

Quaero Capital Funds (Lux)

Société d'Investissement à Capital Variable

Annual report, including audited financial statements,
as at December 31, 2018

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No distribution notice has been filed in Germany for the below sub-funds pursuant to section 310 of the Investment Code; because of this, shares of these sub-funds may not be distributed publicly to investors falling within the scope of the German Investment Code:

- **Quaero Capital Funds (Lux) - European Equities Long-Short (note 1)**

No subscription can be received on the basis of these financial statements. Subscriptions are only valid if made on the basis of the current prospectus accompanied by the Key Investor Information Documents ("KIIDs"), the latest annual report, including audited financial statements, and the most recent unaudited semi-annual report, if published thereafter.

Quaero Capital Funds (Lux)

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Quaero Capital Funds (Lux)

Organisation of the SICAV

REGISTERED OFFICE 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

BOARD OF DIRECTORS OF THE SICAV

Chairman Mr Jean KELLER, Managing Partner, Quaero Capital SA, 20bis, rue de Lausanne, CH-1201 Geneva, Switzerland

Members Mr Cristofer GELLI, President, Quaero Capital SA, 20bis, rue de Lausanne, CH-1201 Geneva, Switzerland

Mr Francesco Cristoforo SAMSON, Group Chief Operating Officer, Quaero Capital SA, 20bis, rue de Lausanne, CH-1201 Geneva, Switzerland

Mr Amancio PEREZ, Quaero Capital SA, 20bis, rue de Lausanne, CH-1201 Geneva, Switzerland

Mr Yvar Claude MENTHA, Independant Director

Ms Rachel Nancy HILL, Independant Director

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MANAGEMENT COMPANY FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Chairman Mr Christian SCHRÖDER, Group Corporate Secretary and Head of Organisation, Banque Pictet & Cie SA, 60, route des Acacias, CH-1211 Geneva 73, Switzerland

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Me. Claude KREMER, Partner, Arendt & Medernach - Avocats, 41A, avenue J.F. Kennedy, L-2082 Luxembourg, Grand Duchy of Luxembourg

Mr Geoffroy LINARD DE GUERTECHIN, Independant Director, 2, rue Jean-Pierre Beicht, L-1226 Luxembourg, Grand Duchy of Luxembourg

Quaero Capital Funds (Lux)

Organisation of the SICAV (continued)

Members of the Management Committee	<p>Mrs Michèle BERGER, CEO and Managing Director, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg</p> <p>Mr Pascal CHAUVAUX, Head of Central Administration, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg</p> <p>Mrs Céline COTTET, Head of Risk & Compliance, FundPartner Solutions (Suisse) SA, 60, route des Acacias, CH-1211 Geneva 73, Switzerland (until November 21, 2018)</p> <p>Mr Laurent DORLÉAC, Head of Risk & Compliance, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg (since November 22, 2018)</p> <p>Mr Dorian JACOB, Head of Investment Management Oversight, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg</p>
DEPOSITARY BANK	Pictet & Cie (Europe) S.A., 15A, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg
ADMINISTRATIVE AGENT	FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg
INVESTMENT MANAGER AND GLOBAL DISTRIBUTOR	Quaero Capital SA, 20bis, rue de Lausanne, CH-1201 Geneva, Switzerland
SUB-INVESTMENT MANAGERS	<p>For Quaero Capital Funds (Lux) - World Opportunities:</p> <ul style="list-style-type: none">Berger, van Berchem & Cie S.A., 26, rue de la Corraterie, Geneva, Switzerland <p>For Quaero Capital Funds (Lux) - Bamboo:</p> <ul style="list-style-type: none">Lloyd George Management (HK) Limited, suite 902, Ruttonjee House, 11 Duddel Street, Central, Hong Kong <p>For Quaero Capital Funds (Lux) - Accessible Clean Energy:</p> <ul style="list-style-type: none">Quaero Capital (France) S.A.S., 6, Rue Daru, 75008, Paris, France
INVESTMENT ADVISER APPOINTED BY THE INVESTMENT MANAGER	Quaero Capital (Luxembourg) S.A., 4, rue de l'Eau, L-1449 Luxembourg, Grand Duchy of Luxembourg
CABINET DE REVISION AGREE/AUDITOR	PricewaterhouseCoopers, <i>société coopérative</i> , 2, rue Gerhard Mercator, L-2182 Luxembourg, Grand Duchy of Luxembourg
LEGAL ADVISER	Arendt & Medernach S.A., 41 A, Avenue J. F. Kennedy, L-2082 Luxembourg, Grand Duchy of Luxembourg
COUNTERPARTY ON FORWARD FOREIGN EXCHANGE CONTRACTS (NOTE 10)	Pictet & Cie (Europe) S.A. Luxembourg

Quaero Capital Funds (Lux)

General information

Annual reports, including audited financial statements, of Quaero Capital Funds (Lux) (the "SICAV") of the end of each fiscal year is established as at December 31 of each year. In addition, unaudited semi-annual reports is established as per the last day of the month of June. Those financial reports provide for information on each of the sub-fund's assets as well as the consolidated accounts of the SICAV and be made available to the Shareholders free of charge at the registered office of the SICAV and of the Administrative Agent.

The financial statements of each sub-fund is established in the Reference Currency of the sub-fund but the consolidated accounts is in Euro.

Audited annual reports are published within 4 months following the end of the accounting year and unaudited semi-annual reports are published within 2 months following the end of period to which they refer.

Any amendments to the Article of Association of the SICAV should be published in the *Recueil électronique des sociétés et associations* of the Grand Duchy of Luxembourg.

Information on the net asset value, the subscription price (if any) and the redemption price may be obtained at the registered office of the SICAV.

Quaero Capital Funds (Lux)

Distribution abroad

Distribution in and from Switzerland

Representative

The representative in Switzerland is FundPartner Solutions (Suisse) SA (the "Representative") with registered office at 60, route des Acacias, CH-1211 Geneva 73, Switzerland.

Paying Agent

The paying agent in Switzerland is Banque Pictet & Cie SA, with registered office at 60, route des Acacias, CH-1211 Geneva 73, Switzerland.

Place of distribution of reference documents

The Prospectus and the Key Investor Information Documents ("KIIDs") of the sub-funds distributed in Switzerland, the articles of incorporation and the annual and semi-annual reports are available free of charge from the representative.

The list of purchases and sales that have taken place during of the financial period under review is available free of charge on request to the Representative in Switzerland.

Distribution in Germany

Information for Investors in Germany

No distribution notice has been filed in Germany for the below sub-funds pursuant to section 310 of the Investment Code; because of this, shares of these sub-funds may not be distributed publicly to investors falling within the scope of the German Investment Code:

- Quaero Capital Funds (Lux) - European Equities Long-Short (note 1)

Paying and Information Agent

Deutsche Bank AG
12, Taunusanlage
D-60325 Frankfurt/Main
Germany

Quaero Capital Funds (Lux)

Management report

Quaero Capital Funds (Lux) - Argonaut

2018, it turned out, was neither a year for value investors or for stock pickers. European and world equity markets were shaken by multiple events, and small cap stocks underperformed large cap for the first time in four years. Whilst at times during the year we felt we were standing in the wilderness we ended the year slightly outperforming the index: the Quaero Capital Funds (Lux) - Argonaut sub-fund fell 14.4% for EUR class A over the year, compared with a fall of 14.5% for the EMIX small cap index, and 10.8% for the Stoxx 600.

"Value" as an investment style has had a particularly tough year, with the manufacturing sector being hard hit by worries on international trade, and the risk of general economic slowdown. Over the course of 2018 the MSCI European "Value" index has fallen 11.6%, whilst the "Growth" index has fallen only 9.5%. On top of this, small companies have underperformed larger companies, with the MSCI European Large Cap index falling 9.9%, whilst the equivalent small cap index has lost 15.9%. Argonaut has a clear positioning as a Value driven small & microcap fund, and has therefore been exposed to both negative trends. Given this we are not too disappointed with matching the index fall, and it is important to point out that the sub-fund's performance is well within the 2nd quartile of its peer group.

"Value" as an investment style outperforms (according to statistical analysis) roughly 60% of the time and clearly 2018 is an outlier in this regard. Looking out to 2019 we feel this situation is likely to reverse (and the first days of 2019 seem to confirm this). Moreover, statistical analysis from Franklin Templeton has shown that in all six of the past tightening cycles by the Federal Reserve, "value" has outperformed "growth" by on average 20% per year.

As for the long-term argument for investing in small cap stocks, whilst small underperformed large in 2018 the net return of small cap over the past 10 years has been 239% as against a gain of 85% for large caps (taking the EMIX against and the Stoxx 50 indexes respectively). Looking back over the past thirty years, small cap has outperformed more than 60% of the time, and by a considerable margin.

A stand out performer in the closing days of 2018 was niche insurance services operator **April** which announced that its Founder and Chairman Bruno Rousset was finalising a deal with CVC Capital to take the company private at EUR 22 per share. This represented a 22% premium to the last traded price and a 75% premium to the price of the share in October when the company first announced that it had been approached by private equity bidders. We have noted the dichotomy building over the last 10 years between the high valuation of Private Equity deals (due to a huge excess of liquidity looking to be invested) and the low valuation of listed smaller companies. We have been surprised that there have not been more Private Equity buyers approaching lowly valued smaller companies to take them private. Maybe the sell off in listed smaller companies last year will stimulate a move? Indeed, before being approached, April was trading at 10.2 times last year's net profit estimate and a 20% discount to accounting book value despite having a solid balance sheet with net cash and a positive outlook for earnings growth driven by recent streamlining. From a Private Equity perspective, the company's shares were available for purchase on a multiple of 6.5 times historic Ebitda (Earnings before Interest, Taxes, Depreciation, and Amortization), whereas most deals in Private Equity tend to transact at double this figure.

Quaero Capital Funds (Lux)

Management report (continued)

At around the same time, we discussed with the family owners of Italian home automation specialist **NICE spa** to help them take their company private and decided to sell them our shares in the process. With a low free float and no broker coverage the share was 'orphaned' by the market and there was effectively no interest from institutional investors. We had increased our holding after a visit to the headquarters and factory north of Venice and kept very regular contact with the management and owners, but ended up feeling there were potentially stories with better upside elsewhere. In the final days of the year the company announced it was going private with a bid from the Founder Chairman at a 40% premium to the market price, and our block sale captured a large part of the rise.

The investment in the Quaero Capital Funds (Lux) - New Europe sub-fund fell 16.1% over the year (4.1% in December) and thereby made a small negative contribution to the sub-fund's overall performance. The weight of the investment in the New Europe fund stood at 7.6% of total net assets.

Total assets under management in the sub-fund at the end of the year stood at EUR 211M, compared with EUR 220M at the end of November. Assets under management in the strategy totalled EUR 257M. Cash at year-end stood at 6.7% (7.4%) and the total number of individual portfolio positions was 53 (55).

At current valuation levels of 12.5x 2019 earnings and 1.1x book value we consider that the sub-fund is very much at the bottom end of its historic valuation levels and offers considerable upside potential.

Quaero Capital Funds (Lux)

Management report (continued)

Quaero Capital Funds (Lux) - Smaller European Companies

2018 was a poor year for equity markets in general and European small caps in particular. It was neither a year for value investors nor for stock pickers. The booming US economy and never ending faith in the FANGS (Facebook, Apple, Amazon, Netflix and Alphabet's Google) initially lent strength to the US equities, and then President Trump ignited trade war fears which started putting pressure on European exporters from the second quarter. Fears about slowing global growth then eventually spread to all corners of the equity markets by the end of the year. The company managements we spoke to over the Summer remained upbeat for their outlook for the year, but continued trade war tweets progressively sapped part of their confidence as the second half of the year unfolded. The Quaero Capital Funds (Lux) - Smaller European Companies sub-fund fell 24.4% for EUR class A, substantially more than the 14.5% fall of the EMIX small cap index and the 10.8% fall of the Stoxx600. This underperformance can be explained by our "Value" philosophy, exposure to manufacturing exporters and family owned companies which as a whole fell much more than the market, our overweight in France where redemption led selling hit small caps particularly hard, and finally some specific stock weaknesses.

The whole "Value" segment of the market performed particularly badly over the first 9 months of the year, but then growth stocks were also sold off in the fourth quarter. Also, after several years of outperformance, small caps underperformed substantially last year and this movement accelerated in the second half of the year as redemptions in small cap funds led to often indiscriminate selling. The family owned governance filter has served us well over the recent years, but the whole group of listed family owned companies has been under substantial pressure this year with the Euronext Family Business index (mostly large and mid caps) down 19.9%. Our universe of over 600 European family owned companies has always had a natural over exposure to manufacturing exporters (think German Mittelstand) and the shares of companies at the small cap end of the universe are down on average between 22% and 33%.

The market has been sanctioning companies that are sensitive to the economic environment as the trade war worries that started at the beginning of the year have led to anticipations of a slow down in the world economy. We have continued to meet many company managers over recent months and the message is clearly that, even if business may be slowing somewhat, it is not as bad as their share prices suggest. They have already seen lacklustre demand from emerging markets for some time, China is showing signs of weakening, Europe is slower than expectations at the beginning of the year and only the US has really been booming (or maybe even overheating). Our portfolio companies do of course have exposure to the economic environment, but their shares have already fallen substantially and expectations are now low. The dichotomy between share prices and the outlook given by companies has widened further. Not only has the price to accounting book value of the assets fallen to 1.1 x, but with the earnings outlook having fallen less than share prices the median PE ratio has fallen to 11 x 2019 which puts the portfolio at very much the lower end of where it has been over its 11 year history. Furthermore, these conservatively run family owned companies have solid balance sheets with median gearing of only 18%.

Quaero Capital Funds (Lux)

Management report (continued)

The most substantial negative contributors to performance were : German roadbuilding equipment maker **Wacker Neuson** (-44%), Swiss cybersecurity company **Kudelski** (-53%), German foundations specialist **Bauer** (-59%), French engineer **Groupe Gorgé** (-45%), German Solar inverter maker **SMA Solar** (-53%), German factory automation specialist **Manz** (-34%), Portuguese retailer **Sonae** (-25%), French aerial work platforms maker **Haulotte** (-44%), Italian cooker hood manufacturer **Elica** (-46%), Swedish cosmetics company **Oriflame** (-36%) and UK branded soaps maker **PZ Cussons** (-33%) . Even if the tone from company management has become progressively less upbeat in the second half of the year, their earnings outlook for 2018 and 2019 remains for continued improvement. Indeed, their earnings growth do not depend just on growing economies or sector dynamics, but from self help measures that are reducing costs, improving efficiency, raising margins and restructuring business lines. Today, half of these sharpest fallers are now trading on single digit PE (Price Earnings) ratios.

Despite the depressed environment, we also had some positive performers: French niche insurer **April** (+38%), Swiss electronic component maker **Huber & Suhner** (+31%), Swiss online bank **Swissquote** (+20%), Greek household goods producer **Sarantis** (+13%) and Portuguese real estate holding company **Sonae Capital** (+2% plus a large dividend).

Valuations are clearly very low, particularly in the current low interest rate environment. With small cap funds reeling from 6 months of continued redemptions and forced selling, who will be the buyers attracted by the new low valuations? Two events in the last month of the year provide a clue:

In the closing days of 2018 niche insurance services operator **April** announced that its chairman Bruno Rousset was finalising a deal with CVC Capital to take the company private at EUR 22. This represented a 22% premium to the last traded price and a 75% premium to the price of the share in October when the company first announced that it had been approached by private equity bidders. We have noted the dichotomy building over the last 10 years between the high valuation of Private Equity deals (due to a huge excess of liquidity looking to be invested) and the low valuation of listed smaller companies. We have been surprised that there have not be more Private Equity buyers approaching lowly valued smaller companies to take them private. Maybe the sell off in listed smaller companies last year will stimulate a move? Indeed, before being approached, April was trading at 10.2 times last year's net profit estimate and a 20% discount to accounting book value despite a solid balance sheet with net cash and a positive outlook for earnings growth driven by recent streamlining. From a Private Equity perspective, the company's shares were available for purchase on a multiple of 6.5 times historic Ebitda (Earnings before Interest, Taxes, Depreciation, and Amortization), whereas most deals in Private Equity tend to transact at double this figure.

At around the same time, we discussed with the family owners of Italian home automation specialist **NICE spa** to help them take their company private. With a low free float and no broker coverage the share was 'orphaned' by the market and there was effectively no interest from institutional investors. We had increased our holding after a visit to the headquarters and factory north of Venice and kept very regular contact with the management and owners, but mainstream investors were not really interested. In the final days of the year the company announced it was going private with a bid from the founder chairman at a 40% premium to the market price. Over recent months we have also seen an acceleration in the trend of insiders, managers and family owners (Boiron, Kudelski) buying back shares in the market at these new depressed valuations.

Quaero Capital Funds (Lux)

Management report (continued)

In the second half of the year we have tightened up the portfolio by increasing our strongest convictions. The sub-fund's AUM of EUR 110M is invested across 47 family owned companies from all around Europe with highest weightings in France (28%), Switzerland (16%), Germany (15%), Iberia (15%), UK (8%) and Italy (8%).

Quaero Capital Funds (Lux)

Management report (continued)

Quaero Capital Funds (Lux) - World Opportunities

The sub-fund returned 7% in December (USD Class B), and ended the month with a relative performance of 0.18% roughly in line with world markets averages.

2018 was a mirror image of the previous year as the 2017 fund performance was +19.8%. The sub-fund ended 2018 with a loss of 19.73% for USD Class B, 9.3% lower than the MSCI World USD hedged performance.

The sub-fund suffered particularly in the year under review from its high exposure to reasonably valued investments, paradoxically the first victims of the trade war launched by Mr Trump. These trade tensions, together with the end of the quantitative easing of US Central Bank and the rise in interest rates led to a sharp fall in equity markets across the board.

The stalling global economic indicators witnessed at the end of 2018 and the increased political tensions have kept us away from defensive growth companies whose valuations, at the beginning of 2018, were excessive but have nevertheless held up over the year until end of September. On the contrary, the investments held in Asia and Europe, although undervalued already at the beginning of the year, suffered from their cyclical perception in a context where the market began to anticipate a recession. Finally, the sub-fund suffered from its significant under exposure to the US FAANGS (Facebook, Apple, Amazon, Netflix and Alphabet's Google).

Global economic growth has downshifted moderately this year, but the expansion should persist given US economic strength. Nevertheless, the European economy becomes somewhat desynchronised with the US due to headwinds from Brexit fears and debt fears in Southern Europe, and a temporary short term slowing of Germany's exports.

While additional near term equity market weakness cannot be ruled out until trade tensions between the US and China ease, and non US economic growth momentum improves, the recent shakeout is seen as a correction, rather than the start of a meaningful risk off phase.

The strong earnings growth seen over the past 18 months is likely to temporarily give place to lower growth rates in 2019. Negative sentiment from a risk of trade war are putting some pressure on risk assets which are negatively impacting valuations.

The tentative steps towards a normalisation process of G7 countries monetary policies are reducing financial markets visibility and increasing sector rotations. The big question is to understand whether this normalization process will be slow, and corrections contained or whether a big and quick unwinding would rather fuel a global fixed income crisis.

The talking fights around protectionist measures by the US, including latest proposal to impose tariffs on USD 200 bn of Chinese goods, threatens to turn an anticipated slowdown in global trade growth into an outright contraction. This is a major risk for our pro growth strategy. While globally oriented, US companies would also be hurt by disruptions to trade, the earnings of global ex US corporations would be in greater jeopardy given their earnings beta to the trade cycle. We assume that US rhetoric will exceed reality and that compromise measures will be taken to avoid a full blown trade war.

The growth divergence between the US and the rest of world should be progressively closed, with momentum outside the US gradually improving. Barring further policy missteps or other shocks, underlying cyclical economic conditions will likely remain generally positive and support ongoing moderate expansion.

Past performance is not an indicator of current or future returns.

Quaero Capital Funds (Lux)

Management report (continued)

The G20 ended 2018 with a truce in the trade conflict. The two major economies have averted an escalation for the time being. The two sides seemed to agree and complete negotiations within the next 3 months, although confirmations will be needed quickly. If no deal within that time frame, US tariffs will increase from 10% to 25% on USD 200 Bn Chinese imports.

The considerable divergence between US equities and rest of world markets shows tentative signs of stabilisation. As trade fears start to abate, a progressive increased equity allocation will be warranted with a focus on Asia as soon as trade tensions recede.

The sharp equity markets fall, which occurred during Q4 2018 has created multiple undervaluation situations and created several new investment opportunities principally in 4 sectors:

1. Communication services: The sub-fund's exposure to communication service companies has been progressively increased over the past 6 months to reach around 15% by the end of the year. The media industry has been grappling with declining growth rates that kept valuations at reasonable levels. Media owners have, as a result, increased their contents libraries through mergers and acquisitions to provide viewers with their own digital products. Growth rates are now starting to improve with an expected positive effect on valuations.
2. Technology: The recent pressure on risk assets has taken a toll on technology companies. Although growth rates should also slow during the first half of 2019, the sub-fund plans an increased exposure in technology companies during the course of the year, particularly in software companies, which should be better able to support a slowing growth environment than semiconductors. Demand for cloud services and e commerce software is expected to remain strong. Digital commerce software is another area that should see strength on greater demand for purchasing goods and products via various digital channels, such as mobile, online and social media.
3. Industrials: The sub-fund's exposure to industrials has remained low over the past 18 months. With economic growth poised to moderate, machinery markets are likely to be mixed in 2019. While trade concerns plague the agricultural equipment sector, it is nevertheless believed that 2019 could be in the early innings of a multiyear recovery, with replacement tailwinds and increased adoption of precision technologies driving forward.
4. Financials: Although we continue to favour US banks remain prudent on European banks because of the relatively better balance quality of the former, the European banking sector could represent an interesting investment opportunity due the current attractive valuation level. Heightened deposit price competition will be critical to watch, along with the shape of the yield curve, as net interest margins expand at a more moderate pace, loan growth is the critical driver of interest revenue gains. Also, interest rates volatility typically could also support fixed income trading, while higher long term rates could drive mortgage banking revenue growth rates.

Quaero Capital Funds (Lux)

Management report (continued)

Quaero Capital Funds (Lux) - Bamboo

During the year 2018, despite a difficult period for Asian markets, the Quaero Capital Funds (Lux) - Bamboo has managed to outperform the Asia Pacific benchmark, and was recognised at the Fund Selector Asia Awards Singapore 2019 in the "Asia Pacific Equity strategies" category. Since inception in April 2015, the sub-fund has gained almost 12%, despite the volatility in Asian currencies and the weakness in China and the regional markets during the last year owing to the ongoing trade dispute between the US and China.

Our portfolio strategy has been to select the best 25-35 companies in Asia, regardless of where they are listed, including two in Australia and three in Japan. The core of the portfolio however, is in China and Hong Kong, (nearly 50% of the sub-fund) and India (about 15 to 20%). These are the two markets where we have teams on the ground, who know the local culture, speak the local languages, and therefore have a competitive edge in selecting the best small cap, and 'under the radar' companies. We are, however, always conscious of liquidity, and therefore limit the number of small caps and less tradable positions.

During the year 2018, we have tried to keep turnover relatively low, although we have as always, used cash as our principal hedge against market weakness, since we never use short positions. Our average holding period is still 2 to 3 years. Major strategic decisions this year included buying into the Chinese healthcare sector including CSPC, Jiangsu Hengrui and Wuxi Biologics. Despite our conviction about the growth prospects for this sector, we have been buffeted by the Chinese government's policy concerning drug price cuts. We have maintained our long term investment in education (TAL), in tourism (Huazhu Group), and e commerce (Alibaba and Tencent).

In India, our core positions are still in the banking and finance sectors, (including insurance) HDFC Life and ICICI Bank. We have also added Reliance Industries on the basis of energy exposure as well as its leading positions in Reliance Jio, the major mobile phone player in India. Another strategic decision we took this year, was to start building a broader exposure to South East Asia, notably in Vietnam, Indonesia, Malaysia, Singapore and Thailand, which collectively now constitute about 20% of the sub-fund. This was based on our view that the trade pressure and the increasing costs in China would lead to a relocation of many multinational manufacturing plants from China to South East Asia, notably to Vietnam and Indonesia. This will also result in growth in the middle class consumer population in these countries, giving us an opportunity to invest in financials (Bangkok Bank and Bank Rakyat), real estate development (Ayala Land), food and Beverage (Jollibee), and home furnishings (Ace Hardware) as well as construction (Hoa Phat) in Vietnam. We continue to look for first class well managed businesses in this ASEAN area. Our other two major exposures were in Japan (between 6 and 10% of the portfolio), Sony and CyberAgent which have both appreciated by around 40%, and in Australia, the long standing position in the gold mining company, Evolution Mining, has given us a 50% return and is an excellent hedge against the currency volatility in Asia and a weaker dollar.

Quaero Capital Funds (Lux)

Management report (continued)

Outlook

All global markets have been subject to greater volatility in the past few months, and this has not spared A Shares which have also been subject to the 'Trump Show', particularly as regards his trade policy towards China.

In all our monthly commentaries this year, we have exhibited perhaps a premature optimism about the chances of a settlement of this trade dispute. We maintain this view that it is in the interest of both sides not to impose new tariffs. Although the tensions between China and the US will probably be on for the next few years, there is now a much better chance of a short term agreement covering the trade deficit, intellectual property and the opening up of China's markets.

This will surely result in a better tone in the Chinese and Asian markets in the first few months of 2019. On the "Dogs of the Dow" principle, we expect China, which was the worst market in 2018, down 25%, to become one of the better performers in 2019. We have also seen a recovery in Asian currencies, notably the Indian Rupee, in the past three months, as the oil price corrected. This cut in energy costs has a major beneficial impact on all Asian economies and we expect to see 2019 GDP growth averaging at least 5%, and maybe even higher in the case of Indonesia, Philippines, China and India (7 to 8%). Earnings growth will continue to be outstanding in India and China at about 14%, despite much press talk of a slowdown.

We have no doubt about the long term benefits of investors having exposure to these major markets and despite the short term setbacks we have endured in 2018. The long term outlook has never been better in terms of political and currency stability, and economic and demographic prospects in this fast changing region.

Quaero Capital Funds (Lux)

Management report (continued)

Quaero Capital Funds (Lux) - European Equities Long Short (note 1)

The Quaero Capital Funds (Lux) - European Equities Long-Short sub-fund was down 7.7% from the end of 2017 until its liquidation on November 16, 2018 (class A EUR).

Out of the 177 stocks held during the year, 46% had a positive contribution, 8 of them above 25bp, and 54% had a negative one, 19 of them larger than 25bp. Market hedges detracted 0.5% of the performance and cash detracted another 0.4% due primarily to negative interest rates.

During the first few months of the year the strategy underwent additional changes to those carried out at the end of 2017 aimed at enhancing its robustness and improving its performance. The main ones were: higher stock diversification, increase of the average market cap, reduction of the trend following element in the dynamic market hedging sub strategy and inclusion of technical elements in order to better time entry and exit trades.

Despite these changes, some of them unfortunately taking place a little too late, the strategy did not perform positively as all its return drivers were negatively impacted by the market dynamics. In particular, European markets were overall down, small and mid cap stocks underperformed large cap stocks, value underperformed growth and market indices underwent several sharp trend reversals. More generally, in a context of high level of political uncertainty and global de risking, 2018 was a particularly challenging year for active managers. We were no exception.

