

WELZIA INTERNATIONAL SICAV

An Investment Company with Variable Capital
organised under the laws of the Grand Duchy of Luxembourg

R.C.S. Luxembourg B 187480

Annual Report and Audited Financial Statements

For the year ended December 31, 2021

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

The Shares referred to in the Prospectus of the Fund (the "Prospectus") are offered solely on the basis of the information contained in the Prospectus and in the reports referred to in the Prospectus. No person is authorised to give any information or to make any representations other than those contained in the Prospectus, and any purchase made by any person on the basis of statements or representations not contained in or inconsistent with the information contained in the Prospectus shall be solely at the risk of the purchaser.

The Shares have not been registered under the United States Securities Act of 1933, as amended (the "Securities Act"), and the Fund has not been registered under the United States Investment Company Act of 1940, as amended. The Shares may not be offered, sold, transferred or delivered, directly or indirectly, in the United States, its territories or possessions or to U.S. Persons (as defined in Regulation S under the Securities Act) except to certain qualified U.S. institutions in reliance on certain exemptions from the registration requirements of the Securities Act. Neither the Shares nor any interest therein may be beneficially owned by any other U.S. Person. WELZIA INTERNATIONAL SICAV may redeem Shares held by a U.S. Person or refuse to register any transfer to a U.S. Person as it deems appropriate to assure compliance with the Securities Act. See Heading "Redemption of Shares" in the Prospectus.

THIS ANNUAL REPORT DOES NOT CONSTITUTE AN OFFER OR SOLICITATION BY ANY PERSON IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT LAWFUL OR IN WHICH THE PERSON MAKING SUCH OFFER OR SOLICITATION IS NOT QUALIFIED TO DO SO. THE PROSPECTUS DOES NOT CONSTITUTE AN OFFER OR SOLICITATION TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION.

Table of Contents

Management and Administration	3
Investment Management Report as at December 31, 2021	4
Statement of Net Assets as at December 31, 2021	8
Statement of Operations and changes in net assets for the year ended December 31, 2021	9
Statistical information as at December 31, 2021	10
Change in number of shares for the year ended December 31, 2021	11
Statement of Investments in Securities as at December 31, 2021	12
WELZIA INTERNATIONAL SICAV – Global Flexible	12
WELZIA INTERNATIONAL SICAV – K7	13
Economic classification of investments as at December 31, 2021	14
Geographical classification of investments as at December 31, 2021	14
Notes to the Financial Statements as at December 31, 2021	15
Unaudited appendix	21

Management and Administration

REGISTERED OFFICE

WELZIA INTERNATIONAL SICAV
6A, rue Gabriel Lippmann
L-5365 Munsbach
Grand Duchy of Luxembourg

MEMBERS OF THE BOARD OF DIRECTORS

Mr. Carlos González Carreira
Managing Director in WELZIA
Management SGIIC S.A.
Conde de Aranda, 24 -4º
28001 Madrid
Spain

Mr. José Madina Loidi
Director in WELZIA
Management SGIIC S.A.
Conde de Aranda, 24 -4º
28001 Madrid
Spain

Mr. Francisco Javier Portillo Aguirre
External Independent Advisor in WELZIA
Management SGIIC S.A.
23, rue de Canach
L-5368 Schuttrange
Grand Duchy of Luxembourg

MANAGEMENT COMPANY

(Management, Administration and Domiciliation)

Adepa Asset Management S.A.
6A, rue Gabriel Lippmann
L-5365 Munsbach
Grand Duchy of Luxembourg

INVESTMENT MANAGER

WELZIA Management SGIIC, S.A.
Conde d Aranda, 24-4º
28001 Madrid
Spain

DEPOSITARY AND PAYING AGENT

Quintet Private Bank (Europe) S.A.
43, Boulevard Royal
L-2955 Luxembourg
Grand Duchy of Luxembourg

REGISTRAR AND TRANSFER AGENT

European Fund Administration, S.A.
2, rue d'Alsace
L-1017 Luxembourg
Grand Duchy of Luxembourg

AUDITORS

KPMG Luxembourg, Société anonyme
39, avenue John F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Investment Management Report as at December 31, 2021

The below report was prepared by the Investment Management department of ADEPA on February 28, 2022 based on the report of the Investment Manager provided on February 18, 2022.

Market Overview

Equity markets in Europe and the USA had a good year, ending the year between 18% and 28% thanks to a rapid rollout of vaccines in their economies, less hospitalizations and softer lockdowns.

In the USA, a relief package was introduced by the new administration and economic data showed that the country recovered rapidly, with unemployment falling rapidly. Concerns over valuation and inflation persisted during the year, while the US-China trade war continued with a mix of sanctions, constraining regulation and tit-for-tat measures. Supply chains issues also weighted on some companies and sectors, especially semiconductors. The US Federal Reserve also indicated that it would raise its rates in coming years, leading investors to reassess valuations and exposures.

In Europe, the year started with the signature of the Brexit Agreement between the UK and the EU, though disputes started almost immediately and continued during the year regarding custom rules, fishing rights and Northern Ireland.

Asia had a mixed year as vaccination was less rapid and 'zero covid' policies continued to see punctual locked down. China was a particular worry for investors, with a giant property developer (Evergrande) defaulting on international bonds, an energy crisis that saw part of the country experience blackouts, and aggressive actions from the government to regulate various sectors and industries. Meanwhile, Japan saw a change in leadership but continuous economic policy.

Emerging markets were particularly sensitive to the news relating to the US Federal Reserve interest rate increase and commodity prices recovery.

Oil settled at a new normal (around USD 75 /barrel for WTI and Brent), up from an average of USD 60 /barrel in previous years.

Gold decreased sharply at the beginning of the year but remained at a higher level.

