

Azvalor Lux SICAV

Investment Company with Variable Capital under Luxembourg law

Annual report, including audited financial statements,
as at December 31, 2022

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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 Document ("KIID"), the Key Information Document ("KID"), the latest annual report, including audited financial statements, and the most recent unaudited semi-annual report, if published thereafter.

Azvalor Lux SICAV

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Azvalor Lux SICAV

Organisation of the SICAV

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

BOARD OF DIRECTORS

Chairman Mr Jérôme TORDO, Cypanga S.A.S., 9-11, rue du Dr Lancereaux, F-75008 Paris, France

Members Mr Fernando BERNAD MARRASE, Azvalor Asset Management S.A., SGIIC, paseo de la Castellana, 110, E-28046 Madrid, Spain

Mr Sergio FERNÁNDEZ-PACHECO RUIZ-VILLAR, Azvalor Asset Management S.A., SGIIC, paseo de la Castellana, 110, E-28046 Madrid, Spain

Mr Beltran PARAGES REVERTERA, Azvalor Asset Management S.A., SGIIC, paseo de la Castellana, 110, E-28046 Madrid, Spain

Mr Laurent PICHONNIER, Global Finance Consult S.à r.l., 56, rue d'Anvers, L-1130 Luxembourg, Grand Duchy of Luxembourg

MANAGEMENT COMPANY

Waystone Management Company (Lux) S.A., 19, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Chairman Ms Rachel Elizabeth WHEELER, Waystone CEO Global Management Company Solutions, WAYSTONE GOVERNANCE (UK) LIMITED, 2nd Floor, 20-22 Bedford Row, London WC1R 4EB, United Kingdom (since July 12, 2022)

Mr Géry DAENINCK, Director, Independent Management Consultant, Belgium

Members Mr John Li HOW CHEONG, Independent Management Consultant Grand Duchy of Luxembourg

Mr Martin Peter VOGEL, Waystone Global Head of Strategy, Waystone Management Company (Lux) S.A., 19, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg

CONDUCTING OFFICER OF THE MANAGEMENT COMPANY

Mr Pall EYJOLFSSON, AIF Specialist, Waystone Management Company (Lux) S.A., 19, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg

Mr Kim KIRSCH, Head of Legal, Waystone Management Company (Lux) S.A., 19, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg (until December 12, 2022)

Mr Riccardo DEL TUFO, Interim Chief Executive Officer, Waystone Management Company (Lux) S.A., 19, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg

Azvalor Lux SICAV

Organisation of the SICAV (continued)

Ms. Hyuni VANHAELEN, Waystone Management Company (Lux) S.A., 19, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg (since September 15, 2022)

Mr Alessandro GABURRI, Head of Risk and Fund Operations, Waystone Management Company (Lux) S.A., 19, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg (until March 2023)

Mr Thierry LELIEVRE, Head of Portfolio Management, Waystone Management Company (Lux) S.A., 19, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg

FINANCIAL MANAGER Azvalor Asset Management S.A., SGIIC, paseo de la Castellana, 110, E-28046 Madrid, Spain

DEPOSITARY BANK Pictet & Cie (Europe) S.A., 15A, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

REGISTRAR AND TRANSFER, DOMICILIARY AND ADMINISTRATIVE AGENT FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

AUDITOR PricewaterhouseCoopers, *Société coopérative*, 2, rue Gerhard Mercator, L-2182 Luxembourg

General information

The fiscal year of Azvalor Lux SICAV (the "SICAV") begins on January 1 and terminate on December 31 of each year.

Annual report, including audited financial statements, at the end of each fiscal year are established as at December 31 of each year. In addition, unaudited semi-annual reports are established as per the last day of the month of June.

Annual report, including audited financial statements, 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.

The net asset value ("NAV") and the redemption and issue prices are available at all times at the registered office of the SICAV and from the Depositary Bank.

A copy of the SICAV's articles of association (the "Articles"), the full prospectus, the Key Investor Information Documents ("KIIDs") and financial reports (semi-annual report and annual report, including audited financial statements) can be obtained, free of charge, from the SICAV's registered office and on the website of the Management Company (www.waystone.com).

The following additional documents can be consulted at the SICAV's registered office:

- a) the Depositary Agreements;
- b) the Administrative Agency, Domiciliary, Registrar and Transfer Agency Agreements;
- c) the Management Company Services Agreement between the SICAV and the Management Company.

A detailed schedule of changes in the investments for the year ended December 31, 2022 for the different sub-funds is available free of charge upon request at the registered office of the SICAV.

Management report

Azvalor Lux SICAV - AZVALOR INTERNATIONAL

The net asset value per share (class I) of Azvalor Lux SICAV - AZVALOR INTERNATIONAL increased by +34.5% to EUR 1,752.7 from December 31, 2021, to December 31, 2022. The sub-fund's assets amounted to EUR 279.362.855 at the end of the period.

Azvalor Lux SICAV - AZVALOR INTERNATIONAL is a global portfolio that invests in quality businesses purchased at attractive prices. Despite the recent performance of the vehicle, the portfolio still has a significant and high upside potential.

Our analysis is focused on providing a detailed assessment of the value of the companies that make up the portfolio. Stocks are picked up without considering the sector, currency or geographical area. Instead, the resulting weight is determined by the opportunities we find at any given moment. Moreover, although we do not make market forecasts, we do take advantage of short-term distortions between price and value to make long term investments.

The investment philosophy of Azvalor Lux SICAV - AZVALOR INTERNATIONAL is to select undervalued companies taking advantage from stock price movements that do not correspond to a company's long-term fundamentals. Our analysis includes an in-depth study of the company assets and accounting, its products or services, business competitors, and both the means and the ends of the managers in charge of the company. The macroeconomic vision is secondary in this analysis as we understand that nobody has managed to predict it consistently over time. Therefore, it is our duty to remind investors that this vehicle is not suitable for those who consider that macroeconomic analysis is most relevant.

2022 has been a difficult year for most international equity markets, as a matter of fact the MSCI World and the S&P500 indexes have declined by -12.8% and -19.4% respectively. Regarding the sub-fund, we close 2022 with strong positive results: +34.5% on a year-to-date basis.

Even though the sectorial exposure of the portfolio is made up of some industries of cyclical nature, and before summarizing their performance throughout the year, we would like to stress the importance of the portfolio allocation process on a company-by-company basis, analyzing fundamentals as well as risks individually. This process involves detailed research of financial and accounting aspects, corporate governance and management incentives of each company, as well as the quality of the business and its competitive dynamics and, of course, its idiosyncratic risks.

The energy crisis that began late in 2021 intensified through 2022. Thus, due to a return to normalized demand levels after the end of Covid-19's policies and a clear supply deficit following capacity closures over more than 5 years, Russia's military intervention in Ukraine has added further stress to these industries, leading to higher oil, gas and coal prices throughout the year.

Management report (continued)

Our overall sectorial recovery thesis for the fossil fuels industry had two main legs: a deeply stressed supply after years of chronic underinvestment and a more robust and prolonged demand over time than originally discounted for by the market. These facts have positively changed the narrative of the aforementioned sectors, generating returns in several stocks related to these industries, and among them, the ones making-up the portfolio. However, we would like to emphasize that it is the strong initial undervaluation of the companies that make up the portfolio that has continued to be the fundamental anchor in order to generate returns, as demonstrated by the strategy's performance for the period. To briefly mention the increase in the prices of these three energy sources on a year-to-date basis: Brent oil closed the year at \$85.9/barrel, representing a +10.4% increase; WTI closed the year at USD 80.3%/barrel, representing a +6.7% increase; gas closed the year at USD 4.5/MMbtu, representing a +19.8% increase and coal closed the period at USD 404/ton, representing a +138.3% increase over the period. That said, throughout 2022, energy has traded much higher than the aforementioned prices.

With respect to gold mining equities, and from an aggregate sector perspective, companies are generating near-historic levels of cash flow, buying back stocks at near-record levels at historically cheap valuations, paying the highest dividend yields in history, accomplishing major balance sheet improvements after a long deleveraging period and accumulating the highest cash levels in decades. These facts coupled with the lowest P/E ratio for the metals and mining industry since 2008 indicate strong fundamentals improvements for the overall sector, making the industry as a whole, highly attractive. In addition to these facts, it is worth bearing in mind the solid medium-term tailwinds for the gold price itself, such as the still high inflation rates of 10.4% and 7.1% for the European Union and the USA respectively; or the fragile public debt position of several Western countries, with debt/GDP ratios equal to or above 100%.

