

**Unaudited semi-annual report  
as at 30th June 2018**

# **VG SICAV**

Société d'Investissement à Capital Variable  
with multiple Sub-Funds

R.C.S. Luxembourg B85531

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No subscription can be received on the basis of this financial report. Subscriptions are only valid if made on the basis of the current prospectus and the Key Investor Information Documents ("KIID") supplemented by the latest annual report and the most recent semi-annual report, if published thereafter.

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# VG SICAV

## Organisation

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### Registered Office

44, Rue de la Vallée  
L-2661 LUXEMBOURG  
(since 15th January 2018)

42, Rue de la Vallée  
L-2661 LUXEMBOURG  
(until 15th January 2018)

### Board of Directors

#### Chairman

Margherita BALERNA BOMMARTINI  
Conducting Officer  
CASA4FUNDS SA Luxembourg, Swiss Branch  
Via L. Zuccoli, 19  
CH-6900 PARADISO

#### Directors

Alessandro CASTAGNETTI  
Managing Director  
VG ASSET MANAGEMENT S.A.  
Via Clemente Maraini, 1  
CH-6900 LUGANO

Fabio ROCCA  
Deputy Director  
VG ASSET MANAGEMENT S.A.  
Via Clemente Maraini, 1  
CH-6900 LUGANO

### Management Company

CASA4FUNDS SA  
44, Rue de la Vallée  
L-2661 LUXEMBOURG  
(since 15th January 2018)

42, Rue de la Vallée  
L-2661 LUXEMBOURG  
(until 15th January 2018)

### Board of Directors of the Management Company

#### *Chairman*

Michele MILANI  
Member of the Management Committee  
BANOR SIM SPA  
Via Dante, 15  
IT-20123 MILANO

#### *Directors*

Alberto CAVADINI  
Independent Director  
17, Rue Louvigny  
L-1946 LUXEMBOURG

	<p>Giacomo MERGONI Director, Investment Manager BANOR CAPITAL LTD 16 Berkeley Street UK-LONDON W1J 8DZ</p>
<p><b>Day-to-day managers of the Management Company</b></p>	<p>Margherita BALERNA BOMMARTINI Arnaud BOUTEILLER Céline GUTTER Richard MAISSE Robert ZAGORSKI</p>
<p><b>Depositary and Paying Agent</b></p>	<p>BANQUE DE LUXEMBOURG Société Anonyme 14, Boulevard Royal L-2449 LUXEMBOURG</p>
<p><b>Administration Agent, Registrar and Transfer Agent</b></p>	<p>EUROPEAN FUND ADMINISTRATION S.A. 2, Rue d'Alsace L-1122 LUXEMBOURG</p>
<p><b>Investment Advisor and Market Research Agent</b></p>	<p>VG ASSET MANAGEMENT S.A. Via Clemente Maraini, 1 CH-6900 LUGANO</p>
<p><b>Cabinet de révision agréé</b></p>	<p>DELOITTE Audit Société à responsabilité limitée 560, Rue de Neudorf L-2220 LUXEMBOURG</p>

## VG SICAV

### General information

VG SICAV (the "Fund") is an investment company incorporated under the laws of the Grand-Duchy of Luxembourg and qualifies as a "*Société d'Investissement à Capital Variable*" (SICAV) under the Council Directive 2009/65/EC as amended and in accordance with Part I of the amended Law of 17th December 2010 relating to Undertakings for Collective Investment in transferable securities.

The Directive 2014/91/EU of the European Parliament and of the Council of 23rd July 2014 amending the Directive 2009/65/EC had been transposed by the law of 10th May 2016 coming into force on 1st June 2016 and amending the amended law of 17th December 2010.

The Fund offers investors to choose between one or more investment objectives by investing in one or more Sub-Funds ("Sub-Funds"). Investors may choose which Sub-Fund best suits their specific risk and return expectations as well as their diversification needs.

At the date of the financial statements, the Fund offers the following Sub-Funds:

VG SICAV - US EQUITY FUND	expressed in USD
VG SICAV - WORLD EQUITY FUND	expressed in EUR
VG SICAV - EUROPEAN EQUITY FUND	expressed in EUR
VG SICAV - GLOBAL BOND	expressed in EUR

The Board of Directors of the Fund may decide to issue, within each Sub-Fund, separate classes of shares.

The following classes of shares may be issued:

- Class R: available to retail investors;
- Class I: available to institutional investors;
- Class A: available to all types of investors;
- Class S: available to investors specifically authorised by the Board of Directors of the Fund;
- Class L: all investors - Listed and tradable on *Borsa Italiana S.p.A (ETFplus market)*.

At the date of the financial statements Class R, Class I, Class A, Class S and Class L are issued.

The Board of Directors of the Fund may also decide to issue within the same Class of Shares, two categories, being Distribution Shares and Accumulation Shares.

At the date of the financial statements only Accumulation Shares are issued.

The combined financial statements of the Fund are expressed in EUR. The Net Asset Value "NAV" per Share in each Sub-Fund is denominated in the reference currency of the relevant Sub-Fund.

The Fund's accounting year ends on 31st December of each year.

The Net Asset Value per Share and the issue, redemption and conversion prices for the Shares in each Sub-Fund may be obtained during business hours at the registered office of the Fund.

Copies of the Articles of Incorporation of the Fund, the current prospectus, the Key Investor Information Documents ("KIID") and the annual and semi-annual reports are available at the registered office of the Fund during business hours.

## VG SICAV

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

as at 30th June 2018

#### **Assets**

Securities portfolio at market value	29,883,903.04
Deposits on futures contracts	129,144.93
Cash at banks	2,232,730.81
Receivable cash collateral paid	10,000.00
Income receivable on portfolio	352,233.32
Unrealised gain on forward foreign exchange contracts	329,146.96
Other receivables	60,324.81
Prepaid expenses	25,426.55
	<hr/>
Total assets	33,022,910.42

#### **Liabilities**

Bank overdrafts	629,456.27
Redeemable cash collateral received	210,000.00
Payable on redemptions of shares	28,252.80
Unrealised loss on futures contracts	76,567.26
Expenses payable	100,643.95
Other liabilities	1,960.64
	<hr/>
Total liabilities	1,046,880.92
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Net assets at the end of the period	31,976,029.50

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

## VG SICAV - US EQUITY FUND

### Statement of net assets (in USD)

as at 30th June 2018

#### Assets

Securities portfolio at market value	2,675,926.00
Cash at banks	25,542.16
Income receivable on portfolio	938.77
Prepaid expenses	4,963.99
Total assets	<u>2,707,370.92</u>

#### Liabilities

Bank overdrafts	245.43
Expenses payable	11,874.73
Total liabilities	<u>12,120.16</u>

Net assets at the end of the period	<u><u>2,695,250.76</u></u>
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#### Breakdown of net assets per share class

Share class	Number of shares	Currency of share class	NAV per share in currency of share class	Net assets per share class (in USD)
R	2,545.831	USD	160.20	407,843.15
I	69,704.000	USD	17.88	1,245,985.71
S	6,471.388	USD	160.93	1,041,421.90
				<u>2,695,250.76</u>

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



## VG SICAV - US EQUITY FUND

Statistical information (in USD)  
as at 30th June 2018

Total net assets	Currency	31.12.2016	31.12.2017	30.06.2018
	USD	8,201,111.43	8,385,577.57	2,695,250.76

  

