

# Annual report including audited financial statements as at 30th September 2018

## **AGCM Fund**

Investment Fund (F.C.P.), Luxembourg

R.C.S. Luxembourg K1



Management Company: SEB Fund Services S.A.  
R.C.S. Luxembourg B 44 726

#### Notice

The sole legally binding basis for the purchase of units of the Fund described in this report is the latest valid sales prospectus with its terms of contract.

**AGCM Fund**

**Contents**

**Organisation .....2**

**General information .....4**

**Report from the Investment Manager .....7**

**Audit report.....9**

**Combined statement of net assets .....12**

**Combined statement of operations and other changes in net assets .....13**

**AGCM Fund - Asia Growth Sub-Fund.....14**

    Statement of net assets.....14

    Statement of operations and other changes in net assets.....15

    Statistical information.....16

    Statement of investments and other net assets.....17

    Industrial and geographical classification of investments .....18

**AGCM Fund - China Stars Sub-Fund .....19**

    Statement of net assets.....19

    Statement of operations and other changes in net assets.....20

    Statistical information.....21

    Statement of investments and other net assets.....22

    Industrial and geographical classification of investments .....23

**Notes to the financial statements .....24**

**Additional information (unaudited) .....31**

# AGCM Fund

## Organisation

---

<b>Management Company</b>	SEB Fund Services S.A. 4, rue Peternelchen L-2370 Howald
<b>Board of Directors of the Management Company</b>	<b>Chairman</b> Göran FORS Deputy Head of Investor Services Large Corporates and Financial Institutions Skandinaviska Enskilda Banken AB (publ), Sweden  <b>Directors</b> Claes-Johan GEIJER Independent Director and Advisor G Advisors S.à.r.l., Luxembourg  Marie JUHLIN Managing Director SEB Fund Services S.A., Luxembourg  Jonas LINDGREN Client Executive, Hedge Fund Coverage Large Corporates and Financial Institutions Skandinaviska Enskilda Banken AB (publ), Sweden
<b>Conducting Officers</b>	Marie JUHLIN, Managing Director Jan HEDMAN, Deputy Managing Director Shaneera BOOLELL GUNESH (spouse RASQUÉ), Deputy Managing Director (until 31st December 2017)
<b>Depositary</b>	Skandinaviska Enskilda Banken S.A. 4, rue Peternelchen L-2370 Howald
<b>Central Administration Agent</b>	SEB Fund Services S.A. 4, rue Peternelchen L-2370 Howald
<b>Sub-Administrator, Registrar and Transfer Agent</b>	European Fund Administration S.A. 2, rue d'Alsace L-1122 Luxembourg
<b>Investment Manager</b>	Asia Growth Capital Management AB Strandvägen 5A SE-114 51 Stockholm

## AGCM Fund

### Organisation (continued)

---

**Auditor**

PricewaterhouseCoopers, Société coopérative  
2, rue Gerhard Mercator  
L-2182 Luxembourg

**Paying Agent**

**In Sweden**

Skandinaviska Enskilda Banken AB (publ)  
Stjärntorget 4  
SE-169 79 Solna

**In Luxembourg**

Skandinaviska Enskilda Banken S.A.  
4, rue Peternelchen  
L-2370 Howald

**Global Distributor**

SEB Fund Services S.A.  
4, rue Peternelchen  
L-2370 Howald

## AGCM Fund

### General information

AGCM Fund (the "Fund") is a mutual investment fund organised as an umbrella FCP ("*Fonds Commun de Placement*") and governed by Part I of the amended Law of 17th December 2010 relating to Undertakings for Collective Investment. The Fund is set up in accordance with General Management Regulations signed in Luxembourg on 17th September 2014.

A notice of the deposit of the General Management Regulations was published on 20th September 2014 in the "*Mémorial, Recueil des Sociétés et Associations*" (the "*Mémorial*"). The Management Regulations are deposited with the *Registre de Commerce et des Sociétés* ("the RCS"), and the Fund is registered under number K 1.

On 1st June 2016, the Luxembourg Memorial C has been replaced by RESA (*Recueil Electronique des Sociétés et Associations*), the new official electronic platform of central publication regarding companies and associations. Publications made after 1st June 2016 are available on this new platform accessible through the website of the RCS.

AGCM Fund is managed on behalf of the unitholders by SEB Fund Services S.A. (the "Management Company"). SEB Fund Services S.A. was incorporated for an unlimited period on 2nd August 1993 in the form of a "*société anonyme*" in Luxembourg under the name of "SEB Lux Advisory Company S.A.". It has been transformed into a Management Company and changed the name with effect on 22nd October 2004. The Management Company is governed by Chapter 15 of the amended Law 2010.

The Management Company has its registered office in Luxembourg at 4, rue Peternelchen, L-2370 Howald. The articles of association of the Management Company were published in the "*Mémorial*" as of 16th November 2004. The last amendment of the articles was published on 28th August 2014.

At the date of the present financial statements, the following Sub-Funds are offered to investors:

- AGCM Fund - Asia Growth Sub-Fund
- AGCM Fund - China Stars Sub-Fund

AGCM Fund - Asia Growth Sub-Fund has been launched on 6th October 2014.

The investment objective of AGCM Fund - Asia Growth Sub-Fund is to achieve long-term capital appreciation by investing in companies in Asia.

AGCM Fund - Asia Growth Sub-Fund may invest in equity or equity-related securities of companies domiciled in Asia (including but not limited to China, Hong Kong, Taiwan, South Korea, Singapore, India, Indonesia, Malaysia, Thailand, the Philippines, Vietnam, Laos, Cambodia and Myanmar). AGCM Fund - Asia Growth Sub-Fund invests in particular in companies that in the opinion of the Investment Manager are expected to have sustainable growth in revenues and earnings. AGCM Fund - Asia Growth Sub-Fund does normally not invest in companies domiciled in Japan.

The following unit classes are currently available for subscription:

- Class I Units are available for subscription and are reserved to Institutional Investors;
- Class R, Class P and Class F Units are available for subscription to all investors.

All Classes of Units are available as Capitalisation Units (C and W) or Distributing Units (D).

## AGCM Fund

### General information (continued)

At the date of the present financial statements, the following Classes of Units are issued:

Name of the Class of Units	Currency	Launch date
ID SEK	SEK	3rd March 2015
PC SEK	SEK	12th November 2015
RC SEK	SEK	3rd October 2014
RC EUR	EUR	23rd March 2015
RC USD	USD	25th February 2016
WP EUR	EUR	20th January 2015
FC SEK	SEK	20th February 2017

The Net Asset Value of each Class of Units of the Sub-Fund is calculated as of each business day in Luxembourg (the "Valuation Day"), except for 24th December in each year.

