

EFFICIENCY GROWTH FUND

Société d'Investissement à Capital Variable incorporated
in Luxembourg

Annual Report, including Audited Financial Statements,
as at December 31, 2016

EFFICIENCY GROWTH FUND

No subscription can be received on the basis of this annual report, including audited financial statements. Subscriptions are only valid if made on the basis of the current prospectus accompanied by the latest annual report including audited financial statements, and the most recent semi-annual report, if published thereafter.

EFFICIENCY GROWTH FUND

Table of contents

Organisation of the SICAV	4
General information	6
Investment Manager's report	7
Report of the <i>réviseur d'entreprises agréé</i> / Auditor's report	9
Financial statements	
Combined statement of net assets	12
Combined statement of operations and changes in net assets	13
Sub-funds :	
EFFICIENCY GROWTH FUND - EURO GLOBAL BOND	
Statement of net assets	15
Statement of operations and changes in net assets	16
Key figures relating to the last 3 years	17
Statement of investments and other net assets	18
Geographical and economical breakdown	21
EFFICIENCY GROWTH FUND - GLOBAL YIELD BOND	
Statement of operations and changes in net assets	23
Key figures relating to the last 3 years	24
EFFICIENCY GROWTH FUND - EUROPEAN STRATEGIC EQUITY	
Statement of operations and changes in net assets	26
Notes to the financial statements	27
Other information to Shareholders (unaudited information)	33

EFFICIENCY GROWTH FUND

Organisation of the SICAV

REGISTERED OFFICE

5, Allée Scheffer
L-2520 Luxembourg
Grand Duchy of Luxembourg

BOARD OF DIRECTORS OF THE SICAV

Chairman

Mr Stefano ZAVAGLIA
Managing Director, GFG Groupe Financier de Gestion
(Monaco) SAM, Monaco

Directors

Mr Matteo SOLBIATI
Senior Advisor, GFG Groupe Financier de Gestion
(Monaco) SAM, Monaco

Mr Miguel-Angel RUIZ
Chief Operating Officer, GFG Groupe Financier de Gestion SA,
Switzerland

MANAGEMENT COMPANY

Pharus Management Lux S.A.
16, avenue de la Gare, L-1610 Luxembourg,
Grand Duchy of Luxembourg

INVESTMENT MANAGER FOR THE SUB-FUNDS EFFICIENCY GROWTH FUND - EURO GLOBAL BOND AND EFFICIENCY GROWTH FUND - GLOBAL YIELD BOND (liquidated on February 10, 2016)

GFG Groupe Financier de Gestion (Monaco) SAM
« Monte Carlo Sun »
Bloc E/F, bureau N°211
74, Boulevard d'Italie
98000 Monaco

INVESTMENT MANAGER FOR THE SUB-FUND EFFICIENCY GROWTH FUND - EUROPEAN STRATEGIC EQUITY (liquidated on August 5, 2016)

Forte Securities Limited
30 Great Pulteney Street
London W1F 9NN
United Kingdom

INVESTMENT ADVISER

Glenburn Worldwide Inc.
Road Town, Tortola, British Virgin Islands

DEPOSITARY

CACEIS Bank, Luxembourg Branch (since January 1, 2017)
5, Allée Scheffer, L-2520 Luxembourg
Grand Duchy of Luxembourg

CACEIS Bank Luxembourg (until December 31, 2016)
5, Allée Scheffer, L-2520 Luxembourg
Grand Duchy of Luxembourg

ADMINISTRATIVE AGENT, PAYING AGENT, DOMICILIARY, REGISTRAR AND TRANSFER AGENT

CACEIS Bank, Luxembourg Branch (since January 1, 2017)
5, Allée Scheffer, L-2520 Luxembourg
Grand Duchy of Luxembourg

CACEIS Bank Luxembourg (until December 31, 2016)
5, Allée Scheffer, L-2520 Luxembourg
Grand Duchy of Luxembourg

DISTRIBUTOR

Glenburn Worldwide Inc.
Road Town, Tortola, British Virgin Islands

EFFICIENCY GROWTH FUND

Organisation of the SICAV (continued)

REPRESENTATIVE IN ITALY

Dott. Gianni Pasini, Via Santa Sofia 12, I-20122 Milano, Italy

CABINET DE RÉVISION AGRÉÉ /AUDITOR

Deloitte Audit,
Société à responsabilité limitée
560, rue de Neudorf, L-2220 Luxembourg,
Grand Duchy of Luxembourg

DISTRIBUTION AGENTS AND PAYING AGENTS IN ITALY

ALLFUNDS BANK S.A.
Succursale di Milano,
Via Santa Margherita 7,
20121 Milano, Italy

SGSS S.p.A.
Via Benigno Crespi, 19/A - MAC2
20159 Milano, Italy

EFFICIENCY GROWTH FUND

General information

EFFICIENCY GROWTH FUND (the “SICAV”) will publish an Annual Report, including Audited Financial Statements, within four months after the end of the business year and an unaudited Semi-annual Report, including unaudited financial statements, within two months after the end of the period to which it refers.

All these reports will be made available to the Shareholders at the registered office of the SICAV, the Depositary and the distributors.

The net asset value per share of each sub-fund as well as the subscription and redemption prices will be made available to the public at the offices of the Depositary and the distributors.

Any amendments to the Articles of Incorporation will be published in the *Recueil électronique des sociétés et associations* of the Grand Duchy of Luxembourg.

EFFICIENCY GROWTH FUND

Investment Manager's report

EFFICIENCY GROWTH FUND - EURO GLOBAL BOND (EGB)

2016 was the year of the “negative yields”, a financial environment never experienced in history that has pushed the yields of all the Government and the Corporate Bond curves of the Developed Markets to their all-time lows.

After a 2015 ended with the first rate hike by the Fed in 8 years, a growing consensus over a higher yields across all curves suddenly reversed with a fast acceleration towards the opposite situation caused by a series of unexpected events that forced central banks interventions and the use of further unconventional policies:

- the plunge of the Oil prices to 2003 lows at the beginning of the year, that dragged down the equity markets and the emerging economies into a deep and serious crisis ending with and a robust downward revision of the world growth;
- a new banking crisis, this time related to their business model unable to show profitable outlook in a world where the deflationary forces seem too difficult to be reverted anytime soon, and the long term rates are projected to stay in a much lower range than in the past;
- the UK vote to exit the EU that casted many doubts on the evolution of their so far very tight economic relationship;
- the worsening of the geopolitical tensions mainly between USA Russia and Turkey, and their conflicting interests in Syria, that culminated with a failed coup in Turkey;
- the struggling of the Asian economies to keep the previous rate of growth intact and their “institutional” intervention against the market forces with poor results.

All these main events were again faced by a continuous central banks' intervention all around the world, in their so far positive try to avoid a negative spiral of asset price deflation; this has been achieved with a massive increase of their balance sheets, new unconventional tools (i.e. purchases of Corporate Bond issues by ECB and BoE, of Equity ETFs by BoJ) and the use of the negative interest rates (following SNB example), that ended with an unpredictable and unbelievable 13 Tln \$ of outstanding bond issues with negative yield.

EGB kept a prudent stance throughout all the year in front of these extreme evaluations, averaging between 2% and 4% YTD net return on the first half of the year 2016, and back towards the 0% during the final stage of 2016 when the Fed took the markets by surprise raising its Dots for the first time after 3 years showing a more hawkish commitment to its rate outlook.

Being the capital preservation one of the EGB pillars, we have therefore dramatically reduced the exposure to the market during the last weeks of the year, to end with a slightly positive return +0.40% (Class P EUR).

The presence of negative yield holdings in the EGB portfolio it has partially managed with a lengthening of the duration, and partially with the use of the Repo facility, lending some negative yield bonds at a -0.40% rate.

These behaviors helped EGB to reach its lowest volatility reading ever, and we will continue in our effort to provide the Fund with the appropriate tools to enhance its Sharpe Ratio.

