

# **FCP (French Investment Fund) ECHIQUIER RINASCIMENTO**

## **Statutory auditor's report on the financial statements**

For the 7-month financial year ended December 29, 2017

*This is a free translation into English of the statutory auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. The statutory auditors' report includes information specifically required by French law in all audit reports, whether qualified or not, and this is presented below the opinion on the financial statements. This information includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the financial statements.*

*This report should be read in conjunction with, and*

**FCP (French Investment Fund)  
ECHIQUIER RINASCIMENTO**

53, Avenue d'ENA  
75116 Paris

Statutory auditor's report on the financial  
statements

For the 7-month financial year ended December 29, 2017

## **Statutory auditor's report on the financial statements (Translated from French into English)**

To the shareholders,

### **Opinion**

In compliance with the engagement entrusted to us by the management company, we have audited the accompanying financial statements of FCP ECHIQUIER RINASCIMENTO for the 7-month financial year ended December 29, 2017.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the fund as at December 29, 2017 and of the results of its operations for the year then ended in accordance with French accounting principles.

### **Basis for opinion**

#### *Audit framework*

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

#### *Independence*

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from May 5, 2017 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in the French Code of ethics (code de déontologie) for statutory auditors.

## **Justification of assessments**

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you that the most significant assessments we achieved, in our professional judgment, were focused on the appropriate character of the accounting principles applied and the reasonable character of the significant estimates used and the overall presentation of the financial statements, according to the principles and methods applicable to UCITS, particularly with regard to the financial instruments in the portfolio.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

## **Verification of the Management Report**

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report prepared by the management company.

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management 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, management 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 it is expected to liquidate the Company or to cease operations.

The financial statements were approved by the management company.

## **Statutory Auditors' Responsibilities for the Audit of the Financial Statements**

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards 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 specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his 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.
- Obtains 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 internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

**FCP ECHIQUIER  
RINASCIMENTO**

*7-month financial year  
ended december 29, 2017*

- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

*Courbevoie, April 30, 2018*

*French original signed by*

*The statutory auditor*

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**Mazars :**

Gilles DUNAND-ROUX

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# Annual report

MUTUAL FUNDS - MUTUAL FUNDS UNDER FRENCH LAW



FINANCIERE DE L'ECHIQUEUR

## ECHIQUEUR RINASCIMENTO

*This translation is for information purpose only - Only the French version is binding*

YEAR ENDED: 12.29.2017





<b>Promoter</b>	LA FINANCIERE DE L'ECHIQUEL 53, avenue d'Iéna - 75016 Paris
<b>Management company</b>	LA FINANCIERE DE L'ECHIQUEL 53, avenue d'Iéna - 75016 Paris
<b>Custodian and conservative</b>	BNP PARIBAS SECURITIES SERVICES 3, rue d'Antin - 75002 Paris
<b>Statutory auditor</b>	MAZARS Represented by Gilles DUNAND-ROUX 61, rue Henri Regnault - 92075 La Défense Cedex

# Information about investments and management

## **Classification:**

Equities from European Union member countries.

## **Calculation and allocation of distributable sums:**

Income allocation: Capitalisation. The management company has opted for capitalisation. The net result is fully capitalised each year.

Allocation of net capital gains: capitalisation. The management company has opted for capitalisation. Net capital gains are fully capitalised each year.

## **Investment objective:**

ECHIQUEL RINASCIMENTO is a dynamic fund seeking long term performance through exposure to European equity markets. The fund seeks first to position itself on tomorrow's European leaders by investing in growth stocks as determined by the management company.

## **Benchmark index:**

The MSCI Europe Small Cap index is an indicator that is representative of Echiquier RINASCIMENTO management. This index represents trends for all European small and medium cap equities. It is calculated in euros with dividends reinvested.

## **Investment strategy:**

### **Strategies employed**

Management is oriented towards European Union equity markets.

The fund is mainly exposed to small and medium European securities.

ECHIQUEL RINASCIMENTO management is based on a stringent stock-picking process based on direct meetings with the companies in which the fund is invested.

This is followed by a fundamental analysis of each company supported by a rating system developed internally and concerning five criteria that are:

- the quality of the company's management,
- the quality of its financial structure,
- visibility over the company's future results,
- the growth outlook for its business,
- and the speculative nature of the stock.

Purchase and sale price targets are set for securities chosen.

The securities chosen have therefore been the subject of a highly selective and qualitative process. The methodology involving the setting of purchase and selling prices enables the fund to be positioned on securities having high future market growth potential.

In order for the fund to be eligible for the PIR (Italian equity savings scheme) 70% of fund assets are invested in instruments issued by companies fiscally having their tax headquarters in Italy or companies in the European Economic Area having a permanent site in Italy (e.g.: branch office).

Among these Italian companies or companies having a permanent site in Italy, at least 30% must be medium sized companies, i.e. they cannot be listed in the Ftse Mib index on the Italian stock exchange or other equivalent European indices (e.g.: CAC 40, Ftse 100, Dax 30). The fund cannot be invested in real estate companies.

### **Assets (excluding derivatives)**

#### **Equities**

ECHIQUEIR RINASCIMENTO has a minimum exposure of 60% to European equities and a maximum exposure of 10% to non-European equities.

The securities likely to be selected are securities from any sector and from all capitalisation sizes.

However it must be noted that the fund is mainly exposed to small and medium European securities – whose market capitalisation ranges between one and five billion euros.

However, to enable the fund to be eligible for PEA plans, it will be invested to the extent of 75% in European equities.

#### **Debt securities and money market instruments**

The fund can invest up to 25% in:

- negotiable debt securities. The maximum maturity of debt securities used in the fund's cash management will be 5 years. The short term securities thus used benefit from Standard & Poor's short term "Investment grade" rating or equivalent rating from another rating agency. Negotiable debt securities with a "speculative" grade rating or no rating are authorised within a limit of 10%.