AGCM Fund - China Stars Sub-Fund has been launched on 25th August 2017.

The investment objective of AGCM Fund - China Stars Sub-Fund is to achieve long-term capital appreciation by investing primarily in shares of companies, which are incorporated, or have their area of primary activity, in the People's Republic of China.

AGCM Fund - China Stars Sub-Fund may invest in equity or equity-related securities of companies based in China, with shares listed on the mainland exchanges of Shanghai and Shenzhen (China A Shares, China B shares), Hong Kong (H-shares, Red Chips, P-Chips,) and in the US (ADRs), or on any regulated market in any OECD country outside China as long as a significant portion of the company's assets are based in China or a significant portion of the revenues are derived from China. All securities acquired by AGCM Fund - China Stars Sub-Fund are traded on stock exchanges or on other regulated markets, which are recognized, open to the public and operate regularly.

The following unit classes are currently available for subscription:

- Class I Units are available for subscription and are reserved to Institutional Investors;
- Class R Units are available for subscription to all investors.

All Classes of Units are available as Capitalisation Units (C and W) or Distributing Units (D).

At the date of the present financial statements, the following Classes of Units are issued:

Name of the Class of Units	Currency	Launch date
RC1 SEK	SEK	25th August 2017
RC10 SEK	SEK	13th November 2017
RC2 SEK	SEK	11th September 2017
RC8 SEK	SEK	25th August 2017
RC9 SEK	SEK	25th August 2017
IC4 SEK	SEK	13th November 2017

The Net Asset Value of each Class of Units of the Sub-Fund is calculated as of each business day in Luxembourg (the "Valuation Day"), except for 24th December in each year and for the Business Day falling within (i) the Spring Festival Golden Week during January or February and (ii) the National Day Golden Week from 1st to 7th October each year, during which markets are closed for trading.

The Fund's currency is the Swedish Krona (SEK).

## **AGCM Fund**

### **General information (continued)**

---

The Fund's reporting period begins on 1st October and ends on 30th September of each year. The Fund publishes an annual report drawn up as per 30th September and a semi-annual report as per 31st March.

These reports, as well as the Net Asset Value per unit, the sales prospectus, the Management Regulations and all information concerning the Fund are available for the unitholders at the registered office of the Management Company and the Global Distributor.



## AGCM Fund

### Report from the Investment Manager

---

#### Market review

AGCM Fund – Asia Growth Sub-Fund and AGCM Fund - China Stars Sub-Fund began the fiscal year on 1 October 2017 by a sharp increase in NAV on the back of strong reports from, among others, one of the core fund holdings, Alibaba, which saw revenue grow by 61% and net earnings by 71% for the quarter ending in September. In October, Asia Growth Sub-Fund's NAV increased by 6% for the RC SEK share class and China Stars Sub-Fund by 5% for the RC1 SEK share class. January started on a strong note with a turn-around in the A-share market and the positive sentiment continued in the first quarter encouraged by strong full year reports from leading Asian companies including Samsung Electronics, Tencent and Baidu which reported earnings growth of 83%, 74% and 57%, respectively.

In March, the National People's Congress appointed Liu He as the vice premier in charge of financial issues to head the Financial Stability and Development Committee which oversees the merged banking and insurance regulator. The policy direction staked out included a cut of non-standardized lending and a reduction of the systemic risks of the financial system. The liquidity in the market remained tight from the second half of 2017.

Financial markets were spooked by growing trade tensions, not least the Trump administration's announcement on 4 April to impose 25% tariffs on 1,333 itemized Chinese products worth about USD 50 billion per year to bring down the huge trade imbalances. Just a few hours later, China responded by announcing an additional 25% tariffs on US autos, aircraft and agricultural products. None-the-less, the markets continued the upward trajectory until 6 June when escalating global trade tensions weighed on investor sentiment. China's mainland A-share market fell over 10% in June to close to multiple-year lows. The US went ahead with the threat and imposed 25% duties on USD 34 billion of Chinese goods in July, and a further USD 16 billion of goods were included in August. China retaliated in kind to both moves. Another blow to investors' sentiment was Facebook's guidance during a conference call on 25 July of higher costs to comply with GDPR along with slower new user growth, which put pressure on global tech names including the Chinese internet companies Tencent, Alibaba and Baidu. The turn-around in investors' outlook for Asia in general, and China in particular, caused a continuous downward slide until mid-September. The perception held by international investors was that China would struggle under the burden of the imposed tariffs while on the contrary, the economy continued to deliver strong data. In August, for example, China published services and construction PMI of 54.2 (+0.2) and manufacturing PMI of 51.3 (+0.1). The Chinese central government continued its reform agenda for economic growth and modernization of the society. On 1 October, China passed the first personal income tax cut in seven years to stimulate domestic consumption. On the technology front, the number of Chinese internet users continued to rise, amounting to 802 million. China plans to have a nationwide fiber network by year 2021, alongside world leading 4G and 5G mobile networks.

## AGCM Fund

### Report from the Investment Manager (continued)

#### Performance review

AGCM Fund – Asia Growth Sub-Fund’s NAV increased by 5.16% from 30 September 2017 to 30 September 2018 for the main share class RC SEK. The key positive contributors to the return of the Sub-fund included pan-Asian life insurance company AIA, Korean electric battery manufacturer Samsung SDI and Singaporean bank DBS. The weakest contribution came from Chinese e-commerce company JD, Chinese bus manufacturer Zhengzhou Ytong Bus and Chinese miniaturized electric components manufacturer AAC.

AGCM Fund – China Stars Sub-Fund’s NAV fell by -2.82% from 9th\* of October 2017 to 30th September 2018 for the RC1 SEK share class. The Sub-fund’s best performers were pharmaceutical company Jiangsu Hengrui, telecom equipment vendor ZTE and health care company Sinopharm Group. The Sub-fund’s worst performers were miniaturized electric components manufacturer AAC, e-commerce company JD and Zhengzhou Ytong Bus.

#### Market Outlook

After the substantial decline in Chinese equity markets that was sparked by concerns of a negative impact by the Trump administration’s tariffs on Chinese exports to the US, and by the deleveraging campaign initiated by China’s government, the valuation of Chinese equities are quite low in a historical context and also compared to other major equity markets in the world. We believe investors have overreacted to both of these issues and that Chinese equity markets offer good upside from the current levels.

In many other countries, valuations of financial assets such as bonds and equities, as well as real estate, have for several years now been strongly impacted by the low interest rate environment and the quantitative easing programs employed by the major central banks around the world such as the Federal Reserve, the ECB and the Bank of Japan. There is a concern among many financial markets participants that a normalization of interest rates back to higher levels will be difficult without unsettling the bond and equity markets. We share these concerns, but we have a relatively more positive outlook for China which we believe has a more advantageous macro-economic backdrop with a large trade surplus, a large currency reserve, a high economic growth rate and a currency reserve over which its central bank has a high degree of control. China’s domestic A-share market is becoming increasingly attractive as young growth companies, particularly in new technologies, take a larger share of the market and corporate governance improves.