EFFICIENCY GROWTH FUND - GLOBAL YIELD BOND (liquidated as at February 10, 2016)

During 2016, the sub-fund Global Yield Bond was a soft closing. No management decision were taken or executed apart from the redemption of all open positions.

EFFICIENCY GROWTH FUND

Investment Manager's report (continued)

EFFICIENCY GROWTH FUND - EUROPEAN STRATEGIC EQUITY (ESE) (liquidated as at August 5, 2016)

From the beginning until half of the year, 2016 has been impacted by one of the biggest political event of the century, with the fallout from the 'Brexit' vote in the UK to leave the EU which negatively impacted all markets and the sub-fund was no exception. Right after the Brexit decision in June, a strong performance from holdings in utilities, healthcare, and commodities equities was largely offset by positions in real estate and financials equities. Similarly, stocks that were significant USD earners outperformed but dramatic moves in GBP and EUR versus the USD largely offset those gains.

The derivative-based strategies provided some protection over the 'Brexit' vote itself but were ultimately unsuccessful in outweighing the dramatic moves in stocks and currencies that occurred.

With a majority part invested in the United Kingdom, ESE was de facto impacted by the economic tumults and unexpected political events, averaging between -2% and -3% YTD return from January 2016 to June 2016 with its lowest value in June.

At the beginning of the year, the sub-fund was impacted by the ongoing volatility in equity markets, particularly in financials and energy stocks. However, losses were successfully mitigated through dynamic portfolio positioning and the use of downside protection in the form of derivative overlays.

The focus of the equity markets on moves from central banks had become the single-most significant driver of market performance. The sub-fund focused on specific financials stocks where, post material underperformance in January 2016, significant value was identified.

In March, statements from global central banks recognised that the path of economic growth was uncertain while providing reassurance on the pace of intervention. The ECB delivered sufficient stimulus to allay market concerns for the time being while the Fed was sufficiently dovish on interest rate rises to enable markets to bounce. Key positions for the sub-fund included specific financials and oil & gas equities where positive performance was subdued in March 2016.

Although the sub-fund was negatively impacted by the collapse in equity volatility combined with a very strong performance in market indices, it recovered in April 2016 and showed a strong performance from the financials and oil & gas equities which were key positions in the portfolio as well as a rerating of their respective dividends. The derivative-based strategies also contributed positively even though indices and volatility remained largely range-bound during the month. Despite these positive performances, the weak performance from Italian and Spanish financial equities in the portfolio as well as Italian and German autos stocks contributed to lower performances in May 2016.

The main focus of the market was on the UK referendum on membership of the EU with market moves often dictated by the release of polls, which have historically been fairly unreliable. As the possibility for the UK to remain in the EU seemed very likely, selective positions in certain UK stocks in order to participate in the potential uplift from such an outcome were taken. The outcome was however not the one predicted, which leaves us with the negative impact of the Brexit on the sub-fund.

Post the referendum, the markets looked to central banks to take steps to shore up the financial system and they did not disappoint. The sub-fund retained its core positions whilst also running a hedged portfolio in order to reduce the impact of any further market volatility and potential retracements.

Luxembourg, March 7, 2017

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

Report of the *réviseur d'entreprises agréé* / Auditor's report

To the Shareholders of
EFFICIENCY GROWTH FUND
Société d'Investissement à Capital Variable incorporated in Luxembourg
5, Allée Scheffer
L-2520 Luxembourg

Following our appointment by the Annual General Meeting of the Shareholders dated March 24, 2016, we have audited the accompanying financial statements of EFFICIENCY GROWTH FUND (the "SICAV") and of each of its sub-funds, which comprise the statement of net assets and the statement of investments and other net assets as at December 31, 2016 and the statement of operations and changes in net assets for the year then ended, and a summary of significant accounting policies and other explanatory notes to the financial statements.

Responsibility of the Board of Directors of the SICAV for the financial statements

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

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

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier*. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the *réviseur d'entreprises agréé*'s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the *réviseur d'entreprises agréé* considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors of the SICAV, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of EFFICIENCY GROWTH FUND and of each of its sub-funds as at December 31, 2016, 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 of the financial statements.

Other information

The Board of Directors of the SICAV is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our report of *réviseur d'entreprises agréé* thereon.

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

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

For Deloitte Audit, *Cabinet de révision agréé*

Jan van Delden, *Réviseur d'entreprises agréé*
Partner

Luxembourg, March 17, 2017

560, rue de Neudorf
L-2220 Luxembourg

EFFICIENCY GROWTH FUND

Combined

EFFICIENCY GROWTH FUND
Combined
Financial Statements as at 31/12/16

Statement of net assets as at 31/12/16

Expressed in EUR

Assets		393,569,369.82
Securities portfolio at market value	Note 2d	365,325,407.33
<i>Cost price</i>		369,560,619.60
<i>Unrealised loss on the securities portfolio</i>		-4,235,212.27
Cash at banks and liquidities	Note 2d	24,832,540.75
Interest receivable		3,399,323.13
Formation expenses	Note 2l	7,320.78
Subscriptions receivable		4,777.83
Liabilities		72,647,762.78
Bank overdrafts		376,374.00
Payable from purchases of securities		64,617,573.93
"Taxe d'abonnement" payable	Note 3	21,180.41
Redemptions payable		6,617,707.21
Net unrealised depreciation on forward foreign exchange contracts	Note 2g, 10	63,597.89
Investment management, advisory and management company fees payable	Note 4, 5	835,336.79
Other fees payable	Note 7	115,992.55
Net asset value		320,921,607.04

EFFICIENCY GROWTH FUND

Combined

Statement of operations and changes in net assets from 01/01/16 to 31/12/16

Expressed in EUR

Income		6,319,438.69
Net dividends	Note 2h	22,329.08
Net interest on bonds	Note 2h	6,264,266.53
Bank interest on cash account		279.91
Other financial income		879.44
Received on swaps		31,683.73
Expenses		4,896,541.41
Amortisation of formation expenses		3,806.22
Investment Management, Advisory and Management Company fees	Note 4, 5	3,410,292.60
Depositary fees	Note 8	227,578.31
"Taxe d'abonnement"	Note 3	100,833.50
Administrative Agent fees	Note 8	325,470.82
Domiciliation fees		2,777.78
Bank interest on overdrafts		109,065.75
Legal fees		10,757.40
Transaction fees	Note 2i	459,800.85
Paid on swaps		939.27
Professional fees, audit fees and other expenses		245,218.91
Net income from investments		1,422,897.28
Net realised profit / loss on:		
- sales of securities portfolio	Note 2e	9,727,599.66
- options		-1,928,710.78
- forward foreign exchange contracts		233,696.72
- financial futures contracts		-3,052,961.20
- swaps		14,301.63
- foreign exchange	Note 2b	8,592.38
Net realised profit		6,425,415.69
Movement in net unrealised appreciation / depreciation on:		
- securities portfolio		-5,659,506.03
- options		-462,950.00
- forward foreign exchange contracts		-84,847.64
- financial futures contracts		29,020.00
Increase in net assets as a result of operations		247,132.02
Subscription capitalisation shares		356,224,343.20
Redemption capitalisation shares		-290,426,812.45
Increase in net assets		66,044,662.77
Net assets at the beginning of the year		254,876,944.27
Net assets at the end of the year		320,921,607.04

EFFICIENCY GROWTH FUND
- EURO GLOBAL BOND

EFFICIENCY GROWTH FUND - EURO GLOBAL BOND

Financial Statements as at 31/12/16

Statement of net assets as at 31/12/16

Expressed in EUR

Assets		393,569,369.82
Securities portfolio at market value	Note 2d	365,325,407.33
<i>Cost price</i>		<i>369,560,619.60</i>
<i>Unrealised loss on the securities portfolio</i>		<i>-4,235,212.27</i>
Cash at banks and liquidities	Note 2d	24,832,540.75
Interest receivable		3,399,323.13
Formation expenses	Note 2l	7,320.78
Subscriptions receivable		4,777.83
Liabilities		72,647,762.78
Bank overdrafts		376,374.00
Payable from purchases of securities		64,617,573.93
"Taxe d'abonnement" payable	Note 3	21,180.41
Redemptions payable		6,617,707.21
Net unrealised depreciation on forward foreign exchange contracts	Note 2g, 10	63,597.89
Investment management, advisory and management company fees payable	Note 4, 5	835,336.79
Other fees payable	Note 7	115,992.55
Net asset value		320,921,607.04

