

Audited Financial Statements 2018

Investment Company under Luxembourg Law (SICAV)

R.C.S. Luxembourg N° B 188 230

Audited Financial Statements as of 31 December 2018

ZCH AM SICAV*

ZCH AM SICAV – ESG Latam Fund**

ZCH AM SICAV – Latam High Yield Bond Fund***

ZCH AM SICAV – Small Cap Latam Fund****

* formerly EuroAmerica AM SICAV

** formerly EuroAmerica AM SICAV – ESG Latam Fund

*** formerly EuroAmerica AM SICAV – Latam High Yield Bond Fund

**** formerly EuroAmerica AM SICAV – Small Cap Latam Fund

Audited Financial Statements as of 31 December 2018

Table of contents	Page	ISIN	
Management and Administration	4		
Features of the Company	5		
Portfolio Manager Report	7		
REPORT OF THE REVISEUR D'ENTREPRISES AGREE	9		
ZCH AM SICAV*			
Combined Statement of Net Assets			
Combined Statement of Operations	11		
ZCH AM SICAV			
– ESG Latam Fund**	12	EA	LU1837198826
ZCH AM SICAV			
– Latam High Yield Bond Fund***	17	B	LU1061932668
		EA	LU1576657230
		I	LU1061932742
ZCH AM SICAV			
– Small Cap Latam Fund****	22	A	LU1061932239
		EA	LU1576657156
		I	LU1061932403
Notes to the Financial Statements	27		
Unaudited Information	32		

* formerly EuroAmerica AM SICAV

** formerly EuroAmerica AM SICAV – ESG Latam Fund

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**** formerly EuroAmerica AM SICAV – Small Cap Latam Fund

Sales restrictions

Shares of this Company may not be offered, sold or distributed within the United States of America.

Distribution in Germany

For the following subfund of the Company no notification has been filed and it has not been authorised for distribution in Germany.

The shares of these subfunds may NOT be marketed to investors within the jurisdiction of the Investment Code:

ZCH AM SICAV – ESG Latam Fund*

ZCH AM SICAV – Small Cap Latam Fund**

Paying and information agent in Germany

HSBC Trinkaus & Burkhardt AG
Königsallee 21/23
D-40212 Düsseldorf

The sales prospectus, the KIID, the articles of incorporation of the Company, the annual and semi-annual reports as well as the portfolio movements of the Company mentioned in this publication are available free of charge, upon request in hardcopy, from HSBC Trinkaus & Burkhardt AG, Königsallee 21/23, D-40212 Düsseldorf.

Distribution in Austria

Paying agent

Erste Bank der österreichischen Sparkassen AG
Am Belvedere 1
A-1100 Wien

Shares of the following subfund of the Company may be marketed in Austria:
ZCH AM SICAV – Latam High Yield Bond Fund*** (share class I)

The sales prospectus, the KIID, the articles of incorporation of the Company, the annual and semi-annual reports as well as the portfolio movements of the Company mentioned in this publication are available free of charge from the paying agent in Austria, at the sales agencies and at the registered office of the Company.

Information for qualified Investors in Switzerland

The subfund ZCH AM SICAV – Latam High Yield Bond Fund*** qualifies as foreign open-ended Collective Investment Schemes pursuant to article 119 para. 1 Swiss law on collective investment schemes ("CISA") as amended. This subfund will not be authorized for distribution to non-qualified investors in and from Switzerland and its shares will only be offered to qualified investors pursuant to article 10 para. 3 CISA or sold in accordance with the exemptions set forth by article 3 para. 2 CISA.

Representative agent

ACOLIN Fund Services AG
Affolternstrasse 56
CH-8050 Zürich

* formerly EuroAmerica AM SICAV – ESG Latam Fund

** formerly EuroAmerica AM SICAV – Small Cap Latam Fund

*** formerly EuroAmerica AM SICAV – Latam High Yield Bond Fund

Paying agent
Neue Helvetische Bank AG
Seefeldstrasse 215
CH-8008 Zurich

The relevant legal documents are available free of charge from the representative agent in Switzerland.

Information for qualified Investors in Chile

The subfunds ZCH AM SICAV – Latam High Yield Bond Fund* and ZCH AM SICAV – Small Cap Latam Fund** are registered for distribution for qualified investor in Chile.

These subfunds will not be authorized for distribution to non-qualified investors in and from Chile.

* formerly EuroAmerica AM SICAV – Latam High Yield Bond Fund
** formerly EuroAmerica AM SICAV – Small Cap Latam Fund

Management and Administration

Audited Financial Statements as of 31 December 2018
ZCH AM SICAV

Registered Office

2C, rue Albert Borschette
L-1246 Luxembourg

Board of Directors of the Company

Ricardo Torresi (since 16 November 2018)
Regional Investment Manager (Latin America)
Zurich

Jorge Brinklow Gutiérrez (since 16 November 2018)
Chief Financial Officer
Chilena Consolidada Seguros (Zurich Chile)

Henry Comber Sigall (until 16 November 2018)
CEO
ZCH AM SICAV S.A.

Sergio Rosenberg Aratangy (until 31 January 2018)
Independent Director

Jörg Henzler
Non-executive Board Member
Luxembourg Investment Solutions S.A.

Fernando Nizzam Escrich Juleff (from 1 February 2018
to 16 November 2018)
Chief Financial Officer
ZCH AM SICAV S.A.