- bond securities. In this framework, special attention will be paid to the credit quality of the companies issuing these securities. The securities concerned are securities with an "Investment grade" rating i.e. rated at least BBB- by Standard & Poor's or equivalent or considered as such by the management team. Bonds with a "speculative" grade rating or no rating are authorised within a limit of 10%. The maximum maturity of bond securities is 10 years. However the fund reserves the right to acquire bonds with a maturity greater than 10 years in volumes that are marginal in terms of asset percentage levels. The management has not set any limit with respect to the breakdown between private and sovereign issuers.

When acquiring and subsequently monitoring securities, assessment of the credit risk is based on La Financière de l'Echiquier's internal research and analysis as well as the financial ratings offered by the rating agencies.

When securities are deemed speculative grade or not rated, their issuers belong to groups monitored by internal research at La Financière de l'Echiquier.

The ratings mentioned above are those chosen by the manager at the time of the initial investment. If the rating is downgraded during the life of the investment, the manager will run a case by case analysis of each situation and decide whether or not to keep the line concerned. The investment limits set on the basis of the assessment of the credit risk by rating agencies can thus be slightly modified based on specific analysis by the management team.

### **Investments in the securities of other Undertakings for Collective Investment**

The fund may not invest over 10% of its assets in securities of other French and/or European UCITS and in general-purpose investment funds. These are UCIs in any AMF classification. The fund may invest in the management company's UCITS or in those of an affiliated company.

### **Derivative instruments**

The fund can intervene in future financial instruments traded on European regulated or non-regulated markets or over the counter. In this context, the Fund may take positions to hedge the portfolio; it may also take positions to gain exposure to certain sectors, equities and similar securities or stock and to indices in order to comply with the management objective. The fund may take positions to hedge the portfolio against the exchange risk.

These operations will be within the limit of one time the fund's assets.

Financial instruments are entered into with intermediaries selected by the Management Company that have no power over the composition or the management of the Fund's portfolio.

### **Securities with embedded derivatives**

The manager may invest in securities with embedded derivatives (warrants, subscription warrants, convertible bonds, etc.) traded on regulated markets or OTC. No rating constraint applies to convertible bonds.

As such, the manager may take positions with a view to hedging and/or exposing the portfolio to business sectors, geographic zones, interest rates, equities (all types of capitalisation), exchange, securities and similar transferable securities or indices with the aim of achieving the management objective.

The recourse to securities with embedded derivatives, rather than the other derivative instruments listed above, will be justified in particular by the will of the manager to optimise the hedge or, if necessary, to boost the portfolio by reducing the cost related to the use of these financial instruments in order to achieve the management objective.

In any case, the amount of investments in securities with embedded derivatives may not exceed 10% of the net assets.

The risk related to this type of investment will be limited to the amount invested for the purchase.

## **Deposits**

None.

## **Cash borrowing**

The fund may be a borrower of cash. Without having the vocation of being structurally a cash borrower, the Fund may find itself temporarily in a debtor position as a result of operations related to its outgoing flows (investments and disinvestments in progress, subscription/redemption operations, etc.) within the limit of 10%.

## **Temporary purchases and disposals of securities**

None.

## **Risk profile:**

Unit-holders' money will be invested primarily in financial instruments selected by the management company. These instruments will fluctuate in line with the markets.

### **Risk of capital loss:** Yes

Capital loss occurs when units are sold for less than the purchase price. Unit holders are warned that the initially invested capital may not be returned to them. The fund does not benefit from any capital guarantee or protection.

### **Equity risk:** Yes

Minimum exposure by ECHIQUIER RINASCIMENTO to equities is 60%. If the shares or indices to which the portfolio is exposed fall, the net asset value of the fund could fall.

On small and medium cap markets, the volume of securities listed on the stock market is smaller so downward market movements are more pronounced and faster than for large caps. So the net asset value of the UCITS may therefore fall faster and stronger.

### **Discretionary management risk:** Yes

The discretionary management style applied to the fund is based on stock picking. There is a risk that ECHIQUIER RINASCIMENTO may not be invested at all times in the highest performing securities. The fund's performance may therefore be less than the management goal. Furthermore the net asset value of the fund may have a negative performance.

### **Interest rate risk:** Yes

ECHIQUIER RINASCIMENTO is exposed to interest rate products within a maximum limit of 25% of its assets. The net asset value of the fund may fall if interest rates rise.

### **Credit risk:** Yes

The fund is exposed to money market or bond instruments within a maximum limit of 25%. The credit risk corresponds to the risk of a fall in the credit quality of a private issuer or the default of this issuer. The value of the debt or bond securities in which the UCITS is invested may fall leading to a drop in the net asset value.

### **Foreign exchange risk:** Yes

This is the risk of a drop in the value of the investment currencies in relation to the portfolio's reference currency, which is the euro. In the event of a currency falling in value in relation to the euro, the net asset value can drop.

## **Eligible subscribers and typical investor profile:**

### **Eligible subscribers:**

- Echiquier RINASCIMENTO unit: All subscribers
- Echiquier RINASCIMENTO I unit: Reserved for institutional investors.

### **Typical investor profile:**

The Fund is intended for natural persons or institutional investors who are aware of the risks inherent in holding units in such a Fund, i.e. the high risk due to the investment in European equities.

ECHIQUIER RINASCIMENTO can be a support for individual variable capital life insurance contracts, denominated in units of account.

ECHIQUIER RINASCIMENTO may be an investment support for UCITS managed by LA FINANCIERE DE L'ECHIQUIER. The fund reserves the possibility to invest in UCITS managed by LA FINANCIERE DE L'ECHIQUIER.

