

# TARENO FUNDS

Investment company with variable capital with multiple sub-funds

Annual report, including audited financial statements,  
as at December 31, 2021

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# TARENO FUNDS

## Organisation of the Fund

Registered office	15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg
Board of Directors of the Fund	
Directors	<p>Mr Guy KIEFFER, Director, Tareno (Luxembourg) S.A. 3, rue de la Poste, L-2346 Luxembourg, Grand Duchy of Luxembourg</p> <p>Mr Henri GRISIUS, Independent Director, 30, rue Joseph Hansem, L-1716 Luxembourg, Grand Duchy of Luxembourg (until March 02, 2021)</p> <p>Yves Séraphin José DE VOS, Director, VHC Capital Management S.A., 8, Zeilewee, L-6751 Grevenmacher, Grand Duchy of Luxembourg (since September 16, 2021)</p> <p>Mr Gui VERHAEGEN, Director, Tareno (Luxembourg) S.A., 3, rue de la Poste, L-2346 Luxembourg, Grand Duchy of Luxembourg</p> <p>Mr Marc WAGENER, Director, Tareno (Luxembourg) S.A., 3, rue de la Poste, L-2346 Luxembourg, Grand Duchy of Luxembourg</p>
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	<p>Mr Christian SCHRÖDER, Organisation Management, Head of Special Projects, Banque Pictet &amp; Cie SA, 60, route des Acacias, CH-1211 Geneva 73, Switzerland (until August 5, 2021)</p> <p>Mr Marc BRIOL, Chief Executive Officer Pictet Asset Services, Banque Pictet &amp; Cie SA, 60, route des Acacias, CH-1211 Geneva 73, Switzerland (since August 5, 2021)</p>
Members	<p>Mrs Michèle BERGER, Managing Director, Chief Executive Officer, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg (until January 18, 2021)</p> <p>Mrs Annick BRETON, Managing Director, Chief Executive Officer, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg (since January 18, 2021 and until June 30, 2021)</p> <p>Mr Dorian JACOB, Managing Director, Chief Executive Officer, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg (since August 5, 2021)</p> <p>Mr Geoffroy LINARD DE GUERTECHIN, Independent Director, 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg</p>

# TARENO FUNDS

## Organisation of the Fund (continued)

Mr Yves FRANCIS, Independent Director, 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg (until July 31, 2021)

### Conducting Officers of the Management Company

Mrs Michèle BERGER, Managing Director, Chief Executive Officer, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg (until January 18, 2021)

Mr Philippe MATELIC, Member of the Management Committee in charge of Compliance, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg (until May 31, 2021)

Mrs Annick BRETON, Chief Executive Officer, Chief Operations Officer and Chief Financial Officer, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg (until June 30, 2021)

Mr Dorian JACOB, Chief Executive Officer, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

Mr Abdellali KHOKHA, Conducting Officer in charge of Risk Management, Conducting Officer in charge of Compliance, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg (since September 21, 2021)

Mr Pierre BERTRAND, Conducting Officer in charge of Fund Administration of Classic Funds and Valuation, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg (since September 21, 2021)

Mr Frédéric BOCK, Conducting Officer in charge of Fund Administration of Alternative Funds, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg (since September 21, 2021)

### Investment Manager

Tareno (Luxembourg) S.A., 3, rue de la Poste, L-2346 Luxembourg, Grand Duchy of Luxembourg

### Depository Bank

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

### Central Administration Agent

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

### Auditor

BDO Audit, 1, rue Jean Piret, B.P. 351, L-2350 Luxembourg, Grand Duchy of Luxembourg

### Legal and Tax Adviser

Allen & Overy, *Société en commandite simple*, 5, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

## General information

The fiscal year will begin on 1 January and terminate on December 31, of each year.

Annual reports, including audited financial statements, 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. Those financial reports provide for information on each of the sub-fund's assets as well as the consolidated accounts of the Fund.

The financial statements of each sub-fund are established in the reference currency of the sub-fund but the consolidated accounts of the Fund are in EUR.

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

The Net Asset Values per Share of each Class within each sub-fund are available to the public at the offices of the Fund and the Management Company on each Net Asset Value ("NAV") Calculation Day.

The documents available for inspection by Shareholders free of charge, during usual business hours at the offices of the Fund and the Management Company are:

- (a) the Articles of Incorporation;
- (b) the Prospectus;
- (c) the Key Investor Information Documents ("KIIDs");
- (d) the Investment Management Agreement;
- (e) the Management Company Services Agreement; and
- (f) the most recent annual and semi-annual financial statements of the Fund.

The above agreements may be amended from time to time by all the parties involved.

The statement of changes in investments for the year referring to this report are available free of charge at the registered office of the Fund.

# TARENO FUNDS

Distribution abroad

[Additional information for German Investors](#)

Paying and information agent:

Marcard, Stein & Co AG,  
Ballindamm 36,  
20095 Hamburg  
Germany



## Management report

After a volatile 2020 for stock markets with the start of the COVID-19 pandemic and a global economic contraction, global equity markets delivered strong positive returns in 2021.

The distribution of vaccines, followed by a high level of vaccinated people especially in developed markets allowed governments to ease covid related restrictions. The reopening of economies, combined with stimulus packages from governments and enormous liquidity from central banks, resulted in a strong rebound of the economy. And even the resurgence of new variants of COVID-19 could not stop the economic recovery.

Strong corporate profits and better than expected results pushed analysts to revise future earnings estimates higher, which of course was as well positive for stocks.

However, the strong economic recovery led to labor shortages, supply constraints and rising inflation. Especially prices increased swiftly in areas such as food and energy and lifted inflation at levels not seen in decades.

What has been happening broadly?

The MSCI World Index (in EUR, net dividends), which reflects developed markets, gained 31% last year and thus, the MSCI World was largely outperforming emerging markets (MSCI Emerging Markets Index, in EUR, net dividends, +5%). US equities outperformed other developed markets (MSCI USA Index, in EUR, net dividends, +36%) and as a result, the MSCI World ex USA (in EUR, net dividends), which reflects non-US developed markets, increased by 21%. We have a slightly positive YTD value premium (MSCI World Value Index, net dividends, in EUR, +31%; MSCI World Growth Index, net dividends, in EUR, +30%) but a negative YTD size premium (MSCI World Small Cap Index, net dividends, in EUR, +24%).

Size and value premiums remain persistent over the long term and around the globe. It is well documented that stocks with higher expected return potential, such as small and value stocks, do not realize outperformance every year. Maintaining discipline to these parts of the market is key to effectively pursuing the long-term returns associated with size and value and as such we continue to overweight these asset classes.

## Management report (continued)

### **TARENO FUNDS - Enhanced Index Investing Equities**

The sub-fund TARENO FUNDS - Enhanced Index Investing Equities returned +24.7% in 2021, outperforming its benchmark the MSCI Europe Price Index (+22.4%).

US Small Companies, US Value, US Quality Stocks and Small Value Companies from Developed Markets were the top performing asset classes

The strategic asset allocation of the sub-fund has not been changed.

Within the meaning of SFDR regulation (regulation EU 2019/2088 of November 27, 2019 on sustainability-related disclosures in the financial services sector), the sub-fund does not promote environmental and/or social characteristics nor has 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-fund do not take into account the EU criteria for environmentally sustainable economic activities.

## Management report (continued)

### **TARENO FUNDS - Enhanced Index Investing Bonds/Return**

The sub-fund TARENO FUNDS - Enhanced Index Investing Bonds/Return returned +1.2% in 2021.