Management Company

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

Depositary and Paying Agent

UBS Europe SE, Luxembourg Branch
33A, avenue J.F. Kennedy
L-1855 Luxembourg

Administration, Domiciliary and Registrar and Transfer Agent

Northern Trust Global Services SE
Luxembourg Branch
6, rue Lou Hemmer
L-1748 Senningerberg

Auditors

KPMG Luxembourg, Société coopérative
Cabinet de révision agréé
39, avenue J.F. Kennedy
L-1855 Luxembourg

Investment Manager / Adviser

EuroAmerica Administradora General
de Fondos S.A.
Av. Apoquindo 5550 p18
Santiago
Chile

Legal Advisers

Bonn & Schmitt
148, avenue de la Faiënerie
L-1511 Luxembourg

The sales prospectus, the KIID, the articles of incorporation of the Company, the annual and semi-annual reports as well as the portfolio movements of the Company mentioned in this publication are available free of charge at the sales agencies and at the registered office of the Company.

Features of the Company

Audited Financial Statements as of 31 December 2018
ZCH AM SICAV

ZCH AM SICAV* (hereafter called 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 2010 Law. 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 section of the "subfund Particulars" of the prospectus. Within each subfund, different classes with characteristics detailed in the relevant section of the "subfund Particulars" of the prospectus may be issued.

The Company constitutes a single legal entity, but the assets of each subfund are segregated from those of the other subfund(s) in accordance with the provisions of article 181 of the 2010 Law, as amended. This means that the assets of each subfund shall be invested for the shareholders of the corresponding subfund and that the assets of a specific subfund are solely accountable for the liabilities, commitments and obligations of that subfund.

The Board of Directors may at any time resolve to set up new subfund(s) and/or create within each subfund one or more classes. The Board of Directors may also at any time resolve to close a subfund, or one or more classes within a subfund, to further subscriptions.

The Company was incorporated for an unlimited period in Luxembourg on 11 June 2014. The capital of the Company shall be equal at all times to its net assets.

The Company is registered with the Registre de Commerce et des Sociétés, Luxembourg (Luxembourg register of trade and companies) under number B 188 230. The Articles of Incorporation have been amended for the last time on 16 November 2018 and will be deposited with the Registre de Commerce et des Sociétés, Luxembourg and thereafter published in the RESA.

The reference currency of the Company is the USD and all the financial statements of the Company will be presented in USD.

Within each class, separate currency hedged classes may be issued. Any fees relating to the hedging

strategy (including any fees of the Administration Agent relating to the execution of the hedging policy) will be borne by the relevant class. Any gains or losses from the currency hedging shall accrue to the relevant hedged class.

Fractions of shares up to three decimal places will be issued if so decided by the Board of Directors. Such fractions shall not be entitled to vote but shall be entitled to participate in the net assets and any distributions attributable to the relevant class on a pro rata basis.

All shares must be fully paid-up; they are of no nominal value and carry no preferential or pre-emptive rights.

As at 31 December 2018, the following subfunds are active:

ZCH AM SICAV – ESG Latam Fund**
ZCH AM SICAV – Latam High Yield Bond Fund***
ZCH AM SICAV – Small Cap Latam Fund****

Classes of shares available:

- Class A shares, class B shares and class I shares where class I shares are available to Institutional Investors.
- Classes denominated in GBP are reserved to investors residing in the United Kingdom. For the classes denominated in GBP, there is no intention to hedge the value of their net assets in the base currency of the subfund into GBP.
- Class EA shares are reserved to the Investment Manager and its clients.

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

The annual general meeting of shareholders of the Company (the "Annual General Meeting") is held at the registered office of the Company or such other place in Luxembourg as may be specified in the notice of meeting within six (6) months of the end of the financial year.

Each share of the Company, irrespective of its subfund, is entitled to one vote at any general meeting of shareholders, in compliance with Luxembourg law and the Articles of Incorporation. The Company will recognise only one holder in respect of each share. In the event of joint ownership, the Company may suspend the exercise of any voting right deriving from the relevant share(s) until one person shall have been

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designated to represent the joint owners vis-à-vis the Company.

Only the information contained in the prospectus and in one of the documents referred to therein shall be deemed to be valid.

The annual and semi-annual reports are available free of charge to shareholders at the registered office of the Company and the Depositary.

No subscription may be accepted on the basis of the financial reports. Subscriptions are accepted only on the basis of the current prospectus accompanied by the latest annual report and the latest semi-annual report if available.

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

Portfolio Manager Report

Audited Financial Statements as of 31 December 2018
ZCH AM SICAV

ZCH AM SICAV – ESG Latam Fund*

We started operations on 9 September 2018, in the middle of a positive return trend for the region. We ended up the year with a 5.45% return, while our benchmark, the MSCI ESG Latam leaders reached a 14.19% return over the same period. Main differences against our benchmark are explained by our cash position as we invested our seed capital, our structural underweight in both Itau and Bradesco, as we follow the 5/10/40 investment rule and both securities weight above 30% on a consolidated basis. Both names reached 31% and 45.4% total return over the same period. Moreover, due to changes in regulation in the Brazilian local market, we could only access this market by the second week of December. The Bovespa index reached a 22.14% USD return over analyzed period and we were unable to increase our exposure through ADRs as, once again, we need to comply with the 5/10/40 rule. Our total underweight in Brazil had a 9.7% impact in our relative performance.

