

**Annual report including audited financial statements  
for the period from 15th September 2017 (incorporation date)  
to 31st December 2018**

# **CAPERTINO SICAV**

Société d'Investissement à Capital Variable  
with multiple sub-funds  
governed by Luxembourg law

R.C.S. Luxembourg B218255

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Subscriptions may only be made on the basis of the prospectus including the articles of incorporation and the fact sheets of each of the sub-funds and the key investor information document ("KIID"). The Prospectus may only be distributed if accompanied by the most recent annual report including audited financial statements and the most recent semi-annual report, if the semi-annual report is more recent than the annual report including audited financial statements.

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## **CAPERTINO SICAV**

### **Organisation**

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<b>Registered Office</b>	14, Boulevard Royal L-2449 LUXEMBOURG
<b>Board of Directors</b>	
<b>Chairman</b>	Riny VANDEREYKEN R Consulting BVBA Sint-Rumoldusstraat 34 B-3890 GINGELOM
<b>Members</b>	Jacques HULBOSCH Director Jacques Hulbosch & Partners CVBA 1 Salvatorstraat B-3930 HAMONT-ACHEL  Eric DANEELS Director Welth-I BVBA Turfhoeveweg 14 B-3128 TREMELO
<b>Management Company</b>	IFP INVESTMENT MANAGEMENT S.A. 6b, Route de Trèves L-2633 SENNINGERBERG
<b>Board of Directors of the Management Company</b>	
<b>Chairman</b>	Sylvain NAGGAR IFP INVESTMENT MANAGEMENT S.A. 6b, Route de Trèves L-2633 SENNINGERBERG
<b>Vice-Chairman</b>	Pamela ZELL IFP INVESTMENT MANAGEMENT S.A. 6b, Route de Trèves L-2633 SENNINGERBERG
<b>Director</b>	Maître Alexandre CHATEAUX Independent director CHATEAUX AVOCATS 7 Mil Neuf Cents L-2157 LUXEMBOURG
<b>Conducting Officers of the Management Company</b>	Alberto CAVADINI Hugues Oosterbosch (since 19th March 2018 and until 13th September 2018) Philippe THOMAS (until 30th June 2018)

## **CAPERTINO SICAV**

### **Organisation (continued)**

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**Investment Advisor of the  
Management Company**

B-Sound S.à r.l.  
Société à responsabilité limitée  
1, Rue Pletzer  
L-8080 BERTRANGE

**Domiciliary Agent, Depositary and  
Central Administration**

BANQUE DE LUXEMBOURG  
Société Anonyme  
14, Boulevard Royal  
L-2449 LUXEMBOURG

**Central Administration's  
Subcontractor**

EUROPEAN FUND ADMINISTRATION  
Société Anonyme  
2, Rue d'Alsace  
L-1122 LUXEMBOURG

**Cabinet de révision agréé**

MAZARS LUXEMBOURG  
10A, Rue Henri M. Schnadt  
L-2530 LUXEMBOURG

# CAPERTINO SICAV

## Report on activities of the Board of Directors

### 1. Financial Markets in 2018

2018 has shown the return of the volatility both in the equities and the bonds markets. On the equities side, a global macroeconomic slowdown, a possible trade war between US and China and the internal European political issues (Brexit, Italian budget) have pushed investors to take some profits in the markets. This has been particularly the case in the new technology sector and in the industrials. On the bonds side, the year has been enhanced by several interest rate hikes realised by the FED and the strongness of the USD against the other main currencies obliging the investors to be more selective in term of investments. The global geopolitical situation with the Trade war, the tensions with North Korea, encouraging the willingness of increasing the number of nuclear weapons, tensions with Turkey and the Syrian borders, confrontation between Ukraine and Russia with sanctions against the latter, Brazil's elections, Venezuela crisis have nurtured volatility for a certain time in the financial markets.

2018 has started with growth due to the very important fiscal reforms in United States and strong PMI in the different regions but then growth has slowed down globally due to the worries of the macropolitical tensions and the interest rates hikes. Q4 has seen a big correction in the global financial markets. All sectors were hit, in particular the energy, and the financial sector, commodities and even technologies that were so much in favour at the beginning of the year.