EFFICIENCY GROWTH FUND - EURO GLOBAL BOND

Statement of operations and changes in net assets from 01/01/16 to 31/12/16

Expressed in EUR

Income		6,263,511.02
Net interest on bonds	Note 2h	6,263,194.14
Other financial income		316.88
Expenses		4,475,594.36
Amortisation of formation expenses		3,806.22
Investment Management, Advisory and Management Company fees	Note 4, 5	3,279,298.53
Depositary fees	Note 8	223,802.12
"Taxe d'abonnement"	Note 3	98,040.89
Administrative Agent fees	Note 8	306,970.82
Bank interest on overdrafts		93,508.90
Legal fees		7,059.45
Transaction fees	Note 2i	256,417.25
Professional fees, audit fees and other expenses		206,690.18
Net income from investments		1,787,916.66
Net realised profit / loss on:		
- sales of securities portfolio	Note 2e	9,801,496.17
- options		-1,840,640.00
- forward foreign exchange contracts		253,431.10
- financial futures contracts		-2,219,249.60
- foreign exchange	Note 2b	105,819.45
Net realised profit		7,888,773.78
Movement in net unrealised appreciation / depreciation on:		
- securities portfolio		-5,705,992.34
- options		-462,950.00
- forward foreign exchange contracts		-84,041.82
- financial futures contracts		29,020.00
Increase in net assets as a result of operations		1,664,809.62
Subscription capitalisation shares		337,888,502.11
Class I EUR		177,550,939.84
Class P EUR		125,481,698.69
Class P USD		1,788,943.48
Class PP EUR		20,648,121.96
Class PP USD		4,437.19
Class Q EUR		12,414,360.95
Redemption capitalisation shares		-267,168,510.09
Class I CHF		-484,015.68
Class I EUR		-59,928,403.15
Class P CHF		-751,130.04
Class P EUR		-169,432,176.48
Class P USD		-4,746,908.16
Class PP CHF		-221,190.18
Class PP EUR		-30,904,937.83
Class PP USD		-562,860.61
Class Q EUR		-136,887.96
Increase in net assets		72,384,801.64
Net assets at the beginning of the year		248,536,805.40
Net assets at the end of the year		320,921,607.04

EFFICIENCY GROWTH FUND - EURO GLOBAL BOND

Key figures relating to the last 3 years

	<i>Year ended as at:</i>	31/12/16	31/12/15	31/12/14
		EUR	EUR	EUR
Total Net Assets		320,921,607.04	248,536,805.40	293,557,244.58
Class I CHF		CHF	CHF	CHF
Capitalisation shares				
Number of shares		-	5,450.00	-
Net asset value per share		-	95.30	-
Class I EUR		EUR	EUR	EUR
Capitalisation shares				
Number of shares		1,616,115.16	612,246.07	351,619.44
Net asset value per share		117.36	116.57	114.70
Class I USD		USD	USD	USD
Capitalisation shares				
Number of shares		-	-	3,000.00
Net asset value per share		-	-	101.22
Class P CHF		CHF	CHF	CHF
Capitalisation shares				
Number of shares		14,500.00	23,017.75	-
Net asset value per share		94.32	94.47	-
Class P EUR		EUR	EUR	EUR
Capitalisation shares				
Number of shares		767,446.47	1,079,072.62	1,720,464.48
Net asset value per share		139.62	139.07	137.22
Class P USD		USD	USD	USD
Capitalisation shares				
Number of shares		44,213.66	74,382.42	43,365.00
Net asset value per share		105.93	103.99	102.31
Class PP CHF		CHF	CHF	CHF
Capitalisation shares				
Number of shares		-	2,517.61	-
Net asset value per share		-	94.53	-
Class PP EUR		EUR	EUR	EUR
Capitalisation shares				
Number of shares		58,861.45	156,562.37	124,512.06
Net asset value per share		105.30	105.08	103.95
Class PP USD		USD	USD	USD
Capitalisation shares				
Number of shares		1,099.94	6,917.22	3,354.66
Net asset value per share		104.34	102.61	101.67
Class Q EUR		EUR	EUR	EUR
Capitalisation shares				
Number of shares		129,567.42	1,851.00	-
Net asset value per share		93.20	95.85	-