Net asset value per share	Currency	31.12.2016	31.12.2017	30.06.2018
R	USD	141.88	164.42	160.20
I	USD	15.45	18.18	17.88
S	USD	141.46	164.76	160.93

  

Number of shares	outstanding at the beginning of the period	issued	redeemed	outstanding at the end of the period
R	1,428.124	1,154.000	-36.293	2,545.831
I	296,763.688	54,840.000	-281,899.688	69,704.000
S	16,717.912	-	-10,246.524	6,471.388

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

## VG SICAV - US EQUITY FUND

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

as at 30th June 2018

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<b><u>Investments in securities</u></b>					
<b><u>Transferable securities admitted to an official stock exchange listing</u></b>					
<b>Shares</b>					
USD	320	Accenture Plc A	50,817.68	52,348.80	1.94
USD	220	Adobe Systems Inc	46,164.20	53,638.20	1.99
USD	1,120	Aflac Inc	49,624.13	48,182.40	1.79
USD	1,240	Alliant Energy Corp	49,042.55	52,476.80	1.95
USD	790	Anadarko Petroleum Corp	47,634.63	57,867.50	2.15
USD	190	Anthem Inc	46,360.00	45,225.70	1.68
USD	280	Apple Inc	51,829.79	51,830.80	1.92
USD	1,150	Archer-Daniels Midland Co	49,655.56	52,704.50	1.95
USD	1,710	Bank of America Corp	51,154.65	48,204.90	1.79
USD	710	Best Buy Co Inc	47,179.39	52,951.80	1.96
USD	1,180	Cadence Design Systems Inc	47,215.22	51,105.80	1.90
USD	430	Centene Corp	46,936.09	52,980.30	1.97
USD	3,050	CenturyLink Inc	54,510.87	56,852.00	2.11
USD	1,000	CF Industries Holdings Inc	45,340.00	44,400.00	1.65
USD	380	Chevron Corp	48,021.59	48,043.40	1.78
USD	1,150	Citizens Financial Group Inc	48,438.11	44,735.00	1.66
USD	1,250	Conagra Brands Inc	44,822.25	44,662.50	1.66
USD	200	Constellation Brands Inc	46,956.50	43,774.00	1.62
USD	890	CSX Corp	49,351.10	56,764.20	2.11
USD	500	Danaher Corp	49,298.50	49,340.00	1.83
USD	690	Discover Financial Services	53,189.39	48,582.90	1.80
USD	470	Eastman Chemical Co	45,111.27	46,981.20	1.74
USD	390	EOG Resources Inc	46,117.50	48,527.70	1.80
USD	290	F5 Networks Inc	46,925.80	50,010.50	1.86
USD	500	Fidelity Natl Inform Serv Inc	51,658.00	53,015.00	1.97
USD	1,540	Fifth Third Bancorp	47,404.07	44,198.00	1.64
USD	690	Fiserv Inc	49,189.13	51,122.10	1.90
USD	500	HCA Healthcare Inc	50,126.18	51,300.00	1.90
USD	1,950	HP Inc	45,330.48	44,245.50	1.64
USD	3,230	Huntington Bancshares Inc	50,741.78	47,674.80	1.77
USD	900	Intel Corp	46,511.01	44,739.00	1.66
USD	490	IQVIA Holdings Inc Reg	49,567.68	48,911.80	1.81
USD	450	Kansas City Southern	48,817.96	47,682.00	1.77
USD	820	Kohl's Corp	51,379.97	59,778.00	2.22
USD	300	Laboratory Corp of America Hgs	51,714.18	53,859.00	2.00
USD	1,720	Macy's Inc	51,257.03	64,379.60	2.39
USD	460	McCormick & Co	48,846.53	53,401.40	1.98
USD	630	Medtronic Plc Reg	50,738.40	53,934.30	2.00
USD	460	Motorola Solutions Inc	51,071.22	53,530.20	1.99
USD	200	NVIDIA Corp	49,832.04	47,380.00	1.76
USD	1,020	Public Serv Enterprise Gr Inc	50,009.40	55,222.80	2.05
USD	170	Roper Technologies Inc	47,258.15	46,904.70	1.74
USD	720	Suntrust Banks Inc Reg	50,639.74	47,534.40	1.76
USD	625	Target Corp	47,465.38	47,575.00	1.76
USD	610	TJX Cos Inc	47,569.18	58,059.80	2.15
USD	160	TransDigm Group Inc	48,498.96	55,222.40	2.05
USD	200	Ulta Beauty Inc Reg	50,213.00	46,692.00	1.73
USD	500	Verisk Analytics Inc	51,794.00	53,820.00	2.00
USD	410	Visa Inc A	49,941.95	54,304.50	2.01
<b>Total shares</b>			<b>2,399,272.19</b>	<b>2,486,677.20</b>	<b>92.26</b>
<b>Closed-ended investment funds</b>					
USD	790	ProLogis Inc	51,618.60	51,895.10	1.92
<b>Total closed-ended investment funds</b>			<b>51,618.60</b>	<b>51,895.10</b>	<b>1.92</b>

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

## VG SICAV - US EQUITY FUND

### Statement of investments and other net assets (in USD) (continued)

as at 30th June 2018

#### Open-ended investment funds

##### Tracker funds (UCITS)

USD 4,880 Multi Units Luxembourg Lyxor UCITS ETF S&P 500 B Dist	135,754.70	137,353.70	5.10
<b>Total tracker funds (UCITS)</b>	<u>135,754.70</u>	<u>137,353.70</u>	<u>5.10</u>
Total investments in securities	2,586,645.49	2,675,926.00	99.28
Cash at banks		25,542.16	0.95
Bank overdrafts		-245.43	-0.01
Other net assets/(liabilities)		-5,971.97	-0.22
Total		<u>2,695,250.76</u>	<u>100.00</u>

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

## VG SICAV - US EQUITY FUND

### Industrial and geographical classification of investments

as at 30th June 2018

#### Industrial classification

(in percentage of net assets)

Technologies	24.27 %
Financials	14.22 %
Healthcare	11.36 %
Cyclical consumer goods	10.48 %
Non-cyclical consumer goods	8.94 %
Industrials	7.76 %
Energy	5.73 %
Investment funds	5.10 %
Utilities	4.00 %
Raw materials	3.39 %
Telecommunications services	2.11 %
Real estate funds	1.92 %
Total	<u>99.28 %</u>

#### Geographical classification

(by domicile of the issuer)

(in percentage of net assets)

United States of America	90.24 %
Luxembourg	5.10 %
Ireland	3.94 %
Total	<u>99.28 %</u>

## VG SICAV - WORLD EQUITY FUND

### Statement of net assets (in EUR)

as at 30th June 2018

#### Assets

Securities portfolio at market value	2,076,931.67
Cash at banks	198,926.27
Receivable cash collateral paid	10,000.00
Unrealised gain on forward foreign exchange contracts	18,199.68
Prepaid expenses	4,446.51
Total assets	2,308,504.13

#### Liabilities

Bank overdrafts	0.62
Expenses payable	10,092.81
Total liabilities	10,093.43
Net assets at the end of the period	2,298,410.70

#### Breakdown of net assets per share class

Share class	Number of shares	Currency of share class	NAV per share in currency of share class	Net assets per share class (in EUR)
R	50.000	EUR	81.34	4,067.08
I	118,977.726	EUR	5.22	620,605.96
S	20,195.874	EUR	82.88	1,673,737.66
				2,298,410.70

