

SIFTER FUND

An Investment Company with Variable Capital
organised under the laws of the Grand Duchy of Luxembourg

RCS Luxembourg B 93 438

**Annual Report including the audited financial statements
for the year ended 31 August 2020**

No subscription may be accepted on the basis of the Annual Report including the audited financial statements. Subscriptions are accepted only on the basis of the current Prospectus and the Key Investor Information Document, the latest annual report or the latest semi-annual report if published thereafter.

SIFTER FUND

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SIFTER FUND

Management and Administration

REGISTERED OFFICE

6A, rue Gabriel Lippmann
L-5365 Munsbach
Grand Duchy of Luxembourg

MEMBERS OF THE BOARD OF DIRECTORS

Chairman

Mr. Hannes G. Kulvik
Independent Director
Eaton Square 72
SW1W9 AS London
United Kingdom

Directors

Mrs. Elisabeth Anna Backes
Adepa Asset Management S.A.
6A, rue Gabriel Lippmann
L-5365 Munsbach
Grand Duchy of Luxembourg

Mr. Pauli Kulvik
Independent Director
Helmet Capital Oy
Fredrikinkatu 48 A, 11th floor
FI-00100 Helsinki
Finland

Mr. Luc Caytan
Independent Director
1, rue des Foyers
L-1537 Luxembourg
Grand Duchy of Luxembourg

Mr. Jussi Kärävä
Independent Director
Mechelininkatu 32B as 2
FI-00260 Helsinki
Finland
(Since 24 April 2020)

MANAGEMENT COMPANY, PORTFOLIO MANAGEMENT, DOMICILIATION AND ADMINISTRATIVE AGENT

Adepa Asset Management S.A.
6A, rue Gabriel Lippmann
L-5365 Munsbach
Grand Duchy of Luxembourg

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Carlos Alberto Morales Lopez
CEO
Adepa Asset Management S.A.
6A, rue Gabriel Lippmann
L-5365 Munsbach
Grand Duchy of Luxembourg

Jean-Noel Lequeue
Director
Adepa Asset Management S.A.
6A, rue Gabriel Lippmann
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Philippe Beckers
Director
Adepa Asset Management S.A.
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L-5365 Munsbach
Grand Duchy of Luxembourg

Elisabeth Anna Backes
Managing Director
Adepa Asset Management S.A.
6A, rue Gabriel Lippmann
L-5365 Munsbach
Grand Duchy of Luxembourg

REGISTRAR AND TRANSFER AGENT

European Fund Administration S.A.
2, rue d'Alsace
L-1122 Luxembourg
Grand Duchy of Luxembourg

Registrar and transfer agent activities are delegated by Adepa Asset Management S.A. to European Fund Administration S.A.

INVESTMENT ADVISOR AND PLACEMENT AGENT

Sifter Capital OY
Kasarmikatu 14 a 3
FI-00100 Helsinki
Finland

DEPOSITARY BANK AND PAYING AGENT

Quintet Private Bank (Europe) S.A. (Formerly KBL
European Private Bankers S.A.)
43, Boulevard Royal
L - 2955 Luxembourg
Grand Duchy of Luxembourg

INDEPENDENT AUDITOR

Ernst & Young S.A.
35E, avenue John F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

SIFTER FUND

Management and Administration (continued)

REPRESENTATIVE AGENT IN SWITZERLAND

Oligo Swiss Fund Services S.A.
Av. Villamont 17
CH-1005 Lausanne
Switzerland

PAYING AGENT IN SWITZERLAND

Banque Cantonale de Genève
Case Postale 2251
CH-1211 Genève 2
Switzerland

SIFTER FUND

Fund Information

SIFTER FUND (hereinafter the "Fund") is a variable capital investment company constituted in accordance with the Part I of the amended law of 17th December 2010 relating to Undertakings for Collective Investment (the "2010 Law"). It was incorporated on 21 May 2003 for an unlimited period with an initial capital of EUR 32,000.- divided into 320 Shares of the "SIFTER FUND Global" Sub-Fund. The Articles were filed with the *Registre de Commerce et des Sociétés* of Luxembourg.