Despite the current trade dispute with the US, China continues to develop largely in line with the plans by the leaders in Beijing. We expect China’s equity markets to continue to grow rapidly and that China will be the home to a growing number of the world’s leading corporations. From an investment point of view, we see many good years ahead.

Luxembourg, 07th November 2018

The Investment Manager

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

\* The week after the 30 September 2017 was the National Day Golden week. Hence, no NAV was calculated from the 2nd until the 6th of October 2017.



## Audit report

To the Unitholders of  
AGCM Fund

---

### *Our opinion*

In our opinion, the accompanying financial statements give a true and fair view of the financial position of AGCM Fund and of each of its sub-funds (the "Fund") as at 30th September 2018, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

### *What we have audited*

The Fund's financial statements comprise:

- the combined statement of net assets for the Fund and the statement of net assets for each of the sub-funds as at 30th September 2018;
- the statement of investments and other net assets as at 30th September 2018;
- the combined statement of operations and other changes in net assets for the Fund and the statement of operations and other changes in net assets for each of the sub-funds for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

---

### *Basis for opinion*

We conducted our audit in accordance with the Law of 23rd July 2016 on the audit profession (Law of 23rd 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 the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the financial statements" section of our report.

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

We are independent of the Fund 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. We have fulfilled our other ethical responsibilities under those ethical requirements.

---

### *Other information*

The Board of Directors of the Management Company is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our audit report thereon.

*PricewaterhouseCoopers, Société coopérative, 2 rue Gerhard Mercator, B.P. 1443, L-1014 Luxembourg  
T: +352 494848 1, F: +352 494848 2900, www.pwc.lu*

*Cabinet de révision agréé. Expert-comptable (autorisation gouvernementale n°10028256)  
R.C.S. Luxembourg B 65 477 - TVA LU25482518*



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 identified above 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 that fact. We have nothing to report in this regard.

---

*Responsibilities of the Board of Directors of the Management Company for the financial statements*

The Board of Directors of the Management Company is responsible for the preparation and fair presentation of the 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 Management Company 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 Management Company 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 Management Company either intends to liquidate the Fund 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*

The objectives of our audit 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 an audit report 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 23rd 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 23rd July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism 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 the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Management Company;
- conclude on the appropriateness of the Board of Directors of the Management Company'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. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report 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 audit report. 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.

PricewaterhouseCoopers, Société coopérative  
Represented by

Luxembourg, 21st January 2019

A handwritten signature in blue ink, appearing to read 'TB', with a long, sweeping horizontal line extending to the right.

Thierry Blondeau

## AGCM Fund

### Combined statement of net assets (in SEK)

as at 30th September 2018

#### Assets

Securities portfolio at market value	1,360,519,125.28
Cash at banks	29,179,181.10
Formation expenses, net	451,796.34
Receivable on issues of units	205,174.33
Income receivable on portfolio	1,433,299.90
Prepaid expenses	250,330.04
Total assets	1,392,038,906.99

#### Liabilities

Bank overdrafts	646,493.18
Payable on redemptions of units	659,899.08
Expenses payable	3,078,457.22
Total liabilities	4,384,849.48
Net assets at the end of the year	1,387,654,057.51

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

## AGCM Fund

### Combined statement of operations and other changes in net assets (in SEK)

from 1st October 2017 to 30th September 2018

<b><u>Income</u></b>	
Dividends, net	21,822,555.85
Interest on bank accounts	222,795.22
Other income	191,544.76
Total income	22,236,895.83
<b><u>Expenses</u></b>	
Management fees	20,981,398.47
Performance fees	4,073,643.11
Depository fees	611,239.38
Banking charges and other fees	5,263.89
Transaction fees	3,429,833.22
Central administration costs	1,410,167.17
Professional fees	292,995.74
Other administration costs	2,363,260.78
Subscription duty ("taxe d'abonnement")	655,843.24
Bank interest paid	124,178.34
Other expenses	246,004.05
Total expenses	34,193,827.39
Net investment loss	-11,956,931.56
<b><u>Net realised gain/(loss)</u></b>	
- on securities portfolio	117,951,420.43
- on forward foreign exchange contracts	-8,633.50
- on foreign exchange	249,398.15
Realised result	106,235,253.52
<b><u>Net variation of the unrealised gain/(loss)</u></b>	
- on securities portfolio	-51,663,504.73
Result of operations	54,571,748.79
Dividends paid	-1,578,177.99
Subscriptions	608,944,571.99
Redemptions	-535,618,496.67
Total changes in net assets	126,319,646.12
Total net assets at the beginning of the year	1,261,334,411.39
Total net assets at the end of the year	1,387,654,057.51

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

## AGCM Fund - Asia Growth Sub-Fund

### Statement of net assets (in SEK)

as at 30th September 2018

#### Assets

Securities portfolio at market value	1,038,321,370.45
Cash at banks	21,746,372.35
Formation expenses, net	138,874.49
Receivable on issues of units	197,174.43
Income receivable on portfolio	1,101,401.75
Prepaid expenses	185,920.23
Total assets	1,061,691,113.70

#### Liabilities

Bank overdrafts	646,160.10
Payable on redemptions of units	67,073.15
Expenses payable	2,537,214.38
Total liabilities	3,250,447.63

Net assets at the end of the year	1,058,440,666.07
-----------------------------------	------------------

#### Breakdown of net assets per unit class

Unit class	Number of units	Currency of unit class	NAV per unit in currency of unit class	Net assets per unit class (in SEK)
FC SEK	861,687.302	SEK	117.42	101,182,952.95
ID SEK	494,959.262	SEK	114.75	56,795,383.14
PC SEK	902,270.588	SEK	128.68	116,106,420.14
RC EUR	3,841.012	EUR	106.85	4,240,176.37
RC SEK	3,511,138.866	SEK	141.55	497,015,514.56
RC USD	9,736.396	USD	143.34	12,413,283.29
WP EUR	220,037.047	EUR	119.08	270,686,935.62
				1,058,440,666.07

