

SEGETIA LUX CAPITAL S.C.A. SICAV-FIS
Fonds d'investissement spécialisé

**Annual report including audited financial statements and management report
as at and for the year ended December 31, 2022**

Commercial Register number: Luxembourg B 173193

No subscription can be received on the basis of this financial report. Subscriptions are only valid if made on the basis of the issuing document supplemented by the latest annual report.

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SEGETIA LUX CAPITAL S.C.A. SICAV-FIS

MANAGEMENT AND ADMINISTRATION

Registered Office

18, Rue de l'Eau
L-1449 Luxembourg
Grand Duchy of Luxembourg

General Partner

Segetia Lux Capital S.à r.l.
18 Rue de l'Eau
L-1449 Luxembourg
Grand Duchy of Luxembourg

Board of Managers of the General Partner

Mr Karl Heinz Dick
Mr Jérôme Honnay (resigned on December 7, 2022)
Mr Jean-Baptiste Baezner
Mr Eric Nolen (appointed on April 17, 2023)

Alternative Investment Fund Manager

MC Square S.A. (Since July 15, 2022)
23, Val Fleuri
L-1526 Luxembourg
Grand Duchy of Luxembourg

Segetia (UK) Limited (Until July 15, 2022)
48, Dover Street
W1S 4FF London
United Kingdom

Administrative, Domiciliary and Registrar and Transfer Agent

FIDUCENTER S.A.
18, Rue de l'Eau
L-1449 Luxembourg
Grand Duchy of Luxembourg

Depositary Bank, Custodian Bank

EFG Bank (Luxembourg) S.A.
56, Grand-Rue
L-1660 Luxembourg
Grand Duchy of Luxembourg

Réviseur d'entreprises Agréé

HACA Partners S.à r.l.
6, Route d'Esch
L-1470 Luxembourg
Grand Duchy of Luxembourg

Legal Advisor

Van Campen Liem Luxembourg
2, rue Dicks
L-1417 Luxembourg
Grand Duchy of Luxembourg

Independent Appraiser

AGRA
Rotfluhstr. 54
CH-8702 Zollikon

SEGETIA LUX CAPITAL S.C.A. SICAV-FIS

Segetia Lux Capital S.à r.l.

A private limited liability company (*société à responsabilité limitée*)
Having its registered office at 18, Rue de l'Eau, L-1449 Luxembourg
With a share capital of CHF 120 000
R.C.S. Luxembourg: B 173 129
(the « General Partner »)

MANAGEMENT REPORT

Dear Shareholders,

Market Information:

Inflation was the main spark in 2022, driving central banks reactions, which will last well into 2023. It is currently expected that central banks in USA, Europe, UK and Switzerland will keep on raising rates in the first half of 2023. According to the central bankers, a sustained decline in inflation will be needed before they will be comfortable enough to stop raising rates. The challenge will be to slow or halt the rate hikes without triggering a rally in financial assets, which would impair the monetary policy transmission and lead to additional rate hikes.

The current economy is clearly not cooling down as much as expected. If the largest technology companies and banks are laying off, the unemployment rate currently shows no sign of worry. In fact, the Germany ZEW Economic Sentiment Index published on 17th of January went up strongly to positive territories not seen since February 2022. Since Covid, the labor force has been diminishing. The ageing population (baby boomers) who left the workforce have not come back and as a result, production capacity has decreased. This deeply needed labor force will also impact consumption in several ways as healthcare costs increase.

A slowdown in global economic growth is likely, but the outlooks are quite uncertain. Recessions in the US and in Europe are expected to be mild and relatively short-lived as they are not coming from economic imbalances but from central banks tightening policies. Some economists no longer expect a recession in the eurozone after the economy proved to be more resilient in late 2022, as natural gas prices fell sharply. In China, the departure from the zero-covid strategy in China should have a positive economic impact in the medium term.

As a consequence, with global equities losing 18 % in 2022, most Swiss Real Estate listed funds suffered (total return -15.2 % - source UBS). Most of their negative performance can be attributed to agio contraction, while the intrinsic value of their portfolios remained globally untouched. Agios were down from 49 % to 30.7 % (weighted average) Source UBS.

According to Wüest Partner, the strength of the Swiss labor market compensates the homeworking trend, so the demand – and rents - for office space remained stable. For shopping surfaces, the strength of the Swiss franc and online shopping keep pressure on rents.

In comparison, Segetia Swiss Property SIF (SSPF) delivered an overall performance of 2.67% out of which a dividend of 1.2% will be paid. SSPF being unlisted, it has no agio.

As inflation is expected to remain moderate on the CHF in 2023, interest rates should remain fairly stable with three consequences for SSPF:

- * borrowing costs should stay flat, and eventually decline
- * the negative impact on the portfolio valuation – if any - should be limited. Last year, in the context of fast rising interest rates, the portfolio valuation still rose by 1.2%
- * most of the leases are linked to the ISPC (Swiss CPI), so they are adjusted to inflation

Our Buildings:

1. Lausanne, avenue Louis-Ruchonnet 1 (satellite)

The renovation work came to its end in 2022. The budget stayed under control. A celebrating party was organized in November. The architects, the contractors, the neighbors, and the authorities of the Ville de Lausanne were invited. The result of the renovation received very positive critics. Negotiations with various potential tenants for the ground floor and the third floor are ongoing.

2. Sion, Route de l'Aéroport 10

The building is now fully rented to quality tenants. Only minor works were needed in 2022. The study for the installation of solar panels has been conducted and was successfully granted. The close proximity with the Sion airport imposed a special authorization to install solar panels on the roof. The work will be completed in 2023.

3. Granges-Paccots, Route de Chantemerle 58

An important tenant resigned in 2022, 2 years ahead of the end of its rental contract. The landlord accepted a release offer of CHF 200,000. equivalent to approximately 15 months of rent. A new tenant has not been found yet, and discussions are taking place with several candidates. This building will also receive solar panels, although the available surface is smaller than in Sion or Avry.