The capital of the Fund is equal to the total net assets of the Fund.

The Fund is registered with the Luxembourg Register of Commerce and Companies under the number B 93438. The Articles of Association provide that all liabilities, whatever Sub-Fund they are attributable to, shall, unless otherwise agreed upon with the creditors or unless otherwise provided by law from time to time, only be binding upon the relevant Sub-Fund.

The Articles of Association were amended for the last time by notarial deed at an extraordinary general meeting held on 12 August 2019.

The objectives of the Fund are to offer its shareholders the possibility of investing in an investment vehicle oriented towards the growth of capital through investments in securities and money market instruments.

The Board of Directors may at any time and in compliance with the Articles of Association create additional Sub-Funds and/or Classes of Shares, whose investment aims may differ from those of already existing Sub-Funds and/or Classes of Shares.

At the date of the financial statements, one Sub-Fund is active:

- SIFTER FUND - Global

The financial year of the Fund begins on 1st September and ends on 31st August of each year.

The accounts of the Fund are expressed in EUR.

The Fund is one single legal entity. However, with regard to third parties, in particular towards the Fund's creditors, each Sub-Fund shall be exclusively responsible for the liabilities attributable to it. The debts, engagements and obligations which are not attributable to one Sub-Fund have to be considered for all Sub-Funds on a prorata basis. The Fund shall maintain for each Sub-Fund a separate portfolio of assets. Between Shareholders, each portfolio of assets shall be invested for the exclusive benefit of the relevant Sub-Fund.

Upon creation of new Sub-Funds, the Prospectus is adjusted to provide detailed information concerning the new Sub-Funds. The historical performance of the individual Sub-Funds is outlined in the Key Investor Information Document relating to the Sub-Funds / Classes of Shares. Historical performance is not an indication of future performance.

As an "open" ended investment company, the Fund may issue, redeem and convert its Shares at a price based on the respective net values of those Shares.

The prospectus, the Key Investor Information Document ("KIID"), the unaudited semi-annual reports, the annual reports including audited financial statements and copies of the Fund's Articles of Association are available at the registered office of the Fund.

The Net Asset Value per share of each Class of Shares of the Sub-Fund, and their issue, redemption and conversion prices are available at the registered office of the Fund.

SIFTER FUND

Management Report

The Fund started its 17th fiscal year in September 2019. Fund's investment strategy has remained same during that time and turned to be a successful one: SIFTER FUND - Global invests in solid listed companies globally. The Sifter strategy sifts through the global universe of companies listed on eligible stock exchanges by means of harsh Sifter elimination criteria, then dives deep into understanding the underlying performance of those who have survived the eliminations, their future outlook and potential, and finally invests only when the company's price in the daily equity markets trades lower than the perceived long term value of the company as a whole.

Exits are made from the less-yielding end of the portfolio, when a company's price in the daily trading becomes materially overvalued relative to its assessed long-term value, or the business case has fallen out of scope of eligible Sifter investments. In accordance with the Fund's basic policies, all revenues from the portfolio companies have been re-invested, and SIFTER FUND - Global has remained fully invested.

During COVID-19, the Fund remained fully invested in line with its investment strategy. In retrospect, the Board of Directors sees that the Sifter investment strategy during the market downturn was profitable for investors. It should also be mentioned that COVID-19 did not disrupt the operational activities of the Fund. Both the Fund's administration and the Fund's analysis work could be carried out remotely throughout the crisis.

The Board of Directors sees that the Fund's strategy is a long-term winning formula also in upcoming years to maintain accrued wealth and provide assets growth without short-term speculative positions or trading.

Total assets under management has been growing steadily being at the end of August 2020 EUR 120 million (2019: EUR 112.2 million).