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



## AGCM Fund - Asia Growth Sub-Fund

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

from 1st October 2017 to 30th September 2018

<b><u>Income</u></b>	
Dividends, net	16,904,950.13
Interest on bank accounts	181,614.49
Other income	189,216.86
Total income	17,275,781.48
<b><u>Expenses</u></b>	
Management fees	17,083,759.79
Performance fees	153,623.32
Depository fees	471,278.31
Banking charges and other fees	3,401.95
Transaction fees	2,318,408.75
Central administration costs	838,062.95
Professional fees	163,286.55
Other administration costs	1,678,202.40
Subscription duty ("taxe d'abonnement")	531,880.59
Bank interest paid	85,287.15
Other expenses	166,288.05
Total expenses	23,493,479.81
Net investment loss	-6,217,698.33
<b><u>Net realised gain/(loss)</u></b>	
- on securities portfolio	86,430,750.48
- on foreign exchange	-651,512.89
Realised result	79,561,539.26
<b><u>Net variation of the unrealised gain/(loss)</u></b>	
- on securities portfolio	-25,669,194.66
Result of operations	53,892,344.60
Dividends paid	-1,578,177.99
Subscriptions	240,751,366.03
Redemptions	-209,766,666.60
Total changes in net assets	83,298,866.04
Total net assets at the beginning of the year	975,141,800.03
Total net assets at the end of the year	1,058,440,666.07

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

## AGCM Fund - Asia Growth Sub-Fund

### Statistical information (in SEK)

as at 30th September 2018

<b>Total net assets</b>	<b>Currency</b>	<b>30.09.2016</b>	<b>30.09.2017</b>	<b>30.09.2018</b>
	SEK	782,191,886.80	975,141,800.03	1,058,440,666.07
<b>Net asset value per unit</b>	<b>Currency</b>	<b>30.09.2016</b>	<b>30.09.2017</b>	<b>30.09.2018</b>
FC SEK	SEK	-	111.22	117.42
ID SEK	SEK	103.73	112.30	114.75
PC SEK	SEK	108.79	121.91	128.68
RC EUR	EUR	97.65	108.79	106.85
RC SEK	SEK	120.56	134.61	141.55
RC USD	USD	126.76	148.53	143.34
WP EUR	EUR	107.47	119.55	119.08
<b>Number of units</b>	<b>outstanding at the beginning of the year</b>	<b>issued</b>	<b>redeemed</b>	<b>outstanding at the end of the year</b>
FC SEK	363,958.454	699,069.594	-201,340.746	861,687.302
ID SEK	468,302.074	26,657.188	-	494,959.262
PC SEK	893,381.928	9,230.839	-342.179	902,270.588
RC EUR	3,746.911	245.251	-151.150	3,841.012
RC SEK	3,794,911.990	861,604.245	-1,145,377.369	3,511,138.866
RC USD	9,700.872	35.524	-	9,736.396
WP EUR	213,784.300	22,184.896	-15,932.149	220,037.047
<b>Dividends paid</b>	<b>Currency</b>	<b>Dividend per share</b>		<b>Ex-dividend date</b>
ID SEK	SEK	3.37		16.10.2017

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

## AGCM Fund - Asia Growth Sub-Fund

### Statement of investments and other net assets (in SEK)

as at 30th September 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>					
CNY	700,000	Hangzhou Hikvision Dig Tec Co Ltd A	25,926,142.64	26,046,151.90	2.46
CNY	259,762	Jiangsu Hengrui Medicine Co Ltd A	15,587,833.17	21,355,419.64	2.02
CNY	449,928	Midea Gr Co Ltd A	25,593,244.53	23,475,066.56	2.22
CNY	799,957	Zhengzhou Yutong Bus Co Ltd A	21,737,602.35	15,193,419.25	1.44
			88,844,822.69	86,070,057.35	8.14
HKD	160,000	AAC Technologies Hgs Inc	21,581,624.24	14,785,380.70	1.40
HKD	670,000	AIA Group Ltd	38,456,460.60	53,232,144.41	5.03
HKD	1,600,000	China Intl Capital Co Ltd Reg S H Ser 144A	20,398,467.99	26,297,245.39	2.48
HKD	2,000,000	China Overseas Land & Inv Ltd	55,742,943.86	55,695,237.89	5.26
HKD	1,300,000	China Resources Land Ltd	37,124,670.05	40,487,028.03	3.82
HKD	2,500,000	Citic Securities Co Ltd H	48,073,939.07	39,554,985.28	3.74
HKD	800,000	CSPC Pharmaceutical Gr Ltd	18,110,555.64	15,112,732.31	1.43
HKD	2,000,000	Great Wall Motor Co Ltd H	17,990,125.45	11,343,642.33	1.07
HKD	1,000,000	Guangzhou Automobile Gr Co Ltd H	7,718,096.73	9,854,647.19	0.93
HKD	3,000,000	Industr & Cial Bk of China Ltd H	16,199,052.20	19,504,699.64	1.84
HKD	1,600,000	Shanghai Pharmaceuti Hg Co Ltd H	35,825,293.27	35,572,207.45	3.36
HKD	1,600,000	Sino Biopharmaceutical Ltd	17,332,121.05	13,275,926.09	1.25
HKD	400,000	Sinopharm Group Co Ltd H	15,255,453.27	17,413,286.62	1.64
HKD	210,000	Tencent Holdings Ltd	72,751,326.23	77,145,860.94	7.29
HKD	100,000	WuXi Biologics Inc Reg Ser 144A	7,438,643.99	8,996,485.88	0.85
HKD	500,000	Xiaomi Corp B Reg S Reg Unitary 144A	9,298,651.29	8,808,940.69	0.83
HKD	1,200,000	ZTE Corp H	16,321,027.98	19,559,258.24	1.85
			455,618,452.91	466,639,709.08	44.07
IDR	4,500,000	Bank Mandiri (PT) Tbk	21,923,344.98	18,063,583.36	1.71
IDR	10,000,000	Bank Rakyat Indonesia (PT) Tbk	14,387,259.31	18,802,242.90	1.78
			36,310,604.29	36,865,826.26	3.49
KRW	6,000	Amorepacific Corp (New)	15,209,876.95	12,553,601.59	1.19
KRW	8,500	NAVER Corp	45,855,449.29	48,787,496.36	4.61
KRW	159,000	Samsung Electronics Co Ltd	47,240,043.59	59,205,141.93	5.59
KRW	20,000	Samsung SDI Co Ltd	30,654,112.96	41,444,521.23	3.92
			138,959,482.79	161,990,761.11	15.31
SGD	200,000	DBS Group Holdings Ltd	21,148,646.65	33,970,755.50	3.21
USD	55,000	Alibaba Group Holding Ltd ADR repr 1 Share	72,691,432.88	80,601,992.55	7.61
USD	20,000	Baidu Inc ADR repr 0.1 Share A	35,526,466.63	40,680,799.97	3.84
USD	20,000	Ctrip.Com Intl Ltd ADR Repr 1/8 Shares	7,171,818.10	6,612,319.99	0.62
USD	180,000	JD.com Inc spons ADR repr 2 Shares A	56,706,713.50	41,771,290.19	3.95
USD	11,000	Netease Inc ADR Repr 1 Share	23,981,705.60	22,332,368.05	2.11
USD	115,000	Taiwan Semiconduct Mfg Co Ltd ADR repr 5 Shares	24,716,050.72	45,170,844.53	4.27
USD	50,000	Yum China Holdings Inc	14,295,329.03	15,614,645.87	1.48
			235,089,516.46	252,784,261.15	23.88
Total investments in securities			975,971,525.79	1,038,321,370.45	98.10
Cash at banks				21,746,372.35	2.05
Bank overdrafts				-646,160.10	-0.06
Other net assets/(liabilities)				-980,916.63	-0.09
Total				1,058,440,666.07	100.00