ZCH AM SICAV – Latam High Yield Bond Fund**

Fund performance was -2.3% for series I during 2018, but as different from 2015, most of the performance could be explained by external issues and idiosyncratic political issues, the negative return was not attributable company's fundamentals.

2018 was a year with a lot of uncertainty for the Latin American Region. The source of risk came from different fronts. In the local front, presidential election in Brazil and Mexico where very polarized between the market friendly candidate and the leftish one, then the results was not indifferent to investors who decided to maintain a wait and see attitude. In the other side, the IMF rescue to Argentina and the high inflation reduced the probabilities for reelection of market friendly running party Cambiemos in 2019.

In the external front, FED rate hike path reduce the risk appetite for Emerging Markets fixed income, as the investment outflow shown during the year. In term of trade, US, Canada and Mexico trade negotiation affected the investor sentiment particularly for Mexico and after that "Trade War" between USA and China created a lot of uncertainty about the China growth and commodities prices that fell during the second half of the year.

Despite all these issues, Latin American corporates' financial situation was healthy mainly on management's efforts to reduce indebtedness levels, cost of debt or increase duration. These processes are key to our investment thesis where capital expenditures executed in previous years are starting to generate cash flow and improve corporate's balance sheets.

For 2019 we expect that the same trend continues to happen, a volatility due to unsolved issues from last year but overall, Latin American economies will face about 100 bp growth and the companies will continue with a deleverage process trend.

ZCH AM SICAV – Small Cap Latam Fund***

After two consecutive positive years for the Latam Equity market, 2018 was on the negative side. This trend was exacerbated in small cap equities. Main drag for the region was currency weakness – mainly explained by global threats of a commercial war, FED tightening and also exacerbated by idiosyncratic factors, such as presidential elections both in Brazil and Mexico.

In the case of Brazil, despite positive outcome coming from Presidential Elections, won by right-arm candidate Jair Bolsonaro and strong equity performance during the 2H18 (+25.89% in BRL terms since its bottom back in June'18, +15.03% in BRL terms during 2018), strong currency depreciation led the BOVESPA to finish the year on the negative side, at -1.79% in USD terms for the year.

We were overweight in Brazil throughout the year, with an average overweight of 7.4% and a positive relative contribution of +0.6%, where equity had a positive impact of +1.7% and it was partially offset by a negative FX impact of 1.1%.

In the case of Mexico, although its currency ended flat y/y, there was a strong volatility in the MXN mainly explained by NAFTA negotiations and results from both Presidential and Congress elections, which translated into a clear lead for left-arm AMLO.

We started the year underweight in Mexico, and we slowly went to neutral as we approached the presidential elections as we believed both currency and market valuations were at attractive levels. Towards the end of the year, we once again returned to an

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underweight in Mexico as newsflow related to the new government was negative and gave little visibility in terms of how high could cost of equity be and, at the same time, how low could earnings estimates fall. Net impact of our strategy in Mexico was positive at +0.7%, mainly explained by the equity impact.

The main drawback in our 2018 strategy was our off-benchmark position in Argentina. At the peak of our exposure, we held 4 names and 4.75% of our portfolio. We started decreasing our exposure by April and were completely out of Argentina by July as the market could not leverage on Argentinean authorities to control the FX volatility, translating into massive outflows that turned into slashed valuations. Since valuation multiples for the Argentinean market were not a benchmark at the time, as the market has shown strong volatility throughout the years, and despite having our in-house research and valuation models for the stocks we held in our portfolio, the position was clearly a contrarian at the time and had no visibility on when the market could stabilize. We are still gathering visibility as we approach upcoming presidential elections and we believe the market could once again experience high volatility.

Lastly, our lack of exposure to Colombia had a positive impact of 1.8%, besides currency depreciation, names in the small cap universe were hit by corruption investigations – CLH, Corficolombiana – while retail related name Exito, has a weakened competitive position in the country as smaller formats gained ground.

In conclusion, the I share class reached a -12.23% return during 2018, below the -11.93% from our benchmark, the MSCI Small Cap Latam Index. Since inception, we carry a positive gap over 11.6%.



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To the Shareholders of

ZCH AM SICAV*
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L-1246 Luxembourg

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of ZCH AM SICAV* and each of its subfunds ("the Fund"), which comprise the statement of net assets and the statement of investments in securities and other net assets as at 31 December 2018 and the statement of operations and the statement of changes in net assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of ZCH AM SICAV* and each of its subfunds as at 31 December 2018, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier ("CSSF"). Our responsibilities under the Law of 23 July 2016 and ISAs are further described in the "Responsibilities of "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 stated 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 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 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.

* formerly EuroAmerica AM SICAV

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

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 Directors of the Fund.
- Conclude on the appropriateness of the Board of Directors of the Fund's 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.

