

# Preval Funds SICAV

An investment company with variable capital (société d'investissement à capital variable) incorporated under the form of a public limited company ("société anonyme") under the laws of the Grand Duchy of Luxembourg

Registered Office: 5, rue Jean Monnet, L-2180 Luxembourg  
R.C.S. Luxembourg B. 194.732

Unaudited Semi-Annual Report  
for the period ended 30 June 2020

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### The Fund

Preval Funds SICAV  
Investment Company with Variable Capital  
5, rue Jean Monnet, L-2180 Luxembourg  
R.C.S. Luxembourg B. 194.732

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### Board of Directors of the Fund

Thierry Flecchia, Member of the Board  
Chairman and Conducting Officer, Preval, Société Anonyme, Luxembourg  
Grand Duchy of Luxembourg

Benoni Dufour, Member of the Board  
Independent Director, Aspelt  
Grand Duchy of Luxembourg

Laurent Pluchard, Member of the Board  
Director and Conducting Officer, Dynasty AM S.A., Luxembourg  
Grand Duchy of Luxembourg

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### Management Company and Investment Manager

Preval, Société Anonyme  
11, boulevard Royal  
L-2449 Luxembourg  
Grand Duchy of Luxembourg  
R.C.S. Luxembourg B. 190081

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### Board of Directors of the Management Company

Thierry Flecchia, Member of the Board

Dimitri Boismare, Member of the Board

Olivier Ferrari, Member of the Board

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### Depository Bank and Paying Agent

Credit Suisse (Luxembourg) S.A.  
5, rue Jean Monnet, L-2180 Luxembourg  
Grand Duchy of Luxembourg

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### Central Administration Agent

Credit Suisse Fund Services (Luxembourg) S.A.  
5, rue Jean Monnet, L-2180 Luxembourg  
Grand Duchy of Luxembourg

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### Cabinet de révision agréé

Deloitte Audit Société à Responsabilité Limitée, Cabinet de révision agréé  
20 Boulevard de Kockelscheuer  
L-1821 Luxembourg  
Grand Duchy of Luxembourg

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### Legal Adviser as to matters of Luxembourg law

Elvinger Hoss Prussen  
2, Place Winston Churchill  
L-2014 Luxembourg  
Grand Duchy of Luxembourg

No subscription may be accepted on the basis of the financial reports. Subscriptions are accepted only on the basis of the current sales prospectus, the Key Investor Information Document, the latest annual report and the latest semi-annual report, if more recent.

The issue and redemption prices are published in Luxembourg at the registered office of the Fund.

Shareholders may obtain the sales prospectus, the key investor information document (KIID), the latest annual and semi-annual reports, the changes in the composition of the securities portfolio during the reporting period and copies of the Articles of Incorporation free of charge from the registered office of the Fund or the local representatives in the countries where the Fund is registered.

**Statement of Net Assets in EUR**

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	<b>30.06.2020</b>
<b>Assets</b>	
Investments in securities at market value	121,302,147.26
Cash at banks	3,896,511.98
Income receivable	303,724.08
Prepaid expenses	6,087.05
	<b>125,508,470.37</b>
<b>Liabilities</b>	
Due to banks and to brokers	3,300.76
Provisions for accrued expenses	190,280.99
	<b>193,581.75</b>
<b>Net assets</b>	<b>125,314,888.62</b>

**Statement of Operations / Changes in Net Assets in EUR**

	For the period from 01.01.2020 to 30.06.2020
<b>Net assets at the beginning of the period</b>	<b>164,098,911.50</b>
<b>Income</b>	
Dividends (net)	888,986.09
Bank interest	6,852.06
	<b>895,838.15</b>
<b>Expenses</b>	
Management fee	925,956.34
Depositary fee	40,600.68
Administration expenses	27,742.10
Printing and publication expenses	469.10
Interest and bank charges	27,975.46
Audit, control, legal, representative bank and other expenses	66,135.81
Subscription tax	24,514.96
	<b>1,113,394.45</b>
<b>Net income (loss)</b>	<b>-217,556.30</b>
<b>Realised gain (loss)</b>	
Net realised gain (loss) on sales of investments	-31,573,075.18
Net realised gain (loss) on foreign exchange	-73,062.71
	<b>-31,646,137.89</b>
<b>Net realised gain (loss)</b>	<b>-31,863,694.19</b>
<b>Change in net unrealised appreciation (depreciation)</b>	
Change in net unrealised appreciation (depreciation) on investments	9,473,280.62
	<b>9,473,280.62</b>
<b>Net increase (decrease) in net assets as a result of operations</b>	<b>-22,390,413.57</b>
<b>Subscriptions / Redemptions</b>	
Subscriptions	9,277,481.28
Redemptions	-25,671,090.59
	<b>-16,393,609.31</b>
<b>Net assets at the end of the period</b>	<b>125,314,888.62</b>