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

## AGCM Fund - Asia Growth Sub-Fund

### Industrial and geographical classification of investments as at 30th September 2018

---

#### Industrial classification

(in percentage of net assets)

Technologies	39.36 %
Financials	19.79 %
Cyclical consumer goods	18.13 %
Healthcare	10.55 %
Real estate	9.08 %
Non-cyclical consumer goods	1.19 %
Total	<u>98.10 %</u>

#### Geographical classification

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

Cayman Islands	31.46 %
China	27.16 %
South Korea	15.31 %
Hong Kong	11.72 %
Taiwan	4.27 %
Indonesia	3.49 %
Singapore	3.21 %
United States of America	1.48 %
Total	<u>98.10 %</u>

## AGCM Fund - China Stars Sub-Fund

### Statement of net assets (in SEK)

as at 30th September 2018

#### Assets

Securities portfolio at market value	322,197,754.83
Cash at banks	7,432,808.75
Formation expenses, net	312,921.85
Receivable on issues of units	7,999.90
Income receivable on portfolio	331,898.15
Prepaid expenses	64,409.81
Total assets	330,347,793.29

#### Liabilities

Bank overdrafts	333.08
Payable on redemptions of units	592,825.93
Expenses payable	541,242.84
Total liabilities	1,134,401.85

Net assets at the end of the year	329,213,391.44
-----------------------------------	----------------

#### Breakdown of net assets per unit class

Unit class	Number of units	Currency of unit class	NAV per unit in currency of unit class	Net assets per unit class (in SEK)
RC1 SEK	469,788.624	SEK	101.50	47,683,674.29
RC10 SEK	866,030.538	SEK	92.74	80,315,254.17
RC2 SEK	18,530.239	SEK	102.56	1,900,546.85
RC8 SEK	452,411.814	SEK	102.71	46,465,653.09
RC9 SEK	228,020.538	SEK	103.89	23,689,272.31
IC4 SEK	1,415,072.882	SEK	91.27	129,158,990.73
				329,213,391.44

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

## AGCM Fund - China Stars Sub-Fund

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

from 1st October 2017 to 30th September 2018

<b><u>Income</u></b>	
Dividends, net	4,917,605.72
Interest on bank accounts	41,180.73
Other income	2,327.90
Total income	4,961,114.35
<b><u>Expenses</u></b>	
Management fees	3,897,638.68
Performance fees	3,920,019.79
Depository fees	139,961.07
Banking charges and other fees	1,861.94
Transaction fees	1,111,424.47
Central administration costs	572,104.22
Professional fees	129,709.19
Other administration costs	685,058.38
Subscription duty ("taxe d'abonnement")	123,962.65
Bank interest paid	38,891.19
Other expenses	79,716.00
Total expenses	10,700,347.58
Net investment loss	-5,739,233.23
<b><u>Net realised gain/(loss)</u></b>	
- on securities portfolio	31,520,669.95
- on forward foreign exchange contracts	-8,633.50
- on foreign exchange	900,911.04
Realised result	26,673,714.26
<b><u>Net variation of the unrealised gain/(loss)</u></b>	
- on securities portfolio	-25,994,310.07
Result of operations	679,404.19
Subscriptions	368,193,205.96
Redemptions	-325,851,830.07
Total changes in net assets	43,020,780.08
Total net assets at the beginning of the year	286,192,611.36
Total net assets at the end of the year	329,213,391.44

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

## AGCM Fund - China Stars Sub-Fund

### Statistical information (in SEK)

as at 30th September 2018

Total net assets	Currency	30.09.2017	30.09.2018
	SEK	286,192,611.36	329,213,391.44

  

Net asset value per unit	Currency	30.09.2017	30.09.2018
RC1 SEK	SEK	102.21	101.50
RC10 SEK	SEK	-	92.74
RC2 SEK	SEK	102.48	102.56
RC8 SEK	SEK	102.26	102.71
RC9 SEK	SEK	102.44	103.89
IC4 SEK	SEK	-	91.27
IC3 SEK	SEK	102.83	-

  

Number of units	outstanding at the beginning of the year	issued	redeemed	outstanding at the end of the year
RC1 SEK	85,683.658	512,214.030	-128,109.064	469,788.624
RC10 SEK	-	997,415.538	-131,385.000	866,030.538
RC2 SEK	10,000.000	8,530.239	-	18,530.239
RC8 SEK	267,299.558	188,112.256	-3,000.000	452,411.814
RC9 SEK	914,970.008	168,658.499	-855,607.969	228,020.538
IC4 SEK	-	1,721,994.882	-306,922.000	1,415,072.882
IC3 SEK	1,510,705.642	2,344.787	-1,513,050.429	-

