

BELGRAVIA LUX UCITS

Société d'investissement à capital variable

(a Luxembourg domiciled open-ended investment company with variable capital)

Report, including audited financial statements, for the period
from June 27, 2018 (date of incorporation) to
December 31, 2018

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BELGRAVIA LUX UCITS

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BELGRAVIA LUX UCITS

Organisation of the SICAV

Registered office	15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg
Board of Directors of the SICAV	
Chairman	Mr Miguel CEREZO JIMÉNEZ, Deputy Chairman, Belgravia Capital, SGIIC, S.A.
Members	Mrs Cristina SOLINÍS LACHAMBRE, Investor Relations Manager, Belgravia Capital, SGIIC, S.A. Mr Juan José MARTÍ ESCOLANO, Head of Risk Management and Normative Compliance Department, Belgravia Capital, SGIIC, S.A. Mr Javier VALLS, Independent Director, The Director's Office
Management Company and Domiciliary Agent	FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg
Board of Directors of the Management Company	
Chairman	Mr Christian SCHRÖDER, Group Chief Digital Officer and Head of Organisation, Banque Pictet & Cie SA, 60, route des Acacias, CH-1211 Geneva 73, Switzerland
Members	Mrs Michèle BERGER, CEO and Managing Director, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg Me Claude KREMER, Independent Director, Arendt & Medernach - Avocats, 41A, avenue J.F. Kennedy, L-2082 Luxembourg, Grand Duchy of Luxembourg Mr Geoffroy LINARD DE GUERTECHIN, Independent Director, 2, rue Jean-Pierre Beicht, L-1226 Luxembourg, Grand Duchy of Luxembourg
Members of the Management Committee	Mrs Michèle BERGER, CEO and Managing Director, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg Mr Pascal CHAUVAUX, Head of Central Administration, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg Mrs Céline COTTET, Head of Risk & Compliance, FundPartner Solutions (Suisse) SA, 60, route des Acacias, CH-1211 Geneva 73, Switzerland (until November 21, 2018)

BELGRAVIA LUX UCITS

Organisation of the SICAV (continued)

Mr Laurent DORLÉAC, Head of Risk & Compliance, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg (since November 22, 2018)

Mr Dorian JACOB, Head of Investment Risk and Asset Management Oversight, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

Investment Manager	Belgravia Capital, SGIIC, S.A., C/ Núñez de Balboa, 120, 4º dcha., 28006 - Madrid, Spain
Depository Bank	Pictet & Cie (Europe) S.A., 15A, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg
Administration Agent, Paying Agent and Registrar and Transfer Agent in Luxembourg	FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg
Auditor	Ernst & Young S.A., 35E, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg
Legal Advisers as to matters of Luxembourg law	Elvinger Hoss Prussen, société anonyme 2, place Winston Churchill, L-1340 Luxembourg, Grand Duchy of Luxembourg

BELGRAVIA LUX UCITS

General information

Financial periods of BELGRAVIA LUX UCITS (the "SICAV") end on December 31 in each year and the first financial period starts on the date of incorporation of the SICAV and ends on December 31, 2018. The annual report, including audited financial statements, expressed in EUR and with details of each sub-fund in the relevant base currency is made available at the SICAV's registered office, at least 8 days before the Annual General Meeting.

The unaudited semi-annual report dated as of June 30 of each year will be available at the SICAV's registered office, at the latest two months after the end of the period to which it relates. The first interim report prepared for the SICAV will be dated as of June 30, 2019.

Copies of all reports are available at the registered offices of the SICAV.

A detailed schedule of changes in the investments for the period from June 27, 2018 (date of incorporation) to December 31, 2018 for the sub-fund is available free of charge upon request at the registered office of the SICAV.

Management report

MARKET SITUATION

During the fourth quarter 2018, equity markets suffered corrections, both in the U.S. and in Europe, on increased fears about the U.S. trade policy, rate hikes in the US, weakness in the emerging economies, the Italian budget and Brexit.