The Sifter Fund price growth in Fiscal Year 2019/20 of SIFTER FUND - Global was 10.77% for R-Class, 10.85% for I-Class, and 11.23% for PI-Class.

Luxembourg, 29th October 2020

The Board of Directors

Independent auditor's report

To the Shareholders of
SIFTER FUND
Luxembourg

Opinion

We have audited the financial statements of SIFTER FUND (the "Fund"), which comprise the statement of net assets and the statement of investments and other net assets as at 31st August 2020, the statement of operations and the statement of changes in net assets for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31st August 2020, 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 23rd July 2016 on the audit profession (the "Law of 23rd July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the Law of 23rd July 2016 and ISAs are further described in the "responsibilities of the "réviseur d'entreprises agréé" for the audit of the financial statements" section of our report. We are also independent of the Fund in accordance with the International 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, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors of the Fund 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 the "réviseur d'entreprises agréé" thereon.

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

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

Responsibilities of the Board of Directors of the Fund for the financial statements

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

In preparing the financial statements, the Board of Directors of the Fund is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Fund either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the “réviseur d'entreprises agréé” for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the “réviseur d'entreprises agréé” that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23rd 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 23rd July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund.

- Conclude on the appropriateness of Board of Directors of the Fund 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 report of the "réviseur d'entreprises agréé" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Ernst & Young
Société anonyme
Cabinet de révision agréé



Sylvie Testa

Luxembourg, 29th October 2020

SIFTER FUND

Statement of Net Assets as at 31/08/2020

	Notes	SIFTER FUND - Global (in EUR)
Assets		
Investment portfolio at cost		76,793,498.23
Unrealised result on portfolio		43,494,462.20
Portfolio at market value		<u>120,287,960.43</u>
Dividends receivable		73,818.66
Cash at banks and liquidities		301,074.70
Other assets		19,015.06
Total Assets		120,681,868.85
Liabilities		
Payable on management fees	7	111,302.94
Payable on performance fees	8	577,569.08
Other payables	5	6,981.39
Total Liabilities		695,853.41
Total Net Assets		119,986,015.44

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

SIFTER FUND

Statement of Operations from 01/09/2019 to 31/08/2020

	Notes	SIFTER FUND - Global (in EUR)
Income		
Dividends, net		1,371,185.03
Other Income		1,418.35
Total Income		1,372,603.38
Expenses		
Management Company fees and portfolio management fees	7	153,368.60
Depository fees and paying agency fees	9	78,476.71
Placement Agent fees	6	1,054,092.88
Registrar and transfer agent fees	10	14,606.88
Audit fees	5	10,745.30
Subscription Tax	4	18,963.00
Performance fees	8	1,721,064.88
Administration fees	7	65,060.40
Transaction fees		11,918.05
Bank overdraft		5,041.16
Other fees		191,411.98
Total Expenses		3,324,749.84
Net Income (Loss)		-1,952,146.46
Net realised gain (loss) on investments		8,156,448.32
Net realised gain (loss) on foreign exchange		104,252.55
Net realised profit (Loss)		6,308,554.41
Net change in unrealised gain (loss) on investments		6,711,980.50
Net change in unrealised gain (loss) on foreign exchange		-31,843.94
Net Increase (decrease) in net asset as a result of operations		12,988,690.97

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

SIFTER FUND

Statement of Changes in Net Assets from 01/09/2019 to 31/08/2020

	SIFTER FUND - Global
Notes	(in EUR)
Net Assets at the beginning of the year	112,203,056.07
Net Income (loss)	-1,952,146.46
Net realised gain (loss) on investments and foreign exchange	8,260,700.87
	<u>118,511,610.48</u>
Subscriptions	12,593,889.73
Redemptions	-17,799,621.33
	<u>-5,205,731.60</u>
Changes in net unrealised appreciation	6,680,136.56
Net Assets at the end of the year	119,986,015.44
Changes in the number of outstanding shares	
Class I	
Number of shares at the beginning of the year	28,508.8262
Number of shares issued	14,135.3715
Number of shares redeemed	-3,120.2576
Number of shares at the end of the year	39,523.9401
Class PI	
Number of shares at the beginning of the year	216,706.0179
Number of shares issued	9,980.2363
Number of shares redeemed	-33,969.9988
Number of shares at the end of the year	192,716.2554
Class R	
Number of shares at the beginning of the year	47,343.3379
Number of shares issued	8,351.7829
Number of shares redeemed	-6,165.6046
Number of shares at the end of the year	49,529.5162