The amount that should reasonably be invested in ECHIQUIER RINASCIMENTO depends on the holder's personal circumstances. To determine this, holders must take account of their personal and possibly professional assets, their present money needs and these needs 5 years from now, but also their desire to take or not to take risks on equity markets. It is also strongly recommended to sufficiently diversify investments in order to not expose them solely to the risks of the Fund.

### **Recommended investment period:**

More than 5 years.

### **Information about the tax regime:**

Tax provisions: the Fund is eligible for the French PEA and Italian PIR (Piano Individuale di Risparmio a lungo termine) equity savings plans.

This prospectus is not intended to indicate the tax consequences for each investor of subscribing, redeeming, holding or selling fund units. These consequences will vary depending on the laws and usage in force in the country of residence, domicile or installation of the unit holder as well as the holder's personal circumstances.

The Fund is eligible for the Italian PIR (Piano Individuale di Risparmio a lungo termine) equity savings plan, introduced by the Italian finance act of 2017 (L.232, 11 December 2016). Consequently, to ensure investors can benefit from the tax advantages provided for by the above-mentioned act, all the requirements set down in this act must be complied with (including the holding periods for and minimum investments in "PR" instruments).

Depending on your tax regime, your country of residence or the jurisdiction in which you invest in this Fund, any capital gains and income earned from holding the units in this Fund may be subject to taxation. We advise you to consult a tax advisor as to the possible consequences of purchasing, holding, selling or redeeming units of the Fund in line with the laws in your country of tax residence, ordinary residence or domicile.

The Management Company and marketing agents shall in no way be liable for the tax consequences that may result for any investor arising out of their decision to buy, hold, sell or redeem units in this Fund.

The Fund proposes two capitalisation units, each holder is advised to consult a tax advisor on the regulations applicable in their own country of residence and the rules applicable to their own circumstances (physical person, corporate entity subject to corporation tax, other cases...). The rules applying to unit-holders residing in France are set by the French Tax Code.

In general, unit-holders are prompted to consult their usual tax advisor or account manager to determine the tax rules applicable to their particular situation.

Under the terms of U.S. FATCA (Foreign Account Tax Compliance Act) tax regulations, holders may be required to provide to the UCI, to the management company or to their agent, information about their personal identity and place of residence (domicile and residence for tax purposes) in order to identify "US Persons" within the meaning of the FATCA act.

This information may be transmitted to the American tax authorities via the French tax authorities. Any failure by holders to carry out this obligation may result in a lump sum deduction at source of 30% imposed on financial flows from U.S. sources. Notwithstanding the diligence performed by the management company under FATCA, holders are invited to ensure that the financial intermediary that they went through to invest in the UCI itself benefits from so-called Participating FFI status. For more details, holders may contact their tax advisor.

**Information :** Exceptionally, this financial year has a duration of 7 months.

***For further information, the full prospectus is available on request from the management company.***

• *The net asset value of the fund is available on request from the management company or on the management company's website. The most recent annual and periodic reports are available on the web site [www.fin-echiquier.fr](http://www.fin-echiquier.fr) or can be sent out within eight business days of receipt of a written request submitted by investors to: FINANCIERE DE L'ECHIQUEIER, 53, avenue d'Iéna – 75116 Paris.*

• *Fund creation date: 5 May 2017.*

# activity report

ECHIQUIER RINASCIMENTO has grown 5.5% since its launch on 5 May 2017, outperforming its benchmark index, the MSCI Europe Small Cap (+4.8%). The fund benefitted from several good stock market performances (VIDRALA +56%, BENETEAU +48%, TECHNOGYM +20%...) and a small number of under-performers. Fund assets amounted to 2.6 million euros at the end of the year.

During the year, we carried out significant work to identify the finest stocks in our universe, capable of maintaining high and profitable growth levels over the long run (DIASORIN, WORLDLINE, INTERXION ...). We also initiated positions on strong growth projects (YOOX NAP, TECHNOGYM...) and remain opportunistic in order to capture value from more cyclical companies (CEMBRE, OVS, PIAGGIO...)

We are heading into 2018 prudently optimistic while being vigilant in a context of what are often high valuations. Italian and European mid-caps should continue to benefit fully from economic growth in Europe due to their local positioning.

For information, the fund may invest in the institutional units of our funds whenever these exist.

## Regulatory information:

- Your UCITS has no exposure to derivatives.
- Your fund does not hold any security issued by the management company.
- Your UCITS does not hold units of UCITS managed by Financière de l'Échiquier:

## Overview of our General Policy:

Since 2007, Financière de l'Échiquier has been including environmental, social and governance criteria in its investment selection procedure. This approach is used across the board for all of Financière de l'Échiquier's equity funds invested in Europe. This evaluation is based on specific SRI meetings with the company's key people (investor relations officer, CFO, sustainable development director). We do not consult rating agencies.

SRI meetings are always conducted by 2-person teams involving the manager, or the financial analyst studying the investment, and one of the members of the SRI team. Following each meeting, a rating reflecting our appraisal of each company is established. It is reviewed at follow-up meetings. All SRI meeting reports and the securities' non-financial ratings are archived in our proprietary database.

Echiquier ISR is a fund that selects those Financières de l'Echiquier fund securities that are best rated from an environmental and social perspective. Social and Governance ratings must be higher than the average (5/10). This fund is seeking to prove that a more restrictive SRI filter can be added without impacting performance.

More detailed information is available on our web site in the section: <http://www.fin-echiquier.fr/qui-sommes-nous/notre-approche-de-lisr>

## ESG Policy:

For the ECHIQUIER ISR Fund, we strive to apply the general policy and, as far as possible carry out a non-financial analysis of the securities held. This analysis is based on Environmental, Social and Governance criteria and gives rise to an SRI rating, reviewed every 3 years on average. The SRI rating given to the Fund's securities is not a reason for their exclusion.