### 2. Portfolio of the sub-fund CAPERTINO SICAV - FLEXIBLE ALLOCATION.

Following the initial subscription period (Initial subscription orders were accepted from 11th January 2018 to 22nd February 2018 at the initial price of EUR 100 per share. The payment date was 27th February 2018), the sub-fund CAPERTINO SICAV - FLEXIBLE ALLOCATION was launched with a first NAV dated 28th February 2018 and calculated on 1st March 2018 on the basis of the valuation prices as of 28th February 2018.

The performance for the year end was negative at -7,70%, due mainly to the global macro and political uncertainties. In comparison, MSCI World Local Currency has lost -9.13%.

On the equities investments, Best sectors during the year were utilities, energy and healthcare with nice performances. Meanwhile, IT, commodities and industrials have been the main reason of the correction of the fund in 2018. On the Bonds side, the impact of the markets' correction has been almost invisible as the investments were mainly in good quality govies and certain Italian BTPs, Portuguese Treasury Bonds and US treasuries having performed.

### 3. Expectations for 2019

Volatility will still be there in 2019 but the correction that has occurred at end of 2018 will create opportunities.

In 2019, we think that global economy will continue to grow but at a slower path than what we have seen in the previous years.

Equities should deliver positive performances in the different regions as end of 2018 correction has brought attractiveness in term of PE. Bonds could also help performance in 2019 whether the accommodative policy rates could be confirmed.

Analysing the macro economical situation and the financial markets indicators will allow us to maintain a diversified selection with some cash kept for good opportunities.

But if the financial markets turn very positive we have to take into account the risk it could bring if the movement is too strong especially that macro economical situations are still not solved.

Luxembourg, 29th March 2019

The Board of Directors

Note: The information in this report represents historical data and is not an indication of future results.

To the shareholders of  
**Capertino SICAV**  
Société d'Investissement à Capital Variable

R.C.S. Luxembourg B 218.255

14, boulevard Royal  
L-2449 Luxembourg

## **REPORT OF THE REVISEUR D'ENTREPRISES AGREE**

### **Opinion**

Following our appointment by the annual general meeting of shareholders dated 10 July 2018, we have audited the accompanying financial statements of **CAPERTINO SICAV** (“**The Fund**”), which comprise the statement of net assets as at 31 December 2018 and the statement of operations and other changes in net assets for the period ended on 31 December 2018 and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of The Fund as at 31 December 2018 and of the results of its operations and changes in its net assets for the year then ended in accordance with the Luxembourg legal and regulatory requirements relating to the preparation of the financial statements.

### **Basis for Opinion**

We conducted our audit in accordance with the Law of 23rd July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (CSSF). Our responsibilities under those Law and standards are further described in the « Responsibilities of “Réviseur d’Entreprises Agréé” for the Audit of the Financial Statements » section of our report. We are also independent of the Company in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Other information**

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information stated in the annual report including the report on activities of the Board of Directors but does not include the financial statements and our report of réviseur d'entreprises agréé thereon.

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

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

## **Responsibility of the Board of directors of the Fund for the financial statements.**

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

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

## **Responsibility of the réviseur d'entreprises agréé**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of "Réviseur d'Entreprises Agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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



- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board of directors of the Fund, as well as evaluating the overall presentation of the financial statements.
- Conclude on the appropriateness of Board of Directors of the Fund's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of "Réviseur d'Entreprises Agréé" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of "Réviseur d'Entreprises Agréé". However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Luxembourg, 23 April 2019

For MAZARS LUXEMBOURG, Cabinet de révision agréé  
10A, rue Henri M. Schnadt  
L-2530 Luxembourg



Eric DECOSTER  
Réviseur d'entreprises agréé

## CAPERTINO SICAV - FLEXIBLE ALLOCATION

### Statement of net assets (in EUR) as at 31st December 2018

#### Assets

Securities portfolio at market value	14,127,959.10
Cash at banks	5,889,455.14
Formation expenses, net	48,823.71
Income receivable on portfolio	78,268.32
Prepaid expenses	9,334.98
Total assets	20,153,841.25

#### Liabilities

Bank overdrafts	353.24
Interest payable on bank overdrafts	541.67
Expenses payable	59,987.94
Total liabilities	60,882.85
Net assets at the end of the period	20,092,958.40