Quaero Capital Funds (Lux)

Management report (continued)

Quaero Capital Funds (Lux) - International Equities

The sub-fund is a diversified portfolio composed mostly of "best in breed" long only equity managers. The sub-fund's objective is to outperform a composite World index (50% MSCI World Ex Europe, 35% MSCI Europe, 15% Libor 1M Euro) on a relative basis during both strong and declining markets. Allocation is active on geographical and investment style level in order to identify the best opportunities in light of market conditions. The sub-fund invests in 25 to 35 equity managers and 10 to 15 alternative managers to enable ample diversification. It is denominated in EUR, CHF, SEK and it is hedged to protect against significant currency swings.

After a very strong first half of the year, global growth has begun to slow in the second part of 2018. Economic indicators worsened in the last quarter, with the global PMI (Purchasing Managers' Index) manufacturing survey at a year low in December. Over the same period, inflation slowed down, and oil prices fell sharply. From 3.9% in 2017 average global growth could fall back to around 3.7% in 2018, including 3% in the US, 2.1% in the Euro zone, 1.1% in Japan and 6.5% in China. Investors were caught wrong footed by the Fed's decisions to keep its monetary policy restrictive, as they feared that the slowdown would be worse than expected in the US. Risk aversion triggered a drop in global equities in Q4 and was exacerbated by risks of a China United States trade war, a hard Brexit in Europe and the financial impact of the US government shutdown. In 2018, equity markets fell by 6.72% in the US, 13.32% in the Euro zone, 12.08% in Japan and 25% in China. Meanwhile, the US dollar appreciated by 4.40% against Euro and remained stable against the Yen. Valuations, however, returned to reasonable levels at the end of the year. In the sub-fund, equities represent 89% of the portfolio, the remaining part being invested in a low volatility alternative portfolio. Within equities, we still favour Europe (37%) over the US (30%). Japan has been reduced to 10%. Asia Pacific ex Japan accounts for 11% of the allocation, invested mainly in China, Korea, India and Taiwan. Other emerging markets represent 4% of the allocation. The favourite sectors are technology, cyclical consumption, financial services, healthcare and industry. Our tactical hedges in 2018 helped mitigate the portfolio's negative performance. In terms of currency allocation, the sub-fund is tactically exposed up to 20% in USD.

The performance of the sub-fund was -10.43% in Euro class A. The performance of the benchmark was 5.37%.

Quaero Capital Funds (Lux)

Management report (continued)

Quaero Capital Funds (Lux) - Global Dynamic

The sub-fund is a global portfolio of fixed income, equity and alternative strategies structured in order to obtain a dynamic risk profile. The sub-fund invests in a basket of 25 to 35 equity managers, 20 to 30 fixed income managers or direct fixed income positions and 10 to 15 alternative managers. It is denominated in EUR and CHF and it is hedged to protect against significant currency swings.

After a very strong first half year, global growth has begun to slow in the second part of 2018. From 3.9% in 2017 average global growth could fall back to around 3.7% in 2018, including 3% in the US, 2.1% in the Euro zone, 1.1% in Japan and 6.5% in China. Bond yields fluctuated in 2018 with the 10 year US sovereign rising from 2.41% to 2.70% after peaking at 3.23% in November and the German 10 year bund dropping from 0.42 to 0.24 after peaking at 0.76 in February. In the meantime, the Fed raised its key rates four time in 2018 while the ECB was sticking to its negative rate policy. Investors were caught wrong footed by the Fed's decisions, as they feared that the slowdown would be worse than expected in the US. Risk aversion triggered a drop in global equities in Q4 and was exacerbated by risks of a China United States trade war, a hard Brexit in Europe and the financial impact of the US government shutdown. In 2018, equity markets fell by 6.72% in the US, 13.32% in the Euro zone, 12.08% in Japan and 25% in China. Meanwhile, the US dollar appreciated by 4.40% against Euro and remained stable against Yen. Valuations, however, return to reasonable levels at the end of the year. In the sub-fund exposure to equities were reduced to 66% while exposure to fixed income and alternative was raised respectively to 15% and 16%. Allocation to gold remains at 3%. Within equities, we still favour Europe over the US. Japan has been reduced in favour of Asia Pacific ex Japan and other emerging. In the fixed income part, we increased our investment grade allocation by reducing the high yield allocation. The alternative strategies are divided between Equity Market Neutral, Global Macro, Multi Strategy and Event Driven, along with the additions of Protection and Cat Bonds strategies. In terms of currency allocation, the sub-fund is tactically exposed up to 19% in USD.

The performance of the sub-fund was -9.19% in Euro Class A.

Quaero Capital Funds (Lux)

Management report (continued)

Quaero Capital Funds (Lux) - Global Balanced

The sub-fund is a global portfolio of fixed income, equity and alternative strategies structured in order to obtain a balanced risk profile. The sub-fund invests in a basket of 25 to 35 equity managers, 20 to 30 fixed income managers or direct fixed income positions and 10 to 15 alternative managers. It is denominated in EUR and CHF and it is hedged to protect against significant currency swings.

After a very strong first half year, global growth has begun to slow in the second part of 2018. From 3.9% in 2017 average global growth could fall back to around 3.7% in 2018, including 3% in the US, 2.1% in the Euro zone, 1.1% in Japan and 6.5% in China. Bond yields fluctuated in 2018 with the 10 year US sovereign rising from 2.41% to 2.70% after peaking at 3.23% in November and the German 10 year bund dropping from 0.42 to 0.24 after peaking at 0.76 in February. In the meantime, the Fed raised its key rates four time in 2018 while the ECB was sticking to its negative rate policy. Investors were caught wrong footed by the Fed's decisions, as they feared that the slowdown would be worse than expected in the US. Risk aversion triggered a drop in global equities in Q4 and was exacerbated by risks of a China United States trade war, a hard Brexit in Europe and the financial impact of the US government shutdown. In 2018, equity markets fell by 6.72% in the US, 13.32% in the Euro zone, 12.08% in Japan and 25% in China. Meanwhile, the US dollar appreciated by 4.40% against Euro and remained stable against Yen. Valuations, however, return to reasonable levels at the end of the year. In the sub-fund exposure to equities were reduced to 46% while exposure to fixed income and alternative was raised respectively to 35% and 16%. Allocation to gold remains at 3%. Within equities, we still favour Europe over the US. Japan has been reduced in favour of Asia Pacific ex Japan and other emerging. In the fixed income part, we increased our investment grade allocation by reducing the high yield allocation. The alternative strategies are divided between Equity Market Neutral, Global Macro, Multi Strategy and Event Driven, along with the additions of Protection and Cat Bonds strategies. In terms of currency allocation, the sub-fund is tactically exposed up to 15% in USD.

The performance of the sub-fund was -7.64% in Euro class A.

Quaero Capital Funds (Lux)

Management report (continued)

Quaero Capital Funds (Lux) - Global Conservative

The sub-fund is a global portfolio of fixed income, equity and alternative strategies structured in order to obtain a conservative risk profile. The sub-fund invests in a basket of 25 to 35 equity managers, 20 to 30 fixed income managers or direct fixed income positions and 10 to 15 alternative managers. It is denominated in EUR and CHF and it is hedged to protect against significant currency swings.

After a very strong first half year, global growth has begun to slow in the second part of 2018. From 3.9% in 2017 average global growth could fall back to around 3.7% in 2018, including 3% in the US, 2.1% in the Euro zone, 1.1% in Japan and 6.5% in China. Bond yields fluctuated in 2018 with the 10 year US sovereign rising from 2.41% to 2.70% after peaking at 3.23% in November and the German 10 year bund dropping from 0.42 to 0.24 after peaking at 0.76 in February. In the meantime, the Fed raised its key rates four time in 2018 while the ECB was sticking to its negative rate policy. Investors were caught wrong footed by the Fed's decisions, as they feared that the slowdown would be worse than expected in the US. Risk aversion triggered a drop in global equities in Q4 and was exacerbated by risks of a China United States trade war, a hard Brexit in Europe and the financial impact of the US government shutdown. In 2018, equity markets fell by 6.72% in the US, 13.32% in the Euro zone, 12.08% in Japan and 25% in China. Meanwhile, the US dollar appreciated by 4.40% against Euro and remained stable against Yen. Valuations, however, return to reasonable levels at the end of the year. In the sub-fund exposure to equities were reduced to 26% while exposure to fixed income and alternative was raised respectively to 55% and 16%. Allocation to gold remains at 3%. Within equities, we still favour Europe over the US. Japan has been reduced in favour of Asia Pacific ex Japan and other emerging. In the fixed income part, we increased our investment grade allocation by reducing the high yield allocation. The alternative strategies are divided between Equity Market Neutral, Global Macro, Multi Strategy and Event Driven, along with the additions of Protection and Cat Bonds strategies. In terms of currency allocation, the sub-fund is tactically exposed up to 11% in USD.

The performance of the sub-fund was -6.26% in Euro class A.

Quaero Capital Funds (Lux)

Management report (continued)

Quaero Capital Funds (Lux) - Infrastructure Securities

The sub-fund is a conservative, long only, thematic equity fund with weekly liquidity. In the past the portfolio was invested in a diversified mix of equities representing the breadth of real assets (infrastructure, real estate, agriculture and forestry). The managers took a long term decision in April 2017 to restrict the portfolio to quoted infrastructure securities. This sector has always had the largest allocation in the portfolio, and the managers believe it has better long term prospects than the other real asset sectors. Accordingly, the sub-fund's name was changed to Quaero Capital Funds (Lux) - Infrastructure Securities in 2017 and the benchmark was changed to the Standard & Poor's Global Infrastructure Index (EUR hedged, net return).

The sub-fund's objective is to invest in liquid, quoted equities to deliver to its investors:

- A competitive return due to the high projected EPS (Earnings per share) growth rate of the underlying stocks.
- Diversification potential (relatively low correlation to the MSCI World) due to the unique business models of the underlying stocks.
- Low volatility due to the predictable earnings of the underlying stocks.
- Returns generated from companies that have above average environmental, social and governance (ESG) ratings.

The strategy of the sub-fund is to invest in infrastructure sub sectors meeting the following criteria:

- The business model is based on constructing or acquiring big ticket assets which can be rented out to users over a time period extending for decades.
- The subsector's asset base is monopolistic in nature.
- The subsector has a secular growth rate in excess of the market as a whole.
- The subsector is not exposed to commodity price risk with minimal risk of technological obsolescence or falling out of fashion.
- There is a network effect which enhances value and defends market share.

The investment focus is on growth companies which build, maintain and operate infrastructure in the toll road, airports, communications infrastructure, railroad, renewable energy and electrical / water distribution sectors.

Much infrastructure is environmentally challenging, contributing to global warming, pollution and habitat shrinkage (and therefore species extinction). The sub-fund invests in companies which have above average ESG standards. Going forward in 2019 the sub-fund is using a rating service to monitor the ESG standards ratings of its investments.

Past performance is not an indicator of current or future returns.

Quaero Capital Funds (Lux)

Management report (continued)

2018 was an uninspiring year for infrastructure stocks compared to 2017. The S&P Global Infrastructure Index lost 9.79% compared to gaining 19.93% in 2017. The sub-fund did not escape the downtrend. After beating the index for much of the year, the sub-fund succumbed in December and for the year it lost 10.7% for the EUR class, 8.4% for the USD class A.

During the year under review the largest allocations were made to companies active in the toll road, airport, communications infrastructure, railroad and diversified infrastructure sub sectors.

The best performing sectors for the sub-fund in 2018 were diversified infrastructure and water and waste, both of which gained. Railroads and renewable energy turned in flat performances, whilst toll roads and airports were the worst performers. The managers have found that emerging market risk premia are low for infrastructure stocks, and therefore country allocation continues to be predominantly focussed on the developed markets. Our largest country exposures at year-end were to the Continental Europe (39%), the US (17%), Canada (11%), Australia (11%), the UK (9%), and Japan (3%). The sub-fund runs a concentrated portfolio with 31 positions at year end, of which the largest accounted for 5%. The portfolio continues to hedge out the majority of currency exposure, which reduces volatility, with 90% of the portfolio hedged to EUR at year end. The sub-fund's beta and r^2 vs. the MSCI World Index are .65 and .66, respectively, indicating a moderate degree of correlation with the global equity index.

Whilst it is not possible to predict equity markets, the managers believe that the conservative, disciplined approach to managing the sub-fund should allow its investors to capture decent upside if equities recover in 2019, and to be cushioned from the downside if the market continues to be difficult and volatile.

Quaero Capital Funds (Lux)

Management report (continued)

Quaero Capital Funds (Lux) - Yield Opportunities

2018 is a year of two stories for the world economy and for financial markets. In the first half, the European economy soon began to slow down, reversing the strong growth of 2017. Meanwhile, the US and Asian economies continued to power ahead, amid strong business confidence and rising consumption. From a macro perspective, everything was not fine however. The Fed had started to raise short rates in the last quarter of 2017, and to reduce its intervention in the corporate bond market. Bank of China had been adding constraints to shadow banking since 2016 and issuing directives to restrain bank lending for speculative purposes or for overheated real estate markets.

Equity markets had resumed their upward path after the early February fright, and finally made a top around mid May. Emerging markets were the first to suffer from the tighter US and Chinese monetary policies, with currencies, equity and bond prices all declining. Developed country bonds too were weaker as inflation expectations were rising.

The sub-fund had started the year with a full exposure to the economic cycle through maximum allocation (25%) to cyclical equities and financials, and through large exposure to selected emerging bonds, mostly sovereign, in local currencies (China, Brazil, Indonesia and Russia). Duration was kept short for both corporate and sovereign bonds in respect of rising inflation expectations. At mid May, the Fund performance had suffered from exposure to weakening emerging markets asset prices and currencies and was slightly negative.

Then in May, the macro landscape began to turn over. "The research we use shows that the US economy is in very late stages of the economic cycle and that despite US tax reform incentives, it will register a noticeable slowdown this summer" And "European economic growth will be steady, but in China restrictions on provincial infrastructure projects and the now perceptible slowdown of the aging construction cycle should weigh on industrial commodity prices and prices of deep cyclical equities". "One should therefore expect a reversal of the last few months trends of climbing equities and weak bond markets, to weak equity markets and possibly renewed strength in bonds, at least in the US." These were our comments in the May report.

Back to the real world, the US economic slowdown did not set in before October because of the lagged effect of tax reform on corporate investment, employment and consumption. In Europe, after an apparent stabilisation in the third quarter the impact of Italian problems, Brexit uncertainties and the US trade offensive weighed on business confidence and investments and the slowdown steepened. In China the economic slowdown went on as expected.

Developed equity markets started to weaken in the summer. They took a dive in the fourth quarter as investors realized that inflation was not about to rise but would instead decline on the tail of the precipitous decline of the oil price and slowing final demand and investment and with major Central Banks still planning tighter monetary policies.

Developed bond markets were weak in the first part of the year, as one would expect with strong economic activity and rising inflation. Contrary to our expectations, weakness went on until October soon after the peak of US equity indexes and the turnaround of the US economy. Then US treasuries took off and corporate risk premiums started climbing.

Quaero Capital Funds (Lux)

Management report (continued)

Managers correctly identified the risks in economic turnaround associated with high equity valuations. Equity allocation went from 24% mid May to zero on June and was kept there. A position in long US Treasuries was initiated in May and was increased up to 75% of the total through the summer, by selling progressively risk positions: emerging bonds, European bank perpetuals and lower quality corporates.

Performance suffered from the early timing of this concentrated allocation in ultra safe assets and reached 9% at the low point in October. Asset allocation was maintained in respect of the high visibility of the macro scenario, and performance rushed back to 3% for EUR class A at the end of the year.

Macro indicators are still negative for economic growth. We would stay away from an early rebound of assets, which have declined the most this year. Central banks are not easing monetary policy yet, and Governments are not contemplating budget initiatives to dampen the economic slowdown either: the current trends of slowing economic activity and declining inflation are bound to last a few months.

Quaero Capital Funds (Lux)

Management report (continued)

Quaero Capital Funds (Lux) New Europe

Summary

Nothing short of an *annus horribilis*, at least regarding market level events; a sharp contrast to the almost euphoric sentiment (not unique to the region) surrounding the close of 2017. Interestingly, 2018's problems were not linked to any specific pan regional issue(s), but rather a series of idiosyncratic country specific concerns, that emerged independently across all major regional markets. Together these materially weakened investor sentiment towards Eastern Europe.

Performance

The Quaero Capital Funds (Lux) - New Europe and the Stoxx Eastern Europe 50 Index declined for EUR Class A ~16% and 10% respectively.

Relative to both emerging markets and developed markets, Eastern Europe led the way down, before disconnecting somewhat in Q4 (when developed markets felt their "pain").

The main reason the index did not perform worse, was a narrow rally in several large index weightings, mostly Russian commodity exporters that benefited from lower costs (associated with a weak Rouble), combined with strong sales (derived from USD linked commodity prices).

Country Review

Russia: the imposition of US sanctions in April impacted several listed companies; the outcome being nothing short of disastrous for investors in such concerns. Whilst we had already been reducing exposure to Russia on bottom up valuation grounds, this development led us to expediate matters, for fear of further sanctions.

Turkey: the perpetual weakness of the Lira throughout 1H18 culminated in a currency crisis during the summer. Whilst policy makers eventually got "ahead of the issue" and catalysed a recovery from the lows, the year still saw the Lira lose 25% of its value vs the Euro. Whilst our Turkish holdings were negatively impacted by the initial declines in the Lira, we continually reduced our exposure (eventually to zero), avoiding much of the decline. This was driven by our reasoning that the spike in market interest rates had rendered equities unattractive, relative to local bond yields a view we still hold today.

Poland: the WIG20 Index remained somewhat resilient and unimpacted, but this obscures a major crisis within the SMID (small-mid capitalization) segment (where our holdings are focused). A scandal engulfed the two local mutual fund companies most active in smaller stocks. These firms both saw heavy redemptions (currently suspended but expected to resume at some point), which catalysed broader declines across the small cap segment, itself already in a bear market. Our portfolio was negatively impacted, as we were co invested alongside these firms in several names and had been increasing our exposure to Poland, parallel to the prior share price declines, seeing some glimmer of Polish value for the first time since inception. For now, we remain on the sidelines, hoping to increase exposure opportunistically in select names, once the gates re open and the forced selling resumes.

Past performance is not an indicator of current or future returns.

Quaero Capital Funds (Lux)

Management report (continued)

Greece: sadly the impact here was exogenous, linked to the budget dispute between Italy and the EU as the most "peripheral" country in Europe, a market transmission mechanism exists (rightly or wrongly), whereby rising Italian Government bond yields, lead to rising Greek yields, themselves negatively impacting the share price of Greek banks (the majority of local trading), which finally drags the remainder of the market lower. Greece remains the sub-fund's largest weighting and we have taken little action, as we consider the underlying fundamentals for smaller companies, combined with valuations to provide the most compelling overall risk reward in the region (especially given the lack of currency risk, tail scenarios aside).

Romania: in the last few days of December, the Government announced a series of measures to tackle the budget deficit, which included haphazardly construed simultaneous fiscal raids on the oil & gas, telecom and banking sectors, combined with negative alterations to the framework of the private pension industry (a big pillar of growth for the local equity market). The sub-fund had largely exited Romania in January 2018, fearful of such an occurrence, but sadly were initiated a position on bottom up grounds shortly before this news clearly a mistake, but the impact was limited by a total country exposure of 4-5%.

Market Cap Dispersion

The biggest impact to sub-fund returns was the severe underperformance of smaller companies in the region. Remarkably, this was a more meaningful detractor than the direction of the broader markets.

Whilst over the long run, we strongly believe an actively managed portfolio of smaller companies in Eastern Europe will materially outperform the large cap index, it was not possible for the sub-fund to keep up, given last year's market currents.

Quaero Capital Funds (Lux)

Management report (continued)

Quaero Capital Funds (Lux) - Accessible Clean Energy

Volatile markets sparked by recession fears in late 2018 made investors wary of many industries. Clean energy technologies fell sharply despite their astounding expansion throughout the year. The 2019 outlook for clean energy has never been better. Competitive economics are accelerating adoption and this will continue. The virtuous cycle at the heart of our investment thesis since the sub-fund's inception is becoming increasingly obvious: the combination of policy support, cheap financing and constant technological efficiency improvements are driving costs down to levels that require no subsidies or incentives of any kind. It is not surprising that Spain doubled the amount of unsubsidised solar PV projects during 2018. Over that year the cost of PV modules fell a further 30%, and the cost of solar power generation fell to less than 50% of Spanish forward power prices (power forward 2019, euros/MWh). Moreover, policy support improved thanks to Podemos and Ciudadanos parties backing total decarbonisation of Spain through 100% renewable energy by 2050.

One surprising phenomenon from last year that we will watch closely was the surge in carbon prices in Europe and the inflationary effect this had on EU power prices. The inflationary trend is expected to continue and even pick up momentum when the market stability reserve becomes effective. Consensus forecasts for carbon are astonishing: a further 45% increase in 2019 after more than doubling during 2018. Some analyst forecasts are even higher. That degree of uncertainty represents risk that cannot be ignored and is forcing corporates to embrace renewable energy sources all the more because the costs of these energies are predictable. The number of corporate off takers for clean energy projects multiplied last year at an unprecedented rate. Simultaneously, adoption of clean energy is also helping corporates meet new sustainability requirements of their investors.

A second 'surprise' towards the end of 2018 was the intense focus on further rate tightening by the FED and the effect this had on clean energy. The sector sold off sharply with some subsectors like solar impacted more than others. This alone highlighted once again that the real competitor of solar is not wind, oil or natural gas, but the bank. Solar demand is driven by satisfactory returns to investors and project owners. For 2019 we assume there will be little change to capital costs. Needless to say in January the sudden market reversal was led in our universe by solar.

Finally we expect technology improvements to be supportive again during 2019. PV solar saw significant efficiency gains in 2018 that will continue; 50M+ blades for onshore wind turbines are gaining market share; adding battery storage is enhancing solar, wind and even geothermal returns are progressing thanks to scaling which drives down battery storage costs and which is unexpectedly bringing fuel cell technologies into the storage mix; smart grid and intelligent communications networks are allowing utilities to smooth power delivery and allow increasing amounts of 'intermittent' clean power into the energy mix. Recently Enel's CEO stressed the critical importance of digitalisation for Enel to manage more new power technologies and in doing so reap big rewards of cost reduction and margin improvements for the group.

Quaero Capital Funds (Lux)

Management report (continued)

From today's vantage point 2019 valuations for most of our industry have still not recovered the levels of this time last year. Moreover we have identified some sectors along the value chain such as wind equipment promising margin expansion potential.

The main risk for 2019 is political. We would not be surprised to see European power prices capped. Power inflation raised eyebrows during 2018 and some governments already adopted measures to restrain inflation. However, if a reversal of carbon resulting from Brexit or German coal closures may eliminate the need to cap.

Established by the Investment Manager

Approved by the Board of Directors of the SICAV



Audit report

To the Shareholders of
Quaero Capital Funds (Lux)

Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Quaero Capital Funds (Lux) and of each of its sub-funds (the “Fund”) as at 31 December 2018, 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.

What we have audited

The Fund’s financial statements comprise:

- the statement of net assets as at 31 December 2018;
- the statement of investments and other net assets as at 31 December 2018;
- the statement of operations and changes in net assets for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

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 the “Réviseur d’entreprises agréé” for the audit of the financial statements” section of our report.

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

We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional 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. We have fulfilled our other ethical responsibilities under those ethical requirements.

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 audit report 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 identified above 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 that 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 the 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 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 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 an audit report 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 scepticism 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 ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report 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 audit report. However, future events or conditions may cause the Fund 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.

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 3 April 2019

A blue ink signature of Frédéric Botteman, written in a cursive style.