## General

Preval Funds SICAV (the "Fund") is an umbrella structured open-ended investment company with limited liability, organised as a *société anonyme* and qualifies as a *société d'investissement à capital variable* ("SICAV") under part I of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as amended (the "2010 Law"). The Fund was incorporated on 11.02.2015 and its Articles were published in the Memorial on 27.02.2015.

The Fund is registered under number B 194.732 with the Registre de Commerce et des Sociétés of Luxembourg, where the Articles have been filed and are available for inspection. The Fund exists for an indefinite period.

As of 30.06.2020 the Fund had 1 Subfund denominated in EUR:  
– Preval Fund SICAV – World Winners, launched on 10.04.2015.

The Fund offers various share classes of the Subfund.

## Summary of significant accounting policies

### a) Presentation of financial statements

The financial statements are presented in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements applicable to undertakings for collective investment.

### b) Computation of the net asset value

The net asset value per share is calculated on each Calculation Day by dividing the total net asset value attributable to each share class, being the proportionate value of its assets less its liabilities, by the number of shares of such share class then in issue.

The resulting net asset value per share is rounded to the nearest three decimal places.

The net asset value of the shares of the Subfund Preval Fund SICAV – World Winners is valued on a daily basis, if such day is not a Business Day in Luxembourg, the Valuation Day will be the following Business Day (the "Sub-Fund's Valuation Day"). The actual calculation takes place on the Business Day after the Sub-Fund's Valuation Day.

The financial statements are presented on the basis of the latest NAV calculated during the financial period (i.e. 30.06.2020).

### c) Valuation policy

The assets of the Subfund are valued as of the Valuation Day, as follows:

(1) The value of any cash in hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received is deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is 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.

(2) The value of such securities, financial derivative instruments and assets is determined on the basis of the closing or last available price on the stock exchange or any other Regulated Market as defined by the 2010 Law on which these securities or assets are traded or admitted for trading. Where such securities or other assets are quoted or dealt in one or more than one stock exchange or any other Regulated Market, the Board of Directors of the Fund shall make regulations for the order of priority in which stock exchanges or other Regulated Markets are used for the provisions of prices of securities or assets.

(3) If a security is not traded or admitted on any official stock exchange or any Regulated Market, or in the case of securities so traded or admitted the last available price of which does not reflect their fair value, the Board of Directors of the Fund is required to proceed on the basis of their expected sales price, which is valued with prudence and in good faith.

(4) The financial derivative instruments which are not listed on any official stock exchange or traded on any other organised market are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Board of Directors of the Fund's initiative. The reference to fair value shall be understood as a reference to the amount for which an asset could be exchanged, or a liability be settled, between knowledgeable, willing parties in an arm's length transaction.

(5) Units or shares in undertakings for collective investments are valued on the basis of their last available net asset value as reported by such undertakings.

(6) Liquid assets and money market instruments may be valued at nominal value plus any accrued interest or on an amortised cost basis. All other assets, where practice allows, may be valued in the same manner.

(7) If any of the aforesaid valuation principles do not reflect the valuation method commonly used in specific markets or if any such valuation principles do not seem accurate for the purpose of determining the value of the Fund's assets, the Board of Directors of the Fund may fix different valuation principles in good faith and in accordance with generally accepted valuation principles and procedures.

### d) Net realised gain/loss on sales of investments

The realised gains or losses on the sales of securities are calculated on the basis of the average acquisition cost.

### e) Foreign exchange conversion

The financial statements are reported in the reference currency of the Subfund and the combined financial statements are reported in EUR.

Cash at banks, other net assets and the value of portfolio securities in currencies other than reference currency of the Subfund are converted into the reference currency at the foreign exchange rate prevailing on 30.06.2020.

