

**Annual report including audited financial statements
as at 31st December 2016**

fLAB fUNDS Sicav (formerly fLAB SICAV-SIF S.A.)

Société d'Investissement à Capital Variable
Luxembourg

R.C.S. Luxembourg B 171 733

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

Organisation	2
General information	4
Report on activities of the Board of Directors.....	6
Report of the réviseur d'entreprises agréé	10
Combined statement of net assets	12
Combined statement of operations and other changes in net assets	13
fLAB CORE (formerly fLAB fUNDS-SIF S.A. - fLAB Core).....	14
Statement of net assets	14
Statement of operations and other changes in net assets	15
Statistical information.....	16
Statement of investments and other net assets	18
Industrial and geographical classification of investments	20
fLAB SATELLITE (formerly fLAB fUNDS-SIF S.A. - fLAB Satellite).....	21
Statement of net assets	21
Statement of operations and other changes in net assets	22
Statistical information.....	23
Statement of investments and other net assets	24
Industrial and geographical classification of investments	26
Notes to the financial statements	27
Additional information (unaudited)	34

Organisation

Registered office

42, Rue de la Vallée
L-2661 LUXEMBOURG
(since 5th February 2016)

2, Place de Metz
L-1930 LUXEMBOURG
(until 4th February 2016)

Board of Directors

Chairman

Oscar ALVAREZ LOPEZ
48, Via Augusta, 6°6a,
E-08006 BARCELONA

Directors

Sonia GALBETE ALTARRIBA
48, Via Augusta, 6°6a,
E-08006 BARCELONA

Paul HEISER
58, Rue Glesener
L-1630 LUXEMBOURG

Management Company

CASA4FUNDS SA
42, Rue de la Vallée
L-2661 LUXEMBOURG
(since 5th February 2016)

**Board of Directors of
the Management Company**

Chairman

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

Directors

Alberto CAVADINI
Director
MANAGEMENTPLUS LUXEMBOURG S.A.
24, Rue Beaumont
L-1219 LUXEMBOURG

Giacomo MERGONI
Director, Investment Manager
BANOR CAPITAL LTD
16 Berkeley Street
UK-LONDON W1J 8DZ

**Day-to-day managers
of the Management Company**

Margherita BALERNA BOMMARTINI
Arnaud BOUTEILLER
Céline GUTTER
Robert ZAGORSKI

Domiciliary Agent

CASA4FUNDS SA
42, Rue de la Vallée
L-2661 LUXEMBOURG
(since 5th February 2016)

BANQUE ET CAISSE D'EPARGNE DE L'ETAT,
LUXEMBOURG
1, Place de Metz
L-2954 LUXEMBOURG
(until 4th February 2016)

Depository and Paying Agent

BANQUE ET CAISSE D'EPARGNE DE L'ETAT,
LUXEMBOURG
1, Place de Metz
L-2954 LUXEMBOURG

**Registrar, Transfer and
Administrative Agent**

EUROPEAN FUND ADMINISTRATION S.A.
2, Rue d'Alsace
L-1122 LUXEMBOURG
(since 5th February 2016)

BANQUE ET CAISSE D'EPARGNE DE L'ETAT,
LUXEMBOURG
1, Place de Metz
L-2954 LUXEMBOURG
(until 4th February 2016)

Investment Advisor

MARKET LAB LUXEMBOURG S.à r.l.
2, Place de Metz
L-1930 LUXEMBOURG

Independent auditor

ERNST & YOUNG
Société Anonyme
35E, Avenue John F. Kennedy
L-1855 LUXEMBOURG

fLAB fUNDS Sicav (formerly fLAB SICAV-SIF S.A.) (the “Fund”) is an open-ended collective investment company (“société d’investissement à capital variable”), established in accordance with Part I of the amended Law of 17th December 2010 relating to Undertakings for Collective Investment and to the Council Directive 2009/65/EC, as amended, with an “umbrella” structure comprising different Sub-Funds. The Fund has been incorporated in Luxembourg on 25th September 2012 pursuant to the law of 13th February 2007 as amended on specialized investment funds.

The Fund, internally managed, was registered as Alternative Investment Fund Manager with the CSSF since 29th July 2013 subject to the Luxembourg Law of 12th July 2013 relating to Alternative Investment Funds Managers.

With effect on 5th February 2016, the Extraordinary General Meeting resolved to:

- change the legal regime of the SICAV-SIF, in order to convert it from a specialized investment fund ("*Fonds d'Investissement Spécialisé*" ("FIS")) organised under the legal form of a public limited company (société anonyme) subject to the Luxembourg law of 13th February 2007 relating to specialized investment funds to a public limited company (société anonyme) subject to Part I of the Luxembourg amended law of 17th December 2010 on collective investment undertakings, as amended,
- change the name of the SICAV-SIF from “fLAB SICAV-SIF S.A.” to “fLAB fUNDS Sicav” in order to reflect the new legal regime.

At the date of the financial statements, the Fund comprises two Sub-Funds:

- fLAB CORE expressed in EUR
- fLAB SATELLITE expressed in EUR

The two Sub-Funds have been launched through a contribution of all the assets and liabilities of the Sub-Funds Lux-Investment Partners SICAV-FIS S.C.A.. Lux-Investment Partners SICAV-FIS S.C.A. (liquidated) was a multi-compartment investment company with variable capital, organized as a specialized investment fund under the law of 13th February 2007, as amended.

The following classes of Shares are issued:

- Class A Shares: Capitalization Shares, denominated in EUR, that are reserved for institutional investors.
- Class B Shares: Capitalization Shares, denominated in EUR for well-informed investors (including institutional investors).
- Class C Shares: Capitalization Shares, denominated in EUR, restricted to platforms duly authorized by the Board of Directors.
- Class H SGD Shares: Capitalization Shares denominated in SGD and hedged against EUR, for all investors.
- Class H USD Shares: Capitalization Shares, denominated in USD and hedged against EUR, for all investors.
- Class H GBP Shares: Capitalization Shares, denominated in GBP and hedged against EUR, for all investors.

The reference currency of the Fund is the euro (EUR).

General information (continued)

The financial year of the Fund will end at the 31st December of each year.

The Net Asset Value of the Sub-Funds, as well as the subscription, conversion and redemption prices are valued and dated as of each Business Day in Luxembourg (the "Valuation Day").

The Net Asset Value of the Sub-Funds should be calculated and available only the first Business Day in Luxembourg following the Valuation Day (the "Calculation Day").

The Net Asset Value per Share of each class of Shares is expressed in the reference currency of the relevant Sub-Fund and, to the extent applicable within a Sub-Fund expressed in the currency of the class of Shares.

Copies of the Articles of Incorporation of the Fund, the current Prospectus and the latest financial reports may be obtained free of charge during normal office hours at the registered office of the Fund in Luxembourg.