The fixed income market saw increasing yields thanks to economic reopening and the US stimulus program, though yields declined during the second quarter as inflation came out stronger than expected. During the third quarter, major central banks started to indicate that they would raise rates in the coming years, though yields remained unchanged. They eventually fell during

the fourth quarter due to more hawkish sentiment from the US Federal Reserve. Corporate bonds outperformed government bonds during most the year, except the last quarter.

WELZIA INTERNATIONAL SICAV - GLOBAL FLEXIBLE

During all 2021, the Sub-Fund has kept its fixed income geographic exposure through time, but with different duration exposure, trimming the long-term treasury futures in the last quarter. During the first months of the year, the Sub-Fund's equity exposure was high at target level. As of June 2021, the Sub-Fund's portfolio was fully invested, at the maximum of its potential with a value bias, and with exposure to High Yield, with an Environmental, Social, and Governance bias, with a limited weight and would continue to do so until the end of 2021.

In 2021, the performance of the Sub-Fund was:

- LU1056240853 - A Cap Class A: +5.82%
- LU1056241075 - B Cap Class B: +4.91%
- LU1056241158 - C Cap Class C: +5.02%

WELZIA INTERNATIONAL SICAV - K7

During the first months of 2021, the Sub-Fund switched from China and megatrends funds to direct exposure to large-cap stocks in the United States (US) and the European Union. The Sub-Fund then tried to invest in growth strategies through fund selection and hedging the equity exposure through derivatives. In the 3rd quarter of 2021, the Sub-Fund invested in several growth funds with exposure to Europe and US. In the last quarter, the Sub-Fund switched to an asset allocation approach, diversifying its exposure to equities and Fixed Income, trying to keep the fund's volatility profile low. Meanwhile, bonds have acted as a cushion in the portfolio. The Sub-Fund mainly used short-term US Treasury bonds with maturities of less than one year.

In 2021, the performance of the Sub-Fund was:

- LU0940725657 - A Cap Class A: -14.92%

The performance includes the dividend payment of USD 12.91 per share.



KPMG Luxembourg, Société anonyme
39, Avenue John F. Kennedy
L-1855 Luxembourg

Tel.: +352 22 51 51 1
Fax: +352 22 51 71
E-mail: info@kpmg.lu
Internet: www.kpmg.lu

To the Shareholders of
WELZIA INTERNATIONAL SICAV
6A, rue Gabriel Lippmann
L-5365 Munsbach

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Report on the audit of the financial statements

Opinion

We have audited the financial statements of WELZIA INTERNATIONAL SICAV and each of its sub-funds ("the Fund"), which comprise the statement of net assets and the statement of investments in securities and other net assets as at 31 December 2021 and the statement of operations and the statement of changes in net assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of WELZIA INTERNATIONAL SICAV and each of its sub-funds as at 31 December 2021, and of the results of their operations and changes in its 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.

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier ("CSSF"). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of "réviseur d'entreprises agréé" for the Audit of the Financial Statements » section of our report. We are also independent of the Fund in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

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

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



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

Responsibilities of the Board of Directors of the Fund and Those Charged with Governance for the financial statements

The Board of Directors of the Fund 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 Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the Fund is responsible for assessing the Fund's and each of its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Fund either intends to liquidate the Fund or any of its sub-funds or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Responsibilities of the "réviseur d'entreprises agréé" for the audit of the financial statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund.
- Conclude on the appropriateness of the Board of Directors of the Fund's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's or any of its sub-funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Fund or any of its sub-funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Luxembourg, 28 April 2022

KPMG Luxembourg, Société anonyme
Cabinet de révision agréé

A handwritten signature in blue ink, appearing to read 'Michaela Saar', with a stylized flourish at the end.

Michaela Saar
Associate Partner

WELZIA INTERNATIONAL SICAV

Statement of Net Assets as at December 31, 2021

		Combined Statement	WELZIA INTERNATIONAL SICAV - Global Flexible	WELZIA INTERNATIONAL SICAV - K7
	Notes	(in EUR)	(in EUR)	(in USD)
Assets				
Investment portfolio at cost	2.2 - 2.4	17,187,783.74	10,356,865.28	7,778,025.30
Unrealised result on portfolio	2.2 - 2.4	-296,023.01	-259,892.30	-41,140.23
Portfolio at market value	2.2 - 2.4	16,891,760.73	10,096,972.98	7,736,885.07
Unrealised appreciation on futures contracts	9	323,837.95	276,536.32	53,860.00
Cash at banks		1,499,914.71	971,715.88	601,433.60
Due from brokers		3,193,496.84	2,235,241.80	1,091,117.10
Interest receivable		85,901.90	78,916.80	7,953.58
Formation expenses, net of amortisation	2.5	584.71	584.71	-
Total assets		21,995,496.83	13,659,968.49	9,491,249.35
Liabilities				
Management company and investment management fees payable	4	11,946.33	7,641.13	4,902.12
Performance fees payable	5	4,786.87	4,786.87	-
Other payables/liabilities	2.6	28,299.47	15,152.95	14,969.28
Total liabilities		45,032.67	27,580.95	19,871.40
Net assets at the end of the year		21,950,464.17	13,632,387.54	9,471,377.95
Number of shares outstanding at the end of the year				
Class A			117,448.423	119,855.348
Class B			10,344.197	-
Class C			14,220.147	-
Net asset value per share at the end of the year				
Class A			95.43	79.02
Class B			89.53	-
Class C			105.39	-

WELZIA INTERNATIONAL SICAV

Statement of Operations and changes in net assets for the year ended December 31, 2021