Income and expenses in currencies other than reference currency of the Subfund are converted into the reference currency at the foreign exchange rate applicable at the date they accrue to the Subfund.

Realised gains or losses on foreign currencies are accounted for in the statement of operations.

Security transactions in currencies other than the reference currency of the Subfund are converted into the reference currency at the foreign exchange rate valid at the date of the transaction.

The foreign exchange rates used as of 30.06.2020 are:

1 EUR =

6.167000 BRL  
1.529750 CAD  
1.064250 CHF  
7.453150 DKK  
0.909000 GBP  
8.704950 HKD  
1,350.981000 KRW  
10.835000 NOK  
4.442800 PLN  
10.464000 SEK  
1.123150 USD

### f) Transactions on investments in securities

The transactions on investments in securities are booked on a trade date basis.

### g) Income recognition

Dividends are recorded on ex-dividend date, net of withholding tax. Interest is accrued on a daily basis.

### h) Formation expenses

The costs and expenses of establishing the Fund are borne by, and payable out of the assets of, the Subfunds existing at the launch of the Fund and will be amortized over a period not exceeding five years.

## Management fee

(see detail at Subfund level)

The Board of Directors of the Fund has appointed Preval, Société Anonyme as the Fund's Management Company to perform investment management, administration and marketing functions as described in Annex II of the 2010 Law.

The Fund pays Management fees for the Subfund to the Management Company *per annum* based on the Net Asset Value of the Fund and/or the Share Classes. The level of Management Fees may vary at the Board of Directors of the Fund discretion, as agreed with the Management Company, across Subfunds and Share Classes. Management Fees accrued on each Calculation Day (with respect to the Share Class concerned), are based on the Net Asset Value of the relevant Share Class and are paid monthly based on the last available Net Asset Value of the relevant Share Class.

Management Fees comprise, without limitation, all operation costs and expenses incurred by the Fund and the Management Company, with the exception of the Central Administration Fee, the fees of the Custodian Bank, and any taxes thereon.

### Performance fee

The Management Company may, in addition to the Management Fee, be entitled to a performance fee.

For the Subfund Preval Fund SICAV – World Winners, the performance fee is paid annually in arrears within 15 Business Days from the end of the relevant calendar year (the "Performance Fee Calculation Period") and for the first time in 2015.

The performance fee may be levied provided that:

(i) the performance of the relevant Share Class for the relevant Performance Fee Calculation Period is positive as compared to the precedent Performance Fee Calculation Period; and

(ii) there is a difference in favour of the Shareholders in the relevant Share Class between the relative evolution of the Net Asset Value of such Share Class and the MSCI ACWI Index (i.e. an outperformance) over the same period; and

(iii) the Net Asset Value at the end of the Performance Fee Calculation Period is above the High Water Mark.

The High Water Mark is the highest Net Asset Value per Share of the relevant Share Class since the last period where a performance fee was due/paid.

The first performance fee based on the High Water Mark principle was calculated on 01.02.2019.

The performance fee by Class of Share outstanding will be equivalent to twenty per cent (20%) of the positive excess of the net return of the relevant Share Class over the MSCI ACWI Index (i.e. the outperformance) since the previous Performance Fee Calculation Period to the extent this High Water Mark is exceeded. If the performance of the Net Asset Value per Class of Share is lower than the return of the MSCI ACWI Index no performance fee shall be paid.

No Performance fee will be charged to share Class S.

As of 30.06.2020, the Fund did not pay any Performance Fee to the Management Company.

### Depository fee

The Depository Bank receives from the Fund a fee in relation to these services, which is set at a rate of up to 6 bps per annum of the Net Asset Value of the Fund accrued on a daily basis and payable on a monthly basis.

### Administration expenses

The Central Administration Agent receives a fee from and out of the assets of the Fund in relation to its Central Administration Agent services. Such fee is in accordance with usual practice in Luxembourg paid on a monthly basis and calculated and accrued at the end of the month considered.

### Subscription tax and taxation

The Fund is not subject to any taxes in Luxembourg on income or capital gains. The only taxes to which the Fund in Luxembourg is subject is the subscription tax at a rate of 0,05% per annum based on the Net Asset Value of each Subfund at the end of the relevant quarter, calculated and paid quarterly. In respect of any Share Class which is reserved for Institutional Investors (within the meaning of article 174 of the 2010 Law), the tax levied will be at the rate of 0,01% per annum.

