PSG International Funds SICAV plc

Annual Report and Financial Statements for the year ended 28 February 2018

PSG INTERNATIONAL FUNDS SICAV PLC

(REGISTRATION NUMBER SV 353)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2018

Directors, officers and other information

Directors	Anet Mariana Ahern Henry Laurie Burger Noel Vella
Secretary	GANADO Services Limited 171 Old Bakery Street Valletta VLT1455 Malta
Registered office	171 Old Bakery Street Valletta VLT1455 Malta
Investment Manager	PSG Fund Management (Malta) Limited SmartCity Malta, SCM01 Ground Floor, Unit G02, Ricasoli Kalkara SCM1001 Malta
Investment Advisor	PSG Asset Management (Pty) Ltd 1st Floor, PSG House Alphen Park Constantia 7806 South Africa
Administrator	Vistra Fund Services (Guernsey) Limited 11 New Street, St. Peter Port Guernsey GY1 2PF
Custodian and Banker	Sparkasse Bank Malta p.l.c 101 Townsquare Ix-Xatt Ta' Qui-Si-Sana Sliema, SLM 3112 Malta
Sub-custodian	BNP Paribas Securities Services SCA Guernsey Branch BNP Paribas House St Julian's Avenue, St Peter Port Guernsey, GY1 1WA Channel Islands
Legal Advisor	GANADO Advocates 171 Old Bakery Street, Valletta VLT1455, Malta
Auditors	PricewaterhouseCoopers, Malta 78 Mill Street Qormi Qrm3101 Malta

PSG INTERNATIONAL FUNDS SICAV plc
(Registration number SV 353)
Annual Report and Financial Statements for the year ended 28 February 2018

Index

The reports and statements set out below comprise the annual report and financial statements presented to the unitholders:

Index	Page
Directors' Report	3 - 4
Directors' Responsibilities and Approval	5
Investment Manager's Report	6
Custodian Report	7
Independent Auditor's Report	8 - 11
Statement of Financial Position	12
Statement of Comprehensive Income	13
Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares	14
Statement of Cash Flows	15
Accounting Policies	16 - 20
Notes to the Annual Report and Financial Statements	21 - 32
Annexure A	33 - 34

Directors' Report

The Directors have pleasure in submitting their report on the annual report and financial statements of PSG International Funds SICAV plc for the year ended 28 February 2018.

1. Activities and Status

PSG Mutual Fund ICC Limited, the Incorporated Cell Company, was originally incorporated on 13 March 1998 as an open-ended Protected Cell Company under The Protection Cell Companies Ordinance, 1997 as amended. The Company was authorised by The Guernsey Financial Services Commission as a Class B Collective Investment Scheme under the provisions of The Protection of Investors (Bailiwick of Guernsey) Law, 1987 and is also now subject to The Companies (Guernsey) Law, 2008.

PSG Global Flexible Fund IC Limited was an open ended Incorporated Cell of PSG Mutual ICC Limited. The Incorporated Cell Company was a Protected Cell Company, PSG Mutual PCC Limited, which was converted into an Incorporated Cell structure during the 2014 financial year.

PSG Fund Management (CI) Limited have migrated the domicile of the Company from Guernsey to Malta on 2 March 2015, where the Company continues as a sub-fund of a Malta Undertaking for Collective Investment in Transferable Securities ("UCITS") investment company, now known as PSG International Funds SICAV plc – PSG Global Flexible Sub-Fund.

Throughout these financial statements PSG International Funds SICAV plc is referred to as (the "Company") and PSG Global Flexible Sub-Fund (the "Fund").

Statement of Investment Objective

The objective of this Fund is to follow a flexible managed investment policy which will aim to achieve superior medium to long term capital growth through exposure to selected sectors of the global eqity market, and/or bond market and/or money market.

Net asset value at the last valuation date for the previous three years:

	$ 2016	$ 2017	$ 2018
Class A			
Net asset value per share	9.8207	12.6673	13.9613
Net asset value	30,896,403	8,709,073	10,273,215
Class B			
Net asset value per share	10.0575	12.9514	14.3052
Net asset value	71,323,606	104,121,504	129,428,825

There have been no material changes to the nature of the Company's business from the prior year.

2. Review of financial results and activities

At 28 February 2018, the net assets of the Fund applicable to the participating redeemable shares, calculated at close prices, as stated above. The accounts are based on the final/last valuation day in the period.

The price history for the period 28 February 2018 is as follows:

	$ Highest NAV per unit	$ Lowest NAV per unit
PSG Global Flexible Sub-Fund - Class A	14.6382	12.5663
PSG Global Flexible Sub-Fund - Class B	14.9759	12.8575

The Statement of Comprehensive Income is shown on page 13.

The Directors do not consider there to be any meaningful non-financial key performance indicators to be disclosed.

Refer to the Investment Manager's Report for a review of the Fund's performance during the current reporting period.

Directors' Report

3. Financial risk management

The Fund's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. For the detailed disclosures of the exposure at year end, see note 2.

4. Dividends

It is not the present intention of the Directors that the Fund will pay dividends. Income from the Fund will be accumulated and reflected in the net asset value of the Fund.

5. Directorate

The Directors who served during the period under review and as at the date of this report are as follows:

Directors	Changes
Anet Mariana Ahern	
Henry Laurie Burger	
John Anthony Farrell	Resigned (12 May 2017)
Noel Vella	Appointed (12 May 2017)

6. Other fees

The members of identified staff who are fully or partly involved in the activities of the Fund that have a material impact on the risk profile of the Fund, such as Directors and investment committee members and the like are compensated through fixed remuneration which is paid in cash. The Executive Directors are paid by the management company and the non-executive Director is paid a fixed quarterly director's fee payable by the Fund. Variable remuneration rules and policies are not applicable since the Directors and investment committee members are exclusively remunerated through a fixed salary and paid in cash and the reimbursement of expenses incurred in the carrying out of their duties. Disapplication has been deemed justifiable and proportionate based on the size, internal organisation as well as the nature, scope and complexity of the activities it carries out.

Fees paid to the Directors are disclosed in the Statement of Comprehensive Income.

There were no changes in the remuneration policy during the year.

7. Standard licence conditions applicable under the Investment Services Act

In accordance with SLC 7.35 of the Investment Services Rules for Investment Services Providers regulated by the Malta Financial Services Authority, licence holders are required to include breaches of standard licence conditions applicable under the Investment Services Act in the Directors' report. Accordingly, the Directors confirm that no breaches of the standard licence conditions and no other breach of regulatory requirements under the Investment Services Act, which were subject to administrative penalty or regulatory sanction, were reported.

8. Events after the reporting period

The Directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

Directors' Responsibilities and Approval

The Directors are required by the Companies Act, 1995 to prepare financial statements that give a true and fair view of the state of affairs of the Fund as at the end of each reporting period and of the profit or loss for that period.

In preparing the financial statements, the directors are responsible for:

- ensuring that the financial statements have been drawn up in accordance with International Financial Reporting Standards as adopted by the EU;
- selecting and applying appropriate accounting policies;
- making accounting estimates that are reasonable in the circumstances;
- ensuring that the financial statements are prepared on the going concern basis unless it is inappropriate to presume that the company will continue in business as a going concern.