		Combined Statement	WELZIA INTERNATIONAL SICAV - Global Flexible	WELZIA INTERNATIONAL SICAV - K7
		(in EUR)	(in EUR)	(in USD)
Net assets at the beginning of the year/period		33,089,664.34	12,495,898.06	25,176,908.97
Income				
Dividend income, net of withholding taxes		4,537.07	-	5,166.13
Interest income on bonds, net of withholding taxes		330,161.89	139,833.35	216,717.59
Commissions		811.57	-	924.09
Total income		335,510.52	139,833.35	222,807.81
Expenses				
Management company and investment management fees	4	164,566.99	94,267.52	80,046.49
Depositary fees and safekeeping fees	8	32,468.04	14,363.14	20,615.14
Transfer agent fees		14,759.88	8,106.76	7,575.57
Professional fees		39,656.20	23,433.60	18,471.86
Subscription tax ("taxe d'abonnement")	3	12,650.87	6,843.98	6,612.02
Performance fees	5	4,786.87	4,786.87	-
Administrative agent fees	6	43,957.49	25,999.50	20,447.86
Amortisation of formation expenses	2.5	2,430.90	2,430.90	-
Transaction fees	7	54,071.44	7,893.08	52,580.99
Bank and interest expense		21,470.25	15,624.49	6,656.28
Other expenses	2.6	83,900.69	41,781.96	47,958.49
Total expenses		474,719.61	245,531.80	260,964.70
Net Investment Income/loss		-139,209.09	-105,698.45	-38,156.89
Net realised gain/loss				
- on investments and on foreign exchange currency	2.2 - 2.4	476,114.11	11,162.33	529,417.34
- on futures contracts	9	481,849.59	662,640.24	-205,857.27
- on options contracts		-1,590.36	-	-1,810.86
Net realised gain/loss for the year		956,373.34	673,802.57	321,749.21
Change in net unrealised appreciation/depreciation				
- on investments and on foreign exchange currency	2.2 - 2.4	-395,676.04	-34,526.27	-411,223.18
- on futures contracts	9	328,361.18	212,326.68	132,122.68
- on options contracts		1,563.52	-	1,780.30
Change in net unrealised appreciation/depreciation for the year		-65,751.34	177,800.41	-277,320.20
Result of operations for the year		751,412.91	745,904.53	6,272.12
Subscriptions		1,994,728.01	1,986,204.23	9,705.60
Redemptions		12,329,544.72	1,595,619.28	12,222,184.20
Dividend paid	11	3,073,222.27	-	3,499,324.54
Currency translation	2.3 - 2.4	1,517,425.90		
Net assets at the end of the year		21,950,464.17	13,632,387.54	9,471,377.95

The accompanying notes form an integral part of these financial statements

WELZIA INTERNATIONAL SICAV

Statistical information as at December 31, 2021

	Currency	31-12-2021	31-12-2020	31-12-2019
WELZIA INTERNATIONAL SICAV – Global				
Flexible				
Total net assets	EUR	13,632,387.54	12,495,898.06	11,917,309.93
Class A	EUR	11,207,551.29	11,418,542.00	10,941,406.96
Class B	EUR	926,149.24	994,340.38	975,902.97
Class C	EUR	1,498,687.01	83,015.68	-
Number of shares outstanding				
Class A		117,448.423	126,612.805	124,023.628
Class B		10,344.197	11,651.442	11,589.506
Class C		14,220.147	827.247	-
Net assets value per share				
Class A	EUR	95.430	90.180	88.220
Class B	EUR	89.530	85.340	84.210
Class C	EUR	105.390	100.350	-
WELZIA INTERNATIONAL SICAV – K7				
Total net assets	USD	9,471,377.95	25,176,908.97	25,568,721.70 (CHF)
Class A	USD	9,471,377.95	25,176,908.97	25,568,721.70 (CHF)
Number of shares outstanding				
Class A		119,855.348	271,055.348	271,175.348
Net assets value per share				
Class A	USD	79.020	92.880	94.29 (CHF)

WELZIA INTERNATIONAL SICAV

Change in number of shares for the year ended December 31, 2021

WELZIA INTERNATIONAL SICAV - Global Flexible

Share Class A

Number of outstanding shares at the beginning of the financial year	126,612.805
Number of shares issued	4,705.827
Number of redeemed shares	13,870.209
Number of outstanding shares at the end of the financial year	117,448.423

Share Class B

Number of outstanding shares at the beginning of the financial year	11,651.442
Number of shares issued	484.538
Number of redeemed shares	1,791.783
Number of outstanding shares at the end of the financial year	10,344.197

Share Class C

Number of outstanding shares at the beginning of the financial year	827.247
Number of shares issued	14,833.400
Number of redeemed shares	1,440.500
Number of outstanding shares at the end of the financial year	14,220.147

WELZIA INTERNATIONAL SICAV - K7

Share Class A

Number of outstanding shares at the beginning of the financial year	271,055.348
Number of shares issued	120.000
Number of redeemed shares	151,320.000
Number of outstanding shares at the end of the financial year	119,855.348

WELZIA INTERNATIONAL SICAV

Statement of Investments in Securities as at December 31, 2021

(expressed in EUR)