Similarly, the strong revaluations of the companies in the portfolio throughout the year, combined with the general negative performance in the main equity markets, have allowed us to start rotating part of the portfolio, as many companies that had been off our price radar in recent years - trading at expensive prices - have now entered it. This rotation process, whereby we sell companies with profits to gradually buy different ones offering discounts on their intrinsic value, is what allows us to increase the sub-fund's target price, which is the source of the sub-fund's future performance.

Throughout the year the main additions to the portfolio have been Suzano, Glencore and Compañía de Minas Buenaventura among others. On the other hand, Euronav, Drilling Company of 1972 and Consol Energy, among other, have been sold.

Regarding performance contribution, Whitehaven Coal, Arch Resources and Consol Energy have been the top performers. On the other hand, Tullow Oil, Petrofac and Public Power Corporation have been the worst performers in this period.

The main positions at the end of the period are Tullow Oil 5%; National Oilwell Varco 4.6%, Endeavour Mining 4.3%; Barrick Gold 4.2% and Prairiesky Royalty 3.9%.

The sectorial weight at the end of the period is mainly Energy (31.1%) and Materials (31%).

The geographical exposure of the vehicle through companies' share prices is 23.7% to the USA, 15.2% to the United Kingdom and 14.3% to Canada. It is important to clarify that, despite the listing country of these companies, in most cases their businesses have a global exposure.

The main currencies which the vehicle is exposed to are the Euro 39.8%, the Dollar 27.9% and the Pound Sterling 15.8%

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

Management report (continued)

The portfolio is the result of a selection of companies, most of which have good assets as well as strong balance sheets, and where there is "skin in the game", either because they are captained or supervised by an owner or because there is a healthy incentive system. This adds security to the main point which is their undervaluation. Most of them have been bought after suffering sharp market falls, and our analysis indicates that these were due to circumstantial, not structural, causes.

The cash percentage at the end of December is 16.9% of the sub-fund's assets.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Management report (continued)

Azvalor Lux SICAV - AZVALOR BLUE CHIPS

The net asset value per share (class I) of Azvalor Lux SICAV - AZVALOR BLUE CHIPS increased by +31.8% to EUR 1,591.3 from December 31, 2021, to December 31, 2022. The sub-fund's assets amounted to EUR 4,312,843 at the end of the period.

Azvalor Lux SICAV - AZVALOR BLUE CHIPS is a feeder sub-fund and, as such, will always invest at least 98.8% of its assets in units of the Master sub-fund Azvalor Lux SICAV - AZVALOR BLUE CHIPS FI.

Our analysis is focused on providing a detailed assessment of the value of the companies that make up the portfolio. Stocks are picked up without considering the sector, currency or geographical area. Instead, the resulting weight is determined by the opportunities we find at any given moment. Moreover, although we do not make market forecasts, we do take advantage of short-term distortions between price and value to make long term investments.

The investment philosophy of Azvalor Lux SICAV - AZVALOR BLUE CHIPS is to select undervalued companies taking advantage from stock price movements that do not correspond to a company's long-term fundamentals. Our analysis includes an in-depth study of the company assets and accounting, its products or services, business competitors, and both the means and the ends of the managers in charge of the company. The macroeconomic vision is secondary in this analysis as we understand that nobody has managed to predict it consistently over time. Therefore, it is our duty to remind investors that this vehicle is not suitable for those who consider that macroeconomic analysis is most relevant.

2022 has been a difficult year for most international equity markets, as a matter of fact the MSCI World and the S&P500 indexes have declined by -12.8% and -19.4% respectively. Regarding the sub-fund, we close 2022 with strong positive results: +31.8% on a year-to-date basis.

Even though the sectorial exposure of the portfolio is made up of some industries of cyclical nature, and before summarizing their performance throughout the year, we would like to stress the importance of the portfolio allocation process on a company-by-company basis, analyzing fundamentals as well as risks individually. This process involves detailed research of financial and accounting aspects, corporate governance and management incentives of each company, as well as the quality of the business and its competitive dynamics and, of course, its idiosyncratic risks.

The energy crisis that began late in 2021 intensified through 2022. Thus, due to a return to normalized demand levels after the end of Covid-19's policies and a clear supply deficit following capacity closures over more than 5 years, Russia's military intervention in Ukraine has added further stress to these industries, leading to higher oil, gas and coal prices throughout the year.

Management report (continued)

Our overall sectorial recovery thesis for the fossil fuels industry had two main legs: a deeply stressed supply after years of chronic underinvestment and a more robust and prolonged demand over time than originally discounted for by the market. These facts have positively changed the narrative of the aforementioned sectors, generating returns in several stocks related to these industries, and among them, the ones making-up the portfolio. However, we would like to emphasize that it is the strong initial undervaluation of the companies that make up the portfolio that has continued to be the fundamental anchor in order to generate returns, as demonstrated by the strategy's performance for the period. To briefly mention the increase in the prices of these three energy sources on a year-to-date basis: Brent oil closed the year at USD 85.9/barrel, representing a +10.4% increase; WTI closed the year at USD 80.3%/barrel, representing a +6.7% increase; gas closed the year at USD 4.5/MMBtu, representing a +19.8% increase and coal closed the period at USD 404/ton, representing a +138.3% increase over the period. That said, throughout 2022, energy has traded much higher than the aforementioned prices.

With respect to gold mining equities, and from an aggregate sector perspective, companies are generating near-historic levels of cash flow, buying back stocks at near-record levels at historically cheap valuations, paying the highest dividend yields in history, accomplishing major balance sheet improvements after a long deleveraging period and accumulating the highest cash levels in decades. These facts coupled with the lowest P/E ratio for the metals and mining industry since 2008 indicate strong fundamentals improvements for the overall sector, making the industry as a whole, highly attractive. In addition to these facts, it is worth bearing in mind the solid medium-term tailwinds for the gold price itself, such as the still high inflation rates of 10.4% and 7.1% for the European Union and the USA respectively; or the fragile public debt position of several Western countries, with debt/GDP ratios equal to or above 100%.

Similarly, the strong revaluations of the companies in the portfolio throughout the year, combined with the general negative performance in the main equity markets, have allowed us to start rotating part of the portfolio, as many companies that had been off our price radar in recent years - trading at expensive prices - have now entered it. This rotation process, whereby we sell companies with profits to gradually buy different ones offering discounts on their intrinsic value, is what allows us to increase the sub-fund's target price, which is the source of the sub-fund's future performance.

Regarding performance contribution of the master sub-fund, Glencore, Barrick Gold and Nov 5.2 are the top performers. On the other hand, Petrofac, Petra Diamonds and Pan American Silver have been the worst performers in this period.

The main positions at the end of the period of the master sub-fund are Barrick Gold 6.1%; Nov 5.2; Endeavour Mining 4.6% and Canadian Natural Resources 4.3%.

Throughout the year the main additions to the portfolio have been Petrofac, Noble and Bayer among others. On the other hand, Gold Fields, Teck Resources and Drilling Company of 1972 have been completely settled among others.

The portfolio is the result of a selection of companies, most of which have good assets as well as strong balance sheets, and where there is "skin in the game", either because they are captained or supervised by an owner or because there is a healthy incentive system. This adds security to the main point which is their undervaluation. Most of them have been bought after suffering sharp market falls, and our analysis indicates that these were due to circumstantial, not structural, causes.

The sectorial weight as of the end of the year is mainly Materials (33.9%) and Energy (31.8%).

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

Management report (continued)

The main geographical exposure of the vehicle through companies' share prices is 30.4% to the US, 21% to Canada and 15.5% to the United Kingdom. It is important to clarify that, despite the listing country of these companies, in most cases their businesses have a global exposure.

The main currencies which the master sub-fund is exposed to are the US Dollar 41.3%, the Euro 26.4% and the Pound Sterling 15.5%.

The cash percentage at the end of the period is 18% of the sub-fund's assets.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Management report (continued)

Azvalor Lux SICAV - ALTUM FAITH - CONSISTENT EQUITY

The net asset value per share (class I) of Azvalor Lux SICAV - AZVALOR ALTUM FAITH-CONSISTENT EQUITY increased by +42.4% to EUR 1,447.7 from December 31, 2021, to December 31, 2022. The sub-fund's assets amounted to EUR 23,663,780 at end of December.