Markets in 2016

Point-to-point, 2016 was a good year for most asset classes. Most benchmarks ended the year above where they started. The S&P 500 Index gained 9.5%, commodities (S&P/GSCI) surged 27.8%, and even the Barclay's U.S. Long-Term Treasury Index added 1.3%. But the yearly numbers mask major intra-year swings, some of which could have implications for 2017 and beyond. Broadly, 2016 can be divided into four periods, summarized in the bullets below:

1. **Recession Fears:** The prospect for four rate hikes, weak U.S. economic reports (headlined by a sub-50 ISM reading), and confusion over the degree of the Chinese slowdown spurred the worst first two weeks of the year on record for the S&P 500. By mid-February, the S&P 500 was down 10% for the year, and the Barclay's U.S. LT Treasury Index was up 10%. WTI hit a 13.75-year low. The Shanghai Composite fell as much as 25%.
2. **Recovery:** Fears reached their apex on February 11. The next day, news broke that Jamie Dimon had purchased \$27 million of JP Morgan Chase (JPM). Investors gradually realized that the Fed would not raise rates in the face of such market turmoil and that a global recession was not imminent. By mid-March the S&P 500 and WTI were positive on the year.
3. **Brexit and Aftermath.** The markets' choppy trends continued until the British shocked the world (especially pollsters) on June 23 by voting to leave the European Union. The S&P 500 tumbled 5.3% in two days, the British pound hit a 31-year low, and the 10-year Treasury yield fell to its lowest level since at least 1962. The S&P 500 quickly recovered, hitting an all-time high on July 11, but then stagnated. Bond yields climbed off their lows. The pound did not.
4. **Trump Rally:** The second major political surprise was Donald Trump's victory on November 8. The S&P 500 jumped 4.6% from Election Day to the end of the year. The T-note yield jumped 57 basis points (bps). While trends accelerated after the election amid hope for tax cuts and infrastructure spending, it should be noted that many of the trends were changing before the election. The S&P 500 jumped 2.2% the day before the election on news that the FBI decided to not press criminal charges against Clinton. More importantly, leadership shifted from the bond proxies to cyclical value. The Financials/S&P 500 relative strength line climbed from a four-year low in July to a near five-year high in December.

fLAB fUNDS Performance in 2016

We are very pleased with the results we have achieved in fLAB Core and fLAB Satellite in 2016. In our dynamic Asset Allocation fund, fLAB Core A, performance has been 4.15% (6.65% yield since inception). Our conservative Relative Return Fund, fLAB Satellite A performance has been 0.92% (1.90% yield since inception).

fLAB Core January Asset Allocation Model reduces Equity allocation slightly to 57.69%, increasing Long-Term Govies exposure a bit, up to 7.05% from our historical December lows of 4.91%, while reinforcing cash and cash-related allocation. In the Equity Side, we keep our geographical bets, overweighting Emerging Markets, Japan and Canada, and underweighting Europe ex U.K. Regarding sector allocation, we overweight Technology, Financials and Energy downgrading Utilities to underweight. In the Bonds Area, we keep our strong bearish view. Our allocation to long world bonds is only 7% against our 35% benchmark. We heavily underweight U.S Treasuries and Gilts. JGBs and European Bonds are our current main bets in this segment. USD currency exposure is around 14%. We know USD is currently the stronger currency but we wouldn't be surprised if a USD sell off occurs once Mr Trump gets into first trouble.

Duration of the Fixed Income portfolio is 5.31 with a 0.82 Duration for the whole of the fund. USD currently exposure is 39% (but we are hedging 2/3 of this risk). Volatility has been under control in the last year. 3 months volatility is 6.53% and 1 year volatility stands at 8.47%. We have also achieved a very consistent 1 month VAR of 8.40% with 99% confidence level and 3 year historical data. 3 and 5 year Sharpe Ratios are at 0.86 and 1.16 respectively.

fLAB Satellite currently allocates 70% of the assets into a low risk- low duration, diversified fixed income portfolio. We have increased our holdings in uncorrelated assets up to 12% of the AUM through ETFs in Commodities, Infrastructure, Water, Buyback index. while the remaining is in money market instruments. Our target in this fund is to deliver excess return (+1%) above the Risk-Free rate with a low volatility (currently capped at 3%). The fund is an ideal choice for conservative investors looking for smooth returns without high volatility and market shocks.

Duration of the Fixed Income portfolio is 2.58 with a 1.83 Duration for the whole of the fund. USD currently exposure is 30% (but we are hedging 2/3 of this risk). Volatility has been deeply under our current target of 3% in the year: 3 months volatility is 1.54% and 1 year volatility stands at 2.02%. We have also achieved a very consistent 1 month VAR of 1.60%, with 99% confidence level and 3 year historical data. 3 and 5 year Sharpe Ratios are at 0.92 and 0.90 respectively.

Outlook 2017

GLOBAL ECONOMIC OUTLOOK

We're cautiously bullish about the global economy amid signs that global recession risks are subsiding. We expect global growth to accelerate to 3.4% in 2017.

The outlook generally reflects stable to slightly faster growth among both developed and emerging economies. Global monetary policy should remain accommodative in aggregate, while an expected increase in fiscal stimulus should help boost growth

US ECONOMIC OUTLOOK

We project real GDP will increase 2.8% in 2017, notably faster than the 2.1% gain per annum in the current expansion. The economy enters 2017 with a stronger momentum and should get an additional boost from an anticipated sizeable fiscal stimulus and deregulation, particularly in 2H 2017 and into 2018.

Notable risks to the growth outlook include trade protectionism, stronger U.S. dollar, higher interest rates, and possible deterioration in the global geopolitical and economic climate. We project a pickup in CPI inflation to 2.1% in 2017 from 1.6% currently. This is slightly below the Blue Chip consensus projection of 2.3%.

EUROPE ECONOMIC OUTLOOK

Leading indicators point to faster economic growth in the coming months, helped by the ECB's QE and improving lending environment. But large upside potential is limited due to a declining labour force and weak productivity trends.

Headline deflation has started to come back due to higher oil prices, but core rates remain range bound. Brexit and French elections will remain geopolitical risks in the region.

GLOBAL EQUITY OUTLOOK

Global equities to trend higher in 2017, with the global benchmarks likely to end the year with double-digit gains.

Outlook supported by secular bull tendencies, earnings cycle, economic liquidity.

Expect more outperformance from Financials, underperformance from defensive sectors.

Emerging Markets should continue to outperform, along with Japan.

Watch for weakness in yen, strength in commodity currencies

Main risks for equities in the Short Term: Stock optimism stretched when compared to bond pessimism. The implication is that stocks could pull back and bonds will rally, perhaps as the New Year gets started. Resulting dollar weakening and lower yields could reinvigorate the reflation theme on the subsequent market advance

US EQUITY OUTLOOK

Our baseline forecast is for 2017 to be a decent year for stocks, led by cyclical Value sectors.

The post-election rally has been fuelled by hopes that a multitude of fiscal stimuli – tax cuts, infrastructure spending, and end of defence sequestration – will drive the economy closer to the ever elusive escape velocity.

The overriding question for 2017 is whether, and to what degree, those elevated expectations will be met. Should reality prove disappointing, the market could be vulnerable to disappointment later in the year.

We enter 2017 with the expectation that rising rates, higher oil prices, and higher capex spending will bring about sector leadership typical of a late-cycle economy.

While Financials atypically underperformed earlier in this expansion as rates fell and regulatory burdens rose, it is now poised to outperform as rates rise and its P/E multiple expands. Financials is our highest conviction overweight.

We favour cyclical Value sectors Financials, Energy, and Industrials, and have negative implications for rate-sensitive Discretionary and RUST (Real Estate, Utilities, Staples, and Telecom) sectors.

Report on activities of the Board of Directors (continued)

EUROPE EQUITY OUTLOOK

We keep our positive view for European Equity but only in Absolute Terms, not relative to other geographical areas. Outperformance this last quarter is clearly helped by USD strength. But a reversal could happen if USD deteriorates.