Frédéric Botteman

Quaero Capital Funds (Lux)

Statement of net assets as at December 31, 2018

	Combined	Quaero Capital Funds (Lux) - Argonaut	Quaero Capital Funds (Lux) - Smaller European Companies
	EUR	EUR	EUR
ASSETS			
Investments in securities at acquisition cost	570,930,364.55	189,748,278.93	126,232,066.41
Net unrealised gain/loss on investments	-16,265,151.02	7,449,931.98	-20,096,551.73
Investments in securities at market value (note 2.c)	554,665,213.53	197,198,210.91	106,135,514.68
Cash at banks (note 2.c)	25,519,952.85	14,401,805.06	4,540,369.18
Dividend and interest receivable, net	651,605.84	24,474.09	0.00
Formation expenses (note 2.d)	11,025.40	0.00	0.00
Net unrealised gain on forward foreign exchange contracts (notes 2.i, 10)	544,195.78	231,460.49	0.00
	581,391,993.40	211,855,950.55	110,675,883.86
LIABILITIES			
Bank overdraft (note 2.c)	490,995.67	0.00	106,776.58
Investment management and advisory fees payable (notes 4, 13)	2,043,761.20	887,316.89	387,369.50
Performance fees payable (notes 5, 13)	3,764.88	0.00	3,764.88
"Taxe d'abonnement" payable (note 7)	50,500.47	21,882.81	7,291.51
Net unrealised loss on forward foreign exchange contracts (notes 2.i, 10)	171,499.55	0.00	12,378.27
Other fees payable (note 6)	437,017.97	156,287.09	81,879.16
	3,197,539.74	1,065,486.79	599,459.90
TOTAL NET ASSETS AS AT DECEMBER 31, 2018	578,194,453.66	210,790,463.76	110,076,423.96
TOTAL NET ASSETS AS AT DECEMBER 31, 2017	806,961,500.87	311,816,699.38	147,905,566.92
TOTAL NET ASSETS AS AT DECEMBER 31, 2016	520,710,175.25	270,941,625.36	34,856,343.62

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

Quaero Capital Funds (Lux)

Statement of net assets as at December 31, 2018 (continued)

Quaero Capital Funds (Lux) - World Opportunities	Quaero Capital Funds (Lux) - Bamboo	Quaero Capital Funds (Lux) - International Equities	Quaero Capital Funds (Lux) - Global Dynamic	Quaero Capital Funds (Lux) - Global Balanced
USD	USD	EUR	EUR	EUR
28,270,860.68	43,019,675.62	23,027,604.51	4,403,571.01	16,488,824.82
-2,670,391.58	2,535,891.50	-356,570.88	-64,671.19	-167,701.28
25,600,469.10	45,555,567.12	22,671,033.63	4,338,899.82	16,321,123.54
566,696.14	561,354.24	910,031.47	91,980.26	390,619.78
8,833.44	23,883.06	0.00	1,000.89	8,877.56
0.00	7,983.65	0.00	0.00	0.00
116,984.31	32,366.13	0.00	0.00	0.00
26,292,982.99	46,181,154.20	23,581,065.10	4,431,880.97	16,720,620.88
0.00	32,068.34	108,552.34	15,044.18	15,138.19
106,678.75	125,031.19	93,464.82	17,348.65	65,727.90
0.00	0.00	0.00	0.00	0.00
3,053.44	4,490.64	2,918.62	550.16	2,084.59
0.00	0.00	66,173.15	11,085.46	31,348.16
32,048.56	32,106.59	16,331.59	2,396.74	11,485.91
141,780.75	193,696.76	287,440.52	46,425.19	125,784.75
26,151,202.24	45,987,457.44	23,293,624.58	4,385,455.78	16,594,836.13
39,747,545.22	51,462,184.83	26,332,331.89	4,848,809.03	22,788,666.03
6,155,903.51	25,840,243.37	23,849,621.37	4,631,903.72	33,273,397.00

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

Quaero Capital Funds (Lux)

Statement of net assets as at December 31, 2018 (continued)

	Quaero Capital Funds (Lux) - Global Conservative	Quaero Capital Funds (Lux) - Infrastructure Securities	Quaero Capital Funds (Lux) - Yield Opportunities
	EUR	EUR	EUR
ASSETS			
Investments in securities at acquisition cost	9,886,520.15	10,845,303.10	65,004,821.58
Net unrealised gain/loss on investments	-71,457.51	252,395.54	-101,495.19
Investments in securities at market value (note 2.c)	9,815,062.64	11,097,698.64	64,903,326.39
Cash at banks (note 2.c)	385,437.63	1,272,286.28	957,236.27
Dividend and interest receivable, net	8,442.99	36,755.64	475,787.97
Formation expenses (note 2.d)	0.00	0.00	0.00
Net unrealised gain on forward foreign exchange contracts (notes 2.i, 10)	0.00	157,290.55	0.00
	10,208,943.26	12,564,031.11	66,336,350.63
LIABILITIES			
Bank overdraft (note 2.c)	7,547.32	109,961.08	18,769.99
Investment management and advisory fees payable (notes 4, 13)	39,156.87	41,683.79	128,990.36
Performance fees payable (notes 5, 13)	0.00	0.00	0.00
"Taxe d'abonnement" payable (note 7)	1,275.76	764.49	5,047.28
Net unrealised loss on forward foreign exchange contracts (notes 2.i, 10)	11,355.27	0.00	39,150.51
Other fees payable (note 6)	7,092.71	9,123.20	48,537.18
	66,427.93	161,532.56	240,495.32
TOTAL NET ASSETS AS AT DECEMBER 31, 2018	10,142,515.33	12,402,498.55	66,095,855.31
TOTAL NET ASSETS AS AT DECEMBER 31, 2017	11,134,307.07	11,531,558.60	123,026,449.81
TOTAL NET ASSETS AS AT DECEMBER 31, 2016	12,073,851.83	8,501,471.04	91,988,490.57

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

Quaero Capital Funds (Lux)

Statement of net assets as at December 31, 2018 (continued)

Quaero Capital Funds (Lux) - New Europe	Quaero Capital Funds (Lux) - Accessible Clean Energy
EUR	USD
34,962,376.40	31,971,324.61
-536,149.84	-2,806,688.20
34,426,226.56	29,164,636.41
548,920.28	1,182,560.15
31,634.33	41,167.98
4,041.49	0.00
0.00	28,346.18
35,010,822.66	30,416,710.72
6,647.14	85,171.79
106,833.58	83,649.47
0.00	0.00
1,355.21	835.25
8.73	0.00
25,102.44	25,904.42
139,947.10	195,560.93
34,870,875.56	30,221,149.79
31,704,749.65	36,378,041.27
-	-

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

Quaero Capital Funds (Lux)

Statement of operations and changes in net assets for the year/period ended December 31, 2018

	Combined	Quaero Capital Funds (Lux) - Argonaut	Quaero Capital Funds (Lux) - Smaller European Companies
	EUR	EUR	EUR
NET ASSETS AT THE BEGINNING OF THE YEAR/PERIOD	806,961,500.87	311,816,699.38	147,905,566.92
INCOME			
Dividends, net (note 2.h)	12,174,826.57	5,387,452.36	2,653,404.62
Interest on bonds, net (note 2.h)	3,275,920.12	0.00	0.00
Bank interest	4,186.72	457.83	705.83
Income on subscriptions	11,958.72	0.00	0.00
	15,466,892.13	5,387,910.19	2,654,110.45
EXPENSES			
Amortization of formation expenses (note 2.d)	9,708.09	0.00	0.00
Investment management and advisory fees (notes 4, 13)	9,654,198.50	4,162,401.88	1,878,012.39
Performance fees (notes 5, 13)	121,241.76	8,698.18	68,462.58
Depository fees, bank charges and interest	575,515.45	244,829.35	97,048.99
Professional fees, audit fees and other expenses	2,844,925.84	1,012,276.22	576,274.11
Administration fees	558,982.30	211,957.73	106,152.49
"Taxe d'abonnement" (note 7)	226,987.79	98,589.60	39,341.27
Transaction fees (note 2.k)	1,263,517.24	143,347.34	167,746.37
	15,255,076.97	5,882,100.30	2,933,038.20
NET INVESTMENT INCOME/LOSS	211,815.16	-494,190.11	-278,927.75
Net realised gain/loss on sales of investments	10,069,043.02	19,381,533.95	1,564,007.51
Net realised gain/loss on foreign exchange	-253,008.22	-183,268.46	615,831.02
Net realised gain/loss on forward foreign exchange contracts	-2,564,660.29	832,996.37	883,787.07
Net realised gain/loss on forward contracts	289,057.49	0.00	0.00
NET REALISED GAIN/LOSS	7,752,247.16	19,537,071.75	2,784,697.85
Change in net unrealised appreciation/depreciation:			
- on investments	-129,758,689.01	-62,207,806.25	-42,333,970.14
- on forward foreign exchange contracts	-659,024.10	233,744.96	11,964.84
DECREASE IN NET ASSETS AS A RESULT OF OPERATIONS	-122,665,465.95	-42,436,989.54	-39,537,307.45
Proceeds from subscriptions of shares	177,705,899.98	14,750,935.12	70,784,182.16
Cost of shares redeemed	-287,783,269.86	-73,340,181.20	-69,076,017.67
Dividend distributed (note 9)	-1,382,642.61	0.00	0.00
Revaluation difference on the net assets at the beginning of the year*	5,358,431.23		
NET ASSETS AT THE END OF THE YEAR/PERIOD	578,194,453.66	210,790,463.76	110,076,423.96

* The difference mentioned above results from the conversion of the net assets at the beginning of the year (for the sub-funds denominated in currencies other than Euro) at exchange rates applicable on December 31, 2017 and exchange rates applicable on December 31, 2018.

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

Quaero Capital Funds (Lux)

Statement of operations and changes in net assets for the year/period ended December 31, 2018 (continued)

Quaero Capital Funds (Lux) - World Opportunities	Quaero Capital Funds (Lux) - European Equities Long-Short (note 1)	Quaero Capital Funds (Lux) - Bamboo	Quaero Capital Funds (Lux) - International Equities	Quaero Capital Funds (Lux) - Global Dynamic
USD	EUR	USD	EUR	EUR
39,747,545.22	9,620,073.47	51,462,184.83	26,332,331.89	4,848,809.03
645,845.38	233,653.43	757,517.11	4,433.72	1,700.56
0.00	0.00	0.00	0.00	1,726.36
1,449.39	23.51	881.59	0.00	0.00
0.00	0.00	0.00	423.76	289.46
647,294.77	233,676.94	758,398.70	4,857.48	3,716.38
0.00	3,335.68	5,945.33	0.00	0.00
545,125.82	86,715.85	530,309.78	390,380.29	71,985.12
3,107.32	0.00	34,323.15	0.00	0.00
26,436.55	5,025.86	24,630.96	15,078.69	2,741.85
148,761.48	55,348.99	190,276.90	95,707.27	23,760.73
35,967.43	5,201.23	35,196.90	16,762.60	3,046.14
16,473.36	1,233.83	18,193.62	5,688.59	1,129.02
41,319.65	81,991.88	169,183.63	15,426.37	2,831.53
817,191.61	238,853.32	1,008,060.27	539,043.81	105,494.39
-169,896.84	-5,176.38	-249,661.57	-534,186.33	-101,778.01
1,917,884.84	-332,014.20	469,652.39	1,570,762.85	192,965.91
-764,362.46	1,316.15	-446,565.38	39,413.73	12,538.03
-1,217,517.18	42,873.30	-1,066,071.64	-288,269.08	-33,386.20
0.00	-41,454.26	0.00	258,596.51	35,016.08
-233,891.64	-334,455.39	-1,292,646.20	1,046,317.68	105,355.81
-8,220,872.18	-319,723.20	-6,182,638.34	-3,481,675.10	-500,615.63
-42,335.02	-3,921.05	-76,774.92	-241,122.91	-35,686.63
-8,497,098.84	-658,099.64	-7,552,059.46	-2,676,480.33	-430,946.45
4,539,683.03	26,320.15	20,166,754.46	731,811.16	151,081.43
-9,638,927.17	-8,988,293.98	-18,089,422.39	-1,094,038.14	-183,488.23
0.00	0.00	0.00	0.00	0.00
26,151,202.24	-	45,987,457.44	23,293,624.58	4,385,455.78

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

Quaero Capital Funds (Lux)

Statement of operations and changes in net assets for the year/period ended December 31, 2018 (continued)

	Quaero Capital Funds (Lux) - Global Balanced	Quaero Capital Funds (Lux) - Global Conservative	Quaero Capital Funds (Lux) - Infrastructure Securities
	EUR	EUR	EUR
NET ASSETS AT THE BEGINNING OF THE YEAR/PERIOD	22,788,666.03	11,134,307.07	11,531,558.60
INCOME			
Dividends, net (note 2.h)	15,104.24	11,791.02	394,218.41
Interest on bonds, net (note 2.h)	16,167.87	15,260.66	3,863.63
Bank interest	0.00	0.00	45.44
Income on subscriptions	2,221.39	1,980.29	0.00
	33,493.50	29,031.97	398,127.48
EXPENSES			
Amortization of formation expenses (note 2.d)	0.00	0.00	0.00
Investment management and advisory fees (notes 4, 13)	282,082.46	161,664.54	172,131.57
Performance fees (notes 5, 13)	0.00	0.00	0.00
Depository fees, bank charges and interest	11,349.59	6,493.73	20,741.41
Professional fees, audit fees and other expenses	73,260.38	44,930.48	57,772.29
Administration fees	11,507.80	6,667.99	9,185.98
"Taxe d'abonnement" (note 7)	4,250.96	2,840.55	4,996.84
Transaction fees (note 2.k)	11,766.32	6,755.27	21,196.42
	394,217.51	229,352.56	286,024.51
NET INVESTMENT INCOME/LOSS	-360,724.01	-200,320.59	112,102.97
Net realised gain/loss on sales of investments	919,286.21	235,025.69	-510,281.51
Net realised gain/loss on foreign exchange	11,617.03	35,197.13	105,358.96
Net realised gain/loss on forward foreign exchange contracts	-83,856.37	-31,051.97	-110,693.74
Net realised gain/loss on forward contracts	102,612.06	32,132.18	0.00
NET REALISED GAIN/LOSS	588,934.92	70,982.44	-403,513.32
Change in net unrealised appreciation/depreciation:			
- on investments	-1,833,293.02	-680,529.30	-980,756.50
- on forward foreign exchange contracts	-123,252.00	-48,094.48	134,255.71
DECREASE IN NET ASSETS AS A RESULT OF OPERATIONS	-1,367,610.10	-657,641.34	-1,250,014.11
Proceeds from subscriptions of shares	128,585.67	0.00	12,609,224.28
Cost of shares redeemed	-4,954,805.47	-334,150.40	-10,488,270.22
Dividend distributed (note 9)	0.00	0.00	0.00
NET ASSETS AT THE END OF THE YEAR/PERIOD	16,594,836.13	10,142,515.33	12,402,498.55

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

Quaero Capital Funds (Lux)

Statement of operations and changes in net assets for the year/period ended December 31, 2018 (continued)

Quaero Capital Funds (Lux) - Yield Opportunities	Quaero Capital Funds (Lux) - New Europe	Quaero Capital Funds (Lux) - Accessible Clean Energy
EUR	EUR	USD
123,026,449.81	31,704,749.65	36,378,041.27
473,347.05	1,338,741.27	495,386.32
3,238,901.60	0.00	0.00
324.54	21.24	650.73
0.00	7,043.82	0.00
3,712,573.19	1,345,806.33	496,037.05
0.00	1,171.58	0.00
667,999.90	518,122.16	368,022.31
899.34	10,427.89	12.00
56,753.22	49,404.59	24,435.44
311,005.76	179,648.30	135,301.69
71,189.55	29,550.33	29,159.02
24,945.62	10,281.22	3,846.07
201,107.96	359,130.28	77,819.10
1,333,901.35	1,157,736.35	638,595.63
2,378,671.84	188,069.98	-142,558.58
-5,904,922.61	-6,719,014.06	-2,762,840.99
751,211.60	37,328.45	-709,051.52
-883,786.60	39,992.45	-1,069,573.04
-97,845.08	0.00	0.00
-3,756,670.85	-6,453,623.18	-4,684,024.13
2,813,664.31	-3,250,126.45	-5,011,582.86
-442,941.45	3,272.31	-49,211.32
-1,385,947.99	-9,700,477.32	-9,744,818.31
9,966,041.42	43,234,288.26	4,242,036.55
-64,128,045.32	-30,367,685.03	-654,109.72
-1,382,642.61	0.00	0.00
66,095,855.31	34,870,875.56	30,221,149.79

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

Quaero Capital Funds (Lux)

Number of shares outstanding and net asset value per share

Sub-fund Class	Currency	Number of shares outstanding	Net asset value per share	Net asset value per share	Net asset value per share
		31.12.2018	31.12.2018	31.12.2017	31.12.2016
Quaero Capital Funds (Lux) - Argonaut					
A (ACC) EUR	EUR	353,567.96	314.44	367.24	305.53
A (ACC) CHF	CHF	64,858.01	214.08	251.15	210.42
A (ACC) GBP	GBP	52,589.54	270.30	313.07	259.11
A (ACC) SEK	SEK	63,568.86	266.00	311.45	260.31
A (ACC) USD	USD	20,314.15	217.41	247.48	203.07
B (ACC) EUR	EUR	94,416.82	224.35	261.26	216.81
D (ACC) EUR	EUR	7,238.49	213.18	250.23	209.10
D (ACC) CHF	CHF	1,370.21	205.54	242.34	203.93
D (ACC) USD	USD	492.00	162.64	186.03	153.32
E (ACC) EUR	EUR	33,158.53	615.06	718.34	597.63
X (ACC) GBP	GBP	101,407.85	183.15	212.10	173.21
S (ACC) EUR	EUR	1.97	319.98	366.72	299.86
Z (ACC) EUR	EUR	210.14	8,532.51	-	-
Quaero Capital Funds (Lux) - Smaller European Companies					
A (ACC) EUR	EUR	197,187.95	159.12	210.57	162.33
A (ACC) CHF	CHF	25,034.12	111.10	147.57	114.65
A (ACC) GBP	GBP	4,419.40	82.29	108.24	-
A (ACC) USD	USD	47,970.21	113.59	146.26	111.67
B (ACC) EUR	EUR	118,610.36	111.43	147.09	113.10
C (ACC) CHF	CHF	5,000.00	75.00	-	-
C (ACC) EUR	EUR	369,165.31	92.54	121.80	-
E (ACC) USD	USD	228.37	76.11	-	-
D (ACC) EUR	EUR	52,949.12	120.90	159.93	123.25
E (ACC) EUR	EUR	3,233.17	125.49	166.85	129.19
X (ACC) EUR	EUR	111,846.30	73.34	-	-
Y (ACC) EUR	EUR	109,096.12	76.28	100.26	-
Quaero Capital Funds (Lux) - World Opportunities					
A (ACC) EUR	EUR	15,952.86	131.97	170.19	144.55
A (ACC) USD	USD	1,900.00	131.78	165.06	138.19
B (ACC) EUR	EUR	49,698.67	89.97	115.44	99.14
B (ACC) CHF	CHF	109,998.99	87.91	113.06	-
B (ACC) USD	USD	72,847.24	93.88	116.96	99.16
Z (ACC) USD	USD	223.23	7,768.40	-	-
Quaero Capital Funds (Lux) - European Equities Long-Short (note 1)					
A (ACC) EUR	EUR	-	-	110.84	107.90
A (ACC) CHF	CHF	-	-	105.44	103.41
A (ACC) USD	USD	-	-	96.55	93.96
B (ACC) EUR	EUR	-	-	97.63	94.54
Quaero Capital Funds (Lux) - Bamboo					
A (ACC) USD	USD	132,913.50	104.76	120.76	92.88
A (ACC) EUR	EUR	7,105.70	98.13	116.62	91.62
B (ACC) USD	USD	25,600.00	105.91	121.81	93.36
C (ACC) USD	USD	30,842.95	93.12	106.99	-
C (ACC) EUR	EUR	104,289.89	83.24	-	-
I (ACC) USD	USD	144,259.39	109.24	125.14	95.50
Quaero Capital Funds (Lux) - International Equities					
A (ACC) EUR	EUR	142,046.11	145.49	162.43	142.15
A (ACC) CHF	CHF	16,448.54	121.31	136.08	120.01
A (ACC) SEK	SEK	65,181.24	133.27	149.28	131.28
Quaero Capital Funds (Lux) - Global Dynamic					
A (ACC) EUR	EUR	28,346.67	136.90	150.76	138.55
A (ACC) CHF	CHF	5,719.41	99.45	110.05	102.38

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

Quaero Capital Funds (Lux)

Number of shares outstanding and net asset value per share

Sub-fund Class	Currency	Number of shares outstanding	Net asset value per share	Net asset value per share	Net asset value per share
		31.12.2018	31.12.2018	31.12.2017	31.12.2016
Quaero Capital Funds (Lux) - Global Balanced					
A (ACC) EUR	EUR	131,042.66	121.09	131.11	123.43
A (ACC) CHF	CHF	7,519.73	108.87	118.45	112.57
A (ACC) SEK	SEK	-	-	133.01	127.25
Quaero Capital Funds (Lux) - Global Conservative					
A (ACC) EUR	EUR	84,708.72	112.63	120.15	116.67
A (ACC) CHF	CHF	7,027.66	96.52	103.49	101.55
Quaero Capital Funds (Lux) - Infrastructure Securities					
A (ACC) EUR	EUR	9,454.80	118.95	133.17	119.89
A (ACC) CHF	CHF	15,216.46	114.11	128.27	116.33
A (ACC) USD	USD	4,989.19	124.00	135.42	120.01
B (DIST) CHF	CHF	16,998.93	101.13	113.67	103.09
C (ACC) EUR	EUR	80,390.69	95.41	-	-
Quaero Capital Funds (Lux) - Yield Opportunities					
A (ACC) EUR	EUR	48,590.76	123.26	127.51	128.13
A (ACC) CHF	CHF	15,852.63	94.70	98.51	99.68
A (ACC) USD	USD	33,623.86	106.25	107.28	105.99
B (ACC) EUR	EUR	183,342.38	111.79	115.85	116.64
B (ACC) CHF	CHF	22,011.90	91.62	95.48	96.81
C (DIST) EUR	EUR	55,369.72	102.74	110.56	114.48
C (DIST) CHF	CHF	123,922.40	98.67	106.78	111.32
C (DIST) GBP	GBP	94,397.21	104.82	111.74	114.92
C (DIST) USD	USD	51,849.55	106.82	112.19	114.13
D (ACC) EUR	EUR	-	-	99.14	100.21
D (ACC) CHF	CHF	11,400.00	94.60	98.98	-
Quaero Capital Funds (Lux) - New Europe					
A (ACC) EUR	EUR	51,472.31	85.33	101.67	-
B (ACC) EUR	EUR	80,641.08	95.52	-	-
C (ACC) EUR	EUR	67,000.00	86.08	102.00	-
A (ACC) CHF	CHF	250.00	81.03	-	-
A (ACC) GBP	GBP	1,711.11	86.08	101.69	-
A (ACC) USD	USD	3,987.48	87.31	101.36	-
Z (ACC) EUR	EUR	2,022.86	8,167.48	-	-
Quaero Capital Funds (Lux) - Accessible Clean Energy					
A (ACC) USD	USD	8,138.76	82.20	105.81	-
A (ACC) EUR	EUR	1,171.17	78.07	-	-
B (ACC) USD	USD	11,999.84	84.37	108.34	-
B (ACC) EUR	EUR	6,000.00	76.25	-	-
C (ACC) EUR	EUR	99,918.24	76.70	101.25	-
C (ACC) USD	USD	188,588.39	101.55	130.00	-

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

Quaero Capital Funds (Lux) - Argonaut

Statement of investments and other net assets as at December 31, 2018 (expressed in EUR)

Description	Currency	Quantity	Market value (note 2)	% of net assets
I. TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET				
SHARES				
<i>CURACAO</i>				
HUNTER DOUGLAS	EUR	61,282.00	3,566,612.40	1.69
			3,566,612.40	1.69
<i>FRANCE</i>				
APRIL	EUR	738,847.00	14,739,997.65	6.98
BIGBEN INTERACTIVE	EUR	1,505,023.00	12,055,234.23	5.71
BURELLE	EUR	2,686.00	2,138,056.00	1.01
CNIM CONSTRUCTIONS NAVALES & IND.	EUR	53,881.00	4,418,242.00	2.10
DAMARTEX	EUR	170,415.00	3,246,405.75	1.54
ECA	EUR	113,446.00	1,118,577.56	0.53
GROUPE GORGE	EUR	276,838.00	2,328,207.58	1.10
HF COMPANY	EUR	273,412.00	1,520,170.72	0.72
LACROIX	EUR	105,430.00	2,024,256.00	0.96
MANUTAN INTERNATIONAL	EUR	66,690.00	4,201,470.00	1.99
NEOPOST	EUR	201,476.00	4,799,158.32	2.28
NRJ GROUP	EUR	292,958.00	2,173,748.36	1.03
TOUAX	EUR	300,963.00	1,468,699.44	0.70
VIEL	EUR	2,176,311.00	9,140,506.20	4.33
			65,372,729.81	30.98
<i>GERMANY</i>				
2G ENERGY	EUR	22,041.00	482,697.90	0.23
A S CREATION TAPETEN	EUR	136,437.00	1,446,232.20	0.69
CENTROTEC SUSTAINABLE	EUR	265,737.00	3,040,031.28	1.44
DEAG DEUTSCHE ENTERTAINMENT	EUR	1,450,945.00	4,512,438.95	2.14
FRANCOTYP-POSTALIA HOLDING	EUR	760,649.00	2,281,947.00	1.08
GRAMMER	EUR	40,621.00	1,531,411.70	0.73
NORDWEST HANDEL	EUR	64,915.00	1,441,113.00	0.68
SURTECO GROUP	EUR	113,330.00	2,527,259.00	1.20
			17,263,131.03	8.19
<i>GREECE</i>				
SARANTIS	EUR	319,028.00	2,226,815.44	1.06
			2,226,815.44	1.06
<i>GUERNSEY</i>				
LUMX GROUP	CHF	8,767,922.00	933,654.07	0.44
			933,654.07	0.44
<i>IRELAND</i>				
DONEGAL INVESTMENT GROUP	EUR	336,241.00	2,942,108.75	1.40
			2,942,108.75	1.40

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

Quaero Capital Funds (Lux) - Argonaut

Statement of investments and other net assets as at December 31, 2018 (expressed in EUR) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<i>ITALY</i>				
EMAK	EUR	976,023.00	1,221,980.80	0.58
ISAGRO	EUR	285,391.00	393,839.58	0.19
ISAGRO AZIONI DI CATEGORIA SPECIALE	EUR	1,994,548.00	2,293,730.20	1.09
MASSIMO ZANETTI BEVERAGE GROUP	EUR	431,851.00	2,483,143.25	1.18
PIQUADRO	EUR	81,574.00	137,452.19	0.07
SAFILO GROUP -POST RAGGRUPPAMENTO-	EUR	3,088,032.00	2,161,622.40	1.03
TESMEC	EUR	5,993,921.00	2,493,471.14	1.18
			11,185,239.56	5.32
<i>LIECHTENSTEIN</i>				
VP BANK 'A'	CHF	10,913.00	1,369,309.54	0.65
			1,369,309.54	0.65
<i>LUXEMBOURG</i>				
EXCEET GROUP	EUR	1,705,694.00	10,404,733.40	4.93
			10,404,733.40	4.93
<i>NETHERLANDS</i>				
HEIJMANS SHS CERT.	EUR	856,274.00	6,850,192.00	3.25
			6,850,192.00	3.25
<i>PORTUGAL</i>				
SONAE CAPITAL SGPS	EUR	7,742,845.00	6,573,675.41	3.12
			6,573,675.41	3.12
<i>SPAIN</i>				
ALANTRA PARTNERS	EUR	239,021.00	3,322,391.90	1.58
LABORATORIO REIG JOFRE	EUR	186,470.00	425,151.60	0.20
NATRA	EUR	755,536.00	643,716.67	0.31
			4,391,260.17	2.09
<i>SWEDEN</i>				
PRICER 'B'	SEK	1,559,562.00	1,429,535.20	0.68
			1,429,535.20	0.68
<i>SWITZERLAND</i>				
CICOR TECHNOLOGIES	CHF	54,159.00	1,893,541.94	0.90
HOCHDORF HOLDING	CHF	24,634.00	2,229,683.29	1.06
NEBAG REG.	CHF	167,897.00	1,489,879.02	0.71
ORELL FUESSLI HOLDING	CHF	11,702.00	918,991.37	0.44
TRADITION FINANCIERE CIE	CHF	76,323.00	6,908,180.46	3.28
			13,440,276.08	6.39
<i>UNITED KINGDOM</i>				
CAMELLIA PLC	GBP	86,699.00	10,238,821.58	4.85
CENTAUR MEDIA	GBP	9,140,247.00	4,592,662.12	2.18
DANIEL THWAITES	GBP	436,280.00	692,644.18	0.33
FIH GROUP	GBP	1,040,498.00	3,477,703.29	1.65

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

Quaero Capital Funds (Lux) - Argonaut

Statement of investments and other net assets as at December 31, 2018 (expressed in EUR) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
M.P. EVANS GROUP	GBP	667,390.00	5,048,699.13	2.40
TANFIELD GROUP	GBP	12,202,789.00	677,726.22	0.32
VOLEX	GBP	8,094,312.00	7,917,799.10	3.76
			32,646,055.62	15.49
TOTAL I.			180,595,328.48	85.68
II. OTHER TRANSFERABLE SECURITIES				
SHARES				
<i>CYPRUS</i>				
HELESI	GBP	860,200.00	0.00	0.00
			0.00	0.00
<i>GERMANY</i>				
STUDIO BABELSBERG	EUR	419,742.00	419,742.00	0.20
			419,742.00	0.20
<i>UNITED KINGDOM</i>				
ALL LEISURE GROUP	GBP	1,478,000.00	0.00	0.00
			0.00	0.00
TOTAL II.			419,742.00	0.20
III. UNITS OF INVESTMENT FUNDS				
<i>LUXEMBOURG</i>				
QUAERO CAPITAL FUND (LUX) - NEW EUROPE Z EUR -ACC-	EUR	1,981.41	16,183,140.43	7.67
			16,183,140.43	7.67
TOTAL III.			16,183,140.43	7.67
TOTAL INVESTMENTS			197,198,210.91	93.55
CASH AT BANKS			14,401,805.06	6.83
OTHER NET LIABILITIES			-809,552.21	-0.38
TOTAL NET ASSETS			210,790,463.76	100.00

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

Quaero Capital Funds (Lux) - Argonaut

Geographical and industrial classification of investments as at December 31, 2018

Geographical classification

(in % of net assets)

France	30.98
United Kingdom	15.49
Luxembourg	12.60
Germany	8.39
Switzerland	6.39
Italy	5.32
Netherlands	3.25
Portugal	3.12
Spain	2.09
Curacao	1.69
Ireland	1.40
Greece	1.06
Sweden	0.68
Liechtenstein	0.65
Guernsey	0.44
Cyprus	0.00
	93.55

Industrial classification

(in % of net assets)