More detailed information is available on our website via the following link:

<http://www.fin-echiquier.fr/qui-sommes-nous/notre-approche-de-lisr>

## Order execution policy:

This policy involves selecting market intermediaries, i.e. establishments licensed to execute stock market orders. The selection is made in order to get the "best execution" from the intermediaries, something which the management company must in turn provide to UCITS unitholders or shareholders.

The choice of intermediaries is based on precise criteria and reviewed twice a year, based on the opinions of the participants in the intermediary selection committee:

- 1 - capacity to find liquidity and execution quality
- 2 - help in meeting with companies
- 3 - proper settlement of transactions
- 4 - quality of the analysis and sales material.

For more information and in accordance with regulatory requirements, you can view the Execution Policy laid down by Financière de l'Echiquier for the management of its UCITS on the management company's website

### **Voting policy:**

We wish to inform you that our voting rights policy is available on our website.

The LA FINANCIERE DE L'ECHIQUEIER management company calculates the UCITS' overall risk using the commitment calculation method.

Unit-holders can read the "Report on Intermediation Fees" on the management company's website.

This document sets out the conditions under which the management company called on investment support and order execution services over the past financial year.

Following the transposition of directive 2014/91/EU of 23 July 2014 (or "UCITS 5 Directive"), the ESMA adopted its guidelines on 31 March 2016 on the provisions relating to compensation for UCITS managers. The guidelines apply to UCITS management companies from 1 January 2017 and concern bonuses paid in 2018.

As such, LFDE has updated its compensation policy. La Financière de l'Echiquier has adapted its compensation policy in terms of the variable component to enable healthy and efficient risk management but also to control the behaviour of colleagues exposed to risk-taking in the course of their functions.

The compensation policy is consistent with the business strategy, objectives, values and interests of the management company and the UCITS managed by it and consistent with those of the investors in such UCITS and includes measures to avoid conflicts of interest.

The compensation policy has been implemented in order to:

- actively back up the Management Company's strategy and objectives;
- support the competitiveness of the Management Company on the market on which it operates;
- attract, develop and retain motivated and qualified employees.

LFDE staff are paid compensation that comprises a fixed component and a variable component, properly balanced and subject to an annual review based on the individual or collective performance. The principles of the compensation policy are revised on a regular basis and adapted according to regulatory developments.

# annual accounts



# BALANCE SHEET assets

12.29.2017

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## Currency

### Net assets

#### Deposits

#### Financial instruments

##### • EQUITIES AND SIMILAR SECURITIES

Traded on a regulated or similar market

Not traded on a regulated or similar market

##### • BONDS AND SIMILAR SECURITIES

Traded on a regulated or similar market

Not traded on a regulated or similar market

##### • DEBT SECURITIES

Traded on a regulated or similar market

*Negotiable debt securities*

*Other debt securities*

Not traded on a regulated or similar market

##### • MUTUAL FUNDS

UCITS and general purpose AIF for non-professionals and equivalents in other countries

Other funds for non-professionals and equivalents in other European Union Member States

Professional general purpose funds and equivalents in other European Union Member States and listed securitization bodies

Other Professional Investment Funds and equivalents in other European Union Member States and unlisted securitization bodies

Other non-European organisations

##### • TEMPORARY PURCHASES AND SALES OF SECURITIES

Receivables representing financial repurchase agreements

Receivables representing financial securities lendings

Borrowed financial securities

Repurchase financial agreements

Other temporary purchases and sales

##### • FINANCIAL CONTRACTS

Transactions on a regulated or similar market

Other transactions

##### • OTHER FINANCIAL INSTRUMENTS

#### Receivables

Foreign exchange forward contracts

Other

#### Financial accounts

Cash and cash equivalents

#### Other assets

### Total assets

# BALANCE SHEET liabilities

12.29.2017

-

Currency

Equity

total equity

2,611,346.42

-

financial instruments

debt

financial accounts

# OFF-balance sheet

12.29.2017

-

## Currency

### Hedging

- Commitments on regulated or similar markets

- Futures market (Futures)
- Options market (Options)
- Credit derivatives
- Swaps
- Contracts for Differences (CFD)

- OTC commitments

- Futures market (Futures)
- Options market (Options)
- Credit derivatives
- Swaps
- Contracts for Differences (CFD)

- Other commitments

- Futures market (Futures)
- Options market (Options)
- Credit derivatives
- Swaps
- Contracts for Differences (CFD)

### Other transactions

- Commitments on regulated or similar markets

- Futures market (Futures)
- Options market (Options)
- Credit derivatives
- Swaps
- Contracts for Differences (CFD)

- OTC commitments

- Futures market (Futures)
- Options market (Options)
- Credit derivatives
- Swaps
- Contracts for Differences (CFD)

- Other commitments

- Futures market (Futures)
- Options market (Options)
- Credit derivatives
- Swaps
- Contracts for Differences (CFD)

# INCOME statement

12.29.2017

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Currency		
<b>Income from financial transactions</b>		
• Income from deposits and financial accounts		
• Income from equities and similar securities		
• Income from bonds and similar securities		
• Income from debt securities		
• Income from temporary purchases and disposals of financial securities		
• Income from financial contracts		
• Other financial income		
<b>Total (I)</b>	5,330.78	-
<b>Expenses on financial transactions</b>		
• Expenses on temporary purchases and disposals of financial securities		
• Expenses on financial contracts		
• Expenses on financial debt		
• Other financial expenses		
<b>Total (II)</b>	-	-
<b>Profit/loss on financial transactions (I - II)</b>		
Other income (III)		
Management fees and depreciation expense (IV)		
<b>Net income for the period (L.214-9-17-1) (I - II + III - IV)</b>	-13,439.05	-
Income adjustments for the period (V)		
Interim payments in terms of the period (VI)		
<b>Income (I - II + III - IV +/- V - VI):</b>		

## 1 accounting rules and methods

The financial statements are presented in the form provided by the Regulation ANC 2014-01 that repealed Regulation CRC 2003-02 amended.

