

Beauregard Capital SICAV

Annual report as per 31/12/2018 (audited)

Beauregard Capital SICAV – US Equity Paradigm Fund

R.C.S. Luxembourg B180391

Investment Company with variable capital with multiple sub-funds
pursuant to Part I of the amended Luxembourg Law of
December 17, 2010 on Undertakings for Collective Investment

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Subscriptions can be accepted only on the basis of the valid Sales Prospectus (with annexes) and the Key Investor Information Document together with the most recent Annual Report and, if the latter was published more than eight months ago, the most recent Semi-Annual Report.

Organisation

Company

Beauregard Capital SICAV
Airport Center Luxembourg
5, Heienhaff
LU-1736 Senningerberg

Board of Directors of the Company

Prof. Dr. Jörg Henzler (Chairman),
Senningerberg (LU)
Grégoire Vaucher (Member), Genève (CH)
Nevil von Tscharnier (Member), Genève (CH)

Management Company

Luxembourg Investment Solutions S.A.
Airport Center Luxembourg
5, Heienhaff
LU-1736 Senningerberg

Board of Directors of the Management Company

Dr. Thomas Goergen (Chairman),
Senningerberg (LU)
Daniel Kranz (Member), Senningerberg (LU)
Dr. Pierre Weimerskirch (Member),
Senningerberg (LU)
Until March 31, 2018:
Prof. Dr. Jörg Henzler (Member),
Senningerberg (LU)

Investment Manager

CFE (UK) Ltd
1, Princetown Mews
167-169 London Road
Kingston-Upon-Thames
GB-Surrey, KT2 6PT

Administrator, Registrar and Transfer Agent

VP Fund Solutions (Luxembourg) SA
Since November 5, 2018:
2, rue Edward Steichen
LU-2540 Luxembourg
Until November 4, 2018:
26, Avenue de la Liberté

LU-1930 Luxembourg

Depository and Paying Agent Luxembourg

VP Bank (Luxembourg) SA
Since November 5, 2018:
2, rue Edward Steichen
LU-2540 Luxembourg
Until November 4, 2018:
26, Avenue de la Liberté
LU-1930 Luxembourg

Auditor

PricewaterhouseCoopers, Société coopérative
2, rue Gerhard Mercator
LU-2182 Luxembourg

Legal Advisor

Elvinger Hoss Prussen, Société anonyme
2, place Winston Churchill
LU-1340 Luxembourg

Representative Switzerland

Carnegie Fund Services SA
11, Rue du Général Dufour
CH-1204 Genève

Paying Agent Switzerland

Since January 1, 2018
Bank Cantonale de Genève
17, Quai de l'Île
CH-1204 Genève
Until December 31, 2017
Credit Suisse AG
Paradeplatz 8
CH-8001 Zürich

At a glance

Net asset value as at 31/12/2018 USD 19.3 millions

Net asset value per share as at 31/12/2018

Beauregard Capital SICAV - US Equity Paradigm Fund (Class A CHF) CHF 98.65

Beauregard Capital SICAV - US Equity Paradigm Fund (Class A USD) USD 119.90

Performance¹

since inception p.a. 1 year

Beauregard Capital SICAV - US Equity Paradigm Fund (Class A CHF) -0.30 % -10.24 %

Beauregard Capital SICAV - US Equity Paradigm Fund (Class A USD) 3.56 % -6.99 %

Inception

per

Beauregard Capital SICAV - US Equity Paradigm Fund (Class A CHF) 03/07/2014

Beauregard Capital SICAV - US Equity Paradigm Fund (Class A USD) 22/10/2013

Total expense ratio (TER)²

excluding Performance fee

Beauregard Capital SICAV - US Equity Paradigm Fund (Class A CHF) 1.96 %

Beauregard Capital SICAV - US Equity Paradigm Fund (Class A USD) 1.95 %

Distributions

Beauregard Capital SICAV - US Equity Paradigm Fund (Class A CHF) reinvestment of profits

Beauregard Capital SICAV - US Equity Paradigm Fund (Class A USD) reinvestment of profits

¹ Past performance is not necessarily a guide to the future performance of the fund. The performance information above does not reflect the commissions charged upon issuance and redemption of fund Shares.

² Indicates the sum of all commissions and costs charged to the fund during the last 12 months as a percentage of net asset value.