The analysis is focused on providing a detailed assessment of the value of the companies that make up the portfolio. Stocks are picked up without considering the sector, currency or geographical area. Instead, in the specific case of Azvalor Lux SICAV - AZVALOR ALTUM FAITH-CONSISTENT EQUITY sub-fund, the resulting portfolio is determined taking into consideration two aspects at the same level: on the one hand, defining whether the security represents an investment opportunity. On the other hand, whether the underlying company complies with Altum's Investment Guidelines, based on Catholic principles. In any case long term investments are made by taking advantage of short-term distortions between price and value.

The investment philosophy of Azvalor Lux SICAV - AZVALOR ALTUM FAITH-CONSISTENT EQUITY is to select undervalued companies taking advantage from stock price movements that do not correspond to a company's long-term fundamentals. Our analysis includes an in-depth study of the company assets and accounting, its products or services, business competitors, and both the means and the ends of the managers in charge of the company. The macroeconomic vision is secondary in this analysis as we understand that nobody has managed to predict it consistently over time. Therefore, it is our duty to remind investors that this vehicle is not suitable for those who consider that macroeconomic analysis is most relevant.

2022 has been a difficult year for most international equity markets, as a matter of fact the MSCI World and the S&P500 indexes have declined by -12.8% and -19.4% respectively. Regarding the sub-fund, we close 2022 with strong positive results: +42.4% on a year-to-date basis.

Even though the sectorial exposure of the portfolio is made up of some industries of cyclical nature, and before summarizing their performance throughout the year, we would like to stress the importance of the portfolio allocation process on a company-by-company basis, analyzing fundamentals as well as risks individually. This process involves detailed research of financial and accounting aspects, corporate governance and management incentives of each company, as well as the quality of the business and its competitive dynamics and, of course, its idiosyncratic risks.

The energy crisis that began late in 2021 intensified through 2022. Thus, due to a return to normalized demand levels after the end of Covid-19's policies and a clear supply deficit following capacity closures over more than 5 years, Russia's military intervention in Ukraine has added further stress to these industries, leading to higher oil, gas and coal prices throughout the year.

Management report (continued)

Our overall sectorial recovery thesis for the fossil fuels industry had two main legs: a deeply stressed supply after years of chronic underinvestment and a more robust and prolonged demand over time than originally discounted for by the market. These facts have positively changed the narrative of the aforementioned sectors, generating returns in several stocks related to these industries, and among them, the ones making-up the portfolio. However, we would like to emphasize that it is the strong initial undervaluation of the companies that make up the portfolio that has continued to be the fundamental anchor in order to generate returns, as demonstrated by the strategy's performance for the period. To briefly mention the increase in the prices of these three energy sources on a year-to-date basis: Brent oil closed the year at USD 85.9/barrel, representing a +10.4% increase; WTI closed the year at USD 80.3%/barrel, representing a +6.7% increase; gas closed the year at USD 4.5/MMbtu, representing a +19.8% increase and coal closed the period at USD 404/ton, representing a +138.3% increase over the period. That said, throughout 2022, energy has traded much higher than the aforementioned prices.

With respect to gold mining equities, and from an aggregate sector perspective, companies are generating near-historic levels of cash flow, buying back stocks at near-record levels at historically cheap valuations, paying the highest dividend yields in history, accomplishing major balance sheet improvements after a long deleveraging period and accumulating the highest cash levels in decades. These facts coupled with the lowest P/E ratio for the metals and mining industry since 2008 indicate strong fundamentals improvements for the overall sector, making the industry as a whole, highly attractive. In addition to these facts, it is worth bearing in mind the solid medium-term tailwinds for the gold price itself, such as the still high inflation rates of 10.4% and 7.1% for the European Union and the USA respectively; or the fragile public debt position of several Western countries, with debt/GDP ratios equal to or above 100%.

Similarly, the strong revaluations of the companies in the portfolio throughout the year, combined with the general negative performance in the main equity markets, have allowed us to start rotating part of the portfolio, as many companies that had been off our price radar in recent years – trading at expensive prices - have now entered it. This rotation process, whereby we sell companies with profits to gradually buy different ones offering discounts on their intrinsic value, is what allows us to increase the sub-fund's target price, which is the source of the sub-fund's future performance.

After the annual update done by Altum's Analysis Team, three companies turned to non-Compliant based on Altum's Investment Guidelines, and therefore they are no longer included in the investment universe of the sub-fund. The three companies are: Endeavour Mining Corp, Petra Diamonds and ThyssenKrupp AG. Furthermore, during 2022 there were only two companies that did not receive approval from Altum Faithful Investing, these companies are Ruffer investment Company and RIT Capital Partners Plc. Both of them invest in companies that enter in conflict with Altum's Investment Guidelines.

Regarding performance contribution, Whitehaven Coal, Arch Resources and Consol Energy have been the top performers. On the other hand, Petrofac, Public Power Corporation and AMA Group have been the worst performers in this period.

The main positions at the end of the period are Petrofac 6%; National Oilwell Varco 4.6%, Arch Resources 4%; New Gold 3.8%, and Tullow Oil 3.8%.

Throughout the year, the main additions to the portfolio have been Petrofac, Ashmore Group and Compañía de Minas Buenaventura among others. On the other hand, TGS and Civitas Resources have been completely settled among others.

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

Management report (continued)

The portfolio is the result of a selection of companies, most of which have good assets as well as strong balance sheets, and where there is “skin in the game”, either because they are captained or supervised by an owner or because there is a healthy incentive system. This adds security to the main point which is their undervaluation. Most of them have been bought after suffering sharp market falls, and our analysis indicates that these were due to circumstantial, not structural, causes.

Currently, a large part of the portfolio is invested in companies related to certain commodities. The sectorial weight at the end of the period is mainly Energy (34.3%) and Materials (20.4%).

The main geographical exposure of the vehicle through companies' share prices is 25.6% to the US, 16.2% to the United Kingdom and 10.1% to Canada. It is important to clarify that, despite the listing country of these companies, in most cases their businesses have a global exposure.

The main currencies which the vehicle is exposed to are the Euro 36.5% the US Dollar 25.6%, and the Pound Sterling 20.2%.

The cash percentage the end of December is 14.29% of the sub-fund's assets.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

Management report (continued)

Azvalor Lux SICAV - AZVALOR MANAGERS

The net asset value per share (class I) of Azvalor Lux SICAV - AZVALOR MANAGERS has decreased by -0.61%, to EUR 13.65, from December 31, 2021, to December 31, 2022. The sub-fund's assets amounted to EUR 4,016,654 at the end of the period.

Azvalor Lux SICAV - AZVALOR MANAGERS is a feeder sub-fund and will as such at all times invest at least 98.95% of its assets in units of the Master sub-fund Azvalor Lux SICAV - AZVALOR MANAGERS FI. The cash percentage at the end of the period is 1.05% of the sub-fund's assets.

The objective of the sub-fund is to find the best investment opportunities worldwide through investment delegation to specialist Managers. These external managers are selected by Azvalor Asset Management's investment team, that applies an exhaustive, qualitative manager research process, looking for those that comply with a strict set of requirements:

- Independent and employee-owned investment boutique.
- "Skin in the game": managers that personally invest in the strategies they manage.
- Stable, vocational and hard-working investment team.
- Specialised in a particular strategy.
- Strong stewardship mindset towards investors' interests.
- Reasonable asset base and capacity conscious.
- Lengthy experience and excellent long-term track record.
- Investment process focused on fundamentally-driven stock selection, unconstrained relative to benchmark, long-term horizon through low turnover, and concentrated portfolios.
- Robust operational and compliance process.

Azvalor Lux SICAV - AZVALOR MANAGERS FI is not a sub-fund of funds, but a multimanager sub-fund. Delegating the management through separate account agreements allows Azvalor to select any manager, anywhere in the world, while we avoid a double layer of management fees. Moreover, it makes portfolio management much more efficient and transparent.

The purpose of the sub-fund is to build a long-only portfolio of global stocks, that represent the best ideas from a number of top-quality Managers, who take advantage of short- and mid-term distortions between price and value, to make long term investments. The sub-fund's investment objective is to achieve significant capital appreciation and is targeted at long-term oriented investors (recommended investment horizon is, at least, 7 years). The sub-fund does not invest in derivative instruments.

The Managers that are part of the sub-fund are:

- Donald Smith & Co.
- Mittleman Brothers Investment Management.
- Moerus Capital Management.
- Goehring & Rozencwajg Associates.

All the Managers invest their personal wealth in the strategies they manage, and Azvalor's partners and portfolio managers are as a group the largest investor in the sub-fund. Hence, all interests are aligned.

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

Management report (continued)

As per the Master sub-fund, the main portfolio holdings are Greatview Aseptic Packaging 3.3%, AMA Group 2.5% and AIMIA 2.2%.