EFFICIENCY GROWTH FUND - EURO GLOBAL BOND

Statement of investments and other net assets as at 31/12/16

Expressed in EUR

Quantity	Denomination	Quotation currency	Cost price	Market value	% of net assets
Transferable securities admitted to an official stock exchange listing			369,560,619.60	365,325,407.33	113.84
Bonds			345,844,952.47	341,559,577.78	106.43
<i>Austria</i>			<i>8,617,165.27</i>	<i>8,508,472.00</i>	<i>2.65</i>
3,000,000.00	AUSTRIA 0.75 16-26 20/10A	EUR	3,045,656.27	3,095,340.00	0.96
500,000.00	AUSTRIA 3.80 12-62 26/01A	EUR	977,855.00	898,960.00	0.28
3,900,000.00	AUSTRIA 3.90 04-20 15/07A	EUR	4,593,654.00	4,514,172.00	1.41
<i>Belgium</i>			<i>19,107,402.94</i>	<i>18,797,559.10</i>	<i>5.86</i>
1,600,000.00	ANHEUSER BUSCH 0.875 16-22 17/03A	EUR	1,630,548.57	1,644,288.00	0.51
300,000.00	ANHEUSER-BUSCH INB 2.00 16-28 17/03A	EUR	337,016.30	317,697.00	0.10
225,000.00	ANHEUSER-BUSCH INBEV 2.875 12-24 25/09A	EUR	251,520.75	260,694.00	0.08
5,700,000.00	BELGIQUE 1.00 16-26 22/06A	EUR	6,071,199.00	5,948,007.00	1.85
1,000,000.00	BELGIUM KINGDOM 2.15 16-66 22/06A	EUR	1,133,227.92	1,078,910.00	0.34
8,270,000.00	BELGIUM KINGDOM 2.25 13-23 22/06A	EUR	9,683,890.40	9,547,963.10	2.98
<i>Finland</i>			<i>4,090,606.00</i>	<i>4,021,569.00</i>	<i>1.25</i>
1,700,000.00	FINLAND 3.50 11-21 15/04A	EUR	2,022,626.00	1,992,689.00	0.62
2,000,000.00	FINLANDE 0.50 16-26 15/04A	EUR	2,067,980.00	2,028,880.00	0.63
<i>France</i>			<i>81,316,853.29</i>	<i>79,386,749.50</i>	<i>24.75</i>
500,000.00	AUCHAN 2.25 13-23 06/04A	EUR	495,200.00	551,525.00	0.17
600,000.00	AUTOROUTES DU SUD 1.00 16-26 13/05A	EUR	593,394.00	596,070.00	0.19
400,000.00	CARREFOUR SA 0.75 16-24 26/04A	EUR	396,856.00	396,860.00	0.12
200,000.00	CASINO GUICHARD PER 4.048 14-26 05/08A	EUR	204,580.00	206,678.00	0.06
3,000,000.00	CIE FIN FONCIER 0.625 15-23 10/02A	EUR	3,062,700.00	3,076,800.00	0.96
1,000,000.00	CREDIT AGRICOLE 1.25 16-26 14/04A	EUR	998,790.00	1,010,780.00	0.31
900,000.00	CROWN EURO HOLDINGS 2.625 16-24 30/09S	EUR	900,160.00	884,574.00	0.28
350,000.00	EDF 4.00 10-25 12/11A	EUR	429,520.00	436,313.50	0.14
1,300,000.00	FRANCE (GOVT OF) 1.25 16-36 25/05A	EUR	1,429,430.41	1,283,087.00	0.40
12,000,000.00	FRANCE OAT 3.25 10-21 25/10A	EUR	14,310,975.72	14,049,960.00	4.38
1,500,000.00	FRANCE OAT 3.25 12-45 25/05A	EUR	2,269,650.00	2,056,890.00	0.64
500,000.00	FRANCE OAT 4.00 09-60 25/04A	EUR	921,439.00	847,355.00	0.26
12,500,000.00	FRANCE OAT 4.25 06-23 25/10A (*)	EUR	16,025,189.79	16,063,375.00	5.01
24,000,000.00	FRANCE OAT 3.50 10-26 25/04A	EUR	31,688,440.37	30,399,840.00	9.48
400,000.00	ORANGE 1.00 16-25 12/05A	EUR	395,812.00	401,348.00	0.13
200,000.00	PERNOD RICARD 2.00 14-20 22/06A	EUR	209,906.00	212,788.00	0.07
1,000,000.00	SANOFI 0.50 16-27 13/01A	EUR	994,490.00	937,520.00	0.29
1,000,000.00	SANOFI 0.625 16-24 05/04A	EUR	993,800.00	998,090.00	0.31
1,500,000.00	SANOFI AVENTIS EMTN 1.75 14-26 10/09A	EUR	1,637,850.00	1,602,630.00	0.50
1,800,000.00	SOCIETE GENERALE 0.75 16-21 19/02A	EUR	1,817,100.00	1,837,836.00	0.57
500,000.00	VEOLIA ENVIRONN. 0.314 16-23 04/10A	EUR	500,000.00	487,400.00	0.15
1,000,000.00	VIVENDI 1.875 16-26 26/05A	EUR	1,041,570.00	1,049,030.00	0.33
<i>Germany</i>			<i>64,895,200.58</i>	<i>65,028,747.50</i>	<i>20.26</i>
1,000,000.00	BASF 1.875 13-14 04/02A	EUR	1,073,610.00	1,077,110.00	0.34
12,000,000.00	BRD 1.00 15-25 15/08A (*)	EUR	12,928,487.39	13,021,680.00	4.06
27,400,000.00	BRD 1.75 12-22 04/07A (*)	EUR	30,647,786.51	30,717,592.00	9.58
1,000,000.00	BRD 3.25 10-42 04/07A	EUR	1,648,495.40	1,541,120.00	0.48
3,800,000.00	COMMERZBANK 0.50 16-23 13/09A	EUR	3,770,398.00	3,628,658.00	1.13
250,000.00	DAIMLER 0.75 16-23 11/05A	EUR	249,457.50	254,552.50	0.08
2,500,000.00	DAIMLER AG 0.875 16-21 12/01	EUR	2,540,980.00	2,575,825.00	0.80
500,000.00	DAIMLER AG 1.40 16-24 12/01A	EUR	519,250.00	528,890.00	0.16
1,000,000.00	DAIMLER EMTN 0.25 16-20 11/05A	EUR	996,070.00	1,006,790.00	0.31
200,000.00	DAIMLER EMTN 1.875 14-24 08/07A	EUR	209,846.00	218,750.00	0.07
1,000,000.00	DEUTSCHE BANK AG 1.00 16-19 18/03A	EUR	1,004,000.00	1,007,460.00	0.31
100,000.00	DEUTSCHE POST AG 1.255 16-26 01/04A	EUR	99,506.00	103,040.00	0.03
2,100,000.00	GERMANY 4.75 08-40 04/07A (*)	EUR	3,858,931.91	3,873,828.00	1.21
600,000.00	GERMANY -05- 4.00 05-37 04/01A	EUR	953,401.87	969,012.00	0.30
2,000,000.00	KRED WIEDERAUFBAU 2.125 13-23 15/08A	EUR	2,250,220.00	2,293,020.00	0.71
2,000,000.00	KRED.ANST.WIEDER.EMTN 1.50 14-24 11/06A	EUR	2,144,760.00	2,211,420.00	0.69
<i>Ireland</i>			<i>5,077,046.65</i>	<i>5,074,480.00</i>	<i>1.58</i>
1,700,000.00	IRISH GOVT TREASURY 5.00 10-20 18/10A	EUR	2,085,526.00	2,056,830.00	0.64
2,100,000.00	IRISH TSY 3.40 14-24 18/03A	EUR	2,552,373.00	2,557,170.00	0.80
400,000.00	IRLANDE 2.40 14-30 15/05A	EUR	439,147.65	460,480.00	0.14
<i>Italy</i>			<i>72,539,352.71</i>	<i>70,450,905.00</i>	<i>21.95</i>
100,000.00	AUTOSTRADA 1.875 15-25 04/11A	EUR	99,666.00	105,087.00	0.03
150,000.00	AUTOSTRADA PER ITALIA 1.75 16-27 01/02A	EUR	148,605.00	152,071.50	0.05
1,000,000.00	BUZZI UNICEM 2.125 16-23 28/04A	EUR	993,970.00	1,019,970.00	0.32
300,000.00	ENI REGS 1.625 16-28 17/05A	EUR	314,684.00	304,674.00	0.09

* a part of this positon is concerned by Sell and Buy back transactions (see note on "Securities Financing Transactions and of Reuse Regulation")