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

SIFTER FUND

Statistical Information as of 31/08/2020

Net Assets as of 31/08/2020	119,986,015.44
Net Asset Value per share - Class I	423.05
Net Asset Value per share - Class PI	428.00
Net Asset Value per share - Class R	419.61

Net Assets as of 31/08/2019	112,203,056.07
Net Asset Value per share - Class I	381.65
Net Asset Value per share - Class PI	384.80
Net Asset Value per share - Class R	378.81

Net Assets as of 31/08/2018	99,926,083.24
Net Asset Value per share - Class I	350.44
Net Asset Value per share - Class PI	352.12
Net Asset Value per share - Class R	347.97

SIFTER FUND

Statement of Investments in Securities and Other Net Assets as at 31/08/2020

(expressed in EUR)

SIFTER FUND – Global

Ccy	ISIN	Quantity / Nominal	Description	Market Value	% of Net Assets
TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING					
EQUITY					
CAD	CA1363751027	63300	Canadian National Railway Co	5,659,592.25	4.72
CAD	CA6632782083	114470	North West Co Inc/The	2,127,749.79	1.77
EUR	DE0005810055	32450	Deutsche Boerse AG	5,117,365.00	4.26
EUR	FR0000073272	27774	Safran SA	2,839,891.50	2.37
JPY	JP3105250009	40125	Ain Holdings Inc	2,142,211.59	1.79
JPY	JP3162600005	9540	SMC Corp/Japan	4,470,495.10	3.73
JPY	JP3284600008	70675	Koito Manufacturing Co Ltd	2,842,611.80	2.37
JPY	JP3548600000	18300	Disco Corp	3,592,587.86	2.99
SEK	SE0011166628	163825	Atlas Copco AB	5,538,373.76	4.62
USD	US02079K3059	4069	Alphabet Inc - A	5,611,123.82	4.68
USD	US0528001094	64700	Autoliv Inc	4,303,138.30	3.59
USD	US17275R1023	129962	Cisco Systems Inc	4,613,155.80	3.84
USD	US22160K1051	17280	Costco Wholesale Corp	5,063,534.48	4.22
USD	US4581401001	108977	Intel Corp	4,622,672.23	3.85
USD	US4627261005	46100	iRobot Corp	2,879,553.52	2.40
USD	US4781601046	41287	Johnson & Johnson	5,335,644.80	4.45
USD	US50540R4092	10765	Laboratory Corp of America Holdings	1,606,428.55	1.34
USD	US5128071082	26240	Lam Research Corp	7,742,263.34	6.44
USD	US5949181045	42470	Microsoft Corp	8,177,420.13	6.81
USD	US6795801009	17600	Old Dominion Freight Line Inc	2,965,556.92	2.47
USD	US68389X1054	56872	Oracle Corp	2,768,830.11	2.31
USD	US78409V1044	19950	S&P Global Inc	6,155,694.11	5.13
USD	US8552441094	64430	Starbucks Corp	4,606,555.86	3.84
USD	US8740391003	127614	Taiwan Semiconductor Manufactu-ADR	8,634,549.20	7.20
USD	US8825081040	47278	Texas Instruments Inc	5,706,239.78	4.76
USD	US92343E1029	29500	VeriSign Inc	5,164,720.83	4.30
TOTAL EQUITY				120,287,960.43	100.25
TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING				120,287,960.43	100.25
TOTAL INVESTMENT IN SECURITIES				120,287,960.43	100.25
OTHER NET ASSETS				- 301,944.99	-0.25
TOTAL NET ASSETS				119,986,015.44	100.00