Luxembourg, 15 March 2019

KPMG Luxembourg, Société coopérative
Cabinet de révision agréé



V. Merkel

Combined Statement of Net Assets

	USD
	31.12.2018
Assets	
Investments in securities, cost	72 284 091.67
Investments in securities, unrealized appreciation (depreciation)	-1 200 137.60
Total investments in securities (Note 1)	71 083 954.07
Cash at banks, deposits on demand and deposit accounts	3 980 500.97
Receivable on securities sales (Note 1)	861 830.56
Receivable on dividends	139 673.25
Interest receivable on securities	562 305.01
Other receivables	35 113.88
Formation expenses (Note 2)	13 137.21
Total Assets	76 676 514.95
Liabilities	
Bank overdraft	-129 009.25
Payable on securities purchases (Note 1)	-69.86
Payable on redemptions	-120 000.06
Provisions for management fees (Note 2)	-37 762.46
Provisions for central administration fees (Note 2)	-12 895.59
Provisions for formation expenses (Note 2)	-14 003.59
Provisions for depositary fees (Note 2)	-12 633.51
Provisions for taxe d'abonnement (Note 3)	-4 819.34
Provisions for regulatory fees (Note 2)	-7 788.84
Provisions for other commissions and fees (Note 2)	-93 573.06
Provisions for retrocessions	-2 418.47
Total provisions	-185 894.86
Total Liabilities	-434 974.03
Net assets at the end of the financial year	76 241 540.92

Combined Statement of Operations

	USD
	1.1.2018-31.12.2018
Income	
Interest on liquid assets	67 000.15
Interest on securities	2 455 677.48
Dividends	1 145 263.35
Other income	35 113.88
Total income	3 703 054.86
Expenses	
Management fees (Note 2)	-486 959.96
Central administration fees (Note 2)	-78 354.41
Depositary fees (Note 2)	-83 858.89
Taxe d'abonnement (Note 3)	-21 568.99
Regulatory fees (Note 2)	-9 862.43
Amortization of formation expenses (Note 2)	-868.70
Other commissions and fees (Note 2)	-145 500.12
Interest on cash and bank overdraft	-25 037.03
Retrocessions	-2 113.10
Total expenses	-854 123.63
Net income (loss) on investments	2 848 931.23
Realized gain (loss) (Note 1)	
Realized gain (loss) on market-priced securities without options	-1 012 175.28
Realized gain (loss) on financial futures	-36 504.10
Realized gain (loss) on forward foreign exchange contracts	-167 024.03
Realized gain (loss) on foreign exchange	-92 459.24
Total realized gain (loss)	-1 308 162.65
Net realized gain (loss) of the financial year	1 540 768.58
Changes in unrealized appreciation (depreciation) (Note 1)	
Unrealized appreciation (depreciation) on market-priced securities without options	-8 351 651.24
Total changes in unrealized appreciation (depreciation)	-8 351 651.24
Net increase (decrease) in net assets as a result of operations	-6 810 882.66

ZCH AM SICAV

– ESG Latam Fund

Audited Financial Statements as of 31 December 2018

Most important figures

Date	ISIN	31.12.2018
Net assets in USD		4 968 048.38
Class EA¹	LU1837198826	
Shares outstanding		47 214.7980
Net asset value per share in USD		105.22

¹ First NAV: 10.9.2018

Structure of the Securities Portfolio

Geographical Breakdown as a % of net assets	
Brazil	68.43
Mexico	15.08
Chile	13.78
Bermuda	1.45
Total	98.74

Economic Breakdown as a % of net assets	
Finance & holding companies	23.39
Banks & credit institutions	15.40
Retail trade, department stores	7.85
Tobacco & alcohol	6.54
Petroleum	5.71
Mining, coal & steel	4.82
Forestry, paper & pulp products	4.81
Traffic & transportation	4.47
Chemicals	4.16
Telecommunications	3.88
Food & soft drinks	3.42
Real Estate	2.72
Building industry & materials	2.53
Vehicles	1.68
Mechanical engineering & industrial equipment	1.66
Packaging industry	1.50
Non-ferrous metals	1.38
Internet, software & IT services	1.08
Energy & water supply	0.98
Agriculture & fishery	0.76
Total	98.74

Statement of Net Assets

	USD
Assets	31.12.2018
Investments in securities, cost	4 837 531.25
Investments in securities, unrealized appreciation (depreciation)	67 908.89
Total investments in securities (Note 1)	4 905 440.14
Receivable on securities sales (Note 1)	172 829.01
Receivable on dividends	18 653.60
Other receivables	35 113.88
Formation expenses (Note 2)	13 137.21
Total Assets	5 145 173.84
Liabilities	
Bank overdraft	-128 244.82
Provisions for management fees (Note 2)	-1 315.85
Provisions for central administration fees (Note 2)	-7 096.51
Provisions for formation expenses (Note 2)	-14 003.59
Provisions for depositary fees (Note 2)	-7 350.31
Provisions for taxe d'abonnement (Note 3)	-620.90
Provisions for regulatory fees (Note 2)	-244.29
Provisions for other commissions and fees (Note 2)	-17 563.30
Provisions for retrocessions	-685.89
Total provisions	-48 880.64
Total Liabilities	-177 125.46
Net assets at the end of the period	4 968 048.38