4. Avry-sur-Matran, Route de Matran 5

The Avry building is fully rented. Four electric charging ports have been installed. The roof will be covered with solar panels in the second half of 2023.

5. Köniz, Sägestrasse 79

The empty space on the second floor was rented to the Swiss Lung League. The building is now full. Studies were conducted for the installation of charging points for electric cars. 8 ports will be installed in 2023. We also ordered an efficiency report for the electric equipment of the building. Several improvements will be implemented in 2023, reducing costs and electric consumption.

6. Steffisburg, Stockhornstrasse 85

We continued the analysis of the possibility of adding a second floor on the building. The architect in charge of the project (who originally built it) received a positive answer from the authorities. Two of the four tenants confirmed their interest for the projects and would both take an additional 200 m² out of the additional 2'500 m² that would be created. This project would also avoid the need to renovate the roof which, according to our consultants, has a low-quality level from a sustainability perspective. The construction will, of course, include solar panels.

Initiatives:

Borrowing:

As mentioned, interest rates have a limited upside potential, and could eventually come down. It was decided to close the interest rate swap of 9 million protecting the fund from a move above 1.95% with a profit of CHF 80,000. Besides, to lower financial costs and eventually contract a lower cap, a one-year swaption 10 years on 7.5 million was struck at 1.65% for a premium to the fund of CHF 203,000.

New investments:

SSPF is constantly reviewing new investment opportunities. In 2022, four buildings were analyzed extensively across Switzerland. Sellers do not fully accept the new reality: interest rates have gone up, putting pressure on prices. SSPF as buyer is trying to take advantage of it. Negotiations are difficult, and SSPF should miss a transaction rather than pay too high of a price.

Sustainability:

As mentioned above, several buildings will be covered by solar panels. In order for all of our tenants to benefit from that green energy and also a slightly better price, Segetia Wealth Management created along with Swisselectricity a company called Wattimmo. That company will be paying for the installation of the solar panels as well as trading energy with external groups. In doing so, SSPF will not bear the cost of the installation. In addition, it will be able to buy and sell electricity at a price very close to the market, which would not have been possible otherwise.

On the 30th of June 2023

The Board of Managers of the General Partner

DocuSigned by:
Karl Heinz Dick
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Karl Heinz Dick
Manager

The figures stated in the report are historical and not necessary indicative of future performance



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Audit & Governance

To the Shareholders of
SEGETIA LUX CAPITAL S.C.A SICAV-SIF
R.C.S Luxembourg 173193
18, Rue de l'Eau
L- 1449 Luxembourg
Grand Duchy of Luxembourg

REPORT OF THE REVISEUR D'ENTREPRISES AGRÉÉ

Opinion

We have audited the accompanying financial statements of SEGETIA LUX CAPITAL S.C.A SICAV-SIF (the "**Fund**") which comprise:

- the statements of net assets as of 31 December 2022;
- the statements of operations and changes in net assets for the year then ended;
- the notes to the financial statements, which include a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 December 2022, and of the results of its operations and changes in its 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 those Law and standards are further described in the "Responsibilities of the "*Réviseur d'entreprises agréé*" for the audit of the financial statements" section of our report.

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

We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("**IESBA Code**") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.

Other information

The Board of Managers of the General Partner of the Fund is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our report of "*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 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



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misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Managers of the General Partner of the Fund for the financial statements

The Board of Managers of the General Partner of the Fund is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Managers of the General Partner of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Managers of the General Partner of the Fund is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Managers of the General Partner of the Fund 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 financial statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of “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 Managers of the General Partner of the Fund;
- conclude on the appropriateness of the Board of Managers of the General Partner of the Fund's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Fund to cease to continue as a going concern;



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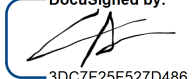
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- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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, 30 June 2023

HACA Partners S.à r.l.,
Cabinet de révision agréé
represented by

DocuSigned by:

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Cyril CAYEZ
Réviseur d'entreprises agréé

STATEMENT OF NET ASSETS
As at December 31, 2022 (expressed in CHF)

December 31, 2022 December 31, 2021

ASSETS	Notes		
Fixed assets			
Land and buildings	3	78 774 000,00	77 170 000,00
Currents assets		4 452 817,31	3 394 824,85
Other debtors	4	463 730,65	554 344,08
Cash at bank and in hand		3 989 086,66	2 840 480,77
Prepayments		56 340,05	18 728,23
Deferred charges		56 340,05	18 723,23
Total assets		83 283 157,36	80 583 553,08
LIABILITIES			
Provisions			
Provision for taxation	5	1 850 735,87	1 432 144,29
Creditors		46 744 176,18	47 687 753,80
Amounts owed to credit institutions becoming due and payable within one year		8 926,40	510,40
Amounts owed to credit institutions becoming due and payable after one year		46 661 500,00	46 807 252,62
Amounts owed to affiliated undertakings becoming due and payable within one year		32 000,00	840 000,00
Amounts owed to undertakings with which the company is linked by virtue of participating interests becoming due and payable within one year		39 990,78	39 990,78
Tax and social security debts			
Tax debts	7	1 759,00	20 794,67
Other creditors		4 985 609,75	2 928 811,30
becoming due and payable within one year	8	4 985 609,75	2 928 811,30
Deferred income		0,00	15 740,00
		53 580 521,80	52 085 244,06
NET ASSETS AT THE END OF THE YEAR		29 702 635,56	28 498 309,02

The accompanying notes are an integral part of these financial statements

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

For the year ended December 31, 2022 (expressed in CHF)