The accompanying notes form an integral part of these financial statements

EFFICIENCY GROWTH FUND - EURO GLOBAL BOND

Statement of investments and other net assets as at 31/12/16

Expressed in EUR

Quantity	Denomination	Quotation currency	Cost price	Market value	% of net assets
200,000.00	ENI SPA 0.75 16-22 17/05A	EUR	199,288.00	202,476.00	0.06
500,000.00	ENI SPA 3.75 13-25 12/09A	EUR	550,004.25	610,330.00	0.19
250,000.00	ENI SPA 0.625 16-24 19/09A	EUR	248,082.50	243,322.50	0.08
500,000.00	ENI SPA 1.125 16-28 19/09A	EUR	494,120.00	476,415.00	0.15
100,000.00	FERROVIE STATO EMTN 4.00 13-20 22/07A	EUR	99,069.00	112,285.00	0.03
300,000.00	HERA SPA 0.875 16-26 14/10A	EUR	297,099.00	286,494.00	0.09
1,000,000.00	INTESA SAN PAOLO 1.375 15-25 18/12A	EUR	992,240.00	1,035,650.00	0.32
2,000,000.00	INTESA SAN PAOLO SPA 4.375 12-19 15/10A	EUR	2,195,738.93	2,210,920.00	0.69
31,000,000.00	ITALY 3.75 06-21 01/08S	EUR	36,344,429.80	35,550,800.00	11.09
5,100,000.00	ITALY BTP 2.70 16-47 01/03S	EUR	5,319,223.23	4,888,860.00	1.52
16,250,000.00	ITALY BTPS 4.50 10-26 01/03S	EUR	21,143,817.00	20,052,500.00	6.25
2,000,000.00	MEDIOBANCA 1.375 15-25 10/11A	EUR	1,990,740.00	2,063,120.00	0.64
500,000.00	SALINI 3.75 16-21 24/06A	EUR	511,250.00	530,395.00	0.17
100,000.00	SNAM 0.875 16-26 25/10A	EUR	99,526.00	95,745.00	0.03
200,000.00	SNAM REGS 1.375 15-23 19/11A	EUR	198,382.00	207,408.00	0.06
300,000.00	TELECOM ITALIA SPA 3.00 16-25 30/09A	EUR	299,418.00	302,382.00	0.09
<i>Luxembourg</i>			<i>14,439,800.05</i>	<i>14,057,379.50</i>	<i>4.38</i>
12,400,000.00	EFSS 0.40 16-26 31/05A	EUR	12,730,913.75	12,336,760.00	3.84
1,200,000.00	EUROP.INVEST.BK 1.00 16-32 14/04A	EUR	1,213,358.80	1,219,212.00	0.38
250,000.00	GAZ CAPITAL REGS 3.125 16-23 17/11A	EUR	246,550.00	250,662.50	0.08
250,000.00	GLENCORE FINANCE 1.875 16-23 13/09A	EUR	248,977.50	250,745.00	0.08
<i>Mexico</i>			<i>497,500.00</i>	<i>489,075.00</i>	<i>0.15</i>
500,000.00	UNITED MEXICAN STATES 1.625 15-24 06/03A	EUR	497,500.00	489,075.00	0.15
<i>Spain</i>			<i>45,687,831.84</i>	<i>45,946,052.20</i>	<i>14.32</i>
500,000.00	ABERTIS INFRASTRUCT. 3.75 13-23 20/06A	EUR	516,755.00	594,135.00	0.19
200,000.00	ADIF ALTA VELOCIDAD 3.50 14-24 27/05A	EUR	239,976.00	233,764.00	0.07
500,000.00	AYT CED CAJAS S VIII 4.25 06-18 14/06A	EUR	506,000.00	531,275.00	0.17
1,000,000.00	AYT CEDULAS CAJA 4.00 06-21 24/03A	EUR	982,205.00	1,155,980.00	0.36
500,000.00	BANCO BILBAO VIZCAYA 3.50 12-17 05/12A	EUR	526,466.66	517,085.00	0.16
500,000.00	BANKINTER 3.125 13-18 05/02A	EUR	498,340.00	517,460.00	0.16
500,000.00	BCO POP ESPANOL 2.125 14-19 08/10A	EUR	502,165.00	528,065.00	0.16
500,000.00	BCO POPULAR ESPANOL 4.125 10-18 09/04A	EUR	530,820.00	526,535.00	0.16
10,210,000.00	BON Y OBL DEL ESTADO 1.30 16-26 31/10A	EUR	10,205,254.20	10,134,956.50	3.17
500,000.00	ENAGAS EMTN 2.50 14-22 11/04A	EUR	505,880.00	554,655.00	0.17
300,000.00	FERROVIAL 0.375 16-22 14/09A	EUR	299,397.00	292,482.00	0.09
200,000.00	FERROVIAL EMISIONES 3.375 13-18 30/01A	EUR	199,384.00	207,130.00	0.06
500,000.00	GAS NATURAL SDG EMTN 5.00 12-18 13/02A	EUR	546,790.00	527,970.00	0.16
500,000.00	IM CEDULAS 10 4.50 07-22 21/02A	EUR	453,750.00	600,290.00	0.19
100,000.00	RED ELECT FINANCE 3.875 13-14 25/01A	EUR	99,858.00	117,509.00	0.04
7,890,000.00	SPAIN 1.95 16-26 30/04A	EUR	8,444,047.67	8,317,874.70	2.59
1,000,000.00	SPAIN 3.45 16-66 30/07A	EUR	1,154,063.33	1,092,480.00	0.34
14,700,000.00	SPAIN 4.30 09-19 31/10A (*)	EUR	16,535,019.98	16,511,334.00	5.15
1,500,000.00	TELEFONICA EMIS SA 0.75 16-22 13/04A	EUR	1,500,000.00	1,498,800.00	0.47
100,000.00	TELEFONICA EMIS SA 2.242 14-22 27/05A	EUR	100,000.00	107,620.00	0.03
800,000.00	TELEFONICA EMISION 1.46 16-26 13/04A	EUR	800,000.00	789,992.00	0.25
500,000.00	TELEFONICA EMISIONES 3.987 13-23 23/01A	EUR	541,660.00	588,660.00	0.18
<i>Sweden</i>			<i>268,475.00</i>	<i>300,302.50</i>	<i>0.09</i>
250,000.00	TELIASONERA 3.625 12-24 14/02A	EUR	268,475.00	300,302.50	0.09
<i>The Netherlands</i>			<i>23,081,920.97</i>	<i>23,177,096.68</i>	<i>7.22</i>
1,000,000.00	ABN AMRO BANK 0.875 16-26 14/01A	EUR	989,950.00	1,033,840.00	0.32
100,000.00	ASML HOLDING NV 3.375 13-23 19/09A	EUR	114,766.00	116,628.00	0.04
2,500,000.00	BANK V.NED.GEM.REGS 1.00 16-26 12/01A	EUR	2,534,020.00	2,622,950.00	0.82
100,000.00	BRENNTAG FINANCE 5.50 11-18 19/07A	EUR	106,300.00	108,302.00	0.03
500,000.00	DEUTSCHE TEL INT FIN 1.50 16-28 03/04A	EUR	515,750.00	507,790.00	0.16
107,000.00	DEUTSCHE TEL.INTL FIN 5.375 09-21 27/07A	EUR	128,763.80	132,625.43	0.04
300,000.00	ENBW INTL FINANCE 4.875 04-25 16/01A	EUR	392,070.00	396,684.00	0.12
250,000.00	ENEL FINANCE INTL 1.966 15-25 27/01A	EUR	251,975.00	266,725.00	0.08
1,000,000.00	HEINEKEN NV 1.50 15-24 07/12A	EUR	989,780.00	1,051,200.00	0.33
500,000.00	HEINEKEN NV 2.875 12-25 04/08A	EUR	584,450.00	578,515.00	0.18
25,000.00	METRO FINANCE BV REGS 2.25 12-18 11/05A	EUR	24,872.00	25,689.75	0.01
500,000.00	MYLAN 2.25 16-24 22/11A	EUR	499,370.00	510,050.00	0.16
1,000,000.00	NETHERLAND 2.75 14-47 15/01A	EUR	1,504,007.71	1,442,840.00	0.45
6,650,000.00	NETHERLANDS 0.50 16-26 15/07A	EUR	6,742,882.50	6,743,299.50	2.10
6,150,000.00	NETHERLANDS 3.50 10-20 15/07A	EUR	7,164,733.96	7,067,088.00	2.20
500,000.00	REPSOL INTL FIN EMTN 3.625 13-21 07/10A	EUR	538,230.00	572,870.00	0.18

* a part of this positon is concerned by Sell and Buy back transactions (see note on "Securities Financing Transactions and of Reuse Regulation")