#### Breakdown of net assets per share class

Share class	Number of shares	Currency of share class	NAV per share in currency of share class	Net assets per share class (in EUR)
A	217,681.8575	EUR	92.30	20,092,958.40
				20,092,958.40

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

## CAPERTINO SICAV - FLEXIBLE ALLOCATION

### Statement of operations and other changes in net assets (in EUR)

from 15th September 2017 to 31st December 2018

#### **Income**

Dividends, net	75,475.72
Interest on bonds and other debt securities, net	46,991.05
Interest on bank accounts	16.44
Other commissions received	407.22
Total income	122,890.43

#### **Expenses**

Advisory fees	33,802.86
Management fees	153,084.37
Depositary fees	23,993.29
Banking charges and other fees	1,675.82
Transaction fees	25,225.09
Central administration costs	44,155.32
Professional fees	18,000.00
Other administration costs	43,211.49
Subscription duty ("taxe d'abonnement")	6,816.93
Bank interest paid	22,368.98
Interest paid on bank deposits	1,888.98
Other expenses	17,740.98
Total expenses	391,964.11

Net investment loss	-269,073.68
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#### **Net realised gain/(loss)**

- on securities portfolio	-23,346.99
- on foreign exchange	-6,295.41
Realised result	-298,716.08

#### **Net variation of the unrealised gain/(loss)**

- on securities portfolio	-1,263,924.20
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Result of operations	-1,562,640.28
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Subscriptions	21,897,256.14
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Redemptions	-241,657.46
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Total changes in net assets	20,092,958.40
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Total net assets at the beginning of the period	-
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Total net assets at the end of the period	20,092,958.40
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The accompanying notes are an integral part of these financial statements.

## CAPERTINO SICAV - FLEXIBLE ALLOCATION

Statistical information (in EUR)  
as at 31st December 2018

Total net assets	Currency	31.12.2018
	EUR	20,092,958.40

Net asset value per share	Currency	31.12.2018
A	EUR	92.30

Number of shares	outstanding at the beginning of the period	issued	redeemed	outstanding at the end of the period
A	-	220,120.8586	-2,439.0011	217,681.8575