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

## VG SICAV - WORLD EQUITY FUND

### Statistical information (in EUR)

as at 30th June 2018

<b>Total net assets</b>	<b>Currency</b>	<b>31.12.2016</b>	<b>31.12.2017</b>	<b>30.06.2018</b>
	EUR	7,003,551.91	3,245,292.46	2,298,410.70

  

<b>Net asset value per share</b>	<b>Currency</b>	<b>31.12.2016</b>	<b>31.12.2017</b>	<b>30.06.2018</b>
R	EUR	83.35	87.26	81.34
I	EUR	5.22	5.56	5.22
S	EUR	84.42	88.70	82.88

  

<b>Number of shares</b>	<b>outstanding at the beginning of the period</b>	<b>issued</b>	<b>redeemed</b>	<b>outstanding at the end of the period</b>
R	50.000	-	-	50.000
I	157,727.726	-	-38,750.000	118,977.726
S	26,655.874	-	-6,460.000	20,195.874

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

## VG SICAV - WORLD EQUITY FUND

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

as at 30th June 2018

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<b><u>Investments in securities</u></b>					
<b><u>Open-ended investment funds</u></b>					
<b>Investment funds (UCITS)</b>					
EUR	2,100	VG Scv Global Bond R EUR Cap	240,198.00	224,259.00	9.76
<b>Total investment funds (UCITS)</b>			<b>240,198.00</b>	<b>224,259.00</b>	<b>9.76</b>
<b>Tracker funds (UCITS)</b>					
EUR	1,820	Lyxor Ibex 35 (DR) UCITS ETF D	171,536.81	175,630.00	7.64
EUR	3,380	Lyxor UCITS ETF Eastern Eur Cap	66,306.13	66,349.40	2.89
EUR	900	Multi Units France Lyxor FTSE Italia MidCap UCITS ETF Cap	98,135.76	120,780.00	5.26
EUR	3,130	Multi Units Lux Lyxor MSCI Canada ETF Dist	200,859.76	197,722.10	8.60
EUR	14,930	Xtrackers Nikkei 225 UCITS ETF 1D Dist	248,285.90	263,663.80	11.47
			785,124.36	824,145.30	35.86
SEK	10,590	XACT OMXS30 Cap	199,849.90	190,413.77	8.28
USD	630	iShares VII Plc Dow Jones Indust Average UCITS ETF B USD Cap	131,489.12	142,755.03	6.21
USD	9,960	Multi Units Luxembourg Lyxor UCITS ETF S&P 500 B Dist	226,541.00	240,117.04	10.45
USD	1,790	Multi Uts France Lyxor Thai (SET50) Net TR UCITS ETF C Cap	220,617.43	231,895.07	10.09
USD	1,050	Xtrackers (IE) Plc x-tr Rus 2000 ETF 1C Cap	193,350.64	205,808.99	8.95
USD	2,250	Xtrackers CSI300 Swap UCITS ETF 1D Dist	17,795.42	17,537.47	0.76
			789,793.61	838,113.60	36.46
<b>Total tracker funds (UCITS)</b>			<b>1,774,767.87</b>	<b>1,852,672.67</b>	<b>80.60</b>
Total investments in securities			2,014,965.87	2,076,931.67	90.36
Cash at banks				198,926.27	8.65
Bank overdrafts				-0.62	0.00
Other net assets/(liabilities)				22,553.38	0.99
<b>Total</b>				<b>2,298,410.70</b>	<b>100.00</b>

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

## VG SICAV - WORLD EQUITY FUND

### Industrial and geographical classification of investments

as at 30th June 2018

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#### Industrial classification

(in percentage of net assets)

Investment funds	90.36 %
Total	<u>90.36 %</u>

#### Geographical classification

(by domicile of the issuer)

(in percentage of net assets)

Luxembourg	41.04 %
France	25.88 %
Ireland	15.16 %
Sweden	8.28 %
Total	<u>90.36 %</u>



## VG SICAV - EUROPEAN EQUITY FUND

### Statement of net assets (in EUR)

as at 30th June 2018

#### Assets

Securities portfolio at market value	8,876,798.73
Cash at banks	306,180.19
Income receivable on portfolio	24,827.81
Unrealised gain on forward foreign exchange contracts	855.10
Prepaid expenses	7,087.43
Total assets	9,215,749.26

#### Liabilities

Bank overdrafts	420.93
Expenses payable	49,507.66
Other liabilities	1,960.64
Total liabilities	51,889.23

Net assets at the end of the period	9,163,860.03
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#### Breakdown of net assets per share class

Share class	Number of shares	Currency of share class	NAV per share in currency of share class	Net assets per share class (in EUR)
R	32,724.115	EUR	127.74	4,180,094.62
I	143,756.136	EUR	16.47	2,367,534.93
S	19,923.212	EUR	131.32	2,616,230.48
				9,163,860.03

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

## VG SICAV - EUROPEAN EQUITY FUND

### Statistical information (in EUR)

as at 30th June 2018

<b>Total net assets</b>	<b>Currency</b>	<b>31.12.2016</b>	<b>31.12.2017</b>	<b>30.06.2018</b>
	EUR	10,334,985.80	11,040,648.55	9,163,860.03

  

<b>Net asset value per share</b>	<b>Currency</b>	<b>31.12.2016</b>	<b>31.12.2017</b>	<b>30.06.2018</b>
R	EUR	115.71	127.72	127.74
I	EUR	14.46	16.28	16.47
S	EUR	117.72	131.20	131.32

  

<b>Number of shares</b>	<b>outstanding at the beginning of the period</b>	<b>issued</b>	<b>redeemed</b>	<b>outstanding at the end of the period</b>
R	43,080.759	6,658.361	-17,015.005	32,724.115
I	181,646.136	-	-37,890.000	143,756.136
S	19,678.277	2,099.274	-1,854.339	19,923.212