	Subscription fee (max.)	Subscription fee in favour of fund (max.)
Beauregard Capital SICAV - US Equity Paradigm Fund (Class A CHF)	5.00 %	n/a
Beauregard Capital SICAV - US Equity Paradigm Fund (Class A USD)	5.00 %	n/a
	Redemption fee (max.)	Redemption fee in favour of fund (max.)
Beauregard Capital SICAV - US Equity Paradigm Fund (Class A CHF)	0.00 %	n/a
Beauregard Capital SICAV - US Equity Paradigm Fund (Class A USD)	0.00 %	n/a
	Fund domicile	ISIN
Beauregard Capital SICAV - US Equity Paradigm Fund (Class A CHF)	Luxembourg	LU1069574959
Beauregard Capital SICAV - US Equity Paradigm Fund (Class A USD)	Luxembourg	LU0969526861

Management Company Report

While 2016 started with a crash and finished with a strong rally following Donald Trump's election, 2018 started with an equity boom and finished with a Christmas crash. A conjunction of accommodative monetary policy, synchronized global growth and procyclical fiscal measures in the US had made 2017 one of the best year in terms of risk adjusted return for US equities for decades. Record inflows into the asset class were recorded in January 2018, pushing the S&P 500 to a performance of close to +6 %, its historical average yearly gain, in less than three weeks. The boom came to a halt when long term interest rates started offering an investment alternative to equities. By the end of the summer, US equities had recovered all what they had lost during the February flash crash thanks to strong earnings in the technology sector. In the second half of the year however, with the Federal Reserve having increased short term interest rates during the year by 100 bps to 2.5 %, signs of a significant slowdown in the US economy could be seen in earnings published by companies. Consequently, US equities registered their worst month of December since the Great Depression in 1932.

In that context, the Beaugard Capital SICAV – US Equity Paradigm Fund fell by -7 % in 2018 for the Dollar Class, while the CHF Class was down by -10 % suffering from the interest rate differential. Our USD Class was largely in line with the S&P 500 which fell by respectively -6.3% and -5% with net dividends being reinvested during the same year.

Strongly rising rates lead to an increase of volatility and higher risk for equities. Our strategy was prepared for that environment and we had for the whole year overweight positions in consumer staples and healthcare companies which tend to outperform in higher risk environments. At the same time we had a structural underweight in financials and industrials which tend to underperform volatile markets. The surprise came from consumer staples which strongly underperformed the market due to their brands being disrupted by internet, and positions such as Campbell Soup or Colgate corrected by about 20 % during the year. On the other side, the positive surprise came from technology, which traditionally struggles in volatile market, our overweight positions in Microsoft or Amazon rose by respectively 20 % and 35 %.

The fund ended the year with USD 19.3 mln in Assets under Management.

In terms of the operations of the fund, the Beaugard Capital SICAV continued with the same fund administrator and custodian VP Bank Luxembourg as initiated in 2016. The Board of Directors decided to reduce to management fee by 50 bps to 1 % in March 2018 and the management company Luxembourg Investment Solutions agreed to reduce some fees as well starting 2019. Those decisions should bring down the total expense ratio by about 70 bps.

We keep working on researching business cycles and sector rotation to find the best balance between our quantitative stock picking models which perform strongly but contain a certain amount of risk and the needs of our investors to limit draw downs.

We are looking forward to 2019 which so far is up to a great start for both US equities and the US Equity Paradigm fund.

The figures stated in this report are historical and not necessarily indicative of futures performance.

Beauregard Capital SICAV - US Equity Paradigm Fund

Statement of net assets as per 31/12/2018

Beauregard Capital SICAV - US Equity Paradigm Fund (in USD)

Transferable securities	
Shares	19,525,969.97
Derivative instruments	
Derivatives	-3,237.44
Other assets	
Receivables from dividends	18,241.72
Total assets	19,540,974.25
Liabilities	-53,887.65
Bank liabilities	-178,852.41
Total liabilities	-232,740.06
Net asset value	19,308,234.19
- thereof share class Class A CHF	1,857,266.53
- thereof share class Class A USD	17,450,967.66
Shares in circulation	
- thereof share class Class A CHF	18,559.501
- thereof share class Class A USD	145,541.747
Net asset value per share	
Share class Class A CHF	CHF 98.65
Share class Class A USD	USD 119.90

Profit and loss accounts from 01/01/2018 until 31/12/2018

Beauregard Capital SICAV - US Equity Paradigm Fund

(in USD)