The Directors are also responsible for designing, implementing and maintaining internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and that comply with the Companies Act, 1995. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The financial statements of the Fund for the year ended 28 February 2018 is published in hard-copy printed form and may be made available on the company's website. The Directors are responsible for the maintenance and integrity of the Interim financial statements on the website in view of their responsibility for the controls over, and the security of, the website. Access to information published on the company's website is available in other countries and jurisdictions, where legislation governing the preparation and dissemination of financial statements may differ from requirements or practice in Malta.

Auditor

PricewaterhouseCoopers have indicated their willingness to continue in office and a resolution for their re-appointment will be proposed at the Annual General Meeting.

Signed on behalf of the Board of Directors on 14/6/2018 by:

Henry Laurie Burger

Noel Vella

Investment Manager's Report

Reflecting on the past financial year, S Le Roux, 2018, 'PSG Angle - Now is not the time to be bold', summarises the global economic environment as follows:

> The global macroeconomic backdrop is unequivocally positive. Major economies are enjoying a rare period of sustained synchronised growth (last seen in 2010 and before that in 2006) as central banks globally keep interest rates low. In fact, real rates in most G7 countries remain negative. Central banks such as the European Central Bank and the Bank of Japan continue to run quantitative easing programmes, while the US recently cut its corporate tax rates.
>
> In combination, this saw 2017 register the strongest rate of earnings growth since 2010. Marking the ninth year of the global bull market, the MSCI Word Index was up over 23% and delivered positive returns in all four quarters for the first time since 1996 (and seven positive quarters in a row). Similarly, the S&P 500 Index delivered 12 positive months for the first time in its history – and registered a record run of 14 consecutive monthly gains.
>
> Based on sentiment and asset allocation measures, global investors are the most confident they have been in over a decade. This is most clearly reflected in aggressive asset allocation strategies, with individual investors generally reducing cash levels (to lows last seen in the Dotcom years) to buy equities. However, we have been doing the opposite in our global funds. We believe that a combination of high valuations and high complacency makes it unlikely that investors will get the results reflected in their positioning – and that a focus on capital preservation would serve them better.

PSG Global Flexible Sub-Fund (the "Sub-Fund")

The investment objective of the Sub-Fund is to seek to follow a flexible managed investment policy which will aim to achieve superior medium to long term capital growth through exposure to selected sectors of the global equity market, and/or bond market and/or the money market.

To achieve the Investment objective noted above, the asset allocation of the Sub-Fund will be actively managed and will continually reflect the Investment Manager's view of the relative attractiveness of the equity, bond and money markets, globally. The selected sectors of the equity portion of the Sub-Fund's portfolio will change from time to time in accordance with changing market conditions and economic trends.

The Sub-Fund's portfolio may also include investment in shares or units of CIS whose investment strategy is, in the Investment Manager's view, consistent with the Sub-Fund's investment objective. These may include other CIS that are managed by the Investment Manager or by an associate of the Investment Manager. The Investment Manager uses the same investment criteria and will observe the same investment limits (if any) in selecting CIS notwithstanding whether the Investment Manager manages them or not.

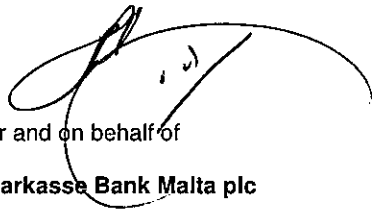
Subject to the Investment Restrictions, nothing contained in the Offering Supplement shall preclude the Investment Manager from varying the ratio of securities and assets in liquid form in terms of changing economic factors or market conditions and from retaining cash or placing cash on deposit in terms of the Offering Supplement; provided that the Investment Manager shall ensure that the aggregate value of the assets comprising the portfolio consists of securities and assets in liquid form.

PSG Fund Management (Malta) Limited

Custodian Report

We, Sparkasse Bank Malta plc as custodian to PSG International Funds SICAV plc (the "Company") hereby confirm that having enquired into the conduct of the Manager from 1 March 2017 to 28 February 2018, it is our opinion that during the period, the Company has been managed:

- In accordance with the limitations imposed upon the investment and borrowing powers of the Company by the Constitutional documents and by the Malta Financial Services Authority;
- Otherwise in accordance with the provisions of the Constitutional documents and the Company's license conditions.



For and on behalf of

Sparkasse Bank Malta plc

Independent auditor's report

To the Shareholders of PSG International Funds SICAV PLC

Report on the audit of the financial statements

Our opinion

In our opinion:

- PSG International Funds SICAV PLC's financial statements give a true and fair view of the company's financial position as at 28 February 2018, and of the company's financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the EU; and
- The financial statements have been prepared in accordance with the requirements of the Maltese Companies Act (Cap. 386).

What we have audited

PSG International Funds SICAV PLC's financial statements, set out on pages 12 to 32, comprise:

- the statement of financial position as at 28 February 2018;
- the statement of comprehensive income for the year then ended;
- the statement of changes in net assets attributable to holders of redeemable participating shares for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities 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.

Independence

We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements of the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) that are relevant to our audit of the financial statements in Malta. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Independent auditor's report - *continued*

To the Shareholders of PSG International Funds SICAV PLC

Other information

The directors are responsible for the other information. The other information comprises the Directors, officers and other information, Directors' Report, Directors' Responsibilities and Approval, Investment Manager's Report and Annexure A (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the other information, including the directors' report.

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.

With respect to the directors' report, we also considered whether the directors' report includes the disclosures required by Article 177 of the Maltese Companies Act (Cap. 386).

Based on the work we have performed, in our opinion:

- The information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with the Maltese Companies Act (Cap. 386).

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the directors' report and other information that we obtained prior to the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs as adopted by the EU and the requirements of the Maltese Companies Act (Cap. 386), and for such internal control as the directors determine 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 directors are responsible for assessing the company'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

pwc

Independent auditor's report - *continued*

To the Shareholders of PSG International Funds SICAV PLC

Report on other legal and regulatory requirements

Other matters on which we are required to report by exception

We also have responsibilities under the Maltese Companies Act (Cap. 386) to report to you if, in our opinion:

- Adequate accounting records have not been kept, or that returns adequate for our audit have not been received from branches not visited by us.
- The financial statements are not in agreement with the accounting records and returns.
- We have not received all the information and explanations we require for our audit.
- Certain disclosures of directors' remuneration specified by law are not made in the financial statements, giving the required particulars in our report.

We have nothing to report to you in respect of these responsibilities.

PricewaterhouseCoopers
78, Mill Street
Qormi
Malta

Joseph Camilleri
Partner

14 June 2018

Independent auditor's report - *continued*

To the Shareholders of PSG International Funds SICAV PLC

Auditor's responsibilities 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 an auditor's 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 ISAs 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 ISAs, we exercise professional judgement 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the 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 company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the company 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.