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

SIFTER FUND

Breakdown by Country of the Investments in Securities as at 31/08/2020

(in % of Net Assets)

SIFTER FUND – Global

CANADA	6.49
FRANCE	2.37
GERMANY	4.26
JAPAN	10.87
SWEDEN	4.62
TAIWAN	7.20
UNITED STATES (U.S.A.)	64.44
Total	100.25

Breakdown by Economic Sector of the Investments in Securities as at 31/08/2020

(in % of Net Assets)

SIFTER FUND – Global

Communications	8.98
Consumer Discretionary	12.19
Consumer Staples	7.78
Financials	4.26
Health Care	5.79
Industrials	20.89
Technology	40.36
Total	100.25

SIFTER FUND

Notes to the Financial Statements for the year ended 31/08/2020

1. GENERAL

SIFTER FUND (hereinafter the "Fund") is a variable capital investment company constituted on 21st May 2003 for an unlimited period according to the Part I of the amended law of 17th December 2010 relating to Undertakings for Collective Investment, in accordance with the legislation of the Grand Duchy of Luxembourg. The Fund qualifies as an Undertaking for Collective Investment in Transferable Securities under the Council Directive 2009/65/EC, as amended.

The financial year of the Fund begins on 1st September and ends on 31st August of each year. The financial statements of the Fund are expressed in EUR.

2. ACCOUNTING POLICIES

a) Presentation of the financial statements

The financial statements of the Fund are prepared in accordance with the Luxembourg legal and regulatory requirements concerning Undertakings for Collective Investment and with generally accepted accounting principles in Luxembourg.

b) Valuation of assets

1) The value of cash in hand or on deposit, securities, stocks and shares and bills payable at sight and accounts receivable, prepaid expenses, dividends and interests declared or due but not as yet collected, are made up of the nominal value of such assets, unless it appears unlikely that such value shall be collected; in which case the value shall be determined by deducting such amount which the Fund may deem necessary in view of reflecting the true value of such assets.

2) The value of any transferable security and/or financial derivative instruments which are officially traded or listed on a stock exchange or any other regulated, regularly operating, recognised market which is open to the public are in principle determined as being their last known price in Luxembourg on the day preceding the valuation date, and, where the security or financial derivative instrument is traded on several different markets, by taking the security's or financial derivative instrument's latest known price on its main market on the day preceding the valuation date; unless such price is not representative.

3) In as much as transferable securities in the portfolio on the Valuation Day are neither officially listed nor dealt on a regulated, regularly operating, recognised market, or in the case where, for securities officially listed or dealt on a stock exchange or another regulated market, the price as determined pursuant to sub-paragraphs above is not representative of the fair value of those securities, the valuation is made on the basis of their likely value of realisation estimated with due care and in good faith.

4) Where, as a result of special circumstances, a valuation on the basis of the aforesaid rules becomes impracticable or inaccurate, other generally accepted and verifiable valuation criteria are applied in order to obtain an equitable valuation and the Board of Directors may adjust the value of any investment or permit some other method of valuation to be used for the assets of the Fund if it considers that the circumstances justify that such adjustment or other method of valuation should be adopted to reflect more fairly the value of such investments.

c) Acquisition cost of securities in the portfolio

The acquisition cost of the securities held by the Sub-Fund that are denominated in currencies other than the reference currency of the Sub-Fund is converted into this currency at the exchange rate prevailing on the date of purchase.

d) Net realised gain/(loss) on securities portfolio

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

e) Investment income

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

SIFTER FUND

Notes to the Financial Statements for the year ended 31/08/2020 (continued)

2. ACCOUNTING POLICIES (continued)

f) Conversion of foreign currencies

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

g) Transaction fees

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

3. REFERENCE CURRENCY

The reference currency of the Fund is EUR. The exchange rates as at 31 August 2020 are as follows:

CAD	1.558008	GBP	0.892048	SEK	10.270170
CHF	1.075800	JPY	125.308000	USD	1.188860

4. SUBSCRIPTION TAX

The Fund is governed by Luxembourg law.