European results for the third quarter were disappointing, both in sales and profits. At the same time, the level of profit warnings was the highest in the last five years due to higher raw materials costs and intensified trade war fears.

In the FX markets, during the 4Q18 the euro fell by 1.39%. Despite the reduction of ECB purchases to 15,000 million euros, the geopolitical uncertainties in Europe, and rate hikes in the US weighed into the common currency. Oil fell by 34.96% reflecting a potential slowdown of the economy and a high output. Similarly, the base raw materials underperformed due to increasing fears of higher tariffs in foreign trade and the negative evolution of global demand.

Stock markets performance for the year 2019 is still uncertain. The withdrawal of liquidity by major central banks and their impact on the difference between growth in the money supply and the nominal GDP we believe will have a negative impact on capital asset prices. In turn, tariffs on foreign trade, the softer growth expected in emerging economies and political uncertainty in Italy and United Kingdom lead us to be cautious, which is reflected in a low net exposure in our portfolios.

PERFORMANCE

BELGRAVIA LUX UCITS - EPSILON investment universe is European equities. The investment objectives are to achieve positive returns and a Sharpe ratio higher than the Stoxx 600 with a volatility of returns lower than the Stoxx 600. The sub-fund varies its equity exposure at its discretion, investing the balance in money market instruments.

During the last quarter of the year, BELGRAVIA LUX UCITS- EPSILON declined by 1.71% class R; 1.65% Class C and 1.63% Class I with an average beta of 0.07 in a negative environment for European equities as represented in the 11.57% decline in the Stoxx 600 (net return index). Similarly, US equities had a negative performance, with a 13.66% decline in the S&P 500 (net return index) equivalent to -12.43% in EUR.

PORTFOLIO

Over the same period, BELGRAVIA LUX UCITS- EPSILON portfolio consisted of a total of 30 companies giving priority to the merit of each of them individually, notably: BNP Paribas, Danone, Ontex, Phillips, Siemens, Siemens Gamesa and Vivendi.

As of December 31, 2018, BELGRAVIA LUX UCITS- EPSILON had a net exposure of 1.01%: i) 15.29% equity exposure and, ii) 14.28% of Eurostoxx 50 futures sold to hedge the systematic or market risk. The portfolio's beta vs. Stoxx 600 was 0.03.

In this uncertain market environment, we can expect the net exposure of the sub fund to be maintained at reduced levels. However, the sub-fund will continue to invest in equities, primarily in the European markets.

Established by the Investment Manager

Approved by the Board of Directors of the SICAV

January 2019

Past performance is not an indicator of current or future returns.

Independent auditor's report

To the Shareholders of
BELGRAVIA LUX UCITS
15, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Opinion

We have audited the financial statements of BELGRAVIA LUX UCITS (the "SICAV") which comprise the statement of net assets and the statement of investments and other net assets as at December 31, 2018, and the statement of operations and changes in net assets for the period from October 1, 2018 to December 31, 2018, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the SICAV as at December 31, 2018, and of the results of its operations and changes in its net assets for the period from October 1, 2018 to December 31, 2018 in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (the "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 the "réviseur d'entreprises agréé" for the audit of the financial statements » section of our report. We are also independent of the SICAV 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 SICAV is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our report of the "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.

Responsibilities of the Board of Directors of the SICAV and those charged with governance for the financial statements

The Board of Directors of the SICAV is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the SICAV 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 SICAV is responsible for assessing the SICAV'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 SICAV either intends to liquidate the SICAV or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the "réviseur d'entreprises agréé" for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "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 SICAV's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the SICAV.
- Conclude on the appropriateness of the Board of Directors of the SICAV 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 SICAV'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 the "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 the "réviseur d'entreprises agréé". However, future events or conditions may cause the SICAV 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.