**Information :** Exceptionally, this financial year has a duration of 7 months.

### Rules for pricing assets

#### Valuation method

Financial instruments and securities traded on a regulated market are priced at the market price.

However, the instruments below are priced according to the following specific methods:

- European bonds and equities are priced at the closing price, foreign securities at the last known price.

- Negotiable debt securities and similar securities that are not the subject of significant transactions are priced by application of an actuarial method, with the adopted rate being that of the issues of equivalent securities affected, where appropriate, by a difference that is representative of the intrinsic characteristics of the security's issuer.

However, negotiable debt securities with a residual maturity of less than or equal to three months may, in the absence of any particular sensitivity, be priced by reference to the straight-line method.

- Negotiable debt securities with a lifetime of less than 3 months are valued at the purchase rate negotiated. The gain or loss is amortised using straight line depreciation over the lifetime of the negotiable debt securities.

- Negotiable debt securities with a lifetime greater than 3 months are valued at the market rate.

- The units or shares of UCITS will be valued at the last known net asset value.

- Securities that are the subject of temporary sale or purchase contracts are valued in compliance with regulations in force under the terms of the original contract.

Financial instruments not traded on a regulated market are valued under the responsibility of the management company at their probable trading value.

Warrants or subscription warrants obtained free of charge during private placements or capital increases will be valued when admitted to a regulated market or when an over the counter market is organised.

Contracts:

- Futures transactions will be valued at the clearing price and options transactions according to the security of the support.

- The market value for forward contracts is the price of the security in euros multiplied by the number of contracts.

- The market value for options corresponds to the value of the underlying asset.

- Interest rate swaps are valued at the market rate in compliance with contractual provisions.

- Off-balance sheet transactions are valued at their market value.

The financial instruments for which the price is not determined on the valuation date or for which the price was corrected are valued at their probable trading value under the responsibility of the management company's board of directors. These valuations and their justification are provided to the auditor at the time of the latter's verifications.

#### Practical details

Shares and bonds are valued on the basis of the prices taken from the Finalim and Bloomberg database based on the market they are listed on. Other search possibilities are "Fin'xs" from Télékurs and "Securities 3000" from Reuters:

# appendices

- Asia-Oceania: extraction at 12:00 noon for a quote at the day's closing price.
  - America: extraction at 9:00 am for a quote at the day before's closing price.  
extraction at 4:45 pm for a quote at the day's opening price.
  - Europe except France: extraction at 7:30 pm for a quote at the day's closing price.  
extraction at 14:30 for a quote at the day's opening price.  
extraction at 9:00 am for a valuation at the D-1 price.
  - France: extraction at 12:00 noon and 4:00 pm for a quote at the day's opening price.  
extraction at 5:40 pm for a quote at the day's closing price.
  - Contributors: extraction at 2:00 pm for a quote depending on price availability.
- Fixed forward futures positions at each net asset value are priced at the day's clearing prices.

Conditional forward futures positions at each net asset value are priced based on the principles applied to their underlying.

- Asia - Oceania: extraction at 12:00 am
- America: extraction D+1 at 9 am
- Europe (except France): extraction at 7:30 pm
- France: extraction at 6:00 pm

### Accounting method

Income from financial instruments is posted using the coupon paid accounting method.  
Transaction fees are posted according to the fees excluded method.

### Methods for evaluating off-balance sheet commitments

Off-balance sheet commitments are evaluated at their commitment value.  
The commitment value for futures contracts is equal to the price (in the currency of the UCIT) multiplied by the number of contracts multiplied by the nominal amount.  
The commitment value for options contracts is equal to the price of the underlying security (in the currency of the UCIT) multiplied by the number of contracts multiplied by the delta multiplied by the nominal amount of the underlying security.  
The commitment value for swap contracts is equal to the nominal amount of the contract (in the currency of the UCIT).

### Operating and management costs


(\* ) The fund may invest up to 10% of its assets in other UCIs whose maximum management fees shall be 2.392%. You may contact the management company for any further information you may require.

*The contributions due for UCITS management pursuant to d) of 3° of II of article L. 621-5-3 of the French Monetary and Financial Code are charged to the fund.*

**Accounting currency**

The accounting currency is Euro.

**Indication of accounting changes subject to special information to unitholders**

- Changes made: None.
- Changes to occur: None.

**Details of other changes which must be specifically notified to unitholders (not certified by the statutory auditor)**

- Changes made: None.
- Changes to occur: None.

**Details and justification of changes in valuation and implementation procedures**

None.

**Details of the type of errors that have been corrected during the period**

None.

**Details of the rights and conditions attached to each unit category**

Income allocation: Capitalisation. The management company has opted for capitalisation.

The net result is fully capitalised each year.

Allocation of net capital gains: capitalisation. The management company has opted for capitalisation. Net capital gains are fully capitalised each year.