Pursuant to the legislation and regulations in force, the Fund is subject to an annual "taxe d'abonnement" of 0.05% which is payable quarterly and calculated on the basis of the net assets of each Sub-Fund on the last day of each quarter.

The I-Class and PI-Class benefit from a reduced "taxe d'abonnement" of 0.01% of the net assets which is dedicated to that type of shares.

Pursuant to Article 175 (a) of the amended law of 17th December 2010 the net assets invested in Undertakings for Collective Investment already subject to the "taxe d'abonnement" are exempt from this tax.

5. EXPENSES

The Sub-Funds pays out of the net assets of the Sub-Funds all expenses payable by the Sub-Funds which includes but are not limited to:

- Usual banking fees due on transactions involving securities held in the Sub-Funds.
- Legal expenses incurred by the Administrative Agent and the Depositary Bank while acting in the interests of the Shareholders.
- The costs and expenses of the preparation and printing of written confirmations of Shares; the costs and expenses of preparing and/or filing and printing of all other documents concerning the Fund, including registration statements and Prospectus and explanatory memoranda with all authorities (including local securities dealers' associations) having jurisdiction over the Fund or the offering of Shares of the Fund.
- The costs and expenses of preparing, in such languages as are necessary for the benefit of the Shareholders, including the beneficial holders of the Shares, and distributing annual reports and such other reports or documents as may be required under the applicable laws or regulations of the above-cited authorities.
- The cost of accounting, bookkeeping and calculating the Net Asset Value, the cost of preparing and distributing public notices to the Shareholders, lawyers' and auditor's fees, and all similar administrative charges, including all advertising expenses and other expenses directly incurred in offering or distributing the Shares.
- The Management Company is entitled to receive from each Sub-Fund a domiciliation fee amounting to EUR 3,500 per year. This fee will be payable yearly.
- The Investment Advisory is entitled to receive from the Sub-Fund a maximum fee of 0.05% based on the net assets of the Sub-Fund per year per share class.

SIFTER FUND

Notes to the Financial Statements for the year ended 31/08/2020 (continued)

6. PLACEMENT AGENT FEES

The Placement Agent is entitled to receive the following fee based on the net assets of the Sub-Fund per year for:

- 1.2% for R and I share classes and
- 0.8% for PI share class.

7. MANAGEMENT COMPANY, PORTFOLIO MANAGEMENT AND ADMINISTRATION FEES

The Management Company is entitled to receive from each Sub-Fund a management company fee of maximum 0.075% per year, based on the net assets of the Sub-Fund with a minimum of EUR 15,000 per Sub-Fund per year. The fee will be calculated on the monthly average of the total assets under management of the previous month. The fee will be payable monthly in arrears.

The Management Company is entitled to receive a maximum portfolio management fee 0.075% per year, based on the net assets of the Sub-Fund with a minimum of EUR 20,000 per Sub-Fund per year. This fee will be payable monthly in arrears.

The Management Company is further entitled to receive from each Sub-Fund an administration maximum fee of 0.06% based on the net assets of the Sub-Fund with a minimum of EUR 24,000 per Sub-Fund per year. This fee will be payable monthly in arrears. The Management Company is entitled to receive from each Sub-Fund a Risk Management fee amounting of EUR 9,000 per year. This fee will be payable monthly in arrears.

8. PERFORMANCE FEES

The Performance Fee is payable for all share classes and is based on the last NAV per share calculated at the end of each calendar quarter (the Last Quarterly NAV).

