herdez SAB de CV | 1,624,326 | 0.64 |
| 5,764,314 | Wal-Mart de Mexico SAB de CV | 10,366,616 | 4.11 |
| | | <u>26,233,931</u> | <u>10.40</u> |
| | Nigeria (0.68%) (2015: 1.04%) | | |
| 21,861,603 | Guaranty Trust Bank PLC | 1,714,336 | 0.68 |

BMO INVESTMENTS II (IRELAND) PLC

BMO LGM GLOBAL EMERGING MARKETS GROWTH AND INCOME FUND

Schedule of Investments as at 31 December 2016 cont/d

| <u>Holding</u> | <u>Fair Value USD</u> | <u>% of Fund</u> |
|--|---|--------------------|
| Transferable Securities cont/d | | |
| Equities (98.13%) (2015: 97.10%) cont/d | | |
| Peru (1.27%) (2015: 2.68%) | | |
| 20,360 | Credicorp Ltd | 3,214,030 |
| | | 1.27 |
| Philippines (5.87%) (2015: 8.53%) | | |
| 2,528,463 | Metropolitan Bank & Trust Co | 3,692,560 |
| 3,380,570 | Universal Robina Corp | 11,118,395 |
| | | 4.41 |
| | | 14,810,955 |
| | | 5.87 |
| Singapore Nil (2015: 6.23%) | | |
| South Africa (5.43%) (2015: 3.01%) | | |
| 502,669 | Clicks Group Ltd | 4,245,577 |
| 956,471 | Life Healthcare Group Holdings Ltd | 2,280,143 |
| 615,411 | Mr Price Group | 7,180,170 |
| | | 2.85 |
| | | 13,705,890 |
| | | 5.43 |
| South Korea (0.73%) (2015: 1.39%) | | |
| 21,881 | KT&G Corp | 1,829,757 |
| | | 0.73 |
| Taiwan (1.67%) (2015: 0.83%) | | |
| 587,000 | President Chain Store Corp | 4,207,298 |
| | | 1.67 |
| Thailand (1.82%) (2015: 0.61%) | | |
| 927,600 | Kasikornbank PCL | 4,597,786 |
| | | 1.82 |
| Turkey (3.22%) (2015: 3.15%) | | |
| 583,198 | BIM Birlesik Magazalar AS | 8,123,920 |
| | | 3.22 |
| United States (6.31%) (2015: Nil) | | |
| 185,523 | Mead Johnson Nutrition Co | 13,127,608 |
| 33,200 | PriceSmart Inc | 2,772,200 |
| | | 1.10 |
| | | 15,899,808 |
| | | 6.31 |
| Vietnam (2.74%) (2015: 3.96%) | | |
| 1,253,100 | Vietnam Dairy Products JSC | 6,911,834 |
| | | 2.74 |
| | Total Equities | 247,454,879 |
| | | 98.13 |
| Participation Notes (0.09%) (2015: 0.16%) | | |
| United States (0.09%) (2015: 0.16%) | | |
| 39,823 | Vietnam Dairy Products JSC due 17/01/2017 Citigroup Global Markets Holdings (Participation Note) | 219,655 |
| | | 0.09 |
| | Total Participation Notes | 219,655 |
| | | 0.09 |
| | Total Value of Investments in Transferable Securities (98.22%) (2015: 97.26%) | 247,674,534 |
| | | 98.22 |
| | Other Net Assets (1.78%) (2015: 2.74%) | 4,493,025 |
| | | 1.78 |
| | Net Assets Attributable To Redeemable Participating Shareholders (At Dealing NAV) (100.00%) | 252,167,559 |
| | | 100.00 |

*Global Depository Receipt

BMO INVESTMENTS II (IRELAND) PLC

BMO LGM GLOBAL EMERGING MARKETS GROWTH AND INCOME FUND

Schedule of Investments as at 31 December 2016 cont/d

Analysis of Total Assets

| | <u>% of Total Assets</u> |
|--|---------------------------------|
| Transferable securities admitted to an official stock exchange listing | 94.69 |
| Other transferable securities of the type referred to in Regulation 68(1)(d) | 2.72 |
| Transferable securities dealt with in a regulated market (Participation Notes) | 0.09 |
| Current Assets | <u>2.50</u> |
| Total Assets | <u><u>100.00</u></u> |

The counterparties for the Participation Notes are:

Citigroup Global Markets Holdings Inc (Moody's: Baa1; 2015: Baa1)

Country classifications are based upon country of incorporation and/or country of domicile.