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

# CAPERTINO SICAV - FLEXIBLE ALLOCATION

## Statement of investments and other net assets (in EUR) as at 31st December 2018

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<b>Investments in securities</b>					
<b>Transferable securities admitted to an official stock exchange listing</b>					
<b>Shares</b>					
CHF	93	Ems-Chemie Holding AG	49,847.52	38,556.44	0.19
CHF	7,512	Mobilezone Holding AG	74,339.80	72,957.52	0.36
CHF	300	Partners Group Holding Reg	193,403.56	158,732.06	0.79
CHF	245	Straumann Holding AG Reg	154,496.25	134,416.23	0.67
			472,087.13	404,662.25	2.01
DKK	1,719	Coloplast A/S B	154,611.67	139,396.36	0.69
DKK	3,015	Novo Nordisk AS B	125,192.59	120,386.56	0.60
DKK	907	Orsted Reg	50,018.84	52,968.18	0.26
			329,823.10	312,751.10	1.55
EUR	686	Adidas AG Reg	134,958.04	125,126.40	0.62
EUR	1,400	Amadeus Fire AG	137,620.15	114,100.00	0.57
EUR	1,300	Amadeus IT Group SA A	82,024.02	79,092.00	0.39
EUR	500	ASML Holding NV	83,203.05	68,580.00	0.34
EUR	525	Atos SE	59,453.63	37,527.00	0.19
EUR	1,950	Bio On SpA	99,840.00	110,760.00	0.55
EUR	1,210	Brenntag AG	59,700.92	45,617.00	0.23
EUR	633	Covestro AG	49,918.38	27,332.94	0.14
EUR	6,390	Deutsche Telekom AG Reg	84,904.06	94,699.80	0.47
EUR	8,367	Enagas SA	189,851.53	197,544.87	0.98
EUR	4,685	Endesa SA	84,991.03	94,309.05	0.47
EUR	3,545	Gaztransport et technigaz SA	187,814.02	238,046.75	1.18
EUR	2,390	Industria de Diseno Textil SA	60,490.90	53,416.50	0.27
EUR	880	Ingenico Group SA	58,942.40	43,595.20	0.22
EUR	672	Ipsen	99,212.75	75,835.20	0.38
EUR	220	Kering Reg	100,408.00	90,552.00	0.45
EUR	574	L'Oréal SA	108,602.40	115,488.80	0.58
EUR	482	Lenzing AG	50,176.20	38,294.90	0.19
EUR	330	LVMH Moët Hennessy L Vuit SE	100,254.00	85,206.00	0.42
EUR	680	Lyondellbasell Industries NV Reg	60,520.00	49,640.00	0.25
EUR	600	Melexis NV	53,389.78	30,540.00	0.15
EUR	770	Merck KGaA	60,089.26	69,284.60	0.35
EUR	2,000	Moncler SpA	72,113.47	57,860.00	0.29
EUR	6,676	Peugeot SA	135,174.65	124,474.02	0.62
EUR	74	Rational AG Reg	49,791.50	36,704.00	0.18
EUR	2,717	Red Electrica Corporacion SA	49,988.48	52,967.92	0.26
EUR	1,755	Sanofi SA	115,462.45	132,783.30	0.66
EUR	1,280	SAP SE	111,887.54	111,270.40	0.55
EUR	1,500	Trigano SA	194,738.24	120,975.00	0.60
EUR	2,105	UCB	145,318.95	150,086.50	0.75
EUR	155	XING SE Reg	49,898.75	36,812.50	0.18
EUR	1,900	Zapf Creation AG	51,546.40	38,760.00	0.19
EUR	7,275	Zardoya Otis SA	60,280.30	45,177.75	0.23
			3,042,565.25	2,792,460.40	13.90
HKD	65,000	Haier Electronics Group Co Ltd	165,437.23	139,891.77	0.70
JPY	2,800	Nomura Research Institute Ltd Reg	121,545.96	90,981.61	0.45
JPY	2,800	Showa Denko KK	121,967.99	73,008.56	0.36
			243,513.95	163,990.17	0.81
NOK	3,000	Bakkafrost P/F Reg	142,291.45	128,279.71	0.64
PLN	4,331	CD Projekt SA	153,874.70	146,803.02	0.73
SEK	1,029	Fenix Outdoor Intl SA B Reg	100,115.71	86,952.96	0.43
SEK	7,000	New Nordic Health AB Reg	42,452.91	46,934.82	0.23
			142,568.62	133,887.78	0.66