If the NAV per share appreciates during the quarter by more than 1.25%, or by the Euribor (12 month) rate Bloomberg (BBG) code EUR012M applicable at the beginning of the quarter for the quarter, whichever is higher (the Hurdle Rate), relative to the latest All Time High NAV per share, the Management Company is entitled to receive 15 % of the increase of appreciation of the NAV per share in excess of the Hurdle Rate.

The All Time High NAV per share is always the latest NAV per share based on which a Performance Fee has been paid.

The performance fee will only be payable if the Last Quarterly NAV per share has reached the latest All Time High NAV per share and has surpassed it by the Hurdle Rate (High Water Mark system).

The performance fees will be payable on the outstanding shares at the end of the relevant quarter and become due for payment after the end of the quarter.

In case of subscription, the performance fee calculation is adjusted to avoid that this subscription impacts the amount of performance fee accruals. This adjustment is applied to the performance fee calculation until the end of the relevant period and is adjusted in case of subsequent redemptions during such period.

If any shares are redeemed or converted into shares of another Sub-Fund during the calculation period, the cumulative performance fee accrued during the calculation period in respect of those shares shall be crystallized and become payable to the Management Company, even if no accrual for performance fees is otherwise due, after the end of the relevant quarter.

For distribution shares, if a dividend was distributed during the relevant financial year, this dividend per share is added to the current NAV per share in order to determine the variation of NAV to be taken into account.

At the date of the financial statements, a performance fee was recorded for the Sub-Fund and amounted to:

SIFTER FUND - Global EUR 1,721,064.88.

SIFTER FUND

Notes to the Financial Statements for the year ended 31/08/2020 (continued)

9. DEPOSITARY FEES AND PAYING AGENCY FEES

The Depositary will receive a depositary fee of maximum 0.05% calculated on the basis of the Net Asset Value of the Fund at the end of each month and payable each month, plus a fixed commission per transaction.

Further the Depositary will receive an additional supervisory UCITS V fee of 0.005% calculated on the basis of the Net Asset Value of the Fund at the end of each month and payable each month with a minimum of EUR 2,500 per year and per Sub-Fund.

Furthermore, the Depositary charges a fee per transaction on securities. In addition, the Depositary is entitled to be reimbursed by the Fund its reasonable out-of-pocket expenses and the fees charged to it by any correspondent bank or other agent (including any clearing system).

10. REGISTRAR AND TRANSFER AGENT FEES

EFA is entitled to receive from each Sub-Fund a registrar and transfer agency flat fee of EUR 6,000 per year and an additional fee per share class (starting from the second share class) of EUR 500.

EFA is further entitled to receive transaction-based fees).

11. DISTRIBUTION OF DIVIDENDS

There are no distributions of dividends for the year.

12. TRANSACTION FEES

The transaction fees represent the fees incurred by the Sub-Funds in connection with purchases and sales of investments.

13. CHANGES IN PORTFOLIO COMPOSITION

Details of purchases and sales of investments for the year are available free of charge at the registered office of the Fund or Management Company.

14. EVENT OF THE YEAR

During the period covered by this report, a pandemic of coronavirus disease 2019 (COVID-19) spread around the world, leading to numerous cases and casualties and causing an economic instability in Europe and in the rest of the world. However, as disclosed in the Management Report, during COVID-19, the Fund remained fully invested in line with its investment strategy. In retrospect, the Board sees that the Sifter investment strategy during the market downturn was profitable for investors. It should also be mentioned that COVID-19 did not disrupt the operational activities of the Fund. Both the Fund's administration and the Fund's analysis work could be carried out remotely throughout the crisis.

SIFTER FUND

Unaudited appendix

Method used to calculate global risk exposure

The method retained by the Management Company for the determination of the global risk exposure of the active Sub-Funds is the Commitment Approach.

Total Expense Ratio (TER)

Pursuant to the Swiss Fund & Asset Management Association ("SFAMA") Directive of 16 May 2008, the "Guidelines on the calculation and disclosure of the TER and PTR", the Fund is required to publish a TER for the last twelve-month period.