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

## VG SICAV - EUROPEAN EQUITY FUND

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

as at 30th June 2018

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<b>Investments in securities</b>					
<b>Transferable securities admitted to an official stock exchange listing</b>					
<b>Shares</b>					
CHF	30	Chocolade Lindt & Spruengli AG Partizsch	153,009.56	166,389.57	1.82
CHF	630	Lonza Group AG Reg	145,442.66	143,190.77	1.56
CHF	580	Swiss Life Holding Reg	160,295.22	172,600.06	1.88
			458,747.44	482,180.40	5.26
CZK	8,200	CEZ AS	181,253.44	166,131.65	1.81
DKK	5,500	William Demant Holding AS	168,983.48	189,567.74	2.07
EUR	106,990	A2A SpA	157,660.46	158,880.15	1.73
EUR	4,020	Aareal Bank AG	149,923.09	151,433.40	1.65
EUR	950	Aéroport de Paris (ADP)	170,172.17	184,015.00	2.01
EUR	3,960	Ageas NV	169,379.90	171,111.60	1.87
EUR	4,600	ASR Nederland NV	158,486.56	160,908.00	1.76
EUR	5,900	Atlantia SpA	145,649.17	149,388.00	1.63
EUR	8,160	CNP Assurances	172,086.24	159,038.40	1.74
EUR	6,200	CRH Plc	169,782.04	188,170.00	2.05
EUR	3,860	Elisa Corp	152,434.10	153,126.20	1.67
EUR	7,510	Enagas SA	159,162.43	188,050.40	2.05
EUR	2,030	Heineken Holding NV	167,038.55	166,663.00	1.82
EUR	2,400	Hugo Boss AG Reg	186,938.88	186,624.00	2.04
EUR	1,350	Ipsen	166,297.72	181,372.50	1.98
EUR	8,910	Koninklijke Ahold Delhaize NV	146,807.75	182,699.55	1.99
EUR	4,500	NN Group NV	167,950.35	156,780.00	1.71
EUR	10,250	Repsol SA	175,289.35	171,841.25	1.88
EUR	5,260	Royal Philips NV	168,148.00	191,595.50	2.09
EUR	1,500	SAFRAN SA	150,697.80	156,075.00	1.70
EUR	1,030	Sopra Steria Group SA	169,880.37	179,838.00	1.96
EUR	3,450	Total SA	162,375.97	180,124.50	1.97
EUR	3,900	Wolters Kluwer NV	166,743.72	188,214.00	2.05
			3,432,904.62	3,605,948.45	39.35
GBP	14,850	3i Group Plc	175,162.83	151,231.14	1.65
GBP	15,670	Antofagasta Plc	168,492.24	175,423.20	1.91
GBP	43,990	Auto Trader Gr Plc	176,618.10	211,857.79	2.31
GBP	7,110	Bunzl Plc	169,018.47	184,516.47	2.01
GBP	5,510	Dechra Pharmaceuticals Plc	162,687.97	173,337.11	1.89
GBP	5,610	Diageo Plc	170,907.32	172,676.73	1.89
GBP	2,567	Ferguson Plc Reg	161,124.13	178,518.74	1.95
GBP	17,550	Inchcape Plc	152,742.48	154,893.38	1.69
GBP	20,670	Informa Plc	169,416.66	195,168.53	2.13
GBP	55,120	Legal & General Group Plc	162,233.39	165,795.86	1.81
GBP	34,500	Merlin Entertainments PLC	150,176.26	150,860.70	1.65
GBP	2,200	Next Plc	148,843.50	150,508.45	1.64
GBP	3,390	Rightmove Group Plc	168,477.20	203,552.79	2.22
GBP	62,890	Tesco Plc	147,157.67	182,553.56	1.99
			2,283,058.22	2,450,894.45	26.74
NOK	9,100	DNB ASA	150,133.45	152,331.38	1.66
SEK	5,830	Boliden AB Reg	162,880.83	162,224.79	1.77
SEK	5,760	Kinnevik AB B	167,092.55	169,267.05	1.85
SEK	11,160	Sandvik AB	163,762.19	169,908.21	1.85
SEK	14,200	Svenska Cellulosa SCA AB B	137,607.30	132,325.49	1.44

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

## VG SICAV - EUROPEAN EQUITY FUND

### Statement of investments and other net assets (in EUR) (continued)

as at 30th June 2018

SEK	4,810	Swedish Match AB	170,846.66	204,356.08	2.23
SEK	11,430	Swedish Orphan Biovitrum AB	136,688.15	213,911.91	2.34
SEK	48,870	Telia Co AB	191,064.67	191,670.53	2.09
			<u>1,129,942.35</u>	<u>1,243,664.06</u>	<u>13.57</u>
<b>Total shares</b>			<u>7,805,023.00</u>	<u>8,290,718.13</u>	<u>90.46</u>
<b>Closed-ended investment funds</b>					
EUR	13,990	Merlin Properties SOCIMI SA	166,481.51	174,245.45	1.90
<b>Total closed-ended investment funds</b>			<u>166,481.51</u>	<u>174,245.45</u>	<u>1.90</u>
<b>Warrants and rights</b>					
EUR	10,250	Repsol SA Droits d'attribut 06.07.18	0.00	4,982.53	0.06
<b>Total warrants and rights</b>			<u>0.00</u>	<u>4,982.53</u>	<u>0.06</u>
<b>Other transferable securities</b>					
<b>Shares</b>					
GBP	1,220,490	Rolls-Royce Holdings Plc Pref C Entitlement 07 2018	0.00	1,380.12	0.02
<b>Total shares</b>			<u>0.00</u>	<u>1,380.12</u>	<u>0.02</u>
<b>Open-ended investment funds</b>					
<b>Tracker funds (UCITS)</b>					
EUR	13,500	iShares STOXX Europe 50 UCITS ETF (DE)	406,207.50	405,472.50	4.43
<b>Total tracker funds (UCITS)</b>			<u>406,207.50</u>	<u>405,472.50</u>	<u>4.43</u>
Total investments in securities			<u>8,377,712.01</u>	<u>8,876,798.73</u>	<u>96.87</u>
Cash at banks				306,180.19	3.34
Bank overdrafts				-420.93	0.00
Other net assets/(liabilities)				-18,697.96	-0.21
<b>Total</b>				<u>9,163,860.03</u>	<u>100.00</u>

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

## VG SICAV - EUROPEAN EQUITY FUND

### Industrial and geographical classification of investments

as at 30th June 2018

#### Industrial classification

(in percentage of net assets)

Cyclical consumer goods	17.61 %
Financials	17.58 %
Non-cyclical consumer goods	11.19 %
Raw materials	9.24 %
Industrials	9.20 %
Healthcare	8.28 %
Utilities	5.59 %
Investment funds	4.43 %
Technologies	4.18 %
Energy	3.91 %
Telecommunications services	3.76 %
Real estate funds	1.90 %
Total	<u>96.87 %</u>

#### Geographical classification

(by domicile of the issuer)

(in percentage of net assets)

United Kingdom	24.81 %
Sweden	13.57 %
The Netherlands	11.42 %
France	11.36 %
Germany	8.12 %
Spain	5.89 %
Switzerland	5.26 %
Italy	3.36 %
Denmark	2.07 %
Ireland	2.05 %
Jersey	1.95 %
Belgium	1.87 %
Czech Republic	1.81 %
Finland	1.67 %
Norway	1.66 %
Total	<u>96.87 %</u>

## VG SICAV - GLOBAL BOND

### Statement of net assets (in EUR)

as at 30th June 2018

#### Assets

Securities portfolio at market value	16,638,158.94
Deposits on futures contracts	129,144.93
Cash at banks	1,705,746.70
Income receivable on portfolio	326,601.42
Unrealised gain on forward foreign exchange contracts	310,092.18
Other receivables	60,324.81
Prepaid expenses	9,640.80
Total assets	19,179,709.78

#### Liabilities

Bank overdrafts	628,824.50
Redeemable cash collateral received	210,000.00
Payable on redemptions of shares	28,252.80
Unrealised loss on futures contracts	76,567.26
Expenses payable	30,872.41
Total liabilities	974,516.97

Net assets at the end of the period 18,205,192.81

#### Breakdown of net assets per share class

Share class	Number of shares	Currency of share class	NAV per share in currency of share class	Net assets per share class (in EUR)
R EUR	18,373.312	EUR	106.80	1,962,226.58
R CHF	46,915.791	CHF	86.11	3,484,852.65
I EUR	63,052.459	EUR	104.65	6,598,494.66
I CHF	35,139.321	CHF	84.80	2,570,405.03
I USD	2,457.823	USD	86.81	182,759.41
A EUR	41,045.405	EUR	82.99	3,406,454.48
				18,205,192.81

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

## VG SICAV - GLOBAL BOND

### Statistical information (in EUR)

as at 30th June 2018

Total net assets	Currency	31.12.2016	31.12.2017	30.06.2018
	EUR	24,910,631.06	18,714,354.20	18,205,192.81

  