In case the Fund invests in other Luxembourg investment funds, which in turn are subject to the subscription tax, the aforementioned tax is not due from the Subfund on the portion of assets invested therein.

Other taxes on the Fund, for example on income, capital gains or distributions, are not levied in Luxembourg. However, income, capital gains or distributions of the Fund may be subject to non-refundable withholding taxes or other taxes in countries in which the Fund's assets are invested.

Income, capital gains or distributions of the Fund are not subject to any capital gains, income or withholding tax in Luxembourg.

### Changes in the composition of the securities portfolio

Changes in the composition of the securities portfolio during the reporting period are available to Shareholders free of charge at the registered office of the Fund or the local representatives in the countries where the Fund is registered.

### Fund performance

(see detail at Subfund level)

The performance of the year Y is based on the net asset values as calculated on the last business day of the year Y and Y-1. Those net asset values reflect the market prices of the investments as of the last business day of the year Y and Y-1. The YTD (Year-To-Date) performance includes the period 01.01.2020 to 30.06.2020.

Historical performance is no indicator of current or future performance.

The performance data given does not take into account commissions and costs incurred in the purchase or redemption of fund shares. The performance since inception is annualised.

Performance of distributing shares includes reinvestments of dividends.

### Total Expense Ratio (TER)

(see detail at subfund level)

The TER expresses the sum of all costs and commissions charged on an ongoing basis to the respective subfund, taken retrospectively as a percentage of these assets.

If a subfund invests at least 10% of its net assets as a fund of fund in target funds, a composite TER of the fund of funds is to be calculated as follows.

The prorated TER of the individual target funds including a performance related remuneration, weighted according to the share they represent in the overall assets of the fund of funds as of the closing date and the TER of the fund of funds minus the retroceded commissions received from the target funds during the reporting period.

No TER is disclosed for share classes launched less than 6 months before closing date.

The TER is calculated following the SFAMA guideline.

### Transaction costs

Transactions costs include brokerage fees, stamp duty, local taxes and other foreign charges if incurred during the reporting period. Transaction fees are included in the cost of securities purchased and sold.

For the period ended on 30.06.2020, the Fund incurred transaction costs relating to purchase or sale of investments in securities and similar transactions, (including derivatives instruments or other eligible assets) as follows:

Preval Funds SICAV – World Winners	EUR 296,176.34
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Not all transaction costs are separately identifiable. For fixed income investments, forward currency contracts and for some other derivative contracts, transaction costs are included in the purchase and sales price of the investments.

### Global Exposure

The global exposure of the Subfund is calculated on the basis of the commitment approach.

### Coronavirus Covid-19

The Covid19 pandemic has brought economic uncertainties and significant market volatility on global markets since March 2020. Following a prudent approach in the management of the portfolio, the Fund has not experienced a significant decrease in assets under management nor significant outflows affecting the accounting conclusions for the reporting period ending 30 June 2020.

The Management Company of the Fund continues to closely monitor the liquidity levels of the Fund. As at the date of the report, no issues or concerns have been identified on liquidity for both assets and investors. It is also confirmed that the Management Company of the Fund has not met any difficulty or delay accessing and obtaining information impacting the disclosure in financial statements during Covid-19 restrictions.

**Technical Data and Notes****Technical Data**

		Valoren	ISIN	Management Fee	Total Expense Ratio
A -Capitalisation	EUR	25924494	LU1132346872	1.80%	2.04%
I -Capitalisation	EUR	25924651	LU1132347094	1.20%	1.40%
S -Capitalisation	EUR	39714288	LU1745486925	0.20%	0.43%

**Fund Performance**

		YTD	Since Inception	2019	2018	2017
A -Capitalisation	EUR	-13.13%	9.66%	20.70%	-22.88%	28.53%
I -Capitalisation	EUR	-12.87%	13.24%	21.48%	-22.39%	29.18%
S -Capitalisation	EUR	-12.45%	-11.65%	22.66%	/	/