WELZIA INTERNATIONAL SICAV – Global Flexible

Ccy	ISIN	Quantity / Nominal	Description	Market Value	% of Net Assets
TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING					
BONDS					
EUR	BE0000332412	300,000.00	Belgian 0332 2,6% 22/06/2024	324,004.50	2.38
EUR	DE0001102333	550,000.00	Deutschland Rep 1.75% 15/02/2024	578,655.00	4.25
EUR	DE0001102358	425,000.00	Deutschland Rep 1.5% 15/05/2024	447,080.88	3.28
EUR	DE0001102408	425,000.00	Deutschland Rep 0% 15/08/2026	434,866.38	3.19
EUR	DE0001102440	550,000.00	Deutschland Rep 0,5% 15/02/2028	581,091.50	4.26
EUR	DE0001135143	475,000.00	Deutschland Rep 6,25% 04/01/2030	731,462.00	5.37
EUR	ES0000012A89	500,000.00	Spanish Govt 1.45% 31/10/2027	540,997.50	3.97
EUR	ES0000012B62	400,000.00	Spanish Govt 0,35% 30/07/2023	405,994.00	2.98
EUR	FR0011619436	200,000.00	France O.a.t. 2,25% 25/05/2024	213,706.00	1.57
EUR	FR0011883966	450,000.00	France O.a.t. 2,5% 25/05/2030	544,542.75	3.99
EUR	FR0013407236	500,000.00	France O.a.t. 0,5% 25/05/2029	521,295.00	3.82
EUR	IT0005240350	325,000.00	BTPs 2.45% 01/09/2033	366,003.63	2.68
EUR	IT0005274805	300,000.00	BTPs 2.05% 01/08/2027	324,906.00	2.38
EUR	IT0005277444	625,000.00	BTPs 0,9% 01/08/2022	629,993.75	4.62
EUR	IT0005340929	325,000.00	BTPs 2,8% 01/12/2028	370,821.75	2.72
EUR	NL0010733424	300,000.00	Netherlands Govt 2% 15/07/2024	320,133.00	2.35
EUR	PTOTESOE0013	100,000.00	Portuguese Ot's 2,2% 17/10/2022	102,319.00	0.75
USD	US912828SF82	515,000.00	Us Treasury N/b 2% 15/02/2022	453,332.38	3.33
USD	US912828YA22	515,000.00	Us Treasury N/b 1,5% 15/08/2022	455,805.84	3.34
USD	US912828ZX16	500,000.00	Us Treasury N/b 0.125% 30/06/2022	438,962.12	3.22
TOTAL BONDS				8,785,972.98	64.45
TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING				8,785,972.98	64.45
INVESTMENT FUNDS					
FUNDS					
EUR	IE00BJK55C48	250,000.00	iShares EUR High Yield Corp Bond ESG UCI	1,311,000.00	9.62
TOTAL FUNDS				1,311,000.00	9.62
TOTAL INVESTMENT FUNDS				1,311,000.00	9.62
TOTAL INVESTMENT IN SECURITIES				10,096,972.98	74.07
OTHER NET ASSETS				3,535,414.56	25.93
TOTAL NET ASSET				13,632,387.54	100.00

WELZIA INTERNATIONAL SICAV

Statement of Investments in Securities as at December 31, 2021(continued)

(expressed in USD)

WELZIA INTERNATIONAL SICAV – K7

Ccy	ISIN	Quantity / Nominal	Description	Market Value	% of Net Assets
TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING					
BONDS					
USD	US912828ZG82	500,000.00	Us Treasury N/b 0.375% 31/03/2022	500,371.10	5.28
USD	US912828ZA13	500,000.00	Us Treasury N/b 1.125% 28/02/2022	500,820.32	5.29
USD	US912828SF82	500,000.00	Us Treasury N/b 2% 15/02/2022	501,152.35	5.29
USD	US9128286H87	250,000.00	Us Treasury N/b 2,375% 15/03/2022	251,162.11	2.65
TOTAL BONDS				1,753,505.88	18.51
TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING				1,753,505.88	18.51
TRANSFERABLE SECURITIES TRADED ON ANOTHER REGULATED MARKET					
BONDS					
USD	US912796K733	400,000.00	Treasury Bill 0% 13/01/2022	399,995.60	4.22
USD	US912796K998	250,000.00	Treasury Bill 0% 03/02/2022	249,996.25	2.64
TOTAL BONDS				649,991.85	6.86
TOTAL TRANSFERABLE SECURITIES TRADED ON ANOTHER REGULATED MARKET				649,991.85	6.86
INVESTMENT FUNDS					
FUNDS					
EUR	LU1353951707	3,330.00	AXA World Funds-Global Inflation Short D	397,067.30	4.19
EUR	LU0304860645	565.00	Candriam Equities L Europe Optimum Quali	154,677.58	1.63
EUR	BE0948484184	420.00	DPAM Invest B - Equities Euroland F Acc	151,752.90	1.60
EUR	LU0966249640	720.00	DPAM L - Bonds EUR Corporate High Yield	127,598.03	1.35
EUR	LU0234682044	5,632.00	Goldman Sachs - SICAV I - GS Europe CORE	152,177.57	1.61
EUR	FR0013251881	390.00	Groupama Asset Management - Groupama Axi	496,842.75	5.25
EUR	FR0010758771	1,465.00	Groupama Asset Management Groupama Credi	216,588.99	2.29
EUR	FR0012599686	345.00	Groupama Ultra Short Term Bond MC Acc	392,975.67	4.15
USD	IE00BDFGJ627	92,430.00	iShares USD Floating Rate Bond UCITS ETF	492,559.47	5.20
EUR	FR0013439163	250.00	La Francaise Global Floating Rates I EUR	285,006.94	3.01
EUR	LU1390062245	3,385.00	Lyxor EUR 2-10Y Inflation Expectations U	389,325.90	4.11
EUR	LU0073255688	3,725.00	Morgan Stanley Investment Funds - Europe	127,837.94	1.35
EUR	LU0772943501	2,145.00	Nordea 1 - European Financial Debt Fund	484,328.76	5.11
EUR	LU1694214633	2,470.00	Nordea 1 SICAV-Low Duration European Cov	290,049.57	3.06
EUR	IE00BJTCNZ54	27,080.00	PIMCO GIS Low Duration Global Investment	331,780.75	3.50
EUR	IE00B2NGJY51	30,510.00	Principal Global Investors Funds - Prefe	439,116.27	4.64
EUR	IE00B520F527	985.00	Salar Fund PLC-E1 Eur	183,197.28	1.93
EUR	LU0278091037	1,680.00	Vontobel Fund - Euro Short Term Bond I A	220,503.67	2.33
TOTAL FUNDS				5,333,387.34	56.31
TOTAL INVESTMENT FUNDS				5,333,387.34	56.31
TOTAL INVESTMENT IN SECURITIES				7,736,885.07	81.68
OTHER NET ASSETS				1,734,492.88	18.32
TOTAL NET ASSET				9,471,377.95	100.00

The accompanying notes form an integral part of these financial statements

WELZIA INTERNATIONAL SICAV

Economic classification of investments as at December 31, 2021

(in % of Net Assets)