Real Estate Companies from developed countries, global high yield bonds, USD denominated short term and floating rate bonds, as well as euro inflation linked bonds performed well.

Beginning of March, we increased our investment in Real estate companies from developed countries from 5% to 9%, as the expected return was high. Beginning of June, after a strong performance, we reduced this asset class again from 9% to 5%.

Moreover, we did some switches from Ishares ETFs into Dimensional Funds but, of course, the strategic asset allocation of the sub-fund was maintained.

Within the meaning of SFDR regulation (regulation EU 2019/2088 of November 27, 2019 on sustainability-related disclosures in the financial services sector), the sub-fund does not promote environmental and/or social characteristics nor has 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-fund do not take into account the EU criteria for environmentally sustainable economic activities.

## Management report (continued)

### **TARENO FUNDS - Diversified Index Investing Equities/Bonds/Real Assets**

The sub-fund TARENO FUNDS - Diversified Index Investing Equities/Bonds/Real Assets returned 15.3% in 2021.

Oil and Gas Exploration and Production Companies and US Real Estate Companies were the top performing asset classes.

No change to the strategic allocation has been made.

Within the meaning of SFDR regulation (regulation EU 2019/2088 of November 27, 2019 on sustainability-related disclosures in the financial services sector), the sub-fund does not promote environmental and/or social characteristics nor has 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-fund do not take into account the EU criteria for environmentally sustainable economic activities.

## Management report (continued)

### **TARENO FUNDS - Value-Opportunity Equities**

The sub-fund TARENO FUNDS - Value-Opportunity Equities returned 20.59% for the share class A in 2021.

Compared to 2020 our exposure to the USA was stable at around 42% (38% in 2020). In our quest for "value for money" we increased our exposure to Asia towards 25% (18% in 2020), at the expense of Europe 32% (40% in 2020).

We were off for a very good start till June 2021 but from then on, we stagnated. Our European and US stocks continued to perform well but we took a severe hit on the Chinese stocks.

There is a new wind blowing in the People's Republic of China. It all started at the end of 2020 with the silencing of Jack Ma (Alibaba) and the abortion of the planned Initial Public Offering of Ant group, (parent company Alibaba). This interference sent shockwaves through the market. Since then, every week has its' news of new measures implemented by the Communist Party and its' leader Xi Jinping. On a fundamental value/growth basis Chinese stocks are most interesting but only the future will tell where we'll finally end up. We stick to our fundamental approach which is our proven compass. Since markets tend to exaggerate in all directions, we'll be patient and somehow stoic but we'll also closely follow all the related news because, considered from an investor's point of view, political interference unfortunately is only very seldom an added value for the shareholder.

In general, the operational and financial results of the companies in this global portfolio were very good and the valuation still offers adequate potential and this is what counts most to us, being an investor.

Within the meaning of SFDR regulation (regulation EU 2019/2088 of November 27, 2019 on sustainability-related disclosures in the financial services sector), the sub-fund does not promote environmental and/or social characteristics nor has 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-fund do not take into account the EU criteria for environmentally sustainable economic activities.

February 2022

Established by the Investment Manager

Approved by the Board of Directors of the Fund

## REPORT OF THE REVISEUR D'ENTREPRISES AGREE

To the Shareholders of  
TARENO FUNDS  
15, avenue J.F. Kennedy  
L - 1855 Luxembourg

### Opinion

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

In our opinion, the accompanying financial statements give a true and fair view of the financial position of TARENO FUNDS (the "Fund") and of each of its sub-funds as at 31 December 2021, 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.

### 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 are also independent of the Fund in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other information

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



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

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

### **Responsibilities of the Board of Directors for the financial statements**

The Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors 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 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 either intends to liquidate the Fund 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**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.





- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of Board of Directors' 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 and of each of its sub-funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of "*réviseur d'entreprises agréé*" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of "*réviseur d'entreprises agréé*". However, future events or conditions may cause the Fund and of each of its sub-funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Luxembourg, 31 March 2022

BDO Audit  
Cabinet de révision agréé  
represented by

Frédéric Mosele



# TARENO FUNDS

## Statement of net assets as at December 31, 2021

	COMBINED	TARENO FUNDS - Enhanced Index Investing Equities	TARENO FUNDS - Enhanced Index Investing Bonds/Return
	EUR	EUR	EUR
<b>ASSETS</b>			
Investments in securities at acquisition cost (note 2.c)	125,869,169.36	31,610,501.87	21,045,267.57
Net unrealised gain on investments	46,185,887.55	20,347,727.50	825,209.89
Investments in securities at market value (note 2.b)	172,055,056.91	51,958,229.37	21,870,477.46
Cash at banks (note 2.b)	1,711,670.17	235,721.49	220,704.85
Other assets	67,039.11	0.00	0.00
	173,833,766.19	52,193,950.86	22,091,182.31
<b>LIABILITIES</b>			
Bank overdraft	156,555.35	0.00	0.00
Investment management fees payable (note 5)	96,709.87	21,803.08	9,369.51
Management Company fees payable (note 6)	21,700.15	6,460.22	2,777.42
"Taxe d'abonnement" payable (note 4)	21,925.36	6,594.93	2,783.47
Other fees payable (note 9)	88,348.70	26,987.79	9,958.49
	385,239.43	61,846.02	24,888.89
<b>TOTAL NET ASSETS AS AT DECEMBER 31, 2021</b>	<b>173,448,526.76</b>	<b>52,132,104.84</b>	<b>22,066,293.42</b>
<b>TOTAL NET ASSETS AS AT DECEMBER 31, 2020</b>	<b>150,827,846.68</b>	<b>45,167,170.47</b>	<b>21,740,220.79</b>
<b>TOTAL NET ASSETS AS AT DECEMBER 31, 2019</b>	<b>146,273,435.67</b>	<b>46,055,990.17</b>	<b>23,007,184.11</b>

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

# TARENO FUNDS

## Statement of net assets as at December 31, 2021 (continued)

TARENO FUNDS - Diversified Index Investing Equities/Bonds/Real Assets	TARENO FUNDS - Value Opportunity Equities
EUR	EUR
23,057,537.19	50,155,862.73
7,887,269.06	17,125,681.10
30,944,806.25	67,281,543.83
302,044.38	953,199.45
0.00	67,039.11
31,246,850.63	68,301,782.39
156,555.35	0.00
20,872.52	44,664.76
3,883.77	8,578.74
3,929.55	8,617.41
15,305.26	36,097.16
200,546.45	97,958.07
<b>31,046,304.18</b>	<b>68,203,824.32</b>
<b>27,184,690.12</b>	<b>56,735,765.30</b>
<b>24,489,692.66</b>	<b>52,720,568.73</b>