The accompanying notes form an integral part of these financial statements

EFFICIENCY GROWTH FUND - EURO GLOBAL BOND

Statement of investments and other net assets as at 31/12/16

Expressed in EUR

Quantity	Denomination	Quotation currency	Cost price	Market value	% of net assets
<i>United Arab Emirates</i>			263,800.00	277,790.00	0.09
250,000.00	EMIRATE TEL CORP GMTN 2.75 14-26 18/06A	EUR	263,800.00	277,790.00	0.09
<i>United Kingdom</i>			4,348,232.17	4,378,065.80	1.36
400,000.00	ANGLO AMERICAN CAP 3.25 14-23 03/04A	EUR	416,300.00	418,604.00	0.13
1,000,000.00	BARCLAYS BK DMTN 2.80 14-24 20/06A	EUR	1,112,700.00	1,129,680.00	0.34
100,000.00	IMPERIAL TABACCO 3.375 14-26 26/02A	EUR	110,391.00	117,253.00	0.04
742,000.00	RBS 5.50 10-20 23/03A	EUR	902,053.67	862,686.30	0.27
750,000.00	SKY REGS 2.25 15-25 17/11A	EUR	808,597.50	800,377.50	0.25
250,000.00	VODAFONE GROUP 1.25 16-21 25/08A	EUR	249,307.50	259,760.00	0.08
750,000.00	VODAFONE GROUP 1.75 16-23 25/08A	EUR	748,882.50	789,705.00	0.25
<i>United States of America</i>			1,613,765.00	1,665,334.00	0.52
200,000.00	CARGILL REGD EMTN 2.50 14-23 15/02A	EUR	219,910.00	222,656.00	0.07
100,000.00	ECOLAB INC 1.00 16-24 15/01A	EUR	99,191.00	100,350.00	0.03
300,000.00	GOLDMAN SACHS GROU 1.25 16-25 01/05A	EUR	298,209.00	295,848.00	0.09
500,000.00	JPMORGAN CHASE & C 1.50 16-26 29/10A	EUR	496,505.00	509,870.00	0.16
500,000.00	UNITED PARCEL SERV 1.625 15-25 15/11A	EUR	499,950.00	536,610.00	0.17
Floating rate bonds			23,715,667.13	23,765,829.55	7.41
<i>France</i>			500,000.00	504,265.00	0.16
500,000.00	CARREFOUR BANQUE FL.R 16-21 20/04Q	EUR	500,000.00	504,265.00	0.16
<i>Italy</i>			6,335,228.53	6,320,062.50	1.97
6,250,000.00	UNICREDIT FL.R 11-17 19/12Q	EUR	6,335,228.53	6,320,062.50	1.97
<i>Luxembourg</i>			7,194,730.65	7,199,258.00	2.24
7,100,000.00	BEI FL.R 09-20 15/01Q	EUR	7,194,730.65	7,199,258.00	2.24
<i>United Kingdom</i>			1,233,052.95	1,256,238.80	0.39
1,258,000.00	RBS FL.R 09-19 08/10Q	EUR	1,233,052.95	1,256,238.80	0.39
<i>United States of America</i>			8,452,655.00	8,486,005.25	2.65
4,175,000.00	GENERAL ELECTRIC FL.R 15-20 28/05Q	EUR	4,147,915.00	4,185,145.25	1.30
4,300,000.00	GOLDMAN SACHS GRP FL.R 07-17 30/01Q	EUR	4,304,740.00	4,300,860.00	1.35
Total securities portfolio			369,560,619.60	365,325,407.33	113.84
Cash at banks/(bank overdrafts) and liquidities (net)				24,456,166.75	7.62
Other net assets/(Liabilities)				-68,859,967.04	-21.46
Total net assets				320,921,607.04	100.00

* a part of this position is concerned by Sell and Buy back transactions (see note on "Securities Financing Transactions and of Reuse Regulation")

The accompanying notes form an integral part of these financial statements

Geographical breakdown

Breakdown per country	% of net assets
France	24.91
Italy	23.92
Germany	20.26
Spain	14.32
The Netherlands	7.22
Luxembourg	6.62
Belgium	5.86
United States of America	3.17
Austria	2.65
United Kingdom	1.75
Ireland	1.58
Finland	1.25
Mexico	0.15
United Arab Emirates	0.09
Sweden	0.09
	113.84

Economical breakdown

Breakdown per sector	% of net assets
Countries and central government	78.29
Banks and credit institutions	12.84
Supranational	6.46
Holding and finance companies	3.24
Healthcare and social services	3.17
Communications	1.91
Road vehicles	1.42
Tobacco and alcoholic drinks	1.27
Pharmaceuticals and cosmetics	1.26
Transportation	0.84
Utilities	0.64
Petroleum	0.57
Building materials and trade	0.49
Chemicals	0.37
Retail trade, department stores	0.35
Graphic art and publishing	0.33
Packaging industries	0.28
Miscellaneous consumer goods	0.07
Electronics and semiconductors	0.04
	113.84

EFFICIENCY GROWTH FUND
- GLOBAL YIELD BOND

EFFICIENCY GROWTH FUND - GLOBAL YIELD BOND

Statement of operations and changes in net assets from 01/01/16 to 10/02/16

Expressed in EUR

Expenses		35,101.35
Investment Management, Advisory and Management Company fees	Note 4, 5	6,138.54
Depository fees	Note 8	276.87
Administrative Agent fees	Note 8	5,166.67
Domiciliation fees		277.78
Bank interest on overdrafts		75.93
Legal fees		3.94
Transaction fees	Note 2i	1,410.55
Professional fees, audit fees and other expenses		21,751.07
Net loss from investments		-35,101.35
Net realised profit / loss on:		
- sales of securities portfolio	Note 2e	-95,657.90
- forward foreign exchange contracts		-19,734.38
- foreign exchange	Note 2b	-1,455.01
Net realised loss		-151,948.64
Movement in net unrealised appreciation / depreciation on:		
- securities portfolio		46,486.31
- forward foreign exchange contracts		-805.82
Decrease in net assets as a result of operations		-106,268.15
Redemption capitalisation shares		-6,233,870.72
<i>Class P CHF</i>		-573,321.57
<i>Class P EUR</i>		-4,848,101.42
<i>Class P USD</i>		-812,447.73
Decrease in net assets		-6,340,138.87
Net assets at the beginning of the period		6,340,138.87
Net assets at the end of the period		0.00

EFFICIENCY GROWTH FUND - GLOBAL YIELD BOND

Key figures relating to the last 3 years

	<i>Period/year ending as at:</i>	10/02/16	31/12/15	31/12/14
		EUR	EUR	EUR
Total Net Assets		-	6,340,138.87	9,751,777.23
Class P CHF		CHF	CHF	CHF
Capitalisation shares				
Number of shares		-	5,952.93	14,178.94
Net asset value per share		-	107.52	110.44
Class P EUR		EUR	EUR	EUR
Capitalisation shares				
Number of shares		-	44,922.88	60,297.88
Net asset value per share		-	109.31	111.12
Class P USD		USD	USD	USD
Capitalisation shares				
Number of shares		-	8,249.04	18,847.87
Net asset value per share		-	110.78	112.31

EFFICIENCY GROWTH FUND
- EUROPEAN STRATEGIC EQUITY

EFFICIENCY GROWTH FUND - EUROPEAN STRATEGIC EQUITY

Statement of operations and changes in net assets from 15/01/16 to 05/08/16

Expressed in EUR

Income		55,927.67
Net dividends	Note 2h	22,329.08
Net interest on bonds	Note 2h	1,072.39
Bank interest on cash account		279.91
Other financial income		562.56
Received on swaps		31,683.73
Expenses		385,845.70
Investment Management, Advisory and Management Company fees	Note 4, 5	124,855.53
Depository fees	Note 8	3,499.32
"Taxe d'abonnement"	Note 3	2,792.61
Administrative Agent fees	Note 8	13,333.33
Domiciliation fees		2,500.00
Bank interest on overdrafts		15,480.92
Legal fees		3,694.01
Transaction fees	Note 2i	201,973.05
Paid on swaps		939.27
Professional fees, audit fees and other expenses		16,777.66
Net loss from investments		-329,918.03
Net realised profit / loss on:		
- sales of securities portfolio	Note 2e	21,761.39
- options		-88,070.78
- financial futures contracts		-833,711.60
- swaps		14,301.63
- foreign exchange	Note 2b	-95,772.06
Net realised loss		-1,311,409.45
Decrease in net assets as a result of operations		-1,311,409.45
Subscription capitalisation shares		18,335,841.09
<i>Class P EUR</i>		<i>18,335,841.09</i>
Redemption capitalisation shares		-17,024,431.64
<i>Class P EUR</i>		<i>-17,024,431.64</i>
Net assets at the beginning of the period		0.00
Net assets at the end of the period		0.00

EFFICIENCY GROWTH FUND

Notes to the financial statements

EFFICIENCY GROWTH FUND

Notes to the financial statements as at December 31, 2016

Note 1 - General information

EFFICIENCY GROWTH FUND (the "SICAV") is an open-ended investment fund ("*Société d'Investissement à Capital Variable*") governed by Luxembourg Law, established in accordance with the provisions of Part I of the amended Law of December 17, 2010 (the "Law") relating to undertakings for collective investment.