WELZIA INTERNATIONAL SICAV - Global Flexible

Government	64.45
Investment funds	9.62
Total	74.07

WELZIA INTERNATIONAL SICAV - K7

Government	25.37
Investment funds	56.31
Total	81.68

Geographical classification of investments as at December 31, 2021

WELZIA INTERNATIONAL SICAV - Global Flexible

BELGIUM	2.38
FRANCE	9.39
GERMANY	20.33
IRELAND	9.62
ITALY	12.41
NETHERLANDS	2.35
PORTUGAL	0.75
SPAIN	6.95
UNITED STATES (USA)	9.89
Total	74.07

WELZIA INTERNATIONAL SICAV - K7

BELGIUM	1.60
FRANCE	14.69
IRELAND	15.27
LUXEMBOURG	24.74
UNITED STATES (USA)	25.38
Total	81.68

WELZIA INTERNATIONAL SICAV

Notes to the Financial Statements as at December 31, 2021

Note 1 - General information

The purpose of WELZIA INTERNATIONAL SICAV (the "Fund") is to provide investors with an opportunity for collective investment in an investment fund in order to achieve an optimum return from the capital invested. The Fund was incorporated on 14 June 2013.

The Fund is subject, in particular, to the provisions of Part I of the Law of 17 December 2010 which relate specifically to undertakings for collective investment in transferable securities as defined by the European Directive of 13 July 2009 (2009/65/EC) as may be amended from time to time.

The Fund is a Luxembourg open-ended investment company established as a "*société d'investissement à capital variable*" (investment company with variable capital) and the Fund was incorporated for an unlimited period of time in Luxembourg on 14 June 2013 and is governed by the Luxembourg law of 10 August 1915 on commercial companies, as amended, and by the Law of 17 December 2010 concerning undertakings for collective investment, as amended.

The registered office of the Fund is established at 6A, rue Gabriel Lippmann, L-5365 Munsbach, Grand Duchy of Luxembourg.

The Fund is registered at the "*Registre de Commerce et des Sociétés*" of Luxembourg under the number B 178 127.

The Articles of Association of the Fund are published in the "*Mémorial C, Recueil des Sociétés et Associations*" (the "Mémorial").

The minimum capital of the Fund as provided by law, which must be achieved within 6 months from the date on which the Fund has been authorised as an undertaking for collective investment under Luxembourg law, is EUR 1,250,000. The capital of the Fund is represented by fully paid-up Shares of no par value. The initial capital of the Fund has been set at EUR 40,000.

The Fund is open-ended which means that it may, at any time on the request of the shareholders, redeem its Shares at prices based on the applicable Net Asset Value per Share.

In accordance with the Articles, the Board of Directors may approve to issue Shares in each Sub-Fund. A separate portfolio of assets is maintained for each Sub-Fund and is invested in accordance with the investment objectives applicable to the relevant Sub-Fund. As a result, the Fund is an "umbrella fund" enabling investors to choose between one or more investment objectives by investing in one or more Sub-Funds.

The Board of Directors of the Fund may from time to time decide to create further Sub-Funds; in that event, the Prospectus will be updated and amended so as to include detailed information on the new Sub-Funds.

The share capital of the Fund will be equal, at any time, to the total value of the net assets of all the Sub-Funds.

As at December 31, 2021 the following Sub-Funds are active:

- WELZIA INTERNATIONAL SICAV – Global Flexible
- WELZIA INTERNATIONAL SICAV – K7

As at December 31, 2021 the Sub-Funds may offer the following classes of shares:

WELZIA INTERNATIONAL SICAV – Global Flexible	Class A, Class B, Class C
WELZIA INTERNATIONAL SICAV – K7	Class A

Notes to the Financial Statements as at December 31, 2021 (continued)

Note 2 - Significant accounting policies

2.1 Presentation of the financial statements

The financial statements are presented on a going concern basis, in accordance with generally accepted accounting principles in Luxembourg and regulations relating to undertakings for collective investment in transferable securities.

2.2 Valuation of Investments

The Net Asset Value per Share of each Class or category of Shares is calculated for the launched Sub-Funds either weekly or daily whereas Global Flexible is daily and K7 is once a week on each Friday, as indicated in the Prospectus. If such day is not a business day in Luxembourg, then the Valuation Day is the immediately the next business day. The Net Asset Value is expressed in the reference currency of the Sub-Fund or of the relevant Class.

The Net Asset Value per Share is determined by dividing the net assets of the Sub-Fund attributable to such Class/category in that Sub-Fund or to such Sub-Fund (being the value of the portion of assets less the portion of liabilities attributable to such Class/Category or to such Sub-Fund on any such Valuation Day), as determined in accordance with applicable generally accepted Luxembourg accounting principles, by the total number of Shares in the relevant Class/category in a Sub-Fund or in the relevant Sub-Fund then outstanding.

The value of the assets is determined as follows:

- The value of any cash on hand or on deposit, bills and demand notes payable 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 may be considered appropriate in such case to reflect the true value thereof.
- The value of any security or other asset which is quoted or dealt in on a stock exchange is based on its last available price on the stock exchange which is normally the principal market for such security.
- The value of any security or other asset which is dealt in on any other Regulated Market is based on its last available price on this other Regulated Market.
- In the event that any assets are not listed nor dealt in on any stock exchange or on any other Regulated Market, or if, with respect to assets listed or dealt in on any stock exchange or on any other Regulated Market as aforesaid, the price as determined pursuant to sub-paragraph (b) or (c) is not, in the opinion of the Board of Directors, representative of the fair market value of the relevant assets, the value of such assets is based on the reasonably foreseeable sales price determined prudently and in good faith.
- Units or shares of undertakings for collective investment are valued at their last determined and available net asset value as determined by their administrative agent or, if such price is not, in the opinion of the Board of Directors, representative of the fair market value of such assets, then the price shall be determined by the Board of Directors on a fair and equitable basis.
- The liquidating value of futures, spot, forward or options contracts not traded on stock exchanges nor on other Regulated Markets shall mean their net liquidating value determined, pursuant to the policies established by the Board of Directors, on a basis consistently applied for each different variety of contracts. The liquidating value of futures, spot, forward or options contracts traded on stock exchanges or on other Regulated Markets shall be based upon the last available settlement prices of these contracts on stock exchanges and Regulated Markets on which the particular futures, spot, forward or options contracts are traded by the Fund; provided that if a futures, spot, forward or options contract could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the Board of Directors may deem fair and reasonable.
- The value of money market instruments not traded on stock exchanges nor on other Regulated Markets and with a remaining maturity of less than 12 months and of more than 90 days is deemed to be the nominal value thereof, increased by any interest accrued thereon. Money market instruments with a remaining maturity of 90 days or less will be valued by the amortized cost method, which approximates market value.
- All other securities and other assets will be valued at fair market value as determined in good faith pursuant to procedures established by the Board of Directors of the SICAV.

WELZIA INTERNATIONAL SICAV

Notes to the Financial Statements as at December 31, 2021 (continued)

2.2 Valuation of Investments (continued)

- Income is recognised for each Sub-Fund as follows:
 - Dividends are recognised as of execution date of the corporate actions and recognised net of withholding tax.
 - Interest on bonds and money market instruments are recognized on accrual basis.
 - Interest on cash accounts are recognized as of payment date and or accrual basis when applicable.

The net proceeds from the issue of Shares in the relevant Sub-Fund are invested in the specific portfolio of assets constituting the portfolio holding of such Sub-Fund.

The Board of Directors shall maintain for each Sub-Fund a separate portfolio of assets. As between shareholders, each portfolio of assets shall be invested for the exclusive benefit of the relevant Sub-Fund.

2.3 Combined financial statements

The combined financial statements are the sum of the Sub-Funds' financial statements equivalent in EUR translated, where applicable, at the rate of exchange ruling as at December 31, 2021

In the combined statement of changes in Net Assets, the Net Asset Value at the beginning of the year of Sub-Fund in currencies other than EUR are translated into EUR with the exchange rate as of December 31, 2020 EUR/USD: 1.22255. The difference between the translation with exchange rate as of December 31, 2020 and December 31, 2021 EUR/USD: 1.13865 is shown in the combined statement of changes in Net Assets as "currency translation".

2.4 Foreign currency translation

The value of all assets and liabilities not expressed in the Reference Currency of a Class/Category or Sub-Fund are converted into the Reference Currency of such Class/Category or Sub-Fund at the rate of exchange ruling in Luxembourg on the relevant Valuation Day.

Assets and liabilities of the Sub-Fund WELZIA INTERNATIONAL SICAV – Global Flexible other than EUR are translated into EUR with the exchange rate as at December 31, 2021, are as follows:

1 EUR = 1.037620 CHF

1 EUR = 130.975000 JPY

1 EUR = 1.138650 USD

Assets and liabilities of the Sub-Fund WELZIA INTERNATIONAL SICAV – K7 other than USD are translated into USD with the exchange rate as at December 31, 2021, which are as follows:

1 USD = 0.911272 CHF

1 USD = 6.531067 DKK

1 USD = 0.878233 EUR

1 USD = 9.035305 SEK

2.5 Formation expenses

Expenses incurred in connection with the incorporation of the Fund including those incurred in the preparation and publication of the first Prospectus and constitutive documents, as well as the taxes, duties and any other incorporation and publication expenses are amortised over a maximum period of five years.

2.6 Fees and expenses

The Fund pays out of its assets all expenses payable by the Fund which include but not be limited to formation expenses, fees payable to the relevant supervisory authorities, fees payable to its Management Company, Investment Managers and Advisors, including performance fees, if any, fees and expenses payable to its Depositary and correspondents, Registrar and Transfer Agent, Listing Agent, any Paying Agent, any permanent representatives in places of registration, as well as any other agent employed by the Fund, the remuneration (if any) of the Directors and officers of the Fund and their reasonable out-of-pocket expenses, insurance coverage, and reasonable traveling costs in connection with Board meetings, fees and expenses for legal and auditing services, any expenses incurred in connection with obtaining legal, tax and accounting advice and the advice of other experts and consultants, any expenses incurred in connection with legal proceedings involving the Fund, any fees and expenses involved in

WELZIA INTERNATIONAL SICAV

Notes to the Financial Statements as at December 31, 2021 (continued)

2.6 Fees and expenses (continued)

registering and maintaining the registration of the Fund with any governmental agencies or stock exchanges in the Grand Duchy of Luxembourg and in any other country, reporting and publishing expenses, including the costs of preparing, printing, translating, advertising and distributing prospectuses, explanatory memoranda, periodical reports or registration statements, share certificates, and the costs of any reports to shareholders, all taxes, duties, governmental and similar charges, expenses in relation of the marketing, promotion and development of the Fund i.e. "marketing costs", setting up costs, all other operating expenses, including the cost of buying and selling assets, interest, bank and brokerage charges, postage and telephone charges and winding-up costs. The Fund may accrue administrative and other expenses of a regular or recurring nature based on an estimated amount ratable for yearly or other periods. In the case where any liability of the Fund cannot be considered as being attributable to a particular Sub-Fund, such liability shall be allocated to all the Sub-Funds pro rata to their Net Asset Value or in such other manner as determined by the Board of Directors acting in good faith.

Note 3 - Subscription tax ("Taxe d'abonnement")

In accordance with the regulations, the Fund is subject to an annual subscription tax at a rate of 0.05% p.a. payable quarterly on the basis of the net assets of the Fund. Pursuant to Article 175 of the Law, the net assets invested in undertakings for collective investments already subject to the "taxe d'abonnement" are exempt from this tax.