Statement of Operations

	USD
Income	10.9.2018-31.12.2018
Interest on liquid assets	4 616.92
Dividends	40 278.16
Other income	35 113.88
Total income	80 008.96
Expenses	
Management fees (Note 2)	-1 315.85
Central administration fees (Note 2)	-7 096.51
Depositary fees (Note 2)	-7 350.31
Taxe d'abonnement (Note 3)	-896.91
Regulatory fees (Note 2)	-244.10
Amortization of formation expenses (Note 2)	-868.70
Other commissions and fees (Note 2)	-17 550.77
Interest on cash and bank overdraft	-14 215.61
Retrocessions	-687.64
Total expenses	-50 226.40
Net income (loss) on investments	29 782.56
Realized gain (loss) (Note 1)	
Realized gain (loss) on market-priced securities without options	-43 953.75
Realized gain (loss) on foreign exchange	44 311.23
Total realized gain (loss)	357.48
Net realized gain (loss) of the period	30 140.04
Changes in unrealized appreciation (depreciation) (Note 1)	
Unrealized appreciation (depreciation) on market-priced securities without options	67 908.89
Total changes in unrealized appreciation (depreciation)	67 908.89
Net increase (decrease) in net assets as a result of operations	98 048.93

Statement of Changes in Net Assets

	USD
	10.9.2018-31.12.2018
Net assets at the beginning of the period	0.00
Subscriptions	5 849 999.57
Redemptions	-980 000.12
Total net subscriptions (redemptions)	4 869 999.45
Net income (loss) on investments	29 782.56
Total realized gain (loss)	357.48
Total changes in unrealized appreciation (depreciation)	67 908.89
Net increase (decrease) in net assets as a result of operations	98 048.93
Net assets at the end of the period	4 968 048.38

Changes in the Number of Shares outstanding

	EA
	10.9.2018-31.12.2018
Class	
Number of shares outstanding at the beginning of the period	0.0000
Number of shares issued	56 668.1190
Number of shares redeemed	-9 453.3210
Number of shares outstanding at the end of the period	47 214.7980

Statement of Investments in Securities and other Net Assets as of 31 December 2018

Description	Quantity/ Nominal	Valuation in USD Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
Transferable securities and money market instruments listed on an official stock exchange			
Bearer shares			
Bermuda			
USD CREDICORP COM USD5	324.00	71 821.08	1.45
Total Bermuda		71 821.08	1.45
Brazil			
BRL B3 SA COM NPV	39 327.00	272 039.44	5.48
BRL BCO DO BRASIL SA COM NPV	8 000.00	95 960.78	1.93
BRL BR MALLS PARTICIPA COM NPV	40 000.00	134 890.02	2.72
BRL CIELO SA COM NPV	23 500.00	53 903.12	1.08
USD COSAN LTD COM STK USD0.01 CLASS 'A'	4 262.00	37 505.60	0.75
BRL LOCALIZA RENT A CA COM NPV	10 900.00	83 667.68	1.68
BRL LOJAS RENNEN SA COM NPV	16 000.00	175 037.09	3.52
BRL ULTRAPAR PARTICIPA COM NPV	7 700.00	105 693.09	2.13
BRL WEG SA COM NPV	18 200.00	82 365.48	1.66
Total Brazil		1 041 062.30	20.95
Chile			
CLP EMPRESAS CMPC NPV	27 700.00	88 053.27	1.78
CLP EMPRESAS COPEC SA NPV	8 700.00	104 397.49	2.10
CLP S A C I FALABELLA COM NPV	16 000.00	117 339.48	2.36
CLP SONDA S.A. COM NPV	34 300.00	53 718.55	1.08
Total Chile		363 508.79	7.32
Mexico			
MXN ALFA SA DE CV SER'A/NPV	60 767.00	72 141.29	1.45
MXN ARCA CONTINENTAL COM NPV	7 780.00	43 364.55	0.87
MXN FOMENTO ECONOMICO UNITS (REP 1'B' & 4'D' SHS)	31 273.00	267 937.46	5.39
MXN GPO AEROPORTUARIO SER'B/NPV	4 685.00	70 468.59	1.42
MXN GPO BIMBO SA DE CV SER'A/NPV	31 515.00	62 649.94	1.26
MXN GRUMA SA DE CV COM SER'B' NPV	3 895.00	44 045.27	0.89
Total Mexico		560 607.10	11.28
Total Bearer shares		2 036 999.27	41.00
Preference shares			
Brazil			
BRL CEMIG CIA ENERG MG PRF BRLO.01	19 200.00	68 660.78	1.38
BRL ITAUSA INV ITAU SA PRF NPV	103 300.00	321 967.10	6.48
Total Brazil		390 627.88	7.86
Total Preference shares		390 627.88	7.86
Depository receipts			
Brazil			
USD AMBEV SA ADR EACH REPR ORD SPONS	14 500.00	56 840.00	1.15
USD AZUL SA SPON ADR EACH REP 3 PFD SHS	2 244.00	62 136.36	1.25
USD BCO BRADESCO SA SPON ADR EACH REP 1 PRF NPV	49 843.00	492 947.27	9.92
USD COMPANHIA BRASILEIRA DE DISTRIB SPON ADR PFD	4 701.00	97 639.77	1.97
USD FIBRIA CELULOSE SA SPON ADR REP 1 SHS-W/I	8 770.00	150 931.70	3.04
USD GERDAU SA SPON ADR EACH REP 1 PRF NPV	27 920.00	104 979.20	2.11
USD ITAU UNIBANCO HOLDING SA ADR 1 PFD	54 267.00	496 000.38	9.98
USD PETROL BRASILEIROS ADS EACH 1 REP 2 COM NPV	13 795.00	179 472.95	3.61
USD TELEFONICA BRASIL SPON ADR EA REPR 1 PFD SH	8 994.00	107 298.42	2.16
USD TIM PARTICIPACOES SPON ADR EACH REP 5 ORD SHS	5 585.00	85 673.90	1.73
USD VALE S.A. SPONS ADR REPR 1 COM NPV	10 180.00	134 274.20	2.70
Total Brazil		1 968 194.15	39.62
Chile			
USD BANCO DE CHILE SPONSORED ADR	1 107.00	31 660.20	0.64
USD BANCO SANTANDER CHILE NEW SP ADR REP COM	634.00	18 956.60	0.38
USD EMBOTELLADORA ANDINA S A SPON ADR B	1 370.00	31 263.40	0.63
USD ENERSIS AMERICAS S SPON ADR REP 50 COM SHS NPV	5 469.00	48 783.48	0.98
USD LATAM AIRLINES GP SPONS ADR EACH REPR 1 ORD	8 688.00	89 486.40	1.80
USD SOCIEDAD QUIMICA MINERA DE CHI SPON ADR SER B	2 631.00	100 767.30	2.03
Total Chile		320 917.38	6.46