Statement of Financial Position as at 28 February 2018

Figures in US Dollar	Note	2018	2017
Assets			
Current Assets			
Financial assets at fair value through profit and loss	5	113,074,470	79,901,967
Cash and cash equivalents	8	26,536,001	32,864,878
Due from brokers		888,742	744,581
Prepayments		21,543	17,348
Dividends receivable		166,501	121,995
Interest receivable		44,900	3,074
Total Assets		**140,732,157**	**113,653,843**
Liabilities			
Current Liabilities			
Due to brokers		913,529	519,763
Management fee payable	12	57,469	44,753
Administration fee payable	12	26,762	20,724
Custodian fee payable	13	16,529	17,170
Other payables		15,829	7,624
Performance fee payable	12	-	213,232
Liabilities (excluding net assets attributable to holders of redeemable shares)		**1,030,118**	**823,266**
Net assets attributable to holders of share capital/ redeemable shares		**139,702,039**	**112,830,577**
Net assets attributable to holders of redeemable shares:			
PSG Global Flexible Sub-Fund Class A		10,273,214	8,709,073
PSG Global Flexible Sub-Fund Class B		129,428,825	104,121,504
Redeemable shares outstanding:			
PSG Global Flexible Sub-Fund Class A	9	735,834	687,504
PSG Global Flexible Sub-Fund Class B	9	9,047,707	8,039,400
Net asset value per redeemable share outstanding:			
PSG Global Flexible Sub-Fund Class A		$ 13.9613	$ 12.6677
PSG Global Flexible Sub-Fund Class B		$ 14.3052	$ 12.9514

The accompanying notes on pages 16 to 32, form an integral part of these financial statements.

The audited financial statements on pages 12 to 32, were approved and authorised for issue by the Board of Directors on ...14/6/2018..... 2018 and signed on its behalf by:

Henry Laurie Burger **Noel Vella**

Statement of Comprehensive Income

Figures in US Dollar	Note	2018	2017
Income			
Dividend income		2,081,262	2,165,409
Net realised foreign currency gains and losses on cash and cash equivalents and other balances		510,629	(230,033)
Net changes in fair value of financial assets and liabilities carried at fair value through profit or loss:			
- Unrealised gains and losses		1,786,928	25,129,098
- Realised gains and losses		11,078,949	(291,450)
Other income		-	1,265
Interest income		203,601	21,591
Total net income		**15,661,369**	**26,795,880**
Operating expenses			
Management fees	11	(676,548)	(586,254)
Administration fees	11	(314,479)	(248,868)
Performance fees		(1,389,827)	(337,801)
Transaction costs		(253,179)	(37,059)
Custodian fees	12	(117,806)	(103,618)
Directors fees		(4,624)	(4,391)
Audit fees	12	(8,911)	(6,322)
Other operating expenses		(59,756)	(46,596)
Total operating expenses		**(2,825,130)**	**(1,370,909)**
Operating profit before tax		**12,836,239**	**25,424,971**
Withholdings taxes		(238,323)	(284,798)
Changes in net assets attributable to holders of redeemable participating shares		**12,597,916**	**25,140,173**

The accompanying notes on pages 16 to 32 form an integral part of the audited financial statements.

Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares

Figures in US Dollar	Note	2018	2017
Operating activities			
Changes in net assets attributable to holders of redeemable participating shares		12,597,916	25,140,173
Capital share transactions			
Proceeds from redeemable participating shares issued		18,474,264	19,619,442
Redemption of redeemable participating shares		(4,200,718)	(34,149,047)
Change in net assets attributable to holders of redeemable participating shares from capital share transactions		**14,273,546**	**(14,529,605)**
Change in net assets attributable to holders of redeemable participating shares in the year		**26,871,462**	**10,610,568**
Net asset value attributable to holders of redeemable participating shares at the beginning of the year		112,830,577	102,220,009
Net asset value attributable to holders of redeemable participating shares at the end of the year		**139,702,039**	**112,830,577**

The accompanying notes on pages 16 to 32 form an integral part of the audited financial statements.

Statement of Cash Flows

Figures in US Dollar	Note	2018	2017
Cash flows from operating activities			
Changes in net assets attributable to holders of redeemable participating shares		12,597,916	25,140,173
Adjustments for:			
Dividend income		(2,081,262)	(2,165,409)
Withholding taxes		238,323	284,798
Interest income		(203,601)	-
Realised gains and losses		(11,078,949)	291,450
Unrealised gains and losses		(1,786,928)	(25,129,098)
Exchange gains and losses on cash and cash equivalents		(510,629)	230,033
		(2,825,130)	(1,348,053)
Changes from operating assets and liabilities			
(Increase) in other receivables		-	(3,074)
(Increase) / decrease in prepayments		(4,195)	4,274
Increase in amounts due to and from brokers		249,605	(224,818)
Increase/ (decrease) in management fee payable		12,716	(11,594)
Increase/ (decrease) in administration fee payable		6,038	(847)
(Decrease) / increase in custodian fee payable		(641)	312
Increase / (decrease) in other payables		8,205	(2,634)
(Decrease) / increase in performance fee payable		(213,232)	213,232
Decrease in redeemable shares receivable		-	211,972
Amounts paid on purchases of investments		(107,098,481)	(32,472,334)
Proceeds on sale of investments		86,791,875	70,560,346
Cash used in operations		**(23,073,240)**	**36,926,782**
Interest received		161,755	-
Dividend received		1,798,433	1,867,127
Net cash from operating activities		**(21,113,052)**	**38,793,909**
Cash flows from financing activities			
Proceeds from redeemable participating shares issued		18,474,264	19,619,442
Redemption of redeemable participating shares		(4,200,718)	(34,149,047)
Net cash from financing activities		**14,273,546**	**(14,529,605)**
Total cash movement for the year		**(6,839,506)**	**24,264,304**
Cash at the beginning of the year	7	32,864,878	8,830,607
Exchange gains and losses on cash and cash equivalents		510,629	(230,033)
Total cash at end of the year	8	**26,536,001**	**32,864,878**

The accompanying notes on pages 16 to 32 form an integral part of the audited financial statements.

Accounting Policies

General information - The Company and the Fund

PSG Global Flexible Sub-Fund (the "Fund") was originally incorporated in the Bailiwick of Guernsey on 14 December 2012, as an incorporated cell of PSG Mutual Fund ICC Limited (formerly PSG Mutual Fund PCC Limited), a Guernsey incorporated cell company authorised by the Guernsey Financial Services Commission as an authorised Class B Collective Investment Scheme. Prior to PSG Mutual Fund ICC Limited's conversion into an incorporated cell company and the Fund's registration as an incorporated cell, the assets and liabilities of the Fund constituted a protected cell of PSG Mutual Fund PCC Limited originally called the "Global Equity Cell (USD)" (the "Original Portfolio") and created on 13 September 2000.

PSG Fund Management (CI) Limited have migrated the domicile of the Fund from Guernsey to Malta on 2 March 2015, where the Fund continued as a sub-fund of a Malta Undertaking for Collective Investment in Transferable Securities ("UCITS") investment company, known as PSG International Funds SICAV plc (the "Company").

The Company is an open-ended Collective Investment Scheme organised as a multi-fund public limited liability company with variable share capital registered under the laws of Malta and licensed by the Malta Financial Services Authority ("MFSA") in terms of the Investment Services Act (Chapter 370, Laws of Malta).

At the reporting date, the Company had one sub-fund, PSG Global Flexible Sub-Fund with two classes of participating shares. These financial statements represents the results of the Fund.

The Fund's objective is to generate significant medium to long-term capital growth. It aims to achieve this objective by trading a highly diversified portfolio of listed securities on recognised exchanges around the world.

The Fund's investment activities are managed by PSG Fund Management (Malta) Limited (the 'Investment Manager'), with the admistration delegated to Vistra Fund Services (Guernsey) Limited (the 'Administrator').

1. Significant accounting policies

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

1.1 Basis of preparation

The financial statements of the Fund have been prepared in accordance with International Financial Reporting Standards as adopted by the EU (IFRS) and have also been prepared in accordance with the requirements of the Malta Financial Services Authority's Investment Services Rules for Collective Investment Schemes.

The financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below.

1.2 Foreign currency translation

(a) Functional and presentation currency

These financial statements are presented in US Dollars, which is the Fund's functional and presentation currency. The subscriptions and redemptions of redeemable shares are denominated in US Dollar, the performance of the Fund is measured and reported to investors in US Dollar. The Board of Directors considers the US Dollar as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the reporting date.

Foreign exchange gains and losses arising from translation are included in the Statement of Comprehensive Income.

Foreign exchange gains and losses relating to cash and cash equivalents are presented in the Statement of Comprehensive Income within the 'net foreign currency gains and losses on cash and cash equivalents and other balances'.

Accounting Policies

1.2 Foreign currency translation (continued)

Foreign exchange gains and losses relating to the financial assets and liabilities carried at fair value through profit or loss are presented in the Statement of Comprehensive Income within 'net changes in fair value on financial assets and financial liabilities carried at fair value through profit or loss'.

1.3 Financial instruments

Classification

The Fund classifies financial assets and financial liabilities into the following categories:

- Financial assets at fair value through profit or loss - held for trading: derivative financial instruments
- Financial assets designated at fair value through profit or loss at inception: equity investments and treasury bills
- Financial assets at amortised cost: loans and receivables, cash and cash equivalents and balances due from brokers
- Financial liabilities at fair value through profit or loss - held for trading: securities sold short and derivative financial instruments
- Financial liabilities measured at amortised cost: other payables, balances due to brokers, management fees, administration fees and custodian fees

Classification depends on the purpose for which the financial instruments were obtained/ incurred and takes place at initial recognition. Classification is re-assessed on an annual basis, except for derivatives and financial assets designated as at fair value through profit or loss, which shall not be classified out of the fair value through profit or loss category.

A financial instrument is classified as held for trading if:

- It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
- on initial recognition, it is part of the portfolio that is managed together and for which there is evidence of a recent pattern of short-term profit-taking; or
- it is a derivative, other than a designated and effective hedging instrument.

The Fund designates all equity investments at fair value through profit or loss at inception because it manages and evaluates the performance of these securities on a fair value basis in accordance with its documented investment strategy.

A non-derivative financial asset with fixed or determinable payments may be classified as a loan and receivable unless it is quoted in an active market or is an asset for which the holder may not recover substantially all of its initial investment, other than because of credit deterioration.

For a reconciliation of line items in the Statement of Financial Position to the categories of financial instruments, as defined by IAS 39, see note 5.

Initial recognition and measurement

Financial assets and liabilities at fair value through profit or loss are initially recognised on the trade date, which is the date the Fund commits to purchase or sell the investment. Other financial assets and financial liabilities are recognised on the date which they are originated.

Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in profit or loss. Financial assets or financial liabilities not at fair value through profit or loss are initially recognised at fair value plus transactions cost that are directly attributable to their acquisition or issue.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the Statement of Comprehensive Income within 'other net changes in fair value of financial assets and liabilities at fair value through profit or loss' in the period which they arise.

Dividend income from financial assets at fair value through profit or loss is recognised in the Statement of Comprehensive Income within 'dividend income' when the Fund's right to receive payments is established. Dividend expense on short sales of equity securities is included within 'other net changes in fair value on financial assets and financial liabilities at fair value through profit or loss'.

Accounting Policies

1.3 Financial instruments (continued)

Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and laibilities traded in active markets are based on quoted market prices at the close of trading on the reporting date.

If a significant movement in fair value occurs subsequent to the close of trading up to midnight on the reporting date, valuation techniques will be applied to determine the fair value. A significant event is any event that occurs after the last market price for a security, close of market or close of the foreign exchange, but before the Fund's valuation time that materially affects the integrity of the closing prices for any security, instrument, currency or securities affected by that event so that they cannot be considered 'readily available' market quotations.

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation techniques used include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

Amortised cost measurement

The amortised cost of a financial asset or liability is the amount at which the financial asset or financial liability is measured at initial recognition, minus principal payments, plus or minus the cumulative amortisation using the the effective interest rate method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

Impairment of financial assets

A financial asset not classified at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence of impairment. A financial asset or a group of financial assets is 'impaired' if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset(s) and that loss event(s) had an impact on the estimated future cash flows of that asset(s) that can be estimated reliably.

Objective evidence that financial assets are impaired includes significant financial difficulty of the borrower or issuer, default or delinquency by a borrower, restructuring of the amount due on terms that the Fund would not otherwise consider, indications that a borrower or issuer will enter bankruptcy, or adverse changes in the payment status of the borrowers.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit and loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised. If an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, then the decrease in impairment loss is reversed through profit and loss.

Derecognition

The Fund derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Fund neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset that is derecognised) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss. Any interest in such transferred financial assets that is created or retained by the Fund is recognised as a seperate asset or liability.

The Fund derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

Transfers between levels of the fair value hierarchy

Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting period.

Accounting Policies

1.4 Accrued expenses and other payables

Accrued expenses and other payables are recognised when the Fund has a present obligation arising from past events, the settlement of which is expected to result in an outflow of economic benefits from the Fund. Accrued expenses and other payables are recognised initially at fair value and subsequently stated at amortised cost using the effective interest rate method.

1.5 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term investments in an active market with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown in current liabilities in the Statement of Financial Position.

1.6 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position where the Fund currently has a legally enforceable right to set-off the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

1.7 Due from and due to brokers

Amounts due from and due to brokers represent receivables for securities sold and payable for securities purchased that have been contracted for but not yet settled or delivered at the year end date respectively.

These amounts are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment for amounts due from brokers. A provision for impairment of amounts due from brokers is established when there is objective evidence that the Fund will not be able to collect all amounts due from the relevant brokers. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are considered indicators that the amount due from brokers is impaired. Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Fund estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premium or discounts.

1.8 Redeemable shares

The Fund issues two classes of redeemable shares, which are redeemable at the holder's option. Such shares are classified as financial liabilities. Redeemable shares can be put back to the Fund at any dealing date for cash equal to a proportionate share of the Fund's net asset value attributable to the share class. Shares are redeemable daily.

The redeemable shares are carried at the redemption amount that is payable at the reporting date if the holder exercises the right to redeem their units in the Fund.

Redeemable shares are issued and redeemed at the holder's option at prices based on the Fund's net asset value per share at the time of issue or redemption. The Fund's net asset value per share is calculated by dividing the net assets attributable to the holders of each class of redeemable shares with the total number of outstanding redeemable shares for each respective class. In accordance with the provisions of the Fund's regulations, investment positions are valued based on the last traded market price for the purpose of determining the net asset value per share for subscriptions and redemptions.

1.9 Income

Dividend income is recognised when the right to receive payment is established. Where applicable, withholdings taxes are deducted at source on investment income and the gross amounts recognised in the Statement of Comprehensive Income.

Accounting Policies

1.10 Transaction costs

Transaction costs are costs incurred to acquire financial assets and liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisers, brokers and dealers. Transaction costs, when incurred, are immediately recognised in profit or loss as an expense.

1.11 Expenses

Expenses are recognised on an accrual basis and recognised in the Statement of Comprehensive Income.

1.12 Distributions payable to holders of redeemable shares

It is not the present intention of the Directors that the Fund will make a distribution, however, the Directors reserve the right at any time if they consider a distribution is appropriate. Income from the Fund will be accumulated and reflected in the net asset value of the Fund.