Holding and finance companies	22.17
Electronics and electrical equipment	10.55
Units of investment funds	7.67
Retail and supermarkets	7.36
Construction of machines and appliances	6.87
Mortgage and funding institutions	4.93
Construction and building materials	4.69
Food and soft drinks	4.15
Utilities	3.35
Publishing and graphic arts	2.82
Miscellaneous trade	2.67
Agriculture and fisheries	2.40
Gastronomy	2.14
Miscellaneous investment goods	1.89
Textiles and clothing	1.61
Pharmaceuticals and cosmetics	1.28
Chemicals	1.06
Photography and optics	1.03
Packaging	1.01
Stainless steel	0.96
Automobiles	0.73
Transport and freight	0.70
Banks and credit institutions	0.65
Aeronautics and astronautics	0.53
Tobacco and alcohol	0.33
	93.55

Quaero Capital Funds (Lux) - Smaller European Companies

Statement of investments and other net assets as at December 31, 2018 (expressed in EUR)

Description	Currency	Quantity	Market value (note 2)	% of net assets
I. TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET				
SHARES				
<i>AUSTRIA</i>				
ROSENBAUER INTERNATIONAL	EUR	48,099.00	1,601,696.70	1.46
			1,601,696.70	1.46
<i>DENMARK</i>				
AGROMINO	SEK	219,481.00	365,982.34	0.33
			365,982.34	0.33
<i>FINLAND</i>				
RAPALA VMC	EUR	1,000,000.00	3,050,000.00	2.77
			3,050,000.00	2.77
<i>FRANCE</i>				
APRIL	EUR	329,611.00	6,575,739.45	5.96
ASSYSTEM	EUR	64,207.00	1,736,799.35	1.58
BONDUELLE	EUR	42,852.00	1,216,996.80	1.11
CATERING INTERNATIONAL SERVICES	EUR	161,900.00	1,483,004.00	1.35
CEGEDIM	EUR	158,000.00	3,120,500.00	2.83
DAMARTEX	EUR	31,285.00	595,979.25	0.54
FFP	EUR	15,500.00	1,243,100.00	1.13
GROUPE GORGE	EUR	308,190.00	2,591,877.90	2.35
HAULOTTE GROUP	EUR	249,170.00	2,200,171.10	2.00
LISI	EUR	75,850.00	1,554,925.00	1.41
SOMFY	EUR	35,460.00	2,233,980.00	2.03
VIEL	EUR	583,561.00	2,450,956.20	2.23
			27,004,029.05	24.52
<i>GERMANY</i>				
A S CREATION TAPETEN	EUR	11,220.00	118,932.00	0.11
BAUER	EUR	188,000.00	2,286,080.00	2.08
CENTROTHERM PHOTOVOLTAICS	EUR	148,870.00	267,966.00	0.24
HORNBACH HOLDING	EUR	10,000.00	412,000.00	0.37
MANZ	EUR	139,350.00	2,891,512.50	2.63
SMA SOLAR TECHNOLOGY	EUR	99,500.00	1,650,705.00	1.50
SURTECO GROUP	EUR	110,000.00	2,453,000.00	2.23
WACKER NEUSON	EUR	368,700.00	6,090,924.00	5.53
			16,171,119.50	14.69
<i>GREECE</i>				
MYTILINEOS HOLDINGS	EUR	258,200.00	1,882,278.00	1.71
SARANTIS	EUR	188,000.00	1,312,240.00	1.19
			3,194,518.00	2.90

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

Quaero Capital Funds (Lux) - Smaller European Companies

Statement of investments and other net assets as at December 31, 2018 (expressed in EUR) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<i>ITALY</i>				
DANIELI & C. OFFICINE MECCANICHE RISP. -NC-	EUR	47,000.00	606,300.00	0.55
ELICA	EUR	1,250,000.00	1,630,000.00	1.48
EMAK	EUR	1,683,899.00	2,108,241.55	1.92
MASSIMO ZANETTI BEVERAGE GROUP	EUR	286,280.00	1,646,110.00	1.50
SABAF	EUR	73,300.00	1,090,704.00	0.99
SOL	EUR	60,806.00	661,569.28	0.60
TESMEC	EUR	1,579,000.00	656,864.00	0.60
			8,399,788.83	7.64
<i>PORTUGAL</i>				
SONAE CAPITAL SGPS	EUR	4,580,000.00	3,888,420.00	3.53
SONAE SGPS	EUR	6,335,000.00	5,131,350.00	4.66
			9,019,770.00	8.19
<i>SPAIN</i>				
FLUIDRA	EUR	764,400.00	7,483,476.00	6.79
			7,483,476.00	6.79
<i>SWITZERLAND</i>				
BUCHER INDUSTRIES	CHF	6,885.00	1,615,375.40	1.47
CONZZETA A REG.	CHF	2,500.00	1,705,981.90	1.55
EFG INTERNATIONAL	CHF	489,700.00	2,498,653.41	2.27
GURIT HOLDING	CHF	2,900.00	2,231,131.49	2.03
HUBER + SUHNER REG.	CHF	35,000.00	2,034,311.31	1.85
KUDELSKI	CHF	586,880.00	2,937,220.04	2.67
ORIFLAME HOLDING	SEK	112,496.00	2,198,862.39	2.00
SWISSQUOTE GROUP HOLDING	CHF	45,661.00	1,833,462.67	1.67
ZEHNDER REG. 'A'	CHF	20,000.00	591,880.32	0.54
			17,646,878.93	16.05
<i>UNITED KINGDOM</i>				
CAMELLIA PLC	GBP	40,940.00	4,834,858.02	4.39
PZ CUSONS	GBP	1,640,000.00	3,888,172.22	3.53
			8,723,030.24	7.92
TOTAL I.			102,660,289.59	93.26
II. OTHER TRANSFERABLE SECURITIES				
SHARES				
<i>CYPRUS</i>				
HELESI	GBP	155,000.00	0.00	0.00
			0.00	0.00
TOTAL SHARES			0.00	0.00

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

Quaero Capital Funds (Lux) - Smaller European Companies

Statement of investments and other net assets as at December 31, 2018 (expressed in EUR) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
RIGHTS				
<i>FRANCE</i>				
BONDUELLE RIGHT	EUR	42,852.00	21,426.00	0.02
			21,426.00	0.02
TOTAL RIGHTS			21,426.00	0.02
TOTAL II.			21,426.00	0.02
III. UNITS OF INVESTMENT FUNDS				
<i>FRANCE</i>				
AMUNDI SERENITE PEA IC EUR -ACC-	EUR	310.00	3,453,799.09	3.14
			3,453,799.09	3.14
TOTAL III.			3,453,799.09	3.14
TOTAL INVESTMENTS			106,135,514.68	96.42
CASH AT BANKS			4,540,369.18	4.12
BANK OVERDRAFT			-106,776.58	-0.10
OTHER NET LIABILITIES			-492,683.32	-0.44
TOTAL NET ASSETS			110,076,423.96	100.00

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

Quaero Capital Funds (Lux) - Smaller European Companies

Geographical and industrial classification of investments as at December 31, 2018

Geographical classification

(in % of net assets)

France	27.68
Switzerland	16.05
Germany	14.69
Portugal	8.19
United Kingdom	7.92
Italy	7.64
Spain	6.79
Greece	2.90
Finland	2.77
Austria	1.46
Denmark	0.33
Cyprus	0.00
	96.42

Industrial classification

(in % of net assets)

Construction of machines and appliances	27.17
Holding and finance companies	17.65
Electronics and electrical equipment	7.15
Paper and forest products	4.66
Internet, software and IT services	4.41
Food and soft drinks	3.96
Retail and supermarkets	3.90
Chemicals	3.82
Utilities	3.53
Units of investment funds	3.14
Automobiles	2.93
Gastronomy	2.77
Miscellaneous investment goods	2.34
Pharmaceuticals and cosmetics	2.00
Mining and steelworks	1.71
Public utilities	1.50
Miscellaneous	1.48
Aeronautics and astronautics	1.41
Textiles and clothing	0.54
Agriculture and fisheries	0.33
Rights	0.02
Miscellaneous trade	0.00
	96.42

Quaero Capital Funds (Lux) - World Opportunities

Statement of investments and other net assets as at December 31, 2018 (expressed in USD)

Description	Currency	Quantity	Market value (note 2)	% of net assets
I. TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET				
SHARES				
<i>BERMUDA</i>				
YUEXIU TRANSPORT INFRASTRUCTURE	HKD	800,000.00	606,947.73	2.32
			606,947.73	2.32
<i>CAYMAN ISLANDS</i>				
LEE & MAN PAPER MANUFACTURING	HKD	41,430.00	35,136.45	0.13
TENCENT HOLDINGS	HKD	28,400.00	1,138,997.70	4.36
			1,174,134.15	4.49
<i>CHINA</i>				
ALIBABA GROUP HOLDING ADR -SPONS.-	USD	7,650.00	1,048,585.50	4.01
HUANENG RENEW 'H'	HKD	2,748,000.00	737,073.64	2.82
			1,785,659.14	6.83
<i>FRANCE</i>				
PLASTIC OMNIUM	EUR	28,680.00	661,284.38	2.53
RENAULT S.A.	EUR	7,920.00	493,881.95	1.89
TOTAL	EUR	26,260.00	1,386,282.92	5.29
			2,541,449.25	9.71
<i>HONG KONG</i>				
CHINA EVERBRIGHT INTERNATIONAL	HKD	1,233,333.00	1,105,840.07	4.23
			1,105,840.07	4.23
<i>JERSEY</i>				
APTIV	USD	12,740.00	784,401.80	3.00
DELPHI TECHNOLOGIES	USD	6.00	85.92	0.00
			784,487.72	3.00
<i>NORWAY</i>				
AKER SOLUTIONS	NOK	135,740.00	621,706.32	2.38
			621,706.32	2.38
<i>SWITZERLAND</i>				
ROCHE HOLDING D.RIGHT	CHF	4,480.00	1,106,139.18	4.23
			1,106,139.18	4.23
<i>UNITED STATES</i>				
ABBVIE	USD	15,970.00	1,472,274.30	5.62
AMC NETWORKS 'A'	USD	20,590.00	1,129,979.20	4.32
AMGEN	USD	5,990.00	1,166,073.30	4.46
BIOMARIN PHARMACEUTICALS	USD	8,630.00	734,844.50	2.81
BOOKING HOLDINGS	USD	560.00	964,555.20	3.69
BRUNSWICK CORP	USD	17,010.00	790,114.50	3.02
CELGENE	USD	9,120.00	584,500.80	2.24

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

Quaero Capital Funds (Lux) - World Opportunities

Statement of investments and other net assets as at December 31, 2018 (expressed in USD) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
CISCO SYSTEMS	USD	19,710.00	854,034.30	3.27
CITIGROUP	USD	19,870.00	1,034,432.20	3.96
CITRIX SYSTEMS	USD	8,260.00	846,319.60	3.24
DISCOVER FINANCIAL SERVICES	USD	14,460.00	852,850.80	3.26
INTUITIVE SURGICAL	USD	2,100.00	1,005,732.00	3.85
IPG PHOTONICS	USD	6,440.00	729,587.60	2.79
LABORATORY CORP OF AMERICA HOLDINGS	USD	5,780.00	730,360.80	2.79
LEAR	USD	8,010.00	984,108.60	3.76
POLARIS INDUSTRIES	USD	8,770.00	672,483.60	2.57
WALT DISNEY	USD	11,880.00	1,302,642.00	4.98
			15,854,893.30	60.63
TOTAL I.			25,581,256.86	97.82
II. OTHER TRANSFERABLE SECURITIES				
RIGHTS				
<i>FRANCE</i>				
TOTAL RIGHT	EUR	26,260.00	19,212.24	0.07
			19,212.24	0.07
TOTAL II.			19,212.24	0.07
TOTAL INVESTMENTS			25,600,469.10	97.89
CASH AT BANKS			566,696.14	2.17
OTHER NET LIABILITIES			-15,963.00	-0.06
TOTAL NET ASSETS			26,151,202.24	100.00

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

Quaero Capital Funds (Lux) - World Opportunities

Geographical and industrial classification of investments as at December 31, 2018

Geographical classification

(in % of net assets)

United States	60.63
France	9.78
China	6.83
Cayman Islands	4.49
Switzerland	4.23
Hong Kong	4.23
Jersey	3.00
Norway	2.38
Bermuda	2.32
	97.89

Industrial classification

(in % of net assets)

Pharmaceuticals and cosmetics	19.30
Automobiles	11.22
Internet, software and IT services	8.37
Banks and credit institutions	7.22
Communications	7.11
Biotechnology	6.70
Computer and office equipment	6.51
Oil	5.29
Public utilities	5.20
Leisure	4.98
Paper and forest products	4.23
Holding and finance companies	3.82
Construction of machines and appliances	3.02
Miscellaneous consumer goods	2.53
Transport and freight	2.32
Rights	0.07
	97.89

Quaero Capital Funds (Lux) - Bamboo

Statement of investments and other net assets as at December 31, 2018 (expressed in USD)

Description	Currency	Quantity	Market value (note 2)	% of net assets
I. TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET				
SHARES				
<i>AUSTRALIA</i>				
EVOLUTION MINING	AUD	799,000.00	2,075,609.64	4.51
WOODSIDE PETROLEUM	AUD	36,500.00	804,798.49	1.75
			2,880,408.13	6.26
<i>BERMUDA</i>				
DAIRY FARM INTERNATIONAL HOLDINGS	USD	118,500.00	1,072,425.00	2.33
JARDINE MATHESON HOLDINGS	USD	22,200.00	1,544,676.00	3.36
			2,617,101.00	5.69
<i>CAYMAN ISLANDS</i>				
CK HUTCHISON HOLDINGS	HKD	126,000.00	1,210,216.99	2.63
HUAZHOU GROUP ADR -SPONS.-	USD	63,200.00	1,809,416.00	3.93
TENCENT HOLDINGS	HKD	42,300.00	1,696,464.89	3.69
			4,716,097.88	10.25
<i>CHINA</i>				
ALIBABA GROUP HOLDING ADR -SPONS.-	USD	13,700.00	1,877,859.00	4.08
CHINA SUNTIEN GREEN ENERGY 'H'	HKD	5,649,000.00	1,457,463.89	3.17
JIANGSU HENGRUI MEDICINE 'A'	CNY	83,894.00	644,566.27	1.40
PING AN INSURANCE 'H'	HKD	204,500.00	1,806,177.20	3.93
WUXI BIOLOGICS (CAYMAN) 144A/S	HKD	193,500.00	1,239,443.59	2.70
			7,025,509.95	15.28
<i>HONG KONG</i>				
AIA GROUP -S-	HKD	228,600.00	1,897,861.18	4.13
CSPC PHARMACEUTICAL GROUP	HKD	772,000.00	1,114,219.11	2.42
LINK REIT -UNITS-	HKD	176,000.00	1,782,627.96	3.88
SWIRE PACIFIC 'A'	HKD	83,500.00	881,996.46	1.92
			5,676,704.71	12.35
<i>INDIA</i>				
HDFC BANK ADR -SPONS.-	USD	22,600.00	2,341,134.00	5.08
HDFC STANDARD LIFE INSURANCE CO	INR	173,458.00	961,888.45	2.09
MARUTI SUZUKI INSIA LTD -DEMAT.-	INR	11,000.00	1,176,258.29	2.56
RELIANCE INDUSTRIES -DEMAT.-	INR	132,700.00	2,131,201.39	4.63
			6,610,482.13	14.36
<i>INDONESIA</i>				
ACE HARDWARE INDONESIA	IDR	12,066,900.00	1,250,260.84	2.72
ASTRA INTERNATIONAL	IDR	1,605,000.00	917,972.33	2.00
BANK RAKYAT INDONESIA 'B'	IDR	3,950,000.00	1,005,302.65	2.19
			3,173,535.82	6.91

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

Quaero Capital Funds (Lux) - Bamboo

Statement of investments and other net assets as at December 31, 2018 (expressed in USD) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<i>JAPAN</i>				
CYBERAGENT	JPY	18,000.00	696,440.95	1.51
KEYENCE	JPY	1,800.00	913,494.28	1.99
SONY	JPY	29,200.00	1,417,483.83	3.08
			3,027,419.06	6.58
<i>MALAYSIA</i>				
MYNEWS HOLDINGS	MYR	4,280,000.00	1,553,538.99	3.38
			1,553,538.99	3.38
<i>PHILIPPINES</i>				
AYALA CORPORATION	PHP	52,000.00	889,987.60	1.94
D&L INDUSTRIES	PHP	2,361,100.00	493,008.97	1.07
JOLLIBEE FOODS	PHP	83,600.00	463,905.65	1.01
			1,846,902.22	4.02
<i>SINGAPORE</i>				
CSE GLOBAL	SGD	975,300.00	271,910.67	0.59
			271,910.67	0.59
<i>TAIWAN</i>				
TAIWAN SEMICONDUCTOR ADR -SPONS.-	USD	51,700.00	1,908,247.00	4.15
			1,908,247.00	4.15
<i>THAILAND</i>				
BANGKOK BANK PCL -FGN-	THB	215,000.00	1,366,861.05	2.97
			1,366,861.05	2.97
<i>UNITED KINGDOM</i>				
HSBC HOLDINGS	HKD	172,000.00	1,423,568.31	3.10
			1,423,568.31	3.10
<i>VIETNAM</i>				
HOA PHAT GROUP	VND	520,000.00	693,847.64	1.51
			693,847.64	1.51
TOTAL I.			44,792,134.56	97.40
II. OTHER TRANSFERABLE SECURITIES				
CERTIFICATES				
<i>UNITED KINGDOM</i>				
ICICIBC IS (NOMURA) TR. (CERT. 15/18)	USD	148,500.00	763,432.56	1.66
			763,432.56	1.66
TOTAL II.			763,432.56	1.66

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

Quaero Capital Funds (Lux) - Bamboo

Statement of investments and other net assets as at December 31, 2018 (expressed in USD) (continued)

Description	Market value (note 2)	% of net assets
TOTAL INVESTMENTS	45,555,567.12	99.06
CASH AT BANKS	561,354.24	1.22
BANK OVERDRAFT	-32,068.34	-0.07
OTHER NET LIABILITIES	-97,395.58	-0.21
TOTAL NET ASSETS	45,987,457.44	100.00

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

Quaero Capital Funds (Lux) - Bamboo

Geographical and industrial classification of investments as at December 31, 2018

Geographical classification

(in % of net assets)

China	15.28
India	14.36
Hong Kong	12.35
Cayman Islands	10.25
Indonesia	6.91
Japan	6.58
Australia	6.26
Bermuda	5.69
United Kingdom	4.76
Taiwan	4.15
Philippines	4.02
Malaysia	3.38
Thailand	2.97
Vietnam	1.51
Singapore	0.59
	99.06

Industrial classification

(in % of net assets)

Banks and credit institutions	13.34
Insurance	10.15
Internet, software and IT services	9.87
Electronics and electrical equipment	9.22
Holding and finance companies	7.93
Pharmaceuticals and cosmetics	6.52
Chemicals	5.70
Retail and supermarkets	5.05
Gastronomy	4.94
Automobiles	4.56
Precious metals and stones	4.51
Real Estate Shares	3.88
Publishing and graphic arts	3.38
Public utilities	3.17
Conglomerates	1.92
Oil	1.75
Certificates	1.66
Construction of machines and appliances	1.51
	99.06

Quaero Capital Funds (Lux) - International Equities

Statement of investments and other net assets as at December 31, 2018 (expressed in EUR)

Description	Currency	Quantity	Market value (note 2)	% of net assets
UNITS OF INVESTMENT FUNDS				
<i>FRANCE</i>				
H2O MODERATO I EUR	EUR	3.18	282,652.10	1.21
JL EQUITY MARKET NEUTRAL A	EUR	102.31	129,174.11	0.55
			411,826.21	1.76
<i>GERMANY</i>				
FIRST PRIVATE EUROPA AKTIEN ULM B	EUR	12,628.87	787,662.39	3.38
			787,662.39	3.38
<i>IRELAND</i>				
AXA ROS. (EQUAL.) PAC. EX-JAP SM CAP A	USD	6,672.08	418,132.37	1.80
BARINGS EMUF - GLOB-EMERGING MARKETS I USD	USD	9,230.20	309,651.54	1.33
CFM IS BEHAVIORAL FUND N EUR -ACC-	EUR	341.03	300,877.93	1.29
GAM STAR CAT BOND INSTITUTIONAL EUR -ACC-	EUR	12,795.53	167,495.99	0.72
HERMES INVESTMENT - US SMID EQUITY FUND USD -ACC-	USD	218,847.37	590,255.32	2.53
JO HAMBRO CMUF - CONTINENTAL EUROPE A EUR	EUR	346,884.27	1,101,010.68	4.74
LAZARD GAF - US EQUITY CONCENTRATED C USD -ACC-	USD	9,531.55	918,782.35	3.94
LGT ALPHA GENERIX LONG VOLATILITY UCITS - G EUR	EUR	110.46	107,610.61	0.46
LINDSELL TGF - JAPANESE EQUITY B INST. JPY	JPY	403,439.10	608,150.61	2.61
MACQUARIE CF - DELAWARE INVESTMENT US LCV I	USD	46,061.77	1,037,160.66	4.45
MERIAN GIS - GLOBAL EQUITY ABSOLUTE RETURN I EUR HDG	EUR	218,260.57	350,417.35	1.50
TIBURON FUNDS - TAIPAN I USD -ACC-	USD	371.65	382,535.04	1.64
TIBURON FUNDS - TIBURON TAIKO I JPY	JPY	501.24	492,821.90	2.12
VANGUARD IS - US OPPORTUNITIES INVESTOR USD	USD	1,405.92	1,158,815.69	4.98
			7,943,718.04	34.11
<i>LUXEMBOURG</i>				
ABERDEEN GLOBAL - NORTH AMERICAN SMALLER CIES I2 USD	USD	33,619.92	592,647.82	2.54
BLACKROCK SF - AMERICAS DIV. EQUITY A/R I2 EUR HDG	EUR	2,046.19	205,969.77	0.88
DIGITAL FS - STARS EUROPE EX-UK -ACC-	EUR	1,986.63	493,797.23	2.12
DNB FUND - TECHNOLOGY RETAIL A USD -ACC-	USD	15,673.00	215,208.82	0.92
DWS INVEST - LATIN AMERICAN EQUITIES FC EUR	EUR	2,781.28	324,325.61	1.39
EXANE FUNDS 1 - CERES A -CAP-	EUR	20.12	341,080.18	1.46
FIDELITY FUNDS - ASIA PACIFIC OPPORTUNITIES Y USD -ACC-	USD	60,943.75	747,969.28	3.21
GSF - US CORE EQUITY PTF I SNAP -ACC-	USD	88,479.08	989,164.12	4.25
HELIUM - SELECTION A EUR -ACC-	EUR	136.41	162,310.70	0.70
INVECO FS - PAN EUROPEAN STRUCTURED EQUITY Z -ACC-	EUR	114,241.53	1,104,715.61	4.75
JPMIF - GLOBAL MACRO OPPORTUNITIES C EUR -ACC-	EUR	1,909.78	310,453.84	1.33
JUPITER GLOBAL FS - EUROPEAN GROWTH D EUR	EUR	54,476.50	811,699.90	3.48
MIRAE AGD - ASIA PACIFIC EQUITY I USD -ACC-	USD	48,045.93	738,036.75	3.17
MSIF - US ADVANTAGE FUND I USD	USD	10,886.74	831,969.64	3.57
ORBIS - JAPAN EQUITY JPY	JPY	15,467.60	610,709.32	2.62
QUAERO CAPITAL FUND (LUX) - ARGONAUT FUND Z EUR -ACC-	EUR	128.45	1,096,013.39	4.71
QUAERO CAPITAL FUND (LUX) - NEW EUROPE Z EUR -ACC-	EUR	25.34	206,928.08	0.89
QUAERO CAPITAL FUND (LUX) - WORLD OPPORT. Z USD -ACC-	USD	136.45	927,280.20	3.98
RAM (LUX) SF - LONG/SHORT EUROPEAN EQUITIES I	EUR	1,364.13	200,213.15	0.86

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

Quaero Capital Funds (Lux) - International Equities

Statement of investments and other net assets as at December 31, 2018 (expressed in EUR) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
ROBECO CGF - CONSUMER TRENDS EQUITIES I USD	USD	1,430.37	208,797.39	0.90
SWISSCANTO (LU) EQ - S&M CAPS JAPAN DT JPY	JPY	2,017.20	304,893.79	1.31
T. ROWE PRICE - CONTINENTAL EUROPEAN EQUITY I EUR -ACC-	EUR	78,378.44	1,122,379.21	4.83
			12,546,563.80	53.87
<i>UNITED KINGDOM</i>				
FRANKLIN TEMPLETON - UK MID CAP W GBP	GBP	164,714.61	379,372.32	1.63
LAZARD INVESTMENT - UK OMEGA C GBP	GBP	224,819.49	601,890.87	2.58
			981,263.19	4.21
TOTAL INVESTMENTS			22,671,033.63	97.33
CASH AT BANKS			910,031.47	3.91
BANK OVERDRAFT			-108,552.34	-0.47
OTHER NET LIABILITIES			-178,888.18	-0.77
TOTAL NET ASSETS			23,293,624.58	100.00

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

Quaero Capital Funds (Lux) - International Equities

Geographical and industrial classification of investments as at December 31, 2018

Geographical classification

(in % of net assets)

Luxembourg	53.87
Ireland	34.11
United Kingdom	4.21
Germany	3.38
France	1.76
	97.33

Industrial classification

(in % of net assets)

Units of investment funds	97.33
	97.33

Quaero Capital Funds (Lux) - Global Dynamic

Statement of investments and other net assets as at December 31, 2018 (expressed in EUR)

Description	Currency	Quantity/Nominal	Market value (note 2)	% of net assets
I. TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET				
CERTIFICATES				
<i>JERSEY</i>				
GOLD COMMODITY (ETFS) CERT. PERP	USD	10,500.00	137,317.97	3.13
			137,317.97	3.13
TOTAL CERTIFICATES			137,317.97	3.13
BONDS				
<i>CANADA</i>				
4.25% ROYAL BANK OF CANADA 17/20 -SR-	CNY	81,944.42	10,523.15	0.24
			10,523.15	0.24
<i>FRANCE</i>				
FRN SOCIETE GENERALE 17/22 -SR-S	EUR	21,851.85	21,619.01	0.49
			21,619.01	0.49
<i>GERMANY</i>				
FRN VOLKSWAGEN BANK 18/21 -SR-	EUR	16,388.88	16,158.95	0.37
			16,158.95	0.37
<i>ITALY</i>				
0.35% ITALY (BTP) 16/21 -SR-	EUR	27,314.81	26,882.00	0.61
			26,882.00	0.61
<i>LUXEMBOURG</i>				
3.389% GAZ CAPITAL -LPN- 13/20 -SR-	EUR	16,388.88	16,962.90	0.39
			16,962.90	0.39
<i>NETHERLANDS</i>				
3.50% VW INTL FINANCE 14/19 -SR-	CNY	163,888.84	20,875.07	0.48
			20,875.07	0.48
<i>UNITED STATES</i>				
2.375% NESTLE HOLDINGS 17/22 -SR-	USD	32,777.77	28,143.61	0.64
			28,143.61	0.64
TOTAL BONDS			141,164.69	3.22
TOTAL I.			278,482.66	6.35
II. UNITS OF INVESTMENT FUNDS				
<i>AUSTRIA</i>				
KEPLER EUROPA RENTENFONDS R EUR -INC-	EUR	183.01	17,638.43	0.40
			17,638.43	0.40