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

# TARENO FUNDS

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

	COMBINED	TARENO FUNDS - Enhanced Index Investing Equities	TARENO FUNDS - Enhanced Index Investing Bonds/Return
	EUR	EUR	EUR
<b>NET ASSETS AT THE BEGINNING OF THE YEAR</b>	<b>150,827,846.68</b>	<b>45,167,170.47</b>	<b>21,740,220.79</b>
<b>INCOME</b>			
Dividends, net (note 2.f)	1,761,493.63	54,323.09	153,334.43
Bank interest	444.11	0.00	0.00
	1,761,937.74	54,323.09	153,334.43
<b>EXPENSES</b>			
Investment management fees (note 5)	1,136,143.19	246,435.38	110,324.53
Management Company fees (note 6)	83,759.37	24,652.87	11,033.46
Depository fees (note 7)	84,893.23	24,986.45	11,187.65
Professional fees, audit fees and other expenses	370,386.56	92,885.68	56,075.62
Central Administration Agent fees (note 8)	162,351.27	47,696.94	21,553.29
"Taxe d'abonnement" (note 4)	85,133.93	25,067.11	11,052.70
Transaction fees (note 2.k)	118,630.00	16,827.03	15,783.07
	2,041,297.55	478,551.46	237,010.32
<b>NET INVESTMENT INCOME/LOSS</b>	<b>-279,359.81</b>	<b>-424,228.37</b>	<b>-83,675.89</b>
Net realised gain on sales of investments (note 2.d)	10,814,538.46	3,009,126.07	838,691.76
Net realised loss on foreign exchange	-10,545.66	-0.87	-0.34
<b>NET REALISED GAIN</b>	<b>10,524,632.99</b>	<b>2,584,896.83</b>	<b>755,015.53</b>
<b>Change in net unrealised appreciation/depreciation:</b>			
- on investments	16,060,407.43	8,096,899.09	-496,165.70
<b>INCREASE IN NET ASSETS AS A RESULT OF OPERATIONS</b>	<b>26,585,040.42</b>	<b>10,681,795.92</b>	<b>258,849.83</b>
Subscription of shares	7,507,946.75	997,053.46	791,727.50
Redemption of shares	-11,472,307.09	-4,713,915.01	-724,504.70
<b>NET ASSETS AT THE END OF THE YEAR</b>	<b>173,448,526.76</b>	<b>52,132,104.84</b>	<b>22,066,293.42</b>

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

# TARENO FUNDS

## Statement of operations and changes in net assets for the year ended December 31, 2021 (continued)

TARENO FUNDS - Diversified Index Investing Equities/Bonds/Real Assets	TARENO FUNDS - Value Opportunity Equities
EUR	EUR
<b>27,184,690.12</b>	<b>56,735,765.30</b>
284,036.50	1,269,799.61
0.00	444.11
284,036.50	1,270,243.72
236,446.04	542,937.24
14,907.37	33,165.67
15,109.20	33,609.93
66,065.20	155,360.06
28,993.19	64,107.85
15,187.51	33,826.61
5,878.89	80,141.01
382,587.40	943,148.37
<b>-98,550.90</b>	<b>327,095.35</b>
651,414.72	6,315,305.91
-7,038.84	-3,505.61
<b>545,824.98</b>	<b>6,638,895.65</b>
3,588,050.74	4,871,623.30
<b>4,133,875.72</b>	<b>11,510,518.95</b>
6,199.07	5,712,966.72
-278,460.73	-5,755,426.65
<b>31,046,304.18</b>	<b>68,203,824.32</b>

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

# TARENO FUNDS

## Number of shares outstanding and net asset value per share

Sub-fund Share class	Currency	Number of shares outstanding	Net asset value per share	Net asset value per share	Net asset value per share
		31.12.2021	31.12.2021	31.12.2020	31.12.2019
TARENO FUNDS - Enhanced Index Investing Equities					
A	EUR	252,735.99	206.27	165.43	169.36
TARENO FUNDS - Enhanced Index Investing Bonds/Return					
A	EUR	182,383.76	120.99	119.59	120.93
TARENO FUNDS - Diversified Index Investing Equities/Bonds/Real Assets					
A	EUR	198,911.92	156.08	135.43	136.22
TARENO FUNDS - Value Opportunity Equities					
AA	EUR	350,265.09	182.65	151.46	149.28
BB	EUR	23,332.11	179.00	149.05	147.78
C	EUR	362.46	142.78	119.49	119.08

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

# TARENO FUNDS - Enhanced Index Investing Equities

## Statement of investments and other net assets as at December 31, 2021 (expressed in EUR)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<b>UNITS OF INVESTMENT FUNDS</b>				
<i>IRELAND</i>				
DIMENSIONAL - EMERGING MARKETS VALUE EUR -ACC.-	EUR	79,852.68	2,085,751.98	4.00
DIMENSIONAL - EUROPEAN SMALL COMPANIES EUR -ACC.-	EUR	61,207.86	3,128,945.70	6.00
DIMENSIONAL - EUROPEAN VALUE EUR -ACC.-	EUR	174,875.90	2,575,922.02	4.94
DIMENSIONAL - GLOBAL CORE EQUITY EUR -ACC.-	EUR	67,674.04	2,631,843.61	5.05
DIMENSIONAL - GLOBAL TARGET VALUE EUR -ACC.-	EUR	210,254.24	6,435,882.23	12.36
DIMENSIONAL - PACIFIC BASIN SMALL COMPANIES EUR	EUR	33,085.67	1,003,157.61	1.92
DIMENSIONAL - US SMALL COMPANIES EUR -ACC.-	EUR	52,345.93	2,539,301.06	4.87
DIMENSIONAL II - EMERGING MARKETS TARGETED VALUE EUR -ACC.-	EUR	90,386.85	2,079,801.46	3.99
ISHARES - MSCI EASTERN EUROPE CAPPED	EUR	21,100.00	487,621.00	0.94
ISHARES II - MSCI AC FAR EAST EX-JAPAN SMALL CAP ETF	GBP	23,800.00	791,865.85	1.52
ISHARES II - MSCI EM LATIN AMERICA	EUR	42,400.00	524,996.80	1.01
ISHARES IV - EDGE MSCI EUROPE MOMENTUM FACTOR EUR	EUR	340,700.00	3,404,955.80	6.53
ISHARES IV - EDGE MSCI USA QUALITY FACTOR USD	USD	75,000.00	774,599.73	1.49
ISHARES IV - EDGE MSCI USA VALUE FACTOR	USD	96,900.00	806,292.70	1.55
ISHARES IV - EDGE MSCI WORLD VALUE FACTOR	USD	95,900.00	3,187,670.80	6.11
ISHARES IV - EDGE WORLD MOMENTUM FACTOR USD ETF	USD	83,300.00	4,927,532.37	9.45
VANGUARD - EUROZONE STOCK INDEX EUR	EUR	13,576.95	3,624,931.60	6.95
VANGUARD FTSE JAPAN UCITS USD ETF	GBP	16,600.00	516,845.12	0.99
VANGUARD IS - EMERGING MARKETS STOCK INDEX INVESTOR EUR	EUR	12,365.17	2,518,541.54	4.83
VANGUARD IS - EUROPEAN STOCK INDEX EUR INSTIT.	EUR	95,714.43	2,650,074.14	5.08
VANGUARD IS - GLOBAL STOCK INDEX INSTIT. EUR	EUR	133,565.93	5,261,696.25	10.09
			51,958,229.37	99.67
<b>TOTAL INVESTMENTS</b>			<b>51,958,229.37</b>	<b>99.67</b>
CASH AT BANKS			235,721.49	0.45
OTHER NET LIABILITIES			-61,846.02	-0.12
<b>TOTAL NET ASSETS</b>			<b>52,132,104.84</b>	<b>100.00</b>

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

# TARENO FUNDS - Enhanced Index Investing Equities

## Geographical and industrial classification of investments as at December 31, 2021

### Geographical classification

(in % of net assets)

Ireland	99.67
	<b>99.67</b>

### Industrial classification

(in % of net assets)