Throughout the year the main additions to the portfolio have been Barrick Gold, Algoma Steel Group, Itau Corpbanca and NN Group among others. On the other hand, Atlas Air Worldwide Holdings and Verso have been completely sold among others.

At the end of the period of 2022, the geographical exposure of the vehicle is mainly USA (53.5%), Canada (13 %), Hong Kong (4.5%), and Australia (3.7%). It is important to clarify that, despite the exchange listing location of these companies, in many cases their businesses are global, and the geographic breakdown is a result of bottom-up stock picking, and not a predefined top-down allocation decision. Likewise, the main sector exposures are materials (22.4%), energy (20.9%), financials (11.1%), and industrials (10.6%).

The currency risk exposure is 0-100% of the total portfolio. The main currencies which the vehicle is currently exposed to are the US Dollar 56.7%, the Euro 17.1% and the Canadian Dollar 10.5%.

Regarding performance contribution, International Seaways, Tidewater and Range Resources have been the top contributors from the end of December 2021 to December 2022. On the other hand, AMA Group, Greatview Aseptic Packaging and AIMIA have been the top detractors during this period.

In the last year, Azvalor's investment team visited all the Managers in their respective offices and maintains full conviction on each and every one of them. Our Managers have consistently applied their particular investment style for decades in very different market environments, overcoming severe crises when they proved to be a good investment for their investors. Azvalor Managers portfolio is diversified across a number of sectors and comprises 145 companies, most of which are small companies not included in the indices (active share is 99%).

Over the past couple of years, the market seems to have paid more attention to company valuations. However, we are still far from reaching reasonable overall valuation levels: according to the Value factor calculated by AQR in its latest post "The Bubble Has Not Popped", the valuation divergence between expensive and cheap stocks remains at extreme levels (94th percentile as of December 2022), which is something only seen in the period before the tech bubble burst, that marked the beginning of several years of Value outperforming the market. During this period (2000-2002), all four Managers in our sub-fund delivered overall positive returns as the market declined.

Azvalor Lux SICAV - AZVALOR MANAGERS is currently trading at very attractive valuation multiples. According to Morningstar, at the end of December, the portfolio was trading at 4.3 times earnings and 0.84 times book value, which implies a very significant discount to global equity market valuations. From a fundamental standpoint, the companies in the portfolio have in general increased their earnings and free cash-flows in the past year, which has left them in a position to reduce debt, increase dividends and execute share buy-backs at low prices, thus improving value for shareholders. This, together with the significant market downturn in the last year, which has permitted the sub-fund to invest in a few specific new ideas, implies that the sub-fund has the most attractively valued portfolio since it was launched in 2018.

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

Management report (continued)

In June 2022, the sub-fund was awarded with the Best Global Equity Fund Award by EI Economista, and also in the first half of the year participated in an event held at Brown University (Value Investing Series Event), which previously featured renowned investors like Howard Marks or Bill Nygren.

The investments underlying this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

January 2023

Approved by the Board of Directors of the SICAV



Audit report

To the Shareholders of
Azvalor Lux SICAV

Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Azvalor Lux SICAV (the “Fund”) and of each of its sub-funds as at 31 December 2022, 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 2022;
- the statement of operations and changes in net assets for the year then ended;
- the statement of investments and other net assets as at 31 December 2022; 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 Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements. 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.

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R.C.S. Luxembourg B 65 477 - TVA LU25482518*



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

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 or any of its sub-funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 or any of its sub-funds to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 27 April 2023

Bertrand Jaboulay

Statement of net assets as at December 31, 2022

	COMBINED	Azvalor Lux SICAV - AZVALOR INTERNATIONAL	Azvalor Lux SICAV - AZVALOR BLUE CHIPS
	EUR	EUR	EUR
ASSETS			
Investments in securities at acquisition cost (note 2.e)	270,059,471.63	243,741,510.09	2,906,101.58
Net unrealised gain/loss on investments	-8,690,858.97	-10,945,714.61	1,353,652.92
Investments in securities at market value (note 2.c)	261,368,612.66	232,795,795.48	4,259,754.50
Cash at banks (note 2.c)	50,710,641.43	47,230,189.67	55,731.14
Formation expenses (note 2.i)	749.67	0.00	0.00
	312,080,003.76	280,025,985.15	4,315,485.64
LIABILITIES			
Financial manager fees payable (note 4)	486,296.58	447,998.03	222.96
"Taxe d'abonnement" payable (note 3)	20,280.60	18,707.33	141.54
Other fees payable (note 8)	217,273.98	196,423.88	2,278.54
	723,851.16	663,129.24	2,643.04
TOTAL NET ASSETS AS AT DECEMBER 31, 2022	311,356,152.60	279,362,855.91	4,312,842.60
TOTAL NET ASSETS AS AT DECEMBER 31, 2021	197,779,462.51	179,238,341.12	2,468,026.06
TOTAL NET ASSETS AS AT DECEMBER 31, 2020	139,557,032.36	128,516,460.19	1,825,064.05

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

Azvalor Lux SICAV

Statement of net assets as at December 31, 2022 (continued)

Azvalor Lux SICAV - ALTUM FAITH - CONSISTENT EQUITY	Azvalor Lux SICAV - AZVALOR MANAGERS
EUR	EUR
19,656,731.65	3,755,128.31
681,661.21	219,541.51
20,338,392.86	3,974,669.82
3,382,589.60	42,131.02
749.67	0.00
23,721,732.13	4,016,800.84
38,029.79	45.80
1,331.17	100.56
18,571.56	0.00
57,932.52	146.36
23,663,799.61	4,016,654.48
11,656,641.45	4,416,453.88
7,782,007.13	1,433,500.99

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

Statement of operations and changes in net assets for the year ended December 31, 2022

	COMBINED	Azvalor Lux SICAV - AZVALOR INTERNATIONAL	Azvalor Lux SICAV - AZVALOR BLUE CHIPS
	EUR	EUR	EUR
NET ASSETS AT THE BEGINNING OF THE YEAR	197,779,462.51	179,238,341.12	2,468,026.06
INCOME			
Dividends, net (note 2.g)	5,727,006.74	5,297,755.29	0.00
Interest on bonds, net (note 2.g)	1,843.84	0.00	0.00
	<u>5,728,850.58</u>	<u>5,297,755.29</u>	<u>0.00</u>
EXPENSES			
Amortization of formation expenses (note 2.i)	1,520.17	0.00	0.00
Financial manager fees (note 4)	5,098,138.57	4,738,392.72	1,624.18
Depository fees, bank charges and interest (note 5)	276,107.33	257,146.47	1,372.87
Professional fees, audit fees and other expenses	392,525.67	335,509.93	6,831.70
Administration fees (note 6)	164,187.43	150,897.70	2,028.00
"Taxe d'abonnement" (note 3)	69,817.65	64,944.07	436.16
Transaction fees (note 2.h)	423,341.18	371,148.30	100.00
	<u>6,425,638.00</u>	<u>5,918,039.19</u>	<u>12,392.91</u>
NET INVESTMENT LOSS	-696,787.42	-620,283.90	-12,392.91
Net realised gain/loss on sales of investments	68,299,344.12	62,791,382.23	-0.42
Net realised loss on foreign exchange	-52,158.72	-52,132.79	-0.06
NET REALISED GAIN/LOSS	67,550,397.98	62,118,965.54	-12,393.39
Change in net unrealised appreciation/depreciation:			
- on investments	2,190,812.82	1,618,389.49	800,356.17
INCREASE/DECREASE IN NET ASSETS AS A RESULT OF OPERATIONS	69,741,210.80	63,737,355.03	787,962.78
Proceeds from subscriptions of shares	177,546,388.52	162,944,152.50	1,075,043.05
Cost of shares redeemed	-133,710,909.23	-126,556,992.74	-18,189.29
NET ASSETS AT THE END OF THE YEAR	311,356,152.60	279,362,855.91	4,312,842.60

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

Azvalor Lux SICAV

Statement of operations and changes in net assets for the year ended December 31, 2022 (continued)

Azvalor Lux SICAV - ALTUM FAITH - CONSISTENT EQUITY	Azvalor Lux SICAV - AZVALOR MANAGERS
EUR	EUR
11,656,641.45	4,416,453.88
429,251.45	0.00
1,843.84	0.00
431,095.29	0.00
1,520.17	0.00
357,050.83	1,070.84
17,501.51	86.48
46,130.18	4,053.86
11,261.73	0.00
3,955.08	482.34
51,922.88	170.00
489,342.38	5,863.52
-58,247.09	-5,863.52
5,235,704.88	272,257.43
-25.87	0.00
5,177,431.92	266,393.91
116,252.72	-344,185.56
5,293,684.64	-77,791.65
10,759,857.12	2,767,335.85
-4,046,383.60	-3,089,343.60
23,663,799.61	4,016,654.48