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

## AGCM Fund - China Stars Sub-Fund

### Statement of investments and other net assets (in SEK)

as at 30th September 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>					
CNY	120,000	Gree Electric Appliances Inc A	5,563,807.88	6,245,483.48	1.90
CNY	449,859	Hangzhou Hikvision Dig Tec Co Ltd A	18,042,632.45	16,738,708.35	5.08
CNY	219,902	Inner Mongolia Y Ind Gr Co Ltd A	6,361,978.06	7,311,104.03	2.22
CNY	156,000	Jiangsu Hengrui Medicine Co Ltd A	8,959,300.71	12,824,991.58	3.90
CNY	340,000	Midea Gr Co Ltd A	17,858,081.51	17,739,555.29	5.39
CNY	629,901	Qingdao Haier Co Ltd A	12,842,314.41	13,472,280.17	4.09
CNY	120,000	SAIC Motor Corp Ltd A	5,094,190.68	5,170,390.31	1.57
CNY	480,000	Zhengzhou Yutong Bus Co Ltd A	11,969,966.87	9,116,541.56	2.77
			86,692,272.57	88,619,054.77	26.92
HKD	200,000	3SBio Inc	2,578,659.29	2,991,629.92	0.91
HKD	90,000	AAC Technologies Hgs Inc	12,767,293.54	8,316,776.65	2.53
HKD	700,000	China Intl Capital Co Ltd Reg S H Ser 144A	11,233,309.37	11,505,044.86	3.50
HKD	600,000	China Overseas Land & Inv Ltd	16,736,888.58	16,708,571.37	5.08
HKD	400,000	China Resources Land Ltd	11,791,873.45	12,457,547.09	3.78
HKD	900,000	Citic Securities Co Ltd H	16,239,595.03	14,239,794.70	4.33
HKD	300,000	CSPC Pharmaceutical Gr Ltd	5,852,028.86	5,667,274.61	1.72
HKD	900,000	Great Wall Motor Co Ltd H	8,095,556.45	5,104,639.05	1.55
HKD	800,000	Guangzhou Automobile Gr Co Ltd H	6,227,480.73	7,883,717.76	2.40
HKD	1,100,000	Huatai Securities Co Ltd	17,687,544.85	14,028,380.12	4.26
HKD	1,000,000	Industr & Cial Bk of China Ltd H	7,256,404.15	6,501,566.55	1.98
HKD	600,000	Shanghai Pharmaceuti Hg Co Ltd H	13,224,918.57	13,339,577.79	4.05
HKD	600,000	Sino Biopharmaceutical Ltd	6,517,179.68	4,978,472.29	1.51
HKD	100,000	Sinopharm Group Co Ltd H	3,531,275.30	4,353,321.66	1.32
HKD	65,000	Tencent Holdings Ltd	25,943,467.29	23,878,480.77	7.25
HKD	30,000	WuXi Biologics Inc Reg Ser 144A	2,231,593.19	2,698,945.76	0.82
HKD	150,000	Xiaomi Corp B Reg S Reg Unitary 144A	2,789,595.39	2,642,682.21	0.80
HKD	600,000	ZTE Corp H	8,451,315.37	9,779,629.12	2.97
			179,155,979.09	167,076,052.28	50.76
USD	16,000	Alibaba Group Holding Ltd ADR repr 1 Share	24,504,625.10	23,447,852.38	7.12
USD	7,000	Baidu Inc ADR repr 0.1 Share A	13,697,788.39	14,238,279.99	4.33
USD	10,000	Ctrip.Com Intl Ltd ADR Repr 1/8 Shares	4,080,007.58	3,306,159.99	1.00
USD	46,000	JD.com Inc spons ADR repr 2 Shares A	15,536,894.62	10,674,885.27	3.24
USD	5,000	Netease Inc ADR Repr 1 Share	10,896,257.13	10,151,076.39	3.08
USD	15,000	Yum China Holdings Inc	5,037,936.34	4,684,393.76	1.42
			73,753,509.16	66,502,647.78	20.19
Total investments in securities			339,601,760.82	322,197,754.83	97.87
Cash at banks				7,432,808.75	2.26
Bank overdrafts				-333.08	0.00
Other net assets/(liabilities)				-416,839.06	-0.13
Total				329,213,391.44	100.00

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



## AGCM Fund - China Stars Sub-Fund

### Industrial and geographical classification of investments

as at 30th September 2018

#### Industrial classification

(in percentage of net assets)

Technologies	32.36 %
Cyclical consumer goods	26.13 %
Healthcare	14.23 %
Financials	14.07 %
Real estate	8.86 %
Non-cyclical consumer goods	2.22 %
Total	<u>97.87 %</u>

#### Geographical classification

(by domicile of the issuer)

(in percentage of net assets)

China	56.36 %
Cayman Islands	33.29 %
Hong Kong	6.80 %
United States of America	1.42 %
Total	<u>97.87 %</u>

### Notes to the financial statements

as at 30th September 2018

---

#### Note 1 - Significant accounting policies

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

The financial statements of the Fund are prepared in accordance with Luxembourg legal and regulatory requirements concerning Undertakings for Collective Investment and with generally accepted accounting principles in Luxembourg.

The financial statements are presented on the basis of the Net Asset Value of the Compartments calculated on 30th September 2018. In accordance with the prospectus, the last official trading Net Asset Values of the corresponding Compartments have been calculated on 28th September 2017 as the Net Asset Values are not calculated on 30th September 2018. Nevertheless, additional Net Asset Values have been calculated for the 30th September 2018 for reporting purposes which are disclosed in these financial statements.

##### b) Valuation

- 1) Securities listed on Regulated Markets, which operate regularly and are recognised and open to the public, are valued at the last available price; in the event that there are several such markets, on the basis of the last available price of the main market for the relevant security. Should the last available price for a given security not truly reflect its fair market value, then that security is valued on the basis of the probable sales price which the Management Company deems it is prudent to assume.
- 2) Securities not listed on Regulated Markets, which operate regularly and are recognised and open to the public, are valued on the basis of their last available price. Should the last available price for a given security not truly reflect its fair market value, then that security is valued on the basis of the probable sales price which the Management Company deems it is prudent to assume.
- 3) The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interests declared or accrued as aforesaid, and not yet received is deemed to be the full amount thereof, unless, however, the same is unlikely to be paid or received in full, in which case the value thereof is determined after making such discount as the Management Company may consider appropriate in such case to reflect the true value thereof.
- 4) The value of futures, forward and options contracts (or any other derivative instruments) that are not traded on a Regulated Market or stock exchange is determined pursuant to the policies established in good faith by the Board of Directors of the Management Company. The valuation method for each type of derivative is consistently applied. The liquidating value of futures, forward and options contracts (or any other derivative instruments) traded on Regulated Markets or stock exchanges is based upon the last available settlement prices of these contracts on Regulated Markets or stock exchanges on which the particular futures, forward or options contracts (or any other derivative instruments) are traded by the Fund, provided that if a futures, forward or options contracts (or any other derivative instruments) could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contract is such value as the Board of Directors of the Management Company may deem fair and reasonable.

## AGCM Fund

### Notes to the financial statements (continued)

as at 30th September 2018

c) Net realised gain/(loss) on securities portfolio

The net realised gain/(loss) on securities portfolio is determined on the basis of the average cost of securities sold.

d) Cost of securities

The acquisition cost of a security denominated in a currency other than that of the Sub-Fund is converted to the Sub-Fund's currency at the exchange rate prevailing on the date of purchase.

e) Exchange translation

Bank balances, other assets and liabilities and the value of securities held that are denominated in other currencies than the Sub-Fund's currency are converted at the prevailing exchange rate of the closing day. Income and expenses incurred in currencies other than the Sub-Fund's currency are converted at the prevailing exchange rate of the day of each transaction. Exchange gains and losses are disclosed in the statement of operations and other changes in net assets.