EMERGING MARKETS

Heading into 2017, we are broadly constructive on emerging markets, being aware of significant risks for individual markets within the 23-country equity universe.

Higher U.S. rates, a more protectionist stance on trade policy in core economies, and the global growth risk of a “hard Brexit” would impact select emerging markets, contributing to our underweight positioning in Turkish, South African, and Mexican equities.

At the same time, a large and unprecedented wave of Chinese investment and liquidity going to Emerging Asia will be a powerful force and contributes to our constructive outlook on markets such as Indonesia, Malaysia, Thailand, and Pakistan.

GLOBAL FIXED INCOME OUTLOOK

Difference in economic and monetary policies should continue to drive relative bond market performance in 2017.

We expect rising U.S. yields to put upward pressure on global yields.

In a relative basis we favour European Debt (Peripheral and Core) as well as Japanese Bonds. We slightly underweight UK Gilts and heavily underweight US Treasuries.

Luxembourg, 13th February 2017

The Board of Directors

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

Report of the réviseur d'entreprises agréé

To the Shareholders of
fLAB FUNDS Sicav (formerly fLAB SICAV-SIF S.A.)
Luxembourg

We have audited the accompanying financial statements of fLAB FUNDS Sicav (formerly fLAB SICAV-SIF S.A.) 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 31st December 2016 and the statement of operations and other changes in net assets for the year then ended, and a summary of significant accounting policies and other 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 and presentation of the financial statements and for such internal control as the Board of Directors of the SICAV determines is necessary to enable the preparation and presentation 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 about 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 judgement of the "réviseur d'entreprises agréé", 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.

Report of the réviseur d'entreprises agréé (continued)

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 fLAB FUNDS Sicav (formerly fLAB SICAV-SIF S.A.) and of each of its sub-funds as of 31st December 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 and presentation of the financial statements.

Other matter

Supplementary information included in the annual report has been reviewed in the context of our mandate but has not been subject to specific audit procedures carried out in accordance with the standards described above. Consequently, we express no opinion on such information. However, we have no observation to make concerning such information in the context of the financial statements taken as a whole.

Ernst & Young
Société anonyme
Cabinet de révision agréé



Bernard Lhoest

Luxembourg, 26th April 2017

Combined statement of net assets (in EUR)

as at 31st December 2016

Assets

Securities portfolio at market value	58,895,344.72
Cash at banks	10,308,450.59
Other liquid assets	1,966,473.49
Formation expenses, net	20,594.31
Receivable on issues of shares	302,975.95
Income receivable on portfolio	42,473.24
Other receivables	106,195.87
Total assets	71,642,508.17

Liabilities

Payable on purchases of securities	556,700.25
Payable on redemptions of shares	260,535.23
Unrealised loss on futures contracts	111,898.73
Unrealised loss on forward foreign exchange contracts	179,995.65
Expenses payable	317,933.64
Other liabilities	9,482.15
Total liabilities	1,436,545.65
Net assets at the end of the year	70,205,962.52

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

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

from 1st January 2016 to 31st December 2016

Income

Dividends, net	655,392.66
Interest on bonds and other debt securities, net	75,737.42
Interest on bank accounts	170.02
Other income	6,439.84
Total income	737,739.94

Expenses

Management fees	887,645.19
Performance fees	180,506.04
Depository fees	46,036.89
Banking charges and other fees	15,270.20
Transaction fees	45,875.69
Central administration costs	130,071.86
Professional fees	29,185.87
Other administration costs	60,502.55
Subscription duty ("taxe d'abonnement")	26,535.79
Bank interest paid	27,490.63
Other expenses	50,351.10
Total expenses	1,499,471.81

Net investment loss	-761,731.87
---------------------	-------------

Net realised gain/(loss)

- on securities portfolio	289,821.35
- on futures contracts	-869,684.77
- on forward foreign exchange contracts	808,479.93
- on foreign exchange	178,189.07
Realised result	-354,926.29

Net variation of the unrealised gain/(loss)

- on securities portfolio	2,829,539.43
- on futures contracts	127,965.54
- on forward foreign exchange contracts	-294,922.54

Result of operations	2,307,656.14
----------------------	--------------

Subscriptions	13,788,897.67
---------------	---------------

Redemptions	-21,326,273.43
-------------	----------------

Total changes in net assets	-5,229,719.62
-----------------------------	---------------

Total net assets at the beginning of the year	75,435,682.14
---	---------------

Total net assets at the end of the year	70,205,962.52
---	---------------

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

fLAB CORE

Statement of net assets (in EUR)

as at 31st December 2016

Assets

Securities portfolio at market value	49,480,910.28
Cash at banks	8,790,619.28
Other liquid assets	1,530,869.59
Formation expenses, net	16,295.67
Receivable on issues of shares	302,975.95
Other receivables	106,195.87
Total assets	60,227,866.64

Liabilities

Payable on purchases of securities	556,700.25
Payable on redemptions of shares	260,535.23
Unrealised loss on futures contracts	106,120.47
Unrealised loss on forward foreign exchange contracts	164,201.30
Expenses payable	288,940.54
Other liabilities	9,482.15
Total liabilities	1,385,979.94

Net assets at the end of the year	58,841,886.70
-----------------------------------	---------------

Number of Class A Shares outstanding	80,312.779
Net asset value per Class A Share	162.86

Number of Class B Shares outstanding	189,613.763
Net asset value per Class B Share	149.14

Number of Class C Shares outstanding	30,487.825
Net asset value per Class C Share	108.44

Number of Class H GBP Shares outstanding	18,276.890
Net asset value per Class H GBP Share	GBP 108.66

Number of Class H SGD Shares outstanding	6,251.805
Net asset value per Class H SGD Share	SGD 126.79

Number of Class H USD Shares outstanding	92,915.023
Net asset value per Class H USD Share	USD 128.61

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

Statement of operations and other changes in net assets (in EUR)

from 1st January 2016 to 31st December 2016

Income

Dividends, net	596,157.85
Other income	1,251.01
Total income	597,408.86

Expenses

Management fees	768,772.08
Performance fees	176,630.79
Depository fees	36,873.04
Banking charges and other fees	14,014.51
Transaction fees	43,376.06
Central administration costs	83,603.07
Professional fees	24,116.79
Other administration costs	41,073.86
Subscription duty ("taxe d'abonnement")	22,185.57
Bank interest paid	25,901.82
Other expenses	40,583.78
Total expenses	1,277,131.37

Net investment loss	-679,722.51
---------------------	-------------

Net realised gain/(loss)

- on securities portfolio	224,485.76
- on futures contracts	-776,416.97
- on forward foreign exchange contracts	727,636.55
- on foreign exchange	140,595.04
Realised result	-363,422.13

Net variation of the unrealised gain/(loss)

- on securities portfolio	2,693,049.72
- on futures contracts	118,688.55
- on forward foreign exchange contracts	-264,090.17
Result of operations	2,184,225.97

Subscriptions	13,788,697.72
---------------	---------------

Redemptions	-20,219,485.23
-------------	----------------

Total changes in net assets	-4,246,561.54
-----------------------------	---------------