BMO INVESTMENTS II (IRELAND) PLC

BMO LGM GREATER INDIA FUND

Schedule of Investments as at 31 December 2016

| <u>Holding</u> | | <u>Fair Value USD</u> | <u>% of Fund</u> |
|----------------|--|---------------------------|---------------------------------|
| | Transferable Securities | | |
| | Equities (98.81%) (2015: 96.11%) | | |
| | India (98.81%) (2015: 96.11%) | | |
| 1,455 | Bajaj Auto Ltd | 56,429 | 2.99 |
| 6,858 | Bajaj Corp Ltd | 37,534 | 1.99 |
| 4,733 | Bajaj Finance Ltd | 58,732 | 3.12 |
| 4,750 | Bata India Ltd | 31,522 | 1.67 |
| 1,175 | Britannia Industries Ltd | 49,969 | 2.65 |
| 4,165 | Colgate-Palmolive India Ltd | 55,513 | 2.95 |
| 2,870 | Container Corp Of India Ltd | 46,940 | 2.49 |
| 2,792 | Credit Analysis & Research Ltd | 53,699 | 2.85 |
| 5,167 | Emami Ltd | 72,442 | 3.84 |
| 8,351 | Escorts Ltd | 36,507 | 1.94 |
| 5,439 | HDFC Bank Ltd | 96,663 | 5.13 |
| 6,398 | Hindustan Unilever Ltd | 77,899 | 4.13 |
| 5,761 | Housing Development Finance Corp Ltd | 107,173 | 5.69 |
| 19,565 | ICICI Bank Ltd | 73,596 | 3.91 |
| 4,312 | IndusInd Bank Ltd | 70,388 | 3.74 |
| 25,119 | ITC Ltd | 89,436 | 4.75 |
| 2,577 | Jubilant Foodworks Ltd | 32,405 | 1.72 |
| 12,037 | Jyothy Laboratories Ltd | 60,079 | 3.19 |
| 6,175 | Kotak Mahindra Bank Ltd | 65,480 | 3.48 |
| 16,600 | Mahindra & Mahindra Financial Services Ltd | 66,099 | 3.51 |
| 643 | Nestle India Ltd | 57,113 | 3.03 |
| 7,773 | Pidilite Industries Ltd | 67,548 | 3.58 |
| 118 | Shree Cement Ltd | 25,616 | 1.36 |
| 3,299 | Shriram City Union Finance Ltd | 88,189 | 4.68 |
| 3,353 | Shriram Transport Finance Co Ltd | 42,163 | 2.24 |
| 10,092 | Titan Co Ltd | 48,594 | 2.58 |
| 1,191 | UltraTech Cement Ltd | 57,035 | 3.03 |
| 2,427 | United Spirits Ltd | 69,474 | 3.69 |
| 6,108 | Wonderla Holidays Ltd | 30,576 | 1.62 |
| 5,314 | Yes Bank Ltd | 90,546 | 4.81 |
| 6,921 | Zee Entertainment Enterprises Ltd | 46,200 | 2.45 |
| | | <u>1,861,559</u> | <u>98.81</u> |
| | Total Equities | 1,861,559 | 98.81 |
| | Total Value of Investments in Transferable Securities (98.81%) (2015: 96.11%) | 1,861,559 | 98.81 |
| | Other Net Assets (1.19%) (2015: 3.89%) | 22,422 | 1.19 |
| | Net Assets Attributable To Redeemable Participating Shareholders (At Dealing NAV) (100.00%) | 1,883,981 | 100.00 |
| | | <u><u>1,883,981</u></u> | <u><u>100.00</u></u> |
| | | | <u><u>% of Total Assets</u></u> |
| | Analysis of Total Assets | | <u>97.99</u> |
| | Transferable securities admitted to an official stock exchange listing | | <u>2.01</u> |
| | Current Assets | | <u>100.00</u> |
| | Total Assets | | <u>100.00</u> |

Country classifications are based upon country of incorporation and/or country of domicile

BMO INVESTMENTS II (IRELAND) PLC

BMO LGM ASIAN SMALLER COMPANIES FUND

Schedule of Investments as at 31 December 2016

| <u>Holding</u> | <u>Fair Value</u> | <u>USD</u> | <u>% of Fund</u> |
|---|------------------------------------|------------------|------------------|
| Transferable Securities | | | |
| Equities (97.73%) (2015: 65.11%) | | | |
| Bermuda (4.75%) (2015: 5.43%) | | | |
| 356,000 | PAX Global Technology Ltd | 236,013 | 2.52 |
| 567,220 | Silverlake Axis Ltd | 208,089 | 2.23 |
| | | <u>444,102</u> | <u>4.75</u> |
| Cayman Islands (4.43%) (2015: 9.71%) | | | |
| 716,000 | NagaCorp Ltd | 413,726 | 4.43 |
| China (3.66%) (2015: Nil) | | | |
| 883,000 | Cosmo Lady China Holdings Co Ltd | 341,668 | 3.66 |
| Hong Kong (4.12%) (2015: 2.52%) | | | |
| 394,000 | Convenience Retail Asia Ltd | 188,027 | 2.01 |
| 98,000 | Vitasoy International Holdings Ltd | 196,931 | 2.11 |
| | | <u>384,958</u> | <u>4.12</u> |
| India (27.99%) (2015: 5.98%) | | | |
| 81,950 | Bajaj Corp Ltd | 448,509 | 4.80 |
| 39,608 | Bata India Ltd | 262,847 | 2.81 |
| 22,332 | Credit Analysis & Research Ltd | 429,514 | 4.60 |
| 42,309 | Escorts Ltd | 184,958 | 1.98 |
| 257,880 | Federal Bank Ltd | 254,004 | 2.72 |
| 11,798 | Jubilant Foodworks Ltd | 148,357 | 1.59 |
| 116,823 | Jyothy Laboratories Ltd | 583,082 | 6.24 |
| 11,381 | Shriram City Union Finance Ltd | 304,237 | 3.25 |
| | | <u>2,615,508</u> | <u>27.99</u> |
| Indonesia (7.16%) (2015: 7.28%) | | | |
| 4,604,900 | Ace Hardware Indonesia Tbk PT | 285,403 | 3.06 |
| 3,307,300 | Clipan Finance Indonesia Tbk PT | 58,917 | 0.63 |
| 2,657,500 | Mayora Indah Tbk PT | 324,482 | 3.47 |
| | | <u>668,802</u> | <u>7.16</u> |
| Malaysia (10.69%) (2015: 5.77%) | | | |
| 32,500 | Dutch Lady Milk Industries Bhd | 402,519 | 4.31 |
| 100,300 | Heineken Malaysia Bhd | 366,231 | 3.92 |
| 539,400 | Oldtown Bhd | 229,660 | 2.46 |
| | | <u>998,410</u> | <u>10.69</u> |
| Pakistan (2.79%) (2015: Nil) | | | |
| 114,000 | United Bank Ltd | 260,930 | 2.79 |
| Singapore (7.45%) (2015: 5.60%) | | | |
| 137,800 | Delfi Ltd | 211,751 | 2.27 |
| 372,900 | Sheng Siong Group Ltd | 243,919 | 2.61 |
| 271,500 | Super Group Ltd | 240,548 | 2.57 |
| | | <u>696,218</u> | <u>7.45</u> |
| South Korea (Nil) (2015: 3.37%) | | | |
| Sri Lanka (4.16%) (2015: 1.24%) | | | |
| 30,511 | Ceylon Tobacco Co PLC | 164,267 | 1.76 |
| 232,034 | Commercial Bank of Ceylon PLC | 224,599 | 2.40 |
| | | <u>388,866</u> | <u>4.16</u> |
| Taiwan (11.12%) (2015: 6.47%) | | | |
| 35,000 | Dr Wu Skincare Co Ltd | 194,933 | 2.09 |
| 37,680 | Formosa International Hotels Corp | 197,583 | 2.12 |
| 39,000 | Giant Manufacturing Co Ltd | 221,446 | 2.37 |
| 23,462 | Poya International Co Ltd | 271,900 | 2.91 |
| 8,000 | St Shine Optical Co Ltd | 152,658 | 1.63 |
| | | <u>1,038,520</u> | <u>11.12</u> |