Ernst & Young
Société anonyme
Cabinet de révision agréé

Nicolas Bannier

Luxembourg, March 8, 2019

BELGRAVIA LUX UCITS

Statement of net assets as at December 31, 2018

BELGRAVIA LUX UCITS - EPSILON

EUR

	EUR
ASSETS	
Investments in securities at acquisition cost	1,330,259.82
Net unrealised loss on investments	-120,226.46
Investments in securities at market value (note 2.b)	1,210,033.36
Cash at banks (note 2.b)	6,711,502.09
Formation expenses (note 2.i)	25,787.21
	<u>7,947,322.66</u>
LIABILITIES	
Management fees payable (note 5)	12,162.71
"Taxe d'abonnement" payable (note 3)	909.28
Other fees payable (note 10)	19,097.83
	<u>32,169.82</u>
TOTAL NET ASSETS AS AT DECEMBER 31, 2018	7,915,152.84

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

BELGRAVIA LUX UCITS

Statement of operations and changes in net assets for the period from October 1, 2018 to December 31, 2018

BELGRAVIA LUX UCITS - EPSILON

EUR

NET ASSETS AT THE BEGINNING OF THE PERIOD	-
INCOME	
Dividends, net (note 2.g)	1,532.86
	<u>1,532.86</u>
EXPENSES	
Amortization of formation expenses (note 2.i)	1,412.79
Management fees (note 5)	12,162.71
Depository fees, bank charges and interest (note 8)	4,160.77
Professional fees, audit fees and other expenses (notes 4, 6)	24,824.42
Administration and domiciliary agent fees (note 9)	2,045.38
"Taxe d'abonnement" (note 3)	1,309.78
Transaction fees (note 2.h)	6,149.52
	<u>52,065.37</u>
NET INVESTMENT LOSS	-50,532.51
Net realised loss on sales of investments	-14,918.00
Net realised loss on foreign exchange	-138.90
Net realised gain on futures contracts	73,505.86
NET REALISED GAIN	7,916.45
Change in net unrealised depreciation:	
- on investments	-120,226.46
DECREASE IN NET ASSETS AS A RESULT OF OPERATIONS	-112,310.01
Proceeds from subscriptions of shares	8,137,897.68
Cost of shares redeemed	-110,434.83
NET ASSETS AT THE END OF THE PERIOD	7,915,152.84

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

BELGRAVIA LUX UCITS

Statistics

Sub-fund Class	Currency	Number of shares outstanding	Net asset value per share
		31.12.2018	31.12.2018
BELGRAVIA LUX UCITS - EPSILON			
R	EUR	67,244.04	98.29
C	EUR	3,480.60	98.35
I	EUR	9,791.51	98.37

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

BELGRAVIA LUX UCITS - EPSILON

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

Description	Currency	Quantity	Market value (note 2)	% of net assets
TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET				
SHARES				
<i>AUSTRIA</i>				
LENZING	EUR	500.00	39,725.00	0.50
			39,725.00	0.50
<i>BELGIUM</i>				
ONTEX GROUP	EUR	1,600.00	28,640.00	0.36
SOLVAY	EUR	400.00	34,928.00	0.44
			63,568.00	0.80
<i>DENMARK</i>				
PANDORA	DKK	950.00	33,773.88	0.43
			33,773.88	0.43
<i>FRANCE</i>				
ALBIOMA	EUR	2,300.00	43,470.00	0.55
BNP PARIBAS 'A'	EUR	400.00	15,790.00	0.20
DANONE	EUR	950.00	58,434.50	0.74
SCOR	EUR	1,450.00	57,130.00	0.72
VIVENDI	EUR	2,900.00	61,712.00	0.78
			236,536.50	2.99
<i>GERMANY</i>				
COVESTRO	EUR	800.00	34,544.00	0.44
FIN TECH GROUP	EUR	1,700.00	28,832.00	0.36
FRESENIUS	EUR	1,000.00	42,380.00	0.54
SGL	EUR	3,400.00	20,723.00	0.26
SIEMENS AG	EUR	725.00	70,600.50	0.89
			197,079.50	2.49
<i>ISLE OF MAN</i>				
STRIX GROUP	GBP	20,400.00	32,046.40	0.40
			32,046.40	0.40
<i>ITALY</i>				
AVIO	EUR	3,300.00	36,828.00	0.47
REPLY	EUR	800.00	35,264.00	0.45
			72,092.00	0.92
<i>LIBERIA</i>				
ROYAL CARIBBEAN CRUISES	USD	650.00	55,603.83	0.70
			55,603.83	0.70