The SICAV was incorporated for an indefinite period on September 11, 1997, and its Articles of Incorporation were published in the official gazette "*Mémorial, Recueil Spécial des Sociétés et Associations du Grand-Duché de Luxembourg*" (Mémorial C) on October 14, 1997. The Articles of Incorporation were last modified by notarial deed on June 25, 2010 and published in the Mémorial C on August 20, 2010. A legal statement giving notice (*Notice légale*) of the subscriptions and redemptions of shares by the SICAV has been filed with the Clerk's Office of the District Court of Luxembourg.

The SICAV is registered in the Commercial Register and companies of Luxembourg under Number B 60 668.

As at December 31, 2016, the SICAV includes one sub-fund in operation:

- EFFICIENCY GROWTH FUND - EURO GLOBAL BOND, denominated in Euro (EUR)

Four categories of shares are available for subscription. The sub-fund may issue shares of different categories, which differ mainly in respect of fees, commissions and distribution policy. The SICAV reserves the possibility to create new sub-funds according to economic circumstances.

A new sub-fund EFFICIENCY GROWTH FUND - EUROPEAN STRATEGIC EQUITY has been launched on January 15, 2016, approved by the CSSF on November 9, 2015.

The Board of Directors of the SICAV has decided to liquidate the sub-fund EFFICIENCY GROWTH FUND - GLOBAL YIELD BOND with effective date on February 10, 2016, and to liquidate the sub-fund EFFICIENCY GROWTH FUND - EUROPEAN STRATEGIC EQUITY with effective date on August 5, 2016.

On December 12, 2013, the SICAV has appointed Pharos Management Lux S.A as its Management Company subject to the overall supervision and control of Board of Directors of the SICAV. The Management Company is subject to Chapter 15 of the Law.

EFFICIENCY GROWTH FUND - EURO GLOBAL BOND class Q was listed on Italian stock exchange as from October 7, 2015.

Note 2 - Summary of significant accounting policies

a) Presentation of financial statements

The financial statements are presented in accordance with the legal reporting requirements in Luxembourg and generally accepted accounting principles.

b) Foreign exchange translation for each sub-fund

Cash at banks and liquidities, other net assets as well as the market value of the securities portfolio in currencies other than the currency of the sub-fund are translated into the currency of the sub-fund at the exchange rate prevailing at year-end.

Income and expenses in currencies other than the currency of the sub-fund are translated into the currency of the sub-fund at the exchange rate prevailing at the transaction date.

Resulting net realised profit/loss and movement in net unrealised appreciation/depreciation on foreign exchange are included in the statement of operations and changes in net assets.

c) Combined financial statements of the SICAV

The combined financial statements of the SICAV are expressed in EUR and are equal to the sum of the corresponding items in the financial statements of the different sub-funds. Accounting items of the different sub-funds denominated in currencies other than EUR are converted in EUR at the exchange rates prevailing at the end of the year.

EFFICIENCY GROWTH FUND

Notes to the financial statements as at December 31, 2016 (continued)

Note 2 - Summary of significant accounting policies (continued)

d) Valuation of securities portfolio and cash at banks and liquidities

The assets of the SICAV shall be valued as follows:

1. Securities admitted to official listing on an official stock exchange or traded on any other organised market are valued at the last available price, unless such a price is not deemed to be representative of their fair market value;
2. Securities not listed on stock exchanges or not traded on any organised market and securities with an official listing for which the last available price is not representative of a fair market value are valued, prudently and in good faith by the Board of Directors of the SICAV, on the basis of their estimated sale prices;
3. Cash at banks and liquidities are valued at their face value with interest accrued;
4. Units/shares of open-ended undertakings for collective investment ("UCIs") are valued on the basis of the last net asset value available; if the price determined is not representative of the fair value of these assets, the price is determined by the Board of Directors of the SICAV according to equitable and prudent criteria. Units/shares of closed-ended UCIs are valued on the basis of the last market value available.

e) Net realised profit/loss on sales of securities portfolio

The net realised profit/loss on sales of securities portfolio is calculated on the basis of the average cost of the investments sold.

f) Cost of securities portfolio

Cost of securities portfolio in currencies other than the currency of the sub-fund are translated into the currency of the sub-fund at the exchange rate applicable at purchase date.

g) Forward foreign exchange contracts

The net unrealised appreciation/depreciation resulting from outstanding forward foreign exchange contracts, if any, are determined on the basis of the forward rates applicable at the year-end and are recorded in the statement of net assets. Net realised profit/loss and the movement in net unrealised appreciation/depreciation on forward foreign exchange contracts are disclosed in the statement of operations and changes in net assets.

h) Revenues

Dividends are recorded at ex-date. Interest is recorded on an accruals basis.

i) Transaction fees

The transaction fees represent the costs incurred by each sub-fund in connection with purchases and sales of investments.

They include brokerage fees as well as bank commissions, depositary fees and other transaction fees, and are included in the statement of operations and changes in net assets.

j) Financial futures contracts and options

The net unrealised appreciation/depreciation resulting from outstanding financial futures contracts and options, if any, are determined on the basis of the last known available price at the financial year-end and are recorded in the statement of net assets. Net realised profit/loss and the movement in net unrealised appreciation/depreciation on Financial futures contracts and options are disclosed in the statement of operations and changes in net assets.

k) Swaps

Swaps contracts are marked to market at each net asset value calculation date. The market value is based on the valuation elements laid down in the contracts and is obtained from third party paying agents, market makers or internal models.

EFFICIENCY GROWTH FUND

Notes to the financial statements as at December 31, 2016 (continued)

Note 2 - Summary of significant accounting policies (continued)

l) Formation expenses

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

m) Sales and buy back transactions

Sales and buy back transactions are equivalent to borrowings guaranteed by underlying assets presented in the securities portfolio of the sub-fund, which remains exposed to market risk. Sales and buy back transactions are regarded as borrowings of the sum of liquid assets received and/or paid.

Note 3 - "Taxe d'abonnement"

In accordance with current Luxembourg law, the SICAV is not subject to any tax on income, capital gains tax or net wealth tax. Moreover, no dividends distributed by the SICAV are subject to withholding tax.

Each sub-fund is subject to a subscription tax or "taxe d'abonnement" at an annual rate of 0.05% of the net assets of the sub-fund and is calculated and payable quarterly on the basis of the sub-fund's net asset value at the end of each quarter, except for the Shares reserved for Institutional Investors who may benefit from a reduced rate of 0.01%, i.e. for "I" Shares.

The value of the net assets invested in units/shares of other Luxembourg Undertakings for Collective Investment is exempt from the "taxe d'abonnement" provided such units/shares have already been subject to this tax.

Note 4 - Management Company fees

The Management Company is entitled to receive from each sub-fund a fee up to 0.07% per year, based on the average net assets of the sub-fund, with a minimum of EUR 10,000 p.a. payable in arrears on a quarterly basis.

In addition, the Management Company is entitled to an annual risk management fee of max EUR 10,000 p.a. per sub-fund. The risk management fee is recorded under "Professional fees, audit fees and other expenses" in the statements of operations and changes in net assets.

Note 5 - Investment Management and Advisory fees

The Investment Manager is entitled to receive :

- a global fee payable quarterly calculated on the average net assets of the sub-funds during the relevant quarter. This fee is paid to the Investment Manager and the financial intermediaries involved in the marketing and the distribution of the SICAV's shares.
- for the sub-fund EFFICIENCY GROWTH FUND - EURO GLOBAL BOND, a shareholder servicing fee at a rate of 0.03% p.a. of the sub-fund's average net assets. This fee is payable quarterly calculated on the average net assets of the sub-fund during the relevant quarter for operational support services provided by the Investment Manager to financial intermediaries involved in the marketing and distribution of the sub-fund.

The detail of the global fee is as follows :

- EFFICIENCY GROWTH FUND - EURO GLOBAL BOND : up to 1.25%,
- EFFICIENCY GROWTH FUND - GLOBAL YIELD BOND (liquidated as at February 10, 2016) : up to 1.00%,
- EFFICIENCY GROWTH FUND - EUROPEAN STRATEGIC EQUITY (liquidated as at August 5, 2016) : up to 1.75%.