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

# CAPERTINO SICAV - FLEXIBLE ALLOCATION

## Statement of investments and other net assets (in EUR) (continued) as at 31st December 2018

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
USD	1,600	AbbVie Inc	139,094.88	129,049.87	0.64
USD	730	Abiomed Inc	248,185.48	207,593.35	1.03
USD	1,000	Alibaba Group Holding Ltd ADR repr 1 Share	152,492.38	119,921.26	0.60
USD	91	Alphabet Inc A	98,865.49	83,194.54	0.41
USD	150	Amazon.com Inc	239,335.95	197,108.92	0.98
USD	1,800	Apple Inc	301,094.75	248,409.45	1.24
USD	2,400	Applied Materials Inc	101,068.35	68,745.41	0.34
USD	1,928	Aspen Technology Inc	179,972.99	138,620.33	0.69
USD	509	Biogen Inc	134,292.77	134,005.49	0.67
USD	1,566	Carter's Inc	150,182.96	111,825.83	0.56
USD	503	Cigna Corp Reg	72,661.56	83,578.09	0.42
USD	1,655	Cognizant Tec Solutions Corp	114,721.18	91,915.49	0.46
USD	1,000	Edwards Lifesciences Corp	129,965.32	134,007.00	0.67
USD	2,896	Emergent BioSolutions Inc	151,343.91	150,196.75	0.75
USD	962	F5 Networks Inc	134,453.14	136,371.71	0.68
USD	2,000	Frontdoor Inc	69,352.11	46,561.68	0.23
USD	1,687	Garmin Ltd Reg	101,069.28	93,456.55	0.47
USD	2,682	Healthcare Serv Group Inc	100,828.59	94,280.63	0.47
USD	796	Icon Plc	99,825.04	89,983.52	0.45
USD	400	Intuitive Surgical Inc	190,434.31	167,601.05	0.83
USD	1,500	Lululemon Athletica Inc	137,433.06	159,593.18	0.79
USD	4,500	Malibu Boats Inc A	172,059.25	137,007.87	0.68
USD	1,665	Mallinckrodt Plc	50,442.88	23,015.75	0.11
USD	3,500	Manhattan Associates Inc	171,486.17	129,741.91	0.65
USD	3,167	Masimo Corp	280,302.24	297,498.50	1.48
USD	1,100	Mastercard Inc A	196,024.38	181,552.93	0.90
USD	2,587	Monster Beverage Corp	130,000.22	111,401.70	0.55
USD	3,000	MSG Networks Inc Reg A	66,498.41	61,837.27	0.31
USD	797	National Beverage Corp	75,241.65	50,044.35	0.25
USD	1,500	NVIDIA Corp	301,612.58	175,196.85	0.87
USD	1,985	Premier Inc A Reg	74,859.47	64,864.17	0.32
USD	1,900	Ross Stores Inc	129,344.14	138,302.71	0.69
USD	1,390	Sensata Technologies Hg PLC Reg	59,855.81	54,529.83	0.27
USD	4,000	ServMaster Global Holdings Inc	134,576.13	128,573.93	0.64
USD	2,056	Skyworks Solutions Inc	170,712.44	120,553.91	0.60
USD	1,240	Southwest Airlines Co	59,888.02	50,424.50	0.25
USD	3,500	Starbucks Corp	173,426.94	197,200.35	0.98
USD	1,750	Tractor Supply Co	101,455.43	127,751.53	0.64
USD	757	United Therapeutics Corp	75,366.74	72,123.62	0.36
USD	898	Usana Health Sciences Inc	100,213.26	92,494.79	0.46
USD	33,550	Vivint Solar Inc Reg	150,880.85	111,833.33	0.56
<b>Total shares</b>			5,720,920.51	5,011,969.90	24.95
			10,413,081.94	9,234,696.10	45.95
<b>Bonds</b>					
EUR	550,000	Espana ILB Sen 14/30.11.24	660,084.62	647,738.34	3.22
EUR	450,000	Italia 5% BTP Ser 09/01.03.25	520,843.05	523,419.75	2.61
EUR	500,000	Italia ILB BPT 11/15.09.26	625,417.87	611,574.38	3.04
EUR	250,000	Italia VAR Sen Lk CPI 07/15.09.23	323,086.31	317,251.11	1.58
EUR	1,106,000	Portugal 5.65% OT'S 13/15.02.24	1,395,103.78	1,386,077.91	6.90
			3,524,535.63	3,486,061.49	17.35
USD	300,000	US 1.375% T-Notes Ser AH-2020 17/15.01.20	252,896.37	259,145.34	1.29
USD	300,000	US T-Notes 1.375% Ser AU-2019 16/15.12.19	253,207.78	259,376.01	1.29
			506,104.15	518,521.35	2.58
<b>Total bonds</b>			4,030,639.78	4,004,582.84	19.93
<b>Open-ended investment funds</b>					
<b>Investment funds (UCITS)</b>					
EUR	2,498	Storm Fd II Bond IC Cap	249,849.96	246,727.46	1.23
NOK	19,545	Storm Fd II Bond ICN (NOK) 2 Cap	251,559.93	243,435.61	1.21

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

## CAPERTINO SICAV - FLEXIBLE ALLOCATION

### Statement of investments and other net assets (in EUR) (continued) as at 31st December 2018

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
USD	12,225	Fidelity Fds China Consumer Y ACC USD Cap	225,015.44	186,423.23	0.93
USD	12,312	Goldman Sachs Fds Scv India Equity Ptf Base USD Cap	221,736.25	212,093.86	1.06
			446,751.69	398,517.09	1.99
<b>Total investment funds (UCITS)</b>			948,161.58	888,680.16	4.43
Total investments in securities			15,391,883.30	14,127,959.10	70.31
Cash at banks				5,889,455.14	29.31
Bank overdrafts				-353.24	0.00
Other net assets/(liabilities)				75,897.40	0.38
Total				20,092,958.40	100.00

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

## CAPERTINO SICAV - FLEXIBLE ALLOCATION

### Industrial and geographical classification of investments as at 31st December 2018

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#### Industrial classification

(in percentage of net assets)