Units of investment funds	99.67
	<b>99.67</b>

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

# TARENO FUNDS - Enhanced Index Investing Bonds/Return

## Statement of investments and other net assets as at December 31, 2021 (expressed in EUR)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<b>UNITS OF INVESTMENT FUNDS</b>				
<i>IRELAND</i>				
DIMENSIONAL - EURO INFLATION LINKED INTER. DUR. FIX. INC. EUR	EUR	76,449.66	1,090,172.08	4.94
DIMENSIONAL - GLOBAL S/T INVESTMENT GRADE FIXED INCOME EUR	EUR	359,561.85	3,660,339.63	16.59
DIMENSIONAL - GLOBAL SHORT FIXED INCOME EUR -CAP.-	EUR	281,681.22	3,726,642.61	16.88
DIMENSIONAL - GLOBAL ULTRA SHORT FIXED INCOME EUR	EUR	224,251.54	2,172,997.39	9.85
ISHARES - EURO HIGH YIELD CORPORATE BOND ETF	EUR	6,350.00	651,827.50	2.95
ISHARES - GLOBAL HIGH YIELD CORPORATE BOND ETF USD - INC.-	USD	7,800.00	656,710.20	2.98
ISHARES II - FTSE DEVELOPED MARKETS PROPERTY YIELD	USD	42,100.00	1,118,211.60	5.07
ISHARES II - JPM USD EMERGING MARKETS BOND ETF USD	USD	12,800.00	1,224,283.95	5.55
ISHARES II PLC - EUR FLOATING RATE ESG ETF EUR	EUR	745,000.00	3,724,068.75	16.88
ISHARES II PUBL. - USD FLOATING RATE BOND -INC.-	USD	51,800.00	227,217.11	1.03
ISHARES III - EMG ASIA LOCAL GOVERNMENT BOND	USD	9,300.00	784,513.55	3.56
ISHARES III - EURO CORPORATE BOND EX-FINANCIALS 1-5Y ETF	EUR	9,850.00	1,088,868.25	4.93
ISHARES IV - EURO ULTRASHORT BOND ETF EUR	EUR	10,900.00	1,088,604.80	4.93
ISHARES IV - USD SHORT DURATION CORP BOND USD	USD	45,600.00	225,253.21	1.02
VANGUARD IS - EUR INVESTMENT GRADE BOND INDEX EUR	EUR	949.83	215,886.67	0.98
VANGUARD IS - EURO GOVERNMENT BOND INDEX EUR	EUR	895.29	214,880.16	0.97
			21,870,477.46	99.11
<b>TOTAL INVESTMENTS</b>			<b>21,870,477.46</b>	<b>99.11</b>
CASH AT BANKS			220,704.85	1.00
OTHER NET LIABILITIES			-24,888.89	-0.11
<b>TOTAL NET ASSETS</b>			<b>22,066,293.42</b>	<b>100.00</b>

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



# TARENO FUNDS - Enhanced Index Investing Bonds/Return

## Geographical and industrial classification of investments as at December 31, 2021

### Geographical classification

(in % of net assets)

Ireland	99.11
	<b>99.11</b>

### Industrial classification

(in % of net assets)

Units of investment funds	99.11
	<b>99.11</b>

# TARENO FUNDS - Diversified Index Investing Equities/Bonds/Real Assets

## Statement of investments and other net assets as at December 31, 2021 (expressed in EUR)

Description	Currency	Quantity/Nominal	Market value (note 2)	% of net assets
<b>I. TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET</b>				
<b>INVESTMENT CERTIFICATES</b>				
<i>IRELAND</i>				
PALLADIUM (ISHARES)-ETC- 11/PERP	USD	14,000.00	673,346.67	2.17
PLATINUM (ISHARES PHYSICAL) - ETC- 11/PERP	USD	56,700.00	686,313.17	2.21
SILVER (ISHARES PHYSICAL METALS) -ETC- 11/PERP	USD	35,000.00	682,372.13	2.20
			2,042,031.97	6.58
<i>JERSEY</i>				
ETFS METALS SECURITIES GOLD -ETC- PERP.	USD	9,800.00	1,480,427.05	4.77
			1,480,427.05	4.77
<b>TOTAL I.</b>			<b>3,522,459.02</b>	<b>11.35</b>
<b>II. UNITS OF INVESTMENT FUNDS</b>				
<i>GERMANY</i>				
ISHARES STOXX EUROPE 600 REAL ESTATE PART.	EUR	37,000.00	759,425.00	2.45
			759,425.00	2.45
<i>IRELAND</i>				
DIMENSIONAL - EMERGING MARKETS VALUE EUR -ACC.-	EUR	64,875.90	1,694,558.43	5.47
DIMENSIONAL - EUROPEAN VALUE EUR -ACC.-	EUR	88,780.38	1,307,735.07	4.21
DIMENSIONAL - GLOBAL SHORT FIXED INCOME CHF -INC.-	CHF	146,224.88	1,385,817.13	4.46
DIMENSIONAL - GLOBAL TARGET VALUE EUR -ACC.-	EUR	54,068.87	1,655,048.14	5.33
DIMENSIONAL - PACIFIC BASIN SMALL COMPANIES EUR	EUR	30,868.80	935,941.86	3.01
DIMENSIONAL - US SMALL COMPANIES EUR -ACC.-	EUR	14,027.20	680,459.23	2.19
DIMENSIONAL II - EMERGING MARKETS TARGETED VALUE EUR -ACC.-	EUR	70,880.60	1,630,962.63	5.25
INVECO MKTSIII - FTSE RAFI US 1000 ETF	GBP	33,000.00	826,863.94	2.66
ISHARES - EURO HIGH YIELD CORPORATE BOND ETF	EUR	7,500.00	769,875.00	2.48
ISHARES - GLOBAL CORP BOND ETF USD	USD	7,750.00	705,793.69	2.27
ISHARES - GLOBAL HIGH YIELD CORPORATE BOND ETF USD -INC.-	USD	8,000.00	673,548.92	2.17
ISHARES - MSCI EASTERN EUROPE CAPPED	EUR	29,000.00	670,190.00	2.16
ISHARES II - ASIA PROPERTY YIELD USD	USD	31,500.00	739,441.01	2.38
ISHARES II - MSCI EM LATIN AMERICA	EUR	53,000.00	656,246.00	2.11
ISHARES III - EMG ASIA LOCAL GOVERNMENT BOND	USD	9,000.00	759,206.66	2.45
ISHARES III - EURO CORPORATE BOND EX-FINANCIALS 1-5Y ETF	EUR	7,000.00	773,815.00	2.49
ISHARES III - EURO CORPORATE BOND EX-FINANCIALS EUR	EUR	6,000.00	722,310.00	2.33
ISHARES III - JP MORGAN EM LOCAL GOVERNMENT BOND ETF USD	USD	17,000.00	773,685.20	2.49
ISHARES III - MSCI EMERGING MARKET SMALL CAP	USD	15,400.00	1,230,767.41	3.96
ISHARES III - MSCI SOUTH AFRICA USD	USD	11,700.00	339,003.62	1.09
ISHARES II-US PROPERTY YIELD USD	USD	26,000.00	832,676.57	2.68
ISHARES IV - SHORT DURATION CORPORATE BOND ETF USD	USD	8,500.00	768,976.27	2.48
ISHARES V - AGRIBUSINESS ETF USD	USD	21,000.00	898,944.59	2.90
ISHARES V - OIL & GAS EXPLORATION & PRODUCTION USD	GBP	46,000.00	733,882.50	2.36
ISHARES VII - MSCI EMU SMALL CAP EUR	EUR	4,300.00	1,205,505.00	3.88
VANGUARD - FTSE DEVELOPED ASIA PACIFIC EX JAPAN ETF	GBP	29,500.00	760,203.72	2.45