BMO INVESTMENTS II (IRELAND) PLC

BMO LGM ASIAN SMALLER COMPANIES FUND

Schedule of Investments as at 31 December 2016 cont/d

| <u>Holding</u> | | <u>Fair Value</u> | |
|----------------|--|-------------------|------------------|
| | | <u>USD</u> | <u>% of Fund</u> |
| | Transferable Securities cont/d | | |
| | Equities (97.73%) (2015: 65.11%) cont/d | | |
| | Thailand (8.07%) (2015: 11.74%) | | |
| 790,000 | Beauty Community PCL | 258,109 | 2.76 |
| 272,600 | Major Cineplex Group PCL | 249,303 | 2.67 |
| 150,700 | MK Restaurants Group PCL | 246,183 | 2.64 |
| | | <u>753,595</u> | <u>8.07</u> |
| | Vietnam (1.34%) (2015: Nil) | | |
| 43,000 | Phu Nhuan Jewelry JSC | 125,576 | 1.34 |
| | Total Equities | 9,130,879 | 97.73 |
| | Participation Notes (Nil) (2015: 21.46%) | | |
| | Total Value of Investments in Transferable Securities (97.73%) (2015: 86.57%) | 9,130,879 | 97.73 |
| | Other Net Assets (2.27%) (2015: 13.43%) | 212,119 | 2.27 |
| | Net Assets Attributable To Redeemable Participating Shareholders (At Dealing NAV) (100.00%) | 9,342,998 | 100.00 |

Analysis of Total Assets

| | |
|---|---------------|
| Transferable securities admitted to an official stock exchange listing | 95.70 |
| Other transferable securities of the type referred to in Regulation 68(1)(d); | 1.33 |
| Current Assets | 2.97 |
| Total Assets | 100.00 |

% of Total Assets

Country classifications are based upon country of incorporation and/or country of domicile.

BMO INVESTMENTS II (IRELAND) PLC

Supplemental Unaudited Information

1. Exchange Rates

The rates of exchange ruling at 31 December 2016 and 31 December 2015 are as follows:

| 31 December 2016 | | | 31 December 2015 | | |
|-------------------------|-----------------|-------------|-------------------------|-----------------|-------------|
| USD1 = | Currency | Rate | USD1 = | Currency | Rate |
| | AED | 3.6729 | | AED | 3.6730 |
| | BDT | 78.6000 | | BDT | 78.4750 |
| | BRL | 3.2547 | | BRL | 3.9563 |
| | BWP | 10.6838 | | BWP | 11.2486 |
| | CLP | 669.7850 | | CLP | 708.6000 |
| | COP | 3,002.0000 | | COP | 3,174.5000 |
| | CRC | 553.1800 | | CRC | 537.3000 |
| | EGP | 18.1300 | | EGP | 7.8301 |
| | EUR | 0.9481 | | EUR | 0.9206 |
| | GBP | 0.8093 | | GBP | 0.6785 |
| | GHS | 4.2700 | | GHS | 3.8100 |
| | HKD | 7.7532 | | HKD | 7.7502 |
| | HRK | 7.1659 | | HRK | 7.0337 |
| | IDR | 13,472.5000 | | IDR | 13,785.0000 |
| | INR | 67.8700 | | INR | 66.1563 |
| | KES | 102.4700 | | KES | 102.3000 |
| | KRW | 1,207.8000 | | KRW | 1,172.5500 |
| | LKR | 149.8000 | | LKR | 146.3400 |
| | MUR | 36.0100 | | MUR | 35.9000 |
| | MXN | 20.6015 | | MXN | 17.2712 |
| | MYR | 4.4860 | | MYR | 4.2935 |
| | NGN | 314.9800 | | NGN | 199.0500 |
| | OMR | 0.3851 | | OMR | 0.3851 |
| | PEN | 3.3529 | | PEN | 3.4115 |
| | PHP | 49.7125 | | PHP | 47.0550 |
| | PKR | 104.3750 | | PKR | 104.7350 |
| | RON | 4.3067 | | RON | 4.1623 |
| | SGD | 1.4447 | | SGD | 1.4187 |
| | THB | 35.8105 | | THB | 35.9850 |
| | TND | 2.3003 | | TND | 2.0369 |
| | TRY | 3.5176 | | TRY | 2.9189 |
| | TWD | 32.2290 | | TWD | 32.8470 |
| | VND | 22,771.0000 | | VND | 22,485.0000 |
| | XOF | 621.9076 | | XOF | 603.8452 |
| | ZAR | 13.6750 | | ZAR | 15.4955 |

2. Soft Commission

There were no soft commission arrangements entered into in relation to any Fund by either the Company or the Investment Manager during the financial year ended 31 December 2016 or financial year ended 31 December 2015.

3. Securities Lending

No securities lending took place during the financial year ended 31 December 2016 (2015: Nil).

4. Direct brokerage

There was no direct brokerage services utilised for the financial year ended 31 December 2016 (2015: Nil).

5. Off Balance Sheet Transactions

There were no off balance sheet transactions, other than those disclosed in the financial statements for the Company at 31 December 2016 (2015: Nil).