Countries and governments	19.93 %
Healthcare	11.51 %
Technologies	10.09 %
Cyclical consumer goods	8.64 %
Investment funds	4.43 %
Industrials	4.40 %
Non-cyclical consumer goods	4.01 %
Utilities	1.97 %
Financials	1.69 %
Raw materials	1.68 %
Telecommunications services	1.17 %
Energy	0.79 %
Total	<u>70.31 %</u>



## CAPERTINO SICAV - FLEXIBLE ALLOCATION

### Industrial and geographical classification of investments (continued) as at 31st December 2018

#### Geographical classification

(by domicile of the issuer)  
(in percentage of net assets)

United States of America	24.84 %
Italy	8.07 %
Portugal	6.90 %
Spain	5.82 %
France	5.30 %
Luxembourg	4.43 %
Germany	3.48 %
Switzerland	2.91 %
Denmark	1.55 %
Belgium	0.90 %
Japan	0.81 %
Canada	0.79 %
Poland	0.73 %
Bermuda	0.70 %
Feroe Islands	0.64 %
Cayman Islands	0.60 %
The Netherlands	0.59 %
Ireland	0.56 %
United Kingdom	0.27 %
Sweden	0.23 %
Austria	0.19 %
Total	<u>70.31 %</u>

## **CAPERTINO SICAV**

### **Notes to the financial statements**

as at 31st December 2018

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#### **Note 1 - General information**

CAPERTINO SICAV (the "SICAV") is an investment company with variable capital with multiple sub-funds incorporated under Luxembourg law, subject to Part I of the amended Law of 17th December 2010 (the "Law of 2010"). The SICAV was incorporated for an unlimited duration as of 15th September 2017.

The SICAV publishes an annual report including audited financial statements on 31st December and an unaudited semi-annual report on 30th June. The first financial year covers the period from the date of incorporation to 31st December 2018. The accounts and the financial statements of the SICAV are expressed in EUR and correspond to the financial statements of the sole sub-fund open.

The Net Asset Value, the issue price, the redemption and conversion price of each class of shares are available on each Luxembourg bank business day at the registered office of the SICAV.

The following documents are made available to the public at the registered office of the SICAV and at the registered office of the Management Company:

- the prospectus of the SICAV, including the articles of incorporation and the fact sheets,
- the key investor information document ("KIID") of the SICAV (also published on [www.ifpim.lu](http://www.ifpim.lu)),
- the financial reports of the SICAV.

A copy of the agreements contracted with the Management Company and Investment Advisor of the Management Company are available free of charge at the registered office of the SICAV.

The complaints handling procedure setup in accordance with the CSSF Regulation relating to the out-of-court resolution of complaints is available free of charge upon request at the registered office of the SICAV.

#### **Note 2 - Significant accounting policies**

##### **a) Presentation of the financial statements**

The financial statements of the SICAV are prepared in accordance with Luxembourg legal and regulatory requirements concerning undertakings for collective investment and with generally accepted accounting principles in Luxembourg.

##### **b) Valuation of assets**

- a) The value of cash on hand or on deposit, bills and notes due on demand, accounts receivable, prepaid expenses, dividends, and interest declared or due but not yet received consists of the nominal value of these assets, unless it is unlikely that this value are received, in which event, the value is determined by deducting an amount which the SICAV deems adequate to reflect the real value of these assets.
- b) The value of all transferable securities, money-market instruments and financial derivative instruments that are listed on a stock exchange or traded on another regulated market that operates regularly, and is recognised and open to the public, is determined based on the most recent available price.
- c) In the case of SICAV investments that are listed on a stock exchange or traded on another regulated market that operates regularly, is recognised and open to the public and traded by market makers outside the stock exchange on which the investments are listed or of the market on which they are traded, the Board of Directors determines the main market for the investments in question that is then evaluated at the last available price on that market.