1.13 Increase/decrease in net assets attributable to holders of redeemable shares from operations

Income not distributed is included in net assets attributable to holders of redeemable shares.

1.14 Taxation

The Company is domiciled in Malta. Under the current laws of Malta, there is no income, estate, corporation, capital gains or other taxes payable by the Company.

The Sub-Fund incurred withholding taxes imposed by certain countries on investment income and capital gains. Such income or gains are recorded gross of withholding taxes in the Statement of Comprehensive Income. Withholding taxes are shown as a separate line item in the Statement of Comprehensive Income.

Notes to the Annual Report and Financial Statements

Figures in US Dollar	2018	2017

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the Fund has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Impact:
• Amendments to IAS 7: Disclosure initiative	01 January 2017	No material impact.

2.2 Standards and interpretations not yet effective

The Fund has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Fund's accounting periods beginning on or after 01 March 2018 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• IFRS 9 Financial Instruments	01 January 2018	Unlikely there will be a material impact

This new standard represents a package of reform to financial instrument accounting to replace IAS 39 – Financial instruments: Recognition and measurement, and encompasses requirements in the following areas:

Classification and measurement (replaces the multiple classification and measurement models with a single model that has only two categories: amortised cost and fair value); Impairment (introduces an 'expected credit loss' model for the measurement of the impairment of financial assets); Hedge accounting (introduces a new hedge accounting model); Derecognition (carried forward from IAS 39).

The impact of this standard is not considered to be material as all instruments are valued at fair value.

Notes to the Annual Report and Financial Statements

Figures in US Dollar	2018	2017

3. Financial risks

3.1 Financial risk factors

The Fund's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The Fund is also exposed to operational risks such as custody risk. Custody risk is the risk of loss of securities held in custody occassioned by the insolvency or negligence of the custodian. Although an appropriate legal framework is in place that eliminates the risk of loss of value of the securities held by the custodian, in the event of its failure, the ability of the Fund to transfer securities might be temporarily impaired.

The Fund's overall risk management programme seeks to maximise the returns derived for the level of risk to which the Fund is exposed and seeks to minimise potential adverse effects on the Fund's financial performance.

The management of these risks is carried out by the investment manager under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, the use of derivative financial instruments and non-derivative financial instruments and the investment of excess liquidity.

The Fund uses different methods to measure and manage the various types of risk to which it is exposed; these methods are explained below.

3.1.1 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and market prices.

(a) Price risk

The Fund is exposed to equity securities price risk. This arises from investments held by the Fund for which prices in the future are uncertain. Where non-monetary financial instruments - for example, equity securities - are denominated in currencies other than US Dollar, the price is initially expressed in foreign currency and then converted into US Dollar, this will also fluctuate because of changes in foreign exchange rates. Paragragh (b) 'Foreign exchange risk' below sets out how this component of price risk is managed and measured.

The Fund's policy is to manage price risk through diversification and selection of securities and other financial instruments within specified limits set by the Board of Directors. The Fund's policy limits individual equity securities to no more than 5% of net assets attributable to holders of redeemable shares.

The majority of the Fund's equity investments are publicly traded. The Fund's policy requires that the overall market position is monitored on a daily basis by the Fund's Investment Manager.

At the period end the Funds overall exposure to price risk were as follows:

	Fair value	
Equity securities	92,852,146	79,901,967

The Fund also manages its exposure to price risk by analysing the investment portfolio by industrial sector. The Fund's policy is to concentrate the investment portfolio in sectors where management believe the Fund can maximise the returns derived for the level of risk to which the Fund is exposed.

Notes to the Annual Report and Financial Statements

Figures in US Dollar	2018	2017

3. Financial risks (continued)

The table below is a summary of the significant sector concentrations within the equity portfolio as a percentage of net asset value.

Sector	Fund's equity portfolio as a % of NAV	Fund's equity portfolio as a % of NAV
Industrial	5.24	7.95
Basic Materials	7.56	3.44
Financial	28.31	28.65
Consumer, Non-cyclical	7.49	7.36
Energy	0.72	-
Communications	5.93	11.92
Utilities	0.71	1.73
Diversified	-	1.04
Technology	1.26	5.60
Consumer, Cyclical	7.90	3.13
Other	1.34	-
Total	**66.46**	**70.82**

The table below summarises the sensitivity of the Fund's net assets attributable to holders of redeemable shares to equity price movements as at the period end.

Effect on net assets attributable to redeemable shares to a 20% increase in equity prices	18,570,429	15,980,393
Effect on net assets attributable to redeemable shares to a 20% decrease in equity prices	(18,570,429)	(15,980,393)

(b) Foreign exchange risk

The Fund operates internationally and holds both monetary and non-monetary assets denominated in currencies other than US Dollar, the functional currency. Foreign currency risk as defined in IFRS 7 arises as the value of future transactions, recognised monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates. IFRS 7 considers the foreign exchange exposure relating to non-monetary assets and liabilities to be a component of market price risk not foreign currency risk. However, management monitors the exposure on all foreign currency denominated assets and liabilities. The table below provides analysis between monetary and non-monetary items to meet the requirements of IFRS 7.

The Fund does not necessarily pursue an active currency management strategy. Currency exposure within the Fund tends to mirror the geographic exposure of the investments, their selection being the result of a rigorous bottom-up process. However, given the significant impact that exchange rate movements can have on the Fund's returns, the Fund can use forward currency contracts to provide protection against exchange risks. These forward positions may be long in benchmark or non-benchmark currencies, without holding underlying assets in those currencies. The Fund is prohibited from entering into a transaction that would result in having a net negative exposure to a currency when assessed using the Fund's usual accounting principles. Indirect currency exposure may be taken by holding underlying assets in these currencies. The below sensitivity analysis may not necessarily indicate the total effect on the Fund's net assets attributable to holders of redeemable shares of future movements in foreign exchange rates.

Notes to the Annual Report and Financial Statements

3. Financial risks (continued)

The table below summarises the Fund's assets and liabilities, monetary and non-monetary, which are denominated in a currency other than US Dollar.

Concentration of foreign currency exposure

28 February 2018	Assets		Liabilities	
	Monetary assets	Non-monetary assets	Monetary liabilities	Non-monetary liabilities
CAD	823,839	9,630,034	-	-
DKK	32,493	4,008,394	-	-
EUR	5,102,698	1,784,878	(12,703)	-
GBP	5,933,714	20,421,359	-	-
HKD	248,523	8,603,157	-	-
IDR	888,742	2,535,876	-	-
JPY	1,757,261	6,363,831	(76,802)	-
NOK	2,655,838	348,424	(60,893)	-
SGD	-	977,565	-	-
ZAR	141,262	8,052,806	-	-
	17,584,370	**62,726,324**	**(150,398)**	**-**
28 February 2017				
CAD	682,808	7,350,022	-	-
EUR	2,845,190	2,306,629	(6,649)	-
GBP	2,873,389	14,409,450	(58,487)	-
HKD	286,648	5,410,898	(228,910)	-
IDR	-	2,328,563	-	-
JPY	1,463,721	4,886,993	-	-
NOK	1,035,830	-	-	-
SGD	-	1,178,844	-	-
ZAR	165	600,367	-	-
	9,187,751	**38,471,766**	**(294,046)**	**-**

The table below summarises the sensitivity of the Fund's monetary assets and liabilities to changes in foreign exchange movements at the period end. The analysis is based on the assumptions that the relevant foreign exchange rate increased/decreased by the percentage disclosed in the table below, with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the foreign exchange rates, having regard to historical volitality of those rates.