December 31, 2022 December 31, 2021

NET ASSET AT THE BEGINNING OF THE YEAR		28 498 309,02	21 225 852,88
Notes			
INCOME			
Net turnover	13	3 758 415,80	3 461 186,75
Other income		8 075,49	0,00
Dividend		0,00	0,00
		3 766 491,29	3 461 186,75
EXPENSES			
Other external charges	9	(2 642 353,44)	(2 741 683,39)
Other operating expenses	10	(670 053,51)	(635 281,03)
Performance fees	11	(2 453,63)	(64 280,66)
Other interest and similar financial charges	6	(713 181,33)	(483 682,41)
Other taxes	7	(450 682,13)	(81 906,48)
		(4 478 724,04)	(4 006 833,97)
NET REALISED RESULT ON			
Net realised gain on investments		0,00	0,00
Net realised loss on investments		0,00	0,00
Realised profit on sw ap		80 000,00	0,00
Realised loss on foreign exchange		(1 039 372,20)	(149 798,50)
		(959 372,20)	(149 798,50)
CHANGE IN NET UNREALISED APPRECIATION/DEPRECIATION ON			
Unrealised result on real estate investments		1 604 000,00	1 813 500,00
Unrealised result on current assets		0,00	0,00
Unrealised result on foreign exchange sw ap		227 382,07	(227 382,07)
Unrealised result on foreign exchange		961 414,16	450 167,68
		2 792 796,23	2 036 285,61
RESULTS ON THE OPERATIONS			
		1 121 191,28	1 340 839,89
MOVEMENTS IN CAPITAL			
Subscription of shares	12	1 350 100,00	6 250 000,00
Redemption of shares		(916 964,74)	0,00
Dividend distribution	12	(350 000,00)	(318 383,75)
		83 135,26	5 931 616,25
NET ASSET AT THE END OF THE YEAR		29 702 635,56	28 498 309,02

The accompanying notes are an integral part of these financial statements

CHANGE IN THE NUMBER OF SHARES, IN NET ASSETS AND IN NET ASSET VALUE PER SHARE

For the year ended December 31, 2022

Net Asset Value and Net Asset Value per Share

		Net Asset Value (expressed in CHF)	Net Asset Value per share (expressed in CHF)	Net Asset Value per share (excluding performance fees) (expressed in CHF)
December 31, 2020	Class A shares	52 969,30	140,13	140,59
December 31, 2020	Class B shares	17 335 144,10	140,13	140,59
December 31, 2020	Class C shares	3 837 739,49	137,12	137,23
December 31, 2021	Class A shares	55 042,81	145,62	145,97
December 31, 2021	Class B shares	18 273 372,08	145,62	145,97
December 31, 2021	Class C shares	10 169 894,13	141,75	142,02
December 31, 2022	Class A shares	56 798,35	150,26	150,26
December 31, 2022	Class B shares	18 463 028,79	150,24	150,24
December 31, 2022	Class C shares	11 182 708,42	144,35	144,35
December 31, 2022	Performance share (*)	100,00	100,00	100,00

Number of shares in issue	Management share	Class A shares	Class B shares	Class C shares	Performance share (*)
December 31, 2020	1	378	123 705,900	27 987,946	N/A
December 31, 2021	1	378	125 489,933	71 744,870	N/A
December 31, 2022	1	378	122 889,933	77 470,674	1

(*) Launched on June 13, 2022

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

1. The Fund

SEGETIA LUX CAPITAL S.C.A. SICAV-FIS, hereafter referred to as the "Fund", was incorporated as a corporate partnership limited by shares (*société en commandite par actions*) qualifying as an investment company with variable capital - specialized investment fund (*société d'investissement à capital variable - fonds d'investissements spécialisé*) for an unlimited period on November 20, 2012.

The Fund is subject to the law of February 13, 2007 relating to specialised investment funds, as amended (the "SIF Law"), by the law of August 10, 1915 as amended on August 23, 2016 on commercial companies, as amended (the "Commercial Law") by the law of December 19, 2002 as amended on December 10, 2010 (the "Articles"). The Fund does also qualify as an AIF under the AIFM Law 2013.

The Articles of Incorporation of the SIF were published in the Memorial C, *Recueil des Sociétés et Associations* (the "**Memorial**") on December 8, 2012. The Fund is registered with the "Registre du Commerce et des Sociétés de Luxembourg" under number B 173193.

The Fund was incorporated with an initial share capital of CHF 38 000,00 (thirty-eight thousand Swiss francs) divided into 379 (three hundred and seventy-nine) limited shares allocated to the A Class and 1 (one) Management share, entirely subscribed and fully paid up.

The functional currency of the Fund is the franc Swiss ("CHF") and the financial statements of the Fund are presented in CHF.

The accounting year of the Fund begins on January 1 and ends on December 31 of the same year.

The General Partner is SEGETIA LUX CAPITAL S.à r.l. hereafter referred to as the "GP", was incorporated for an unlimited period on November 13, 2012 as a "*Société à responsabilité limitée*", registered with the "*Registre du Commerce et des Sociétés de Luxembourg*" under number B 173129.

In accordance with Article 18 of the Fund's Articles of Association, the "GP" appointed Segetia (UK) Limited, a private company limited by shares qualifying as an alternative investment fund manager under the laws of the United Kingdom, whose registered office is located at 48 Dover Street, London W1S 4FF, United Kingdom and which is registered with the Registrar of Companies for England and Wales under number 9424170 as its external AIFM effective September 20, 2016. On July 15, 2022, the "GP" appointed as successor MC Square S.A., a "*Société anonyme*" qualifying as an alternative investment fund manager under the laws of Grand Duchy of Luxembourg whose registered office is located at 23, Val Fleuri, L-1526 Luxembourg and which is registered with the Registrar of Companies for Luxembourg under number B28949 as its external AIFM effective July 15, 2022.

Copies of the agreements, the articles of association of the Fund, the latest report and the current prospectus may be obtained free of charge during usual office hours on any business day at the registered office of the Fund.