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

Azvalor Lux SICAV

Statistics

Sub-fund Class	Currency	Number of shares outstanding	Net asset value per share	Net asset value per share	Net asset value per share
		31.12.2022	31.12.2022	31.12.2021	31.12.2020
Azvalor Lux SICAV - AZVALOR INTERNATIONAL					
I	EUR	93,522.50	1,752.66	1,303.55	985.18
R	EUR	661,103.63	170.00	126.98	96.37
Z	EUR	165,860,428.23	0.0185	0.0136	0.0102
Azvalor Lux SICAV - AZVALOR BLUE CHIPS					
I	EUR	2,507.96	1,591.33	1,207.15	892.67
R	EUR	2,637.47	122.03	-	-
Azvalor Lux SICAV - ALTUM FAITH - CONSISTENT EQUITY					
I	EUR	11,290.96	1,447.72	1,016.86	701.77
R	EUR	51,574.62	141.88	100.10	69.40
Azvalor Lux SICAV - AZVALOR MANAGERS					
I	EUR	294,226.82	13.65	13.74	9.36

Azvalor Lux SICAV - AZVALOR INTERNATIONAL

Statement of investments and other net assets as at December 31, 2022 (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>ARGENTINA</i>				
CENTRAL PUERTO -ADR SPONS.-	USD	237,737.00	1,323,173.91	0.47
LOMA NEGRA CIA IND. ARGENTINA -ADR SPONS.-	USD	139,964.00	898,339.76	0.32
TRANSPORTADORA GASDELSUR ADR -SPONS.-	USD	92,126.00	1,018,586.53	0.36
			3,240,100.20	1.15
<i>AUSTRALIA</i>				
AMA GROUP	AUD	8,238,411.00	1,125,488.66	0.40
WHITEHAVEN COAL	AUD	935,965.00	5,602,343.32	2.01
			6,727,831.98	2.41
<i>BELGIUM</i>				
COLRUYT	EUR	91,683.00	1,952,847.90	0.70
DECEUNINCK	EUR	101,016.00	247,489.20	0.09
KINEPOLIS GROUP	EUR	3,878.00	150,388.84	0.05
			2,350,725.94	0.84
<i>BERMUDA</i>				
BORR DRILLING 'S'	USD	1,106,069.00	5,150,771.85	1.84
BORR DRILLING 'S'	NOK	554,161.00	2,812,054.75	1.01
GEOPARK	USD	337,051.00	4,879,303.23	1.75
PETRA DIAMONDS	GBP	4,578,957.00	4,902,904.01	1.76
STOLT-NIELSEN	NOK	16,185.00	414,882.26	0.15
			18,159,916.10	6.51
<i>BRAZIL</i>				
SUZANO	BRL	738,245.00	6,320,161.26	2.26
VALE ADR -SPONS.-	USD	264,894.00	4,211,993.27	1.51
			10,532,154.53	3.77
<i>CANADA</i>				
AGNICO EAGLE MINES	USD	138,879.00	6,765,347.40	2.42
BARRICK GOLD	USD	726,652.00	11,697,238.29	4.19
EPSILON ENERGY	USD	280,131.00	1,740,237.03	0.62
MANDALAY RESSOURCES	CAD	1,762,636.00	3,693,311.50	1.32
NEW GOLD INC	USD	8,481,468.00	7,788,087.25	2.79
PAN AMERICAN SILVER	USD	267,779.00	4,099,796.23	1.47
PRAIRIESKY ROYALTY	CAD	728,443.00	10,931,153.23	3.91
			46,715,170.93	16.72
<i>CAYMAN ISLANDS</i>				
GREATVIEW ASEPTIC PACKAGING COMPANY	HKD	6,297,000.00	1,103,696.21	0.40
			1,103,696.21	0.40

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

Azvalor Lux SICAV - AZVALOR INTERNATIONAL

Statement of investments and other net assets as at December 31, 2022 (expressed in EUR) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<i>FRANCE</i>				
BIC	EUR	5,590.00	357,480.50	0.13
ELIS	EUR	4,265.00	58,942.30	0.02
JC DECAUX	EUR	77,585.00	1,374,806.20	0.49
VALLOUREC	EUR	427,431.00	5,244,578.37	1.88
VICAT	EUR	48,409.00	1,135,191.05	0.41
			8,170,998.42	2.93
<i>GERMANY</i>				
BAYER REG.	EUR	65,092.00	3,145,570.90	1.13
FUCHS PETROLUB PFD	EUR	40,539.00	1,327,246.86	0.48
			4,472,817.76	1.61
<i>GREECE</i>				
PUBLIC POWER CORP OF GREECE	EUR	998,166.00	6,542,978.13	2.34
			6,542,978.13	2.34
<i>IRELAND</i>				
C&C GROUP	GBP	22,304.00	44,068.46	0.02
			44,068.46	0.02
<i>JERSEY</i>				
GLENCORE	GBP	1,006,944.00	6,269,345.57	2.24
PETROFAC	GBP	7,571,175.00	5,994,774.26	2.15
YELLOW CAKE	GBP	308,114.00	1,300,895.54	0.47
			13,565,015.37	4.86
<i>MEXICO</i>				
FRESNILLO	GBP	162,942.00	1,656,176.03	0.59
			1,656,176.03	0.59
<i>NETHERLANDS</i>				
KONINKLIJKE VOPAK	EUR	1,789.00	49,644.75	0.02
ROYAL PHILIPS	EUR	98,790.00	1,383,455.16	0.50
			1,433,099.91	0.52
<i>PERU</i>				
MINAS BUENAVENTURA ADR -SPONS.-	USD	889,623.00	6,210,062.62	2.22
			6,210,062.62	2.22
<i>POLAND</i>				
EUROCASH	PLN	695,339.00	2,020,114.70	0.72
			2,020,114.70	0.72
<i>PORTUGAL</i>				
ALTRI SGPS SA	EUR	29,888.00	149,589.44	0.05
SEMAPA	EUR	103,243.00	1,276,083.48	0.46
SONAECOM SGPS	EUR	1,780,494.00	4,469,039.94	1.60
			5,894,712.86	2.11

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

Azvalor Lux SICAV - AZVALOR INTERNATIONAL

Statement of investments and other net assets as at December 31, 2022 (expressed in EUR) (continued)

Description	Currency	Quantity/Nominal	Market value (note 2)	% of net assets
<i>SPAIN</i>				
ELECNOR	EUR	9,007.00	95,474.20	0.03
GRIFOLS PFD 'B'	EUR	181,386.00	1,420,252.38	0.51
GRUPO CATALANA OCCIDENTE	EUR	37,253.00	1,100,826.15	0.39
MIQUEL Y COSTAS Y MIQUEL	EUR	114,702.00	1,342,013.40	0.48
PROSEGUR CASH	EUR	5,722,079.00	3,421,803.24	1.22
SOL MELIA INTERNATIONAL	EUR	267,108.00	1,222,820.42	0.44
TECNICAS REUNIDAS	EUR	801,570.00	7,310,318.40	2.62
TUBACEX	EUR	904,083.00	1,806,357.83	0.65
			17,719,866.02	6.34
<i>UNITED KINGDOM</i>				
ASHMORE GROUP	GBP	362,411.00	977,887.14	0.35
BRITISH AMERICAN TOBACCO	GBP	73,487.00	2,717,979.32	0.97
ENDEAVOUR MINING	CAD	600,675.00	12,037,841.26	4.31
FORTERRA	GBP	50,467.00	106,140.80	0.04
FOXTONS GROUP	GBP	1,357,648.00	454,471.71	0.16
HORIZONTE MINERALS	GBP	1,019,093.00	1,688,473.99	0.60
IBSTOCK	GBP	125,201.00	218,444.93	0.08
SIG	GBP	1,420,405.00	473,878.63	0.17
TULLOW OIL	GBP	33,803,940.00	14,066,700.31	5.03
VISTRY GROUP	GBP	152,910.00	1,078,019.02	0.39
WETHERSPOON (JD)	GBP	450,005.00	2,252,989.22	0.81
			36,072,826.33	12.91
<i>UNITED STATES</i>				
ARCH COAL 'A'	USD	67,128.00	8,981,217.34	3.21
NATIONAL OILWELL VARCO	USD	665,818.00	13,032,498.28	4.66
			22,013,715.62	7.87
TOTAL I.			214,646,048.12	76.84
II. MONEY MARKET INSTRUMENTS				
<i>SPAIN</i>				
TBI SPAIN 10/02/23 -SR-	EUR	12,500,000.00	12,479,962.50	4.46
			12,479,962.50	4.46
TOTAL II.			12,479,962.50	4.46
III. UNITS OF INVESTMENT FUNDS				
<i>SPAIN</i>				
AZVALOR VALUE SELECTION EUR	EUR	85,847.00	5,669,784.86	2.03
			5,669,784.86	2.03
TOTAL III.			5,669,784.86	2.03