Note 4 - Management company and investment management fees

The Management Company and the Investment Manager are entitled to fees out of the net assets of the relevant Sub-Fund accrued on a NAV computation basis and paid quarterly which are as follows:

Sub-Fund	Class	ccy	Management Fee (*)	Investment Management Fee
WELZIA INTERNATIONAL SICAV - Global Flexible	A	EUR	0.10%	0.50%
	B	EUR	0.10%	1.35%
	C	EUR	0.10%	0.75%
WELZIA INTERNATIONAL SICAV - K7	A	USD	0.10%	0.50%
	B	USD	0.10%	2.00%

(*) Subject to a minimum annual amount of 10,000.00 EUR per Sub-Fund.

Note 5 – Performance fees

The Investment Advisers or the Management Company are entitled to a performance fee (as the case may be) out of the net assets of the relevant Sub-Fund payable yearly, which is as follows:

Sub-Fund	Class	Ccy	Performance Fee	Hurdle Rate	Amount of Performance fee charged	% on unit class Year-End NAV of Performance fee charged
WELZIA INTERNATIONAL SICAV - Global Flexible	A	EUR	None	None	0	0%
	B	EUR	9.00%(*)	None	0	0%
	C	EUR	9.00%(*)	None	4786.87	0.32%

(*) 9.00% of the positive difference, subject to High Watermark

The Sub-Fund WELZIA INTERNATIONAL SICAV - K7 is not subject to any performance fee.

Note 6 – Administration fees

The Administrative Agent is entitled to a fee (VAT exempt), payable monthly and calculated on the average net assets of the month of each Sub-Fund with an effective rate of 0.09% with a minimum yearly amount of 17,000 EUR per Sub-Fund (in case of weekly NAV) or 26,000 EUR per Sub-Fund (in case of daily NAV).

Note 7 - Transaction fees

The transactional fees represent the fees incurred by the Fund in connection with purchases and sales of investments.

WELZIA INTERNATIONAL SICAV

Notes to the Financial Statements as at December 31, 2021 (continued)

Note 8 – Depositary and safekeeping fees

In accordance with a Depositary Agreement signed between Quintet Private Bank (Europe) S.A. and the Fund in presence of ADEPA Asset Management S.A., Quintet Private Bank (Europe) S.A. has been appointed Depositary Bank of the Fund.

For the services rendered, the Depositary Bank is entitled to receive the following commissions (excluding VAT):

- up to EUR 75 million: 0.055% p.a.;
- from EUR 75 million to 250 million: 0.040% p.a.;
- above EUR 250 million: 0.020% p.a.;

This remuneration is subject to a yearly minimum of EUR 12,000 per Sub-Fund.

Note 9 – Futures contracts

The futures contracts opened as at December 31, 2021 are as follows:

WELZIA INTERNATIONAL SICAV – Global Flexible

CCY	Number of contracts bought/(sold)	Security description/Underlying	Maturity	Notional value / Commitment (in EUR)	Unrealised appreciation/ (depreciation) in EUR
USD	12.00	EUR/USD Cross Rate	14-03-2022	1,500,000.00	8,365.17
USD	43.00	MSCI World Net Total Return Index	18-03-2022	3,690,114.87	126,377.73
USD	13.00	MSCI Emerging Markets Index	18-03-2022	703,294.69	10,007.46
EUR	(5.00)	DU Euro-Schatz Notl 1,75-2,25Y	08-03-2022	(526,050.00)	800.00
EUR	(2.00)	RX Euro-Bund Notl 8,5-10,5Y	08-03-2022	(204,040.00)	6,180.00
EUR	4.00	OEA Euro-Bobl Notl 5Y 6%	08-03-2022	408,920.00	(4,200.00)
EUR	(3.00)	OAT Euro-OAT Notl 8,5-10,5Y	08-03-2022	(338,520.00)	9,240.00
EUR	(1.00)	IK Euro-BTP Notl 8,5-11Y	08-03-2022	(105,200.00)	2,750.00
USD	45.00	Russell 1000 Value Index	18-03-2022	3,271,762.61	105,185.96
EUR	13.00	STOXX Europe 600 Price Index Eur	18-03-2022	317,661.50	11,830.00
Total					276,536.32

WELZIA INTERNATIONAL SICAV – K7

CCY	Number of contracts bought/(sold)	Security description/Underlying	Maturity	Notional value / Commitment (in USD)	Unrealised appreciation/ (depreciation) in USD
USD	3.00	S&P 500 Mini	18-03-2022	714,927.00	20,025.00
USD	26.00	EUR/USD Cross Rate	14-03-2022	3,250,000.00	20,475.00
USD	4.00	MSCI World Net Total Return Index	18-03-2022	390,860.40	13,360.00
Total					53,860.00

Note 10 - Forward foreign exchange contracts

There are no open foreign forward exchange contracts as at December 31, 2021.

Note 11 – Distribution of Dividends

For distribution Shares in issue of WELZIA INTERNATIONAL SICAV – K7 Sub-Funds, as of February 19, 2021 the Board of Directors of the Fund has declared dividends for record date February 22, 2021, ex-date February 26, 2021 and value date March 04, 2021. The declared dividend is for the following amount:

Sub-Funds	Share Class	Dividend per Share	Total Amount
WELZIA INTERNATIONAL SICAV - K7	A Distribution	12.91 USD	3,500,000.00 USD

WELZIA INTERNATIONAL SICAV

Notes to the Financial Statements as at December 31, 2021 (continued)

Note 12 – Management fee for the target funds

Sub-Funds invested in target funds with their associated management fee as at December, 31 2021, are as follows:

WELZIA INTERNATIONAL SICAV - Global Flexible

Security Name	Management Fee
iShares EUR High Yield Corp Bond ESG UCI	0.25%

WELZIA INTERNATIONAL SICAV - K7

Security Name	Management Fee	Security Name	Management Fee
AXA World Funds-Global Inflation Short D	0.30%	La Francaise Global Floating Rates I EUR	0.40%
Candriam Equities L Europe Optimum Quali	0.55%	Lyxor EUR 2-10Y Inflation Expectations U	0.25%
DPAM Invest B - Equities Euroland F Acc	0.80%	Morgan Stanley Investment Funds - Europe	0.50%
DPAM L - Bonds EUR Corporate High Yield	0.45%	Nordea 1 - European Financial Debt Fund	0.50%
Goldman Sachs - SICAV I - GS Europe CORE	0.50%	Nordea 1 SICAV-Low Duration European Cov	0.25%
Groupama Asset Management - Groupama Axi	0.70%	PIMCO GIS Low Duration Global Investment	0.49%
Groupama Asset Management Groupama Credi	0.50%	Principal Global Investors Funds - Prefe	0.40%
Groupama Ultra Short Term Bond MC Acc	0.20%	Salar Fund PLC-E1 Eur	1.00%
iShares USD Floating Rate Bond UCITS ETF	0.00%	Vontobel Fund - Euro Short Term Bond I A	0.15%

Note 13 – Changes in portfolio composition

Details of purchases and sales of investments for the period are available free of charge at the registered office of the Fund or Management Company.

Note 14 – Significant subsequent events

As per the unanimous resolutions of the board of directors of the company taken on February 4, 2022, following a total redemption it was decided to put the Sub-Fund WELZIA INTERNATIONAL SIACV – K7 in a dormant status.

Note 15 - Subsequent events

In February 2022, a number of countries (including the US, UK and EU) imposed sanctions against certain entities and Individuals in Russia as a result of the official recognition of the Donetsk People Republic and Lugansk People Republic by the Russian Federation. Announcements of potential additional sanctions have been made following military operations initiated by Russia in Ukraine on 24 February 2022.

The situation, together with growing turmoil from fluctuations in commodity prices and foreign exchange rates, and the potential to adversely impact global economies, has driven a sharp increase in volatility across markets. The Board of Directors regards these events for the Fund as non-adjusting events after the reporting period.

Although neither the Fund's performance and going concern nor operations, at the date of this report, have been significantly impacted by the above, the Board of Directors continues to monitor the evolving situation and its impact on the financial position of the Fund.

Unaudited appendix

Remuneration Policy

The Management Company established a remuneration policy that is compatible with a sound and efficient management of risks, that encourages such management, and which does not encourage excessive risk-taking which would be inconsistent with the risk profiles, rules or instruments of incorporation of the Funds.

The remuneration policy is aligned with the business strategy, objectives, values and the interests of the Management Company, of the Funds and of the investors in such Funds; and includes measures to avoid conflict of interests.

The remuneration policy and practice applies to those categories of employees, including senior management, risk takers, control functions and any employee receiving total remuneration that falls within the remuneration bracket of senior management and risk takers whose professional activities have a material impact on the risk profiles of the management companies or of the funds that they manage.

The below represents the total fixed and variable remuneration of the staff of the Management Company attributable to all the funds it manages, taking into account UCITS and non-UCITS, for the financial period ending December 31, 2021:

ADEPA Asset Management S.A.:

	Total for the Management Company
Fixed remunerations	3,494,186
Variable remunerations	101,750
Number of beneficiaries (average headcount)	48
Amount paid directly by the fund	0

The below represents the total fixed and variable remuneration of the staff of the Management Company attributable to all the funds it manages, taking into account UCITS and non-UCITS; as well as the figures proportionated to the total net assets of the fund:

The below represents the aggregate amount of remuneration broken down by executive and identified staff, whose actions have a material impact on the risk profile of the funds, for the financial period ending December 31, 2021:

:

ADEPA Asset Management S.A.:

	Total for the Management Company
Remuneration to management	878,274
Identified staff	736,448

The fixed element represents a sufficiently large proportion of the total remuneration and allows the Management Company to operate a completely flexible bonus policy, including the possibility to pay no variable remuneration component. No remuneration includes a variable element commitment. Bonuses were awarded by combining the evaluation of each employee's own performance based on non-financial criteria with that of the relevant operational department concerned and the results of the Management Company.

The Board of Directors establishes the general principles governing the Management Company's remuneration policy and supervises its implementation. This process is governed by the non-executive directors. In establishing this policy, the Board of Directors of the Management Company takes into account all elements pertaining to the Management Company's strategy, the risk-taking strategy, and the nature, scale and complexity of the activities. The Board of Directors of the Management Company is reviewing the remuneration policy on a yearly basis.

WELZIA INTERNATIONAL SICAV

Unaudited appendix (continued)

The implementation of this remuneration policy is subject, at least once a year, to an internal, centralized and independent analysis by control functions (primarily by the Compliance Officer), at least annually, in order to verify compliance with the policies and procedures established by the Board of Directors.

The Remuneration Policy was updated in December 2018 in compliance with the Law of May 10th 2016 and with the EU Directive 2014/914/UE. It is available on the website of the Management Company.

Risk Transparency

For the Sub-Funds of the WELZIA INTERNATIONAL SICAV, the Management Company has decided to use the "Commitment Approach" for the calculation of the global exposure in accordance with CSSF Regulation 10-4; CSSF Circular 11/512 as amended by the CSSF Circular 18/698 and ESMA Guideline 10-788.

Securities Financing Transactions Regulation ("SFTR")

During the year ending December 31, 2021, no securities financing transactions (SFTs) and total return swaps as defined in Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648 / 2012 ("SFTR") were carried out.

There is consequently no information within the meaning of Article 13 of the above Regulation to be disclosed in the annual report.

Classification in Accordance with (EU) 2019/2088

The Fund constitutes a product in Accordance with Article 6 of the Regulation (EU) 2019/2088 (Regulation on sustainability-related disclosures in the financial sector).

Explanation in Accordance with Article 7 of the Regulation (EU) 2020/852 as from 18 June 2020 (Taxonomy):

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.