Total net assets at the beginning of the year	63,088,448.24
---	---------------

Total net assets at the end of the year	58,841,886.70
---	---------------

Statistical information (in EUR)

as at 31st December 2016

Total net assets	
- as at 31.12.2016	58,841,886.70
- as at 31.12.2015	63,088,448.24
- as at 31.12.2014	52,174,091.78
Number of Class A Shares	
- outstanding at the beginning of the year	72,986.169
- issued	23,510.723
- redeemed	-16,184.113
- outstanding at the end of the year	80,312.779
Net asset value per Class A Share	
- as at 31.12.2016	162.86
- as at 31.12.2015	156.40
- as at 31.12.2014	152.31
Number of Class B Shares	
- outstanding at the beginning of the year	252,041.256
- issued	20,094.944
- redeemed	-82,522.437
- outstanding at the end of the year	189,613.763
Net asset value per Class B Share	
- as at 31.12.2016	149.14
- as at 31.12.2015	144.87
- as at 31.12.2014	142.79
Number of Class C Shares	
- outstanding at the beginning of the year	0.000
- issued	30,487.825
- redeemed	0.000
- outstanding at the end of the year	30,487.825
Net asset value per Class C Share	
- as at 31.12.2016	108.44
- as at 31.12.2015	-
- as at 31.12.2014	-
Number of Class H GBP Shares	
- outstanding at the beginning of the year	0.000
- issued	18,276.890
- redeemed	0.000
- outstanding at the end of the year	18,276.890
Net asset value per Class H GBP Share	
- as at 31.12.2016	GBP 108.66
- as at 31.12.2015	-
- as at 31.12.2014	-
Number of Class H SGD Shares	
- outstanding at the beginning of the year	18,591.339
- issued	3,245.373
- redeemed	-15,584.907
- outstanding at the end of the year	6,251.805
Net asset value per Class H SGD Share	
- as at 31.12.2016	SGD 126.79
- as at 31.12.2015	SGD 121.07
- as at 31.12.2014	SGD 118.20

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

Statistical information (in EUR) (continued)

as at 31st December 2016

Number of Class H USD Shares

- outstanding at the beginning of the year	120,799.620
- issued	11,847.217
- redeemed	-39,731.814
- outstanding at the end of the year	92,915.023

Net asset value per Class H USD Share

- as at 31.12.2016	USD 128.61
- as at 31.12.2015	USD 123.17
- as at 31.12.2014	USD 120.73

fLAB CORE

Statement of investments and other net assets (in EUR)

as at 31st December 2016

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
Investments in securities					
Open-ended investment funds					
Tracker funds (UCITS)					
EUR	43,000	Accion IBEX 35 ETF FI Units UCITS	422,816.81	406,565.00	0.69
EUR	2,000	Amundi ETF GI Eq Mult SmAl Scien Beta UCITS Dist	556,266.83	701,400.00	1.19
EUR	14,400	Amundi ETF Japan Topix UCITS Daily Hgd EUR Dist	2,437,443.66	2,834,928.00	4.82
EUR	43,603	Amundi ETF MSCI Em Asia UCITS EUR Dist	1,004,042.18	1,015,513.87	1.73
EUR	600,000	Amundi ETF MSCI Em Mks UCITS EUR Dist	1,891,167.18	2,062,200.00	3.50
EUR	12,000	Concept Fd Sol Plc db x-trackers MSCI Nor Idx 1D Dist UCITS	343,327.96	383,520.00	0.65
EUR	28,000	db x-trackers II Eurozone Gvt 1-3 Ucits ETF (DR) 1C Cap	4,752,465.31	4,761,120.00	8.09
EUR	10,000	db x-trackers II GI Sovereign Ucits ETF 1C Cap	2,195,605.27	2,259,100.00	3.84
EUR	6,000	db x-trackers II Iboxx Sov Eurozone YP Ucits ETF 1C Cap	872,301.61	1,025,580.00	1.74
EUR	122,200	db x-trackers II Markit iBoxx Japan Sov UCITS ETF 1C EUR Cap	1,186,510.51	1,368,029.00	2.33
EUR	25,000	db x-trackers MSCI Indonesia TRN Idx UCITS ETF 1C Cap	285,835.73	319,500.00	0.54
EUR	893	db x-trackers MSCI Malaysia Index UCITS ETF DR 1C Cap	9,486.51	8,696.03	0.01
EUR	175,000	db x-trackers MSCI Pakistan IM Idx UCITS ETF 1C Cap	307,042.09	399,175.00	0.68
EUR	75,000	HSBC ETFs Plc S&P 500 USD Dist UCITS	1,250,850.14	1,608,225.00	2.73
EUR	90,000	iShares ES Bks 30-15 UCITS ETF	880,013.93	1,068,300.00	1.82
EUR	35,046	iShares II Plc Core UK Gilts UCITS ETF Dist	574,382.45	539,533.17	0.92
EUR	2,000	iShares II Plc EUR Government Bond 15-30yr UCITS ETF Dist	416,039.79	464,240.00	0.79
EUR	5,000	iShares II Plc JPM USD Em Mkt Bond Fd UCITS ETF Dist	486,145.80	518,700.00	0.88
EUR	5,000	iShares III Plc Global Government Bond UCITS ETF USD Dist	444,282.63	490,800.00	0.83
EUR	450	iShares Plc EUR Inflation Lk Gov Bd UCITS ETF Cap	76,517.94	93,280.50	0.16
EUR	6,000	iShares STOXX Europe 600 HealthCare UCITS ETF (DE) Dist	411,183.32	424,800.00	0.72
EUR	12,100	iShares STOXX Europe 600 Const & Mat UCITS ETF (DE) Dist	442,374.67	516,186.00	0.88
EUR	20,000	iShares STOXX Europe 600 Technology UCITS ETF (DE) Dist	562,868.59	710,200.00	1.21
EUR	6,000	iShares STOXX Europe 600 Telecom UCITS ETF (DE) Dist	143,711.82	169,980.00	0.29
EUR	25,000	iShares V Plc S&P500 EUR Hedged UCITS ETF Cap	1,294,388.20	1,280,250.00	2.18
EUR	185,004	Lyxor ETF FTSE Athex 20	352,783.83	152,073.29	0.26
EUR	10,000	Lyxor UCITS ETF Eastern Eur C EUR Cap	196,948.42	172,550.00	0.29
EUR	2,000	Lyxor UCITS ETF EuroMTS10-15Y IG Cap	392,777.80	417,700.00	0.71
EUR	25,000	Lyxor UCITS ETF MSCI AC AP ExJap C EUR Cap	1,081,757.72	1,112,250.00	1.89
EUR	24,036	Lyxor UCITS ETF Russia (DJRuGDR) C EUR Cap	556,569.72	776,362.80	1.32
EUR	2,500	Lyxor UCITS ETF Stoxx Eu 600 Uti Dist	94,475.83	88,837.50	0.15
EUR	9,367	Multi Units Lux Lyxor EMTS HRMW Govt Bd(DR) UCITS ETF C-EUR Cap	1,262,531.46	1,331,331.71	2.26
EUR	3,000	Multi Units Lux Lyxor EUROMTS 5-7Y InvGradDR UCITS ETF C Cap	427,568.23	481,380.00	0.82
EUR	1,500	Multi Units Lux Lyxor MSCI Wld Tel Serv TR C EUR Cap UCITS	164,524.34	165,900.00	0.28
EUR	11,000	Multi Units France Lyxor ETF FTSE 100 C EUR Cap UCITS	1,173,501.95	1,203,840.00	2.05
EUR	75,000	UBS ETF SICAV MSCI Canada A EUR Dist UCITS	2,117,134.95	2,107,500.00	3.58
EUR	35,000	Vanguard Fds Plc FTSE Japan UCITS ETF EUR Dist	886,115.76	859,250.00	1.46
			31,953,760.94	34,298,796.87	58.29
USD	2,500	iShares II Plc USD Treasury Bond 7-10yr UCITS ETF Dist	442,433.50	458,159.49	0.78
USD	4,500	Source Mks Plc Cons Discret S&P US Sel Sect ETF UCITS A cap	845,217.09	1,117,788.74	1.90
USD	3,000	Source Mks Plc Cons Staples S&P US Select Sector ETF UCITS	843,966.19	1,003,005.88	1.70
USD	5,500	SSGA SPDR ETFs Europe I Plc Barcl US Treas Bd UCITS USD Dist	541,640.43	549,087.33	0.93
			2,673,257.21	3,128,041.44	5.31
Total tracker funds (UCITS)			34,627,018.15	37,426,838.31	63.60