Income from bank deposits	1,903.99
Income from securities equities	391,852.66
Total income	393,756.65
Interest paid on bank overdraft / negative interest	925.44
Management company fees	41,318.31
Central administration fees	2,547.68
Investment management fees	261,596.74
Directors fee	13,745.20
Depositary bank fees	18,508.79
Register and transfer agent fees	7,325.94
Distribution agency fees	2,021.22
Riskmanagement fees	5,874.03
Taxe d'abonnement	11,138.95
Amortization of formation expenses	11,590.37
Audit fees	20,382.92
Other charges	58,531.76
Total expenses	455,507.35
Net investment income	-61,750.70
Realised capital gains (losses)	1,382,828.87
Realised gain on investments	2,880,104.97
Realised loss on investments	-1,485,484.08
Realised gain on foreign exchange	10,149.10
Realised gain on future contracts	355,446.00
Realised loss on future contracts	-290,269.00
Realised loss on forward foreign exchange contracts	-87,118.12
Realised income	1,321,078.17
Net change in unrealised capital gains (losses)	-2,922,495.77
Net income	-1,601,417.60

Three-year comparison

Beauregard Capital SICAV - US Equity Paradigm Fund

(in USD)

Net assets

31/12/2016	21,021,800.09
- Share class Class A CHF	2,181,804.23
- Share class Class A USD	18,839,995.86
31/12/2017	23,212,703.96
- Share class Class A CHF	2,165,781.08
- Share class Class A USD	21,046,922.88
31/12/2018	19,308,234.19
- Share class Class A CHF	1,857,266.53
- Share class Class A USD	17,450,967.66

Shares in circulation

31/12/2016	
- Share class Class A CHF	22,624.911
- Share class Class A USD	168,341.562
31/12/2017	
- Share class Class A CHF	19,203.962
- Share class Class A USD	163,268.924
31/12/2018	
- Share class Class A CHF	18,559.501
- Share class Class A USD	145,541.747

Net asset value per share

31/12/2016	
- Share class Class A CHF	CHF 98.01
- Share class Class A USD	USD 111.92
31/12/2017	
- Share class Class A CHF	CHF 109.90
- Share class Class A USD	USD 128.91
31/12/2018	
- Share class Class A CHF	CHF 98.65
- Share class Class A USD	USD 119.90

Change in net assets

Beauregard Capital SICAV - US Equity Paradigm Fund

(in USD)

Net assets, beginning of period	23,212,703.96
- thereof share class Class A CHF	2,165,781.08
- thereof share class Class A USD	21,046,922.88
Subscriptions	1,599,896.53
- thereof share class Class A CHF	348,180.37
- thereof share class Class A USD	1,251,716.16
Redemptions	-3,902,948.70
- thereof share class Class A CHF	-430,827.63
- thereof share class Class A USD	-3,472,121.07
Net income	-1,601,417.60
- thereof share class Class A CHF	-225,867.29
- thereof share class Class A USD	-1,375,550.31
Net assets, end of period	19,308,234.19
- thereof share class Class A CHF	1,857,266.53
- thereof share class Class A USD	17,450,967.66