6. Contingent Liabilities

There were no contingent liabilities as at 31 December 2016 (31 December 2015: Nil).

BMO INVESTMENTS II (IRELAND) PLC

Supplemental Unaudited Information cont/d

7. Net Asset Value Per Redeemable Participating Share

Net asset value per redeemable participating share for the financial year ended 31 December 2016:

| | BMO LGM Asian Growth and Income Fund * | BMO LGM Asian Growth and Income Fund | BMO LGM Frontier Markets Fund | BMO LGM Frontier Markets Fund | BMO LGM Frontier Markets Fund | BMO LGM Frontier Markets Fund |
|--|---|---|---|---|---|---|
| | Class B Income Shares | Class B Accumulating Shares | Class A Income Shares | Class B Income Shares | Class B Accumulating Shares | Class E Accumulating Shares |
| Net asset value per financial statements | USD | USD 6,635,944 | USD 637,832 | USD 55,792,768 | USD 142,354,037 | USD 411,766,840 |
| Net asset value per dealing prices | USD | USD 9.7379 | USD 17.0299 | USD 15.0986 | USD 17.1836 | USD 14.2080 |
| | BMO LGM Global Emerging Markets Growth and Income Fund | BMO LGM Global Emerging Markets Growth and Income Fund | BMO LGM Global Emerging Markets Growth and Income Fund | BMO LGM Global Emerging Markets Growth and Income Fund | BMO LGM Global Emerging Markets Growth and Income Fund | BMO LGM Global Emerging Markets Growth and Income Fund |
| | Class B Income Shares | Class B Accumulating Shares | Class E Accumulating Shares | Class S Accumulating Shares** | Class W Income Shares*** | Class W Accumulating Shares*** |
| Net asset value per financial statements | USD 3,270,556 | USD 23,173,233 | USD 213,430,110 | USD 12,260,925 | USD 30,982 | USD 1,753 |
| Net asset value per dealing prices | USD 6.2556 | USD 12.2808 | USD 10.6717 | USD 9.5788 | USD 9.0803 | USD 9.0811 |

*The BMO LGM Asian Growth and Income Fund Class B Income Shares terminated on 5 January 2016.

** The BMO LGM Global Emerging Markets Growth and Income Fund Class S Accumulating Shares launched on 20 April 2016.

***The BMO LGM Global Emerging Markets Growth and Income Fund Class W Income Shares and Class W Accumulating Shares launched on 22 July 2016.

BMO INVESTMENTS II (IRELAND) PLC

Supplemental Unaudited Information cont/d

7. Net Asset Value Per Redeemable Participating Share cont/d

Net asset value per redeemable participating share for the financial year ended 31 December 2016 cont/d:

| | BMO LGM Greater India Fund | BMO LGM Greater India Fund | BMO LGM Asian Smaller Companies Fund |
|---|---|--|---|
| | Class B Income Shares* | Class E Accumulating Shares | Class B Accumulating Shares |
| Net asset value per financial statements | USD - | USD 1,883,981 | USD 9,342,998 |
| Net asset value per dealing prices | USD - | USD 10.4018 | USD 9.0795 |

*The BMO LGM Asian Growth and Income Fund Class B Income Shares terminated on 5 January 2016.

BMO INVESTMENTS II (IRELAND) PLC

Supplemental Unaudited Information cont/d

7. Net Asset Value Per Redeemable Participating Share cont/d

Net asset value per redeemable participating share for the financial year ended 31 December 2015:

| | BMO LGM Asian Growth and Income Fund | BMO LGM Asian Growth and Income Fund | BMO LGM Frontier Markets Fund | BMO LGM Frontier Markets Fund | BMO LGM Frontier Markets Fund | BMO LGM Frontier Markets Fund |
|---|---|---|---|--|--|---|
| | Class B Income Shares | Class B Accumulating Shares | Class A Income Shares | Class B Income Shares | Class B Accumulating Shares | Class E Accumulating Shares |
| Net asset value per financial statements | USD 3,457,366 | USD 3,895,175 | USD 1,594,155 | USD 36,578,019 | USD 149,383,201 | USD 369,671,399 |
| Net asset value per dealing prices | USD 8.9927 | USD 9.1457 | USD 16.1543 | USD 14.2590 | USD 16.0853 | USD 12.9703 |
| | BMO LGM Global Emerging Markets Growth and Income Fund | BMO LGM Global Emerging Markets Growth and Income Fund | BMO LGM Global Emerging Markets Growth and Income Fund | BMO LGM Greater India Fund* | BMO LGM Greater India Fund* | BMO LGM Asian Smaller Companies Fund** |
| | Class B Income Shares | Class B Accumulating Shares | Class E Accumulating Shares | Class B Income Shares | Class E Accumulating Shares | Class B Accumulating Shares |
| Net asset value per financial statements | USD 479,128 | USD 3,265,741 | USD 118,037,826 | USD 1,547,868 | USD 1,780,472 | USD 9,041,027 |
| Net asset value per dealing prices | USD 7.9628 | USD 11.6607 | USD 10.0580 | USD 8.5310 | USD 9.8303 | USD 8.8077 |

*The BMO LGM Greater India Fund launched on 20 January 2015.