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

# TARENO FUNDS - Diversified Index Investing

## Equities/Bonds/Real Assets

### Statement of investments and other net assets as at December 31, 2021 (expressed in EUR) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
VANGUARD FTSE JAPAN UCITS USD ETF	GBP	19,200.00	597,796.77	1.93
VANGUARD IS - EUROPEAN STOCK INDEX EUR INSTIT.	EUR	37,433.18	1,036,423.68	3.34
VANGUARD IS - US 500 STOCK INDEX INVESTOR USD	USD	18,685.30	897,244.19	2.89
			26,662,922.23	85.87
<b>TOTAL II.</b>			<b>27,422,347.23</b>	<b>88.32</b>
<b>TOTAL INVESTMENTS</b>			<b>30,944,806.25</b>	<b>99.67</b>
CASH AT BANKS			302,044.38	0.97
BANK OVERDRAFT			-156,555.35	-0.50
OTHER NET LIABILITIES			-43,991.10	-0.14
<b>TOTAL NET ASSETS</b>			<b>31,046,304.18</b>	<b>100.00</b>

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

# TARENO FUNDS - Diversified Index Investing Equities/Bonds/Real Assets

## Geographical and industrial classification of investments as at December 31, 2021

### Geographical classification

(in % of net assets)

Ireland	92.45
Jersey	4.77
Germany	2.45
	<b>99.67</b>

### Industrial classification

(in % of net assets)

Units of investment funds	88.32
Investment certificates	11.35
	<b>99.67</b>

# TARENO FUNDS - Value Opportunity Equities

## Statement of investments and other net assets as at December 31, 2021 (expressed in EUR)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<b>TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET</b>				
<b>SHARES</b>				
<i>BELGIUM</i>				
ACKERMANS & VAN HAAREN	EUR	4,700.00	792,890.00	1.16
IMMOBILIERE DE BELGIQUE	EUR	10,750.00	783,675.00	1.15
			1,576,565.00	2.31
<i>CANADA</i>				
ALIMENTATION COUCHE-TARD 'A'	CAD	40,000.00	1,475,856.86	2.16
			1,475,856.86	2.16
<i>CAYMAN ISLANDS</i>				
AUTOHOME 'A' ADR -SPONS.-	USD	11,000.00	285,156.46	0.42
VIPSHOP HOLDINGS ADR -SPONS.-	USD	17,500.00	129,264.83	0.19
			414,421.29	0.61
<i>CHINA</i>				
ALIBABA GROUP HOLDING ADR -SPONS.-	USD	3,700.00	386,495.70	0.57
A-LIVING SMART CITY SERVICES 'H' 144A/S	HKD	180,000.00	270,022.76	0.40
ANHUI CONCH CEMENT 'H'	HKD	310,000.00	1,361,900.49	2.00
BAOZUN 'A' ADR -SPONS.-	USD	12,000.00	146,676.02	0.22
CHINA FEIHE	HKD	560,000.00	660,687.26	0.97
CHINA LESSO GROUP HLDGS	HKD	1,140,000.00	1,440,121.37	2.11
HEALTH & HAPPINESS (H&H) INTERNATIONAL HOLDINGS	HKD	200,000.00	272,504.17	0.40
PING AN INSURANCE 'H'	HKD	60,000.00	379,994.43	0.56
Q TECHNOLOGY 'S'	HKD	500,000.00	568,468.96	0.83
			5,486,871.16	8.06
<i>FRANCE</i>				
BNP PARIBAS 'A'	EUR	32,000.00	1,944,640.00	2.85
GROUPE CRIT	EUR	15,703.00	973,586.00	1.43
METROPOLE TELEVISION	EUR	40,000.00	686,400.00	1.01
RENAULT S.A.	EUR	36,000.00	1,099,620.00	1.61
SOPRA STERIA GROUP	EUR	2,300.00	362,250.00	0.53
TOTAL ENERGIES	EUR	17,000.00	758,710.00	1.11
			5,825,206.00	8.54
<i>GERMANY</i>				
ADESSO	EUR	11,800.00	2,466,200.00	3.61
COVESTRO	EUR	14,000.00	758,800.00	1.11
HELLOFRESH	EUR	5,200.00	351,208.00	0.51
			3,576,208.00	5.23

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

# TARENO FUNDS - Value Opportunity Equities

## Statement of investments and other net assets as at December 31, 2021 (expressed in EUR) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<i>GREECE</i>				
FOLLI FOLLIE *	EUR	18,000.00	0.00	0.00
			0.00	0.00
<i>JAPAN</i>				
ASAHI GROUP HOLDINGS	JPY	20,000.00	683,291.93	1.00
FULLCAST HOLDINGS	JPY	33,000.00	620,415.02	0.91
MURATA MANUFACTURING	JPY	10,000.00	699,251.70	1.03
			2,002,958.65	2.94
<i>MALTA</i>				
KINDRED GROUP -SDR-	SEK	46,000.00	481,175.29	0.71
			481,175.29	0.71
<i>NETHERLANDS</i>				
ASR NEDERLAND	EUR	28,000.00	1,134,000.00	1.66
			1,134,000.00	1.66
<i>NORWAY</i>				
NORWAY ROYAL SALMON	NOK	35,195.00	573,470.65	0.84
SPAREBANK 1 NORD-NORGE	NOK	116,000.00	1,302,490.46	1.91
			1,875,961.11	2.75
<i>SLOVENIA</i>				
KRKA	EUR	10,000.00	1,180,000.00	1.73
			1,180,000.00	1.73
<i>SOUTH KOREA</i>				
COWAY CO	KRW	22,000.00	1,210,792.22	1.78
LG INNOTEK	KRW	4,200.00	1,130,901.24	1.66
SAMSUNG ELECTRONICS PFD NON-VOTING	KRW	21,000.00	1,106,046.26	1.62
			3,447,739.72	5.06
<i>SWEDEN</i>				
LOOMIS	SEK	30,000.00	701,337.60	1.03
			701,337.60	1.03
<i>TAIWAN</i>				
BIZLINK HOLDING	TWD	80,000.00	663,638.45	0.97
ELITE MATERIAL	TWD	65,000.00	574,326.95	0.84
NIEN MADE ENTERPRISE	TWD	30,000.00	393,320.20	0.58
PARADE TECHNOLOGIES	TWD	15,000.00	1,008,329.97	1.48
TAIWAN SEMICONDUCTOR MANUFACTURING	TWD	60,000.00	1,172,809.32	1.72
TCI	TWD	45,000.00	298,208.22	0.44
WIWYNN	TWD	15,000.00	531,578.21	0.78
			4,642,211.32	6.81