**Statement of Net Assets in EUR and Fund Evolution**

	<b>30.06.2020</b>
<b>Assets</b>	
Investments in securities at market value	121,302,147.26
Cash at banks	3,896,511.98
Income receivable	303,724.08
Prepaid expenses	6,087.05
	<b>125,508,470.37</b>
<b>Liabilities</b>	
Due to banks and to brokers	3,300.76
Provisions for accrued expenses	190,280.99
	<b>193,581.75</b>
<b>Net assets</b>	<b>125,314,888.62</b>

<b>Fund Evolution</b>		<b>30.06.2020</b>	<b>31.12.2019</b>	<b>31.12.2018</b>
<b>Total net assets</b>	<b>EUR</b>	<b>125,314,888.62</b>	<b>164,098,911.50</b>	<b>172,035,837.77</b>
<b>Net asset value per share</b>				
A -Capitalisation	EUR	109.66	126.23	104.58
I -Capitalisation	EUR	113.24	129.96	106.98
S -Capitalisation	EUR	88.35	100.91	82.27

<b>Number of shares outstanding</b>		<b>at the end of the period</b>	<b>at the beginning of the period</b>	<b>Number of shares issued</b>	<b>Number of shares redeemed</b>
A -Capitalisation	EUR	677,208.181	749,683.527	61,465.702	133,941.048
I -Capitalisation	EUR	224,619.537	309,358.808	16,860.000	101,599.271
S -Capitalisation	EUR	289,933.661	289,933.661	0.000	0.000

**Statement of Operations / Changes in Net Assets in EUR**

	For the period from 01.01.2020 to 30.06.2020
<b>Net assets at the beginning of the period</b>	<b>164,098,911.50</b>
<b>Income</b>	
Dividends (net)	888,986.09
Bank interest	6,852.06
	<b>895,838.15</b>
<b>Expenses</b>	
Management fee	925,956.34
Depository fee	40,600.68
Administration expenses	27,742.10
Printing and publication expenses	469.10
Interest and bank charges	27,975.46
Audit, control, legal, representative bank and other expenses	66,135.81
Subscription tax	24,514.96
	<b>1,113,394.45</b>
<b>Net income (loss)</b>	<b>-217,556.30</b>
<b>Realised gain (loss)</b>	
Net realised gain (loss) on sales of investments	-31,573,075.18
Net realised gain (loss) on foreign exchange	-73,062.71
	<b>-31,646,137.89</b>
<b>Net realised gain (loss)</b>	<b>-31,863,694.19</b>
<b>Change in net unrealised appreciation (depreciation)</b>	
Change in net unrealised appreciation (depreciation) on investments	9,473,280.62
	<b>9,473,280.62</b>
<b>Net increase (decrease) in net assets as a result of operations</b>	<b>-22,390,413.57</b>
<b>Subscriptions / Redemptions</b>	
Subscriptions	9,277,481.28
Redemptions	-25,671,090.59
	<b>-16,393,609.31</b>
<b>Net assets at the end of the period</b>	<b>125,314,888.62</b>

## Statement of Investments in Securities

### Breakdown by Country

Cayman Islands	30.35
USA	20.00
Canada	6.93
United Kingdom	6.92
Norway	4.62
Ireland	3.61
Netherlands	3.43
People's Republic of China	3.15
Bermuda	3.04
Hong Kong	2.97
Jersey	2.80
Brazil	2.44
France	2.32
Russia	1.65
Israel	1.50
Poland	1.07
<b>Total</b>	<b>96.80</b>

### Breakdown by Economic Sector

Internet, software and IT services	26.29
Miscellaneous services	11.74
Precious metals and precious stones	11.06
Graphics publishing and printing media	8.02
Forestry, paper and forest products	5.48
Food and soft drinks	4.33
Miscellaneous consumer goods	4.00
Traffic and transportation	3.50
Pharmaceuticals, cosmetics and medical products	3.15
Retailing, department stores	2.88
Chemicals	2.73
Building materials and building industry	2.63
Electronics and semiconductors	2.32
Lodging and catering industry, leisure facilities	1.77
Vehicles	1.73
Banks and other credit institutions	1.54
Mining, coal and steel industry	1.53
Financial, investment and other div. companies	1.12
Miscellaneous trading companies	0.98
<b>Total</b>	<b>96.80</b>