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# 2 changes net assets

12.29.2017

Currency

## Net assets at the beginning of the period

Subscriptions (including the subscription fee allocated to the UCIT)

Redemptions (with deduction of the redemption fee allocated to the UCIT)

Capital gains on deposits and financial instruments

Capital losses on deposits and financial instruments

Capital gains on financial contracts

Capital losses on financial contracts

Transaction fees

Foreign exchange differences

Changes in the estimate difference in deposits and financial instruments:

- Estimate difference – period N

- Estimate difference – period N-1

Changes in the estimate difference in financial contracts:

- Estimate difference – period N

- Estimate difference – period N-1

Distribution over the previous year net capital gains and losses

Prior period distribution

Net income for the period before adjustment accounts

Deposit(s) paid(s) during the year net capital gains and losses

Interim payment(s) during the period

Other items

## Net assets at the end of the period



## 3 additional information

### 3.1. Financial instruments: breakdown by legal or economic type of instrument

#### 3.1.1. Breakdown of the "Bonds and similar securities" item by type of instrument

	Traded on a regulated or similar market	Not traded on a regulated or similar market
Indexed bonds	-	-
Convertible bonds	-	-
Fixed-rate bonds	-	-
Variable-rate bonds	-	-
Zero-coupon bonds	-	-
Investments	-	-
Other instruments	-	-

#### 3.1.2. Breakdown of the "Debt securities" item by legal or economic type of instrument

	Traded on a regulated or similar market	Not traded on a regulated or similar market
Treasury Bonds	-	-
Short-term debt securities (NEU CP) issued by non-financial issuers	-	-
Short-term debt securities (NEU CP) issued by bank issuers	-	-
Medium-term debt securities NEU MTN	-	-
Other instruments	-	-

#### 3.1.3. Breakdown of the "Disposals of financial instruments" item by type of instrument

	Disposals of repurchase agreements	Disposals of borrowed securities	Disposals of acquired repurchase agreements	Short sales
Equities	-	-	-	-
Bonds	-	-	-	-
Debt securities	-	-	-	-
Other instruments	-	-	-	-

3.1.4. Breakdown of the off-balance sheet sections by market type (in particular rates, securities)

	Rates	Equities	Foreign Exchange	Other
<b>Hedging</b>				
Commitments on regulated or similar markets	-	-	-	-
OTC commitments	-	-	-	-
Other commitments	-	-	-	-
<b>Other transactions</b>				
Commitments on regulated or similar markets	-	-	-	-
OTC commitments	-	-	-	-
Other commitments	-	-	-	-

3.2. Breakdown by rate type for asset, liability and off-balance sheets items

	Fixed rate	Variable rates	Rollover rate	Other
<b>Assets</b>				
Deposits	-	-	-	-
Bonds and similar securities	-	-	-	-
Debt securities	-	-	-	-
Temporary purchases and sales of financial securities	-	-	-	-
Financial accounts	-	-	-	193,616.29
<b>Liabilities</b>				
Temporary purchases and sales of financial securities	-	-	-	-
Financial accounts	-	-	-	-
<b>Off-balance sheet</b>				
Hedging	-	-	-	-
Other transactions	-	-	-	-

3.3. Breakdown by residual maturity for asset, liability and off-balance sheets items

	0 - 3 months	3 months - 1 year	1 - 3 years	3 - 5 years	> 5 years
<b>Assets</b>					
Deposits	-	-	-	-	-
Bonds and similar securities	-	-	-	-	-
Debt securities	-	-	-	-	-
Temporary purchases and sales of financial securities	-	-	-	-	-
Financial accounts	193,616.29	-	-	-	-
<b>Liabilities</b>					
Temporary purchases and sales of financial securities	-	-	-	-	-
Financial accounts	-	-	-	-	-
<b>Off-balance sheet</b>					
Hedging	-	-	-	-	-
Other transactions	-	-	-	-	-

### 3.4. Breakdown by listing currency or evaluation for asset, liability and off-balance sheets items

This breakdown is provided for the main listing and evaluation currencies, except for the currency in which the books are kept.

By main currency	GBP	SEK	USD	Other currencies
<b>Assets</b>				
Deposits	-	-	-	-
Equities and similar securities	368,434.30	126,956.05	104,274.03	135,670.14
Bonds and similar securities	-	-	-	-
Debt securities	-	-	-	-
Collective investment undertakings	-	-	-	-
Temporary purchases and sales of financial securities	-	-	-	-
Receivables	-	-	-	-
Financial accounts	-	-	-	-
Other assets	-	-	-	-
<b>Liabilities</b>				
Disposal operations on financial instruments	-	-	-	-
Temporary purchases and sales of financial securities	-	-	-	-
Debts	-	-	-	-
Financial accounts	-	-	-	-
<b>Off-balance sheet</b>				
Hedging	-	-	-	-
Other transactions	-	-	-	-

### 3.5. Receivables and Debts: breakdown by type

Details on elements comprising the "other receivables" and "other debts" items, particularly the breakdown of foreign exchange forward contracts by type of operation (purchase/sale).

<b>Receivables</b>		
Foreign exchange forward contracts:		-
Forward currency purchases		-
Total amount traded for forward currency sales		-
Other Receivables:		
-		-
-		-
-		-
-		-
Other transactions		-
<b>Debts</b>		<b>1,441.40</b>
Foreign exchange forward contracts:		
Forward currency sales		-
Total amount traded for forward currency purchases		-
Other Debts:		
Deferred purchases, settlements		1,282.62
Provisioned expenses		158.78
-		-
-		-
Other transactions		-

### 3.6. Equity

Number of units issued / redeemed during the period:	Subscriptions		Redemptions	
	Number of units	Amount	Number of units	Amount
C UNIT / FR0013250628	22,325.536	2,296,696.99	607.48	64,162.28
G UNIT / FR0013299302	1	100.00	-	-
I UNIT / FR0013250636	900	915,018.00	600	615,018.00
Subscription / redemption fee:		Amount		Amount
C UNIT / FR0013250628		-		-
G UNIT / FR0013299302		-		-
I UNIT / FR0013250636		-		-
Retrocessions:		Amount		Amount
C UNIT / FR0013250628		-		-
G UNIT / FR0013299302		-		-
I UNIT / FR0013250636		-		-
Commissions allocated to the UCIT:		Amount		Amount
C UNIT / FR0013250628		-		-
G UNIT / FR0013299302		-		-
I UNIT / FR0013250636		-		-