Description	Quantity/ Nominal	Valuation in USD Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
Mexico			
USD CEMEX SAB DE CV SPON ADR 5 ORD	26 035.00	125 488.70	2.53
USD COCA-COLA FEMSA S A DE C V SPON ADR REP L	1 039.00	63 212.76	1.27
Total Mexico		188 701.46	3.80
Total Depository receipts		2 477 812.99	49.88
Total Transferable securities and money market instruments listed on an official stock exchange		4 905 440.14	98.74
Total investments in securities		4 905 440.14	98.74
Bank overdraft and other short-term liabilities		-128 244.82	-2.58
Other assets and liabilities		190 853.06	3.84
Total net assets		4 968 048.38	100.00

ZCH AM SICAV

– Latam High Yield Bond Fund

Audited Financial Statements as of 31 December 2018

Three-year comparison

Date	ISIN	31.12.2018	31.12.2017	31.12.2016
Net assets in USD		33 153 319.52	53 024 114.23	26 367 235.70
Class B	LU1061932668			
Shares outstanding		1 284.9060	2 713.8650	3 920.6150
Net asset value per share in USD		116.67	120.19	109.35
Class EA¹	LU1576657230			
Shares outstanding		167 301.2970	60 131.8200	-
Net asset value per share in USD		98.70	100.26	-
Class I	LU1061932742			
Shares outstanding		154 393.0700	426 882.7390	262 388.3440
Net asset value per share in USD		106.81	109.33	98.86

¹ First NAV: 24.10.2017

Structure of the Securities Portfolio

Geographical Breakdown as a % of net assets	
Brazil	23.66
Luxembourg	12.60
The Netherlands	9.64
Mexico	9.06
Argentina	7.63
Cayman Islands	4.97
Chile	3.46
Colombia	2.68
Austria	2.41
United Kingdom	2.25
Panama	1.79
United States	1.78
Peru	1.49
Paraguay	1.35
Uruguay	1.14
Guatemala	0.88
Dominican Republic	0.58
Bermuda	0.54
Total	87.91

Economic Breakdown as a % of net assets	
Finance & holding companies	29.11
Banks & credit institutions	15.77
Petroleum	12.59
Countries & central governments	5.80
Food & soft drinks	5.12
Energy & water supply	4.22
Building industry & materials	2.91
Traffic & transportation	1.81
Lodging, catering & leisure	1.70
Miscellaneous services	1.68
Telecommunications	1.09
Non-ferrous metals	0.90
Miscellaneous consumer goods	0.89
Agriculture & fishery	0.81
Electronics & semiconductors	0.61
Miscellaneous unclassified companies	0.60
Mining, coal & steel	0.58
Precious metals & stones	0.58
Retail trade, department stores	0.58
Chemicals	0.56
Total	87.91

Statement of Net Assets

	USD
Assets	31.12.2018
Investments in securities, cost	30 090 906.52
Investments in securities, unrealized appreciation (depreciation)	-945 098.99
Total investments in securities (Note 1)	29 145 807.53
Cash at banks, deposits on demand and deposit accounts	3 639 080.72
Interest receivable on securities	562 305.01
Total Assets	33 347 193.26
Liabilities	
Bank overdraft	-591.39
Payable on redemptions	-120 000.06
Provisions for management fees (Note 2)	-12 799.94
Provisions for central administration fees (Note 2)	-2 899.54
Provisions for depositary fees (Note 2)	-2 499.49
Provisions for taxe d'abonnement (Note 3)	-2 495.15
Provisions for regulatory fees (Note 2)	-3 885.90
Provisions for other commissions and fees (Note 2)	-47 835.98
Provisions for retrocessions	-866.29
Total provisions	-73 282.29
Total Liabilities	-193 873.74
Net assets at the end of the financial year	33 153 319.52