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

BELGRAVIA LUX UCITS - EPSILON

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

Description	Currency	Quantity	Market value (note 2)	% of net assets
<i>NETHERLANDS</i>				
ABN AMRO GROUP -DEP. RECEIPTS-	EUR	2,700.00	55,458.00	0.70
AMG ADVANCED METALLURGICAL	EUR	820.00	23,107.60	0.29
ING GROUP	EUR	5,600.00	52,696.00	0.67
NN GROUP	EUR	1,600.00	55,680.00	0.70
POSTNL	EUR	13,100.00	26,160.70	0.33
ROYAL PHILIPS	EUR	1,900.00	58,767.00	0.74
			271,869.30	3.43
<i>SPAIN</i>				
SIEMENS GAMESA RENEWABLE ENERGY	EUR	4,300.00	45,752.00	0.58
			45,752.00	0.58
<i>SWEDEN</i>				
MIPS	SEK	3,200.00	34,352.26	0.43
			34,352.26	0.43
<i>UNITED KINGDOM</i>				
CENTRICA	GBP	23,500.00	35,319.12	0.45
COATS GROUP	GBP	35,000.00	31,780.13	0.40
J SAINSBURY	GBP	10,400.00	30,705.01	0.39
SMART METERING SYSTEMS	GBP	5,100.00	29,830.43	0.38
			127,634.69	1.62
TOTAL INVESTMENTS			1,210,033.36	15.29
CASH AT BANKS			6,711,502.09	84.79
OTHER NET LIABILITIES			-6,382.61	-0.08
TOTAL NET ASSETS			7,915,152.84	100.00

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

BELGRAVIA LUX UCITS - EPSILON

Geographical and industrial classification of investments as at December 31, 2018

Geographical classification

(in % of net assets)	
Netherlands	3.43
France	2.99
Germany	2.49
United Kingdom	1.62
Italy	0.92
Belgium	0.80
Liberia	0.70
Spain	0.58
Austria	0.50
Denmark	0.43
Sweden	0.43
Isle of Man	0.40
	15.29

Industrial classification

(in % of net assets)	
Electronics and electrical equipment	2.76
Chemicals	1.64
Holding and finance companies	1.59
Banks and credit institutions	1.57
Insurance	1.42
Communications	1.23
Miscellaneous consumer goods	0.83
Public utilities	0.83
Food and soft drinks	0.74
Gastronomy	0.70
Pharmaceuticals and cosmetics	0.54
Utilities	0.43
Retail and supermarkets	0.39
Transport and freight	0.33
Stainless steel	0.29
	15.29

BELGRAVIA LUX UCITS

Notes to the Financial Statements as at December 31, 2018

NOTE 1

GENERAL

BELGRAVIA LUX UCITS (the "SICAV") is an umbrella investment company with variable capital (*société d'investissement à capital variable*) incorporated under the form of a *société anonyme* in the Grand Duchy of Luxembourg. It qualifies as an undertaking for collective investment in transferable securities ("UCITS"), incorporated on June 27, 2018, and authorised under Part I of the law of December 17, 2010 relating to undertakings for collective investment ("UCI"), as amended (the "Law").

The SICAV is registered with the *Registre de Commerce et des Sociétés*, Luxembourg (Luxembourg register of commerce and companies) under number B225846.

The Articles of Incorporation are deposited with the *Registre de Commerce et des Sociétés*, Luxembourg and have been published in the *Recueil électronique des sociétés et associations* ("RESA") on July 10, 2018.