Net asset value per share	Currency	31.12.2016	31.12.2017	30.06.2018
R EUR	EUR	113.49	111.29	106.80
R CHF	CHF	92.21	90.02	86.11
I EUR	EUR	111.87	109.34	104.65
I CHF	CHF	91.41	88.89	84.80
I USD	USD	90.40	89.71	86.81
A EUR	EUR	88.94	86.83	82.99
L	EUR	-	97.08	-

  

Number of shares	outstanding at the beginning of the period	issued	redeemed	outstanding at the end of the period
R EUR	24,047.209	-	-5,673.897	18,373.312
R CHF	53,015.791	-	-6,100.000	46,915.791
I EUR	78,855.144	1,766.795	-17,569.480	63,052.459
I CHF	36,000.684	280.000	-1,141.363	35,139.321
I USD	3,457.823	-	-1,000.000	2,457.823
A EUR	3,949.762	39,907.229	-2,811.586	41,045.405
L	5.000	-	-5.000	-

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

## VG SICAV - GLOBAL BOND

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

as at 30th June 2018

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<b><u>Investments in securities</u></b>					
<b><u>Transferable securities admitted to an official stock exchange listing</u></b>					
<b>Bonds</b>					
USD	300,000	Advanced Micro Devices Inc 7% Ser B Sen 14/01.07.24	272,937.75	271,323.35	1.49
USD	300,000	Alliance One Intl Inc 9.875% Ser B Sen 13/15.07.21	239,386.00	236,723.77	1.30
USD	300,000	Atento Luxco 1 SA 6.125% Sen Reg S 17/10.08.22	244,357.72	247,517.34	1.36
USD	300,000	B&G Foods Inc 5.25% Sen 17/01.04.25	246,593.07	243,331.48	1.34
USD	300,000	Calumet Sp Prod Pa LP Fin Corp 7.625% Ser B Sen 14/15.01.22	254,204.89	256,959.31	1.41
USD	300,000	CB Escrow Corp 8% Sen Reg S 17/15.10.25	238,603.05	242,184.15	1.33
USD	300,000	Conn's Inc 7.25% Ser B Sen 15/15.07.22	251,057.17	255,109.21	1.40
USD	300,000	Credit Acceptance Corp 6.125% Ser B Sen 15/15.02.21	256,321.06	258,417.56	1.42
USD	300,000	Drax Finco Plc 6.625% Sen Reg S 18/01.11.25	258,161.37	260,050.53	1.43
USD	300,000	Eldorado Resorts Inc 6% Ser B Sen 17/01.04.25	261,444.12	257,545.18	1.42
USD	300,000	Emeco Pty Ltd 9.25% Ser B Sen 17/31.03.22	273,884.27	273,790.15	1.50
USD	300,000	Exela Intermediate LLC Fin Inc 10% Sen Reg S 17/15.07.23	264,987.04	264,346.90	1.45
USD	300,000	Ferroglobe Plc / Spe Metal Inc 9.375% Sen Reg S 17/01.03.22	274,530.89	271,734.47	1.49
USD	300,000	Gogo Interim Hgs LLC Fin Co 12.5% Sen Reg S 16/01.07.22	278,410.31	275,588.87	1.51
USD	300,000	Griffon Corp 5.25% Ser B Sen 14/01.03.22	250,084.85	250,528.91	1.38
USD	300,000	Iamgold Corp 7% Sen Reg S 17/15.04.25	263,932.41	262,614.99	1.44
USD	300,000	Indo Energy Finance II B.V. 6.375% Reg S Sen 13/24.01.23	259,845.52	243,308.35	1.34
USD	300,000	Inmarsat Finance Plc 6.5% Sen Reg S 16/01.10.24	261,890.35	257,319.06	1.41
USD	300,000	M/I Homes Inc 5.625% Sen 17/01.08.25	259,194.91	245,396.14	1.35
USD	300,000	MHP SE 7.75% Sen Reg S 17/10.05.24	277,716.33	258,370.03	1.42
USD	300,000	Nationstar Mrtge LLC/ Cap Corp 6.5% Ser B Sen 13/01.07.21	260,695.19	257,660.81	1.42
USD	300,000	Navient Corp 6.75% Sen 17/25.06.25	261,859.58	256,148.61	1.41
USD	300,000	NRG Energy Inc 6.625% Sen 17/15.01.27	269,104.71	264,765.74	1.45
USD	300,000	Prestige Brands Inc 6.375% Sen Reg S 16/01.03.24	259,726.24	255,353.32	1.40
USD	300,000	Rent-A-Center Inc 6.625% Ser B Sen 11/15.11.20	248,496.65	257,475.80	1.41
USD	300,000	Resolute Forest Products Inc 5.875% Ser B Sen 14/15.05.23	258,741.55	262,189.72	1.44
USD	300,000	Rusal Capital Design Activi Co 5.3% Sen Reg S 17/03.05.23	262,989.91	132,334.04	0.73
USD	300,000	Sanchez Energy Corp 6.125% Ser B Sen 15/15.01.23	167,416.97	171,734.91	0.94
USD	300,000	Tailored Brands Inc 7% Ser B Sen 15/01.07.22	236,365.18	265,662.53	1.46
USD	300,000	Telesat Canada / Telesat LLC 8.875% Sen Reg S 16/15.11.24	280,312.46	278,813.70	1.53
USD	300,000	Titan Intl Inc 6.5% Sen Reg S 17/30.11.23	256,094.45	259,014.99	1.42
USD	300,000	Trilogy Intl Part LLC/Fin Inc 8.875% Sen Reg S 17/01.05.22	266,316.51	261,070.66	1.43
USD	300,000	Viacom Inc VAR Sub 17/28.02.57	248,115.53	243,272.38	1.34
USD	300,000	W&T Offshore Inc 8.5% Sen 12/15.06.19	255,855.00	255,032.12	1.40
USD	300,000	Weatherford Intl LLC 9.875% 18/01.03.25	262,441.88	257,601.72	1.42
USD	300,000	Weight Watchers Intl Inc 8.625% Sen Reg S 17/01.12.25	286,498.08	283,618.84	1.56
USD	300,000	William Lyon Homes 5.875% Ser B Sen 17/31.01.25	242,448.67	244,345.18	1.34
USD	300,000	XPO Logistics Inc 6.125% Sen Reg S 16/01.09.23	267,422.80	263,383.29	1.45
<b>Total bonds</b>			<b>9,778,444.44</b>	<b>9,601,638.11</b>	<b>52.74</b>
<b><u>Transferable securities dealt in on another regulated market</u></b>					
<b>Bonds</b>					
USD	300,000	Altice US Finance II Corp 7.75% Gl Sen Reg S 15/15.07.25	267,663.67	269,164.88	1.48
USD	300,000	Beazer Homes USA Inc 6.75% Ser B Sen 17/15.03.25	268,779.66	246,680.94	1.36
USD	300,000	Bioscrip Inc 8.875% Ser B Sen 15/15.02.21	246,139.49	246,680.94	1.36
USD	300,000	Boise Cascade Co 5.625% Reg S 16/01.09.24	262,928.05	257,874.09	1.42
USD	300,000	Brookfield Res Pr Inc US Corp 6.125% Sen Reg S 13/01.07.22	263,706.33	257,370.45	1.41
USD	300,000	California Resources Corp 8% Reg S Sen 15/15.12.22	229,694.25	233,352.46	1.28
USD	300,000	CBS Radio Inc 7.25% Sen Reg S 16/01.11.24	249,655.59	244,432.55	1.34
USD	300,000	CDK Global Inc VAR Lk Rating Ser B Sen 15/15.10.24	271,430.99	262,098.50	1.44
USD	300,000	Dana Fin Lux Sàrl 6.5% Sen Reg S 16/01.06.26	276,737.29	262,419.70	1.44
USD	300,000	Dean Foods Co 6.5% Sen Reg S 15/15.03.23	249,883.17	247,424.84	1.36
USD	300,000	Delek Log Partners Lp Fin Corp 6.75% Sen 18/15.05.25	259,056.44	258,565.31	1.42
USD	300,000	EIG Investors Corp 10.875% Ser B Sen 16/01.02.24	283,797.68	283,297.64	1.56
USD	300,000	Foresight Ener LLC / Fin Corp 11.5% Sen Reg S 17/01.04.23	232,169.76	229,336.19	1.26
USD	300,000	GTT Communications Inc 7.875% Sen Reg S 17/31.12.24	261,384.60	256,445.40	1.41