Statement of Operations

	USD
Income	1.1.2018-31.12.2018
Interest on liquid assets	11 572.05
Interest on securities	2 455 677.48
Total income	2 467 249.53
Expenses	
Management fees (Note 2)	-179 696.18
Central administration fees (Note 2)	-35 628.95
Depositary fees (Note 2)	-40 027.54
Taxe d'abonnement (Note 3)	-12 599.63
Regulatory fees (Note 2)	-4 496.10
Other commissions and fees (Note 2)	-71 534.68
Interest on cash and bank overdraft	-10.72
Retrocessions	-712.73
Total expenses	-344 706.53
Net income (loss) on investments	2 122 543.00
Realized gain (loss) (Note 1)	
Realized gain (loss) on market-priced securities without options	-746 183.21
Realized gain (loss) on financial futures	-36 504.10
Realized gain (loss) on foreign exchange	471.91
Total realized gain (loss)	-782 215.40
Net realized gain (loss) of the financial year	1 340 327.60
Changes in unrealized appreciation (depreciation) (Note 1)	
Unrealized appreciation (depreciation) on market-priced securities without options	-2 674 201.48
Total changes in unrealized appreciation (depreciation)	-2 674 201.48
Net increase (decrease) in net assets as a result of operations	-1 333 873.88

Statement of Changes in Net Assets

	USD
	1.1.2018-31.12.2018
Net assets at the beginning of the financial year	53 024 114.23
Subscriptions	39 680 548.13
Redemptions	-58 217 468.96
Total net subscriptions (redemptions)	-18 536 920.83
Net income (loss) on investments	2 122 543.00
Total realized gain (loss)	-782 215.40
Total changes in unrealized appreciation (depreciation)	-2 674 201.48
Net increase (decrease) in net assets as a result of operations	-1 333 873.88
Net assets at the end of the financial year	33 153 319.52

Changes in the Number of Shares outstanding

	1.1.2018-31.12.2018
Class	B
Number of shares outstanding at the beginning of the financial year	2 713 8650
Number of shares issued	0.0000
Number of shares redeemed	-1 428 9590
Number of shares outstanding at the end of the financial year	1 284.9060
Class	EA
Number of shares outstanding at the beginning of the financial year	60 131.8200
Number of shares issued	338 863.6860
Number of shares redeemed	-231 694.2090
Number of shares outstanding at the end of the financial year	167 301.2970
Class	I
Number of shares outstanding at the beginning of the financial year	426 882.7390
Number of shares issued	58 110.9390
Number of shares redeemed	-330 600.6080
Number of shares outstanding at the end of the financial year	154 393.0700

Statement of Investments in Securities and other Net Assets as of 31 December 2018

Description	Quantity/ Nominal	Valuation in USD Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
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Transferable securities and money market instruments listed on an official stock exchange