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

fLAB CORE

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

as at 31st December 2016

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
Tracker funds (UCI)					
USD	28,000	Health Care Select Sector SPDR Fd (The)	1,844,362.30	1,830,381.19	3.11
USD	10,360	Materials Select Sector SPDR Fd Dist (The)	399,287.43	488,234.40	0.83
USD	8,390	Real Estate Sel Sect SPDR Fd Dist	250,614.70	244,635.41	0.42
USD	10,000	Select Sector SPDR (The) Trust Consumer Discretionary Fd Dist	682,723.14	771,856.63	1.31
USD	26,700	Select Sector SPDR (The) Trust Energy Select Sector Fd	1,709,541.68	1,906,925.85	3.24
USD	90,300	Select Sector SPDR (The) Trust Fin Select Sector Fd	1,623,571.05	1,990,778.49	3.38
USD	72,200	Select Sector SPDR (The) Trust Technology Fd	2,924,952.73	3,310,821.16	5.63
USD	2,000	Select Sector SPDR (The) Trust Utilities Fd	75,517.83	92,110.75	0.16
USD	24,040	Select Sector SPDR Trust Industrial Fd (The) Dist	1,210,603.03	1,418,328.09	2.41
Total tracker funds (UCI)			10,721,173.89	12,054,071.97	20.49
Total investments in securities			45,348,192.04	49,480,910.28	84.09
Cash at banks				8,790,619.28	14.94
Other net assets/(liabilities)				570,357.14	0.97
Total				58,841,886.70	100.00

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

Industrial and geographical classification of investments
as at 31st December 2016**Industrial classification**

(in percentage of net assets)

Investment funds	84.09 %
Total	<u>84.09 %</u>

Geographical classification

(by domicile of the issuer)

(in percentage of net assets)

Luxembourg	24.17 %
United States of America	20.49 %
France	17.91 %
Ireland	15.91 %
Germany	4.92 %
Spain	<u>0.69 %</u>
Total	<u>84.09 %</u>

fLAB SATELLITE

Statement of net assets (in EUR)

as at 31st December 2016

Assets

Securities portfolio at market value	9,414,434.44
Cash at banks	1,517,831.31
Other liquid assets	435,603.90
Formation expenses, net	4,298.64
Income receivable on portfolio	42,473.24
Total assets	11,414,641.53

Liabilities

Unrealised loss on futures contracts	5,778.26
Unrealised loss on forward foreign exchange contracts	15,794.35
Expenses payable	28,993.10
Total liabilities	50,565.71

Net assets at the end of the year	11,364,075.82
-----------------------------------	---------------

Number of Class A Shares outstanding	27,350.000
Net asset value per Class A Share	113.31

Number of Class B Shares outstanding	64,563.493
Net asset value per Class B Share	108.17

Number of Class C Shares outstanding	1.000
Net asset value per Class C Share	99.63

Number of Class H SGD Shares outstanding	100.000
Net asset value per Class H SGD Share	SGD 106.11

Number of Class H USD Shares outstanding	12,809.495
Net asset value per Class H USD Share	USD 104.91

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

fLAB SATELLITE

Statement of operations and other changes in net assets (in EUR)

from 1st January 2016 to 31st December 2016

Income

Dividends, net	59,234.81
Interest on bonds and other debt securities, net	75,737.42
Interest on bank accounts	170.02
Other income	5,188.83
Total income	140,331.08

Expenses

Management fees	118,873.11
Performance fees	3,875.25
Depository fees	9,163.85
Banking charges and other fees	1,255.69
Transaction fees	2,499.63
Central administration costs	46,468.79
Professional fees	5,069.08
Other administration costs	19,428.69
Subscription duty ("taxe d'abonnement")	4,350.22
Bank interest paid	1,588.81
Other expenses	9,767.32
Total expenses	222,340.44

Net investment loss	-82,009.36
---------------------	------------

Net realised gain/(loss)

- on securities portfolio	65,335.59
- on futures contracts	-93,267.80
- on forward foreign exchange contracts	80,843.38
- on foreign exchange	37,594.03
Realised result	8,495.84

Net variation of the unrealised gain/(loss)

- on securities portfolio	136,489.71
- on futures contracts	9,276.99
- on forward foreign exchange contracts	-30,832.37
Result of operations	123,430.17

Subscriptions	199.95
---------------	--------

Redemptions	-1,106,788.20
-------------	---------------

Total changes in net assets	-983,158.08
-----------------------------	-------------

Total net assets at the beginning of the year	12,347,233.90
---	---------------

Total net assets at the end of the year	11,364,075.82
---	---------------

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

fLAB SATELLITE

Statistical information (in EUR)

as at 31st December 2016

Total net assets	
- as at 31.12.2016	11,364,075.82
- as at 31.12.2015	12,347,233.90
- as at 31.12.2014	15,618,242.66
Number of Class A Shares	
- outstanding at the beginning of the year	27,350.000
- issued	0.881
- redeemed	-0.881
- outstanding at the end of the year	27,350.000
Net asset value per Class A Share	
- as at 31.12.2016	113.31
- as at 31.12.2015	112.28
- as at 31.12.2014	112.25
Number of Class B Shares	
- outstanding at the beginning of the year	67,904.489
- issued	0.000
- redeemed	-3,340.996
- outstanding at the end of the year	64,563.493
Net asset value per Class B Share	
- as at 31.12.2016	108.17
- as at 31.12.2015	107.71
- as at 31.12.2014	108.42
Number of Class C Shares	
- outstanding at the beginning of the year	0.000
- issued	1.000
- redeemed	0.000
- outstanding at the end of the year	1.000
Net asset value per Class C Share	
- as at 31.12.2016	99.63
- as at 31.12.2015	-
- as at 31.12.2014	-
Number of Class H SGD Shares	
- outstanding at the beginning of the year	100.000
- issued	0.000
- redeemed	0.000
- outstanding at the end of the year	100.000
Net asset value per Class H SGD Share	
- as at 31.12.2016	SGD 106.11
- as at 31.12.2015	SGD 103.97
- as at 31.12.2014	SGD 103.32
Number of Class H USD Shares	
- outstanding at the beginning of the year	20,584.846
- issued	0.000
- redeemed	-7,775.351
- outstanding at the end of the year	12,809.495
Net asset value per Class H USD Share	
- as at 31.12.2016	USD 104.91
- as at 31.12.2015	USD 103.19
- as at 31.12.2014	USD 103.41