There is no limit to the number of Shares which may be issued. Shares are only issued in registered form and ownership of shares is evidenced by entry in the Register. No temporary documents of title or share certificates is issued.

FundPartner Solutions (Europe) S.A. with registered office at 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg was appointed Management Company of the SICAV as of June 27, 2018. It is a management company within the meaning of chapter 15 of the Law.

As at December 31, 2018, the SICAV includes the following sub-fund:

- BELGRAVIA LUX UCITS - EPSILON, denominated in Euro (EUR) (launched as at October 1, 2018).

As at December 31, 2018, the following share classes are issued:

BELGRAVIA LUX UCITS - EPSILON:

- o R EUR
- o C EUR
- o I EUR

NOTE 2

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Preparation and presentation of financial statements

The financial statements are prepared in accordance with generally accepted accounting principles and presented in accordance with the legal reporting requirements applicable in Luxembourg relating to undertakings for collective investment.

The reference currency of the SICAV is the EUR.

Notes to the Financial Statements as at December 31, 2018 (continued)

b) Valuation of assets

The assets of the SICAV are valued in accordance with the following principles:

- 1) Shares or units in open-ended undertakings for collective investment, which do not have a price quotation on a Regulated Market, are valued at the actual net asset value for such shares or units as of the relevant Valuation Day, failing which they shall be valued at the last available net asset value which is calculated prior to such Valuation Day. In the case where events have occurred which have resulted in a material change in the net asset value of such shares or units since the last net asset value was calculated, the value of such shares or units may be adjusted at their fair value in order to reflect, in the reasonable opinion of the Directors, such change;
- 2) The value of securities (including a share or unit in a closed-ended undertaking for collective investment and in an exchange traded fund) and/or financial derivative instruments which are listed and with a price quoted on any official stock exchange or traded on any other organised market at the closing price. Where such securities or other assets are quoted or dealt in or on more than one stock exchange or other organised markets, the Directors shall select the principal of such stock exchanges or markets for such purposes;
- 3) Shares or units in undertakings for collective investment the issue or redemption of which is restricted and in respect of which a secondary market is maintained by dealers who, as principal market-makers, offer prices in response to market conditions may be valued by the Directors in line with such prices;
- 4) The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Directors may consider appropriate in such case to reflect the true value thereof;
- 5) The value of any security or other asset which is dealt principally on a market made among professional dealers and institutional investors shall be determined by reference to the last available price;
- 6) Any assets or liabilities in currencies other than the relevant currency of the sub-fund concerned are converted using the relevant spot rate quoted by a bank or other responsible financial institution;
- 7) In the event that any of the securities held in the SICAV portfolio on the relevant day are not listed on any stock exchange or traded on any organised market or if with respect to securities listed on any stock exchange or traded on any other organised market, the price as determined pursuant to sub-paragraph (2) is not, in the opinion of the Directors, representative of the fair market value of the relevant securities, the value of such securities is determined prudently and in good faith based on the reasonably foreseeable sales price or any other appropriate valuation principles;

Notes to the Financial Statements as at December 31, 2018 (continued)

8) Liquid assets and Money Market Instruments may be valued at nominal value plus any accrued interest or an amortised cost basis. All other assets, where practice allows, may be valued in the same manner. If the method of valuation on an amortised cost basis is used, the portfolio holdings are reviewed from time to time under the direction of the Directors to determine whether a deviation exists between the net asset value calculated using market quotations and that calculated on an amortised cost basis. If a deviation exists which may result in a material dilution or other unfair result to investors or existing shareholders, appropriate corrective action is taken including, if necessary, the calculation of the net asset value by using available market quotations;

9) In the event that the above mentioned calculation methods are inappropriate or misleading, the Directors may adopt to the extent such valuation principles are in the best interests of the shareholders any other appropriate valuation principles for the assets of the SICAV;