As at December 31, 2022, Segetia Swiss Property SIF (the "Sub-Fund") is the only sub-Fund that is open for investments.

The NAV of the Sub-Fund is calculated as at December 31 of each year.

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022 (CONTINUED)

NOTE 2 - PRINCIPAL ACCOUNTING POLICIES

2.1 Presentation accounting policies

The financial statements are prepared in accordance with Luxembourg legal and regulatory requirements relating to investment funds.

2.2 Formation expenses

Formation expenses are capitalized and amortized on a straight-line basis over a period of five years.

2.3 Valuation of tangible fixed assets

The valuation of Real Estate Assets will be determined at fair value by the AIFM. The AIFM will apply recognized property valuation methods and best industry practices and shall take into account the specific asset class, among other things.

The Independent Appraiser is an independent real estate appraisal professional of good repute and licensed where appropriate and usual and who operates or has subcontracted, with the approval of the General Partner, its duties to any entity that operates in the jurisdiction where any Real Estate Asset is located. The Independent Appraiser will be one or several reputable real estate firms or individuals chosen by the General Partner at market competitive rates. The Independent Appraiser will be paid a fee for such services out of the Net Asset Value of the Sub-Fund.

The Independent Appraiser will annually perform a valuation of the Real Estate Assets and shall submit his report to the Board of the General Partner and the AIFM.

Additionally, the Independent Appraiser will value or revalue individual real estate on their acquisition or disposal (including in relation to contributions in kind or redemptions in specie). Such valuation is not necessary if the acquisition or the disposal of the Real Estate Asset takes place within six (6) months after the last valuation thereof. If a conflict of interest arises for one Independent Appraiser, for instance it has been retained by a seller to value Real Estate Assets which the Fund is attempting to invest in, then, a different independent real estate appraiser will be engaged as the Independent Appraiser.

The name of the Independent Appraiser(s) will be indicated in the annual report for each year. The disposal prices may not be materially lower than the relevant valuation figures except in exceptional circumstances which are duly justified. In such case, the General Partner will justify its decision in the next annual report. The purchase price of Real Estate Assets shall be calculated by adding to the price paid the expenses incidental thereto (directly attributable Acquisition and related costs).

After initial recognition, the value of the Real Estate Assets held by the Sub-Fund directly or indirectly through Investment Structures will be equal to their most recent valuations by the AIFM, provided that the General Partner may deviate from such valuation if (a) this is deemed to be in the interest of the Shareholders and such valuation may be established at the end of the relevant annual period or (b) there is a change in the general economic situation or in the condition of the relevant Real Estate Assets which requires new valuations to be carried out under the same conditions as the annual valuations.

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022 (CONTINUED)

2. Summary of significant accounting policies (continued)

2.3 Valuation of tangible fixed assets (continued)

Gain or loss is realized at the disposal of an investment and is the difference between the net proceeds from the sale and the cost basis of the investment. The Fund includes the fair value of all financial assets received in its net sale proceeds in determining the realized gain or loss at disposal. Unrealized appreciation or depreciation reflects the difference between the Management valuation of the investments and the cost basis of the investments.

2.4 Debtors

Debtors are valued at their nominal value. A value adjustment is made when their reimbursement is partly or completely compromised. Those value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

2.5 Other investments

Other investments are valued at fair value. The fair value of these financial instruments corresponds to the latest available quote on the valuation day.

2.5.1 Derivatives

Interest rate swaps are valued at their market value established by reference to the applicable interest rates curve. Index and financial instruments related swaps will be valued at their market value established by reference to the applicable index or financial instrument. The valuation of the index or financial instrument related swap agreement shall be based upon the market value of such swap transaction established in good faith pursuant to procedures established by the AIFM.

2.6 Creditors

Creditors are valued at their nominal value.

2.7 Provisions

Provisions to cover foreseeable liabilities and charges are determined at the end of each year. Provisions set up in previous years are reviewed regularly and may be written back. This caption also includes tax provisions and deferred tax liabilities.

2.8 Foreign currency translation

The accounts are maintained in CHF and the financial statements are expressed in that currency.

Income and expenses expressed in currencies other than the reference currency of the respective sub funds are converted at exchange rates ruling at the transaction date.

Assets and liabilities expressed in currencies other than the reference currency of the respective sub funds are converted at exchange rates prevailing at year-end.

GBP/CHF = 0,900710876

USD/CHF = 1,08317254

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022 (CONTINUED)

2. Summary of significant accounting policies (continued)

The realized or unrealized gains and losses on foreign exchange are recognized in the statement of operations and changes in net assets. All exchange rates used are based on the weekly Reuters rate.

2.9 Dividend and interest income

Dividends are recorded net of withholding tax deducted at source, and are recorded as income on the ex-dividend date. Interest income is accrued on a daily basis.

2.10 Taxation

As per SIF Law, the Fund is not subject to any Luxembourg taxes on profits, income or capital gains. However, the Fund is liable in Luxembourg to a subscription tax ("*taxe d'abonnement*") at a rate of 0.01% per annum based on the NAV of the respective compartment at the end of the relevant quarter, calculated and paid quarterly. The Fund is nevertheless subject to cantonal, communal and church taxes on buildings located in Switzerland, as well as Swiss taxes on the income and capital gains derived from Swiss properties.

Current tax provisions

Provisions for taxation corresponding to cantonal, communal and church taxes on buildings located in Switzerland are recorded under the caption other creditors.

Deferred tax provisions

Deferred tax provisions are composed of deferred taxation on unrealized valuation of real estate provided in full, on temporary differences arising between the tax bases fair value real estate assets and their acquisition costs in the annual accounts. The provisions for deferred taxation include only incomes taxes linked to the reevaluation of the real estate assets that are accounted at the fair value. Deferred income tax is determined using tax rates and laws that have been enacted by the balance sheet date or are expected to apply when the deferred tax liability is settled.