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

fLAB SATELLITE

Statement of investments and other net assets (in EUR)

as at 31st December 2016

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<u>Investments in securities</u>					
<u>Transferable securities admitted to an official stock exchange listing</u>					
Investment certificates					
EUR	5,000	Gold Bullion Sec Ltd Certif Gold Perpetual	534,009.15	520,200.00	4.58
Total investment certificates			534,009.15	520,200.00	4.58
Bonds					
EUR	300,000	BAIC Inalfa HK Inv Co Ltd 1.9% Reg S Sen 15/02.11.20	297,873.00	306,430.50	2.70
EUR	500,000	BBVA Senior Finance SA 2.375% EMTN Sen 14/22.01.19	498,845.00	524,107.50	4.61
EUR	200,000	BPCE SA 2% EMTN Sen 12/24.04.18	199,494.00	205,420.00	1.81
EUR	250,000	BPCE SA 3.75% EMTN Sen 10/21.07.17	249,742.50	255,502.50	2.25
EUR	1,000,000	Danone FRN EMTN Sen 15/14.01.20	1,000,200.00	1,001,790.00	8.81
EUR	500,000	DekaBank DGZ FRN EMTN Reg S Sen 16/01.02.18	501,820.00	501,980.00	4.42
EUR	250,000	RCI Banque FRN EMTN Sen 14/27.11.17	250,050.00	250,810.00	2.21
EUR	500,000	Santander Intl Debt SA 4% EMTN Sen 13/24.01.20	496,000.00	557,545.00	4.91
EUR	300,000	UBS Gr Funding (Jersey) Ltd 1.75% Reg S 15/16.11.22	298,050.00	314,220.00	2.76
EUR	700,000	Wells Fargo & Co FRN EMTN Reg S Sen 15/02.06.20	700,140.00	701,785.00	6.18
Total bonds			4,492,214.50	4,619,590.50	40.66
<u>Transferable securities dealt in on another regulated market</u>					
Bonds					
EUR	400,000	Deutsche Bank SA Espanola 1.125% EMTN Reg S 16/20.01.23	397,892.00	411,934.00	3.62
Total bonds			397,892.00	411,934.00	3.62
<u>Open-ended investment funds</u>					
Tracker funds (UCITS)					
EUR	6,000	Amundi ETF Flo Ra USD Corp UCITS Hedged EUR Cap	302,070.59	302,220.00	2.66
EUR	7,500	db x-trackers DBLCI-OY Balanced UCITS ETF 1C Cap	133,765.12	135,975.00	1.20
EUR	186	db x-trackers II Eurozone Gov Bd 5-7 Ucits ETF (DR) 1 C Cap	35,815.68	43,499.82	0.38
EUR	2,366	db x-trackers II Eurozone Gvt 1-3 Ucits ETF (DR) 1C Cap	387,415.02	402,314.64	3.54
EUR	715	db x-trackers II iTraxx Crossover Ucits ETF 1C Cap	76,185.91	130,258.70	1.15
EUR	4,000	iShares II Global Water UCITS ETF Dist	83,761.86	127,480.00	1.12
EUR	3,500	iShares II Plc Dev Markets Property Yield UCITS ETF Dist	70,011.54	81,165.00	0.71
EUR	1,000	iShares II Plc JPM USD Em Mkt Bond Fd UCITS ETF Dist	90,463.50	103,740.00	0.91
EUR	2,228	iShares III Plc EUR Corp Bond ex Fin 1-5yr UCITS ETF Dist	244,250.91	245,525.60	2.16
EUR	1,000	iShares III Plc Global Government Bond UCITS ETF USD Dist	84,882.42	98,160.00	0.86
EUR	1,000	Multi Units France Lyxor UCITS ETF EuroMTS Infl Lk Inv Gr DR	116,766.65	149,370.00	1.31
EUR	4,000	Multi Units Lux Lyxor EUROMTS 5-7Y InvGradDR UCITS ETF C Cap	488,684.40	641,840.00	5.65
EUR	6,000	SSgA SPDR ETFs Europe II Plc Mor M-A GI In UCITS ETF EURDist	156,947.07	164,880.00	1.45
EUR	17,000	SSgA SPDR ETFs Europe II Plc Tho Reut GI Conv Bd UCITS Dist	486,005.76	516,630.00	4.55
			2,757,026.43	3,143,058.76	27.65

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

fLAB SATELLITE

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

as at 31st December 2016

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
USD	16,012	Go UCITS ETF Solutions Plc ETFS Longer Dated All Cmdts Dist	231,919.74	214,004.49	1.88
USD	1,000	iShares Plc USD Corp Bond UCITS ETF Dist	108,718.95	107,073.77	0.94
USD	3,000	PIMCO FxInc Source ETFs Plc Low Durat US Corp Bd UCITS Dist	268,364.49	287,270.06	2.53
USD	4,000	PowerShares GI Fds Ireland Plc Buyba Achi UCITS ETF USD Dist	105,012.41	111,302.86	0.98
			<hr/>	<hr/>	<hr/>
			714,015.59	719,651.18	6.33
Total tracker funds (UCITS)			<hr/>	<hr/>	<hr/>
			3,471,042.02	3,862,709.94	33.98
Total investments in securities			<hr/>	<hr/>	<hr/>
			8,895,157.67	9,414,434.44	82.84
Cash at banks				1,517,831.31	13.36
Other net assets/(liabilities)				431,810.07	3.80
Total				<hr/>	<hr/>
				11,364,075.82	100.00

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

Industrial and geographical classification of investments

as at 31st December 2016

Industrial classification

(in percentage of net assets)

Investment funds	33.98 %
Banks	20.49 %
Diversified financial services	12.28 %
Food, beverage and tobacco	8.81 %
Raw materials	4.58 %
Special Purpose Vehicle (SPV)	2.70 %
Total	<u>82.84 %</u>

Geographical classification

(by domicile of the issuer)

(in percentage of net assets)

France	19.05 %
Ireland	18.09 %
Spain	13.14 %
Luxembourg	11.92 %
Jersey	7.34 %
United States of America	6.18 %
Germany	4.42 %
Hong Kong	2.70 %
Total	<u>82.84 %</u>

Notes to the financial statements

as at 31st December 2016

Note 1: Significant accounting policies

a) Presentation of the financial statements

The financial statements of the Fund are prepared in accordance with the Luxembourg legal and regulatory requirements concerning Undertakings for Collective Investments.

b) Valuation of the assets and financial derivative instruments

- 1) The value of any cash in hand or receivable or on deposit, discount notes, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received, 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 all assets listed or dealt in on a stock exchange or on a regulated market, which operates regularly and is recognized and open to the public, is based on the last available closing price known at the Valuation Day.
- 3) In the event that no prices are available for the valuation of any assets at the Valuation Day or if the closing price as determined pursuant to sub-paragraph 2) does not truly reflect the fair market value of the relevant assets or if the securities are not listed on a stock exchange, the valuation of such assets will be based on the reasonably foreseeable sales price determined prudently and in good faith by the Board of Directors of the Fund.
- 4) The units or shares of UCIs, either listed or not, are valued at their last determined and available net asset value or at an estimated price, if the latter is more recent than the official net asset value, provided however that the Board of Directors of the Fund is sure that its valuation method is coherent to the valuation method for determining the official net asset value.
- 5) The financial derivative instruments dealt over-the-counter are valued according to valuation methods determined by the Board of Directors of the Fund.

c) Acquisition cost of securities in the portfolio

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

d) Net realised gain(loss) on securities portfolio

The realised gains and losses on securities portfolio are calculated on the basis of the average acquisition cost. The realised gains and losses on securities portfolio are recorded net in the statement of operations and other changes in net assets.

e) Investment portfolio income

Dividend income are recorded at the ex-date, net of any withholding tax.
Interest income accrued and payable is recorded, net of any withholding tax.