### 3.7. Management fees

Operating and management fees (fixed charges) as a % of the average net assets	%
Unit class:	
C UNIT / FR0013250628	2.37
G UNIT / FR0013299302	0.62
I UNIT / FR0013250636	0.99
Outperformance fee (variable charges): amount of fees for the period	Amount
Unit class:	
C UNIT / FR0013250628	-
G UNIT / FR0013299302	-
I UNIT / FR0013250636	-
Retrocession of management fees:	
- Amount of fees retroceded to the UCIT	-
- Breakdown by "target" UCIT:	
- UCIT 1	-
- UCIT 2	-
- UCIT 3	-
- UCIT 4	-

**3.8. Commitments received and granted**

3.8.1. Description of the guarantees received by the UCIT with mention of capital guarantees .....**none**

3.8.2. Description of other commitments received and/or granted .....**none**

**3.9. Other information**

3.9.1. Current value of financial instruments pertaining to a temporary acquisition:

- Financial instruments as repurchase agreements (delivered) -

- Other temporary purchases and sales -

3.9.2. Current value of financial instruments comprising guarantee deposits:

Financial instruments received as a guarantee and not written to the balance sheet:

- equities -

- bonds -

- debt securities -

- other financial instruments -

Financial instruments granted as a guarantee and maintained in their original item:

- equities -

- bonds -

- debt securities -

- other financial instruments -

3.9.3. Financial instruments held as a portfolio issued by the entities related to the management company (funds) or financial managers (Mutual Funds) and UCITS managed by these entities:

- UCITS -

- other financial instruments -

**3.10. Income allocation table** *(In the accounting currency of the UCIT)*

**Interim payments in terms of the period**

Date	Unit Class	Total amount	Unit amount	Total tax credit	Unit tax credit
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<b>Total interim payments</b>		-	-	-	-

12.29.2017

-

**Income allocation**

**Sums remaining to be allocated**

Retained earnings

Result

**Total**

-14,901.26

-

**C UNIT / FR0013250628**

12.29.2017

-

Currency

**Allocation**

Distribution

Retained earnings for the period

Capitalisation

**Total**

-15,471.01

-

**Information concerning the units conferring distribution rights**

Number of units

Unit distribution

**Tax credits**

**G UNIT / FR0013299302**

12.29.2017

-

Currency

**Allocation**

Distribution

Retained earnings for the period

Capitalisation

**Total**

-0.05

-

**Information concerning the units conferring distribution rights**

Number of units

Unit distribution

**Tax credits**

I UNIT / FR0013250636	12.29.2017	-
Currency		
<b>Allocation</b>		
Distribution		
Retained earnings for the period		
Capitalisation		
<b>Total</b>	569.80	-
<b>Information concerning the units conferring distribution rights</b>		
Number of units		
Unit distribution		
<b>Tax credits</b>		

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**3.11. Allocation table of amounts available for distribution relating to net capital gains and losses***(in the accounting currency of the UCITS)***Payments on net capital gains and losses for the financial year**

Date	Total amount	Unit amount
-	-	-
-	-	-
-	-	-
-	-	-
<b>Total interim payments</b>	-	-

	12.29.2017	-
<b>Allocation of net capital gains and losses</b>		
<b>Amounts remaining to be allocated</b>		
Previous undistributed net capital gains and losses		
Net capital gains and losses for the financial year		
Payments on net capital gains and losses for the financial year		
<b>Total</b>	<b>-77,251.50</b>	<b>-</b>

C UNIT / FR0013250628	12.29.2017	-
Currency		
<b>Allocation</b>		
Distribution		
Undistributed net capital gains and losses		
Capitalisation		
<b>Total</b>	<b>-67,873.61</b>	<b>-</b>
<b>Information concerning units conferring distribution rights</b>		
Number of units		
Unit distribution		

G UNIT / FR0013299302	12.29.2017	-
Currency		
<b>Allocation</b>		
Distribution		
Undistributed net capital gains and losses		
Capitalisation		
<b>Total</b>	<b>0.02</b>	<b>-</b>
<b>Information concerning units conferring distribution rights</b>		
Number of units		
Unit distribution		

I UNIT / FR0013250636	12.29.2017	-
Currency		
<b>Allocation</b>		
Distribution		
Undistributed net capital gains and losses		
Capitalisation		
<b>Total</b>	<b>-9,377.91</b>	<b>-</b>
<b>Information concerning units conferring distribution rights</b>		
Number of units		
Unit distribution		

### 3.12. Table of results and other characteristic elements of the Fund over the last 5 periods

UCIT creation date: 5 May 2017.

Currency					
EUR	<b>12.29.2017</b>	-	-	-	-
Net assets	<b>2 611 346,42</b>	-	-	-	-

C UNIT / FR0013250628					UNIT currency: EUR
	<b>12.29.2017</b>	-	-	-	-
Number of outstanding units	<b>21,718.056</b>	-	-	-	-
Net asset value	<b>105.52</b>	-	-	-	-
Unit distribution net capital gains and losses (including interim payments)	-	-	-	-	-
Unit distribution (including interim payments)*	-	-	-	-	-
Unit tax credit transferred to unit holders (individuals) <sup>(1)</sup>	-	-	-	-	-
Unit capitalisation*	<b>-3.83</b>	-	-	-	-

\* The amounts of the unit distribution, the unit capitalization and the tax credits are indicated in the accounting currency of the UCITS. The unit capitalization is the sum of earnings and higher net capital losses and the number of units outstanding. This calculation method has been applied since 1 January 2013.