The deferred tax provisions are recorded under the caption "provision for taxation". The variation of the deferred tax charge is recognised in the statement of operations and changes in net assets, under the caption "Expenses – Other taxes".

NOTE 3 - FIXED ASSETS

Fixed assets as at December 31, 2022 comprise of 6 Real Estate Assets (2021: 6 Real Estate Assets).

	Chantemerle	Matran	Ruchonnet	Sion	Steffisburg	Köniz	December 31, 2022 Total	December 31, 2021 Total
	CHF	CHF	CHF	CHF	CHF	CHF	CHF	CHF
<u>Acquisition Cost</u>								
Opening balance	5 417 829,23	13 803 749,25	12 517 620,66	8 897 807,15	11 340 083,95	18 679 643,28	70 656 733,52	70 019 233,52
Addition / (Disposal) for the year	0,00	0,00	0,00	0,00	0,00	0,00	0,00	637 500,00
Closing balance	5 417 829,23	13 803 749,25	12 517 620,66	8 897 807,15	11 340 083,95	18 679 643,28	70 656 733,52	70 656 733,52
<u>Value adjustments</u>								
Opening balance	402 170,77	389 250,75	3 078 379,34	1 188 192,85	335 916,05	1 119 356,72	6 513 266,48	4 699 766,48
Fair value adjustment for the year	-37 000,00	79 000,00	899 000,00	- 36 000,00	313 000,00	386 000,00	1 604 000,00	1 813 500,00
Closing balance	365 170,77	468 250,75	3 977 379,34	1 152 192,85	648 916,05	1 505 356,72	8 117 266,48	6 513 266,48
<u>Net book value</u>	5 783 000,00	14 272 000,00	16 495 000,00	10 050 000,00	11 989 000,00	20 185 000,00	78 774 000,00	77 170 000,00

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022 (CONTINUED)

NOTE 3 - FIXED ASSETS (continued)

The 6 Real Estates Assets are situated in Switzerland at the following address:

- Granges-Paccot (Chantemerle): 1763 Granges-Paccot – 58, Route de Chantemerle
- Avry-sur-Matran : 1754 Avry-sur-Matran - 5, Route de Matran
- Lausanne (Ruchonnet): 5841 Lausanne - 1, Avenue Louis-Ruchonnet
- Sion : 1950 Sion – 10, Route de l'Aéroport 10
- Steffisburg: 3612 Steffisburg - 85, Stockhornstrasse
- Köniz: 3098 Köniz – 79 and 83 Sägestrasse

The valuation of Real Estate Assets is determined by the AIFM based on independent appraiser report on the basis of a discounted cash flow model applied to expected future income.

AGRA has valued the properties located in Granges-Paccot, Avry-sur-Matran, Lausanne, Sion Steffisburg and Koniz.

NOTE 4 - OTHER DEBTORS

As at December 31, 2022, the other debtors were made up as follows:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
	<u>CHF</u>	<u>CHF</u>
Swiss VAT receivable	44 457,04	36 880,30
Receivable rent	1 398,35	53 025,70
Other debtors	255 530,67	171 072,96
Receivable from investors	40 000,00	250 000,00
Receivable property managers	122 344,59	43 365,12
Total	<u>463 730,65</u>	<u>554 344,08</u>

NOTE 5 – PROVISIONS

As of December 31, 2022, provisions are made up of deferred taxation on the Real Estate Assets amounting to CHF 1 850 735,87 (2021: CHF 1 432 144,29).

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022 (CONTINUED)

NOTE 6 – CREDITORS

As at December 31, 2022, the amounts owed to credit institutions were made up as follows:

	<u>December 31, 2022</u> <u>CHF</u>	<u>December 31, 2021</u> <u>CHF</u>
Due and payable within one year		
Interests on loans	8 926,40	510,40
Closing balance	8 926,40	510,40

	<u>December 31, 2022</u> <u>CHF</u>	<u>December 31, 2021</u> <u>CHF</u>
Due and payable after more than one year		
Loans from PKB Private Bank S.A.	9 118 000,00	9 312 000,00
Loans from Credit Suisse Fondation de Placement	8 922 500,00	9 057 500,00
Loans from Credit Suisse Fondation de Placement	3 665 000,00	3 715 000,00
Loans from CIC	18 336 000,00	5 452 000,00
Loans from Credit Suisse	6 620 000,00	6 760 000,00
Loan Credit Suisse GBP	0,00	12 510 752,62
Closing balance	46 661 500,00	46 807 252,62

Total	46 670 426,40	46 807 763,02
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The Fund has credit lines with PKB Private Bank S.A., Crédit Suisse Fondation De Placement, Banque CIC (Suisse) and Credit Suisse which are used in order to finance acquisitions and the terms of the facilities are summarized in the tables below:

December 31, 2022		
Fixed-advance amount	Maturity	Interest rate
CHF 6 620 000,00	Perpetual	1,6453%
CHF 8 922 500,00	31/03/2039	1,8953%
CHF 3 665 000,00	31/03/2039	1,8953%
CHF 9 118 000,00	30/03/2039	1,5450%
CHF 13 000 000,00	Perpetual	1,8624%
Rollover amount	Maturity	Interest rate
CHF 5 336 000,00	29/12/2028	Libor

December 31, 2021		
Fixed-advance amount	Maturity	Interest rate
CHF 6 760 000,00	Perpetual	0,7000%
CHF 9 057 500,00	31/03/2039	0,7000%
CHF 3 715 000,00	31/03/2039	0,7000%
CHF 9 312 000,00	30/03/2039	1,1750%
GBP 10 175 718,85	Perpetual	Variable rate
Rollover amount	Maturity	Interest rate
CHF 5 452 000,00	29/12/2028	Libor

NOTES TO THE FINANCIAL STATEMENTS as at December 31, 2022 (CONTINUED)

NOTE 6 - CREDITORS (continued)

The Fund refinanced the real estate of Ruchonnet with PKB Private Bank S.A. for CHF 9 118 000,00 (2021: CHF 9 312 000,00) and real estate of Chantemerle, Matran and Steffisburg with Credit Suisse Fondation de Placement respectively for CHF 3 665 000,00 (2021: CHF 3 715 000,00), CHF 8 922 500,00 (2021: CHF 9 057 500,00) and CHF 6 620 000,00 (2021: 6 760 000,00).