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

Quaero Capital Funds (Lux) - Global Dynamic

Statement of investments and other net assets as at December 31, 2018 (expressed in EUR) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<i>FRANCE</i>				
AVIVA RENDEMENT EUROPE EUR	EUR	561.59	23,828.37	0.54
AXIOM OBLIGATAIRE C PART. -ACC-	EUR	7.38	13,662.70	0.31
AXIOM OPTIMAL FIX C EUR - 4 DEC. -ACC-	EUR	18.30	19,981.13	0.46
H2O MODERATO I EUR	EUR	0.87	77,383.42	1.76
JL EQUITY MARKET NEUTRAL A	EUR	28.01	35,364.80	0.81
LAZARD CONVERTIBLE GLOBAL IC H-EUR	EUR	17.19	26,165.83	0.60
			196,386.25	4.48
<i>GERMANY</i>				
FIRST PRIVATE EUROPA AKTIEN ULM B	EUR	1,797.62	112,117.83	2.56
			112,117.83	2.56
<i>IRELAND</i>				
AXA ROS. (EQUAL.) PAC. EX-JAP SM CAP A	USD	949.72	59,518.01	1.36
BARINGS EMUF - GLOB-EMERGING MARKETS I USD	USD	1,313.85	44,076.57	1.01
CFM IS BEHAVIORAL FUND N EUR -ACC-	EUR	93.37	82,373.22	1.88
GAM STAR - CREDIT OPPORTUNITIES (EUR) R EUR -ACC-	EUR	2,567.59	22,785.58	0.52
GAM STAR CAT BOND INSTITUTIONAL EUR -ACC-	EUR	3,503.11	45,856.42	1.05
HERMES INVESTMENT - US SMID EQUITY FUND USD -ACC-	USD	31,151.28	84,018.42	1.92
JO HAMBRO CMUF - CONTINENTAL EUROPE A EUR	EUR	49,376.37	156,720.61	3.57
LAZARD GAF - US EQUITY CONCENTRATED C USD -ACC-	USD	1,356.75	130,781.78	2.98
LGT ALPHA GENERIX LONG VOLATILITY UCITS - G EUR	EUR	30.24	29,461.23	0.67
LINSELL TGF - JAPANESE EQUITY B INST. JPY	JPY	57,426.53	86,565.68	1.97
MACQUARIE CF - DELAWARE INVESTMENT US LCV I	USD	6,556.55	147,632.04	3.37
MERIAN GIS - GLOBAL EQUITY ABSOLUTE RETURN I EUR HDG	EUR	59,754.55	95,935.94	2.19
MUZINICH - ENHANCEDYIELD S/T A -ACC- HDG	EUR	400.44	63,641.14	1.45
MUZINICH - EUROPEYIELD A HDG EUR -ACC-	EUR	153.51	34,410.63	0.78
PRINCIPAL GIF - HIGH YIELD A USD -ACC-	USD	1,092.59	16,792.94	0.38
TIBURON FUNDS - TAIPAN I USD -ACC-	USD	52.90	54,450.99	1.24
TIBURON FUNDS - TIBURON TAIKO I JPY	JPY	71.35	70,149.50	1.60
VANGUARD IS - US OPPORTUNITIES INVESTOR USD	USD	200.12	164,948.74	3.77
			1,390,119.44	31.71
<i>LUXEMBOURG</i>				
ABERDEEN GLOBAL - NORTH AMERICAN SMALLER CIES I2 USD	USD	4,785.54	84,358.97	1.92
AXA IM - US SHORT DURATION HIGH YIELD B USD -CAP-	USD	180.28	25,169.34	0.57
AXA WF - FRAMLINGTON GLOBAL CONVERTIBLE I PF EUR	EUR	114.72	12,916.57	0.29
AXA WF - GLOBAL INFL. SHORT DURAT. BDS F EUR H	EUR	464.41	45,056.70	1.03
BLACKROCK SF - AMERICAS DIV. EQUITY A/R I2 EUR HDG	EUR	560.20	56,389.63	1.29
DIGITAL FS - STARS EUROPE EX-UK -ACC-	EUR	282.78	70,288.33	1.60
DNB FUND - TECHNOLOGY RETAIL A USD -ACC-	USD	2,230.93	30,633.36	0.70
DWS INVEST - LATIN AMERICAN EQUITIES FC EUR	EUR	395.90	46,165.32	1.05
EDR - EMERGING BONDS I EUR -ACC-	EUR	115.81	17,797.26	0.41
EURIZON FUND - BOND HIGH YIELD Z	EUR	113.14	27,259.45	0.62
EXANE FUNDS 1 - CERES A -CAP-	EUR	5.51	93,379.64	2.13
FIDELITY FUNDS - ASIA PACIFIC OPPORTUNITIES Y USD -ACC-	USD	8,674.89	106,467.82	2.43
FIDELITY FUNDS - US HIGH YIELD Y USD -CAP-	USD	1,411.04	24,156.09	0.55
GSF - EMERGING MARKETS DEBT LOCAL PTF I EUR -ACC-	EUR	1,441.51	17,730.53	0.40
GSF - US CORE EQUITY PTF I SNAP -ACC-	USD	12,594.33	140,800.09	3.21

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

Quaero Capital Funds (Lux) - Global Dynamic

Statement of investments and other net assets as at December 31, 2018 (expressed in EUR) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
HELIUM - SELECTION A EUR -ACC-	EUR	37.35	44,436.81	1.01
INVESCO FS - PAN EUROPEAN STRUCTURED EQUITY Z -ACC-	EUR	16,261.43	157,247.98	3.59
JPMIF - GLOBAL MACRO OPPORTUNITIES C EUR -ACC-	EUR	522.85	84,994.88	1.94
JUPITER GLOBAL FS - EUROPEAN GROWTH D EUR	EUR	7,754.32	115,539.39	2.63
MIRAE AGD - ASIA PACIFIC EQUITY I USD -ACC-	USD	6,838.98	105,054.00	2.40
MSIF - US ADVANTAGE FUND I USD	USD	1,549.65	118,424.64	2.70
NB - EURO BOND R EUR -INC-	EUR	27.31	62,195.27	1.42
ORBIS - JAPAN EQUITY JPY	JPY	2,201.70	86,929.89	1.98
QUAERO CAPITAL FUND (LUX) - ARGONAUT FUND Z EUR -ACC-	EUR	18.28	156,009.29	3.56
QUAERO CAPITAL FUND (LUX) - NEW EUROPE Z EUR -ACC-	EUR	3.61	29,454.66	0.67
QUAERO CAPITAL FUND (LUX) - WORLD OPPORT. Z USD -ACC-	USD	19.42	131,991.38	3.01
RAM (LUX) SF - LONG/SHORT EUROPEAN EQUITIES I	EUR	373.47	54,813.60	1.25
ROBECO CGF - CONSUMER TRENDS EQUITIES I USD	USD	203.60	29,720.74	0.68
SWISSCANTO (LU) EQ - S&M CAPS JAPAN DT JPY	JPY	287.13	43,399.34	0.99
T. ROWE PRICE - CONTINENTAL EUROPEAN EQUITY I EUR -ACC-	EUR	11,156.58	159,762.26	3.64
UNIINSTITUTIONAL CONVERTIBLE PROTECT	EUR	345.31	25,936.52	0.59
			2,204,479.75	50.26
<i>UNITED KINGDOM</i>				
FRANKLIN TEMPLETON - UK MID CAP W GBP	GBP	23,445.89	54,000.81	1.23
LAZARD INVESTMENT - UK OMEGA C GBP	GBP	32,001.37	85,674.65	1.95
			139,675.46	3.18
TOTAL II.			4,060,417.16	92.59
TOTAL INVESTMENTS			4,338,899.82	98.94
CASH AT BANKS			91,980.26	2.10
BANK OVERDRAFT			-15,044.18	-0.34
OTHER NET LIABILITIES			-30,380.12	-0.70
TOTAL NET ASSETS			4,385,455.78	100.00

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

Quaero Capital Funds (Lux) - Global Dynamic

Geographical and industrial classification of investments as at December 31, 2018

Geographical classification

(in % of net assets)

Luxembourg	50.65
Ireland	31.71
France	4.97
United Kingdom	3.18
Jersey	3.13
Germany	2.93
United States	0.64
Italy	0.61
Netherlands	0.48
Austria	0.40
Canada	0.24
	98.94

Industrial classification

(in % of net assets)

Units of investment funds	92.59
Certificates	3.13
Bonds issued by companies	2.61
Bonds issued by countries or cities	0.61
	98.94

Quaero Capital Funds (Lux) - Global Balanced

Statement of investments and other net assets as at December 31, 2018 (expressed in EUR)

Description	Currency	Quantity/Nominal	Market value (note 2)	% of net assets
I. TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET				
CERTIFICATES				
<i>JERSEY</i>				
GOLD COMMODITY (ETFS) CERT. PERP	USD	43,760.00	572,288.97	3.46
			572,288.97	3.46
TOTAL CERTIFICATES			572,288.97	3.46
BONDS				
<i>CANADA</i>				
4.25% ROYAL BANK OF CANADA 17/20 -SR-	CNY	726,817.08	93,336.50	0.56
			93,336.50	0.56
<i>FRANCE</i>				
FRN SOCIETE GENERALE 17/22 -SR-S	EUR	193,817.89	191,752.76	1.16
			191,752.76	1.16
<i>GERMANY</i>				
FRN VOLKSWAGEN BANK 18/21 -SR-	EUR	145,363.42	143,323.97	0.86
			143,323.97	0.86
<i>ITALY</i>				
0.35% ITALY (BTP) 16/21 -SR-	EUR	242,272.36	238,433.55	1.44
			238,433.55	1.44
<i>LUXEMBOURG</i>				
3.389% GAZ CAPITAL -LPN- 13/20 -SR-	EUR	145,363.42	150,454.77	0.91
			150,454.77	0.91
<i>NETHERLANDS</i>				
3.50% VW INTL FINANCE 14/19 -SR-	CNY	1,453,634.16	185,154.27	1.12
			185,154.27	1.12
<i>UNITED STATES</i>				
2.375% NESTLE HOLDINGS 17/22 -SR-	USD	290,726.83	249,623.56	1.50
			249,623.56	1.50
TOTAL BONDS			1,252,079.38	7.55
TOTAL I.			1,824,368.35	11.01
II. UNITS OF INVESTMENT FUNDS				
<i>AUSTRIA</i>				
KEPLER EUROPA RENTENFONDS R EUR -INC-	EUR	1,623.22	156,446.41	0.94
			156,446.41	0.94

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

Quaero Capital Funds (Lux) - Global Balanced

Statement of investments and other net assets as at December 31, 2018 (expressed in EUR) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<i>FRANCE</i>				
AVIVA RENDEMENT EUROPE EUR	EUR	4,981.12	211,348.91	1.27
AXIOM OBLIGATAIRE C PART. -ACC-	EUR	65.41	121,183.16	0.73
AXIOM OPTIMAL FIX C EUR - 4 DEC. -ACC-	EUR	162.32	177,225.31	1.07
H2O MODERATO I EUR	EUR	3.31	293,797.15	1.77
JL EQUITY MARKET NEUTRAL A	EUR	106.34	134,267.48	0.81
LAZARD CONVERTIBLE GLOBAL IC H-EUR	EUR	152.46	232,081.34	1.40
			1,169,903.35	7.05
<i>GERMANY</i>				
FIRST PRIVATE EUROPA AKTIEN ULM B	EUR	4,664.26	290,909.77	1.75
			290,909.77	1.75
<i>IRELAND</i>				
AXA ROS. (EQUAL.) PAC. EX-JAP SM CAP A	USD	2,464.22	154,430.12	0.93
BARINGS EMUF - GLOB-EMERGING MARKETS I USD	USD	3,409.02	114,364.56	0.69
CFM IS BEHAVIORAL FUND N EUR -ACC-	EUR	354.48	312,741.63	1.88
GAM STAR - CREDIT OPPORTUNITIES (EUR) R EUR -ACC-	EUR	22,773.60	202,099.77	1.22
GAM STAR CAT BOND INSTITUTIONAL EUR -ACC-	EUR	13,300.06	174,100.41	1.05
HERMES INVESTMENT - US SMID EQUITY FUND USD -ACC-	USD	80,827.57	218,000.82	1.31
JO HAMBRO CMUF - CONTINENTAL EUROPE A EUR	EUR	128,115.84	406,639.66	2.45
LAZARD GAF - US EQUITY CONCENTRATED C USD -ACC-	USD	3,520.32	339,336.71	2.04
LGT ALPHA GENERIX LONG VOLATILITY UCITS - G EUR	EUR	114.81	111,853.73	0.67
LINSELL TGF - JAPANESE EQUITY B INST. JPY	JPY	149,003.40	224,610.14	1.35
MACQUARIE CF - DELAWARE INVESTMENT US LCV I	USD	17,012.13	383,057.74	2.31
MERIAN GIS - GLOBAL EQUITY ABSOLUTE RETURN I EUR HDG	EUR	226,866.65	364,234.40	2.19
MUZINICH - ENHANCEDYIELD S/T A -ACC- HDG	EUR	3,551.71	564,473.71	3.41
MUZINICH - EUROPEYIELD A HDG EUR -ACC-	EUR	1,361.57	305,209.68	1.84
PRINCIPAL GIF - HIGH YIELD A USD -ACC-	USD	9,690.89	148,947.25	0.90
TIBURON FUNDS - TAIPAN I USD -ACC-	USD	137.26	141,282.84	0.85
TIBURON FUNDS - TIBURON TAIKO I JPY	JPY	185.13	182,015.43	1.10
VANGUARD IS - US OPPORTUNITIES INVESTOR USD	USD	519.25	427,988.96	2.58
			4,775,387.56	28.77
<i>LUXEMBOURG</i>				
ABERDEEN GLOBAL - NORTH AMERICAN SMALLER CIES I2 USD	USD	12,416.95	218,884.44	1.32
AXA IM - US SHORT DURATION HIGH YIELD B USD -CAP-	USD	1,599.00	223,242.86	1.35
AXA WF - FRAMLINGTON GLOBAL CONVERTIBLE I PF EUR	EUR	1,017.54	114,565.27	0.69
AXA WF - GLOBAL INFL. SHORT DURAT. BDS F EUR H	EUR	4,119.11	399,636.50	2.41
BLACKROCK SF - AMERICAS DIV. EQUITY A/R I2 EUR HDG	EUR	2,126.87	214,091.22	1.29
DIGITAL FS - STARS EUROPE EX-UK -ACC-	EUR	733.73	182,375.65	1.10
DNB FUND - TECHNOLOGY RETAIL A USD -ACC-	USD	5,788.56	79,483.74	0.48
DWS INVEST - LATIN AMERICAN EQUITIES FC EUR	EUR	1,027.22	119,784.17	0.72
EDR - EMERGING BONDS I EUR -ACC-	EUR	1,027.23	157,855.17	0.95
EURIZON FUND - BOND HIGH YIELD Z	EUR	1,003.49	241,781.39	1.46
EXANE FUNDS 1 - CERES A -CAP-	EUR	20.91	354,529.07	2.14
FIDELITY FUNDS - ASIA PACIFIC OPPORTUNITIES Y USD -ACC-	USD	22,508.54	276,249.79	1.66
FIDELITY FUNDS - US HIGH YIELD Y USD -CAP-	USD	12,515.40	214,255.69	1.29
GSF - EMERGING MARKETS DEBT LOCAL PTF I EUR -ACC-	EUR	12,785.64	157,263.36	0.95
GSF - US CORE EQUITY PTF I SNAP -ACC-	USD	32,678.25	365,331.03	2.20

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

Quaero Capital Funds (Lux) - Global Balanced

Statement of investments and other net assets as at December 31, 2018 (expressed in EUR) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
HELIUM - SELECTION A EUR -ACC-	EUR	141.79	168,710.66	1.02
INVESCO FS - PAN EUROPEAN STRUCTURED EQUITY Z -ACC-	EUR	42,193.18	408,008.02	2.46
JPMIF - GLOBAL MACRO OPPORTUNITIES C EUR -ACC-	EUR	1,985.08	322,695.12	1.94
JUPITER GLOBAL FS - EUROPEAN GROWTH D EUR	EUR	20,119.97	299,787.62	1.81
MIRAE AGD - ASIA PACIFIC EQUITY I USD -ACC-	USD	17,744.95	272,581.39	1.64
MSIF - US ADVANTAGE FUND I USD	USD	4,020.83	307,273.91	1.85
NB - EURO BOND R EUR -INC-	EUR	242.27	551,649.32	3.32
ORBIS - JAPAN EQUITY JPY	JPY	5,712.70	225,555.15	1.36
QUAERO CAPITAL FUND (LUX) - ARGONAUT FUND Z EUR -ACC-	EUR	47.44	404,794.00	2.44
QUAERO CAPITAL FUND (LUX) - NEW EUROPE Z EUR -ACC-	EUR	9.36	76,425.38	0.46
QUAERO CAPITAL FUND (LUX) - WORLD OPPORT. Z USD -ACC-	USD	50.40	342,475.25	2.06
RAM (LUX) SF - LONG/SHORT EUROPEAN EQUITIES I	EUR	1,417.92	208,107.61	1.25
ROBECO CGF - CONSUMER TRENDS EQUITIES I USD	USD	528.28	77,115.78	0.46
SWISSCANTO (LU) EQ - S&M CAPS JAPAN DT JPY	JPY	745.02	112,607.36	0.68
T. ROWE PRICE - CONTINENTAL EUROPEAN EQUITY I EUR -ACC-	EUR	28,947.75	414,531.77	2.50
UNIINSTITUTIONAL CONVERTIBLE PROTECT	EUR	3,062.81	230,047.45	1.39
			7,741,695.14	46.65
<i>UNITED KINGDOM</i>				
FRANKLIN TEMPLETON - UK MID CAP W GBP	GBP	60,834.55	140,114.75	0.84
LAZARD INVESTMENT - UK OMEGA C GBP	GBP	83,033.28	222,298.21	1.34
			362,412.96	2.18
TOTAL II.			14,496,755.19	87.34
TOTAL INVESTMENTS			16,321,123.54	98.35
CASH AT BANKS			390,619.78	2.35
BANK OVERDRAFT			-15,138.19	-0.09
OTHER NET LIABILITIES			-101,769.00	-0.61
TOTAL NET ASSETS			16,594,836.13	100.00

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

Quaero Capital Funds (Lux) - Global Balanced

Geographical and industrial classification of investments as at December 31, 2018

Geographical classification

(in % of net assets)

Luxembourg	47.56
Ireland	28.77
France	8.21
Jersey	3.46
Germany	2.61
United Kingdom	2.18
United States	1.50
Italy	1.44
Netherlands	1.12
Austria	0.94
Canada	0.56
	98.35

Industrial classification

(in % of net assets)

Units of investment funds	87.34
Bonds issued by companies	6.11
Certificates	3.46
Bonds issued by countries or cities	1.44
	98.35

Quaero Capital Funds (Lux) - Global Conservative

Statement of investments and other net assets as at December 31, 2018 (expressed in EUR)

Description	Currency	Quantity/Nominal	Market value (note 2)	% of net assets
I. TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET				
CERTIFICATES				
<i>JERSEY</i>				
GOLD COMMODITY (ETFS) CERT. PERP	USD	26,600.00	347,872.19	3.43
			347,872.19	3.43
TOTAL CERTIFICATES			347,872.19	3.43
BONDS				
<i>CANADA</i>				
4.25% ROYAL BANK OF CANADA 17/20 -SR-	CNY	691,238.50	88,767.56	0.88
			88,767.56	0.88
<i>FRANCE</i>				
FRN SOCIETE GENERALE 17/22 -SR-S	EUR	184,330.27	182,366.23	1.80
			182,366.23	1.80
<i>GERMANY</i>				
FRN VOLKSWAGEN BANK 18/21 -SR-	EUR	138,247.70	136,308.09	1.34
			136,308.09	1.34
<i>ITALY</i>				
0.35% ITALY (BTP) 16/21 -SR-	EUR	230,412.83	226,761.94	2.24
			226,761.94	2.24
<i>LUXEMBOURG</i>				
3.389% GAZ CAPITAL -LPN- 13/20 -SR-	EUR	138,247.70	143,089.83	1.41
			143,089.83	1.41
<i>NETHERLANDS</i>				
3.50% VW INTL FINANCE 14/19 -SR-	CNY	1,382,477.00	176,090.75	1.74
			176,090.75	1.74
<i>UNITED STATES</i>				
2.375% NESTLE HOLDINGS 17/22 -SR-	USD	276,495.40	237,404.19	2.34
			237,404.19	2.34
TOTAL BONDS			1,190,788.59	11.75
TOTAL I.			1,538,660.78	15.18
II. UNITS OF INVESTMENT FUNDS				
<i>AUSTRIA</i>				
KEPLER EUROPA RENTENFONDS R EUR -INC-	EUR	1,543.77	148,788.17	1.47
			148,788.17	1.47

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

Quaero Capital Funds (Lux) - Global Conservative

Statement of investments and other net assets as at December 31, 2018 (expressed in EUR) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<i>FRANCE</i>				
AVIVA RENDEMENT EUROPE EUR	EUR	4,737.29	201,003.12	1.98
AXIOM OBLIGATAIRE C PART. -ACC-	EUR	62.21	115,251.09	1.14
AXIOM OPTIMAL FIX C EUR - 4 DEC. -ACC-	EUR	154.38	168,549.91	1.66
H2O MODERATO I EUR	EUR	1.97	174,980.99	1.73
JL EQUITY MARKET NEUTRAL A	EUR	63.34	79,967.61	0.79
LAZARD CONVERTIBLE GLOBAL IC H-EUR	EUR	145.00	220,720.67	2.18
			960,473.39	9.48
<i>GERMANY</i>				
FIRST PRIVATE EUROPA AKTIEN ULM B	EUR	1,569.25	97,874.20	0.96
			97,874.20	0.96
<i>IRELAND</i>				
AXA ROS. (EQUAL.) PAC. EX-JAP SM CAP A	USD	829.07	51,956.74	0.51
BARINGS EMUF - GLOB-EMERGING MARKETS I USD	USD	1,146.94	38,477.01	0.38
CFM IS BEHAVIORAL FUND N EUR -ACC-	EUR	211.12	186,264.02	1.84
GAM STAR - CREDIT OPPORTUNITIES (EUR) R EUR -ACC-	EUR	21,658.81	192,206.75	1.90
GAM STAR CAT BOND INSTITUTIONAL EUR -ACC-	EUR	7,921.31	103,691.48	1.02
HERMES INVESTMENT - US SMID EQUITY FUND USD -ACC-	USD	27,193.77	73,344.58	0.72
JO HAMBRO CMUF - CONTINENTAL EUROPE A EUR	EUR	43,103.52	136,810.57	1.35
LAZARD GAF - US EQUITY CONCENTRATED C USD -ACC-	USD	1,184.38	114,167.05	1.13
LGT ALPHA GENERIX LONG VOLATILITY UCITS - G EUR	EUR	68.38	66,618.33	0.66
LINSELL TGF - JAPANESE EQUITY B INST. JPY	JPY	50,130.97	75,568.23	0.75
MACQUARIE CF - DELAWARE INVESTMENT US LCV I	USD	5,723.59	128,876.63	1.27
MERIAN GIS - GLOBAL EQUITY ABSOLUTE RETURN I EUR HDG	EUR	135,118.23	216,932.31	2.14
MUZINICH - ENHANCEDYIELD S/T A -ACC- HDG	EUR	3,377.85	536,842.06	5.28
MUZINICH - EUROPEYIELD A HDG EUR -ACC-	EUR	1,294.92	290,269.30	2.86
PRINCIPAL GIF - HIGH YIELD A USD -ACC-	USD	9,216.51	141,656.11	1.40
TIBURON FUNDS - TAIPAN I USD -ACC-	USD	46.18	47,533.45	0.47
TIBURON FUNDS - TIBURON TAIKO I JPY	JPY	62.28	61,237.59	0.60
VANGUARD IS - US OPPORTUNITIES INVESTOR USD	USD	174.70	143,993.36	1.42
			2,606,445.57	25.70
<i>LUXEMBOURG</i>				
ABERDEEN GLOBAL - NORTH AMERICAN SMALLER CIES I2 USD	USD	4,177.58	73,641.87	0.73
AXA IM - US SHORT DURATION HIGH YIELD B USD -CAP-	USD	1,520.72	212,314.85	2.09
AXA WF - FRAMLINGTON GLOBAL CONVERTIBLE I PF EUR	EUR	967.73	108,957.16	1.07
AXA WF - GLOBAL INFL. SHORT DURAT. BDS F EUR H	EUR	3,917.48	380,073.81	3.75
BLACKROCK SF - AMERICAS DIV. EQUITY A/R I2 EUR HDG	EUR	1,266.73	127,509.38	1.26
DIGITAL FS - STARS EUROPE EX-UK -ACC-	EUR	246.86	61,358.79	0.60
DNB FUND - TECHNOLOGY RETAIL A USD -ACC-	USD	1,947.51	26,741.65	0.26
DWS INVEST - LATIN AMERICAN EQUITIES FC EUR	EUR	345.60	40,300.40	0.40
EDR - EMERGING BONDS I EUR -ACC-	EUR	976.95	150,127.97	1.48
EURIZON FUND - BOND HIGH YIELD Z	EUR	954.37	229,945.90	2.27
EXANE FUNDS 1 - CERES A -CAP-	EUR	12.46	211,151.97	2.08
FIDELITY FUNDS - ASIA PACIFIC OPPORTUNITIES Y USD -ACC-	USD	7,572.81	92,941.97	0.92
FIDELITY FUNDS - US HIGH YIELD Y USD -CAP-	USD	11,902.75	203,767.61	2.01
GSF - EMERGING MARKETS DEBT LOCAL PTF I EUR -ACC-	EUR	12,159.77	149,565.13	1.47
GSF - US CORE EQUITY PTF I SNAP -ACC-	USD	10,994.33	122,912.62	1.21

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

Quaero Capital Funds (Lux) - Global Conservative

Statement of investments and other net assets as at December 31, 2018 (expressed in EUR) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
HELIUM - SELECTION A EUR -ACC-	EUR	84.45	100,481.43	0.99
INVESCO FS - PAN EUROPEAN STRUCTURED EQUITY Z -ACC-	EUR	14,195.55	137,270.94	1.35
JPMIF - GLOBAL MACRO OPPORTUNITIES C EUR -ACC-	EUR	1,182.28	192,192.16	1.89
JUPITER GLOBAL FS - EUROPEAN GROWTH D EUR	EUR	6,769.20	100,861.08	0.99
MIRAE AGD - ASIA PACIFIC EQUITY I USD -ACC-	USD	5,970.14	91,707.76	0.90
MSIF - US ADVANTAGE FUND I USD	USD	1,352.78	103,379.78	1.02
NB - EURO BOND R EUR -INC-	EUR	230.41	524,645.41	5.17
ORBIS - JAPAN EQUITY JPY	JPY	1,921.99	75,886.18	0.75
QUAERO CAPITAL FUND (LUX) - ARGONAUT FUND Z EUR -ACC-	EUR	15.96	136,189.61	1.34
QUAERO CAPITAL FUND (LUX) - NEW EUROPE Z EUR -ACC-	EUR	3.15	25,712.69	0.25
QUAERO CAPITAL FUND (LUX) - WORLD OPPORT. Z USD -ACC-	USD	16.96	115,222.98	1.14
RAM (LUX) SF - LONG/SHORT EUROPEAN EQUITIES I	EUR	844.49	123,945.64	1.22
ROBECO CGF - CONSUMER TRENDS EQUITIES I USD	USD	177.74	25,944.97	0.26
SWISSCANTO (LU) EQ - S&M CAPS JAPAN DT JPY	JPY	250.65	37,885.82	0.37
T. ROWE PRICE - CONTINENTAL EUROPEAN EQUITY I EUR -ACC-	EUR	9,739.23	139,465.80	1.38
UNIINSTITUTIONAL CONVERTIBLE PROTECT	EUR	2,912.88	218,786.35	2.16
			4,340,889.68	42.78
<i>UNITED KINGDOM</i>				
FRANKLIN TEMPLETON - UK MID CAP W GBP	GBP	20,467.29	47,140.45	0.46
LAZARD INVESTMENT - UK OMEGA C GBP	GBP	27,935.86	74,790.40	0.74
			121,930.85	1.20
TOTAL II.			8,276,401.86	81.59
TOTAL INVESTMENTS			9,815,062.64	96.77
CASH AT BANKS			385,437.63	3.80
BANK OVERDRAFT			-7,547.32	-0.07
OTHER NET LIABILITIES			-50,437.62	-0.50
TOTAL NET ASSETS			10,142,515.33	100.00