Shares in circulation

Beauregard Capital SICAV - US Equity Paradigm Fund

Balance, beginning of period

- Share class Class A CHF	19,203.962
- Share class Class A USD	163,268.924

Issued Shares

- Share class Class A CHF	3,067.917
- Share class Class A USD	9,956.406

Redeemed Shares

- Share class Class A CHF	-3,712.378
- Share class Class A USD	-27,683.583

Balance, end of period

- Share class Class A CHF	18,559.501
- Share class Class A USD	145,541.747

Assets as per 31/12/2018

Beauregard Capital SICAV - US Equity Paradigm Fund

Description	ISIN	Ccy	Quantity	Price	Cost in USD	Value in USD	% of NAV
Transferable securities, that are listed or traded on an official stock exchange							
Shares							
Shares in Ireland							
Accenture-A	IE00B4BNMY34	USD	1,900	141.01	219,409	267,919	1.39
Ingersoll-Rand	IE00B6330302	USD	5,000	91.23	503,089	456,150	2.36
Total Shares in Ireland						724,069	3.75
Shares in United Kingdom							
Micro Focus Sp ADR	US5948373049	USD	301	17.21	8,909	5,180	0.03
Total Shares in United Kingdom						5,180	0.03
Shares in United States							
Akamai Technolog	US00971T1016	USD	3,000	61.08	223,060	183,240	0.95
Alphabet-A	US02079K3059	USD	250	1,044.96	210,905	261,240	1.35
Altria Group	US02209S1033	USD	5,700	49.39	359,160	281,523	1.46
Amazon.Com	US0231351067	USD	320	1,501.97	458,320	480,630	2.49
Amgen	US0311621009	USD	1,000	194.67	174,904	194,670	1.01
Anthem	US0367521038	USD	2,000	262.63	547,092	525,260	2.72
Archer-Daniels M	US0394831020	USD	9,000	40.97	432,814	368,730	1.91
AT&T	US00206R1023	USD	7,644	28.54	257,923	218,160	1.13
Bank of America	US0605051046	USD	6,000	24.64	97,096	147,840	0.77
Best Buy	US0865161014	USD	3,000	52.96	212,207	158,880	0.82
Broadcom	US11135F1012	USD	2,600	254.28	652,074	661,128	3.42
Campbell Soup	US1344291091	USD	3,000	32.99	170,494	98,970	0.51
Capital One Finl	US14040H1059	USD	1,800	75.59	177,895	136,062	0.70
Centene	US15135B1017	USD	4,300	115.30	533,472	495,790	2.57
CenturyLink	US1567001060	USD	15,000	15.15	322,284	227,250	1.18
Chevron	US1667641005	USD	3,600	108.79	414,387	391,644	2.03
Cintas	US1729081059	USD	1,000	167.99	188,403	167,990	0.87
Cisco Systems	US17275R1023	USD	9,000	43.33	336,648	389,970	2.02
DocuSign	US2561631068	USD	3,500	40.08	219,790	140,280	0.73
Dollar General	US2566771059	USD	3,000	108.08	283,494	324,240	1.68
DXC Technology	US23355L1061	USD	5,356	53.17	436,739	284,779	1.47
Exxon Mobil	US30231G1022	USD	5,450	68.19	464,550	371,636	1.92
F5 Networks	US3156161024	USD	1,700	162.03	273,341	275,451	1.43
Firstenergy	US3379321074	USD	4,000	37.55	154,376	150,200	0.78
HCA Healthcare	US40412C1018	USD	4,700	124.45	543,835	584,915	3.03
Home Depot	US4370761029	USD	2,000	171.82	347,584	343,640	1.78
Humana	US4448591028	USD	2,000	286.48	632,826	572,960	2.97
IBM	US4592001014	USD	3,800	113.67	478,378	431,946	2.24
Intel	US4581401001	USD	4,000	46.93	158,982	187,720	0.97
Johnson & Johnson	US4781601046	USD	4,000	129.05	531,457	516,200	2.67
JPMorgan Chase	US46625H1005	USD	2,000	97.62	219,709	195,240	1.01
Juniper Networks	US48203R1041	USD	10,000	26.91	282,662	269,100	1.39
Kellogg	US4878361082	USD	4,000	57.01	282,230	228,040	1.18
Kimberly-Clark	US4943681035	USD	2,000	113.94	230,309	227,880	1.18
Lam Research Cor	US5128071082	USD	1,350	136.17	264,921	183,830	0.95
Mastercard-A	US57636Q1040	USD	1,000	188.65	200,087	188,650	0.98
McDonald's	US5801351017	USD	1,000	177.57	183,809	177,570	0.92
Microsoft	US5949181045	USD	6,800	101.57	455,646	690,676	3.58
Motorola Soltn	US6200763075	USD	4,000	115.04	454,212	460,160	2.38

Details of changes in investments for the period are available, free of charges, at the Company's head office as well as all Paying Agents. The accompanying notes form an integral part of the financial statements.

Description	ISIN	Ccy	Quantity	Price	Cost in USD	Value in USD	% of NAV
NextEra Energy	US65339F1012	USD	2,000	173.82	341,396	347,640	1.80
NRG Energy	US6293775085	USD	5,000	39.60	139,223	198,000	1.03
Pegasystems	US7055731035	USD	1,000	47.83	66,719	47,830	0.25
Pepsico	US7134481081	USD	1,250	110.48	129,196	138,100	0.72
Perspecta	US7153471005	USD	678	17.22	15,691	11,675	0.06
Pfizer	US7170811035	USD	16,500	43.65	527,654	720,225	3.73
Philip Mrrs Int	US7181721090	USD	4,700	66.76	495,028	313,772	1.63
Red Hat	US7565771026	USD	1,300	175.64	193,850	228,332	1.18
Southern Co	US8425871071	USD	2,000	43.92	97,036	87,840	0.45
State Street	US8574771031	USD	1,500	63.07	159,277	94,605	0.49
Synopsis	US8716071076	USD	5,000	84.24	476,055	421,200	2.18
Sysco	US8718291078	USD	4,200	62.66	295,463	263,172	1.36
Target	US87612E1064	USD	4,000	66.09	288,727	264,360	1.37
Travelers Cos	US89417E1091	USD	2,000	119.75	275,542	239,500	1.24
Twitter	US90184L1026	USD	3,550	28.74	111,450	102,027	0.53
Union Pacific	US9078181081	USD	1,604	138.23	150,488	221,721	1.15
Unitedhealth Gro	US91324P1021	USD	1,300	249.12	306,139	323,856	1.68
Utd Parcel Svc Rg-B	US9113121068	USD	5,500	97.53	629,747	536,415	2.78
Verisign	US92343E1029	USD	800	148.29	122,228	118,632	0.61
Verizon Comm	US92343V1044	USD	9,500	56.22	486,242	534,090	2.77
Visa-A	US92826C8394	USD	2,000	131.94	250,359	263,880	1.37
Walmart Inc	US9311421039	USD	4,400	93.15	422,780	409,860	2.12
Walt Disney Rg-Dis	US2546871060	USD	4,500	109.65	477,767	493,425	2.56
Waste Management	US94106L1098	USD	2,500	88.99	230,745	222,475	1.15
Total Shares in United States						18,796,721	97.35
Total Shares						19,525,970	101.13
Total Transferable securities, that are listed or traded on an official stock exchange						19,525,970	101.13
Total Transferable securities						19,525,970	101.13
Derivative instruments						-3,237	-0.02
Other assets						18,242	0.09
Total assets						19,540,974	101.21
Bank liabilities						-178,852	-0.93
Liabilities						-53,888	-0.28
Net assets						19,308,234	100.00