**The BMO LGM Asian Smaller Companies Fund launched on 6 March 2015.

BMO INVESTMENTS II (IRELAND) PLC

Supplemental Unaudited Information cont/d

7. Net Asset Value Per Redeemable Participating Share cont/d

Net asset value per redeemable participating share for the financial year ended 31 December 2014:

| | BMO LGM Asian Growth and Income Fund | BMO LGM Asian Growth and Income Fund | BMO LGM Frontier Markets Fund | BMO LGM Frontier Markets Fund | BMO LGM Frontier Markets Fund | BMO LGM Frontier Markets Fund |
|---|---|---|---|--|--|--|
| | Class B Income Shares | Class B Accumulating Shares | Class A Income Shares | Class B Income Shares | Class B Accumulating Shares | Class E Accumulating Shares |
| Net asset value per financial statements | USD 3,820,766 | USD 5,326,890 | USD 4,400,604 | USD 43,597,612 | USD 176,478,383 | USD 399,248,565 |
| Net asset value per dealing prices | USD 10.0809 | USD 10.2517 | USD 17.9016 | USD 15.8194 | USD 17.7302 | USD 14.0081 |
| | BMO LGM Global Emerging Markets Growth and Income Fund | BMO LGM Global Emerging Markets Growth and Income Fund | BMO LGM Global Emerging Markets Growth and Income Fund | | | |
| | Class B Income Shares | Class B Accumulating Shares | Class E Accumulating Shares | | | |
| Net asset value per financial statements | USD 558,929 | USD 3,611,248 | USD 112,668,257 | | | |
| Net asset value per dealing prices | USD 9.0985 | USD 13.1937 | USD 11.2951 | | | |

BMO INVESTMENTS II (IRELAND) PLC

Supplemental Unaudited Information cont/d

8. Data

All index data referred to in this report is copyright and propriety to MSCI.

9. Remuneration Disclosure

In line with the requirements of the UCITS Regulations, the Company has adopted a remuneration policy which is consistent with the principles outlined in the ESMA guidelines on sound remuneration policies under the UCITS Directive (the "Remuneration Guidelines"). The remuneration policy is appropriate to the Company's size, internal organisation and the nature, scope and complexity of its activities.

The Company's remuneration policy applies to certain identified staff whose professional activities have a material impact on the risk profile of the Company. As at 31 December 2016, the Company did not have any employees and the Company's remuneration policy applies only to members of the Company's management body (i.e., the board of directors). The Directors not affiliated with the Investment Manager receive a fixed annual fee which is in line with the fees paid by other Irish funds and compensates these Directors for their tasks, expertise and responsibilities. Directors that are employees of the Investment Manager (or an affiliate) are not paid any fees for their services as Directors. The Company also pays to KB Associates a fixed fee for the provision of the designated persons to the Company.

Quantitative remuneration disclosures as required by paragraphs (a) and (b) of Regulation 89(3A) of the UCITS Regulations will be included in the financial statements for the year ending 31 December 2017. The disclosures required by paragraphs (c) and (d) of Regulation 24(B) of the UCITS Regulations will also be made at this time following the first annual review of the remuneration policy.

The remuneration policy was amended to take account of the issue of Remuneration Guidelines in October 2016, and in particular the requirements in relation to delegated management functions, but no other material changes have been made to the remuneration policy since its adoption.

10. Securities Financing Transactions Regulation

The Securities Financing Transactions Regulation (Regulation (EU) 2015/2365) ("SFTR") came into force on 12 January 2016 and, amongst other requirements, introduces new disclosure requirements in annual and interim financial statements published after 13 January 2017, detailing the use of securities financing transactions. The Sub-Funds were not invested in any securities financing transactions pursuant to Regulation (EU) 2015/2365 during the financial year ended 31 December 2016, and no additional disclosures have been included in the financial statements.

BMO INVESTMENTS II (IRELAND) PLC

BMO LGM Asian Growth and Income Fund

Schedule of Significant Portfolio Changes (Unaudited) for the financial year ended 31 December 2016

| Major Purchases | Shares | Cost USD |
|--|---------------|-----------------|
| HDFC Bank Ltd (ADR) | 277,688 | 17,883,475 |
| Mead Johnson Nutrition Co | 4,825 | 391,250 |
| British American Tobacco Malaysia Bhd | 18,300 | 233,431 |
| Housing Development Finance Corp Ltd due 30/01/2017 - Deutsche Bank AG (Participation Note) | 11,982 | 232,840 |
| Britannia Industries Ltd due 17/01/2017 - Citigroup Global Markets Holdings Inc (Participation Note) | 5,110 | 212,809 |
| Bank Mandiri Persero Tbk PT | 289,900 | 210,027 |
| Emami Ltd due 17/01/2017 - Citigroup Global Markets Holdings Inc (Participation Note) | 12,103 | 194,070 |
| ANTA Sports Products Ltd | 71,000 | 187,624 |
| Colgate-Palmolive India Ltd due 15/05/2017 - Morgan Stanley BV (Participation Note) | 13,768 | 182,699 |
| Universal Robina Corp | 40,390 | 172,597 |
| Vitasoy International Holdings Ltd | 90,000 | 167,524 |
| Sands China Ltd | 41,600 | 145,305 |
| Nestle India Ltd due 12/06/2018 - Deutsche Bank AG London (Participation Note) | 1,522 | 136,364 |
| Tencent Holdings Ltd | 5,800 | 135,582 |
| Public Bank Bhd | 29,000 | 135,534 |
| ICICI Bank Ltd (ADR) | 17,779 | 135,285 |
| Bank Rakyat Indonesia Persero Tbk PT | 147,300 | 131,412 |
| Kasikornbank PCL | 24,000 | 124,439 |
| President Chain Store Corp | 14,000 | 111,805 |
| NagaCorp Ltd | 168,000 | 107,780 |

| Major Sales | Shares | Proceeds USD |
|---|---------------|---------------------|
| HDFC Bank Ltd (ADR) | 274,500 | 17,789,287 |
| Jardine Cycle & Carriage Ltd | 8,888 | 248,109 |
| Metropolitan Bank & Trust Co | 151,141 | 240,868 |
| Housing Development Finance Corp Ltd due 30/01/2017 - Deutsche Bank AG (Participation Note) | 11,982 | 221,243 |
| Sino Biopharmaceutical Ltd | 264,000 | 211,958 |
| Tencent Holdings Ltd | 10,200 | 205,493 |
| ITC Ltd due 12/02/2016 - Citigroup Global Markets Holdings Inc (Participation Note) | 38,870 | 188,889 |
| Universal Robina Corp | 44,660 | 175,187 |
| Hanjaya Mandala Sampoerna Tbk PT | 24,900 | 174,572 |
| Yes Bank Ltd due 12/08/2018 - Deutsche Bank AG (Participation Note) | 14,893 | 170,999 |
| Bangkok Bank PCL | 30,900 | 149,063 |
| Major Cineplex Group PCL | 172,800 | 148,075 |
| Hanon Systems | 7,269 | 147,937 |
| Advanced Info Service PCL | 30,600 | 133,862 |
| Hindustan Unilever Ltd due 07/12/2016 - Morgan Stanley Asia Products Ltd (Participation Note) | 10,560 | 131,807 |