### Statement of Investments in Securities

Description	Quantity / Nominal	Valuation (in EUR)	% of net assets
<b>Securities listed on a stock exchange or other organised markets: Shares (and equity-type securities)</b>			
<b>Shares (and equity-type securities)</b>			
USD AMAZON.COM	1,467	3,603,426.92	2.88
USD AUTOHOME ADR -A-	32,274	2,169,511.64	1.73
USD BAIDU.COM ADR	47,400	5,059,685.71	4.04
USD BARRICK GOLD	239,841	5,752,852.73	4.59
HKD BIOSTIME INTERNATIONAL	1,243,979	5,008,812.68	4.00
EUR CRH PLC	108,207	3,300,313.50	2.63
HKD DALI FOODS GROUP	3,743,261	2,021,071.54	1.61
GBP DCC	16,627	1,231,019.91	0.98
PLN DINO POLSKA SA	29,669	1,339,606.97	1.07
GBP G4S	5,395,570	6,763,753.60	5.39
USD HUYA INC ADR -A-	256,077	4,256,740.05	3.40
EUR INGENICO GROUP	20,476	2,907,592.00	2.32
USD JD.COM ADR	137,973	7,392,792.72	5.89
GBP KAZAKHIMYS	348,086	1,914,664.47	1.53
HKD LEE & MAN PAPER MANUFACTURING	2,932,000	1,401,170.60	1.12
CAD LUNDIN MINING	614,875	2,926,157.87	2.34
USD MAGNIT GDR	178,615	2,065,804.97	1.65
USD NEWMONT MINING	94,181	5,177,166.84	4.13
HKD NINE DRAGONS PAPER	4,729,580	3,808,678.49	3.04
GBP POLYMETAL INTERNATIONAL	197,641	3,512,530.65	2.80
USD SALESFORCE.COM	23,873	3,981,773.66	3.18
NOK SCHIBSTED -A-	250,016	5,787,172.39	4.62
HKD SHANDONG WEIGAO GROUP MEDICAL POLYMER COMPANY -H-	1,994,000	3,949,081.84	3.15
BRL SUZANO PAPEL E CELULOSE SA	513,010	3,060,424.50	2.44
HKD TENCENT HOLDINGS	65,000	3,723,054.12	2.97
USD TRIP.COM GROUP LTD ADR	95,842	2,211,836.92	1.77
USD TWITTER	96,156	2,550,404.88	2.04
USD UNIVAR	227,932	3,421,567.48	2.73
USD VISA -A-	11,224	1,930,410.08	1.54
USD WEIBO ADR -A-	135,586	4,056,172.02	3.24
USD WIX.COM	8,228	1,877,022.80	1.50
USD XPO LOGISTICS	63,818	4,389,387.44	3.50
USD YANDEX -A-	96,549	4,299,853.96	3.43
USD 58.COM ADR -A-	92,672	4,450,632.31	3.55
<b>Shares (and equity-type securities)</b>		<b>121,302,147.26</b>	<b>96.80</b>
<b>Securities listed on a stock exchange or other organised markets: Shares (and equity-type securities)</b>			
<b>Shares (and equity-type securities)</b>		<b>121,302,147.26</b>	<b>96.80</b>
<b>Total of Portfolio</b>		<b>121,302,147.26</b>	<b>96.80</b>
Cash at banks		3,896,511.98	3.11
Due to banks and to brokers		-3,300.76	/
Other net assets		119,530.14	0.09
<b>Total net assets</b>		<b>125,314,888.62</b>	<b>100.00</b>

**Remuneration**

In compliance with the provisions of Articles 111 bis, 111 ter and 151 of the 2010 Law, the Management Company establishes implements and maintains a remuneration policy which is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles, rules or articles of incorporation of the UCITS that the Management Company manages. Such remuneration policy is aligned with the strategy of the Management Company, its objectives, its values and its long term interests, such as sustainable growth prospects, complies with principles governing client and investor protection when providing services and does not interfere with the obligation of the Management Company to act in the best interests of the UCITS it manages.

The remuneration policies and practices apply to categories of staff, including senior management, risk takers, employees with oversight functions and any employees whose overall remuneration places them in the same income bracket as senior management and risk takers, whose activities have a material impact on the risk profiles of the Management Company or the UCITS under its management.