Derivative instruments

At the end of period open foreign exchange forwards

Class	amount			equivalent value	maturity	counterparty	market value in USD	% of NAV
Class A CHF	Buy	CHF 2,274,955	against	USD 2,350,889	28/06/2019	VP Bank Luxembourg SA	-3,237	-0.02

Volume of open contracts in derivative financial instruments

Foreign exchange forward short	USD	-3,237
Total bound cash / underlyings out of derivatives in USD:		-3,237

Notes to the financial statements

1. General Information

Beauregard Capital SICAV (the "Company") is an umbrella investment company with variable capital (société d'investissement à capital variable) incorporated under the form of a société anonyme in the Grand Duchy of Luxembourg. It qualifies as an undertaking for collective investment in transferable securities ("UCITS") under Part I of the Law of December 17, 2010, as amended. As an umbrella structure, the Company may operate separate Subfunds, each being distinguished among others by their specific investment policy or any other specific feature as further detailed in the relevant Subfund Particular.

The Company was incorporated for an unlimited period in Luxembourg on September 13, 2013. The capital of the Company shall be equal at all times to its net assets. The minimum capital of the Company shall be the minimum prescribed by the 2010 Law. The Company is registered with the Registre de Commerce et des Sociétés, Luxembourg (Luxembourg register of commerce and companies) under number B 180 391. The Articles of Incorporation have been deposited with the Registre de Commerce et des Sociétés, Luxembourg and thereafter published in the Mémorial on October 2, 2013.

As of December 31, 2018, the Company had 1 Subfund: US Equity Paradigm Fund.

The business year of the fund begins on January 1 and ends on December 31.

2. Summary of significant accounting policies

The net asset value of each Class within each Subfund (expressed in the currency of denomination of the Subfund) is determined by aggregating the value of securities and other permitted assets of the Company allocated to that Class and deducting the liabilities of the Company allocated to that Class.

The assets of each Class within each Subfund are valued as of the Valuation Day, as defined in the relevant Subfund Particular, as follows:

- 1) shares or units in open-ended undertakings for collective investment, which do not have a price quotation on a Regulated Market, will be valued at the actual net asset value for such shares or units as of the relevant Valuation Day, failing which they shall be valued at the last available net asset value which is calculated prior to such Valuation Day. In the case where events have occurred which have resulted in a material change in the net asset value of such shares or units since the last net asset value was calculated, the value of such shares or units may be adjusted at their fair value in order to reflect, in the reasonable opinion of the Board of Directors, such change;
- 2) the value of securities (including a share or unit in a closed-ended undertaking for collective investment and in an exchange traded fund) and/or financial derivative instruments which are listed and with a price quoted on any official stock exchange or traded on any other organised market at the closing price. Where such securities or other assets are quoted or dealt in or on more than one stock exchange or other organised markets, the Board of Directors shall select the principal of such stock exchanges or markets for such purposes;
- 3) shares or units in undertakings for collective investment the issue or redemption of which is restricted and in respect of which a secondary market is maintained by dealers who, as principal market-makers, offer prices in response to market conditions may be valued by the Board of Directors in line with such prices;
- 4) the value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid

expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Board of Directors may consider appropriate in such case to reflect the true value thereof;