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



## VG SICAV - GLOBAL BOND

### Statement of investments and other net assets (in EUR) (continued)

as at 30th June 2018

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
USD	300,000	HC2 Holdings Inc 11% Sen Reg S 14/01.12.19	263,634.05	260,171.31	1.43
USD	300,000	Joseph T. Ryerson & Son Inc 11% Sen Reg S 16/15.05.22	290,044.59	285,546.04	1.57
USD	300,000	LifePoint Health Inc 5.375% Ser B Sen 17/01.05.24	250,311.18	247,512.21	1.36
USD	300,000	Manitowook Co Inc (The) 12.75% Ser B Sen Reg S 16/15.08.21	286,934.20	286,509.63	1.57
USD	300,000	McDermott Tec Americas Inc US 10.625% Sen Reg S 18/01.05.24	272,680.17	267,880.08	1.47
USD	300,000	Plantronics Inc 5.5% Sen Reg S 15/31.05.23	264,321.61	258,886.50	1.42
USD	300,000	Precision Drilling Corp 7.75% Sen 17/15.12.23	265,145.07	270,765.74	1.49
USD	300,000	Staples Inc 8.5% Sen Reg S 17/15.09.25	228,765.57	242,184.15	1.33
USD	300,000	Tutor Perini Corp 6.875% Sen Reg S 17/01.05.25	258,770.06	260,428.27	1.43
<b>Total bonds</b>			<b>6,003,633.47</b>	<b>5,935,027.82</b>	<b>32.61</b>
<b><u>Other transferable securities</u></b>					
<b>Bonds in default of payment</b>					
USD	1,000,000	Northern Lights BV 8.25% LPN Corp Co Ser 2012-1 12/08.08.14	55,609.62	21,584.58	0.12
<b>Total bonds in default of payment</b>			<b>55,609.62</b>	<b>21,584.58</b>	<b>0.12</b>
<b><u>Open-ended investment funds</u></b>					
<b>Investment funds (UCITS)</b>					
EUR	6,961	CB Accent Lux Erasmus Bond Fd C Cap	818,871.88	832,744.43	4.57
EUR	1,330	CB Accent Lux Swan Bd Opp C EUR Cap	155,906.81	156,820.30	0.86
EUR	310	Muzinich Fds Enhancedyield Short-Term Fd Units A EUR Cap	49,448.10	49,736.40	0.27
EUR	100	New Millennium SICAV Large Europe Corporate I Cap	14,318.00	14,398.00	0.08
EUR	10	Oyster European Corporate Bonds R Cap	16,727.90	16,863.30	0.09
EUR	100	Planetarium Fd Eurocurrencies Bonds A Cap	9,285.00	9,346.00	0.05
<b>Total investment funds (UCITS)</b>			<b>1,064,557.69</b>	<b>1,079,908.43</b>	<b>5.92</b>
Total investments in securities			16,902,245.22	16,638,158.94	91.39
Cash at banks				1,705,746.70	9.37
Bank overdrafts				-628,824.50	-3.45
Other net assets/(liabilities)				490,111.67	2.69
<b>Total</b>				<b>18,205,192.81</b>	<b>100.00</b>

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

## VG SICAV - GLOBAL BOND

### Industrial and geographical classification of investments

as at 30th June 2018

#### Industrial classification

(in percentage of net assets)

Financials	18.54 %
Cyclical consumer goods	18.32 %
Industrials	11.50 %
Raw materials	8.10 %
Energy	7.95 %
Non-cyclical consumer goods	6.82 %
Investment funds	5.92 %
Technologies	5.91 %
Telecommunications services	2.74 %
Healthcare	2.72 %
Utilities	1.45 %
Special Purpose Vehicle (SPV)	1.42 %
Total	<u>91.39 %</u>

#### Geographical classification

(by domicile of the issuer)

(in percentage of net assets)

United States of America	67.36 %
Luxembourg	9.87 %
Canada	5.87 %
United Kingdom	4.33 %
Australia	1.50 %
The Netherlands	1.46 %
Ireland	1.00 %
Total	<u>91.39 %</u>

**Note 1 - Significant accounting policies**

**a) Presentation of the financial statements**

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

**b) Valuation of the assets**

The value of any cash in hand or on deposit, discount notes, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received, are deemed 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 Board of Directors of the Fund may consider appropriate in such case to reflect the true value thereof.

The value of all portfolio securities which are listed on an official stock exchange or traded on any other regulated market are valued at the last available price on the principal market on which such security is traded, as furnished by a pricing service approved by the Board of Directors of the Fund.

If such prices are not representative of the fair value, such securities as well as other permitted assets, will be valued at a fair value at which it is expected that they may be resold, as determined in good faith by and under the direction of the Board of Directors of the Fund. The value of securities which are not quoted or dealt in on any regulated market operating regularly and open to the public are valued at the last available price in Luxembourg, on the relevant Valuation Day, and if this security is traded on several markets, on the last price quoted, unless such price is not representative of their true value; in this case, they will be valued at a fair value at which it is expected that they may be resold, as determined in good faith by and under the direction of the Board of Directors of the Fund.

Shares or units in underlying open-ended investment funds shall be valued at their last available Net Asset Value reduced by any applicable charges.

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

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

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

The realised gains and losses on securities portfolio are calculated on the basis of the average acquisition cost.

**e) Investment portfolio income**

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

Interest income accrued and payable is recorded, net of any withholding tax.

**f) Return of sukuk**

Sukuk are certificates of investments or securities representing the rights and obligations of its holders on an underlying asset. Their remuneration (which is capped) is based on performance of

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

as at 30th June 2018

the assets. The remuneration of sukuk is variable depending on the profits earned on the assets or on the income of the issuer.

**g) Valuation of forward foreign exchange contracts**

Forward foreign exchange contracts are valued at forward market rates for the remaining period from valuation date to the maturity of the contracts. Net unrealised gains or losses are disclosed in the statement of net assets.

**h) Valuation of futures contracts**

Open futures contracts are valued at the last settlement or close price on the stock exchanges or regulated markets. Unrealised gains or losses of open contracts are disclosed recorded in the statement of net assets.

**i) Valuation of option contracts**

Premiums paid on the purchase of options are disclosed under the item "Option contracts at market value" in the statement of net assets and are presented as cost in the statement of investments and other net assets. Premiums received on issued options are disclosed under the item "Short option contracts at market value" in the statement of net assets and are presented as cost received in the statement of investments and other net assets. Option contracts outstanding at the date of the financial statements are valued at the last settlement or closing price on the stock exchanges or regulated markets.