At the date of the financial statements, the prevailing exchange rates on the closing day were as follows:

1	SEK	=	0.7723982	CNY	Chinese Yuan Renminbi
			0.0967942	EUR	Euro
			0.8797880	HKD	Hong Kong Dollar
			1,675.3320424341	IDR	Indonesian Rupiah
			124.7450771974	KRW	South Korean Won
			0.1536027	SGD	Singapore Dollar
			3.4264225	TWD	New Taiwan Dollar
			0.1124265	USD	US Dollar

f) Combined financial statements

The combined financial statements of the Fund are expressed in SEK and are equal to the sum of the corresponding captions in the financial statements of each Sub-Fund.

g) Formation expenses

Expenses incurred in connection with the establishment of the Fund and the creation of the Sub-Funds are amortised over a period of five years. Each Class of units is charged with all costs and expenses directly attributable to it. Any costs, which are not attributable to a Class of units, are charged in proportion to their assets.

If the launch of a Sub-Fund occurs after the launch date of the Fund, the formation expenses related to the launch of the new Sub-Fund is charged to such Sub-Fund alone and may be amortised over a maximum of five years with effect as from the Sub-Fund's launch date.

Amortisation of formation expenses are included in the caption "Other expenses" in the statement of operations and other changes in net assets.

h) Investment income

Dividend income is recognised on an ex-dividend basis and is recorded net of withholding tax.

i) Forward foreign exchange contracts

Forward foreign exchange contracts are valued at prevailing market rates for the remaining period from valuation day to the maturity of the contracts. Unrealised gain/(loss) is disclosed in the statement of net assets. Net variation of the unrealised gain/(loss) and the net realised gain/(loss) are disclosed in the statement of operations and other changes in net assets.

## AGCM Fund

### Notes to the financial statements (continued)

as at 30th September 2018

#### j) Transaction fees

Transaction costs disclosed under the caption "Transaction fees" in the expenses of the statement of operations and other changes in net assets are mainly composed of broker fees and redemption fees incurred by the Fund relating to purchases or sales of securities, of fees relating to liquidation of transactions paid to the Depository and of transaction fees on financial and on derivatives instruments.

#### **Note 2 - Subscription, redemption and conversion fee**

No subscription, no redemption and no conversion fees are applied to the Sub-Funds at the moment.

#### **Note 3 - Management fee**

The Management Company receives an infrastructure fee, accrued daily and payable monthly in arrears, of maximum 0.085% p.a. of the net assets of each Sub-Fund, subject to an annual minimum of EUR 25,000.

In addition, each Sub-Fund pays to the Management Company a fixed fee of maximum EUR 12,000 p.a. in connection with the risk management and compliance monitoring.

Furthermore, the Management Company is entitled to be reimbursed out of the assets of the Sub-Funds for its reasonable out of pocket expenses and disbursements.

The Investment Manager receives the following investment management services fees for AGCM Fund - Asia Growth Sub-Fund:

<b>Class of Units</b>	<b>Investment management services fee</b>	<b>Research fee</b>
FC SEK	1.45% p.a.	up to 0.3% p.a.
ID SEK	1.85% p.a.	up to 0.3% p.a.
PC SEK	1.50% p.a.	up to 0.3% p.a.
RC EUR	1.85% p.a.	up to 0.3% p.a.
RC SEK	1.85% p.a.	up to 0.3% p.a.
RC USD	1.85% p.a.	up to 0.3% p.a.
WP EUR	0.60% p.a.	up to 0.3% p.a.

## AGCM Fund

### Notes to the financial statements (continued)

as at 30th September 2018

The Investment Manager receives the following investment management services fees for AGCM Fund - China Stars Sub-Fund:

Class of Units	Investment management services fee	Research fee
RC1 SEK	1.350% p.a.	up to 0.3% p.a.
RC10 SEK	1.450% p.a.	up to 0.3% p.a.
RC2 SEK	1.150% p.a.	up to 0.3% p.a.
RC8 SEK	0.850% p.a.	up to 0.3% p.a.
RC9 SEK	1.550% p.a.	up to 0.3% p.a.
IC3 SEK	0.700% p.a.	up to 0.3% p.a.
IC4 SEK	0.500% p.a.	up to 0.3% p.a.

The Investment Manager receives the investment management services fees per annum of the net assets of the Sub-Funds, accrued daily and payable monthly or quarterly in arrears.

These fees are disclosed under the caption "Management fees" in the statement of operations and other changes in net assets.

#### **Note 4 - Performance fee**

##### - For AGCM Fund - Asia Growth Sub-Fund

In addition to the investment management services fee, a performance fee is calculated and charged as follows for the PC SEK Unit class, as specified in the table below and in accordance with the principles outlined below.

Performance Fee Mechanism	Relative Benchmark
Performance Fee Calculation Period	annually
Performance Fee Benchmark	MXASJ
Performance Fee Rate	20%

The performance fee is accrued daily based on the outstanding number of Units on the Valuation Day and payable annually based on the outperformance of the Net Asset Value per Unit versus the benchmark during the calculation period. Outperformance can also occur in periods where both the benchmark and the Net Asset Value per Unit decrease.

Further and in addition to the investment management services fee, a performance fee is calculated and charged as follows for the WP EUR Unit class, as specified in the table below and in accordance with the principles outlined below.

Performance Fee Mechanism	High Water Mark
Performance Fee Calculation Period	yearly
Performance Fee Benchmark	EUR003M + 5% annual rate
Performance Fee Rate	20%

The performance fee is accrued daily based on the outstanding number of Units on the Valuation Day and payable yearly (as per the last business day of the calendar year) based on the performance of the Net Asset Value per Unit above the benchmark during the calculation period. Should no performance fee be payable at the end of the calculation period, the calculation period is extended to the end of the next calendar year. High Water Mark principle applies. The High Water Mark is the greater of the Net Asset Value per Unit at the time of issue and the

## AGCM Fund

### Notes to the financial statements (continued)

as at 30th September 2018

highest Net Asset Value per Unit achieved as at the end of any previous Calculation Period where performance fee was paid.

In the event that an investor redeems Units prior to the end of the calculation period, any accrued but unpaid performance fee relating to those Unit classes is crystallised and paid to the Investment Manager at the last Valuation Day of the calculation period.

#### - For AGCM Fund - China Stars Sub-Fund

In addition to the investment management services fee, a performance fee of 10% of the total net return will be calculated and charged for the share classes RC1 SEK, RC2 SEK, RC8 SEK, IC3 SEK and IC4 SEK.