- 5) the financial derivative instruments which are not listed on any official stock exchange or traded on any other organised market will be valued in a reliable and verifiable manner on a daily basis and verified by a competent professional appointed by the Company;
- 6) forward exchange contracts and swap contracts will be valued according to generally accepted valuation rules that can be verified by auditors. Asset based swap contracts will be valued by reference to the market value of the underlying assets. Cash flow based swap contracts will be valued by reference to the net present value of the underlying future cash flows;
- 7) the value of any security or other asset which is dealt principally on a market made among professional dealers and institutional investors shall be determined by reference to the last available price;
- 8) any assets or liabilities in currencies other than the relevant currency of the Subfund concerned will be converted using the relevant spot rate quoted by a bank or other responsible financial institution;
- 9) in the event that any of the securities held in the Company portfolio on the relevant day are not listed on any stock exchange or traded on any organised market or if with respect to securities listed on any stock exchange or traded on any other organised market, the price as determined pursuant to subparagraph (2) is not, in the opinion of the Board of Directors, representative of the fair market value of the relevant securities, the value of such securities will be determined prudently and in good faith based on the reasonably foreseeable sales price or any other appropriate valuation principles;
- 10) in the event that the above mentioned calculation methods are inappropriate or misleading, the Board of Directors may adopt to the extent such valuation principles are in the best interests of the shareholders any other appropriate valuation principles for the assets of the Company; and
- 11) in circumstances where the interests of the Company or its shareholders so justify (avoidance of market timing practices, for example), the Board of Directors may take any appropriate measures, such as applying a fair value pricing methodology to adjust the value of the Company's assets.

The consolidated accounts of the Company for the purpose of its financial reports shall be expressed in USD.

The Subfunds are single priced and may suffer a reduction in value as a result of the transaction costs incurred in the purchase and sale of its underlying investments and the spread between the buying and selling prices of such investments caused by subscriptions, switches and/or redemptions in and out of a Subfund.

This is known as "dilution". In order to counter this and to protect shareholders' interests, the Company may apply a technique known as swing pricing as part of its valuation policy. The use of such technique for a given Subfund will (if applicable) be disclosed in the Subfund particulars. This will mean that in certain circumstances the Company will make adjustments in the calculations of the Net Asset Values per share, to counter the impact of dealing and other costs on occasions when these are deemed to be significant.

3. Fees

Management Company Fee

In consideration for the management company services provided to the Company, the Management

Company is entitled to receive a management company fee of a percentage of the net assets of the relevant Class, as further detailed in the relevant Subfund Particular (the "Management Company Fee"). Unless otherwise provided for in the relevant Subfund Particular, this fee will be accrued on each Valuation Day and payable monthly in arrears out of the assets of the relevant Subfund.

Investment Management/Advisory Fees

In consideration for the investment management/advisory services provided to the Company, the investment managers/advisers (if any) are entitled to receive from the Company any investment management/advisory fee of a percentage as further detailed in the relevant Subfund Particulars. Any marketing and distribution costs may be totally or partially paid out of the investment management fee.

Central Administration Fee

In consideration of its services, the Administration Agent, Registrar and Transfer Agent will be entitled to receive from the Company customary fees as further detailed in the relevant Subfund Particular. The central administration fees will be calculated by reference to the monthly average net asset value of each Class with a minimum annual fee per Subfund as further detailed in the relevant Subfund particular. They will accrue on each Valuation Day and will be payable monthly in arrears.

Depositary Bank Fees

In consideration of its services, the Depositary Bank will be entitled to receive from the Company customary fees as further detailed in the relevant Subfund Particular. The depositary bank fees will be calculated by reference to the monthly average net asset value of each Class. They will accrue on each Valuation Day and will be payable monthly in arrears.

In addition, the Depositary will be entitled to be reimbursed by the Company for its reasonable out-of-pocket expenses and to receive reimbursement for the fees charged to it by any correspondent bank or other agent (including any clearing system).

Class of Shares	Class A-USD	Class A-EUR	Class A-CHF
Management Company Fee	up to 0.12% p.a. with a minimum of EUR 35,000 p.a.	up to 0.12% p.a. with a minimum of EUR 35,000 p.a.	up to 0.12% p.a. with a minimum of EUR 35,000 p.a.
Investment Management Fee	up to 1.5%	up to 1.5%	up to 1.5%
Central Administration Fee	up to 0.06% p.a. plus a fixed fee of EUR 29,000 p.a. plus transaction fees	up to 0.06% p.a. plus a fixed fee of EUR 29,000 p.a. plus transaction fees	up to 0.06% p.a. plus a fixed fee of EUR 29,000 p.a. plus transaction fees
Depositary Fee	up to 0.08% p.a. subject to a minimum of EUR 15,000 p.a. plus transaction fees	up to 0.08% p.a. subject to a minimum of EUR 15,000 p.a. plus transaction fees	up to 0.08% p.a. subject to a minimum of EUR 15,000 p.a. plus transaction fees

Other charges and expenses

The Company pays all brokerage, clearing, taxes and governmental duties and charges payable by the Company, and fees and expenses involved in registering and maintaining the authorisation in Luxembourg and elsewhere and the listing of the Company's shares (where applicable), the cost of publication of prices, the remuneration of the Directors, if any, and their reasonable out-of-pocket expenses and its other operating expenses such as accounting and pricing costs, litigation and other recurring or nonrecurring expenses.