For the year ended December 31, 2022, the interest on the credit facilities amounted to CHF 713 181,33 (2021: CHF 483 682,41). The interest is included under "Other interest and similar financial charges" in the statement of operations and changes in net assets.

In addition to the credit lines, the Fund has an overdraft facility with PKB Private Bank S.A. in order to pay the interest on a quarterly basis.

A mortgage contract has been concluded for 20 years and encompasses clauses that allow the parties to terminate the contract with 6-months' notice.

In December 2022, credit line agreement has been signed with Banque CIC (Suisse) for the refinancing of the acquisition in Köniz for the amount of GBP 10 175 718,85, reimbursed by the credit line agreement for an amount of CHF 13 000 000,00.

As at December 31, 2022, the amounts owed to affiliated were made up as follows:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
	<u>CHF</u>	<u>CHF</u>
Amounts owed to affiliated undertaking	32 000,00	840 000,00
Amounts owed to undertakings with which the company is linked by virtue of participating	39 990,78	39 990,78
Closing balance	<u>71 990,78</u>	<u>879 990,78</u>

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022 (CONTINUED)

NOTE 7 - TAX DEBTS

Under legislation and regulations prevailing in Luxembourg, the Fund is subject to the “*taxe d’abonnement*” (subscription tax) at the rate of 0.01%.

The “*taxe d’abonnement*” is calculated on the basis of the NAV of the Sub-Fund on the last day of the quarter and payable quarterly to Luxembourg authorities.

The portion of the assets of the Sub-Fund invested in other Luxembourg UCI, already subject to the “*taxe d’abonnement*”, is not subject to the aforesaid tax.

For the year ended December 31, 2022, the “*taxe d’abonnement*” incurred amounts to CHF 2 970,56 (2021: CHF 2 856,54); CHF 1 759,00 (2021: CHF 1 682,09) remain outstanding at the reporting date.

In addition, as the Fund has direct ownership in Real Estate assets located in Switzerland, it is liable to Swiss taxes on the income and capital gains derived from those properties.

For the year ended December 31, 2022, the Swiss real estate tax and complementary real estate tax for an amount of CHF 8 803,73 (2021: CHF 20 794,67) remain outstanding at the reporting date.

The Fund has a VAT receivable for an amount of CHF 44 457,04 (2021: CHF 36 880,30) (see note 4).

NOTE 8 - OTHER CREDITORS

As at December 31, 2022, the other creditors becoming due and payable within one year were made as follow:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
	<u>CHF</u>	<u>CHF</u>
Advance in capital	4 160 000,00	1 350 000,00
Other creditors - Property managers	93 567,71	171 390,58
Other fees payable	477 579,99	909 952,52
Rental expenses	209 518,73	223 898,41
Audit fees	33 698,40	36 548,89
Custody fees	11 244,92	9 638,83
Provision on Swap transaction	0,00	227 382,07
Total	<u>4 985 609,75</u>	<u>2 928 811,30</u>

NOTE 9 – OTHER EXTERNAL CHARGES

Other external charges of a total amount of CHF 2 319 104,54 (2021: CHF 2 440 275,02) are mainly composed of charges and other fees related to the buildings’ maintenance and refurbishment, insurance fees, and other management fees.

The Sub-fund shall pay to the Investment Adviser and the General Partner, respectively in such proportion as agreed from time to time between the Investment Adviser and the General Partner, the following property management and transaction fees:

For property management recurring engagement (technical and administrative monitoring of the properties and real estate assets, etc.): up to 6% of the rental income in the last year

For acquisition / sales / contributions in kind: up to 3% of the value of the acquisition / sale / contribution

For constructions: up to 3% of the value of the building

For development: up to 4% of the value of the building.

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022 (CONTINUED)

NOTE 9 – OTHER EXTERNAL CHARGES (continued)

The Administrator, Domiciliary Agent and Registrar and Transfer Agent is entitled to market standard remuneration for domiciliary, registrar and transfer agency services.

For the year ended December 31, 2022, the remuneration amounted to CHF 44 159,89 (2021: CHF 59 707,81), of which CHF 38 133,35 (2021: CHF 36 755,86) remain outstanding at the reporting date.

In its capacity as Depositary, EFG Bank (Luxembourg) S.A. is entitled to a remuneration in accordance with normal banking practice in Luxembourg at rates agreed from time to time with the Fund.

For the year ended December 31, 2022, the remuneration amounted to CHF 42 780,26 (2021: CHF 52 374,89), of which CHF 11 244,92 (2021: CHF 9 638,83) remain outstanding at the reporting date and is disclosed under “Other Creditors” (Note 8).

The other charges are made of advisory fee, legal fee, audit fee, bank charges and CSSF fee amount to CHF 236 334,43 (2021: CHF 189 325,70).

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
	<u>CHF</u>	<u>CHF</u>
Charges linked to real estates	(2 319 104,54)	(2 440 275,02)
Administration fees	(44 159,89)	(59 707,81)
Custody fees	(42 780,26)	(52 374,89)
Advisory fees, legal fees, audit fees, CSSF fees, bank charges and other professional fees	(236 308,75)	(189 325,67)
Total	<u>(2 642 353,44)</u>	<u>(2 741 683,39)</u>

NOTE 10 – OTHER OPERATING EXPENSES

Management Fees

Until July 15, 2022, the previous AIFM was entitled to receive an annual management fee of maximum 1%, applicable on the total of the gross assets of the fund. For each share class, a different percentage is applied. Please refer below to the respective rates disclosed in the table below until July 15, 2022: Management fees are up to 0,5% for the Class A Shares and Class B Shares, and up to 1% for the Class C Shares.