**j) Formation expenses**

Formation expenses were amortised over a period not exceeding five years.

**k) Conversion of foreign currencies**

Cash at banks, other net assets, liabilities and the market value of the securities in portfolio expressed in currencies other than the reference currency of the Sub-Fund are converted into this currency at the exchange rate prevailing on the date of the financial statements. Income and expenses expressed in currencies other than the reference currency of the Sub-Fund are converted into this currency at the exchange rate prevailing on the date of the transaction.

**l) Combined financial statements**

The combined financial statements of the Fund are expressed in EUR and are equal to the sum of the corresponding items in the financial statements of each Sub-Fund converted into this currency at the exchange rate prevailing at the date of the financial statements.

At the date of the financial statements, the exchange rate used for the combined financial statements is the following:

1 EUR = 1.1675000 USD US Dollar

**Note 2 - Management and performance fees**

The Board of Directors of the Fund has appointed CASA4FUNDS SA as the Management Company to be responsible on a day-to-day basis, under supervision of the directors, for providing administration, marketing and investment management services in respect of all Sub-Funds.

## VG SICAV

### Notes to the financial statements (continued)

as at 30th June 2018

The Management Company receives for the Sub-Funds VG SICAV - US EQUITY FUND, VG SICAV - WORLD EQUITY FUND and VG SICAV - EUROPEAN EQUITY FUND a management fee of 0.50% for Class I shares, of 2.00% for Class R shares, 1.56% for Class S shares and 1.00% for Class L shares payable monthly and calculated on the net assets per annum of each Sub-Fund.

The Management Company receives for the Sub-Fund VG SICAV - GLOBAL BOND a management fee of 0.80% for class I shares, of 0.15% for class R shares, 1.00% for class A shares and 0.30% for class L shares payable monthly and calculated on the net assets per annum of each Sub-Fund.

In addition to this management fee, the Management Company receives a performance fee, if the Net Asset Value of the Sub-Fund and the Index have both a positive performance and the Net Asset Value's performance exceeds that of the Index, then there is over performance.

The performance fee for each Sub-Fund is calculated as follows:

- VG SICAV - US EQUITY FUND: for Classes R, S and L, a 20% and for Class I, a 10% of the return of each Class that exceeds the S&P 500 Index, calculated and paid in respect of each calendar quarter, ensuring that a performance is paid, once the Index has been beaten over the calendar quarter;
- VG SICAV - WORLD EQUITY FUND: for Classes R, S and L, a 20% and for Class I, a 10% of the return of each Class that exceeds the Index MSCI World LOCAL, calculated and paid in respect of each calendar quarter, ensuring that a performance is paid, once the Index has been beaten over the calendar quarter;
- VG SICAV - EUROPEAN EQUITY FUND: for Classes R, S and L, a 20% and for Class I, a 10% of the return of each Class that exceeds the DOW JONES - SX5P Index, calculated quarter, ensuring that a performance is paid, once the Index has been beaten over the calendar quarter.

The performance fee is paid after the end of each quarter on the value of the Net Asset Value, which is calculated on the last day of each quarter and is dated as at the last day of each quarter.

- VG SICAV - GLOBAL BOND:
  - for Class R and L : 30% of return of each Class that exceeds Euro MTS 0-6 Months Capped, calculated and paid at each month, ensuring that a performance fee is only paid, once the benchmark has been beaten over the month.
  - for Classes A and I : 20% of return of this Class that exceeds Euro MTS 0-6 Months Capped, calculated and paid at each month, ensuring that a performance fee is only paid, once the benchmark has been beaten over the month.

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

VG SICAV - WORLD EQUITY FUND	EUR	2.58
VG SICAV - EUROPEAN EQUITY FUND	EUR	90,928.33
VG SICAV - GLOBAL BOND	EUR	11,380.53

### Note 3 - Investment Advisor and Market Research Agent

The Management Company has appointed VG ASSET MANAGEMENT S.A. as the Investment Advisor (the "Investment Advisor") and as Market Research Agent.

The Investment Advisor and Market Research Agent shall regularly assist the Management Company by giving advice and recommendations regarding the selection of securities and other permitted assets to be acquired by the Fund in line with the investment policy of the relevant Sub-Fund.

## VG SICAV

### Notes to the financial statements (continued)

as at 30th June 2018

The Investment Advisor and Market Research Agent shall act in a purely advisory capacity. The Management Company shall not be bound by any advice or recommendations provided by the Investment Advisor and shall assume sole responsibility for all decisions taken acting on such advice and recommendations in the management of the Fund's assets.

The Management Company remunerates VG ASSET MANAGEMENT S.A. the Investment Advisor and Market Research Agent out of the management fee.

#### Note 4 - Subscription duty ("*taxe d'abonnement*")

The Fund is governed by Luxembourg law.

Pursuant to the legislation and regulations in force, 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 each Sub-Fund on the last day of each quarter. The rate of this tax is reduced to 0.01% of the value of net assets for Sub-Funds or classes of shares reserved to institutional investors.

Pursuant to Article 175 (a) of the amended Law of 17th December 2010 the net assets invested in Undertakings for Collective Investment already subject to the "*taxe d'abonnement*" are exempt from this tax.

#### Note 5 - Forward foreign exchange contracts

As at 30th June 2018, the following Sub-Funds are committed in the following forward foreign exchange contracts with BANQUE DE LUXEMBOURG, Luxembourg:

##### VG SICAV - WORLD EQUITY FUND

Currency	Purchases	Currency	Sales	Maturity	Unrealised result (in EUR)
<b>Forward foreign exchange contracts</b>					
CNY	1,940,175.00	EUR	250,000.00	06.09.2018	-439.17
EUR	200,000.00	CAD	304,261.20	06.09.2018	2,671.41
EUR	250,000.00	CNY	1,914,629.50	06.09.2018	3,725.03
EUR	280,000.00	JPY	35,768,261.00	06.09.2018	3,518.68
EUR	180,000.00	SEK	1,850,316.84	06.09.2018	2,814.02
EUR	260,000.00	THB	9,765,262.00	06.09.2018	8,158.87
EUR	600,000.00	USD	706,550.40	06.09.2018	-2,249.16
					<u>18,199.68</u>

##### VG SICAV - EUROPEAN EQUITY FUND

Currency	Purchases	Currency	Sales	Maturity	Unrealised result (in EUR)
<b>Forward foreign exchange contracts</b>					
EUR	600,000.00	GBP	529,290.00	06.09.2018	2,659.50
GBP	529,290.00	EUR	599,144.90	06.09.2018	-1,804.40
					<u>855.10</u>

## VG SICAV

### Notes to the financial statements (continued)

as at 30th June 2018

#### VG SICAV - GLOBAL BOND

Currency	Purchases	Currency	Sales	Maturity	Unrealised result (in EUR)
<b>Forward foreign exchange contracts</b>					
EUR	16,869,615.85	USD	19,700,000.00	19.09.2018	94,468.27
					<u>94,468.27</u>
<b>Forward foreign exchange contracts linked to Class I USD Shares</b>					
USD	217,000.00	EUR	177,112.50	26.07.2018	8,448.57
					<u>8,448.57</u>
<b>Forward foreign exchange contracts linked to Class I CHF Shares and to Class R CHF Shares</b>					
CHF	7,626,500.00	EUR	6,371,770.88	26.07.2018	208,293.29
EUR	275,851.31	CHF	318,200.00	26.07.2018	1,311.69
EUR	226,209.58	CHF	265,000.00	26.07.2018	-2,429.64
					<u>207,175.34</u>

In order to reduce the counterparty risk on forward foreign exchange exposure,

- BANQUE DE LUXEMBOURG pays to the Sub-Fund cash collateral, if the net unrealised result is positive: thus, cash collateral received is recorded in the caption "Cash at banks" in the Statement of net assets. The amount received and to be redeemed to BANQUE DE LUXEMBOURG is recorded in the caption "Redeemable cash collateral received",
- BANQUE DE LUXEMBOURG receives cash collateral, if the net unrealised result is negative: thus, cash collateral paid is recorded in the caption "Cash at banks" in the Statement of net assets. The amount paid and to be received by the Fund from BANQUE DE LUXEMBOURG is recorded in the caption "Receivable cash collateral paid".