<sup>(1)</sup> In application of the Tax Instruction of 4 March 1993 of the General Tax Directorate, the unitary tax credit is determined on the day the dividend is clipped by dividing the total amount of the tax credits amongst the outstanding units on that date.

G UNIT / FR0013299302					UNIT currency: EUR
	<b>12.29.2017</b>	-	-	-	-
Number of outstanding units	<b>1</b>	-	-	-	-
Net asset value	<b>100.66</b>	-	-	-	-
Unit distribution net capital gains and losses (including interim payments)	-	-	-	-	-
Unit distribution (including interim payments)*	-	-	-	-	-
Unit tax credit transferred to unit holders (individuals) <sup>(1)</sup>	-	-	-	-	-
Unit capitalisation*	<b>-0.03</b>	-	-	-	-

\* The amounts of the unit distribution, the unit capitalization and the tax credits are indicated in the accounting currency of the UCITS. The unit capitalization is the sum of earnings and higher net capital losses and the number of units outstanding. This calculation method has been applied since 1 January 2013.

<sup>(1)</sup> In application of the Tax Instruction of 4 March 1993 of the General Tax Directorate, the unitary tax credit is determined on the day the dividend is clipped by dividing the total amount of the tax credits amongst the outstanding units on that date.

I UNIT / FR0013250636

UNIT currency: EUR

	12.29.2017	-	-	-	-
<b>Number of outstanding units</b>	<b>300</b>	-	-	-	-
<b>Net asset value</b>	<b>1,064.69</b>	-	-	-	-
<b>Unit distribution net capital gains and losses (including interim payments)</b>	-	-	-	-	-
<b>Unit distribution (including interim payments)*</b>	-	-	-	-	-
<b>Unit tax credit transferred to unit holders (individuals)<sup>(1)</sup></b>	-	-	-	-	-
<b>Unit capitalisation*</b>	<b>-29.36</b>	-	-	-	-

\* The amounts of the unit distribution, the unit capitalization and the tax credits are indicated in the accounting currency of the UCITS. The unit capitalization is the sum of earnings and higher net capital losses and the number of units outstanding. This calculation method has been applied since 1 January 2013.

<sup>(1)</sup> In application of the Tax Instruction of 4 March 1993 of the General Tax Directorate, the unitary tax credit is determined on the day the dividend is clipped by dividing the total amount of the tax credits amongst the outstanding units on that date.

# 4 inventory at 12.29.2017

## Valeurs mobilières

### Action

FR0000071946	ALTEN	PROPRE	781.00	54,365.41	EUR	2.08
FR0000035164	BENETEAU	PROPRE	3,732.00	74,434.74	EUR	2.85
IT0001128047	CEMBRE	PROPRE	1,840.00	39,744.00	EUR	1.52
SE0005999778	COM HEM HOLDING AB	PROPRE	5,120.00	65,223.59	SEK	2.50
IT0003492391	DIASORIN SPA	PROPRE	900.00	66,600.00	EUR	2.55
IT0004967292	FABBRICA ITALIANA LAPIS ED AFFINI SPA	PROPRE	3,343.00	65,790.24	EUR	2.52
IT0003697080	GEOX	PROPRE	22,382.00	64,728.74	EUR	2.48
NL0009693779	INTERXION	PROPRE	1,188.00	58,374.75	USD	2.24
IT0003428445	MARR	PROPRE	2,876.00	61,891.52	EUR	2.37
IT0004965148	MONCLER SPA	PROPRE	2,585.00	67,416.80	EUR	2.58
ES0161560018	NH HOTELES	PROPRE	10,613.00	63,678.00	EUR	2.44
DE000A1H8BV3	NORMA GROUP N	PROPRE	1,155.00	64,645.35	EUR	2.48
IT0005043507	OVS SPA AZ	PROPRE	9,059.00	50,322.75	EUR	1.93

## ECHIQUIER RINASCIMENTO

GB0008481250	PHOTO-ME INTERNATIONAL	PROPRE	26,653.00	55,274.87	GBP	2.12
GB0006963689	PORVAIR PLC	PROPRE	11,627.00	60,937.47	GBP	2.33
GB0007958233	SENIOR	PROPRE	22,652.00	66,559.70	GBP	2.55
IT0003153621	TAMBURI INVESTMENT PARTNERS	PROPRE	10,347.00	57,477.59	EUR	2.20
IT0005162406	TECHNOGYM S.P.A	PROPRE	8,627.00	69,663.03	EUR	2.67
ES0183746314	VIDRALA	PROPRE	832.00	70,428.80	EUR	2.70
FR0011981968	WORLDLINE	PROPRE	1,947.00	79,184.49	EUR	3.03
IT0004171440	ZIGNAGO VETRO SPA	PROPRE	8,118.00	66,080.52	EUR	2.53
<i>Total Action</i>				<i>2,419,171.53</i>		<i>92.64</i>
<i>Total Valeurs mobilières</i>				<i>2,419,171.53</i>		<i>92.64</i>
<i>Liquidités</i>						
<i>BANQUE OU ATTENTE</i>						
	ACH DIFF TITRES EUR	PROPRE	0.00	-1,282.62	EUR	-0.05
<i>Total BANQUE OU ATTENTE</i>				<i>192,333.67</i>		<i>7.37</i>
<i>FRAIS DE GESTION</i>						
	PRCOMGESTFIN	PROPRE	0.00	-150.04	EUR	-0.01
<i>Total FRAIS DE GESTION</i>				<i>-158.78</i>		<i>-0.01</i>
<i>Total Liquidités</i>				<i>192,174.89</i>		<i>7.36</i>