The TER is defined as the ratio between the total operating expenses (excluding performance fees and transaction fees) and the relevant Sub-Fund's / share class' average NAV (calculated on the basis of the average of the total net assets for the relevant period) expressed in its reference currency.

For the year ended 31 August 2020, the TER of each of the share class of SIFTER FUND - Global is as follows:

Class R	1.69%	Class I	1.64%	Class PI	1.25%
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Portfolio Turnover Ratio (PTR)

Pursuant to the Swiss Fund & Asset Management Association ("SFAMA") Directive of 16 May 2008, the "Guidelines on the calculation and disclosure of the TER and PTR", the Fund is required to publish a PTR for the year ended 31 August 2020.

The PTR refers to the measure of trading activity within a Sub-Fund's portfolio.

The PTR is defined as the ratio between the difference of the sum of the purchases and sales and the sum of the subscriptions and redemptions and the average NAV (calculated on the basis of the average of the total net assets for the relevant period) of the Fund expressed in its reference currency.

For the year ended 31 August 2020, the PTR of the Sub-Fund is as follows:

SIFTER FUND - Global	23.17%
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Remuneration Policy

The Management Company established a remuneration policy that is compatible with a sound and efficient management of risks, that encourages such management, and which does not encourage excessive risk-taking which would be inconsistent with the risk profiles, rules or instruments of incorporation of the Funds.

The remuneration policy is aligned with the business strategy, objectives, values and the interests of the Management Company, of the Funds and of the investors in such Funds; and includes measures to avoid conflict of interests.

The remuneration policy and practice applies to those categories of employees, including senior management, risk takers, control functions and any employee receiving total remuneration that falls within the remuneration bracket of senior management and risk takers whose professional activities have a material impact on the risk profiles of the management companies or of the funds that they manage.

The below represents the total fixed and variable remuneration of the staff of the Management Company attributable to all the funds it manages from 1 September 2019 to 31 August 2020, taking into account UCITS and non-UCITS; as well as the figures proportionate to the total net assets of the Fund:

SIFTER FUND:

	Total for the Management Company	Proportionally to the total net assets of the Fund
Fixed remunerations	2,368,565 EUR	54,497 EUR
Variable remunerations	0 EUR	0 EUR
Number of beneficiaries (average headcount)	41	0.98
Amount paid directly by the Fund	0 EUR	0 EUR

SIFTER FUND

Unaudited appendix (continued)

Remuneration Policy (continued)

The below represents the aggregate amount of remuneration broken down by executive and identified staff from 1 September 2019 to 31 August 2020, whose actions have a material impact on the risk profile of the funds, taking into account UCITS and non-UCITS; as well as the figures proportionate to the total net assets of the Fund:

SIFTER FUND:

	Total for the Management Company	Proportionally to the total net assets of the Fund
Remuneration to executives	456,418 EUR	10,501 EUR
Identified staff	521,345 EUR	11,995 EUR

The fixed element represents a sufficiently large proportion of the total remuneration and allows the Management Company to operate a completely flexible bonus policy, including the possibility to pay no variable remuneration component. No remuneration includes a variable element commitment. Bonuses were awarded by combining the evaluation of each employee's own performance based on non-financial criteria with that of the relevant operational department concerned and the results of the Management Company.

The Board of Directors establishes the general principles governing the Management Company's remuneration policy and supervises its implementation. This process is governed by the non-executive directors. In establishing this policy, the Board of Directors of the Management Company takes into account all elements pertaining to the Management Company's strategy, the risk-taking strategy, and the nature, scale and complexity of the activities. The Board of Directors of the Management Company is reviewing the remuneration policy on a yearly basis.

Securities Financing Transaction Regulation ("SFTR")

As at 31 August 2020, the Fund is in the scope of the requirements of the Regulation (EU) 2015/2365 on transparency of securities financing transactions regulation ("SFTR"). Nevertheless, no corresponding transactions were carried out during the period referring to the financial statements.