	Reasonable possible shift in rate 28 February 2018	Impact 28 February 2018	Reasonable possible shift in rate 28 February 2017	Impact 28 February 2017
Currency				
CAD	4%	32,954	6%	40,968
EUR	6%	305,400	4%	113,542
GBP	6%	356,023	4%	112,596
HKD	1%	2,485	1%	577
JPY	4%	67,218	6%	87,823
IDR	2%	17,775	-	-
NOK	4%	103,798	5%	51,791

(c) Interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of markets interest rates on the fair value of financial assets and liabilities. The Fund holds cash and cash equivalents consisting of bank balances and short-term deposits. Bank balances do not expose the Fund to fair value interest rate risk as the bank accounts are non-interest bearing. The fund also hold US Treasury bills, these bills do not expose the fund to interest rate risk.

Notes to the Annual Report and Financial Statements

Figures in US Dollar	2018	2017

3. Financial risks (continued)

At the period end the Funds overall exposure to interest risk were as follows:

Short-term deposits	18,171,757	19,847,883

The table below summarises the sensitivity of the Fund's net assets attributable to holders of redeemable shares to interest rate movements as at the period end:

	28 February 2018 1% Increase	28 February 2018 1% Decrease	28 February 2017 1% Increase	28 February 2017 1% Decrease
Short-term deposits	181,718	(181,718)	198,479	(198,479)

3.1.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Fund invests primarily in marketable securities and other financial instruments, which under normal market conditions are readily convertible to cash. In addition, the Fund's policy is to maintain sufficient cash and cash equivalents to meet the normal operating requirements and expected redemption requests.

The Fund may not borrow securities and may not borrow other than to meet redemption obligations. Such borrowing is limited to 10% of the Fund's net asset value and must be repaid within 90 days.

The analysis below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

At 28 February 2018	Carrying amount	Less than 7 days	7 days to 3 months	> 3 months
Due to brokers	913,529	913,529	-	-
Management fee payable	57,469	-	57,469	-
Administration fee payable	26,762	-	26,762	-
Custodian fee payable	16,529	-	16,529	-
Other payables	15,829	-	8,134	7,695
Net assets attributable to holders of redeemable shares	139,702,039	69,851,020	69,851,019	-
Contractual cash out flows	**140,732,157**	**70,764,549**	**69,959,913**	**7,695**
At 28 February 2017				
Performance fee payable	213,232	-	213,232	-
Due to brokers	519,763	519,763	-	-
Management fee payable	44,753	-	44,753	-
Administration fee payable	20,724	-	20,724	-
Custodian fee payable	17,170	-	17,170	-
Other payables	7,624	-	1,763	5,861
Net assets attributable to holders of redeemable shares	112,830,577	56,415,289	56,415,288	-
Contractual cash out flows	**113,653,843**	**56,935,052**	**56,712,930**	**5,861**

Redeemable shares are redeemed on demand at the holder's option. However, the Board of Directors does not envisage that the contractual maturity disclosed in the table above will be representative of the actual cash outflows, as holders of these instruments typically retain them for the medium to long term.

Notes to the Annual Report and Financial Statements

Figures in US Dollar	2018	2017

3. Financial risks (continued)

The Directors may in their exclusive discretion limit the total amount of redemptions effected on any redemption day to 10% of the outstanding redeemable shares on that day. In such circumstances the Fund or its authorised agent may scale down pro rata the number of redeemable shares to be redeemed in response to each request for redemption to the extent necessary to ensure that the foregoing limit is not exceeded, and shall carry forward the balance for redemption as at the next redemption day and so on to each succeeding redemption day until each request has been complied with in full. There were no limits placed in the current reporting period.

The Fund manages its liquidity risk by investing predominantly in securities that it expects to be able to liquidate within 7 days or less. The following table illustrates the expected liquidity of assets held:

At 28 February 2018	**Carrying value**	**Less than 7 days**	**7 days to 1 month**	**1-12 months**
Financial assets at fair value through profit or loss	113,074,470	113,074,470	-	-
Cash and cash equivalents	26,536,001	26,536,001	-	-
Dividends receivable	166,501	-	166,501	-
Interest receivable	44,900	10,815	15,015	19,070
Other receivables	888,742	888,742	-	-
Total assets	**140,710,614**	**140,510,028**	**181,516**	**19,070**
At 28 February 2017				
Financial assets at fair value through profit or loss	79,901,967	79,901,967	-	-
Cash and cash equivalents	32,864,878	32,864,878	-	-
Other receivables	747,655	746,390	1,265	-
Dividends receivable	121,995	-	121,995	-
Total assets	**113,636,495**	**113,513,235**	**123,260**	**-**

3.1.3 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Fund is exposed to counterparty credit risk on cash and cash equivalents, amounts due from brokers and other receivable balances.

The analysis below summarises the credit quality of the Fund's portfolio as at the period end:

P-1	18,245,827	20,674,515
P-2	8,364,244	13,035,809
P-3	1,299,993	-
F1+	18,956,415	-
Not rated	991,989	21,130
Total	**47,858,468**	**33,731,454**

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

The maximum exposure to credit risk at the period end is the carrying amount of the financial assets as set out below.

Cash and cash equivalents	26,536,001	32,864,878
Treasury bills	18,931,497	-
Bonds	1,290,827	-
Due from brokers	888,742	744,581
Dividends receivable	166,501	121,995
Interest receivable	44,900	-
Total	**47,858,468**	**33,731,454**

Notes to the Annual Report and Financial Statements

Figures in US Dollar	2018	2017

3. Financial risks (continued)

3.1.3 Credit risk (continued)

None of these assets are impaired nor past due but not impaired.

The clearing and depository operations for the Fund's security transactions are mainly concentrated with one prime broker, namely Sparkasse Bank Malta plc. Sparkasse is a subsidiary of Sparkasse Schwaz AG, which is a member of Erste Group Bank AG. At 28 February 2018, Erste Group Bank AG has a Moody's credit rating of P-2 (2017: P-2).

3.2 Fair value estimation

The fair value of financial assets and liabilities traded in active markets are based on quoted market prices at the close of trading on the year end date. The fund classifies fair value measurements within a hierarchy which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest prority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are:

- Level 1 - inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 - inputs other than quoted prices which are included in level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 - inputs are unobservable for the asset or liability.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active listed equities. The Fund does not adjust the quoted price for these investments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These include listed equities. As Level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations maybe adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

Investments classified within Level 3 have significant unobservable inputs, as they trade infrequently. Level 3 instruments include private equity. As observable prices are not available for these securities, the Fund will use valuation techniques to derive the fair value.

The following table analyses within the fair value hierarchy the Fund's assets and liabilities measured at fair value:

28 February 2018	**Level 1**	**Level 2**	**Level 3**	**Total**
Equities	92,852,146	-	-	92,852,146
Treasury bills	-	18,931,497	-	18,931,497
Bonds	1,290,827	-	-	1,290,827
	94,142,973	**18,931,497**	**-**	**113,074,470**
28 February 2017				
Equities	79,901,967	-	-	79,901,967

For assets and liabilities carried at amortised cost, their carrying values are a reasonable approximation of fair value.