Notes to the financial statements (continued)

as at 31st December 2016

f) Valuation of forward foreign exchange contracts

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

g) Valuation of futures contracts

Open futures contracts are valued at the last settlement or close price on the stock exchanges or regulated markets. Unrealised gains or losses of open contracts are recorded in the statement of net assets. Net variation of the unrealised gains or losses and net realised gains or losses are recorded in the statement of operations and other changes in net assets.

h) Formation expenses

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

i) Conversion of foreign currencies

Cash at banks, other net assets and liabilities and the market value of the securities in portfolio expressed in currencies other than the reference currency of the Sub-Fund are converted into this currency at the exchange rate prevailing on the date of the financial statements. Income and expenses expressed in currencies other than the reference currency of the Sub-Fund are converted into this currency at the exchange rate prevailing on the date of the transaction. Net realised gains or losses on foreign exchange are recorded in the statement of operations and other changes in net assets.

At the date of the financial statements, the exchange rates used are the following:

1	EUR	=	0.8535470	GBP	Pound Sterling
			1.5241079	SGD	Singapore Dollar
			1.0546000	USD	US Dollar

j) Combined financial statements

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

k) Transaction fees

Transaction costs disclosed under the item "Transaction fees" in the expenses of the statement of operations and other changes in net assets are mainly composed of broker fees incurred by the Fund relating to liquidation of transactions paid to the depositary as well as of transaction fees on financial instruments and derivatives.

Note 2: Subscription, redemption and conversion fees

There are no subscription, redemption and conversion fees charged for the Sub-Funds.

Notes to the financial statements (continued)

as at 31st December 2016

Note 3: Subscription duty ("Taxe d'abonnement")

The Fund is governed by Luxembourg law.

Since 5th February 2016

Pursuant to the legislation and regulations in force, the SICAV is subject to an annual subscription duty "*taxe d'abonnement*" of 0.05% which is payable quarterly and calculated on the basis of the net assets of each sub-fund on the last day of each quarter. The rate of this tax may be reduced to 0.01% of the value of the net assets for Sub-Funds or Classes of Shares reserved to institutional investors.

Pursuant to Article 175 (a) of the amended law of 17th December 2010, the net assets invested in undertakings for collective investment already subject to the "*taxe d'abonnement*" are exempt from this tax.

Until 5th February 2016

Pursuant to the legislation and regulations in force, the SICAV-SIF is subject to a "*taxe d'abonnement*" of 0.01% per annum which is payable quarterly and calculated on the basis of the Net Asset Value of each Compartment at the end of each quarter.

Pursuant to Article 68 (2) of the amended law of 13th February 2007 the net assets invested in Undertakings for Collective Investment already subject to the "*taxe d'abonnement*" are exempt from this tax.

Note 4: Advisory, Management and Performance Fee

The Board of Directors has appointed since 5th February 2016 CASA4FUNDS SA as the Management Company to be responsible on a day-to-day basis for providing investment management services in respect of all Sub-Funds.

The Management Company is entitled to a management fee for each Sub-Fund. The Management Company remunerates MARKET LAB LUXEMBOURG S.à r.l., the Investment Advisor, out of the management fee.

The Management Fees are payable monthly and are calculated on the average net assets of each Sub-Fund for the relevant month. The annual rates applicable for each Sub-Fund are:

fLAB CORE:	Class A Share	0.66%
	Class B Share	1.66%
	Class C Share	1.16%
	Class H SGD Share	1.16%
	Class H USD Share	1.16%
	Class H GBP Share	1.16%
fLAB SATELLITE:	Class A Share	0.66%
	Class B Share	1.16%
	Class C Share	0.91%
	Class H SGD Share	0.91%
	Class H USD Share	0.91%

In respect of a Sub-Fund's investments in UCITS and other UCIs linked to the Fund, the management fee (excluding any performance fee, if any) charged to such Sub-Fund and each of the UCITS or other UCIs concerned shall not exceed 3% of the relevant net assets under management.

Notes to the financial statements (continued)

as at 31st December 2016

The annual Performance Fee of each Share Class will be calculated as described hereafter:

As long as the NAV before Performance Fee is higher than the High Watermark ("HWM"), the Performance Fee will amount to 5% of the return for Class A Shares, 10% for Class B Shares and 7.5% for Classes C and H Shares.

If the NAV at the end of the reference period (Fiscal year) does not exceed the HWM (NAV at launch or the last NAV at fiscal year end when a Performance Fee was due), there won't be any Performance Fee to pay and the reference period will be extended.

On each Valuation Day, an accrual of Performance Fee is made when appropriate.

The Performance Fee will be calculated taking into account movements on the capital and applying the Crystallization Principle so that the Performance Fee is calculated on the basis of the Net Asset Value after deduction of all expenses, liabilities, and Management Fees (but not Performance Fee), and is adjusted to take account of all subscriptions and redemptions. If Shares are redeemed on any day before the last day of the period for which a Performance Fee is calculated, while provision has been made for Performance Fee, the Performance Fees for which provision has been made and which are attributable to the Shares redeemed will be paid at the end of the period even if provision for Performance Fees is no longer made at that date.

The Performance Fee, if any, will be paid after the end of each fiscal year (within 1 month) on the value of Net Asset Value according to the calculation performed for the last Net Asset Value of the reference period.

Each investor should be aware that the Performance Fee is calculated on the performance of the specific Share Class, which may differ from the performance of their position, especially when the dates of their subscriptions and redemptions are different from the reference dates the Performance Fee is calculated on (fiscal year end).

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

fLAB CORE	EUR	176,630.79
fLAB SATELLITE	EUR	3,875.25

Until 5th February 2016, the advisory fee was composed of 2 components:

- a net assets based component ("Percentage Fee"), payable monthly to the Investment Advisor, calculated by using the monthly average Net Asset Value of each Share Class. The annual rates applicable for each Sub-Fund were:

fLAB CORE:	Class A Share	0.66%
	Class B Share	1.66%
	Class C Share	1.16%
	Class H SGD Share	1.16%
	Class H USD Share	1.16%
	Class H GBP Share	1.16%
fLAB SATELLITE:	Class A Share	0.66%
	Class B Share	1.16%
	Class C Share	0.91%
	Class H SGD Share	0.91%
	Class H USD Share	0.91%

Notes to the financial statements (continued)

as at 31st December 2016

- a performance based component ("Performance Fee"), payable yearly to the Investment Advisor, calculated on the basis of the annual performance per Share Class, subject to a high watermark principle. The rates applicable for each Sub-Fund were:

Class A Share	5.00%
Class B Share	10.00%
Class C Share	7.50%
Class H SGD Share	7.50%
Class H USD Share	7.50%
Class H GBP Share	7.50%

For the Sub-Fund fLAB CORE, the annual Performance Fee of each Share Class was calculated as described hereafter.