\* Refer to note 3

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

# TARENO FUNDS - Value Opportunity Equities

## Statement of investments and other net assets as at December 31, 2021 (expressed in EUR) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<i>UNITED KINGDOM</i>				
JET2	GBP	24,000.00	318,722.04	0.47
OSB GROUP	GBP	300,000.00	1,981,293.38	2.89
REDROW	GBP	204,761.00	1,709,099.39	2.51
VISTRY GROUP	GBP	59,893.00	844,605.20	1.24
			4,853,720.01	7.11
<i>UNITED STATES</i>				
1800FLOWERS.COM 'A'	USD	26,000.00	534,312.23	0.78
ALLSTATE	USD	12,000.00	1,241,470.01	1.82
ALPHABET 'A'	USD	350.00	891,631.89	1.31
ALPHABET 'C' - NON VOTING-	USD	410.00	1,043,239.23	1.53
ANTHEM	USD	1,100.00	448,376.62	0.66
BEST BUY	USD	3,500.00	312,697.79	0.46
CENTENE	USD	6,000.00	434,751.93	0.64
CIENA	USD	14,000.00	947,572.79	1.39
GRAND CANYON EDUCATION	USD	4,500.00	339,161.90	0.50
HOSTESS BRANDS 'A'	USD	57,000.00	1,023,513.68	1.50
INSIGHT ENTERPRISES	USD	17,000.00	1,593,562.80	2.34
INTEL	USD	15,000.00	679,299.89	1.00
JOHNSON & JOHNSON	USD	6,400.00	962,757.45	1.41
KEURIG DR PEPPER	USD	20,000.00	648,258.74	0.95
MASTEC	USD	12,000.00	973,759.91	1.43
MEDIFAST	USD	16,000.00	2,946,605.07	4.31
MERIDIAN BIOSCIENCE	USD	30,000.00	538,163.80	0.79
META PLATFORMS 'A'	USD	6,000.00	1,774,621.50	2.60
MONDELEZ INTERNATIONAL 'A'	USD	9,200.00	536,450.82	0.79
MONSTER BEVERAGE	USD	4,800.00	405,374.52	0.59
NEUROCRINE BIOSCIENCES	USD	4,000.00	299,577.85	0.44
NMI HOLDINGS -A-	USD	11,000.00	211,352.40	0.31
NU SKIN ENTERPRISES 'A'	USD	15,000.00	669,407.17	0.98
PROG HOLDINGS	USD	20,000.00	793,351.92	1.16
QUEST DIAGNOSTICS	USD	3,500.00	532,478.78	0.78
SKYWORKS SOLUTIONS	USD	3,500.00	477,479.67	0.70
SLM	USD	75,000.00	1,297,264.94	1.90
SYNCHRONY FINANCIAL	USD	31,000.00	1,264,588.19	1.85
TRINET GROUP	USD	11,000.00	921,438.43	1.35
TYSON FOODS 'A'	USD	16,000.00	1,226,309.98	1.80
UNIVERSAL HEALTH SERVICES 'B'	USD	2,200.00	250,837.09	0.37
USANA HEALTH SCIENCES	USD	15,000.00	1,334,857.26	1.96
VERTEX PHARMACEUTICALS	USD	1,100.00	212,416.42	0.31
VISA 'A'	USD	2,800.00	533,580.61	0.78
YUM CHINA HOLDINGS	USD	7,000.00	306,788.54	0.45
			28,607,311.82	41.94
<b>TOTAL INVESTMENTS</b>			<b>67,281,543.83</b>	<b>98.65</b>
CASH AT BANKS			953,199.45	1.40
OTHER NET LIABILITIES			-30,918.96	-0.05
<b>TOTAL NET ASSETS</b>			<b>68,203,824.32</b>	<b>100.00</b>

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

# TARENO FUNDS - Value Opportunity Equities

## Geographical and industrial classification of investments as at December 31, 2021

### Geographical classification

(in % of net assets)

United States	41.94
France	8.54
China	8.06
United Kingdom	7.11
Taiwan	6.81
Germany	5.23
South Korea	5.06
Japan	2.94
Norway	2.75
Belgium	2.31
Canada	2.16
Slovenia	1.73
Netherlands	1.66
Sweden	1.03
Malta	0.71
Cayman Islands	0.61
Greece	0.00
	<b>98.65</b>

### Industrial classification

(in % of net assets)

Electronics and electrical equipment	14.06
Internet, software and IT services	12.89
Holding and finance companies	9.61
Retail and supermarkets	9.46
Food and soft drinks	8.28
Banks and credit institutions	6.70
Pharmaceuticals and cosmetics	6.00
Construction and building materials	5.75
Insurance	4.04
Communications	2.40
Construction of machines and appliances	2.11
Environmental services & recycling	1.78
Healthcare & social services	1.67
Automobiles	1.61
Real Estate Shares	1.55
Transport and freight	1.50
Utilities	1.43
Gastronomy	1.16
Chemicals	1.11
Oil and gas	1.11
Tobacco and alcohol	1.00
Miscellaneous	0.97
Miscellaneous trade	0.58
Computer and office equipment	0.53
Consumer products	0.51
Biotechnology	0.44
Miscellaneous consumer goods	0.40
	<b>98.65</b>



# TARENO FUNDS

## Notes to the financial statements as at December 31, 2021

### NOTE 1

#### GENERAL

TARENO FUNDS (the "Fund") is an investment company with variable capital (société d'investissement à capital variable) in the form of a public limited liability company (société anonyme) incorporated and governed under the Council Directive 2009/65/EC as amended and the provisions of Part I of the law of December 17, 2010 (the "2010 Law") as amended.

The Fund was incorporated on November 24, 2006 under the name Enhanced IndexInvesting SICAV as an investment company with variable company (société d'investissement à capital variable) authorised under Part II of the 2010 Law. On February 4, 2013, the Fund changed its denomination in TARENO FUNDS and was converted into a Undertakings for the Collective Investment in Transferable Securities ("UCITS") subject to Part I of the 2010 Law. The Articles of incorporation presented in the Prospectus (the "Articles") were amended for the last time on February 4, 2013 and the consolidated version of the Articles were published in the Luxembourg Official Gazette on February 19, 2013.

The Fund is registered with the Luxembourg trade and companies register under number B121903.

The Fund is incorporated for an indefinite period.

The minimum share capital of the Fund must at all times not be less than the minimum prescribed by law, which is at the date of the current Prospectus EUR 1,250,000.

Since December 4, 2020, FundPartner Solutions (Europe) S.A. with registered office at 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg has been appointed Management Company of the Fund. It is a management company within the meaning of chapter 15 of the 2010 Law.

#### a) Sub-funds in activity

As at December 31, 2021, the Fund includes the following sub-funds which are opened for subscriptions:

- TARENO FUNDS - Enhanced Index Investing Equities, denominated in euro;
- TARENO FUNDS - Enhanced Index Investing Bonds/Return, denominated in euro;
- TARENO FUNDS - Diversified Index Investing Equities/Bonds/Real Assets, denominated in euro;
- TARENO FUNDS - Value Opportunity Equities, denominated in euro.

#### b) Significant events and material changes

Following significant events occurred during the year ending December 31, 2021:

- Issuance of two new prospectus: October 2021 (visa CSSF dated October 12, 2021 replacing the prospectus of December 2020 - visa CSSF dated December 09, 2020) which has been replaced by the prospectus being in force and dated November 2021 (visa CSSF dated November 04, 2021);
- TARENO FUNDS - Value Opportunity Equities: modification of the investment policy introducing the possibility to make investments in Chinese equities/stocks through ADR, GDR or Hong Kong listed Chinese companies (i.e. China H shares) and via China A Shares;

## Notes to the financial statements as at December 31, 2021 (continued)

- TARENO FUNDS - Value Opportunity Equities: implementation of Research Payment Account ("RPA") in order to pay for research as permitted under Directive 2014/65/EU on Markets in Financial Instruments repealing Directive 2004/39/EC, as may be amended from time to time (MiFID II) and ESMA rules, for the sub-fund. Such research services may include, but are not limited to, research analysis, models or reports, other material or services suggesting or recommending an investment strategy or trade ideas, macroeconomic analysis, and access to research analysts or industry experts. The design and intention of the Investment Manager's research policy is to pay for certain research consumed by way of an RPA that is funded wholly by a direct research charge to the sub-fund.