The performance fee is accrued daily based on the number of units on the Valuation Day and payable quarterly based on the performance of the Net Asset Value per unit. The performance fee is charged collectively to the unit holders. A High Water Mark principle shall apply which means that a performance fee is only charged if there has been a positive return to unit holders since such fee was previously charged to the Net Asset Value. The High Water Mark is the greater of the Net Asset Value per Unit at the time of issue and the Net Asset Value per Unit (after the deduction of performance fees) achieved at the end of the previous calculation period for which a performance fee was calculated and paid.

In the event that an investor redeems Units prior to the end of the calculation period, any accrued but unpaid performance fee relating to those Unit classes shall be crystallised and paid to the Investment Manager at the last Valuation Day of the calculation period.

At the date of the financial statements, a performance fee was disclosed for the following Sub-Funds and amounted to:

AGCM Fund - Asia Growth Sub-Fund	SEK	153,623.32
AGCM Fund – China Stars Sub-Fund	SEK	3,920,019.79

#### Note 5 - Central administration costs

The Central Administration Agent is entitled to receive an administration fee consisting of a flat fee of EUR 25,000 p.a. plus a variable fee of maximum 0.04% p.a. which is payable monthly in arrears out of the Sub-Funds' assets.

The Central Administration Agent is further more entitled to receive out of the Sub-Funds' assets, in respect of the register and transfer agent function a further fee of max. EUR 8,000 and an additional fee of EUR 1,800 for each additional Class of Units in accordance with Luxembourg customary banking practice.

## **AGCM Fund**

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

as at 30th September 2018

---

#### **Note 6 - Depositary Fees**

The Depositary is entitled to receive a supervisory fee of 0.0175%, calculated monthly on the net asset value and payable monthly in arrears out of the Sub-Funds' assets. Furthermore, the depositary fee is understood to be an annual percentage, calculated per market, monthly on the assets under Depositary and payable monthly in arrears out of the assets of the Sub-Funds.

#### **Note 7 - Subscription duty ("*taxe d'abonnement*")**

The Fund is governed by Luxembourg law.

Pursuant to the legislation and regulations which are prevailing, the Fund 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 the Sub-Funds on the last day of each quarter.

The rate of this tax is reduced to 0.01% of the value of the net assets for Sub-Funds or Classes of Unit reserved for Institutional Investors.

According 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 8 - Forward foreign exchange contracts**

As at 30th September 2018, the Fund is not committed in any forward foreign exchange contracts.

#### **Note 9 - Swing pricing**

Under certain circumstances (for example, large volumes of deals) investment and/or disinvestment costs may have an adverse effect on the Unitholders' interests in a Sub-Fund. In order to prevent this effect, called "dilution", the Management Company has the authority to allow for the Net Asset Value per Unit to be adjusted by effective dealing and other costs and fiscal charges which would be payable on the effective acquisition or disposal of assets in the relevant Sub-Fund if the net capital activity exceeds, as a consequence of the sum of all subscriptions, redemptions or conversions in such a Sub-Fund, such threshold percentage (the "Threshold") as may be determined from time to time by the Management Company, of the Sub-Fund's total net assets on a given Valuation Day.

Description of the swing pricing procedure:

If the net capital activity for a given Valuation Day leads to a net inflow of assets in excess of the Threshold in the relevant Sub-Fund, the Net Asset Value used to process all subscriptions, redemptions or conversions in such a Sub-Fund is adjusted upwards by the swing factor that shall be determined from time to time by the Management Company but will not exceed 1% of the relevant Net Asset Value.

## **AGCM Fund**

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

as at 30th September 2018

---

If the net capital activity for a given Valuation Day leads to a net outflow of assets in excess of the Threshold in the relevant Sub-Fund, the Net Asset Value used to process all subscriptions, redemptions or conversions in such a Sub-Fund is adjusted downwards by the swing factor that shall be determined from time to time by the Management Company but will not exceed 1% of the relevant Net Asset Value.

There was no "Swing Pricing" applied for the Net Asset Value as at 30th September 2018 for the Sub-Funds.

#### **Note 10 - Changes in investments**

The statement of changes in investment portfolio for the period covered by the report is available free of charge upon request at the registered office of the Management Company of the Fund.

#### **Note 11 – Subsequent event**

FundRock Management Company S.A. has completed the acquisition of SEB Fund Services S.A. from Skandinaviska Enskilda Banken AB (publ) on the 15th November 2018. The deal was first announced on 22nd May 2018 and concluded following regulatory approval of the Commission de Surveillance du Secteur Financier. SEB Fund Services S.A. was renamed into FundRock Nordics S.A. on the 15th November 2018. On the 21st December 2018 FundRock Nordics S.A. was merged into FundRock Management Company S.A..



## **AGCM Fund**

### **Additional information (unaudited)**

as at 30th September 2018

---

#### **1 - Risk management**

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

The Board of Directors of the Management Company decided to adopt the commitment approach as a method of determining the global exposure.

#### **2 - Remuneration disclosure**

SEB Fund Services S.A. (SEB) as AIFM (Alternative Investment Fund Manager)/Management Company has implemented a Remuneration policy that is designed to encourage good performance and behavior, and seeks to achieve a balanced risk-taking that goes in line with shareholders'/unitholders' expectations.

In SEB, there is clear distinction between the criteria for setting fixed remuneration (e.g. base pay, pension and other benefits) and variable remuneration (e.g. short- and long-term variable remuneration). The individual total remuneration corresponds to requirements on task complexity, management and functional accountability and also related to the individual's performance.

SEB provides a sound balance between fixed and variable remuneration and aligns the payout horizon of variable pay with the risk horizon. This implies that certain maximum levels and deferral arrangements apply for different categories of employees.

The amount below represents the proportion of the total remuneration on calendar year 2017 and adjusted according to the number of full time employees during the year 2017 and identified staff (i.e. the aggregate amount of remuneration broken down by senior management and members of staff of the AIFM/Management Company whose actions have a material impact on the risk profile of the funds). This amount is further proportioned to the total net asset value of each fund, taking into account UCITS and non-UCITS.

## AGCM Fund

### Additional information (unaudited) (continued)

as at 30th September 2018

The calculation of remuneration figures for disclosure purposes of managed funds is aligned to the financial reporting of SEB and is performed annually. Hence the figures disclosed here are for the full calendar year 2017.

	TNA as of 31st December 2017*	% of total TNA managed by AIFM / Management Company	Fixed Remuneration *		Variable Remuneration *		Number of beneficiaries **
			All Employees	Identified Staff	All Employees	Identified Staff	All Employees
AGCM Fund	148,434,966.34	1.70	24,390.99	9,220.96	665.91	374.13	15.17

\* All amounts are in euro

Fixed Remuneration (incl. fixed salary, allowances, pension)

Variable Remuneration (incl. short term incentives and long term incentives)

\*\* Average Full Time Equivalent

### **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 Company 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.