3. Financial risks (continued)

3.3 Capital risk management

The capital of the Fund is represented by the net assets attributable to holders of redeemable shares. The amount of net assets attributable to holders of redeemable shares can change significantly on a daily basis, as the Fund is subject to daily subscriptions and redemptions at the discretion of shareholders, as well as changes resulting from the Fund's performance. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns to shareholders, provide benefits for other stakeholders and maintain a strong capital base to support the development of the investment activities of the Fund.

The Directors may in their exclusive discretion limit the total amount of redemptions effected on any redemption day to 10% of the outstanding redeemable shares on that day. In such circumstances the Fund or its authorised agent may scale down pro rata the number of redeemable shares to be redeemed in response to each request for redemption to the extent necessary to ensure that the foregoing limit is not exceeded, and shall carry forward the balance for redemption as at the next redemption day and so on to each succeeding redemption day until each request has been complied with in full. There were no limits placed in the current reporting period.

4. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

In the opinion of the Directors, the accounting estimates and judgements which are made in the course of preparing these financial statements are not difficult, subjective or complex to a degree which would warrant their description as critical in terms of the requirements of IAS 1.

5. Financial assets at fair value through profit and loss

	28 February 2018	% of Nav	28 February 2017	% of Nav
Financial assets designated at fair value through profit and loss at inception				
- Listed equity securities	92,852,146	66.46	79,901,967	70.82
- Treasury bills	18,931,497	13.55	-	-
- Bonds	1,290,827	0.92	-	-
	113,074,470	**80.93**	**79,901,967**	**70.82**
Other net changes in fair value on financial assets at fair value through profit or loss:				
- Realised gains/losses	11,078,969		(291,450)	
- Change in unrealised gains/losses	1,786,928		25,129,098	
	12,865,897		**24,837,648**	

Notes to the Annual Report and Financial Statements

6. Financial assets by category

The accounting policies for financial instruments have been applied to the line items below:

28 February 2018

	Loans and receivables	Assets at fair value through profit or loss	Total
Financial assets at fair value through profit or loss	-	113,074,470	113,074,470
Cash and cash equivalents	26,536,001	-	26,536,001
Dividends receivable	166,501	-	166,501
Interest receivable	44,900	-	44,900
Due from brokers	888,742	-	888,742
Prepayments	21,543	-	21,543
	27,657,687	**113,074,470**	**140,732,157**

28 February 2017

Financial assets at fair value through profit or loss	-	79,901,967	79,901,967
Cash and cash equivalents	32,864,878	-	32,864,878
Dividend receivable	121,995	-	121,995
Due from brokers	744,581	-	744,581
Other receivables and prepayments	20,422	-	20,422
	33,751,876	**79,901,967**	**113,653,843**

7. Financial liabilities by category

The accounting policies for financial instruments have been applied to the line items below:

28 February 2018

	Other financial liabilities	Fair value through profit or loss - designated	Total
Administration fee payable	26,762	-	26,762
Management fee payable	57,469	-	57,469
Custodian fee payable	16,529	-	16,529
Other payables	15,829	-	15,829
Due to brokers	913,529	-	913,529
Net assets attributable to holders of redeemable shares	-	139,702,039	139,702,039
	1,030,118	**139,702,039**	**140,732,157**

28 February 2017

Administration fee payable	20,724	-	20,724
Management fee payable	44,753	-	44,753
Performance fee payable	213,232	-	213,232
Custodian fee payable	17,170	-	17,170
Other payables	7,624	-	7,624
Due to brokers	519,763	-	519,763
Net assets attributable to holders of redeemable shares	-	112,830,577	112,830,577
	823,266	**112,830,577**	**113,653,843**

Notes to the Annual Report and Financial Statements

Figures in US Dollar	2018	2017

8. Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise the following balances with original maturity of less than 90 days:

Bank balances	8,364,244	13,016,995
Short-term deposits	18,171,757	19,847,883
	26,536,001	**32,864,878**

9. Share capital and redeemable shares

Authorised

The share capital of the Company shall be equal to the value of the issued share capital of the Fund. The authorised share capital of the Fund is ten billion one hundred (10,000,000,100) with no nominal value assigned to them. At 28 February 2018, the Fund had issued "Management Shares" and "Investor Shares".

Management Shares

The initial share capital of the Fund is USD 100 divided into 100 Management Shares. These are fully paid and are held by PSG Fund Management (C.I.) Limited, a company incorporated in Guernsey and is the immediate parent company of the Investment Manager. Holders of Management Shares shall not be entitled to participate in any dividends or other distribution of the Fund or in the assets of the Fund on a winding-up.

The Management Shares do not form part of the net asset value of the Fund and are thus disclosed in the financial statements by way of this note only. In the opinion of the Directors, this disclosure reflects the nature of the Fund's business as an investment company.

Issued and full paid investor shares

During the year ended, the number of shares issued, redeemed and outstanding were as follows:

Class A		
Shares outstanding at the beginning of the year	687,504	3,146,080
Redeemable shares issued	96,004	39,757
Redeemable shares redeemed	(47,674)	(2,498,333)
Shares outstanding at the period end	**735,834**	**687,504**
Class B		
Shares outstanding at the beginning of the year	8,039,400	7,091,584
Redeemable shares issued	1,318,898	1,555,789
Redeemable shares redeemed	(310,591)	(607,973)
	9,047,707	**8,039,400**

Holders of Investors Shares, have the right to receive notice of, attend, and vote on any matter requiring the approval of members. The Investor Shares carry the right to one vote each, provided that no voting rights shall be attached to fractional shares.

The Directors have the ability to limit cash redemption if it exceeds 10% of the total nuber of shares in issue on any redemption dealing day. The limitation will be applied pro rata to all shareholders who have requested redemptions to be effected on such redemption dealing day so that the proportion of each holding redeemed is the same for all shareholders.

10. Distributions

It is not the present intention of the Directors that the Fund will pay dividends. Income from the Fund will be accumulated and reflected in the net asset value of the Fund.

11. Taxation

The tax regime for collective investment schemes in Malta is based on the classification of funds into prescribed or non-prescribed funds in terms of the conditions set out in the Collective Investment Schemes (Investment Income) Regulations, 2001 (as amended). In general, a prescribed fund is defined as a resident fund, which has declared that the value of its assets situated in Malta amount to at least 85% of the value of the total assets of the fund.

On the basis that the sub-funds within the Company are currently classified as non-prescribed funds for Maltese income tax purposes, the sub-funds should not be subject to tax on their income or gains, other than on any income from immovable property situated in Malta (if any).

However, Maltese resident investors therein may be subject to a 15% final withholding tax on capital gains realised on redemption, cancellations or liquidation of units in the sub-funds. The Maltese resident investor may however request the Company not to effect the deduction of the said 15% withholding tax in which case the said investor would be required to declare the gains in his/her Maltese income tax return and will be subject to tax at the normal rates of tax.

Gains or profits derived on any transfer of units in the sub-funds by investors who are not resident in Malta should not be chargeable to Maltese income tax, subject to the satisfaction of certain statutory conditions.

No distributions were made by the sub-funds during this financial period and therefore no Maltese tax considerations should arise in this respect.

In case of the Company's investments outside Malta, any capital gains, dividends, interest and other gains or profits may be subject to tax imposed by the country of origin concerned and such taxes may not be recoverable by the Company or by its shareholders under Maltese domestic tax law.