Any extraordinary expenses including, without limitation, litigation expenses and the full amount of any tax, levy, duty or similar charge and any unforeseen charges imposed on the Company or its assets will be borne by the Company.

4. Formation expenses

The costs and expenses for the formation of the Company and the initial issue of its shares were fully amortized.

5. Taxation

The Company is not liable to any Luxembourg tax on profits, income or gains.

No stamp duty, capital duty or other tax will be payable in Luxembourg upon the issue of the shares of the Company.

The Company is, however, liable in Luxembourg to a subscription tax (taxe d'abonnement) levied at a rate of 0.05% per annum based on its net asset value, such tax being payable quarterly on the basis of the value of the net assets of the Company at the end of the relevant calendar quarter.

A reduced subscription tax rate of 0.01% per annum is applicable to Luxembourg UCITS whose exclusive object is the collective investment in money market instruments, the placing of deposits with credit institutions, or both.

A reduced subscription tax rate of 0.01% per annum is applicable to UCITS individual compartments of UCITS with multiple compartments, as well as for individual classes of securities issued within a UCITS or within a compartment of a UCITS with multiple compartments, provided that the securities of such compartments or classes are reserved to one or more institutional investors.

Subscription tax exemption applies to (i) investments in a Luxembourg undertaking for collective investment (UCI) subject itself to the subscription tax, (ii) UCIs, compartments thereof or dedicated classes reserved to retirement pension schemes, (iii) money market UCIs, (iv) UCITS and UCIs subject to the Part II of the 2010 Law qualifying as exchange traded funds, and (v) UCIs and individual compartments thereof with multiple compartments whose main objective is the investment in microfinance institutions.

Withholding tax

Interest and dividend income received by the Company may be subject to non-recoverable withholding tax in the source countries. The Company may further be subject to tax on the realized or unrealized capital appreciation of its assets in the countries of origin. The Company may benefit from double tax treaties entered into by Luxembourg, which may provide for exemption from withholding tax or reduction of withholding tax rate.

Distributions made by the Company are not subject to withholding tax in Luxembourg.

6. Transaction costs

Transactions costs include brokerage fees, stamp duty, local taxes and other foreign charges if incurred during the period. Transaction fees are included in the cost of securities purchased and sold.

For the period ended on December 31, 2018, the Company incurred transaction costs relating to purchase or sale of investments in securities and similar transactions, (including derivatives instruments or other eligible assets) as follows:

Subfund	Amount
US Equity Paradigm Fund	USD 47,403.29

Not all transaction costs are separately identifiable. For fixed income investments, forward foreign exchange contracts and for some other derivative contracts, transaction costs will be included in the purchase and sales price of the investment. Whilst not separately identifiable these transaction costs will be captured within the performance of each Subfund.

7. Exchange rates

Currency spot rates used as at 31/12/2018:

USD 1 — is equal to CHF 0.985800

8. Risk management approach

The global exposure of the Subfunds will be calculated on the basis of the commitment approach.

9. Transparency of Securities Financing Transactions and their Reuse

During the financial year of the fund no securities financing transactions and total return swaps in the sense of Regulation (EU) 2015/2365 of the European Parliament and the Council of November 25, 2015 on transparency of securities financing transactions and of reuse and amending Regulation 648/2012 have taken place. As a consequence, no information according to article 13 of the afore mentioned Regulation need to be disclosed to the fund's investors.

10. Subsequent Events

There were no subsequent events after the report date.

Remuneration Policy (unaudited)

1. General Principle

1.1 The Company (Luxembourg Investment Solutions S.A.) has established a remuneration policy which supports its overarching business strategy, which strives for building long-term relationships with customers and employees, and managing the financial consequences of business decisions across the entire economic cycle.

1.2 The remuneration policy of the Company (i) is in line with the objectives, values and interests of the Company and the funds managed by the Company and of the investors in such funds, (ii) is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the funds that the Company manages, (iii) takes also into account the nature, size and scope of the Company and of each fund it manages and (iv) includes measures to avoid conflicts of interest.