#### Note 6 - Futures contracts

As at 30th June 2018, the following Sub-Fund VG SICAV - GLOBAL BOND is committed in the following futures contracts with BANQUE DE LUXEMBOURG, Luxembourg:

#### VG SICAV - GLOBAL BOND

	Number of contracts	Denomination	Currency	Exposure (in EUR)	Unrealised result (in EUR)
Sale	24	Euro Bund 10 Years FUT 09/18 EUX	EUR	-3,901,200.00	-42,480.00
Sale	80	US Treasury Note 10 Years FUT 09/18 CBOT	USD	-8,235,546.04	-34,087.26
					<u>-76,567.26</u>

#### Note 7 - Cross investments

Pursuant to Article 181(8) of the amended Law of 17th December 2010 relating to Undertakings for Collective Investment, the following Sub-Fund VG SICAV - WORLD EQUITY FUND invested in the Sub-Fund as described below as at 30th June 2018:

Sub-fund	Description	Currency	Quantity	Market value	% of total net assets
VG SICAV - WORLD EQUITY FUND	VG SICAV Global Bond R EUR Cap	EUR	2,100.00	224,259.00	9.76%

The combined statement of net assets has not been adjusted to remove the impact of the above.

The management fees detailed in note 2 are not applied to these assets.

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

as at 30th June 2018

**Note 8 - Valuation of securities illiquid or in restructuring**

- **Northern Lights BV 8.25% LPN Corp Co Ser 2012-1 12/08.08.14** (XS0834163601)

VG SICAV - GLOBAL BOND hold a nominal amount of USD 1,000,000 bonds Northern Lights BV 8.25% LPN Corp Co Ser 2012-1 12/08.08.14 as at 30th June 2018.

The issuer has been put under restructuring by a decision taken both by the Bulgarian National Bank and the Government of Bulgaria on 11th July 2014 in order to protect the interest of its depositors.

Following the decision, the price of the bond has fallen down by 26% (from 94.63% on 10th July 2014 to approximately 70% on 11th July 2014).

By Circular Resolution dated 14th July 2014, the Board of Directors of the Fund decided, in order to reflect the sharp drop of the bond price without any impact on investors and therefore protect their interests, to decrease the bond's price by 2% of the nominal value per NAV until the bond reaches the market price, this starting from the NAV calculated on 14th July 2014 (NAV date 11th July 2014);

The Board of Directors of the Fund further resolved, in case the price of the bond further falls down, to authorize the Management Company/Investment Advisor of the Fund, to take any measure it deems appropriate in order to protect the interests of the Fund and its Investment Advisors.

As at 31st December 2015, Northern Lights BV 8.25% LPN Corp Co Ser 2012-1 12/08.08.14 securities represented 0.09% of Total Net Assets.

As at 31st December 2016, Northern Lights BV 8.25% LPN Corp Co Ser 2012-1 12/08.08.14 represented 0.06% of Total Net Assets using as pricing source BVAL available on daily basis, decided by Circular Resolution dated 23th March 2016.

As at 31st December 2017, Northern Lights BV 8.25% LPN Corp Co Ser 2012-1 12/08.08.14 represents 0.08% of the Total Net Assets with a BVAL price of 1.7990%.

Since then, the price discovery of the bond is barely moving. The pricing source is BVAL which score is in the 7 area.

Corporate Commercial Bank AD was the fourth largest bank in Bulgaria in terms of assets, third in terms of net profit, and first in terms of deposit growth. They have problem of insolvency, difficult to get the refund of the bonds, but the Board of Directors of the Fund believes that there could be a little profit in the future in case they resolve this situation. There are still legal processes in progress for the failure (default). The Board of Directors of the Fund believes that something will be paid, and the perpetrators will have to pay, and for this reason we decided to keep it in portfolio.

The banking sector in Bulgaria is stabilised after the problems encountered in 2014 and bankruptcy of the country's 4th-largest credit institution - Corporate Commercial Bank - due to fraud and internal misappropriation, but bad loans remain a challenge according to reports by the International Monetary Fund and the European Commission. There are no further news from Corporate Commercial Bank AD at the moment, but Bulgaria's central bank has been discussing measures to reduce the number of non-performing loans, which has been falling but is still a burden on the well-capitalized banking sector in the country.

- **BPZ RESOURCES INC 6.5% CONV SE** (US055ESC1073)

On March 23rd, 2015 the issuer was delisted from Lima Stock exchange following the bankruptcy declared on March 9th, 2015.



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

as at 30th June 2018

On 2nd April 2015 it was announced a Bankruptcy meeting of creditors, BPZ Resources Inc 2010 6.5% 01-03-2015 with deadline 8th October 2015.

On 7th April 2015 the Board of Directors of the Fund resolved with Circular Resolution to cancel the provision for accrued interest calculated on the bond as from the NAV dated 8th April 2015.

On 31st December 2015, BPZ Resources Inc issued a press release announcing the effectiveness of the Plan, and some partial recovery could occur for the future.

On 14th January 2016, the Depositary Bank confirmed a spin-off plus payment regarding this security "BPZ Resources Inc in liquidation 2010 6.5% 01-03-2015", ISIN code US055639AB42, the whole quantity was withdrawn, and a cash payment of USD 20'322.42 has been paid, it was a partial liquidation corresponding to 4.066484%. Moreover VG SICAV - GLOBAL BOND was credited of a new bond "BCE Inc (Contra) in liquidation 2015 6.5% 31-12-2049", ISIN code US055ESC1073, and this escrow cusip 055ESC107 has been established for possible future cash distributions.

Considering the uncertainty that surrounded the plan of liquidation and the likelihood that the Sub-Fund would receive any payment in relation to this security issued as sole purpose of escrow paper with no official price on market, the Investment Manager deemed more reasonable, on 14th January 2016 to evaluate the security at a price of 0 (zero) in the net asset value of the Fund.

On 1st April 2016, there was a first liquidation payment of USD 51,395.84.

With value date 14th October 2016 and settlement on 17th October 2016, VG SICAV - GLOBAL BOND was credited of USD 9,036.63, as a second liquidation process.

As at 31st December 2017, no further information or payments were received. On that date, the security was still evaluated at a price of 0, as acknowledged and confirmed by the Board of Directors of the Fund through a Circular Resolution.

Finally, the Investment Manager has been informed that the last and final liquidation payment, amounting to USD 2'846.39, has been received on 12th January 2018. Following such final payment, the security has been withdrawn from the portfolio of the Fund on 21st February 2018: as of that date, VG SICAV - GLOBAL BOND does not hold positions of BPZ Resources Inc 2010 6.5% 01-03-2015 anymore.

**Note 9 - Changes in investments**

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

**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 Fund 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.