Naturally non-resident investors may be required to pay non-Maltese income tax, or any other kind of foreign tax on distributions or deemed distributions from the Company, capital gains within the Company, (whether or not realised), income received or accrued, capital gains arising on the Redemption of units or deemed received within the Company etc., according to the laws and practices of the country of residence of the shareholder.

12. Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

12.1 Investment Manager's fees

The Fund is managed by PSG Fund Management (Malta) Limited. Pursuant to the investment management agreement, the Investment Manager is entitled to receive fees based on the net asset value (NAV) of the Fund.

12.1.1 Management fee

The Fund will pay the Investment Manager an investment management fee of 1.5% per annum of the NAV of the Fund. During the year ended 28 February 2018, the investment management fee incurred amounted to $676,548 (2017: $586,254) of which $57,469 (2017: $44,752) remained outstanding.

12.1.2 Performance fee

The Investment Manager is also entitled to receive out of the assets of the Fund a performance fee in respect of each performance period. The Investment Manager may at its absolute discretion rebate to any shareholder the whole or portion of the performance fee paid by that shareholder. The performance periods for the Fund comprise each successive six (6) month period from 1 January to 30 June and from 1 July to 31 December, (each a 'performance period').

The performance fee shall be equal to 20% of the net trading gain in excess of the MSCI Daily Total Return Net World USD ('benchmark') calculated on the NAV at each valuation point. During the year 28 February 2018, performance fees of $1,389,827 incurred (2017: $337,801) of which nil (2017: $213,232) remained outstanding.

12.1.3 Administration fees

The Investment Manager is entitled to receive an administration fee of 0.15% per annum of the Net Asset Value of the Fund payable pro rata monthly in arrears on the last Business Day in each calendar month of each year. The Investment Manager is entitled to receive a minimum Administration Fee of USD 10,000 per annum.

Notes to the Annual Report and Financial Statements

Figures in US Dollar	2018	2017

12. Related parties (continued)

The Investment Manager will be reimbursed for all properly incurred and approved out-of-pocket expenses.

The Administrator is entitled to a fee payable by the Investment Manager as agreed between the Administrator and Investment Manager from time to time. During the year ended 28 February 2018, the administration fee incurred amounted to $314,479 (2017: $248,868) of which $26,762 (2017: $20,724) remained outstanding.

12.2 Director's fees

The Directors of the Company receive for their services such remuneration as may be determined by the Fund. Director's fees incurred during the year amounted to $4,624 (2017: $4,391)

13. Other fees

Custody fees

The Fund will pay the Custodian, a Custody Fee of 0.07% per annum of NAV of the Fund subject to an aggregate relationship of USD 150 million. The fee will accrue on every valuation point and payable quarterly in arrears. During the year ended 28 February 2018, custody fees incurred amounted to $117,806 (2017: $103,618) of which $16,529 (2017: $17,170) remained outstanding.

The Fund shall also pay the Custodian a transaction fee as agreed from time to time and which the schedule is available in request from the Investment Manager. During the year ended 28 February 2018, transaction fees incurred amounted to $41,601 (2017: $37,059).

The Custodian will also be reimbursed for all reasonably incurred and properly documented out-of-pocket expenses (by way of receipts, invoices or otherwise) by the Custodian, whether directly or indirectly, in the performance of its functions or duties under the Custody Agreement.

Audit fees

Fees charged by the auditor for services rendered during the year ended 28 February 2018 relate to the following (excluding VAT):

Annual statutory audit services	8,911	6,322

14. Events after the reporting period

No matters which are material to the financial affairs of the Fund occured between 28 February 2018 and the date of approval of the financial statements.

Annexure A

Financial assets at fair value through profit or loss	Currency	Market value	% of Net asset value
Equities			
BERKSHIRE HATHAWAY INC-CL B	USD	2,175,600.00	1.56%
CAPITAL ONE FIN CORP	USD	790,882.68	0.57%
GLENCORE PLC	GBP	4,527,747.14	3.24%
BANK RAKYAT INDONESIA PERSER	IDR	2,535,876.24	1.82%
WELLS FARGO & CO	USD	876,150.00	0.63%
DAIMLER AG-REGISTERED SHA	EUR	1,474,705.74	1.06%
BROOKFIELD ASSET MANAGE-CL A	CAD	9,630,034.34	6.89%
HSBC HOLDINGS PLC	HKD	2,145,565.59	1.54%
NATIONAL GRID PLC	GBP	994,223.41	0.71%
BOUSTEAD SINGAPORE LTD	SGD	977,564.54	0.70%
COLFAX CORP	USD	3,417,425.00	2.45%
ROSENBAUER INTERNATIONAL AG	EUR	296,703.30	0.21%
YAHOO JAPAN CORP	JPY	3,418,454.49	2.45%
QUALCOMM INC	USD	1,755,000.00	1.26%
MAGNIT PJSC-SPON GDR REGS	USD	786,600.00	0.56%
LIBERTY GLOBAL INC-A	USD	2,024,100.00	1.45%
WABTEC CORP	USD	569,380.00	0.41%
STAR BULK CARRIERS CORP	USD	658,840.00	0.47%
LIBERTY LATIN AMERIC-CL C	USD	1,464,567.65	1.05%
DISCOVERY HLDS LTD	ZAR	4,322,570.52	3.09%
AIA GROUP LTD	HKD	6,457,591.71	4.62%
HOWDEN JOINERY GROUP PLC	GBP	1,775,665.24	1.27%
SPDR GOLD SHARES	USD	1,875,000.00	1.34%
PREMIER FOODS PLC	GBP	2,377,176.88	1.70%
MOSAIC CO/THE	USD	3,500,560.00	2.51%
BABCOCK INTL GROUP PLC	GBP	6,425,437.75	4.60%
AFLAC INC	USD	2,541,968.00	1.82%
OLD MUTUAL PLC (LSE)	GBP	3,167,930.51	2.27%
TEXTAINER GROUP HOLDINGS LTD	USD	880,200.00	0.63%
L BRANDS INC	USD	3,474,262.57	2.49%
PANDORA A/S	DKK	4,008,394.54	2.87%
LIBERTY LATIN AMERIC-CL A	USD	227,700.00	0.16%
WPP PLC	GBP	1,153,178.00	0.83%
TEEKAY OFFSHORE PARTNERS LP	USD	871,780.73	0.62%
ISRAEL CHEMICALS LTD	USD	2,538,000.00	1.82%
TRANSOCEAN LTD	USD	1,002,100.00	0.72%
PSG GROUP LIMITED	ZAR	1,420,784.73	1.02%
JAPAN POST INSURANCE CO LTD	JPY	2,945,376.18	2.11%
NEDBANK GROUP LTD	ZAR	538,624.58	0.39%
AECI	ZAR	480,000.00	0.34%
STOLT-NIELSEN LTD	NOK	348,423.82	0.25%

Annexure A

Financial assets at fair value through profit or loss	Currency	Market value	% of Net asset value
Treasury Bills			
US TREASURY BILL 20180329	USD	5,978,311.68	4.28%
US TREASURY BILL 20180419	USD	2,989,850.01	2.14%
US TREASURY BILL 20180426	USD	3,986,622.24	2.85%
US TREASURY BILL 20180524	USD	5,976,713.00	4.28%
Bonds			
R2037 8.50% 310137	ZAR	1,290,826.79	0.92%
Total financial assets at fair value through profit or loss		**113,074,469.60**	**80.94%**