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

Azvalor Lux SICAV - AZVALOR INTERNATIONAL

Statement of investments and other net assets as at December 31, 2022 (expressed in EUR) (continued)

Description	Market value (note 2)	% of net assets
TOTAL INVESTMENTS	232,795,795.48	83.33
CASH AT BANKS	47,230,189.67	16.91
OTHER NET LIABILITIES	-663,129.24	-0.24
TOTAL NET ASSETS	279,362,855.91	100.00

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

Azvalor Lux SICAV - AZVALOR INTERNATIONAL

Geographical and industrial classification of investments as at December 31, 2022

Geographical classification

(in % of net assets)	
Canada	16.72
United Kingdom	12.91
Spain	12.83
United States	7.87
Bermuda	6.51
Jersey	4.86
Brazil	3.77
France	2.93
Australia	2.41
Greece	2.34
Peru	2.22
Portugal	2.11
Germany	1.61
Argentina	1.15
Belgium	0.84
Poland	0.72
Mexico	0.59
Netherlands	0.52
Cayman Islands	0.40
Ireland	0.02
	83.33

Industrial classification

(in % of net assets)	
Precious metals and stones	16.96
Mining and steelworks	14.96
Oil	10.17
Construction of machines and appliances	7.75
Oil and gas	4.52
Money market instruments	4.46
Metals and minings	3.75
Public utilities	3.17
Paper and forest products	2.74
Units of investment funds	2.03
Construction and building materials	1.92
Internet, software and IT services	1.60
Retail and supermarkets	1.42
Transport and freight	1.39
Gastronomy	1.30
Chemicals	1.13
Tobacco and alcohol	0.99
Electronics and electrical equipment	0.53
Biotechnology	0.51
Publishing and graphic arts	0.49
Packaging	0.40
Insurance	0.39
Holding and finance companies	0.37
Miscellaneous	0.21
Miscellaneous consumer goods	0.13
Utilities	0.04
	83.33

Azvalor Lux SICAV - AZVALOR BLUE CHIPS

Statement of investments and other net assets as at December 31, 2022 (expressed in EUR)

Description	Currency	Quantity	Market value (note 2)	% of net assets
UNITS OF INVESTMENT FUNDS				
<i>SPAIN</i>				
AZVALOR BLUE CHIPS EUR -ACC-	EUR	24,378.31	4,259,754.50	98.77
			<u>4,259,754.50</u>	<u>98.77</u>
TOTAL INVESTMENTS			4,259,754.50	98.77
CASH AT BANKS			55,731.14	1.29
OTHER NET LIABILITIES			-2,643.04	-0.06
TOTAL NET ASSETS			4,312,842.60	100.00

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

Azvalor Lux SICAV - AZVALOR BLUE CHIPS

Geographical and industrial classification of investments as at December 31, 2022

Geographical classification

(in % of net assets)

Spain	98.77
	98.77

Industrial classification

(in % of net assets)

Units of investment funds	98.77
	98.77

Azvalor Lux SICAV - ALTUM FAITH - CONSISTENT EQUITY

Statement of investments and other net assets as at December 31, 2022 (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>ARGENTINA</i>				
CENTRAL PUERTO -ADR SPONS.-	USD	86,493.00	481,394.48	2.03
LOMA NEGRA CIA IND. ARGENTINA -ADR SPONS.-	USD	77,720.00	498,835.17	2.11
			980,229.65	4.14
<i>AUSTRALIA</i>				
AMA GROUP	AUD	5,687,127.00	776,945.57	3.28
WHITEHAVEN COAL	AUD	78,297.00	468,657.13	1.98
			1,245,602.70	5.26
<i>BERMUDA</i>				
BORR DRILLING 'S'	USD	86,198.00	401,409.16	1.70
BORR DRILLING 'S'	NOK	111,985.00	568,260.76	2.40
GEOPARK	USD	44,251.00	640,597.56	2.71
ODFJELL DRILLING	NOK	70,398.00	176,104.10	0.74
			1,786,371.58	7.55
<i>CANADA</i>				
AIMIA	CAD	243,716.00	621,900.75	2.63
MANDALAY RESSOURCES	CAD	264,955.00	555,169.27	2.35
NEW GOLD INC	USD	979,137.00	899,090.16	3.80
PAN AMERICAN SILVER	CAD	7,719.00	117,967.94	0.50
PAN AMERICAN SILVER	USD	32,632.00	499,608.08	2.11
PRAIRIESKY ROYALTY	CAD	44,845.00	672,952.54	2.84
			3,366,688.74	14.23
<i>FRANCE</i>				
BONDUELLE	EUR	10,741.00	143,714.58	0.61
ELIS	EUR	28,696.00	396,578.72	1.68
VALLOUREC	EUR	26,841.00	329,339.07	1.39
VICAT	EUR	12,742.00	298,799.90	1.26
			1,168,432.27	4.94
<i>GREECE</i>				
PUBLIC POWER CORP OF GREECE	EUR	43,957.00	288,138.14	1.22
			288,138.14	1.22
<i>GUERNSEY</i>				
BUSHVELD MINERALS	GBP	415,000.00	22,732.52	0.10
			22,732.52	0.10
<i>ITALY</i>				
BUZZI UNICEM	EUR	6,735.00	121,230.00	0.51
MARR	EUR	14,451.00	164,741.40	0.70
			285,971.40	1.21

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

Azvalor Lux SICAV - ALTUM FAITH - CONSISTENT EQUITY

Statement of investments and other net assets as at December 31, 2022 (expressed in EUR) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<i>JERSEY</i>				
PETROFAC	GBP	1,779,444.00	1,408,944.46	5.94
			1,408,944.46	5.94
<i>PERU</i>				
MINAS BUENAVENTURA ADR -SPONS.-	USD	85,995.00	600,292.86	2.54
			600,292.86	2.54
<i>POLAND</i>				
EUROCASH	PLN	80,572.00	234,079.58	0.99
			234,079.58	0.99
<i>PORTUGAL</i>				
SEMAPA	EUR	33,606.00	415,370.16	1.76
			415,370.16	1.76
<i>SPAIN</i>				
ELEC NOR	EUR	21,481.00	227,698.60	0.96
MIQUEL Y COSTAS Y MIQUEL	EUR	13,381.00	156,557.70	0.66
PROSEGUR CASH	EUR	563,323.00	336,867.15	1.42
TECNICAS REUNIDAS	EUR	57,924.00	528,266.88	2.23
			1,249,390.33	5.27
<i>UNITED KINGDOM</i>				
ASHMORE GROUP	GBP	256,576.00	692,314.45	2.93
FORTERRA	GBP	97,376.00	204,798.51	0.87
FOXTONS GROUP	GBP	1,072,688.00	359,081.56	1.52
HORIZONTE MINERALS	GBP	261,004.00	432,441.85	1.83
HOWDEN JOINERY GROUP	GBP	218.00	1,379.90	0.01
SIG	GBP	397,860.00	132,734.93	0.56
TULLOW OIL	GBP	2,149,520.00	894,471.28	3.78
VISTRY GROUP	GBP	45,623.00	321,643.21	1.36
WETHERSPOON (JD)	GBP	62,675.00	313,787.85	1.33
			3,352,653.54	14.19
<i>UNITED STATES</i>				
ARCH COAL 'A'	USD	7,069.00	945,778.59	4.00
NATIONAL OILWELL VARCO	USD	55,726.00	1,090,762.04	4.60
			2,036,540.63	8.60
TOTAL I.			18,441,438.56	77.94

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

Azvalor Lux SICAV - ALTUM FAITH - CONSISTENT EQUITY

Statement of investments and other net assets as at December 31, 2022 (expressed in EUR) (continued)