BMO INVESTMENTS II (IRELAND) PLC

BMO LGM Asian Growth and Income Fund

Schedule of Significant Portfolio Changes (Unaudited) for the financial year ended 31 December 2016 cont/d

| Major Sales cont/d | Shares | Proceeds USD |
|--|---------------|---------------------|
| Mahindra & Mahindra Financial Services Ltd due 17/03/2017 - Morgan Stanley Asia Products Ltd (Participation Note) | 36,203 | 130,388 |
| Nestle India Ltd due 17/01/2017 - Citigroup Global Markets Holdings Inc (Participation Note) | 1,527 | 127,730 |
| Ping An Insurance Group Co of China Ltd | 26,500 | 127,173 |
| Taiwan Semiconductor Manufacturing Co Ltd | 29,000 | 123,214 |

Significant portfolio changes are defined as the aggregate purchases of a security exceeding one per cent of the total value of purchases for the financial year and aggregate sales of a security exceeding one per cent of the total value of sales for the financial year. At a minimum, the 20 largest purchases and 20 largest sales are to be disclosed.

BMO INVESTMENTS II (IRELAND) PLC

BMO LGM Frontier Markets Fund

Schedule of Significant Portfolio Changes (Unaudited) for the financial year ended 31 December 2016

| Major Purchases | Shares | Cost USD |
|--|---------------|---------------------|
| Famous Brands Ltd | 2,196,030 | 21,930,068 |
| United Bank Ltd | 8,231,300 | 12,773,139 |
| Alicorp SAA | 6,855,918 | 12,102,758 |
| Ceylon Tobacco Co PLC | 1,057,305 | 6,978,414 |
| Commercial International Bank Egypt SAE (GDR) | 1,778,328 | 6,560,539 |
| Florida Ice & Farm Co SA | 3,242,963 | 4,573,661 |
| BBVA Banco Frances SA | 226,740 | 3,752,507 |
| FAN Milk Ltd | 1,443,529 | 2,806,288 |
| PriceSmart Inc | 31,324 | 2,370,186 |
| Guaranty Trust Bank Plc | 25,800,320 | 2,368,264 |
| Juhayna Food Industries | 5,994,771 | 2,134,252 |
| Unilever Ghana Ltd | 856,600 | 1,938,450 |
| Delta Corp Ltd | 3,574,023 | 1,889,956 |
| Universal Robina Corp | 437,440 | 1,769,896 |
| East African Breweries Ltd | 720,000 | 1,721,351 |
| Bolsa de Valores de Colombia | 337,212,308 | 1,672,259 |
| Aramex PJSC | 1,448,083 | 1,547,178 |
| NagaCorp Ltd | 2,072,000 | 1,126,172 |
| Barclays Bank of Kenya Ltd | 14,097,100 | 1,109,933 |
| Georgia Healthcare Group PLC | 465,702 | 1,026,091 |
| Commercial Bank of Ceylon PLC | 1,094,600 | 985,658 |
| Major Sales* | Shares | Proceeds USD |
| Vietnam Dairy Products JSC | 2,175,310 | 14,029,142 |
| Lucky Cement Ltd | 1,693,500 | 11,222,786 |
| Oman Telecommunications Co SAOG | 1,849,111 | 7,042,565 |
| BBVA Banco Continental SA | 5,141,295 | 5,865,040 |
| Georgia Healthcare Group PLC | 1,576,450 | 5,554,309 |
| Bank Muscat SAOG | 4,606,880 | 4,965,714 |
| First Gulf Bank PJSC | 875,310 | 2,776,966 |
| BGEO Group PLC | 70,488 | 2,730,270 |
| Commercial International Bank Egypt SAE (GDR) | 492,281 | 2,170,882 |
| Saudi Dairy & Foodstuff due 04/06/2018 - HSBC Bank PLC (Participation note) | 27,555 | 1,136,908 |
| Fondul Proprietatea SA | 5,316,526 | 1,130,898 |
| PriceSmart Inc | 8,564 | 788,514 |
| Sonatel | 13,511 | 586,837 |
| Delta Corp Ltd | 537,135 | 445,411 |
| Letshego Holdings Ltd | 500,000 | 113,781 |
| NagaCorp Ltd | 100,000 | 64,102 |

* Represents total sales during the year.

Significant portfolio changes are defined as the aggregate purchases of a security exceeding one per cent of the total value of purchases for the financial year and aggregate sales of a security exceeding one per cent of the total value of sales for the financial year. At a minimum, the 20 largest purchases and 20 largest sales are to be disclosed.