The Investment Advisor is paid directly by the SICAV, out of the fees mentioned above.

EFFICIENCY GROWTH FUND

Notes to the financial statements as at December 31, 2016 (continued)

Note 6 - Performance fees

The sub-fund EFFICIENCY GROWTH FUND - EURO GLOBAL BOND is not subject to a Performance fee calculation.

For the sub-fund EFFICIENCY GROWTH FUND - GLOBAL YIELD BOND (liquidated as at February 10, 2016), the Investment Manager receives a performance fee, accrued on each valuation date, paid yearly, based on the net asset value (NAV), equivalent to 10.00% of the performance of the NAV per share (measured against the reference NAV) over the performance of the 1 Month Libor (USD, EUR or CHF depending on the share class) during the current period with the high water mark calculation. The reference NAV is defined as the last end of period NAV per share or the initial NAV per share for the first calculation period and will be decreased by the dividends paid to Shareholders, if any.

For the sub-fund EFFICIENCY GROWTH FUND - EUROPEAN STRATEGIC EQUITY (liquidated as at August 5, 2016), the Investment Manager receives a performance fee, accrued on each valuation date, paid quarterly, based on the net asset value (NAV), equivalent to 20 % of the performance of the NAV per share (measured against the reference NAV) over the performance of the 1 Month Libor (USD, EUR or CHF depending on the share class) during the current period with the high water mark calculation.

No performance fee was paid for the year ended at December 31, 2016.

Note 7 - Other fees payable

As at December 31, 2016, the other fees payable include mainly administrative agent, depositary and audit fees.

Note 8 – Administrative Agent and Depositary fees

The Depositary and the Administrative Agent are paid by the SICAV on the basis of business practice in Luxembourg. These fees are calculated on the basis of the net assets the sub-funds and payable monthly in arrears.

Note 9 - Subscription and redemption commission (Dilution levy)

The subscription price for shares in each sub-fund is equal to the net asset value per share in that sub-fund, calculated on the first valuation day of the net asset value following the applicable day of subscription.

The redemption price for shares in each sub-fund is equal to the net asset value per share in that sub-fund as calculated on the first applicable day after the application for redemption has been made.

On top of this price sales commissions may be added, which are paid to intermediaries and do not exceed:

- Maximum 5.00% of the net asset value per share for subscription;
- Maximum 3.00% of the net asset value per share for redemption.

The subscription price/redemption price shall be increased/reduced to cover any duties, taxes and stamp duties which might have to be paid. No such fees were charged to the investors for the period under review.

EFFICIENCY GROWTH FUND

Notes to the financial statements as at December 31, 2016 (continued)

Note 10 - Forward foreign exchange contracts

The SICAV had the following forward foreign exchange contracts outstanding as at December 31, 2016:

EFFICIENCY GROWTH FUND - EURO GLOBAL BOND

Currency	Purchase	Currency	Sale	Maturity	Unrealised result (in EUR)
Forward foreign exchange contracts linked to Class P USD shares					
USD	4,753,639.16	EUR	4,561,137.15	31/01/2017	-61,075.78
					-61,075.78
Forward foreign exchange contracts linked to Class PP USD shares					
USD	114,527.22	EUR	109,889.36	31/01/2017	-1,471.47
					-1,471.47
Forward foreign exchange contracts linked to Class P CHF shares					
CHF	1,373,410.68	EUR	1,282,964.76	31/01/2017	-1,050.64
					-1,050.64

As at December 31, 2016, the net unrealised depreciation on these contracts amounted to EUR 63,597.89 and is included in the statement of net assets of the sub-fund. The counterparty of these forward foreign exchange contracts is CACEIS Bank Luxembourg (since January 1, 2017, CACEIS Bank, Luxembourg Branch).

Note 11 - Changes in the composition of securities portfolio

The details of the changes in the composition of securities portfolio for the year ended December 31, 2016, are at the disposal of the Shareholders at the registered office of the SICAV and are available upon request free of charge.

Note 12 - Exchange rates

The exchange rates used as at December 31, 2016 for the calculation of the net asset value and the financial statements as follows:

1 EUR = 1.05475 USD
1 EUR = 1.07200 CHF

EFFICIENCY GROWTH FUND

Other information to Shareholders (unaudited information)

Securities Financing Transactions and of Reuse Regulation (“SFTR”)

SALES AND BUY BACK TRANSACTIONS	EFFICIENCY GROWTH FUND - EURO GLOBAL BOND
Assets used / Collateral given as at 31/12/16	<i>In EUR</i>
In absolute terms	64.628.963,00
As a % of total net asset value	20.14%
Transactions classified according to residual maturities	<i>In EUR</i>
Less than 1 day	-
From 1 day to 1 week	-
From 1 week to 1 month	64.628.963,00
From 1 month to 3 months	-
From 3 months to 1 year	-
Above 1 year	-
Open maturity	-
Cash received as at 31/12/16	<i>In EUR</i>
Type: Cash received	64,617,573.91
Currency: EUR	64,617,573.91
Classification according to residual maturities:	
Less than 1 day	-
From 1 day to 1 week	-
From 1 week to 1 month	-
From 1 month to 3 months	-
From 3 months to 1 year	-
Above 1 year	-
Open maturity	64,617,573.91
Interest expense components	<i>In EUR</i>
<i>Interest expense component of the fund:</i>	
In absolute amount for the year	270,252.37
Thereof accrued as at 31/12/16	11,389.07
In % of net revenue	4.31%

The sub-fund EFFICIENCY GROWTH FUND - EURO GLOBAL BOND has BANCO BILBAO VIZCAYA ARGENTARIA (Bilbao, Spain) as sole counterparty for Sales and Buy back transactions.

Information on risk management

The sub-funds EFFICIENCY GROWTH FUND - EURO GLOBAL BOND and EFFICIENCY GROWTH FUND - GLOBAL YIELD BOND (liquidated on February 10, 2016) global risk exposure was monitored by using the Commitment approach. In that respect, financial derivatives instruments are converted into their equivalent position in the underlying asset. The global risk exposure shall not exceed the sub-fund's net asset value.

The sub-fund EFFICIENCY GROWTH FUND - EUROPEAN STRATEGIC EQUITY used the Commitment approach until May 16, 2016, and then the Value at Risk (“VaR”) approach until August 5, 2016 (liquidation date).

EFFICIENCY GROWTH FUND

Other information to Shareholders (unaudited information)

Remuneration

Art 151 3) a) of the amended 2010 Law The total amount of remuneration for the financial year, split into fixed and variable remuneration, paid by the Management Company and the Investment Company to its staff, and number of beneficiaries, and where relevant, any amount paid directly by the UCITS itself, including any performance fees	Fixed remuneration: EUR 584,671.51 Variable remuneration: EUR 15,000.00 Number of beneficiaries: 9 Amount attributed to senior management: EUR 246,984.99
Art 151 3) b) of the amended 2010 Law The aggregate amount of remuneration broken down by categories of employees or other members of staff of the management company whose actions have a material impact on the risk profile of the UCITS	EUR 259,686.68 Number of beneficiaries: 4
Art 151 3) c) of the amended 2010 Law A description of how the remuneration and benefits have been calculated	The remuneration of the staff of the Management Company was based on long-term employment contracts. No extra benefits in the respective period. The remuneration policy is available for shareholders free of charge on simple request at the registered office of the Management Company (www.pharusmanco.lu)
Art 151 3) d) of the amended 2010 Law The outcome of the review of the remuneration policy including any irregularities that have occurred	The outcome of reviews is available for shareholders free of charge on simple request at the registered office of the Management Company (www.pharusmanco.lu)
Art 151 3) e) of the amended 2010 Law Material changes to remuneration policy	The material changes to the adopted remuneration policy are available for shareholders free of charge on simple request at the registered office of the Management Company (www.pharusmanco.lu)

As the information is not yet available at December 31, 2016, the figures above are dated December 31, 2015.