10) In circumstances where the interests of the SICAV or its shareholders so justify (avoidance of market timing practices, for example), the Directors may take any appropriate measures, such as applying a fair value pricing methodology to adjust the value of the SICAV's assets;

c) Net realised gain/loss on sales of investments

The net realised gain/loss on sales of investments is calculated on the basis of the weighted average cost of the investments sold.

d) Cost of investment securities

The cost of investment securities in currencies other than the currency of the SICAV is translated into the currency of the sub-fund at the exchange rate applicable at purchase date.

e) Valuation of futures contracts

Open futures contracts are valued at the last settlement or close price on the stock exchanges or regulated markets.

f) Accounting of futures contracts

Change in net unrealised appreciation/depreciation on futures contracts, and net realised gains or losses on futures contracts are disclosed in the statement of operations and changes in net assets. Unrealised gains and/or losses already settled through the receipt/payment of a cash amount are kept as change in net unrealised appreciation/depreciation on futures contracts in the statement of operations and other changes in net assets until the termination of the futures contract.

g) Income

Dividends are recorded net of withholding tax at the ex-dividend date. Interest is recorded on an accrual basis.

BELGRAVIA LUX UCITS

Notes to the Financial Statements as at December 31, 2018 (continued)

h) Transaction fees

The transaction fees represent the costs incurred by the SICAV in connection with purchases and sales of investments. They include brokerage fees as well as bank commissions, tax, depositary fees and other transaction fees, and are included in the statement of operations and change in net assets.

i) Formation expenses

Formation expenses are amortised over a period not exceeding 5 years.

NOTE 3

TAXATION OF THE SICAV

In accordance with Luxembourg legislation currently in force (which, is therefore, subject to any future changes), the SICAV is not subject to any tax on income, profits, gains or wealth tax. Moreover, save for cases covered under "EU Tax Considerations" below, no dividends distributed by the SICAV are subject to withholding tax.

The SICAV's net assets are subject to a subscription tax ("taxe d'abonnement") of 0.05% per annum payable at the end of each calendar quarter and calculated on the basis of the SICAV's total net assets at the end of the relevant quarter; such tax is reduced to 0.01% per annum in respect of Classes comprising institutional investors only (as per article 174 of the Law), as well as in respect of liquidity funds. This tax is not applicable for the portion of the assets of a sub-fund invested in other Luxembourg undertakings for collective investment already subject to *taxe d'abonnement*.

Interest and dividend income received by the SICAV may be subject to non-recoverable withholding tax in the countries of origin. The SICAV may further be subject to tax on the realised or unrealised capital appreciation of its assets in the countries of origin.

No stamp duty or other tax is payable in Luxembourg on the issue of Shares in the SICAV.

NOTE 4

MANAGEMENT COMPANY FEES

The Management Company fees do not exceed 0.05% per annum on the total net assets.

The Management Company fees accrue daily and are paid quarterly in arrears. The fees payable are subject to a minimum of EUR 20,000 p.a. per sub-fund during the second and following years.

Management Company fees are recorded under the caption "Professional fees, audit fees and other expenses" in the statement of operations and changes in net assets.

BELGRAVIA LUX UCITS

Notes to the Financial Statements as at December 31, 2018 (continued)

NOTE 5 MANAGEMENT FEES

In consideration for the investment management services provided to the SICAV, the Investment Manager is entitled to receive from the SICAV management fees of a percentage of the net assets of the relevant Class, accrued on each Valuation Day and payable quarterly in arrears as follows:

Sub-fund	Share class	Management fees
BELGRAVIA LUX UCITS - EPSILON	R	up to 1.25%
	C	up to 1.00%
	I	up to 1.00%

NOTE 6 DIRECTOR FEES

BELGRAVIA LUX UCITS pays Director fees to one member of its Board of Directors of the SICAV, Mr Javier Valls. The yearly fee is EUR 12,000.00 gross, starting on October 1, 2018, until December 31, 2019. For the 2018 period, the above amount is calculated on a pro-rata temporis basis.