The Management Company updates the structure of the remuneration policy regularly to ensure that it remains suitable in light of any developments in the Management Company and satisfy the duty of supervision. Such remuneration policy is in line with business strategy, objectives, values and interests of the Management Company and the UCITS that it manages and of the shareholders of these UCITS. The governance structure of the remuneration policy aims at preventing conflicts of interest.

The remuneration policies and practices include fixed and variable portions of salaries. Where remuneration includes a variable element or a bonus, awarded based on performance criteria, the remuneration policy is structured in such a way as to achieve a fair balance between the fixed and variable elements and so as to ensure that the fixed remuneration component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable components, including the possibility to pay no variable remuneration component. This balance of the various elements of remuneration can vary according to the employee concerned, employees' commitment and achievements of objectives and contribution towards the Management Company's added value but also taking into account the market conditions and the specific environment in which the Management Company operates. A maximum limit has been set by the Management Company for the variable element.

The aim of the remuneration policy is to align the employees' personal objectives with the long term goals of the Management Company. The assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the investors of the UCITS managed by the Management Company in order to ensure that the assessment process is based on the longer-term performance of the UCITS and their investment risks and that the actual payment of performance-based components of remuneration is spread over the same period.

Performance measurement, where it is used as a basis for the calculation of bonuses, is adjusted according to current and future risks associated with the underlying performance, and takes into account the cost of capital used and the liquidity required.

The implementation of the remuneration policy is at least subject to an annual internal, centralised and independent analysis.

The latest remuneration policy of the Management Company, including but not limited to the description of how the remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits is available from the Management Company's website ([www.preval.lu](http://www.preval.lu)) and a hard copy thereof is made available free of charge upon request of the Investors at the registered office of the Management Company.

Information on remuneration will be disclosed as set out in articles 111bis and 111ter of the law of 17 December 2010 on undertakings for collective investment, as amended, once an entire financial year is completed.

**Securities Financing Transactions and of Reuse ("SFTR")**

As at June 30, 2020, the Company is currently not in the scope of the requirements of the Regulation (EU) 2015/2365 on transparency of SFTR. Furthermore, no corresponding transactions were carried out during the period referring to the financial statements.

## APPENDIX IV: ADDITIONAL INFORMATION FOR INVESTORS IN THE FEDERAL REPUBLIC OF GERMANY

For all sub-funds of Preval Funds SICAV a notification for distribution in the Federal Republic of Germany has been submitted and Shares in these sub-funds may be offered to investors within the scope of the German Investment Code. As a consequence, all sub-funds are available to investors in Germany.

### Local information agent for Germany:

Zeidler Legal Services Rechtsanwaltsgesellschaft GmbH,  
Bettinastrasse 48  
60325 Frankfurt

has been appointed as information agent in the Federal Republic of Germany (the "German Local Information Agent"). No units will be issued as printed individual certificates and therefore no Paying Agent has been appointed in Germany.

The Articles of Incorporation, the Prospectus and Key Investor Information Document, semi-annual and annual reports, the subscription and redemption prices are available free of charge from the registered office of the Fund and the German Local Information Agent during usual business hours. In addition, this information is available electronically on the following website: <http://www.preval.lu/>

The current Net Asset Values per share, subscription and redemption prices of all share classes are available free of charge at the German Local Information Agent. Additionally these prices (Net Asset Value per Share, Subscription and Redemption) of all share classes are published and visible on <http://www.preval.lu/>.

The conversion prices correspond to the redemption and subscription prices or the Net Asset Value per share. Requests for redemption and conversion may be submitted to the Central Administration of the Fund: Credit Suisse Fund Services (Luxembourg) S.A., 5 rue Jean Monnet, L-2180 Luxembourg.

Investors will be informed on any notices to Shareholders through a personal letter sent by mail to their attention.

In the cases listed below, communications will be made to investors in the Federal Republic of Germany via a publication on the website <http://www.preval.lu/> (pursuant to § 167 Investment Code):

- a) suspension of the redemption of the Shares,
- b) termination of the management of the Fund or its liquidation,
- c) any amendments to the Articles of Incorporation which are inconsistent with the previous investment principles, which affect material investor rights or which relate to remuneration and reimbursement of expenses that may be paid or made out of the asset pool,
- d) merger of the Fund with one or more other funds and
- e) the change of the Fund into a feeder fund or the modification of a master fund.