2. Company-wide rules

2.1. The remuneration for the Company's employees may be divided in two components:

(a) a fixed salary component, encompassing the basic monthly gross salary (and benefits in kind supplied to the employee without consideration of any performance criteria). This fixed component of the remuneration is determined in the employment contract and evolves according to the Luxembourg-specific indexation of salaries or via salary increases for the employee as decided by the management of the Company; and

(b) a variable salary component, consisting of additional payments or benefits depending on performance, the details of which are defined in each employment contract. The variable component is determined annually by the management on a discretionary basis further to the Company's appraisal scheme.

2.2. The remuneration policy of the Management Company notably provides that:

(a) staff engaged in control functions are compensated in accordance with the achievement of the objectives linked to their functions, independently of the performance of the business areas that they control;

(b) guaranteed variable remuneration is exceptional, occurs only in the context of hiring new staff and is limited to the first year of engagement;

(c) payments relating to the early termination of a contract reflect performance achieved over time and are designed in a way that does not reward failure;

(d) the pension policy (where applicable) is in line with the business strategy, objectives, values and long-term interests of the Management Company and the funds that it manages;

(e) variable remuneration is not paid through vehicles or methods that facilitate the avoidance of the requirements laid down in the UCITS Directive or the AIFMD (as applicable).

Remuneration during the financial year from January 1, 2018 until December 31, 2018:

	Number of Beneficiaries	Fixed Remuneration in % of total I	Variable Remuneration in % of total	Carried interest paid in % of total	Total Remuneration*
Staff**	94	0.4 %	0.1 %	0.0 %	5,276,303
Thereof Senior Management***	10	0.3 %	0.1 %	0.0 %	1,744,533
Thereof Risk Takers****	7	0.4 %	0.1 %	0.0 %	387,394

Number of funds as of December 31, 2018

209

Based on unaudited financial statements of the AIFM / Management Company

The table shows the proportion of the total remuneration of the staff of the AIFM / Manco attributable to the AIF / UCITS, indicating the number of beneficiaries.

The allocation or breakdown has been provided on the following basis:

The remuneration of all staff was divided by the number of Funds under Management. The result was divided through the total remuneration of all staff.

*The total remuneration is the gross amount of all salaries, including employer social security contribution. It includes also all non-monetary benefits paid (such as e.g., car allowances, mobile phones or other fringe benefits) and variable remunerations which consist of bonus payments made to the employees. The total remuneration includes also salaries paid for work in the connection with the management of UCITS funds (Luxembourg Investment Solutions S.A. has a dual license and manages also UCITS funds).

**including Senior Managers and Risk Takers

***dividends or similar distributions that partners received as owners of the AIFM / Manco are excluded

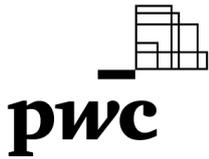
****members of staff of the AIFM / Manco whose actions have a material impact on the risk profile of the AIF / UCITS, including Senior Managers

Declaration of essential modifications of the defined remuneration policy

There were no essential modifications of the defined remuneration policy during the financial year.

Remuneration of the Investment Manager (Delegate)

The Management Company has delegated the investment management of the Sub-Fund to CFE (UK) Ltd, a company incorporated in the United Kingdom on 7 December 2012 and having its registered office at 1 Princeton Mews, 167-169 London Road, Kingston-Upon-Thames, Surrey, KT2 6PT, United Kingdom and regulated by the UK financial regulatory body FCA (the "Financial Conduct Authority"). The number of staff on the side of the delegate is not definable – thus not disclosed. The applicable remuneration for this service amounts up to 1.0% of the Net Asset Value.



Audit Report

To the Shareholders of
Beauregard Capital SICAV

Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Beauregard Capital SICAV (the “Fund”) as at 31 December 2018, 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.

What we have audited

The Fund’s financial statements comprise:

- the statement of net assets as at 31 December 2018;
 - the assets as at 31 December 2018;
 - the profit and loss accounts for the year then ended;
 - the changes in net assets for the year then ended; and
 - the notes to the financial statements, which include a summary of significant accounting policies.
-

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the “Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the financial statements” section of our report.

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

We are independent of the Fund in accordance with the International 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.

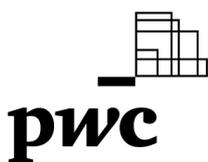
Other information

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our audit report thereon.

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

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

Responsibilities of the Board of Directors of the Fund and those charged with governance for the financial statements

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

In preparing the financial statements, the Board of Directors of the Fund is responsible for assessing the Fund's 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.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the financial statements

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

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

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

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- conclude on the appropriateness of the Board of Directors of the Fund's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's 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;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 8 April 2019

A handwritten signature in black ink, appearing to read 'N. Brühl', is written over a faint, light-colored signature line.

Dr. Norbert Brühl