Description	Currency	Nominal	Market value (note 2)	% of net assets
II. MONEY MARKET INSTRUMENTS				
<i>SPAIN</i>				
TBI SPAIN 10/02/23 -SR-	EUR	1,900,000.00	1,896,954.30	8.01
			1,896,954.30	8.01
TOTAL II.			1,896,954.30	8.01
TOTAL INVESTMENTS			20,338,392.86	85.95
CASH AT BANKS			3,382,589.60	14.29
OTHER NET LIABILITIES			-57,182.85	-0.24
TOTAL NET ASSETS			23,663,799.61	100.00

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

Azvalor Lux SICAV - ALTUM FAITH - CONSISTENT EQUITY

Geographical and industrial classification of investments as at December 31, 2022

Geographical classification

(in % of net assets)	
Canada	14.23
United Kingdom	14.19
Spain	13.28
United States	8.60
Bermuda	7.55
Jersey	5.94
Australia	5.26
France	4.94
Argentina	4.14
Peru	2.54
Portugal	1.76
Greece	1.22
Italy	1.21
Poland	0.99
Guernsey	0.10
	85.95

Industrial classification

(in % of net assets)	
Mining and steelworks	16.80
Construction of machines and appliances	11.00
Oil	9.12
Oil and gas	8.65
Money market instruments	8.01
Construction and building materials	7.56
Holding and finance companies	7.34
Precious metals and stones	5.15
Public utilities	3.25
Miscellaneous	1.52
Transport and freight	1.42
Gastronomy	1.33
Food and soft drinks	1.31
Retail and supermarkets	0.99
Electronics and electrical equipment	0.96
Utilities	0.87
Paper and forest products	0.66
Miscellaneous investment goods	0.01
	85.95

Azvalor Lux SICAV - AZVALOR MANAGERS

Statement of investments and other net assets as at December 31, 2022 (expressed in EUR)

Description	Currency	Quantity	Market value (note 2)	% of net assets
UNITS OF INVESTMENT FUNDS				
<i>SPAIN</i>				
AZVALOR MANAGERS EUR -ACC.-	EUR	30,269.49	3,974,669.82	98.95
			<u>3,974,669.82</u>	<u>98.95</u>
TOTAL INVESTMENTS			3,974,669.82	98.95
CASH AT BANKS			42,131.02	1.05
OTHER NET LIABILITIES			-146.36	0.00
TOTAL NET ASSETS			4,016,654.48	100.00

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

Azvalor Lux SICAV - AZVALOR MANAGERS

Geographical and industrial classification of investments as at December 31, 2022

Geographical classification

(in % of net assets)

Spain	98.95
	98.95

Industrial classification

(in % of net assets)

Units of investment funds	98.95
	98.95

Notes to the financial statements as at December 31, 2022

NOTE 1

GENERAL

Azvalor Lux SICAV (the "SICAV") was incorporated in Luxembourg as a public limited company in accordance with the terms of the law of August 10, 1915 on commercial companies, as amended. The SICAV has the status of Investment Company with Variable Capital (SICAV) in accordance with part I of the law of December 17, 2010 regarding collective investment undertakings, as amended (the "2010 Law").

The SICAV is registered with the Luxembourg trade and companies register under number B202496.

The SICAV was incorporated on December 9, 2015 for an indefinite period.

The SICAV may be dissolved at any time by decision of the general meeting of shareholders voting as for amendments to the SICAV's Articles of Association.

Waystone Management Company (Lux) S.A., with registered office at 19, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg was appointed Management Company of the SICAV since the incorporation of the SICAV. It is a Management Company within the meaning of chapter 15 of the 2010 Law.

Azvalor Lux SICAV - AZVALOR BLUE CHIPS is a feeder sub-fund pursuant to article 77(1) of the 2010 Law ("Feeder UCITS") and invests as such at all times at least 85% of its assets in units of the Master Fund (AZVALOR BLUE CHIPS, FI) which qualifies as a "master UCITS" within the meaning of Directive 2009/65/EC.

As of December 31, 2022, Azvalor Lux SICAV - AZVALOR BLUE CHIPS invests EUR 4,259,754.50 in the Master UCITS.

Azvalor Lux SICAV - AZVALOR MANAGERS is a feeder sub-fund pursuant to article 77(1) of the 2010 Law ("Feeder UCITS") and invests as such at all times at least 85% of its assets in units of the Master Fund (AZVALOR MANAGERS, FI) which qualifies as a "master UCITS" within the meaning of Directive 2009/65/EC.

As of December 31, 2022, Azvalor Lux SICAV - AZVALOR MANAGERS invests EUR 3,974,669.82 in the Master UCITS.

a) Sub-funds in activity

As at December 31, 2022, the SICAV includes the following sub-funds:

- Azvalor Lux SICAV - AZVALOR INTERNATIONAL;
- Azvalor Lux SICAV - AZVALOR BLUE CHIPS;
- Azvalor Lux SICAV - ALTUM FAITH - CONSISTENT EQUITY;
- Azvalor Lux SICAV - AZVALOR MANAGERS.

Notes to the financial statements as at December 31, 2022 (continued)

b) Significant events and material changes

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

The situation, together with growing turmoil from fluctuations in commodity prices and foreign exchange rates, and the potential to adversely impact global economies, has driven a sharp increase in volatility across markets.

At the date of this report, the Board of Directors of the SICAV continues to monitor the evolving situation and its impact on the financial position of the SICAV and any of its compartment.

A new Prospectus came into force in June 2022.

c) Shares classes

The detail of Share classes issued by the sub-funds is available in the Prospectus.

d) Master feeder structure

Azvalor Lux SICAV - AZVALOR BLUE CHIPS

Azvalor Lux SICAV - AZVALOR BLUE CHIPS sub-fund acts as Feeder Fund for Azvalor Blue Chips (The "Master Fund") and invests at least 85 % of its assets in Class I EUR shares in the Master Fund.

As at December 31, 2022, the percentage of ownership share of the Master Fund is 98.77%.

As at December 31, 2022, the annualised total expense ratios of the sub-fund Azvalor Lux SICAV - AZVALOR BLUE CHIPS are as follows:

Class	Annualised TER including performance fees	Annualised TER excluding performance fees	Synthetic TER
I	0.34	0.34	2.22
R	0.77	0.77	2.65

The total expense ratio (including performance fees) of the share class I EUR of the Master Fund is. 1.88 %

Azvalor Lux SICAV - AZVALOR MANAGERS

Azvalor Lux SICAV - AZVALOR MANAGERS sub-fund acts as Feeder Fund for Azvalor Managers (The "Master Fund") and invests at least 85% of its assets in Class I EUR shares in the Master Fund.

As at December 31, 2022, the percentage of ownership share of the Master Fund is 98.95%.

Notes to the financial statements as at December 31, 2022 (continued)

As at December 31, 2022, the annualised total expense ratios of the sub-fund Azvalor Lux SICAV - AZVALOR MANAGERS are as follows:

Class	Annualised TER including performance fees	Annualised TER excluding performance fees	Synthetic TER
I	0.12	0.12	2.41

The total expense ratio (including performance fees) of the share class I EUR of the Master Fund is 2.29 %.

NOTE 2

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Preparation and presentation of financial statements

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 reference currency of the SICAV is the Euro (EUR).

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 end of the closing date.

c) Valuation of assets

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

1) the value of cash on hand or on deposit, bills and demand notes and accounts payable, prepaid expenses and dividends and interest announced or due but not yet received, are constituted by the nominal value of these assets, unless it is unlikely that this value can be received; in the latter case, the value is determined by reducing such amount to that which the SICAV considers appropriate for reflecting the true value of these assets.

2) the value of the assets admitted to official listing or any other regulated market, recognised and open to the public, is based on the most representative market prices and/or past operations on these markets by the managers or other market players. It may be the last known price or the price at any other time on the markets deemed most representative by the Board of Directors of the SICAV, taking into account liquidity criteria and past operations in the markets concerned. It may be the last known price or the price at any other time on the markets deemed most representative by the Board of Directors of the SICAV, taking into account liquidity criteria and past operations in the markets concerned. If the Board of Directors of the SICAV believes that the market price is not representative of the value of an asset, the valuation is based on the probable realisation value that the Board of Directors of the SICAV estimates prudently and in good faith.

3) assets unlisted or not traded on a stock market or any other regulated market, operating regularly, recognised and open to the public, are valued based on their probable realisable value, estimated prudently and in good faith.