As from July 15, 2022, as per the amended prospectus, the General Partner shall entitle to receive an annual management fee of maximum 1% for Class A and B shares and of a maximum 1,5% for Class C shares, applicable on the total of the gross assets of the fund. For each share class, a different percentage is applied. Please refer below to the respective rates disclosed in the table below: Management fees are up to 1% for the Class A Shares and Class B Shares, up to 1,5% for the Class C Shares and up to 1,25% for the Class D Shares.

For the year ended December 31, 2022, the “Other operating expenses” comprise management fees for an amount of CHF 624 547,87 (2021: CHF 478 996,63), of which CHF 191 685,76 (2021: CHF 130 376,45) remain outstanding at the reporting date and is disclosed under “Other Creditors” (Note 8).

General Partner Fees

Until July 15, 2022, the General Partner was entitled to a fee equal up to 0,5%, estimated on the total of gross-assets of the fund at an annual level.

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022 (CONTINUED)

NOTE 10 – OTHER OPERATING EXPENSES (continued)

For the year ended December 31, 2022, the “Other operating expenses” comprise General Partner expenses in relation with Segetia Lux Capital S.à r.l. for an amount of CHF 45 505,64 (2021: CHF 156 284,40), of which CHF 39 990,78 (2021: CHF 39 990,78) remain outstanding at the reporting date and is disclosed under “Amounts owed to undertakings with which the company is linked by virtue of participating interests becoming due and payable within one year”.

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
	<u>CHF</u>	<u>CHF</u>
Management fees	(624 547,87)	(478 996,63)
GP fees	(45 505,64)	(156 284,40)
Total	<u>(670 053,51)</u>	<u>(635 281,03)</u>

NOTE 11 – PERFORMANCE FEE

Since July 15, 2022 as per the new prospectus applicable, if and when the Net Asset Value on the relevant Valuation Day, after (i) deducting all expenses, the Management Fee (but not the Performance Allocation) and (ii) adjusting for subscriptions, redemptions and conversions (if applicable), is above the High Water Mark, the Performance Allocation will be equal to 10% of the Return related to a Performance above €STR (Euro short-term rate) +4%. For the avoidance of doubt, if €STR has a negative value, the value of €STR shall be deemed to be equal to zero.

The Performance Allocation (if any) will be provisioned by the Shares in each Classes described in the table of Classes above (i.e. A Class, B Class, C Class and D Class) and allocated in arrears to the Performance Shares within ten (10) Business Days as of the end of each Calculation Period.

The high watermark was CHF 145,97 for Class A and Class B Shares and CHF 142,02 for Class C Shares as from December 31, 2021. The high watermark is CHF 150,26 for Class A shares, CHF 150,24 for Class B Shares and CHF 144,35 for Class C Shares as from December 31, 2022.

For the year ended December 31, 2022, no performance fee is due. A balance of performance fee for year 2021 of CHF 2 453,63 has been paid in 2022 (2021: 64 280,66).

NOTE 12 – CAPITAL

The Fund was incorporated on November 20, 2012. The initial share capital of the Fund was set at CHF 38 000,00 represented by 379 A Shares and 1 Management Share with nominal value CHF 100,00, which have been fully paid up.

The following shares are available for subscription:

- Management share (reserved to General Partner);
- Performance share (reserved to Investment Adviser) (launched on June 13, 2022);
- Class A Shares;
- Class B Shares;
- Class C Shares;
- Class D Shares (not launched yet).

During 2022, subscriptions for an amount of CHF 1 350 100,00 and redemption for an amount of CHF 916 964,74 have been registered in the Fund.

As of December 2022, investors subscribed for advances for an amount of CHF 4 160 000,00 (four million one hundred twenty thousand Swiss francs) in the Fund (refer to Note 8).

A dividend of CHF 350 000 has been decided and paid during 2022 (2021: CHF 318 383,75).

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022 (CONTINUED)

NOTE 13 – NET TURNOVER

For the year ended December 31, 2022, as shown in the statement of operations and changes in net assets, the rental income from the funds' tenants was as follows:

- Granges-Paccot (Chantemerle): CHF 464 179,40 (2021: CHF 340 728,00)
- Avry-sur-Matran: CHF 673 883,80 (2021: CHF 680 143,10)
- Lausanne (Ruchonnet): CHF 336 912,90 (2021: CHF 259 528,00)
- Sion: CHF 422 037,40 (2021: CHF 292 035,30)
- Köniz: CHF 1 220 184,00 (2021: 1 233 711,00)
- Steffisburg: CHF 641 218,30 (2021: CHF 655 041,35)

NOTE 14 – RELATED PARTY TRANSACTIONS

For the year ended a total of Management fees included in Note 10 "Other operating expenses" equal to CHF 624 547,87 (2021: CHF 478 996,63) is recorded as well as a total of balance of Performance fees 2021 included in Note 11 "Performance fee" equals to CHF 2 453,63, which are expenses attributed to Segetia (UK) Limited and Segetia Lux Capital S.à r.l..

A total of GP fees equal to CHF 45 505,64 (2021: CHF 156 284,40) included in "Other operating expenses" is attributable to Segetia Lux Capital S.à r.l..

In December 2022, the Fund reimbursed the bridge loan received from Segetia Fund – Flex Income for an amount of CHF 800 000,00, bearing an interest-rate of 6%.

NOTE 15 – SWAP TRANSACTIONS

No swaps transactions are opened at year end.