- d) The financial derivative instruments that are not listed on an official stock exchange or traded on any another regulated operating market that is recognised and open to the public, are valued in accordance with market practices.
- e) Liquid assets and money market instruments are valued at nominal value plus any interest or on an amortised cost basis. All other assets, where practice allows, are valued in the same manner.
- f) The value of securities representative of an open-ended undertaking for collective investment is determined according to the last official net asset value per unit or according to the last estimated net asset value if it is more recent than the official net asset value, and provided that the SICAV is assured that the valuation method used for this estimate is consistent with that used for the calculation of the official net asset value.
- g) To the extent that
  - any transferable securities, money market instruments and/or financial derivative instruments held in the portfolio on the Valuation Day are not listed or traded on a stock exchange or other regulated market that operates regularly and is recognised and open to the public or,
  - for transferable securities, money market instruments and/or financial derivative instruments listed and traded on a stock exchange or on other market but for which the price determined pursuant to sub-paragraphs 2) is not, in the opinion of the Board of Directors, representative of the real value of these transferable securities, money market instruments and/or financial derivative instruments or,
  - for financial derivative instruments traded over-the-counter and/or securities representing undertakings for collective investment, the price determined in accordance with sub-paragraphs 4) or 6) is not, in the opinion of the Board of Directors, representative of the real value of these financial derivative instruments or securities representing undertakings for collective investment,

the Board of Directors estimates the probable realisation value prudently and in good faith.

- h) If the principles for valuation described above do not reflect the valuation method commonly used on specific markets or if these principles of valuation do not seem to precise for determining the value of the SICAV's assets, the Board of Directors may set other principles for valuation in good faith and in accordance with the generally accepted principles and procedures for valuation.
- i) The Board of Directors is authorised to adopt any other principle for the evaluation of assets of the SICAV in the case in which extraordinary circumstances would prevent or render inappropriate the valuation of the assets of the SICAV on the basis of the criteria referred to above.
- j) In the best interests of the SICAV or of shareholders (to prevent market timing practices for example), the Board of Directors may take any appropriate measure such as applying a method for setting the fair value in order to adjust the value of the assets of the SICAV.

**c) Acquisition cost of securities in the portfolio**

The acquisition cost of the securities held by each sub-fund that are denominated in currencies other than the reference currency of the sub-fund is converted into this currency at the exchange rate prevailing on the date of purchase.

## CAPERTINO SICAV

### Notes to the financial statements (continued)

as at 31st December 2018

#### d) Net realised gain/(loss) on securities portfolio

The realised gains and losses on securities portfolio are calculated on the basis of the average acquisition cost and are disclosed net in the statement of operations and other changes in net assets.

#### e) Investment portfolio income

Dividend income is recorded at the ex-date, net of any withholding tax.

Interest income is accrued on a pro rata temporis basis, net of any withholding tax.

#### f) Formation expenses

Formation expenses are amortised on a straight line basis over a period of 5 years.

#### g) Conversion of foreign currencies

Cash at banks, other net assets, liabilities and the market value of the securities in portfolio expressed in currencies other than the reference currency of the sub-fund are converted into this currency at the exchange rate prevailing on the date of the financial statements. Income and expenses expressed in currencies other than the reference currency of the sub-fund are converted into this currency at the exchange rate prevailing on the date of the transaction. Net realised gains or losses on foreign exchange are recorded in the statement of operations and other changes in net assets.

At the date of the financial statements, the exchange rates are the following:

1	EUR	=	1.1264265	CHF	Swiss Franc
			7.4607039	DKK	Danish Krona
			0.8979496	GBP	Pound Sterling
			8.9490614	HKD	Hong Kong Dollar
			125.4099550	JPY	Japanese Yen
			9.8971227	NOK	Norwegian Krona
			4.2955083	PLN	Polish Zloty
			10.1417247	SEK	Swedish Krona
			1.1430000	USD	US Dollar

#### h) Transaction fees

Transaction costs disclosed under the item "Transaction fees" in the expenses of the statement of operations and other changes in net assets are mainly composed of broker fees incurred by the SICAV relating to securities, of fees relating to liquidation of transactions paid to the depositary.

Transaction costs on bonds are included in the cost of the investments.

### Note 3 - Management fee

The Management Company receives a management fee of up to 1% per annum, based on the average net assets of the sub-fund and an additional management fee of up to 0.2% per annum, based on the average net assets of the sub-fund with a minimum of EUR 50,000 per annum and a maximum of EUR 100,000.

**Note 4 - Advisory fee**

The Investment Advisor receives an advisory fee of up to 0.3% per annum, based on the average net asset value of the sub-fund, payable quarterly with a minimum amount of EUR 7,500 per quarter. The total annual fee is limited to EUR 150,000.

**Note 5 - Management fee of the target funds**

The management fee of the target funds in which the SICAV invests rises to maximum 4% p.a., calculated on the net assets invested in the target fund.