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

Quaero Capital Funds (Lux) - Global Conservative

Geographical and industrial classification of investments as at December 31, 2018

Geographical classification

(in % of net assets)

Luxembourg	44.19
Ireland	25.70
France	11.28
Jersey	3.43
United States	2.34
Germany	2.30
Italy	2.24
Netherlands	1.74
Austria	1.47
United Kingdom	1.20
Canada	0.88
	96.77

Industrial classification

(in % of net assets)

Units of investment funds	81.59
Bonds issued by companies	9.51
Certificates	3.43
Bonds issued by countries or cities	2.24
	96.77

Quaero Capital Funds (Lux) - Infrastructure Securities

Statement of investments and other net assets as at December 31, 2018 (expressed in EUR)

Description	Currency	Quantity	Market value (note 2)	% of net assets
I. TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET				
SHARES				
<i>AUSTRALIA</i>				
ATLAS ARTERIA	AUD	122,214.00	471,155.98	3.80
SYDNEY AIRPORT -STAPLED SECURITIES-	AUD	80,423.00	333,322.59	2.69
TRANSURBAN GROUP -STAPLED SECURITIES-	AUD	74,617.00	535,344.23	4.32
			1,339,822.80	10.81
<i>BERMUDA</i>				
BROOKFIELD INFRASTRUCTURE PARTNERS LP	CAD	13,965.00	421,728.10	3.40
BROOKFIELD RENEWABLE -PARTNERSHIP UNITS-	CAD	12,729.00	288,199.76	2.32
			709,927.86	5.72
<i>CANADA</i>				
ALGONQUIN POWER & UTILITIES	CAD	27,644.00	243,097.97	1.96
CANADIAN NATIONAL RAILWAY	CAD	2,800.00	181,326.82	1.46
CANADIAN PACIFIC RAILWAY	CAD	1,250.00	193,939.28	1.56
			618,364.07	4.98
<i>FRANCE</i>				
EIFFAGE	EUR	5,540.00	404,198.40	3.26
GETLINK	EUR	34,400.00	403,512.00	3.25
JC DECAUX	EUR	13,000.00	318,760.00	2.57
VINCI	EUR	6,850.00	493,337.00	3.98
			1,619,807.40	13.06
<i>GERMANY</i>				
FRAPORT	EUR	5,800.00	362,268.00	2.92
			362,268.00	2.92
<i>ITALY</i>				
ENAV	EUR	62,000.00	263,004.00	2.12
INFRASTRUTTURE WIRELESS ITALIANE	EUR	61,500.00	366,847.50	2.96
SIAS	EUR	18,300.00	220,698.00	1.78
			850,549.50	6.86
<i>JAPAN</i>				
CENTRAL JAPAN RAILWAY CO	JPY	2,200.00	406,336.63	3.28
			406,336.63	3.28
<i>SPAIN</i>				
AENA	EUR	3,200.00	434,400.00	3.50
CELLNEX TELECOM	EUR	16,500.00	369,435.00	2.98
EDP RENOVAVEIS	EUR	49,000.00	380,975.00	3.07
FERROVIAL	EUR	26,000.00	460,070.00	3.71
			1,644,880.00	13.26

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

Quaero Capital Funds (Lux) - Infrastructure Securities

Statement of investments and other net assets as at December 31, 2018 (expressed in EUR) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<i>SWITZERLAND</i>				
FLUGHAFEN ZUERICH REG.	CHF	2,100.00	302,817.33	2.44
			302,817.33	2.44
<i>UNITED KINGDOM</i>				
JOHN LAING GROUP	GBP	138,000.00	510,442.93	4.12
			510,442.93	4.12
<i>UNITED STATES</i>				
AMERICAN WATER WORKS	USD	6,250.00	496,271.39	4.00
CROWN CASTLE INTERNATIONAL	USD	4,770.00	453,278.42	3.65
CSX	USD	1,600.00	86,959.74	0.70
EQUINIX	USD	1,100.00	339,252.15	2.74
KANSAS CITY SOUTHERN	USD	1,950.00	162,819.88	1.31
SBA COMMUNICATIONS 'A'	USD	2,660.00	376,702.54	3.04
UNION PACIFIC	USD	1,650.00	199,518.48	1.61
			2,114,802.60	17.05
TOTAL I.			10,480,019.12	84.50
II. UNITS OF INVESTMENT FUNDS				
<i>JERSEY</i>				
3I INFRASTRUCTURE GBP	GBP	214,473.00	617,679.52	4.98
			617,679.52	4.98
TOTAL II.			617,679.52	4.98
TOTAL INVESTMENTS			11,097,698.64	89.48
CASH AT BANKS			1,272,286.28	10.26
BANK OVERDRAFT			-109,961.08	-0.89
OTHER NET ASSETS			142,474.71	1.15
TOTAL NET ASSETS			12,402,498.55	100.00

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

Quaero Capital Funds (Lux) - Infrastructure Securities

Geographical and industrial classification of investments as at December 31, 2018

Geographical classification

(in % of net assets)

United States	17.05
Spain	13.26
France	13.06
Australia	10.81
Italy	6.86
Bermuda	5.72
Canada	4.98
Jersey	4.98
United Kingdom	4.12
Japan	3.28
Germany	2.92
Switzerland	2.44
	89.48

Industrial classification

(in % of net assets)

Transport and freight	32.88
Construction and building materials	11.56
Real Estate Shares	9.43
Communications	5.94
Electronics and electrical equipment	5.72
Miscellaneous	5.21
Units of investment funds	4.98
Holding and finance companies	4.12
Public utilities	4.00
Environmental services & recycling	3.07
Publishing and graphic arts	2.57
	89.48

Quaero Capital Funds (Lux) - Yield Opportunities

Statement of investments and other net assets as at December 31, 2018 (expressed in EUR)

Description	Currency	Nominal	Market value (note 2)	% of net assets	
TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET					
BONDS					
AUSTRALIA					
5.15%	SUB. COMMONWEALTH BANK OF AUSTRALIA 15/25	CNY	18,000,000.00	2,313,636.51	3.50
			2,313,636.51	3.50	
BRAZIL					
8.50%	BRAZIL (DUAL) -12/24-	BRL	7,400,000.00	1,682,743.42	2.55
			1,682,743.42	2.55	
COLOMBIA					
11.75%	COLOMBIA -GLOBAL- 00/20	USD	1,800,000.00	1,727,135.96	2.61
			1,727,135.96	2.61	
INDONESIA					
7.00%	INDONESIA 11/22 -SR- FR0061 -SR-	IDR	19,000,000,000.00	1,129,874.80	1.71
			1,129,874.80	1.71	
NETHERLANDS					
3.50%	VW INTL FINANCE 14/19 -SR-	CNY	9,000,000.00	1,146,360.26	1.73
			1,146,360.26	1.73	
NEW ZEALAND					
3.60%	FONTERRA COOPERATIVE 14/19 '13'	CNY	8,000,000.00	1,019,420.10	1.54
			1,019,420.10	1.54	
RUSSIA					
7.00%	RUSSIA 13/23 '26215' -SR-	RUB	120,000,000.00	1,441,726.44	2.18
8.15%	RUSSIA 12/27 -SR-	RUB	106,000,000.00	1,310,008.07	1.98
			2,751,734.51	4.16	
SWITZERLAND					
7.125%	SUB. UBS 15/PERP	USD	2,600,000.00	2,288,030.12	3.46
			2,288,030.12	3.46	
UNITED STATES					
0.00%	UNITED STATES -PRIN- 00/30 -SR-	USD	6,000,000.00	3,852,534.19	5.83
0.00%	UNITED STATES -PRIN- 01/31 -SR-	USD	7,000,000.00	4,405,881.21	6.66
0.00%	UNITED STATES -PRIN- 07/37	USD	7,000,000.00	3,698,577.01	5.60
0.00%	UNITED STATES -PRIN- 09/39 -SR-	USD	6,500,000.00	3,185,850.83	4.82
0.00%	UNITED STATES -PRIN- 15/05/39	USD	9,000,000.00	4,353,668.28	6.59
0.00%	UNITED STATES -PRIN- 15/08/39	USD	9,000,000.00	4,313,534.17	6.53
0.00%	UNITED STATES -PRIN- 18/38 -SR-	USD	8,000,000.00	4,075,089.63	6.17
0.00%	UNITED STATES -PRIN- 18/38 -SR-	USD	7,000,000.00	3,535,086.27	5.35
0.00%	UNITED STATES -PRIN- 98/28	USD	5,700,000.00	3,849,520.59	5.82
0.00%	UNITED STATES -PRIN- 98/28 -SR-	USD	5,700,000.00	3,817,966.77	5.78
0.00%	UNITED STATES -PRIN- 99/29	USD	5,800,000.00	3,804,483.30	5.76

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

Quaero Capital Funds (Lux) - Yield Opportunities

Statement of investments and other net assets as at December 31, 2018 (expressed in EUR) (continued)

Description	Currency	Nominal	Market value (note 2)	% of net assets
0.00% UNITED STATES -PRIN- 99/29	USD	5,700,000.00	3,790,990.80	5.74
2.875% US TREASURY 18/28 'C'	USD	3,000,000.00	2,664,767.20	4.03
5.00% RANGE RESOURCES CORP 12/22 -SR-	USD	1,900,000.00	1,496,440.46	2.26
			50,844,390.71	76.94
TOTAL INVESTMENTS			64,903,326.39	98.20
CASH AT BANKS			957,236.27	1.45
BANK OVERDRAFT			-18,769.99	-0.03
OTHER NET ASSETS			254,062.64	0.38
TOTAL NET ASSETS			66,095,855.31	100.00

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

Quaero Capital Funds (Lux) - Yield Opportunities

Geographical and industrial classification of investments as at December 31, 2018

Geographical classification

(in % of net assets)

United States	76.94
Russia	4.16
Australia	3.50
Switzerland	3.46
Colombia	2.61
Brazil	2.55
Netherlands	1.73
Indonesia	1.71
New Zealand	1.54
	98.20

Industrial classification

(in % of net assets)

Bonds issued by countries or cities	85.71
Bonds issued by companies	12.49
	98.20

Quaero Capital Funds (Lux) - New Europe

Statement of investments and other net assets as at December 31, 2018 (expressed in EUR)

Description	Currency	Quantity	Market value (note 2)	% of net assets
I. TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET				
SHARES				
<i>BULGARIA</i>				
FIRST INVESTMENT BANK	BGN	308,462.00	531,500.71	1.52
			531,500.71	1.52
<i>CZECH REPUBLIC</i>				
KOFOLA CESKOSLOVENSKO	CZK	121,581.00	1,336,886.07	3.83
KOMERCNI BANKA	CZK	38,159.00	1,255,806.27	3.60
MONETA MONEY BANK	CZK	190,793.00	537,455.73	1.54
			3,130,148.07	8.97
<i>GREECE</i>				
EUROPEAN RELIANCE GENERAL INSURANCE	EUR	376,550.00	1,284,035.50	3.68
GEK TERNA HOLDING REAL ESTATE & CONSTRUCTION	EUR	485,250.00	2,329,200.00	6.69
GREEK ORGAN. FOOTBALL PROGNOSTICS	EUR	202,848.00	1,540,630.56	4.42
INTRACOM TECHNICAL & STEEL	EUR	606,511.00	576,185.45	1.65
NEUROSOFT	EUR	272,834.00	252,371.45	0.72
QUEST HOLDINGS	EUR	249,156.00	3,338,690.40	9.58
			9,321,113.36	26.74
<i>HUNGARY</i>				
CHEMICAL WORKS OF GEDEON RICHTER	HUF	57,535.00	973,861.39	2.79
			973,861.39	2.79
<i>JERSEY</i>				
UKRPRODUCT GROUP	GBP	147,609.00	6,578.14	0.02
			6,578.14	0.02
<i>KAZAKHSTAN</i>				
HALYK SAVINGS BANK OF KAZAKHSTAN GDR -SPONS.-S-	USD	213,063.00	1,929,057.94	5.54
			1,929,057.94	5.54
<i>LITHUANIA</i>				
BANK OF SIAULIAI	EUR	1,000,000.00	401,000.00	1.15
			401,000.00	1.15
<i>LUXEMBOURG</i>				
FOTEX HOLDING	EUR	16,035.00	27,259.50	0.08
			27,259.50	0.08
<i>MARSHALL ISLANDS</i>				
STEALTHGAS	USD	365,100.00	881,490.83	2.53
			881,490.83	2.53

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

Quaero Capital Funds (Lux) - New Europe

Statement of investments and other net assets as at December 31, 2018 (expressed in EUR) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<i>NETHERLANDS</i>				
ASTARTA HOLDING	PLN	280,604.00	1,502,819.54	4.31
OVOSTAR UNION	PLN	37,036.00	974,513.05	2.79
			2,477,332.59	7.10
<i>POLAND</i>				
AGORA	PLN	243,952.00	568,053.87	1.63
ARCHICOM	PLN	244,371.00	654,384.08	1.88
BANK HANDLOWY W WARSZAWIE	PLN	32,457.00	522,241.79	1.50
DINO POLSKA	PLN	40,783.00	910,241.18	2.61
POLSKI BANK KOMOREK MACIERZYSTYCH	PLN	63,641.00	859,508.41	2.46
POLSKI KONCERN NAFTOWY ORLEN	PLN	87,580.00	2,205,548.46	6.33
PZU - POWSZECHNY ZAKLAD UBEZPIECZEN	PLN	38,184.00	390,329.33	1.12
VIGO SYSTEM	PLN	6,824.00	436,975.26	1.25
			6,547,282.38	18.78
<i>ROMANIA</i>				
FONDUL PROPRIETATEA GDR -SPONS.-	USD	50,878.00	467,321.99	1.34
TERAPLAST	RON	9,851,446.00	518,494.03	1.49
			985,816.02	2.83
<i>RUSSIA</i>				
BANK ST. PETERSBURG (USD)	RUB	967,224.00	540,053.55	1.55
BELUGA GROUP	RUB	92,957.00	478,238.36	1.37
SURGUTNEFTEGAS PIBLIC PFD	RUB	2,607,501.00	1,295,292.16	3.71
			2,313,584.07	6.63
<i>UKRAINE</i>				
INDUSTRIAL MILK COMPANY	PLN	538,035.00	1,647,484.76	4.72
			1,647,484.76	4.72
<i>UNITED KINGDOM</i>				
FIRST PROPERTY GROUP	GBP	3,101,634.00	1,796,900.02	5.15
VOLGA GAS	GBP	1,605,592.00	921,239.28	2.64
			2,718,139.30	7.79
TOTAL I.			33,891,649.06	97.19
II. OTHER TRANSFERABLE SECURITIES				
SHARES				
<i>NETHERLANDS</i>				
VIMETCO	USD	325,898.00	0.00	0.00
			0.00	0.00
TOTAL II.			0.00	0.00

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

Quaero Capital Funds (Lux) - New Europe

Statement of investments and other net assets as at December 31, 2018 (expressed in EUR) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
III. UNITS OF INVESTMENT FUNDS				
<i>ROMANIA</i>				
FONDUL PROPRIETATEA RON	RON	2,818,203.00	534,577.50	1.53
			534,577.50	1.53
TOTAL III.			534,577.50	1.53
TOTAL INVESTMENTS			34,426,226.56	98.72
CASH AT BANKS			548,920.28	1.57
BANK OVERDRAFT			-6,647.14	-0.02
OTHER NET LIABILITIES			-97,624.14	-0.27
TOTAL NET ASSETS			34,870,875.56	100.00

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

Quaero Capital Funds (Lux) - New Europe

Geographical and industrial classification of investments as at December 31, 2018

Geographical classification

(in % of net assets)

Greece	26.74
Poland	18.78
Czech Republic	8.97
United Kingdom	7.79
Netherlands	7.10
Russia	6.63
Kazakhstan	5.54
Ukraine	4.72
Romania	4.36
Hungary	2.79
Marshall Islands	2.53
Bulgaria	1.52
Lithuania	1.15
Luxembourg	0.08
Jersey	0.02
	98.72

Industrial classification

(in % of net assets)

Banks and credit institutions	16.40
Oil	15.21
Real Estate Shares	13.72
Internet, software and IT services	10.30
Food and other agricultural products	9.03
Food and soft drinks	6.64
Insurance	4.80
Gastronomy	4.42
Pharmaceuticals and cosmetics	2.79
Retail and supermarkets	2.61
Healthcare & social services	2.46
Construction and building materials	1.65
Publishing and graphic arts	1.63
Units of investment funds	1.53
Miscellaneous	1.49
Tobacco and alcohol	1.37
Finance	1.34
Electronics and electrical equipment	1.25
Holding and finance companies	0.08
	98.72

Quaero Capital Funds (Lux) - Accessible Clean Energy

Statement of investments and other net assets as at December 31, 2018 (expressed in USD)

Description	Currency	Quantity	Market value (note 2)	% of net assets
TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET				
SHARES				
<i>BELGIUM</i>				
UMICORE	EUR	29,876.00	1,190,564.84	3.94
			1,190,564.84	3.94
<i>CANADA</i>				
ALGONQUIN POWER & UTILITIES	CAD	170,584.00	1,714,833.08	5.67
			1,714,833.08	5.67
<i>CHILE</i>				
QUIMICA Y MINERA CHILE ADR -SPONS.-	USD	17,513.00	670,747.90	2.22
			670,747.90	2.22
<i>DENMARK</i>				
ORSTED	DKK	34,706.00	2,316,409.38	7.65
VESTAS WIND SYSTEMS	DKK	16,105.00	1,214,051.99	4.02
			3,530,461.37	11.67
<i>FRANCE</i>				
LEGRAND	EUR	7,105.00	400,418.58	1.32
SCHNEIDER ELECTRIC S.A.	EUR	8,524.00	581,924.26	1.93
			982,342.84	3.25
<i>GERMANY</i>				
SILTRONIC	EUR	1,100.00	90,788.97	0.30
WACKER CHEMIE	EUR	3,239.00	292,880.63	0.97
			383,669.60	1.27
<i>HONG KONG</i>				
CHINA EVERBRIGHT INTERNATIONAL	HKD	733,696.00	657,851.88	2.18
			657,851.88	2.18
<i>IRELAND</i>				
KINGSPAN GROUP	EUR	33,545.00	1,433,409.62	4.74
			1,433,409.62	4.74
<i>ITALY</i>				
ENEL SPA	EUR	188,000.00	1,084,017.14	3.59
FALCK RENEWABLES	EUR	452,660.00	1,213,439.66	4.02
PRYSMIAN SPA	EUR	14,532.00	280,248.76	0.93
			2,577,705.56	8.54
<i>JERSEY</i>				
APTIV	USD	4,045.00	249,050.65	0.82
			249,050.65	0.82

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

Quaero Capital Funds (Lux) - Accessible Clean Energy

Statement of investments and other net assets as at December 31, 2018 (expressed in USD) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<i>NETHERLANDS</i>				
AMG ADVANCED METALLURGICAL	EUR	5,030.00	162,036.25	0.54
			162,036.25	0.54
<i>NORWAY</i>				
NEL	NOK	1,178,022.00	627,705.19	2.08
			627,705.19	2.08
<i>SPAIN</i>				
EDP RENOVAVEIS	EUR	124,433.00	1,105,959.42	3.66
IBERDROLA	EUR	242,115.00	1,942,398.26	6.42
SIEMENS GAMESA RENEWABLE ENERGY	EUR	40,227.00	489,285.67	1.62
			3,537,643.35	11.70
<i>UNITED STATES</i>				
A.O. SMITH	USD	34,031.00	1,453,123.70	4.81
ACUITY BRANDS	USD	3,980.00	457,501.00	1.51
ALBEMARLE	USD	12,473.00	961,294.11	3.18
CREE	USD	6,072.00	259,729.80	0.86
ENPHASE ENERGY	USD	42,000.00	198,660.00	0.66
HANNON ARMSTRONG SUSTAINABLE INFRASTRUCTURE	USD	90,694.00	1,727,720.70	5.72
ITRON	USD	16,343.00	772,860.47	2.56
NEXTERA ENERGY	USD	10,547.00	1,833,279.54	6.07
ORMAT TECHNOLOGIES	USD	5,617.00	293,769.10	0.97
SOLAREGE TECHNOLOGIES	USD	25,366.00	890,346.60	2.95
SUNRUN	USD	74,342.00	809,584.38	2.68
TPI COMPOSITES	USD	51,820.00	1,273,735.60	4.21
UNIVERSAL DISPLAY	USD	5,504.00	515,009.28	1.70
			11,446,614.28	37.88
TOTAL INVESTMENTS			29,164,636.41	96.50
CASH AT BANKS			1,182,560.15	3.91
BANK OVERDRAFT			-85,171.79	-0.28
OTHER NET LIABILITIES			-40,874.98	-0.13
TOTAL NET ASSETS			30,221,149.79	100.00

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

Quaero Capital Funds (Lux) - Accessible Clean Energy

Geographical and industrial classification of investments as at December 31, 2018

Geographical classification

(in % of net assets)

United States	37.88
Spain	11.70
Denmark	11.67
Italy	8.54
Canada	5.67
Ireland	4.74
Belgium	3.94
France	3.25
Chile	2.22
Hong Kong	2.18
Norway	2.08
Germany	1.27
Jersey	0.82
Netherlands	0.54
	96.50

Industrial classification

(in % of net assets)

Public utilities	24.41
Electronics and electrical equipment	13.24
Holding and finance companies	9.31
Construction of machines and appliances	8.23
Energy equipment & services	7.65
Chemicals	6.37
Miscellaneous	5.67
Automobiles	5.63
Construction and building materials	4.74
Stainless steel	4.48
Environmental services & recycling	3.66
Paper and forest products	2.18
Communications	0.93
	96.50

Quaero Capital Funds (Lux)

Notes to the financial statements as at December 31, 2018

NOTE 1

GENERAL

Quaero Capital Funds (Lux) (the "SICAV") is an open-ended investment company organised under the laws of Luxembourg as a Société d'Investissement à Capital Variable ("SICAV"), incorporated under the form of a public limited liability company (société anonyme) on April 24, 2009, authorised under Part I of the Luxembourg Act dated December 17, 2010 as amended. It qualifies as a SICAV complying with the provisions of the law of December 17, 2010 (the "2010 Law") regarding Undertakings for Collective Investment.

The SICAV is registered in the Luxembourg Trade and Companies Register under Number B146030. Its original Articles have been published in the *"Mémorial C, Recueil Spécial des Sociétés et Associations du Grand-Duché de Luxembourg"* on May 18, 2009.

The SICAV has an umbrella structure consisting of one or several sub-funds. A separate portfolio of assets is maintained for each sub-fund and is invested in accordance with the investment objective and policy applicable to that sub-fund.

The SICAV was incorporated for an unlimited duration with an initial subscribed capital of EUR 31,000. The minimum share capital of the SICAV must at all times be EUR 1,250,000 which amount has to be attained within six months of the SICAV's authorisation to operate as a UCI. The SICAV's share capital is at all times equal to its net asset value ("NAV"). The SICAV's share capital is automatically adjusted when additional Shares are issued or outstanding Shares are redeemed, and no special announcements or publicity are necessary in relation thereto.

a) Sub-funds in activity

As at December 31, 2018, the SICAV comprises the following sub-funds:

- Quaero Capital Funds (Lux) - Argonaut denominated in euro (EUR);
- Quaero Capital Funds (Lux) - Smaller European Companies denominated in euro (EUR);
- Quaero Capital Funds (Lux) - World Opportunities denominated in dollar (USD);
- Quaero Capital Funds (Lux) - Bamboo denominated in dollar (USD);
- Quaero Capital Funds (Lux) - International Equities denominated in euro (EUR);
- Quaero Capital Funds (Lux) - Global Dynamic denominated in euro (EUR);
- Quaero Capital Funds (Lux) - Global Balanced denominated in euro (EUR);
- Quaero Capital Funds (Lux) - Global Conservative denominated in euro (EUR);
- Quaero Capital Funds (Lux) - Infrastructure Securities denominated in euro (EUR);
- Quaero Capital Funds (Lux) - Yield Opportunities denominated in euro (EUR);
- Quaero Capital Funds (Lux) - New Europe denominated in euro (EUR);
- Quaero Capital Funds (Lux) - Accessible Clean Energy denominated in dollar (USD).

b) Significant events

The Board of Directors of the SICAV has decided to liquidate the sub-fund Quaero Capital Funds (Lux) - European Equities Long-Short. The liquidation has taken effect on November 16, 2018, by way of compulsory redemption of all outstanding shares on the basis of the net asset value per share as of the liquidation date, after taking into account current realisation prices of investments as well as realisation expenses.

Quaero Capital Funds (Lux)

Notes to the financial statements as at December 31, 2018 (continued)

c) Share classes

Classes of shares offered to investors are presented in the annexes of the Prospectus of the SICAV.

All the sub-funds constitute the SICAV. The net assets of each sub-fund are represented by shares which may be divided into different share classes. All the shares representing the assets of a sub-fund form a class of shares. Where classes of shares are issued, their specificities are detailed in the annexes of the Prospectus of the SICAV.

The Board of Directors of the SICAV may decide to create several share classes for each sub-fund, whose assets would be invested according to the specific investment policy of the relevant sub-fund, but where the share classes may differ by specific subscription and/or redemption fee structures, currency risk hedging policies, distribution policies and/or management or advisory fees or by any other particularities applicable to each class. Where applicable, this information is provided in the current Prospectus of the SICAV.

d) Co-management and pooling

To ensure effective management of the SICAV, the Board of Directors of the SICAV and the Management Company may decide to manage all or part of the assets of one or more sub-funds with those of other sub-funds in the SICAV (pooling technique) or, where applicable, to co-manage all or part of the assets, except for a cash reserve, if necessary, of one or more sub-funds with the assets of other Luxembourg investment funds or of one or more sub-funds of other Luxembourg investment funds (hereinafter referred to as the party(ies) to the co-managed assets) for which the Depositary Bank is the appointed depositary. These assets are managed in accordance with the respective investment policies of the Parties to the co-managed assets, each of which is pursuing identical or comparable objectives. Parties to the co-managed assets only participate in co-managed assets which are in accordance with the stipulations of their respective prospectuses and investment restrictions.

Each Party to the co-managed assets participates in the co-managed assets in proportion to the assets it has contributed to the co-management. Assets and liabilities are allocated to each Party to the co-managed assets in proportion to its contribution to the co-managed assets.

Each Party's rights to the co-managed assets apply to each line of investment in the said co-managed assets.

The aforementioned co-managed assets are formed by the transfer of cash or, where applicable, other assets from each of the Parties participating in the co-managed assets. Thereafter, the Board of Directors of the SICAV and the Management Company may regularly make subsequent transfers to the co-managed assets.