NOTE 16 – OFF-BALANCE SHEET COMMITMENTS

- Credit Suisse Fondation De Placement in the form of mortgage certificates for a total amount of CHF 13 235 000,00;
- Banque CIC (Suisse) S.A. in the form of mortgage certificates for a total amount of CHF 19 000 000,00;
- PKB Private Bank S.A. in the form of mortgage certificates for a total amount of CHF 9 118 000,00. In addition to these mortgage certificates, (i) a minimum amount of CHF 1 500 000,00 is blocked on a deposit bank account with PKB Private Bank SA. and (ii) a rental income of the real estate Ruchonnet is assigned to PKB Private Bank S.A. to guarantee the payment of the mortgage interests and the capital amortization as mentioned in the mortgage loan agreement entered into between the Fund and PKB Private Bank S.A.

NOTE 17 – SUBSEQUENT EVENTS

Central bankers response to rising inflation has been progressive monetary tightening which has had economic consequences globally. There seems little risk of direct contagion from the collapse of Silicon Valley Bank and Signature Bank, the rescue-takeover of Credit Suisse by UBS, and the First Republic Bank taken over by the Federal Deposit Insurance Corporation with most of its assets sold to JPMorgan Chase. The financial system is well capitalised and more resilient following regulatory changes post-Global Financial Crisis. Any sharp rise in interest rates can have negative unanticipated consequences in the financial system but policymakers may need to keep monetary policy tight as long as inflation remains high.

The likely outcome is that monetary tightening in the US, EU and UK eases a little to give the financial sector more room to cope with any consequences. Current financial market volatility is expected to persist for some time and real estate funds will not be immune from this. The Board of Managers will continue to closely monitor developments in this area.

No other events, which would have a material impact on the financial statements as at 31 December 2022 have occurred subsequent to year-end.

UNAUDITED INFORMATION

INFORMATION ON THE TRANSPARENCY OF SECURITIES FINANCING OPERATIONS AND THE USE OF COLLATERAL CASH (SFTR Art 3(18))

The Company does not use instruments covered by the SFTR Regulation.

SFDR AND TAXONOMY REGULATION REPORTING (Regulation EU 2019/2088)

The Company is classified under Article 6 of the Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector ("SFDR") and does not promote environmental and/or social characteristics nor has sustainable investments as its objective.

AIFM DISCLOSURES (UNAUDITED)

Risk Management Procedures

The AIFM applies a risk management procedure that enables the AIFM to monitor the risk associated with the financial assets. Significant risks are continuously monitored including: market risks, credit risks, liquidity risks, valuation risks, operational risks, concentration risks, country-, transfer- and legal risks.

Management of the liquidity risk

The AIFM has specified principles of the management of liquidity risks. Liquidity risks are continuously analyzed and considered. It is ensured that the investment objective, the risk profile and the redemption principles of each administered AIF are consistent.

There are no changes in regard to the monitoring of the liquidity risk during the period.

Monitoring of Leverage

Within the meaning of the AIFM Law, leverage is any method by which the AIFM increases the exposure of the Sub-fund whether through borrowing of cash or transferable securities, or leverage embedded in derivative positions or by any other means. The exposure is calculated by the AIFM in accordance with two cumulative methods: the "gross method" and the "commitment method". The gross method gives the overall exposure of the Sub-fund whereas the commitment method gives insight in the hedging and netting techniques used.

The Sub-fund's maximum level of leverage is limited to 250% when using the gross method and to 250% when using the commitment method using a reference base of 1 (base 1: no Leverage correspond to a ratio of 100%). As of December 31st, 2022, the Gross Leverage Stands at 265.21% (2021: 270.80%) and the Commitment Leverage at 278.64% (2021: 280.80%) which is higher than the limit of 250%. The Sub-fund may borrow up-to 65% of its gross assets. As of December 31st, 2022, the borrowing stands at 59.23%.

Remuneration

MC Square S.A. has implemented a remuneration policy to define the conditions relating to the remuneration and the assessment of the employees of MC Square S.A. in its capacity as management company governed by chapter 15 of the Luxembourg Law of December 17, 2010 on undertakings for collective investments and as authorized alternative investment fund manager under the Luxembourg law of July 12, 2013 on alternative investment fund managers.

MC Square S.A. established a remuneration policy which is consistent and promotes sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profile and articles of incorporation of the UCITS/AIFs that MC Square S.A. manages.

MC Square S.A. ensures that where remuneration is performance-related:

- The total amount of remuneration is based on a combination of the assessment of the performance of:
 - a. The individual
 - b. The business unit concerned
 - c. And the overall results of MC Square S.A. and
- The assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the investors
- When assessing individual performance, financial as well as non-financial criteria are considered.

AIFM DISCLOSURES (UNAUDITED)

I. Quantitative information

The table below provides aggregated information on the remuneration of all staff employed on December 31, 2022 which is the financial year end of MC Square S.A., and performing activities for MC Square S.A. during the year 2022, including all identified staff.

The figures are expressed and based on the Funds managed by MC Square S.A.

Aggregate fixed and variable remuneration for the performance year 2022:

Fixed and variable remuneration awarded in relation to the performance year 2022		
Amounts in EUR and gross	Identified staff (1)	All staff
Number of employees (3)	8	40
Fixed remuneration (2)	850,746.39	1,780,837.47
Variable remuneration	13,360	38,906.09
Aggregate of fixed and variable remuneration	864,106.39	1,819,743.56

- (1) Identified staff : categories of staff, including senior management, risk takers, control functions and any employee receiving total remuneration that falls into the remuneration bracket of senior management and risk takers, whose professional activities have a material impact on the management company's risk profile or the risk profiles of the UCITS / AIFs that it manages and categories of staff of the entity(ies) to which investment management activities have been delegated by the management company, whose professional activities have a material impact on the risk profiles of the UCITS/ AIFs that the management company manages.
- (2) To be understood as the (brut total)
- (3) Total number of persons on payroll over 2022