BMO INVESTMENTS II (IRELAND) PLC

BMO LGM Global Emerging Markets Growth and Income Fund

Schedule of Significant Portfolio Changes (Unaudited) for the financial year ended 31 December 2016

| Major Purchases | Shares | Cost USD |
|---|---------------|---------------------|
| Mead Johnson Nutrition Co | 185,523 | 14,843,274 |
| Wal-Mart de Mexico SAB de CV | 4,783,725 | 10,718,137 |
| ICICI Bank Ltd | 2,157,151 | 7,584,594 |
| Universal Robina Corp | 1,769,580 | 7,326,006 |
| BIM Birlesik Magazalar AS | 365,116 | 7,198,919 |
| Bank Mandiri Persero Tbk PT | 9,685,800 | 7,079,592 |
| Mr Price Group Ltd | 615,411 | 6,562,699 |
| Bank Rakyat Indonesia Persero Tbk PT | 7,684,800 | 6,376,944 |
| Housing Development Finance Corp Ltd | 343,688 | 6,004,526 |
| Commercial International Bank Egypt SAE (GDR) | 1,446,350 | 5,659,091 |
| ITC Ltd | 1,098,259 | 5,423,359 |
| Yes Bank Ltd | 390,939 | 5,095,743 |
| Titan Co Ltd | 776,428 | 4,088,483 |
| Nestle India Ltd | 44,937 | 4,024,167 |
| Grupo Financiero Banorte SAB de CV | 782,853 | 3,983,977 |
| Kasikornbank PCL | 751,400 | 3,635,803 |
| Hindustan Unilever Ltd | 285,445 | 3,567,754 |
| Bolsa Mexicana de Valores SAB de CV | 2,248,777 | 3,508,259 |
| Emami Ltd | 228,820 | 3,317,363 |
| President Chain Store Corp | 426,000 | 3,277,718 |
| Sands China Ltd | 788,800 | 3,262,331 |
| Jardine Cycle & Carriage Ltd | 116,000 | 3,180,742 |
| Mahindra & Mahindra Financial Services Ltd | 815,688 | 3,113,697 |
| PriceSmart Inc | 33,200 | 2,844,816 |
| Dairy Farm International Holdings Ltd | 435,252 | 2,767,349 |
| AIA Group Ltd | 467,000 | 2,669,427 |
| Unilever Indonesia Tbk PT | 764,800 | 2,521,098 |
| Fomento Economico Mexicano SAB de CV | 327,000 | 2,508,896 |
| Hanjaya Mandala Sampoerna Tbk PT | 306,700 | 2,301,432 |
| Metropolitan Bank & Trust Co | 1,177,320 | 2,136,918 |
| Pidilite Industries Ltd | 226,301 | 2,079,196 |
| Container Corp Of India Ltd | 103,873 | 2,006,904 |
| Clicks Group Ltd | 270,829 | 1,875,411 |
| Want Want China Holdings Ltd | 2,351,000 | 1,843,111 |
| Public Bank Bhd | 376,000 | 1,837,934 |
| Kalbe Farma Tbk PT | 17,147,800 | 1,832,855 |
| KT&G Corp | 17,787 | 1,736,632 |
| Vietnam Dairy Products JSC | 263,604 | 1,726,931 |
| Major Sales | Shares | Proceeds USD |
| Jardine Cycle & Carriage Ltd | 316,833 | 9,458,732 |
| Yes Bank Ltd | 439,853 | 6,540,158 |
| Jardine Matheson Holdings Ltd | 84,985 | 4,557,375 |

BMO INVESTMENTS II (IRELAND) PLC

BMO LGM Global Emerging Markets Growth and Income Fund

Schedule of Significant Portfolio Changes (Unaudited) for the financial year ended 31 December 2016 cont/d

| Major Sales cont/d | Shares | Proceeds USD |
|--|---------------|---------------------|
| Credicorp Ltd | 26,000 | 3,373,448 |
| Want Want China Holdings Ltd | 4,125,000 | 2,684,036 |
| Bata India Ltd | 277,610 | 2,282,089 |
| Mahindra & Mahindra Financial Services Ltd | 421,068 | 2,262,037 |
| Nestle India Ltd | 18,670 | 1,659,519 |
| Pidilite Industries Ltd | 166,608 | 1,625,871 |
| KT&G Corp | 14,955 | 1,576,548 |
| Metropolitan Bank & Trust Co | 894,510 | 1,402,985 |
| Giordano International Ltd | 2,590,000 | 1,330,460 |
| Coca-Cola Embonor SA - Pref | 582,002 | 978,988 |
| Grupo Financiero Banorte SAB de CV | 139,807 | 792,250 |
| SJM Holdings Ltd | 1,255,000 | 776,452 |
| ITC Ltd | 116,565 | 606,630 |
| Titan Co Ltd | 112,928 | 602,787 |
| Discovery Ltd | 65,423 | 529,477 |
| Wal-Mart de Mexico SAB de CV | 210,700 | 522,499 |
| Cashbuild Ltd | 16,388 | 321,056 |

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BMO INVESTMENTS II (IRELAND) PLC

BMO LGM Greater India Fund

Schedule of Significant Portfolio Changes (Unaudited) for the financial year ended 31 December 2016

| Major Purchases* | Shares | Cost USD |
|--------------------------------|---------------|-----------------|
| Jyothy Laboratories Ltd | 14,592 | 64,778 |
| Britannia Industries Ltd | 1,175 | 48,330 |
| Credit Analysis & Research Ltd | 2,792 | 40,822 |
| Hindustan Unilever Ltd | 3,233 | 39,605 |
| Wonderla Holidays Ltd | 6,108 | 30,207 |
| IndusInd Bank Ltd | 2,019 | 24,679 |
| Bajaj Finance Ltd | 1,873 | 23,563 |
| United Spirits Ltd | 770 | 22,314 |
| Shriram City Union Finance Ltd | 932 | 21,243 |