The assets can also be transferred back to a Party to the co-managed assets for an amount not exceeding the participation of the said Party to the co-managed assets.

Dividends, interest and other distributions deriving from income generated by the co-managed assets accrue to each Party to the co-managed assets in proportion to its respective investment. Such income may be kept by the Party to the co-managed assets or reinvested in the co-managed assets.

Quaero Capital Funds (Lux)

Notes to the financial statements as at December 31, 2018 (continued)

All charges and expenses incurred in respect of the co-managed assets are applied to these assets. Such charges and expenses are allocated to each party to the co-managed assets in proportion to its respective entitlement to the co-managed assets.

In the case of an infringement of the investment restrictions affecting a sub-fund of the SICAV, when such a sub-fund takes part in co-management and even if the manager has complied with the investment restrictions applicable to the co-managed assets in question, the Board of Directors of the SICAV and the Management Company shall ask the manager to reduce the investment in question in proportion to the participation of the sub-fund concerned in the co-managed assets or, where applicable, reduce its participation in the co-managed assets to a level that respects the investment restrictions of the sub-fund.

When the SICAV is liquidated or when the Board of Directors of the SICAV and the Management Company decide, without prior notice, to withdraw the participation of the SICAV or a sub-fund from co-managed assets, the co-managed assets are allocated to the Parties to the co-managed assets in proportion to their respective participation in the co-managed assets.

The investor must be aware of the fact that such co-managed assets are employed solely to ensure effective management inasmuch as all Parties to the co-managed assets have the same depositary. Co-managed assets are not distinct legal entities and are not directly accessible to investors. However, the assets and liabilities of each sub-fund are constantly separated and identifiable.

NOTE 2

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) General

The financial statements are prepared in accordance with generally accepted accounting principles and presented in accordance with the legal reporting requirements applicable in Luxembourg relating to undertakings for collective investment.

The SICAV's total net assets are expressed in euros (EUR) and correspond to the difference between the total assets and the total liabilities of the SICAV.

b) Combined financial statements of the SICAV

The combined financial statements of the SICAV are expressed in EUR and are equal to the sum of the corresponding items in the financial statements of the sub-fund, converted into EUR at the exchange rates prevailing at the period-end.

c) Valuation of assets

The assets of the SICAV are valued in accordance with the following principles:

1) The value of any cash in hand or on deposit, notes and bills payable on demand and accounts receivable (including reimbursements of fees and expenses payable by any UCI in which the SICAV may invest), prepaid expenses and cash dividends declared and interest accrued but not yet collected, shall be deemed the nominal value of these assets unless it is improbable that it can be paid and collected in full; in which case, the value is arrived at after deducting such amounts as the Board of Directors of the SICAV may consider appropriate to reflect the true value of these assets.

Quaero Capital Funds (Lux)

Notes to the financial statements as at December 31, 2018 (continued)

2) Securities and money market instruments listed on an official stock exchange or dealt on any other regulated market are valued at their last available price in Luxembourg on the valuation day and, if the security or money market instrument is traded on several markets, on the basis of the last known price on the main market of this security. If the last known price is not representative, valuation are based on the fair value at which it is expected it can be sold, as determined with prudence and in good faith by the Board of Directors of the SICAV.

3) Unlisted securities and securities or money market instruments not traded on a stock exchange or any other regulated market as well as listed securities and securities or money market instruments listed on a regulated market for which no price is available, or securities or money market instruments whose quoted price is, in the opinion of the Board of Directors of the SICAV, not representative of actual market value, are valued at their last known price in Luxembourg or, in the absence of such price, on the basis of their probable realisation value, as determined with prudence and in good faith by the Board of Directors of the SICAV.

4) Securities or money market Instruments denominated in a currency other than the relevant sub-fund's valuation currency are converted at the average exchange rate of the currency concerned applicable on the valuation day.

5) The valuation of investments reaching maturity within a maximum period of 90 days may include straight-line daily amortisation of the difference between the principal 91 days before maturity and the value at maturity.

6) The liquidation value of futures, spot, options or forward foreign exchange contracts that are not traded on stock exchanges or other regulated markets is equal to their net liquidation value determined in accordance with the policies established by the Board of Directors of the SICAV on a basis consistently applied to each type of contract. The liquidation value of futures, spot, options or forward foreign exchange contracts traded on stock exchanges or other regulated markets is based on the latest available price for these contracts on the stock exchanges and regulated markets on which these futures, spot, options and forward foreign exchange contracts are traded by the SICAV; provided that if an options or futures contract cannot be liquidated on the date on which the net assets are valued, the basis for determining the liquidation value of said contract shall be determined by the Board of Directors of the SICAV in a fair and reasonable manner.

7) Swaps are valued at their fair value based on the last known closing price of the underlying security.

8) UCIs are valued on the basis of their last available NAV in Luxembourg. As indicated below, this NAV may be adjusted by applying a recognised index so as to reflect market changes since the last valuation.

9) Liquid assets and money market instruments are valued at their nominal value plus accrued interest, or on the basis of amortised costs.

10) Any other securities and assets are valued in accordance with the procedures put in place by the Board of Directors of the SICAV and with the help of specialist valuers, as the case may be, who are instructed by the Board of Directors of the SICAV to carry out the said valuations.

d) Formation expenses

Formation expenses are amortised on a straight-line basis over a maximum period of five years.

Quaero Capital Funds (Lux)

Notes to the financial statements as at December 31, 2018 (continued)

e) Net realised gain/loss on sales of investments

The net realised gain/loss on sales of investments is calculated on the basis of the weighted average cost of the investments sold.

f) Foreign exchange translation for each sub-fund

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

Income and expenses in currencies other than the currency of the sub-fund are translated into the currency of the sub-fund at the exchange rate prevailing at the payment date. Resulting realised and unrealised foreign exchange gains and losses are included in the statement of operations and changes in net assets.

g) Acquisition cost of securities in the portfolio

Cost of investment securities in currencies other than EUR is translated into EUR at the exchange rate applicable at the purchase date.

h) Income

Dividends are shown net of withholding tax (deducted at source), and are recorded at ex-date.

Interest is recorded on an accrual basis.

i) Forward foreign exchange contracts

The unrealised gains or losses resulting from outstanding forward foreign exchange contracts are determined on the valuation day on the basis of the forward foreign exchange prices applicable on this date and are recorded in the statement of net assets.

j) Payable and receivable

In relation to transactions related both to capital activity (subscriptions and redemptions) and for the purchase or sale of securities on markets where delivery of securities is made against payment of cash, the Depositary Bank may, in its absolute discretion, provide actual settlement. The Depositary Bank reserves the right to reverse at any time any transaction if the relevant transaction has not been settled or if it appears that such transaction is not settled. The transactions are booked in accounting based on an automated feed from the depositary system. Consequently no payable or receivable are booked on these transactions.

k) Transaction fees

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

They have been defined as brokerage fees, bank commissions, foreign tax, depositary fees and other transaction fees relating to purchases or sales of transferable securities, money market instruments, derivatives or other eligible assets.

Quaero Capital Funds (Lux)

Notes to the financial statements as at December 31, 2018 (continued)

NOTE 3

SUBSCRIPTION AND REDEMPTION

Shareholders or prospective investors may subscribe for a Sub-Class in a Class in a sub-fund at a subscription price per Share equal to:

(a) the Initial subscription price where the subscription relates to the Initial offering period or Initial offering date; or

(b) the NAV per share as of the Valuation Day on which the subscription is effected where the subscription relates to a subsequent offering (other than the Initial Offering Period or Initial Offering Date) of Shares of an existing sub-Class in an existing Class in an existing sub-fund.

If an investor wants to subscribe shares, subscription fees of up to 5.00% of the NAV per Share may be added to the subscription price to be paid by the investor. The applicable subscription fees are stipulated in the relevant special section of the Prospectus. The subscription fees are payable to the Global Distributor, sub-distributors, intermediaries or are partially or totally revert to the relevant sub-fund.

A shareholder who redeems his Shares receives an amount per share redeemed equal to the NAV per Share as of the applicable valuation day for the relevant class in the relevant sub-fund (less, as the case may be, redemption fees of up to 5.00% as stipulated in the relevant special section of the Prospectus and any tax or duty imposed on the redemption of the shares).

NOTE 4

INVESTMENT MANAGEMENT AND ADVISORY FEES

The Investment Manager has appointed, with the consent of the SICAV and the Management Company, Quaero Capital (Luxembourg) S.A. with registered office at 4, rue de l'Eau, L-1449 Luxembourg as investment adviser of the sub-fund.

The aggregate amount of fees (to the exclusion of the fixed fees) payable out of the assets of the sub-fund to the Investment Manager (including in its capacity as Global Distributor) and Investment Adviser are disclosed as Global Management fees. The Global Management fees are based on the average value of the NAV of the sub-fund over the relevant period and are payable quarterly in arrears.

The maximum annual rates applicable as at December 31, 2018, are as follows:

Quaero Capital Funds (Lux) -	A shares (max)	B shares (max)	C shares (max)	D shares (max)	E shares (max)	I shares (max)	X shares (max)	Y shares (max)	Z shares (max)
Argonaut	1.50%	1.25%	1.00%	2.00%	1.50%	-	1.50%	-	-
Smaller European Companies	1.50%	1.25%	1.00%	1.50%	2.00%	-	1.00%	0.90%	-
World Opportunities	2.00%	1.50%	1.25%	2.00%	-	-	-	-	-
Bamboo	1.50%	1.20%	1.00%	2.00%	-	0.75%	-	-	-
International Equities	2.00%	-	-	-	-	-	-	-	-
Global Dynamic	2.00%	-	-	-	-	-	-	-	-
Global Balanced	1.50%	-	-	-	-	-	-	-	-

Quaero Capital Funds (Lux)

Notes to the financial statements as at December 31, 2018 (continued)

Quaero Capital Funds (Lux) -	A	B	C	D	E	I	X	Y	Z
	shares (max)	shares (max)	shares (max)	shares (max)	shares (max)	shares (max)	shares (max)	shares (max)	shares (max)
Global Conservative	1.75%	-	-	-	-	-	-	-	-
Infrastructure Securities	1.50%	1.50%	1.00%	-	-	-	-	-	-
Yield Opportunities	0.80%	1.00%	0.60%	1.40%	-	-	-	-	-
New Europe	1.75%	1.50%	1.25%	2.25%	-	-	-	-	-
Accessible Clean Energy	1.50%	1.50%	1.00%	-	-	-	-	-	-

S1 and S2 shares do not pay any Global Management Fee.

Quaero Capital Funds (Lux) - International Equities, Quaero Capital Funds (Lux) - Global Dynamic, Quaero Capital Funds (Lux) - Global Balanced and Quaero Capital Funds (Lux) - Global Conservative invest a significant portion of their NAVs in underlying funds. The maximum management fees of these underlying funds are as follows:

Underlying funds	Management fees (max.)
HERMES INVESTMENT - US SMID EQUITY FUND USD -ACC-	0.75%
FRANKLIN TEMPLETON - UK MID CAP W GBP	0.75%
ORBIS - JAPAN EQUITY JPY	2.50%
JPMIF - GLOBAL MACRO OPPORTUNITIES C EUR -ACC-	0.75%
TIBURON FUND - TAIPAN I USD -ACC-	0.75%
CFM IS BEHAVIORAL FUND N EUR -ACC-	1.35%
LAZARD GAF - US EQUITY CONCENTRATED C USD -ACC-	0.75%
TIBURON FUNDS - TIBURON TAIKO I JPY	0.75%
GSF - US CORE EQUITY PTF I SNAP -ACC-	0.50%
LGT ALPHA GENERIX LONG VOLATILITY UCITS - G EUR	1.00%
DIGITAL FS - STARS EUROPE EX-UK -ACC-	1.50%
GAM STAR CAT BOND INSTITUTIONAL EUR -ACC-	0.15%
BARINGS EMUF - GLOB-EMERGING MARKETS I USD	0.75%
MACQUARIE CF - DELAWARE INVESTMENT US LCV I	0.60%
LINSELL TGF - JAPANESE EQUITY B INST. JPY	0.65%
VANGUARD IS - US OPPORTUNITIES INVESTOR USD	0.95%
JO HAMBRO CMUF - CONTINENTAL EUROPE A EUR	0.75%
LAZARD INVESTMENT - UK OMEGA C GBP	0.75%
MERIAN GIS - GLOBAL EQUITY ABSOLUTE RETURN I EUR HDG	0.75%
ROBECO CGF - CONSUMER TRENDS EQUITIES I USD	0.80%
QUAERO CAPITAL FUND (LUX) - ARGONAUT FUND Z EUR -ACC-	0.00%
QUAERO CAPITAL FUND (LUX) - NEW EUROPE Z EUR -ACC-	0.00%
QUAERO CAPITAL FUND (LUX) - WORLD OPPORT. Z USD -ACC-	0.00%
BLACKROCK SF - AMERICAS DIV. EQUITY A/R I2 EUR HDG	1.00%
INVESCO FS - PAN EUROPEAN STRUCTURED EQUITY Z -ACC-	0.65%
FIDELITY FUNDS - ASIA PACIFIC OPPORTUNITIES Y USD -ACC-	1.50%
HELIUM - SELECTION A EUR -ACC-	1.25%
MSIF - US ADVANTAGE FUND I USD	0.70%
JUPITER GLOBAL FS - EUROPEAN GROWTH D EUR	0.75%
AXA ROS. (EQUAL.) PAC. EX-JAP SM CAP A	0.80%
RAM (LUX) SF - LONG/SHORT EUROPEAN EQUITIES I	1.20%

Quaero Capital Funds (Lux)

Notes to the financial statements as at December 31, 2018 (continued)

Underlying funds	Management fees (max.)
ABERDEEN GLOBAL - NORTH AMERICAN SMALLER CIES I2 USD	0.75%
DWS INVEST - LATIN AMERICAN EQUITIES FC EUR	0.85%
MIRAE AGD - ASIA PACIFIC EQUITY I USD -ACC-	1.00%
T. ROWE PRICE - CONTINENTAL EUROPEAN EQUITY I EUR -ACC-	0.75%
EXANE FUNDS 1 - CERES A -CAP-	1.50%
SWISSCANTO (LU) EQ - S&M CAPS JAPAN DT JPY	1.00%
DNB FUND - TECHNOLOGY RETAIL A USD -ACC-	1.50%
JL EQUITY MARKET NEUTRAL A	1.00%
H2O MODERATO I EUR	0.50%
FIRST PRIVATE EUROPA AKTIEN ULM B	0.90%
EDR - EMERGING BONDS I EUR -ACC-	0.60%
MUZINICH - ENHANCEDYIELD S/T A -ACC- HDG	0.45%
AXA WF - FRAMLINGTON GLOBAL CONVERTIBLE I PF EUR	0.45%
PRINCIPAL GIF - HIGH YIELD A USD -ACC-	1.00%
NB - EURO BOND R EUR -INC-	0.75%
AXA IM - US SHORT DURATION HIGH YIELD B USD -CAP-	0.75%
UNIINSTITUTIONAL CONVERTIBLE PROTECT	0.70%
GAM STAR - CREDIT OPPORTUNITIES (EUR) R EUR -ACC-	0.95%
FIDELITY FUNDS - US HIGH YIELD Y USD -CAP-	0.65%
GSF - EMERGING MARKETS DEBT LOCAL PTF I EUR -ACC-	0.70%
AMUNDI SERENITE PEA IC EUR -ACC.-	0.50%
FONDUL PROPRIETATEA RON	0.60%
3I INFRASTRUCTURE GBP	1.50%

In addition, the Investment Manager is entitled to receive, out of the assets of each class within each sub-fund, fees corresponding to 0.20% p.a. of the NAV (the "fixed fees"). The fixed fees cover all fees and expenses incurred in the day-to-day operation, administration and servicing of the SICAV and its sub-funds in relation to the following:

- (1) marketing and promotion expenses;
- (2) advertising;
- (3) costs relating to the publication of prices;
- (4) distribution of semi-annual and annual reports and other reporting expenses;
- (5) publication and mailing of notifications and reports to shareholders or any other type of communication to shareholders, regulatory authorities or service providers.

Details of calculation of fixed fees are available in the Prospectus.

Quaero Capital Funds (Lux)

Notes to the financial statements as at December 31, 2018 (continued)

NOTE 5

PERFORMANCE FEES

The Investment Manager is entitled to receive performance fees in regards to each sub-fund as follows:

a) Quaero Capital Funds (Lux) - Argonaut

The Investment Manager receives out of the assets of the sub-fund attributable to all Classes of Shares, except Class X Shares, performance fees, accrued on each valuation day, paid quarterly, based on the NAV, equivalent to 12.5% of the performance of the NAV per Share measured against the High Water Mark (as defined in the relevant special section of the Prospectus) over a hurdle rate of 5% p.a. pro rata temporis, calculated since the last performance fees payment.

The Investment Manager receives out of the assets of the sub-fund attributable to Class X Shares performance fees, accrued on each valuation day, paid quarterly, based on the NAV equivalent to 12.5% of the performance of the NAV per share measured against the High Water Mark (as defined in the relevant special section of the Prospectus) over the return of the Benchmark Index (MSCI European MicroCap Index), calculated since the last performance fees payment.

Details of calculation of the performance fees are available in the relevant special section of the Prospectus.

The performance fees for the year ended December 31, 2018 amount to EUR 8,698.18.

b) Quaero Capital Funds (Lux) - Smaller European Companies

The Investment Manager receives out of the assets of the sub-fund performance fees, accrued on each valuation day, paid quarterly, based on the NAV, equivalent to 12.5% of the performance of the NAV per share measured against the High Water Mark (as defined in the relevant special section of the Prospectus) over a hurdle rate of 5% p.a. pro rata temporis, calculated since the last performance fees payment.

The Investment Manager receives out of the assets of the sub-fund attributable to Class Y Shares performance fees, accrued on each valuation day, paid quarterly, based on the NAV equivalent to 12.5% of the performance of the NAV per Share measured against the High Water Mark (as defined in the relevant Special Section of the Prospectus) over the return of the Benchmark Index (Euromoney Smaller European Companies Index NTR), calculated since the last performance fees payment.

Details of calculation of performance fees are available in the relevant special section of the Prospectus.

The performance fees for the year ended December 31, 2018 amount to EUR 68,462.58.

c) Quaero Capital Funds (Lux) - World Opportunities

The Investment Manager receives, out of the assets of the sub-fund attributable to all classes of Shares except the class A, performance fees, accrued on each valuation day, paid quarterly, based on the NAV, equivalent to 10% of the performance of the NAV per Share exceeding the High Water Mark (as defined in the relevant special section of the Prospectus).

Quaero Capital Funds (Lux)

Notes to the financial statements as at December 31, 2018 (continued)

No performance fee is paid in respect of Class A shares.

Details of calculation of performance fees are available in the relevant special section of the Prospectus.

The performance fees for the year ended December 31, 2018 amount to USD 3,107.32.

d) Quaero Capital Funds (Lux) - European Equities Long-Short (note 1)

The Investment Manager receives out of the assets of the sub-fund a performance fee, accrued on each valuation day, paid quarterly, based on the NAV, equivalent to 15% of the performance of the NAV per share exceeding the High Water Mark (as defined in the relevant Special Section of the Prospectus).

Details of calculation of the performance fees are available in the relevant special section of the Prospectus.

For the period from January 1, 2018 to November 16, 2018 (liquidation date), no performance fee was paid by the sub-fund.

e) Quaero Capital Funds (Lux) - Bamboo

The Investment Manager receives out of the assets of the sub-fund performance fees, accrued on each valuation day, paid quarterly, based on the NAV, equivalent to 10% of the performance of the NAV per share measured against the High Water Mark (as defined in the relevant Special Section of the Prospectus) over the return of the Benchmark Index (MSCI Asia Pacific Index), calculated since the last performance fees payment.

Details of calculation of the performance fees are available in the relevant special section of the Prospectus.

The performance fees for the year ended December 31, 2018 amount to USD 34,323.15.

f) Quaero Capital Funds (Lux) - Yield Opportunities

The Investment Manager receives out of the assets of the sub-fund attributable to Class A of Shares performance fees, accrued on each valuation day, paid quarterly, based on the NAV, equivalent to 5% of the performance of the NAV per Share exceeding the High Water Mark (as defined in the relevant special section of the Prospectus).

Details of calculation of the performance fees are available in the relevant special section of the Prospectus.

The performance fees for the year ended December 31, 2018 amount to EUR 899.34.

Quaero Capital Funds (Lux)

Notes to the financial statements as at December 31, 2018 (continued)

g) Quaero Capital Funds (Lux) - New Europe

The Investment Manager receives out of the assets of the sub-fund performance fees, accrued on each valuation day, paid quarterly, based on the NAV, equivalent to 12.5% of the performance of the NAV per Share measured against the High Water Mark (as defined in the relevant special section of the Prospectus) over a hurdle rate of 5% p.a. pro rata temporis, calculated since the last performance fees payment.

Details of calculation of the performance fees are available in the relevant special section of the Prospectus.

The performance fees for the year ended December 31, 2018 amount to EUR 10,427.89.

h) Quaero Capital Funds (Lux) - Accessible Clean Energy

The Investment Manager receives out of the assets of the sub-fund performance fees, accrued on each Valuation Day, paid quarterly, based on the NAV, equivalent to 12% of the performance of the NAV per Share measured against the High Water Mark (as defined in the relevant special section of the Prospectus) over a hurdle rate of 10% p.a. pro rata temporis, calculated since the last performance fees payment.

Details of calculation of the performance fees are available in the relevant special section of the Prospectus.

The performance fees for the year ended December 31, 2018 amount to USD 12.00.

The other sub-funds are not entitled to pay any performance fee.

NOTE 6

OTHER FEES PAYABLE

As at December 31, 2018, the other fees payable include mainly administration, operating, Management Company, depositary and audit expenses.

NOTE 7

"TAXE D'ABONNEMENT"

The SICAV's assets are subject to tax (*taxe d'abonnement*) in Luxembourg of 0.05% p.a. on net assets (and 0.01% p.a. on total net assets in case of sub-funds or Classes reserved to Institutional Investors), payable quarterly. In case some sub-funds are invested in other Luxembourg UCIs, which in turn are subject to the annual subscription tax (*taxe d'abonnement*) provided for by the 2010 Act, no annual subscription tax (*taxe d'abonnement*) is due from the SICAV on the portion of assets invested therein.

The SICAV's income is not taxable in Luxembourg. Income received from the SICAV may be subject to withholding taxes in the country of origin of the issuer of the security, in respect of which such income is paid. No duty or tax is payable in Luxembourg in connection with the issue of Shares of the SICAV.

Quaero Capital Funds (Lux)

Notes to the financial statements as at December 31, 2018 (continued)

NOTE 8 EXCHANGE RATE AS AT DECEMBER 31, 2018

The following exchange rate was used for the conversion of the net assets of the sub-funds into EUR as at December 31, 2018:

1 EUR = 1.143150 USD
1 EUR = 1.126917 CHF
1 EUR = 0.897574 GBP
1 EUR = 10.134994 SEK

NOTE 9 DIVIDEND DISTRIBUTION

The sub-fund Quaero Capital Funds (Lux) - Yield Opportunities paid the following dividends during the year:

	Currency	Dividend per Share	Ex-date	Payment date
C (DIST) EUR	EUR	4.35	06.12.2018	11.12.2018
C (DIST) CHF	CHF	4.19	06.12.2018	11.12.2018
C (DIST) GBP	GBP	4.43	06.12.2018	11.12.2018
C (DIST) USD	USD	4.51	06.12.2018	11.12.2018

NOTE 10 FORWARD FOREIGN EXCHANGE CONTRACTS

Forward exchange contracts on identical currency pairs listed below are aggregated. Only the longest maturity date is shown.

The SICAV had the following forward foreign exchange contracts outstanding as at December 31, 2018:

Quaero Capital Funds (Lux) - Argonaut

Currency	Purchase	Currency	Sale	Maturity date
CHF	13,717,535.56	EUR	12,156,086.28	31/01/2019
GBP	31,890,210.50	EUR	35,290,444.86	31/01/2019
SEK	16,514,254.32	EUR	1,605,820.14	31/01/2019
USD	4,372,933.74	EUR	3,827,178.14	31/01/2019

The net unrealised gain on these contracts as at December 31, 2018 was EUR 231,460.49 and is included in the statement of net assets.

Quaero Capital Funds (Lux) - Smaller European Companies

Currency	Purchase	Currency	Sale	Maturity date
CHF	3,250,474.62	EUR	2,880,477.31	31/01/2019
EUR	1,117,419.23	USD	1,282,000.00	31/01/2019
GBP	351,100.69	EUR	388,536.15	31/01/2019
USD	6,618,302.56	EUR	5,792,318.01	31/01/2019

The net unrealised loss on these contracts as at December 31, 2018 was EUR 12,378.27 and is included in the statement of net assets.

Quaero Capital Funds (Lux)

Notes to the financial statements as at December 31, 2018 (continued)

Quaero Capital Funds (Lux) - World Opportunities

Currency	Purchase	Currency	Sale	Maturity date
CHF	9,446,710.13	USD	9,566,530.93	31/01/2019
EUR	6,454,923.08	USD	7,376,363.35	31/01/2019
USD	3,300,000.00	EUR	2,840,297.80	10/01/2019

The net unrealised gain on these contracts as at December 31, 2018 was USD 116,984.31 and is included in the statement of net assets.

Quaero Capital Funds (Lux) - Bamboo

Currency	Purchase	Currency	Sale	Maturity date
EUR	9,381,484.71	USD	10,720,691.65	31/01/2019

The net unrealised gain on this contract as at December 31, 2018 was USD 32,366.13 and is included in the statement of net assets.

Quaero Capital Funds (Lux) - International Equities

Currency	Purchase	Currency	Sale	Maturity date
CHF	2,075,457.54	EUR	1,839,210.90	31/01/2019
EUR	976,794.66	GBP	886,343.47	22/03/2019
EUR	1,953,095.84	JPY	250,621,257.49	22/03/2019
EUR	5,441,318.31	USD	6,296,095.01	22/03/2019
SEK	9,034,782.67	EUR	878,528.07	31/01/2019

The net unrealised loss on these contracts as at December 31, 2018 was EUR 66,173.15 and is included in the statement of net assets.

Quaero Capital Funds (Lux) - Global Dynamic

Currency	Purchase	Currency	Sale	Maturity date
CHF	585,639.60	EUR	518,977.00	31/01/2019
EUR	139,039.39	GBP	126,164.35	22/03/2019
EUR	278,008.54	JPY	35,674,056.43	22/03/2019
EUR	821,743.79	USD	950,831.52	22/03/2019

The net unrealised loss on these contracts as at December 31, 2018 was EUR 11,085.46 and is included in the statement of net assets.

Quaero Capital Funds (Lux) - Global Balanced

Currency	Purchase	Currency	Sale	Maturity date
CHF	836,723.14	EUR	741,480.03	31/01/2019
EUR	360,762.58	GBP	327,355.96	22/03/2019
EUR	721,342.90	JPY	92,562,720.25	22/03/2019
EUR	2,428,420.32	USD	2,809,900.86	22/03/2019

The net unrealised loss on these contracts as at December 31, 2018 was EUR 31,348.16 and is included in the statement of net assets.

Quaero Capital Funds (Lux)

Notes to the financial statements as at December 31, 2018 (continued)

Quaero Capital Funds (Lux) - Global Conservative

Currency	Purchase	Currency	Sale	Maturity date
CHF	688,420.95	EUR	610,058.89	31/01/2019
EUR	121,375.60	GBP	110,136.22	22/03/2019
EUR	242,689.88	JPY	31,141,965.83	22/03/2019
EUR	1,074,395.78	USD	1,243,172.61	22/03/2019

The net unrealised loss on these contracts as at December 31, 2018 was EUR 11,355.27 and is included in the statement of net assets.