### c) Share classes

The appendix to the current prospectus of the Fund lists the different categories of shares in each of the above-mentioned sub-funds.

## 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 the Collective Investments ("UCIs").

In preparing these financial statements, the Board of Directors of the Fund has assessed the ability of the Fund to continue to operate. Following this assessment the Board of Directors of the Fund believes it appropriate to prepare these annual accounts on a going concern basis.

### b) Valuation of assets

The assets of the Fund are valued as follows:

1) Transferable securities or money market instruments quoted or traded on an official stock exchange or any other regulated market, are valued on the basis of the last known price as of the relevant valuation day, and, if the securities or money market instruments are listed on several stock exchanges or regulated markets, the last known price of the stock exchange which is the principal market for the security or money market instrument in question, unless these prices are not representative.

2) For transferable securities or money market instruments not quoted or traded on an official stock exchange or any other regulated market, and for quoted transferable securities or money market instruments, but for which the last known price as of the relevant valuation day is not representative, valuation is based on the probable sales price estimated prudently and in good faith by the Board of Directors of the Fund.

3) Units and shares issued by UCITS or other UCIs are valued at their last available net asset value as of the relevant valuation day.

## Notes to the financial statements as at December 31, 2021 (continued)

4) The liquidating value of futures, forward or options contracts that are not traded on exchanges or on other regulated markets are determined pursuant to the policies established in good faith by the Board of Directors of the Fund, on a basis consistently applied. The liquidating value of futures, forward or options contracts traded on exchanges or on other regulated markets are based upon the last available settlement prices as of the relevant valuation day of these contracts on exchanges and regulated markets on which the particular futures, forward or options contracts are traded; provided that if a futures, forward or options contract could not be liquidated on such business day with respect to which a Net Asset Value is being determined, then the basis for determining the liquidating value of such contract are such value as the Board of Directors of the Fund may, in good faith and pursuant to verifiable valuation procedures, deem fair and reasonable.

5) Liquid assets and money market instruments with a maturity of less than 12 months may be valued at nominal value plus any accrued interest or using an amortised cost method (it being understood that the method which is more likely to represent the fair market value are retained). This amortised cost method may result in periods during which the value deviates from the price the Fund would receive if it sold the investment. The Board of Directors of the Fund may, from time to time, assess this method of valuation and recommend changes, where necessary, to ensure that such assets are valued at their fair value as determined in good faith pursuant to procedures established by the Board of Directors of the Fund. If the Board of Directors of the Fund believes that a deviation from the amortised cost may result in material dilution or other unfair results to Shareholders, the Board of Directors of the Fund will take such corrective action, if any, as it deems appropriate, to eliminate or reduce, to the extent reasonably practicable, the dilution or unfair results.

6) The swap transactions are consistently valued based on a calculation of the net present value of their expected cash flows. For certain sub-funds using OTC Derivatives as part of their main Investment Policy, the valuation method of the OTC Derivative are further specified in the relevant Special Section.

7) Accrued interest on securities are taken into account if it is not reflected in the share price.

8) Cash are valued at nominal value, plus accrued interest.

9) All assets denominated in a currency other than the Reference Currency of the respective sub-fund/Class are converted at the mid-market conversion rate as of the relevant valuation day between the Reference Currency and the currency of denomination.

10) All other securities and other permissible assets as well as any of the above mentioned assets for which the valuation in accordance with the above paragraphs would not be possible or practicable, or would not be representative of their probable realisation value, are valued at probable realisation value, as determined with care and in good faith pursuant to procedures established by the Board of Directors of the Fund.

### c) Acquisition cost of securities in the portfolio

The acquisition cost of the securities held by each sub-fund that are denominated in a currency other than that of the sub-fund is converted to the sub-fund's currency at the exchange rates prevailing on the date of purchase.

## Notes to the financial statements as at December 31, 2021 (continued)

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

The net realised gain/loss on securities portfolio are calculated on the basis of the average acquisition cost and are disclosed net in the statement of operations and other changes in net assets.

### e) Valuation of forward foreign exchange contracts

Forward foreign exchange contracts are valued at forward market rates for the remaining period from valuation date to the maturity of the new contracts. Net unrealised gain or loss on forward foreign exchange contracts are recorded in the statement of net assets and the net realised gain or loss in the statement of operations and other changes in net assets.

### f) Dividend income

Dividend income is disclosed at the ex-date, net of any withholding tax.

### g) Formation expenses

Formation expenses were amortised on a straight line basis over a period of 5 years.

If the launch of a sub-fund occurs after the launch date of the Fund, the costs of formation in relation to the launching of the new sub-fund shall be charged to such sub-fund alone and may be amortized over a period of a maximum of five years from the sub-fund's launch date.

### h) Amortization of formation expenses

The depreciation of formation expenses of the year is disclosed under the caption "other expenses" in the statement of operations and other changes in net assets.

### i) Combined financial statements

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

### j) Conversion of foreign currencies

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

### k) Transaction fees

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

## Notes to the financial statements as at December 31, 2021 (continued)

### NOTE 3

#### SECURITIES VALUATION

Like for the previous years ending December 31 2018, December 31, 2019 and December 31, 2020, as at December 31, 2021, the sub-fund TARENO FUNDS - Value Opportunity Equities has invested in the below security difficult to price:

The sub-fund holds 18,000 shares of the Greek retailer Folli Follie Group (GRS294003009) which represented 0.15% of the total net assets as at August 10, 2018.

Formerly a Greek success story with booming exports to Asia, Folli Follie was plunged into crisis in May when US-based equity fund Quintessential Capital Management reported that it had seriously overestimated the number of its retail outlets in investor reports, and was in poor financial health.

Folli Follie's shares plunged in May after the report and the Hellenic regulator suspended their trading on May 24, 2018 after the company failed to provide requested financial data and the last available price is EUR 4.80 per share.

The Board of Directors of the Fund, taking into consideration available information, decided with effect on July 2, 2018 to continue value the securities at the last available price.

However, following further development, among other fines imposed by the Hellenic's securities regulator Capital Market Commission on the company and its executives (the fines stem from violations dealing with market manipulation and failure to provide requested financial data for 2017); the Board of Directors of the Fund decided, to apply the principle of prudence and to value the securities at EUR 0 per share from August 13, 2018 onwards.

Despite the fact that Folli Follie Group still pursues its activities, the lack of transparency around the current financials of Folli Follie Group doesn't enable the Board to question its decision taken with effect on August 13, 2018 to value the securities at a price of EUR 0 per share.

During the year ending December 31, 2020, the evolution of those securities has been followed by the Investment Manager in order to assess if a valuation at 0 remains appropriate. In absence of new information, the Investment Manager has advised the Board of Directors of the Fund to maintain the valuation at 0 as at December 31, 2020.

As at December 31, 2021, the valuation of the shares of the Greek retailer Folli Follie Group (GRS294003009) is maintained to 0.

As per the articles of incorporation of the Fund, the value of transferable securities that are listed on a stock exchange or traded on another regulated market is determined based on the most recent available price. However, the Board of Directors of the Fund is authorized to adopt any other principle for the evaluation of assets in case of extraordinary circumstances would prevent or render inappropriate the valuation of the assets on the basis of the criteria referred to above.