Notes to the financial statements as at December 31, 2022 (continued)

4) units/shares of open-ended CIUs, or UCITS are valued based on the last known net asset values ("NAV"), or, if the price determined is not representative of the real value of these assets, the price is determined by the Board of Directors of the SICAV in a just and equitable manner. Units/shares of type closed-end CIUs are valued based on their last market value;

5) cash and money market instruments may be valued at their nominal value plus accrued interest or on the basis of straight-line depreciation. All other assets may be valued, to the extent possible, in the same manner.

6) all other assets are valued by the Board of Directors of the SICAV on the basis of their probable realisation value, which must be estimated in good faith and according to generally accepted principles and procedures.

The Board of Directors of the SICAV, at its sole discretion, may allow the use of any other generally accepted valuation method if it considers that such valuation better reflects the probable realisable value of an asset held by the SICAV.

d) 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.

e) Acquisition cost of investment securities in the portfolio

The cost of investment securities denominated in currencies other than the base currency of the different sub-funds is converted into the base currency of the sub-fund at the exchange rate prevailing on the acquisition date.

f) Forward foreign exchange contracts

The unrealised gains or losses resulting from outstanding forward foreign exchange contracts, if any, are determined on the basis of the forward rates applicable at the end of the year and are recorded in the statement of net assets.

g) Income

Dividends are shown net of withholding tax (deducted at source), and are recorded at ex-date. Interest is recorded on an accrual basis.

h) Transaction fees

The transaction fees represent the costs incurred by the SICAV in connection with purchases and sales of investments. They include brokerage fees as well as bank commissions, tax, depositary fees and other transaction fees, and are included in the statement of operations and change in net assets.

Notes to the financial statements as at December 31, 2022 (continued)

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 may, in its absolute discretion, provide actual settlement. The Depositary 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 are 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.

i) Formation expenses

Formation expenses are amortised over a maximum period of five years.

j) Conversion of foreign currencies for the sub-fund

Cash at banks, other net assets and the market value of the investment portfolio expressed in currencies other than the base currency of the respective sub-fund are converted into the base currency of the sub-fund at the exchange rate prevailing at the closing date.

Income and expenses expressed in currencies other than the base currency of the respective sub-fund are converted into the base currency of the sub-fund at the exchange rate applicable on the transaction date.

Resulting net realised gain/loss on foreign exchange is recorded in the statement of operations and changes in net assets.

The following exchange rates were used to establish the combined financial statements of the SICAV into EUR as at December 31, 2022:

1	EUR	1.44607003	CAD
1	EUR	0.88723119	GBP
1	EUR	1,343.04484433	KRW
1	EUR	4.68122428	PLN

k) 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 may, in its absolute discretion, provide actual settlement. The Depositary 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 are 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.

NOTE 3

TAXATION OF THE SICAV

The SICAV is subject to an annual subscription tax ("*Taxe d'Abonnement*") in Luxembourg representing 0.05% of the NAV. This tax is limited to 0.01% of the NAV for sub-funds and for the categories or sub-categories reserved to institutional investors, as defined in the guidelines or recommendations issued periodically by the Luxembourg supervisory authority. The share of assets of the SICAV invested in other collective investment undertakings ("CIUs") already subject to the aforementioned subscription tax are exempt from this tax.

Azvalor Lux SICAV

Notes to the financial statements as at December 31, 2022 (continued)

In the cases where it applies, the subscription tax must be paid quarterly on the basis of the net assets affected and is calculated at the end of the quarter to which the tax relates.

NOTE 4 FINANCIAL MANAGER FEES

The Financial Manager is entitled to a financial manager fee based on the average NAV of the classes, payable monthly in arrears at the following annual rate as at December 31, 2022:

Sub-fund	Share class	Effective rate	Fee (max.) p.a.
Azvalor Lux SICAV - AZVALOR INTERNATIONAL	I	1.80%	1.80%
	R	2.20%	2.20%
	Z	1.00%	1.00%
Azvalor Lux SICAV - AZVALOR BLUE CHIPS	I	1.80%	1.80%
	R	1.80%	2.20%
Azvalor Lux SICAV - ALTUM FAITH - CONSISTENT EQUITY	I	1.80%	1.80%
	R	2.20%	2.20%
Azvalor Lux SICAV - AZVALOR MANAGERS	I	2.25%	2.25%

NOTE 5 DEPOSITARY FEES, BANK CHARGES AND INTEREST

In consideration for its services, the Depositary Bank is entitled to payment by the SICAV of a maximum commission of 0.04% per annum, with a minimum of EUR 24,000 per year, based on the monthly average net assets of the sub-fund. The transaction costs for the portfolio are charged separately.

NOTE 6 ADMINISTRATION FEES

In consideration for its services as Administrative Agent, Transfer Agent, Registrar and Domiciliary Agent, FundPartner Solutions (Europe) is entitled to payment by the SICAV of a maximum commission of 0.06% per annum, with a minimum of EUR 36,000 per year, based on the monthly average net assets of the sub-fund. The transaction costs related to the subscription and redemption of shares are included.

NOTE 7 MANAGEMENT COMPANY FEES

The SICAV pays to the Management Company a fee out of the assets of the SICAV for the execution of its duties as the SICAV's designated management company under the management company services agreement.

The Management Company is entitled to a variable remuneration based on the total net assets of the SICAV, calculated at a maximum rate of 0.04% per annum subject to a minimum fixed fee of EUR 30,000 per annum. These fees are calculated on a quarterly basis on the average net asset value at the end of the last month of the preceding quarter and paid quarterly in arrears.

Notes to the financial statements as at December 31, 2022 (continued)

The amount is included in the statement of operations and changes in net assets in the caption "Professional fees, audit fees and other expenses".

NOTE 8

OTHER FEES PAYABLE

As at December 31, 2022, the other fees payable include mainly research, administration, depositary, management company and audit fees.

NOTE 9

SUBSEQUENT EVENT

No significant event occurred after the year-end.

Other information to Shareholders (unaudited appendix)

1. Remuneration Policy of the Management Company

Waystone Management Company (Lux) S.A. has adopted a remuneration policy pursuant to Circular CSSF 22/797 on the application of the Guidelines of the European Banking Authority on sound remuneration policies under Directive 2013/36/EU (EBA/GL/2021/04).

As prescribed by the Sustainable Finance Disclosure Regulation (EU) 2019/2088 adopted by the European Parliament on November 27th, 2019, the company ensures when performing its activities as AIFM/management company that the structure of its remuneration does not encourage excessive risk taking with respect to sustainability risks.

Details of the remuneration policy of the management company, including the persons in charge of determining the fixed and variable remunerations of staff, a description of the key remuneration elements and an overview of how remuneration is determined, is available at <https://www.waystone.com/waystone-policies/>.

With respect to the financial year ended December 31, 2022 (as of that date, Waystone Management Company (Lux) S.A. had a headcount of 92 employees), the total fixed and variable remuneration paid by Waystone Management Company (Lux) S.A. to its employees amounted to EUR 6,680,489.44 and to EUR 865,637.79 respectively.

The total remuneration paid by the Management Company to senior management and members of its identified staff whose actions have a material impact on the risk profile of the collective investment schemes managed amounted to EUR 3,736,654.76.

The remuneration committee of the management company has reviewed the implementation of the remuneration policy and has not identified any deficiency in that respect. Moreover, the current version of the remuneration policy was updated and approved by the Board of directors in the course of the financial year ended December 31, 2021, the current version being dated February 2021.

2. Securities Financing Transactions Regulation ("SFTR")

As at December 31, 2022, 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.

3. Sustainable Finance Disclosure Regulation ("SFDR")

Within the meaning of SFDR (regulation EU 2019/2088 of November 27, 2019 on sustainability-related disclosures in the financial services sector), the sub-funds do not promote environmental and/or social characteristics nor have a sustainable investment as its objective.

For the purpose of the "taxonomy" regulation (regulation EU 2020/852 of June 18, 2020 on the establishment of a framework to facilitate sustainable investment, and amending the EU regulation 2019/2088), the investments underlying the sub-funds do not take into account the EU criteria for environmentally sustainable economic activities.

Other information to Shareholders (unaudited appendix) (continued)

4. Information on risk measurement

The sub-funds' global risk exposure is monitored by using the Commitment approach. In that respect, financial derivatives instruments are converted into their equivalent position in the underlying asset. The global risk exposure shall not exceed the sub-fund's NAV. The sub-funds are not allowed to use derivatives, "SFT" or "securities financing transaction", asset backed securities (ABS, MBS, etc.) nor the use of financial techniques and instruments focused on transferable securities and money market instruments. Should the sub-fund decide to invest in such assets, the current Prospectus will be updated.