| Major Sales | Shares | Proceeds USD |
|--|---------------|---------------------|
| Yes Bank Ltd | 10,287 | 128,346 |
| ITC Ltd | 25,207 | 113,908 |
| HDFC Bank Ltd | 4,985 | 95,751 |
| Bajaj Auto Ltd | 2,408 | 88,672 |
| Federal Bank Ltd | 85,421 | 82,199 |
| Container Corp Of India Ltd | 3,782 | 75,504 |
| Escorts Ltd | 20,935 | 74,547 |
| UltraTech Cement Ltd | 1,750 | 71,701 |
| Pidilite Industries Ltd | 8,030 | 69,469 |
| ICICI Bank Ltd | 17,860 | 68,547 |
| Mahindra & Mahindra Financial Services Ltd | 16,566 | 63,714 |
| Housing Development Finance Corp Ltd | 3,487 | 63,209 |
| Shriram Transport Finance Co Ltd | 4,459 | 60,558 |
| Jubilant Foodworks Ltd | 2,612 | 54,930 |
| Titan Co Ltd | 9,465 | 50,960 |
| Emami Ltd | 3,127 | 46,813 |
| Zee Entertainment Enterprises Ltd | 7,479 | 45,505 |
| United Spirits Ltd | 1,003 | 44,265 |
| Bata India Ltd | 5,676 | 44,181 |
| Kotak Mahindra Bank Ltd | 3,737 | 40,208 |
| Colgate-Palmolive India Ltd | 2,521 | 36,787 |
| HCL Technologies Ltd | 2,868 | 36,221 |
| Shriram City Union Finance Ltd | 1,432 | 34,069 |
| Nestle India Ltd | 390 | 33,095 |
| Infosys Ltd | 2,006 | 32,291 |
| Tata Consultancy Services Ltd | 910 | 32,044 |
| Bajaj Corp Ltd | 4,151 | 26,900 |
| Lupin Ltd | 997 | 26,646 |
| Hindustan Unilever Ltd | 1,915 | 24,334 |

BMO INVESTMENTS II (IRELAND) PLC

BMO LGM Greater India Fund

Schedule of Significant Portfolio Changes (Unaudited) for the financial year ended 31 December 2016 cont/d

| Major Sales cont/d | Shares | Proceeds USD |
|-----------------------------|---------------|---------------------|
| Bajaj Finance Ltd | 149 | 22,721 |
| Dr Reddy's Laboratories Ltd | 478 | 22,002 |

* Represents total purchases during the year.

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BMO INVESTMENTS II (IRELAND) PLC

BMO LGM Asian Smaller Companies Fund

Schedule of Significant Portfolio Changes (Unaudited) for the financial year ended 31 December 2016

| Major Purchases | Shares | Cost USD |
|------------------------------------|---------------|-----------------|
| Jyothy Laboratories Ltd | 116,823 | 574,098 |
| Cosmo Lady China Holdings Co Ltd | 883,000 | 489,614 |
| Dutch Lady Milk Industries Bhd | 32,500 | 427,719 |
| Heineken Malaysia Bhd | 100,300 | 383,853 |
| Credit Analysis & Research Ltd | 22,332 | 331,831 |
| Shriram City Union Finance Ltd | 11,381 | 290,776 |
| Bajaj Corp Ltd | 48,426 | 277,177 |
| Federal Bank Ltd | 257,880 | 265,120 |
| Dr Wu Skincare Co Ltd | 35,000 | 250,736 |
| Bata India Ltd | 39,608 | 238,226 |
| Sheng Siong Group Ltd | 372,900 | 230,261 |
| United Bank Ltd/Pakistan | 114,000 | 221,872 |
| Ceylon Tobacco Co PLC | 30,511 | 219,142 |
| Convenience Retail Asia Ltd | 394,000 | 210,869 |
| PAX Global Technology Ltd | 244,000 | 194,233 |
| Vitasoy International Holdings Ltd | 98,000 | 186,359 |
| St Shine Optical Co Ltd | 8,000 | 137,728 |
| Phu Nhuan Jewelry JSC | 43,000 | 137,720 |
| Jubilant Foodworks Ltd | 8,511 | 114,171 |
| Delfi Ltd | 65,500 | 107,028 |
| Commercial Bank of Ceylon PLC | 115,338 | 103,588 |
| Formosa International Hotels Corp | 16,000 | 91,316 |
| Super Group Ltd | 103,700 | 75,287 |
| NagaCorp Ltd | 108,000 | 62,028 |

| Major Sales | Shares | Proceeds USD |
|--|---------------|---------------------|
| Jyothy Laboratories Ltd | 107,659 | 532,934 |
| Mahindra & Mahindra Financial Services Ltd | 85,640 | 403,877 |
| Emami Ltd due 17/01/2017 - Citigroup Global Markets Holdings (Participation Note) | 19,965 | 342,290 |
| Bata India Ltd | 47,140 | 299,406 |
| Dah Sing Financial Holdings Ltd | 45,600 | 296,091 |
| Beauty Community PCL | 936,700 | 272,255 |
| Federal Bank Ltd | 257,880 | 263,528 |
| Dialog Group BHD | 595,400 | 244,659 |
| iKang Healthcare Group Inc | 13,135 | 227,779 |
| Stella International Holdings Ltd | 90,500 | 215,673 |
| TICON Industrial Connection PCL | 488,800 | 197,590 |
| Singapore Post Ltd | 161,500 | 169,899 |
| Tune Protect Group Bhd | 511,900 | 168,158 |
| Mahindra & Mahindra Financial Services Ltd | 29,727 | 155,810 |
| Skyworth Digital Holdings Ltd | 250,271 | 153,027 |

BMO INVESTMENTS II (IRELAND) PLC

BMO LGM Asian Smaller Companies Fund

Schedule of Significant Portfolio Changes (Unaudited) for the financial year ended 31 December 2016 cont/d

| Major Sales cont/d | Shares | Proceeds USD |
|-------------------------------|---------------|---------------------|
| Thai Reinsurance PCL | 2,024,200 | 139,282 |
| Jubilant Foodworks Ltd | 10,004 | 133,477 |
| Escorts Ltd | 20,006 | 116,389 |
| Hotel Shilla Co Ltd | 2,720 | 110,932 |
| CJ O Shopping Co Ltd | 770 | 104,210 |
| OSIM International Ltd | 98,200 | 101,025 |
| Ace Hardware Indonesia Tbk PT | 1,364,200 | 98,196 |
| Super Group Ltd | 63,400 | 56,321 |

Significant portfolio changes are defined as the aggregate purchases of a security exceeding one per cent of the total value of purchases for the financial year and aggregate sales of a security exceeding one per cent of the total value of sales for the financial year. At a minimum, the 20 largest purchases and 20 largest sales are to be disclosed.