**Note 6 - Management fee retrocession**

Management fee retrocessions received by the SICAV and related to its investments in UCITS or other UCIs are disclosed under the "Other commissions received" in the statement of operations and other changes in net assets.

**Note 7 - Depositary fees**

The remuneration for depositary services are included in the item "Depositary fees" disclosed in the statement of operations and other changes in net assets.

**Note 8 - Central administration costs**

The item "Central administration costs" disclosed in the statement of operations and other changes in net assets is composed of the administrative agent commission and of the domiciliation fees.

**Note 9 - Subscription duty ("*taxe d'abonnement*")**

The SICAV is governed by Luxembourg law.

Pursuant to the legislation and regulations in force, the SICAV is subject to an annual subscription duty "*taxe d'abonnement*" of 0.05% which is payable quarterly and calculated on the basis of the net assets of each sub-fund on the last day of each quarter.

Pursuant to Article 175 (a) of the amended law of 17th December 2010, the net assets invested in undertakings for collective investment already subject to the "*taxe d'abonnement*" are exempt from this tax.

**Note 10 - Belgian Subscription duty ("*taxe d'abonnement belge*")**

The Belgian regulation (the inheritance tax code, tome II bis) imposes to Undertakings for Collective Investment which are authorised to market their shares publicly in Belgium, the payment of an annual tax. This tax amounts to 0.0925% on the total of the net sums placed in Belgium, at 31st December of the previous year, starting from their registration with the "Financial Services and Markets Authority" ("FSMA").

The SICAV is required to pay this tax by 31st March of each year.

## **CAPERTINO SICAV**

### **Notes to the financial statements (continued)**

as at 31st December 2018

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#### **Note 11 - Changes in investments**

The statement of changes in investments for the reporting period is available free of charge, at the registered office of the SICAV.

#### **Note 12 - Event**

Following to the incorporation of the SICAV on 15th September 2017, the sub-fund CAPERTINO SICAV - FLEXIBLE ALLOCATION was launched on 22nd February 2018.

#### **Note 13 - Subsequent event**

On 10th July 2018 the annual general meeting decided to pay a gross amount of EUR 5,000 (including withholding tax of 20% but excluding V.A.T.) to each director of the SICAV as remuneration for the period from 15th September 2017 (incorporation date) to 31st December 2018 to be paid on 15th January 2019 and to carry forward the remaining result of operations.

## **1 - Risk management**

As required by Circular CSSF 11/512, the Board of Directors of the SICAV needs to determine the global risk exposure of the SICAV by applying either the commitment approach or the VaR ("Value at Risk") approach.

In terms of risk management, the Board of Directors of the SICAV decided to adopt the commitment approach as a method of determining the global exposure.

## **2 - Remuneration**

IFP Investment Management S.A. has implemented a remuneration policy as from April 2017, with subsequent amendments in February 2018 in line with 2014/91/UE Directive dispositions. This remuneration policy is compatible with a sound and efficient risk management, without encouraging any risk taking which would be incompatible with both the investment profiles and the statutes of the fund under management

The details of the updated IFP Investment Management remuneration policy, the manner in which remunerations and benefits are calculated, the way in which the identities of the persons in charge of the remuneration and benefits are allocated are made available to the funds shareholders for free, either upon request on paper format or on the IFP Investment Management S.A. internet site : [www.ifpim.lu](http://www.ifpim.lu)

For 2018 Financial year, the total fixed remunerations amount paid to IFP Investment Management employees is of EUR 617,739.45, for 9 beneficiaries including investment funds as well as Portfolio management activities. Three employees among these beneficiaries are paid in Swiss Francs for an equivalent amount of EUR 264,929.66. The 2018 variable remuneration amount is of EUR 15,000 for a single beneficiary. There is no direct payment by the fund for any of the said remunerations.

The remunerations calculation is made according to the employment contracts and the variable remuneration amount is decided by the Board Members.

## **3 - Information concerning the transparency of securities financing transactions and of reuse of cash collateral (regulation EU 2015/2365, hereafter "SFTR")**

During the reporting period, the SICAV did not engage in transactions which are subject to the publication requirements of SFTR. Accordingly, no information concerning the transparency of securities financing transactions and of reuse of cash collateral should be reported.