In case, the Net Asset Value per Share Class at the end of the financial year was higher than:

- the Net Asset Value per Share Class of the previous financial year's end or,
- at the end of the first financial year of the Share Class: the initial subscription price of the Share Class or the amount of EUR 129.76 per Share for Share Class A, respectively the amount of EUR 124.90 per Share for Share Class B,

and by application of the high watermark principle that stipulated that a performance fee was only due in case the Net Asset Value per Share Class at the end of the financial year was also higher than:

- the initial subscription price per Share Class, and
- the initial high watermark, being set for the Share Classes A and B at EUR 129.76 and EUR 124.90, respectively (corresponding to the last high watermark recorded in Lux-Investment Partners SICAV-FIS S.C.A. - fLAB Core Class A, respectively Class B), and
- the highest Net Asset Value per Share Class of all preceding financial years' ends,

a performance fee was due to the Investment Advisor, which amounted to:

- the Share Class relevant percentage of the performance per share exceeding the highest Net Asset Value per Share Class of all preceding financial years' ends (including the initial subscription price per Share Class and the initial high watermark of EUR 129.76, and EUR 124.90, respectively in relation to the classes A and B)
- multiplied with the average number of Shares of the specific Share Class in circulation during the calendar year ending 31st December.

For the Sub-Fund fLAB SATELLITE, the annual Performance Fee of each Share Class was calculated as described hereafter.

In case, the Net Asset Value per Share Class at the end of the financial year was higher than:

- the Net Asset Value per Share Class of the previous financial year's end, or
- at the end of the first financial year of the Share Class: the initial subscription price of the Share Class or the amount of EUR 108.29 per Share for Share Class A respectively the amount of EUR 105.86 per Share for Share Class B,

and by application of the high watermark principle that stipulated that a performance fee was only due in case the Net Asset Value per Share Class at the end of the financial year was also higher than:

- the initial subscription price per Share Class, and
- the initial high watermark, being set for the Share Classes A and B at EUR 108.29, and EUR 105.86 respectively (corresponding to the last high watermark recorded in

Notes to the financial statements (continued)

as at 31st December 2016

- Lux-Investment Partners SICAV-FIS S.C.A. - fLAB Satellite Class A, respectively Class B), and
- the highest Net Asset Value per Share Class of all preceding financial years' ends,

a performance fee was due to the Investment Advisor, which amounted to:

- the Share Class relevant percentage of the performance per share exceeding the highest Net Asset Value per Share Class of all preceding financial years' ends (including the initial subscription price per Share Class and the initial high watermark of EUR 108.29, and EUR 105.86, respectively in relation to the classes A and B)
- multiplied with the average number of Shares of the specific Share Class in circulation during the calendar year ending 31st December.

Note 5: Central administration costs

The item "Central administration costs" disclosed in the statement of operations and other changes in net assets is mainly composed of administrative agent and transfer agent fees.

Note 6: Forward foreign exchange contracts

As at 31st December 2016, the following Sub-Funds are committed in the following forward foreign exchange contracts with BANQUE ET CAISSE D'EPARGNE DE L'ETAT, LUXEMBOURG:

fLAB CORE					
Currency	Purchases	Currency	Sales	Maturity	Unrealised result (in EUR)
Forward foreign exchange contracts linked to Class H USD Shares					
USD	12,026,200.00	EUR	11,492,928.13	31.03.2017	-140,860.27
					-140,860.27
Forward foreign exchange contracts linked to Class H SGD Shares					
SGD	797,900.00	EUR	526,111.04	31.03.2017	-5,173.83
					-5,173.83
Forward foreign exchange contracts linked to Class H GBP Shares					
GBP	836,000.00	EUR	978,464.42	31.03.2017	-1,267.24
GBP	19,000.00	EUR	22,297.85	31.03.2017	-88.82
GBP	825,500.00	EUR	976,229.90	31.03.2017	-11,306.13
GBP	309,865.81	EUR	367,705.96	31.03.2017	-5,505.01
					-18,167.20
fLAB SATELLITE					
Currency	Purchases	Currency	Sales	Maturity	Unrealised result (in EUR)
Forward foreign exchange contracts linked to Class H USD Shares					
USD	1,342,600.00	EUR	1,283,065.75	31.03.2017	-15,725.58
					-15,725.58
Forward foreign exchange contracts linked to Class H SGD Shares					
SGD	10,606.07	EUR	6,993.32	31.03.2017	-68.77
					-68.77

Notes to the financial statements (continued)

as at 31st December 2016

Note 7: Futures contracts

As at 31st December 2016, the following Sub-Funds are committed in the following futures contracts with ALTURA MARKETS A.V.,S.A. MADRID:

fLAB CORE

	Number of contracts	Denomination	Currency	Exposure (in EUR)	Unrealised result (in EUR)
Sale	30	Euro-BOBL 5 Years FUT 03/17 EUX	EUR	-4,008,900.00	-38,100.00
Purchase	120	EUR FUT 03/17 CME	USD	15,039,825.53	-46,226.06
Purchase	10	S&P 500 Index FUT 03/17 CME	USD	1,060,236.11	-14,341.93
Sale	10	US Treasury Bond (Long) FUT 03/17 CBOT	USD	-1,428,562.96	-5,630.10
Sale	15	US Treasury Note 10 Years FUT 03/17 CBOT	USD	-1,767,702.21	-1,822.38
					<u>-106,120.47</u>

fLAB SATELLITE

	Number of contracts	Denomination	Currency	Exposure (in EUR)	Unrealised result (in EUR)
Purchase	15	EUR FUT 03/17 CME	USD	1,879,978.19	-5,778.26
					<u>-5,778.26</u>

The item "Other liquid assets" in the statement of the net assets contains principally margin calls and guarantee deposits serving to guarantee operations on futures contracts.

Note 8 : Changes in investments

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

1 - Risk management

As required by Circular CSSF 11/512, the Board of Directors needs to determine and monitor the global risk exposure of the Fund either by applying the commitment approach or the VaR approach. In terms of risk management, the Board of Directors of the Management Company decided to adopt the commitment approach as a method of determining the global exposure.

2 - Remuneration

CASA4FUNDS SA, acting as Management Company of the Fund, has established a remuneration policy (the "Policy"), in the context of managing undertaking for collective investment on transferable securities and alternative investment funds (jointly hereafter referred to as the "Funds"), which sets out principles applicable to the remunerations of the senior management, all staff members having a material impact on the risk profile of the financial undertakings as well as all staff members carrying out independent control functions, whose objectives are to ensure that the remuneration is in line with the applicable laws and regulations, and, in particular with the provisions defined under Articles 111bis and 111ter of the Luxembourg Law dated 17th December 2010 on undertakings for collective investment as amended from time to time transposing the UCITS Directive 2014/91/EU (the "UCITS V Directive") and the related ESMA guidelines on sound remuneration policies.

The Policy applies to all remuneration paid either by the Management Company or by the Funds themselves.

The latest version of the Policy has been issued by the Management Company's Board of Directors in December 2016 and shall apply from 1st January 2017.

The Policy shall be reviewed on a yearly basis and duly approved by the Board of Directors of CASA4FUNDS SA.

Details on the remuneration policy are made available free of charge on the Management Company's website: www.casa4funds.com.

3 - Information concerning the transparency of securities financing transactions and of reuse of cash collateral (regulation EU 2015/2365, hereafter "SFTR")

At the date of the financial statements, the SICAV is not in the scope of the publication requirements of SFTR. No corresponding transactions were carried out during the reporting period.