### NOTE 4

#### TAXATION OF THE FUND

##### a) "Taxe d'abonnement"

In accordance with Luxembourg legislation currently in force (which, is therefore, subject to any future changes), the Fund is not subject to any tax on income, capital gains tax or wealth tax.

# TARENO FUNDS

## Notes to the financial statements as at December 31, 2021 (continued)

The Fund's assets are subject to a subscription tax ("*taxe d'abonnement*") in Luxembourg at a rate of 0.05% p.a. on net assets (except for sub-funds or classes which are reserved to institutional investors or UCIs which are subject to a tax at a reduced rate of 0.01% p.a. on net assets), payable quarterly. In case some sub-funds are invested in other Luxembourg UCIs, which in turn are subject to the subscription tax provided for by the UCI Act or the Luxembourg act of February 13, 2007 relating to specialised investment funds, as amended, no subscription tax is due by the Fund on the portion of assets invested therein.

### b) Belgian annual tax

The Belgian regulation (the inheritance tax code, tome II bis) imposes to UCIs which are authorised to market their shares publicly in Belgium, the payment of an annual tax. This tax amounts to 0.0925% on the total of the net sums placed in Belgium, at December 31 of the previous year, starting from their registration with the Financial Services and Markets Authority ("FSMA").

The Fund is required to pay this tax by March 31 of each year.

This tax is disclosed in the caption "Professional fees, audit fees and other expenses" of the statement of operations and other changes in net assets.

## NOTE 5

### INVESTMENT MANAGEMENT FEES

The Management Company may delegate, under its responsibility and control, the portfolio management function for one or more sub-funds to several asset managers.

The Management Company pays the following annual effective fees rates to the Investment Manager, out of the assets of the respective sub-funds for the year ending December 31, 2021:

Sub-funds	Classes of shares	Effective fee rate p.a.	Maximum fee rate p.a.
TARENO FUNDS - Enhanced Index Investing Equities	A	0.50%	0.50%
TARENO FUNDS - Enhanced Index Investing Bonds/Return	A	0.50%	0.50%
TARENO FUNDS - Diversified Index Investing Equities/Bonds/Real Assets	A	0.80%	0.90%
TARENO FUNDS - Value Opportunity Equities	AA	0.75%	1.00%
	BB	1.25%	1.75%
	C	1.75%	2.50%

The above fees are payable monthly out of the average monthly NAV of the relevant share class of a sub-fund.

# TARENO FUNDS

## Notes to the financial statements as at December 31, 2021 (continued)

### NOTE 6

#### MANAGEMENT COMPANY FEES

FundPartner Solutions (Europe) S.A., acting as the Management Company of the Fund, is entitled to receive for the services rendered the following remuneration:

- for assets under management from 0 to EUR 500 M: 0.05% p.a.;
- for asset under management above EUR 500 M and below or equal to EUR 1,000 M: 0.04% p.a.; and
- for asset under management above EUR 1,000 M: 0.03% p.a..

The Management Company is entitled to a minimum fee of EUR 50,000 per year for the whole Fund splitted "asset weighted" on all sub funds.

### NOTE 7

#### DEPOSITARY FEES

In consideration of its services, Pictet & Cie (Europe) S.A., acting as the Depositary Bank, is entitled to receive from the Fund customary fees. The depositary fees are calculated by reference to the quarterly average NAV of each Class. They are accrued on each valuation day and are payable quarterly in arrears.

The Depositary Bank is entitled to receive the following sliding fee scale per sub-fund:

- for assets under management from 0 to EUR 500 M: 0.05% p.a.;
- for asset under management above EUR 500 M and below or equal to EUR 1,000 M: 0.04% p.a.; and
- for asset under management above EUR 1,000 M: 0.03% p.a..

The Depositary Bank is entitled to a minimum fee of EUR 50,000 per year for the whole Fund splitted "asset weighted" on all sub-funds.

### NOTE 8

#### CENTRAL ADMINISTRATION FEES

In consideration for the central administration services provided to the Fund, the Management Company is entitled to receive administration fees.

The Management Company is entitled to receive the following sliding fee scale per sub-fund:

- for assets under management from 0 to EUR 500 M: 0.09% p.a.;
- for asset under management above EUR 500 M and below or equal to EUR 1,000 M: 0.08% p.a.; and
- for asset under management above EUR 1,000 M: 0.07% p.a..

The Management Company acting as Central Administration is entitled to a minimum fee of EUR 50,000 per year for the whole Fund splitted "asset weighted" on all sub-funds.

For the Domiciliation services rendered, the Management Company acting also as Domiciliation Agent is entitled to receive EUR 10,000 per year for the Fund up to 6 sub-funds.

# TARENO FUNDS

## Notes to the financial statements as at December 31, 2021 (continued)

### NOTE 9

#### OTHER FEES PAYABLE

As at December 31, 2021, the other fees payable include mainly audit, administration, depositary and domiciliation fees.

### NOTE 10

#### EXCHANGE RATES AS AT DECEMBER 31, 2021

The following exchange rate was used for the conversion of the net assets of the sub-funds into EUR as at December 31, 2021:

1 EUR = 1.436454 CAD  
1 EUR = 0.839603 GBP  
1 EUR = 130.954277 JPY  
1 EUR = 10.028173 NOK  
1 EUR = 31.462915 TWD

1 EUR = 1.036160 CHF  
1 EUR = 8.865919 HKD  
1 EUR = 1,351.842188 KRW  
1 EUR = 10.296040 SEK  
1 EUR = 1.137200 USD



## Notes to the financial statements as at December 31, 2021 (continued)

### NOTE 11

#### SUBSEQUENT EVENT

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 24 February 2022.

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

The Board of Directors together with the Investment Manager and the Management Company have closely analysed the portfolio of all sub-funds and have taken the decision to apply a discount of 65% on the closing price of March 4, 2022 of the following ETF exposed to the Russian Market: ISHARES-MSCI EASTERN EUROPE CAPPED (IE00B0M63953) representing as of December 31, 2021:

- 2.16% of the net assets of TARENO FUNDS - DIVERSIFIED INDEX INVESTING EQ/BONDS/RA as of December 31, 2021;
- 0.94% of the net assets of TARENO FUNDS - ENHANCED INDEX INVESTING EQUITIES as of December 31, 2021.

On March 4, 2022, the discount of 65% applied on the price of EUR 4.70 (last price available before the suspension of the computation of the value of the concerned ETF) has the following impact:

- 35 bps for TARENO FUNDS - DIVERSIFIED INDEX INVESTING EQ/BONDS/RA
- 14 bps for TARENO FUNDS - ENHANCED INDEX INVESTING EQUITIES

No other impact was detected to any other sub-funds. Please also note that the Board of Directors regards these events for the Fund and any of its sub-funds as non-adjusting events after the reporting period.

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

## Other information to Shareholders (unaudited appendix)

### 1. 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 10 May 2016, amending the law of 17 December 2010 ("the Law").

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

The table below shows the total amount of the remuneration for the financial year ended as at December 31, 2021, 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 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 2021	20	11,888	7,823	4,065

#### *Additional explanation*

The beneficiaries reported are composed of the risk takers (including the 4 Conducting Officers) 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 2021 annual review outcome showed no exception.

There have been no changes to the adopted remuneration policy since its implementation.

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

### **2. 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.

### **3. Securities Financing Transactions Regulation ("SFTR")**

As at December 31, 2021, 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.