Quaero Capital Funds (Lux) - Infrastructure Securities

Currency	Purchase	Currency	Sale	Maturity date
CAD	1,020,566.79	EUR	658,077.80	15/02/2019
CHF	3,569,686.71	EUR	3,163,353.90	31/01/2019
EUR	1,270,000.00	AUD	2,002,917.00	15/02/2019
EUR	1,800,000.00	CAD	2,703,060.00	15/02/2019
EUR	1,300,000.00	GBP	1,138,930.00	15/02/2019
EUR	330,000.00	JPY	42,398,400.00	15/02/2019
EUR	2,700,000.00	USD	3,069,630.00	15/02/2019
GBP	260,681.70	EUR	289,668.86	15/02/2019
USD	1,645,501.74	EUR	1,440,752.49	15/02/2019

The net unrealised gain on these contracts as at December 31, 2018 was EUR 157,290.55 and is included in the statement of net assets.

Quaero Capital Funds (Lux) - Yield Opportunities

Currency	Purchase	Currency	Sale	Maturity date
CHF	16,700,109.73	EUR	14,799,157.90	31/01/2019
EUR	34,797,738.15	USD	40,000,000.00	31/01/2019
GBP	9,914,420.94	EUR	10,971,527.63	31/01/2019
USD	9,083,158.24	EUR	7,949,552.11	31/01/2019

The net unrealised loss on these contracts as at December 31, 2018 was EUR 39,150.51 and is included in the statement of net assets.

Quaero Capital Funds (Lux) - New Europe

Currency	Purchase	Currency	Sale	Maturity date
CHF	21,106.11	EUR	18,703.63	31/01/2019
GBP	153,545.99	EUR	169,917.55	31/01/2019
USD	365,048.37	EUR	319,489.21	31/01/2019

The net unrealised loss on these contracts as at December 31, 2018 was EUR 8.73 and is included in the statement of net assets.

Quaero Capital Funds (Lux)

Notes to the financial statements as at December 31, 2018 (continued)

Quaero Capital Funds (Lux) - Accessible Clean Energy

Currency	Purchase	Currency	Sale	Maturity date
EUR	8,216,279.11	USD	9,389,152.95	31/01/2019

The net unrealised gain on this contract as at December 31, 2018 was USD 28,346.18 and is included in the statement of net assets.

NOTE 11

CROSS INVESTMENTS BETWEEN SUB-FUNDS

As at December 31, 2018, five sub-funds of the SICAV invest in other sub-funds of the SICAV.

Quaero Capital Funds (Lux) - Argonaut

Investee sub-fund	Investment amount in EUR	% of net assets
Quaero Capital Funds (Lux) - New Europe	16,183,140.43	7.67%

The total amount of cross investments for the Quaero Capital Funds (Lux) - Argonaut sub-fund stands at EUR 16,183,140.43 and represents 7.67% of its net assets.

Quaero Capital Funds (Lux) - International Equities

Investee sub-fund	Investment amount in EUR	% of net assets
Quaero Capital Funds (Lux) - Argonaut	1,096,013.39	4.71%
Quaero Capital Funds (Lux) - World Opportunities	927,280.20	3.98%
Quaero Capital Funds (Lux) - New Europe	206,928.08	0.89%

The total amount of cross investments for the Quaero Capital Funds (Lux) - International Equities sub-fund stands at EUR 2,230,221.67 and represents 9.58% of its net assets.

Quaero Capital Funds (Lux) - Global Dynamic

Investee sub-fund	Investment amount in EUR	% of net assets
Quaero Capital Funds (Lux) - Argonaut	156,009.29	3.56%
Quaero Capital Funds (Lux) - World Opportunities	131,991.38	3.01%
Quaero Capital Funds (Lux) - New Europe	29,454.66	0.67%

The total amount of cross investments for the Quaero Capital Funds (Lux) - Global Dynamic sub-fund stands at EUR 317,455.33 and represents 7.24% of its net assets.

Quaero Capital Funds (Lux)

Notes to the financial statements as at December 31, 2018 (continued)

Quaero Capital Funds (Lux) - Global Balanced

Investee sub-fund	Investment amount in EUR	% of net assets
Quaero Capital Funds (Lux) - Argonaut	404,794.00	2.44%
Quaero Capital Funds (Lux) - World Opportunities	342,475.25	2.06%
Quaero Capital Funds (Lux) - New Europe	76,425.38	0.46%

The total amount of cross investments for the Quaero Capital Funds (Lux) - Global Balanced sub-fund stands at EUR 823,694.63 and represents 4.96% of its net assets.

Quaero Capital Funds (Lux) - Global Conservative

Investee sub-fund	Investment amount in EUR	% of net assets
Quaero Capital Funds (Lux) - Argonaut	136,189.61	1.34%
Quaero Capital Funds (Lux) - World Opportunities	115,222.98	1.14%
Quaero Capital Funds (Lux) - New Europe	25,712.69	0.25%

The total amount of cross investments for the Quaero Capital Funds (Lux) - Global Conservative sub-fund stands at EUR 277,125.28 and represents 2.73% of its net assets.

The amount of cross investments is presented in the consolidated statement of net assets as at December 31, 2018 and in the statement of operations and changes in net assets for the year ended December 31, 2018. This amount represents a total of EUR 19,831,637.34 and represents 3.62% of the SICAV's combined net assets which represents a total amount of EUR 547,396,132.10 without the cross investments.

NOTE 12

COLLATERAL ON OTC DERIVATIVES PRODUCTS

In the framework of their transactions on OTC derivatives products, the sub-funds of the SICAV may receive cash collateral from the various counterparties with which they deal. As at December 31, 2018, no collateral on OTC derivatives products had been received by the SICAV.

NOTE 13

SUBSEQUENT EVENT

The Board of Directors of the SICAV has decided to update the Prospectus. The changes became effective on February 24, 2019.

Indeed, the Board of Directors of the SICAV has decided to amend the characteristics of the share classes of the SICAV, by renaming certain share classes, updating the rates or modifying the subscription conditions. The Class A shares shall be soft closed as of and when notified upon reasonable notice. All the share classes of the sub-fund Quaero Capital Funds (Lux) – Argonaut and Class D (renamed Class H shares) of Quaero Capital Funds (Lux) – Smaller European Companies are soft closed as well. A clean share class named A1 has been created and Classes B and C have been amended to be qualified as clean share classes in accordance with MIFID II. The Board of Directors of the SICAV has then decided to implement the ability to distribute or accumulate dividends for all share classes.

Quaero Capital Funds (Lux)

Notes to the financial statements as at December 31, 2018 (continued)

The following share classes are renamed:

Sub-fund	Current name of share classes	New name of share classes
Quaero Capital Funds (Lux) - Argonaut	Class E	Class H
Quaero Capital Funds (Lux) - Smaller European Equities	Class D	Class H
	Class E	Class D
	Class Y	Class X1
Quaero Capital Funds (Lux) - World Opportunities	Class A	Class D
	Class B	Class A
Quaero Capital Funds (Lux) - Bamboo	Class I	Class X
Quaero Capital Funds (Lux) - Infrastructure Securities	Class B (dist)	Class A1 (dist)
Quaero Capital Funds (Lux) - Yield Opportunities	Class B	Class D1

The frequency of payment of Investment Management, Advisory and performance fees are also about to be modified. The Global Management fees shall be payable monthly instead of quarterly. Besides, the maximum level of Management fees charged to the sub-funds on account of its investment in other UCI or UCITS shall be 4%. The performance fees shall be payable annually within 20 business days after the end of each fiscal year with effect from January 1, 2019.

The other major changes are listed on the notice to shareholders dated on January 24, 2019 and detailed in the new Prospectus.

Besides, the Board of Directors of the SICAV has approved the launch of the new sub-fund Quaero Capital Funds (Lux) - Alternative Returns as of February 28, 2019.

Quaero Capital Funds (Lux)

Total Expense Ratio ("TER") (unaudited appendix I)

Pursuant to the "Guidelines on the calculation and disclosure of the total expense ratio (TER) of collective investment schemes" of May 16, 2008 (version of April 20, 2015) of the Swiss Funds & Asset Management Association ("SFAMA"), the SICAV is obliged to publish a TER for the latest 12-month period.

The TER is defined as the ratio between the total operating expenses (operating charges primarily consist of management and investment advisory fees, depositary fees, bank charges and interest, service fees, performance fees, taxes and duties) and the relevant sub-fund's / share class' average NAV (calculated on the basis of the daily average of the total net assets for the relevant period) expressed in its reference currency.

Moreover, for the new share classes launched during the period, operating fees were annualised as stated in point 8 of the Directive. The amounts were annualised whereas certain fixed costs were not split equally over the year.

As much as the sub-funds invest more than 10% of its assets in other investment funds, a synthetic TER is calculated:

- by adding to the TER the sum of the TER of underlying funds weighted according to their share in the net assets of the related sub-fund at the reference date. If one of the target funds does not publish any TER, no synthetic TER will be calculated for this fraction of investment,
- by subtracting the impact of the retrocession received calculated by dividing the amount of retrocessions by the average assets.

For the year ended December 31, 2018, the TER was:

Class	Currency	Annualised TER including performance fees	Annualised TER excluding performance fees	Synthetic TER
Quaero Capital Funds (Lux) - Argonaut				
A (ACC) EUR	EUR	2.01%	2.01%	-
A (ACC) CHF	CHF	2.06%	2.06%	-
A (ACC) GBP	GBP	2.07%	2.06%	-
A (ACC) SEK	SEK	2.07%	2.07%	-
A (ACC) USD	USD	2.06%	2.06%	-
B (ACC) EUR	EUR	1.72%	1.72%	-
D (ACC) EUR	EUR	2.51%	2.51%	-
D (ACC) CHF	CHF	2.56%	2.56%	-
D (ACC) USD	USD	2.56%	2.56%	-
E (ACC) EUR	EUR	2.01%	2.01%	-
X (ACC) GBP	GBP	2.02%	2.02%	-
S (ACC) EUR	EUR	0.16%	0.16%	-
Z (ACC) EUR	EUR	0.21%	0.21%	-
Quaero Capital Funds (Lux) - Smaller European Companies				
A (ACC) EUR	EUR	2.07%	2.05%	-
A (ACC) CHF	CHF	2.10%	2.10%	-
A (ACC) GBP	GBP	2.15%	2.15%	-
A (ACC) USD	USD	2.10%	2.10%	-
B (ACC) EUR	EUR	1.76%	1.75%	-

Quaero Capital Funds (Lux)

Total Expense Ratio ("TER") (unaudited appendix I) (continued)

Class	Currency	Annualised TER including performance fees	Annualised TER excluding performance fees	Synthetic TER
Quaero Capital Funds (Lux) - Smaller European Companies (continued)				
C (ACC) CHF	CHF	1.53%	1.53%	-
C (ACC) EUR	EUR	1.61%	1.50%	-
E (ACC) USD	USD	2.57%	2.57%	-
D (ACC) EUR	EUR	2.05%	2.04%	-
E (ACC) EUR	EUR	3.81%	2.55%	-
X (ACC) EUR	EUR	1.50%	1.50%	-
Y (ACC) EUR	EUR	1.39%	1.41%	-
Quaero Capital Funds (Lux) - World Opportunities				
A (ACC) EUR	EUR	2.64%	2.64%	-
A (ACC) USD	USD	2.56%	2.56%	-
B (ACC) EUR	EUR	2.19%	2.16%	-
B (ACC) CHF	CHF	2.14%	2.13%	-
B (ACC) USD	USD	2.05%	2.05%	-
Z (ACC) USD	USD	0.28%	0.28%	-
Quaero Capital Funds (Lux) - Bamboo				
A (ACC) USD	USD	2.15%	2.06%	-
A (ACC) EUR	EUR	2.80%	2.08%	-
B (ACC) USD	USD	1.96%	1.76%	-
C (ACC) USD	USD	1.64%	1.52%	-
C (ACC) EUR	EUR	1.53%	1.53%	-
I (ACC) USD	USD	1.67%	1.31%	-
Quaero Capital Funds (Lux) - International Equities				
A (ACC) EUR	EUR	2.00%	2.00%	2.84%
A (ACC) CHF	CHF	2.05%	2.05%	2.89%
A (ACC) SEK	SEK	2.06%	2.06%	2.88%
Quaero Capital Funds (Lux) - Global Dynamic				
A (ACC) EUR	EUR	2.13%	2.13%	2.93%
A (ACC) CHF	CHF	2.18%	2.18%	2.98%
Quaero Capital Funds (Lux) - Global Balanced				
A (ACC) EUR	EUR	2.02%	2.02%	2.78%
A (ACC) CHF	CHF	2.08%	2.08%	2.83%
Quaero Capital Funds (Lux) - Global Conservative				
A (ACC) EUR	EUR	2.05%	2.05%	2.76%
A (ACC) CHF	CHF	2.11%	2.11%	2.82%
Quaero Capital Funds (Lux) - Infrastructure Securities				
A (ACC) EUR	EUR	2.13%	2.13%	-
A (ACC) CHF	CHF	2.19%	2.19%	-
A (ACC) USD	USD	2.20%	2.20%	-
B (DIST) CHF	CHF	2.19%	2.19%	-
C (ACC) EUR	EUR	0.93%	0.93%	-

Quaero Capital Funds (Lux)

Total Expense Ratio ("TER") (unaudited appendix I) (continued)

Class	Currency	Annualised TER including performance fees	Annualised TER excluding performance fees	Synthetic TER
Quaero Capital Funds (Lux) - Yield Opportunities				
A (ACC) EUR	EUR	1.35%	1.35%	-
A (ACC) CHF	CHF	1.41%	1.41%	-
A (ACC) USD	USD	1.41%	1.41%	-
B (ACC) EUR	EUR	1.53%	1.53%	-
B (ACC) CHF	CHF	1.59%	1.59%	-
C (DIST) EUR	EUR	1.10%	1.10%	-
C (DIST) CHF	CHF	1.15%	1.15%	-
C (DIST) GBP	GBP	1.15%	1.15%	-
C (DIST) USD	USD	1.15%	1.15%	-
D (ACC) CHF	CHF	1.99%	1.99%	-
Quaero Capital Funds (Lux) - New Europe				
A (ACC) EUR	EUR	2.33%	2.33%	-
B (ACC) EUR	EUR	2.03%	2.03%	-
C (ACC) EUR	EUR	1.78%	1.78%	-
A (ACC) CHF	CHF	2.62%	2.62%	-
A (ACC) GBP	GBP	2.57%	2.41%	-
A (ACC) USD	USD	2.36%	2.36%	-
Z (ACC) EUR	EUR	0.27%	0.27%	-
Quaero Capital Funds (Lux) - Accessible Clean Energy				
A (ACC) USD	USD	2.05%	2.04%	-
A (ACC) EUR	EUR	2.08%	2.08%	-
B (ACC) USD	USD	1.83%	1.83%	-
B (ACC) EUR	EUR	1.76%	1.76%	-
C (ACC) EUR	EUR	1.55%	1.55%	-
C (ACC) USD	USD	1.51%	1.51%	-

Quaero Capital Funds (Lux)

Performance (Unaudited Appendix II)

The performance per share class was calculated by comparing the net assets per share as at December 31, 2017 with the net assets per share as at December 31, 2018.

For share classes that distributed a dividend, the dividend amount was reintegrated into the net assets as at December 31, 2018, in order to compute the performance including dividends.

The performance was calculated at the end of each period according to the "Guidelines on the calculation and publication of performance data of collective investment schemes" of May 16, 2008 (version of July 1, 2013) of the Swiss Funds & Asset Management Association ("SFAMA").

The performance given is based on historical data, which is no guide to current or future performance. Commissions and fees levied for the issue or redemption of shares, as applicable, have not been taken into account in this performance calculation.

As at December 31, 2018, performances were the following:

Class	Currency	Performance for the financial year ending December 31, 2018	Performance for the financial year ending December 31, 2017	Performance for the financial year ending December 31, 2016
Quaero Capital Funds (Lux) - Argonaut				
A (ACC) EUR	EUR	-14.38%	20.20%	19.64%
A (ACC) CHF	CHF	-14.76%	19.36%	18.63%
A (ACC) GBP	GBP	-13.66%	20.83%	19.75%
A (ACC) SEK	SEK	-14.59%	19.65%	19.03%
A (ACC) USD	USD	-12.15%	21.87%	20.54%
B (ACC) EUR	EUR	-14.13%	20.50%	19.90%
D (ACC) EUR	EUR	-14.81%	19.67%	19.12%
D (ACC) CHF	CHF	-15.19%	18.83%	18.11%
D (ACC) USD	USD	-12.57%	21.33%	20.02%
E (ACC) EUR	EUR	-14.38%	20.20%	19.64%
X (ACC) GBP	GBP	-13.65%	22.45%	21.08%
S (ACC) EUR	EUR	-12.75%	22.30%	21.41%
Z (ACC) EUR	EUR	-14.67% *	-	-
Quaero Capital Funds (Lux) - Smaller European Companies				
A (ACC) EUR	EUR	-24.43%	29.72%	13.87%
A (ACC) CHF	CHF	-24.71%	28.71%	12.90%
A (ACC) GBP	GBP	-23.97%	8.24% *	-
A (ACC) USD	USD	-22.34%	30.98%	14.38%
B (ACC) EUR	EUR	-24.24%	30.05%	10.85%
C (ACC) CHF	CHF	-25.00% *	-	-
C (ACC) EUR	EUR	-24.02%	21.80% *	-
E (ACC) USD	USD	-23.89% *	-	-
D (ACC) EUR	EUR	-24.40%	29.76%	13.74%
E (ACC) EUR	EUR	-24.79%	29.15%	13.32%
X (ACC) EUR	EUR	-26.66% *	-	-
Y (ACC) EUR	EUR	-23.92%	0.26% *	-

Quaero Capital Funds (Lux)

Performance (Unaudited Appendix II) (continued)

Class	Currency	Performance for the financial year ending December 31, 2018	Performance for the financial year ending December 31, 2017	Performance for the financial year ending December 31, 2016
Quaero Capital Funds (Lux) - World Opportunities				
A (ACC) EUR	EUR	-22.46%	17.74%	-15.69%
A (ACC) USD	USD	-20.16%	19.44%	-13.94%
B (ACC) EUR	EUR	-22.06%	16.44%	-3.44% **
B (ACC) CHF	CHF	-22.24%	13.06% *	-
B (ACC) USD	USD	-19.73%	17.95%	-3.36% *
Z (ACC) USD	USD	-22.32% *	-	-
Quaero Capital Funds (Lux) - Bamboo				
A (ACC) USD	USD	-13.25%	30.02%	0.26%
A (ACC) EUR	EUR	-15.85%	27.29%	-1.42%
B (ACC) USD	USD	-13.05%	30.47%	0.52%
C (ACC) USD	USD	-12.96%	6.99% *	-
C (ACC) EUR	EUR	-16.76% *	-	-
I (ACC) USD	USD	-12.71%	31.04%	0.73%
Quaero Capital Funds (Lux) - International Equities				
A (ACC) EUR	EUR	-10.43%	14.27%	-4.08%
A (ACC) CHF	CHF	-10.85%	13.39%	-4.94%
A (ACC) SEK	SEK	-10.72%	13.71%	-4.79%
Quaero Capital Funds (Lux) - Global Dynamic				
A (ACC) EUR	EUR	-9.19%	8.81%	-3.11%
A (ACC) CHF	CHF	-9.63%	7.49%	-3.97%
Quaero Capital Funds (Lux) - Global Balanced				
A (ACC) EUR	EUR	-7.64%	6.22%	-1.35%
A (ACC) CHF	CHF	-8.09%	5.22%	-2.20%
Quaero Capital Funds (Lux) - Global Conservative				
A (ACC) EUR	EUR	-6.26%	2.98%	-0.14%
A (ACC) CHF	CHF	-6.73%	1.91%	-0.89%
Quaero Capital Funds (Lux) - Infrastructure Securities				
A (ACC) EUR	EUR	-10.68%	11.08%	-2.00%
A (ACC) CHF	CHF	-11.04%	10.26%	-2.75%
A (ACC) USD	USD	-8.43%	12.84%	-1.14%
B (DIST) CHF	CHF	-11.03%	10.26%	-4.94%
C (ACC) EUR	EUR	-4.59% *	-	-
Quaero Capital Funds (Lux) - Yield Opportunities				
A (ACC) EUR	EUR	-3.33%	-0.48%	5.69%
A (ACC) CHF	CHF	-3.87%	-1.17%	4.88%
A (ACC) USD	USD	-0.96%	1.22%	6.20%
B (ACC) EUR	EUR	-3.50%	-0.68%	5.48%
B (ACC) CHF	CHF	-4.04%	-1.37%	4.67%
C (DIST) EUR	EUR	-3.09%	-0.23%	3.19%
C (DIST) CHF	CHF	-3.63%	-0.91%	2.37%
C (DIST) GBP	GBP	-2.18%	0.45%	3.83%
C (DIST) USD	USD	-0.71%	1.55%	3.93%
D (ACC) CHF	CHF	-4.43%	-1.02% *	-

Quaero Capital Funds (Lux)

Performance (Unaudited Appendix II) (continued)

Class	Currency	Performance for the financial year ending December 31, 2018	Performance for the financial year ending December 31, 2017	Performance for the financial year ending December 31, 2016
Quaero Capital Funds (Lux) - New Europe				
A (ACC) EUR	EUR	-16.07%	1.67% *	-
B (ACC) EUR	EUR	-4.48% *	-	-
C (ACC) EUR	EUR	-15.61%	2.00% *	-
A (ACC) CHF	CHF	-18.97% *	-	-
A (ACC) GBP	GBP	-15.35%	1.69% *	-
A (ACC) USD	USD	-13.86%	1.36% *	-
Z (ACC) EUR	EUR	-18.33% *	-	-
Quaero Capital Funds (Lux) - Accessible Clean Energy				
A (ACC) USD	USD	-22.31%	5.49% *	-
A (ACC) EUR	EUR	-21.93% *	-	-
B (ACC) USD	USD	-22.12%	5.51% *	-
B (ACC) EUR	EUR	-23.75% *	-	-
C (ACC) EUR	EUR	-24.25%	1.25% *	-
C (ACC) USD	USD	-21.88%	5.63% *	-

* The performance of share classes launched during the year/period was calculated by comparing the net assets per share as at the launch date of the share class with the net assets per share at the end of the year/period.

** The share class has been fully redeemed on May 17, 2016 and then re-launched on December 27, 2016. This performance relates to the period from the December 27, 2016 to the end of the year.

Quaero Capital Funds (Lux)

Other information to Shareholders (unaudited appendix III)

REMUNERATION OF THE MEMBERS OF THE MANAGEMENT COMPANY

The Management Company has adopted a Remuneration Policy which is in accordance with the principles established by the law of May 10, 2016, amending the law of 17 December 2010 ("the UCITS Law").

The financial year of the Management Company ends on December 31 of each year.

The table below shows the total amount of the remuneration for the financial year ended as at December 31, 2018, split into fixed and variable remuneration, paid by the Management Company to its staff.

The table has been prepared taking into consideration point 162 of section 14.1 of the European Securities and Market Authority ("ESMA") remuneration guidelines relating to the confidentiality and data protection in presenting the remuneration information.

	Number of beneficiaries	Total remuneration (EUR)	Fixed remuneration (EUR)	Variable remuneration (target or discretionary bonuses, parts remuneration) (EUR)
Total remuneration paid by the Management Company during the financial year	19	47,671	33,670	14,001

Additional explanation :

- The beneficiaries reported is composed of the risk takers (including the 4 Conducting Officers exercising their activity in Luxembourg) and the staff of the Management Company dedicated to Management Company activities for all the Funds under management, remunerated by the Management Company. In addition, the Management Company did not remunerate directly the staff of the Investment Manager, but rather ensured that the Investment Manager complies with the remuneration policy requirements itself.
- The benefits have been attributed according to criteria such as level of seniority, hierarchic level, or other eligibility criteria, not taking into account performance criteria, and are thus excluded from the fixed or variable remuneration figures provided above.
- Total fixed and variable remuneration disclosed is based on apportionment of Asset Under Management represented by the SICAV.
- The 2018 annual review outcome showed no exception.
- There have been no changes to the adopted remuneration policy since its implementation.

Quaero Capital Funds (Lux)

Other information to Shareholders (unaudited appendix III) (continued)

SECURITIES FINANCING TRANSACTIONS REGULATION ("SFTR")

As at December 31, 2018, the SICAV is in the scope of the requirements of the Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse. Nevertheless, no corresponding transactions were carried out during the year referring to the financial statements.

INFORMATION ON RISK MEASUREMENT

With the exception of the Quaero Capital Funds (Lux) - Global Dynamic Portfolio, Quaero Capital Funds (Lux) - Global Balanced Portfolio and Quaero Capital Funds (Lux) - Global Conservative Portfolio sub-funds, all the other sub-funds of the SICAV as of December 31, 2018 use the Commitment approach to monitor the Global Risk Exposure.

The following table provides the information required as per CSSF circular 11/512 for the sub-funds monitored through the VaR approach.

Quaero Capital Funds (Lux)

Other information to Shareholders (unaudited appendix III) (continued)

Table 1.1 - Summary risk disclosures

Sub-funds	Average leverage	Leverage Computation approach	GRE monitoring approach	VaR optional Regime	VaR Limit ratio			Sub-fund Average VaR	Benchmark Average VaR	Benchmark	Legal limit	VaR Models and Inputs
					Average	Minimum	Maximum					
Quaero Capital Funds (Lux) - Global Dynamic	29.74%	Σ notionals of the derivatives	VaR	Absolute	3.74 %	2.57 %	5.03 %	3.74 %	N/A	N/A	20%	1 month holding period, 99% CI, Monte Carlo, observation period 3.5 years
Quaero Capital Funds (Lux) - Global Balanced	21.22 %	Σ notionals of the derivatives	VaR	Absolute	2.65 %	1.86 %	3.34 %	2.65 %	N/A	N/A	20%	1 month holding period, 99% CI, Monte Carlo, observation period 3.5 years
Quaero Capital Funds (Lux) - Global Conservative	38.07 %	Σ notionals of the derivatives	VaR	Absolute	4.84 %	3.40 %	6.83%	4.84 %	N/A	N/A	20%	1 month holding period, 99% CI, Monte Carlo, observation period 3.5 years

Quaero Capital Funds (Lux)

Other information to Shareholders (unaudited appendix III) (continued)

General comments

All VaR figures are calculated by taking into consideration the following parameters:

- 1 month holding horizon
- 99% confidence interval (this means that there is a 1% probability that the value of the portfolio could have a monthly decline larger than the percentage displayed)
- Monte Carlo simulations
- 3.5 years of data history to determine the risk factors

The treatment and presentation of VaR figures is slightly different depending on the VaR option used (relative or absolute).

Absolute VaR option

For sub-fund using the Absolute VaR option, we present the figures (average, min and max) in absolute terms. In other words they are not measured against any benchmark nor limit. We consider that way of presenting the figures as more relevant and easier to understand.

The leverage level is included as well. It has been calculated as the sum of the notionals of the derivatives used (CESR/10-788 box25). The presented figure is based on daily observations covering the year under review.

Sub-funds using the Commitment approach

For the sub-funds using the Commitment approach to monitor the global risk exposure, financial derivatives instruments are converted into their equivalent positions in the underlying assets.

The global risk exposure shall not exceed the sub-fund's NAV.