Director's fees are disclosed in the statement of operations and changes in net assets under the caption "Professional fees, audit fees and other expenses."

NOTE 7 PERFORMANCE FEES

The Investment Manager receives performance fees, accrued on each Valuation Day, paid annually, based on the Net Asset Value ("NAV"), equivalent to 9% of the performance of the NAV per share exceeding the high water mark.

The high water mark is defined as the greater of the following two figures:

- The last highest NAV per share on which a performance fee has been paid and;
- The initial NAV per share.

Further details on performance fees are available in the Prospectus of the SICAV.

No performance fee was paid by the sub-fund during the period from June 27, 2018 (date of incorporation) to December 31, 2018.

NOTE 8 DEPOSITARY FEES

As depositary bank, Pictet & Cie (Europe) S.A. is entitled to receive out of the assets of the SICAV, fees in consideration for providing services to it, along with such out-of-pocket expenses and disbursements as are deemed reasonable and customary by the Directors. The fees payable to Pictet & Cie (Europe) S.A., comprise transaction-based fees and asset-based fees. Such fees currently vary between 0.00% and 0.07% of the net asset value of each sub-fund (subject to a minimum of EUR 10,000 p.a. per sub-fund during the second and following years) depending on the market in which a particular sub-fund invests. The fees are accrued daily and are payable quarterly in arrears.

BELGRAVIA LUX UCITS

Notes to the Financial Statements as at December 31, 2018 (continued)

NOTE 9 ADMINISTRATION AND DOMICILIARY AGENT FEES

As Administration Agent and Domiciliary Agent, FundPartner Solutions (Europe) S.A., is entitled to receive out of the assets of the SICAV, fees in consideration for providing services to it, along with such out-of-pocket expenses and disbursements as are deemed reasonable and customary by the Directors. The fees payable to FundPartner Solutions (Europe) S.A., comprise asset-based fees. The actual fees paid are disclosed in the semi-annual and annual reports of the SICAV. Administration Agent fees amount to 0.05% of the net asset value per sub-fund (subject to a minimum of EUR 10,000 p.a. per sub-fund during the second and following years), and Domiciliary Agent fees amount to EUR 5,000 p.a. including up to 4 sub-funds and EUR 2,500 per additional sub-fund. The fees are accrued daily and are payable quarterly in arrears.

NOTE 10 OTHER FEES PAYABLE

As at December 31, 2018, the other fees payable include audit, independent director, domiciliation, depositary, Management Company, administration and professional expenses.

NOTE 11 FUTURES CONTRACTS

The SICAV had the following futures contracts outstanding as at December 31, 2018:

BELGRAVIA LUX UCITS - EPSILON

	Maturity date	Currency	Commitment in EUR
Purchase of 2.00 EUR/GBP	18/03/2019	GBP	250,000.00
Sale of 38.00 Euro Stoxx 50 ESTX 50 EUR	18/03/2019	EUR	-1,140,539.60

NOTE 12 SUBSEQUENT EVENT

No significant event occurred after the period-end.

Other information to Shareholders (unaudited appendix)

1. Remuneration of the members of the Management Company

The Management Company has adopted a remuneration policy which is in accordance with the principles established by the law of May 10, 2016, amending the 2010 Law.

The financial year of the Management Company ends on December 31 of each year.

The quantitative disclosure required is based on the latest available annual report of the Management Company in accordance with ESMA guidance. As the SICAV was incorporated as at June 27, 2018, these disclosure will be made available in the financial statements of the SICAV for the year ended December 31, 2019.

2. Securities Financing Transactions Regulation ("SFTR")

As at December 31, 2018, the SICAV is in the scope of the requirements of the Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse. Nevertheless, no corresponding transactions were carried out during the period referring to the financial statements.

3. Information on risk measurement

The sub-fund's global risk exposure is monitored by using the commitment approach. In that respect, financial derivative instruments are converted into their equivalent position in the underlying asset. The global risk exposure shall not exceed the sub-fund's NAV.