Notes, fixed rate

USD			
USD AEROPUERTOS DOMINICANOS-REG-S 6.75000% 17-30.03.29	200 000.00	193 500.00	0.58
USD AVIANCA HOLDINGS SA-REG-S 8.37500% 13-10.05.20	200 000.00	193 000.00	0.58
USD BANCO BRADESCO GRAND CY BCH-REG-S-SUB 5.90000% 10-16.01.21	300 000.00	307 875.00	0.93
USD BANCO DE BOGOTA SA-REG-S-SUB 5.37500% 13-19.02.23	400 000.00	397 500.00	1.20
USD BANCO HIPOTECARIO SA-REG-S 9.75000% 15-30.11.20	200 000.00	195 000.00	0.59
USD BANCO INDUSTRIAL COMMERCIAL -REG-S-SUB 8.50000% 10-27.04.20	100 000.00	102 937.50	0.31
USD BANCO REGIONAL SAECA-REG-S 8.12500% 14-24.01.19	450 000.00	448 031.25	1.35
USD BRAZIL, FEDERATIVE REPUBLIC OF 4.62500% 17-13.01.28	2 000 000.00	1 923 710.00	5.80
USD BRF SA-REG-S 3.95000% 13-22.05.23	300 000.00	268 875.00	0.81
USD CEMEX SAB DE CV-REG-S 5.70000% 14-11.01.25	600 000.00	573 750.00	1.73
USD CEMEX SAB DE CV-REG-S 6.12500% 15-05.05.25	400 000.00	390 000.00	1.18
USD CEMIG GERACAO E TRANSMISSAO SA-REG-S 9.25000% 17-05.12.24	500 000.00	530 625.00	1.60
USD CENTRAL AMERICAN BOTTLING CORP-REG-S 5.75000% 17-31.01.27	300 000.00	292 500.00	0.88
USD CIA BRASILEIRA DE ALUMINIO-REG-S 4.75000% 14-17.06.24	400 000.00	384 642.00	1.16
USD CIA GENERAL DE COMBUSTIBLES SA-REG-S 9.50000% 16-07.11.21	400 000.00	371 000.00	1.12
USD CIA MINERA MILPO SAA-REG-S 4.62500% 13-28.03.23	200 000.00	194 250.00	0.59
USD COSAN LTD-REG-S 5.95000% 17-20.09.24	300 000.00	294 375.00	0.89
USD COSAN LUXEMBOURG SA-REG-S 7.00000% 16-20.01.27	700 000.00	704 375.00	2.12
USD CREDITO REAL SAB-REG-S 7.25000% 16-20.07.23	500 000.00	483 750.00	1.46
USD ENJOY SA-REG-S 10.50000% 17-16.05.22	250 000.00	275 625.00	0.83
USD ESAL GMBH-REG-S 6.25000% 13-05.02.23	200 000.00	197 750.00	0.60
USD GEOPARK LTD-REG-S 6.50000% 17-21.09.24	500 000.00	462 500.00	1.39
USD GOL FINANCE-REG-S 7.00000% 17-31.01.25	400 000.00	354 500.00	1.07
USD GRUPO KUO SAB DE CV-REG-S 5.75000% 17-07.07.27	600 000.00	543 249.00	1.64
USD IRSA PROPIEDADES COMERCIALES SA-REG-S 8.75000% 16-23.03.23	200 000.00	192 250.00	0.58
USD ITAU UNIBANCO HOLDING SA-REG-S-SUB 5.75000% 10-22.01.21	400 000.00	408 560.00	1.23
USD ITAU UNIBANCO HOLDING SA-REG-S-SUB 5.50000% 12-06.08.22	600 000.00	613 350.00	1.85
USD ITAU UNIBANCO HOLDING SA-REG-S-SUB 5.12500% 12-13.05.23	900 000.00	903 820.50	2.73
USD JBS INVESTMENTS II GMBH-REG-S 7.00000% 18-15.01.26	400 000.00	393 708.32	1.19
USD JBS USA LLC/JBS USA FINANCE INC-REG-S 7.25000% 11-01.06.21	400 000.00	403 000.00	1.22
USD KLABIN FINANCE SA-REG-S 5.25000% 14-16.07.24	600 000.00	585 870.00	1.77
USD LATAM AIRLINES GROUP SA-REG-S 7.25000% 15-09.06.20	400 000.00	408 000.00	1.23
USD LIGHT SERVICIOS DE ELECTRICIDADE SA-REG-S 7.25000% 18-03.05.23	300 000.00	286 875.00	0.86
USD MARB BONDCO PLC-REG-S 7.00000% 17-15.03.24	200 000.00	189 250.00	0.57
USD MARB BONDCO PLC-REG-S 6.87500% 18-19.01.25	600 000.00	556 500.00	1.68
USD MINERVA LUXEMBOURG SA-REG-S 6.50000% 16-20.09.26	500 000.00	464 375.00	1.40
USD PAMPA ENERGIA SA-REG-S 7.50000% 17-24.01.27	500 000.00	418 125.00	1.26
USD PETROBRAS GLOBAL FINANCE BV 4.375% 13-20.05.23	700 000.00	668 500.00	2.02
USD PETROBRAS GLOBAL FINANCE BV 7.37500% 17-17.01.27	800 000.00	822 000.00	2.48
USD PETROBRAS GLOBAL FINANCE BV 5.29900% 18-27.01.25	700 000.00	667 800.00	2.01
USD PETROBRAS GLOBAL FINANCE BV 5.99900% 18-27.01.28	500 000.00	471 250.00	1.42
USD REDE D'OR FINANCE SARL-REG-S 4.95000% 18-17.01.28	300 000.00	264 375.00	0.80
USD RUMO LUXEMBOURG SARL-REG-S 7.37500% 17-09.02.24	500 000.00	519 375.00	1.57
USD RUMO LUXEMBOURG SARL-REG-S 5.87500% 18-18.01.25	300 000.00	287 250.00	0.87
USD UNIFIN FINANCIERA SA DE CV-REG-S 7.00000% 17-15.01.25	200 000.00	171 000.00	0.52
USD VOLCAN CIA MINERA SAA-REG-S 5.37500% 12-02.02.22	300 000.00	298 500.00	0.90
USD YPF SA-REG-S 6.95000% 17-21.07.27	300 000.00	243 000.00	0.73
USD YPF SA-REG-S 8.50000% 15-28.07.25	400 000.00	356 000.00	1.07
USD YPF SA-REG-S 8.50000% 16-23.03.21	200 000.00	197 750.00	0.60
USD YPF SA-REG-S 8.75000% 14-04.04.24	400 000.00	376 000.00	1.13
Total USD		21 249 803.57	64.10

Total Notes, fixed rate

21 249 803.57 64.10

Notes, floating rate

USD			
USD BANCO DO BRASIL CAYMAN-REG-S-SUB 6.250%/VAR 13-PRP	600 000.00	513 750.00	1.55
USD BANCO DO BRASIL CAYMAN-REG-S-SUB 9.000%/VAR 14-PRP	1 000 000.00	1 015 000.00	3.06
USD BANCO GNB SUDAMERIS SA-REG-S-SUB 6.500%/VAR 17-03.04.27	500 000.00	490 922.50	1.48
USD BANCO VOTORANTIM SA-REG-S-SUB 8.250%/VAR 17-PRP	500 000.00	497 500.00	1.50
Total USD		2 517 172.50	7.59

Total Notes, floating rate

2 517 172.50 7.59

Medium term notes, floating rate

USD			
USD ITAU UNIBANCO HOLDING SA-REG-S-SUB 6.125%/VAR 17-PRP	500 000.00	467 500.00	1.41
Total USD		467 500.00	1.41

Total Medium term notes, floating rate

467 500.00 1.41

Description	Quantity/ Nominal	Valuation in USD Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
Bonds, fixed rate			
USD			
USD AES PANAMA SRL-REG-S 6.00000% 15-25.06.22	400 000.00	402 000.00	1.21
USD BANCO DAYCOVAL SA-REG-S 5.75000% 14-19.03.19	200 000.00	199 523.00	0.60
USD ELDORADO INTL. FINANCE GMBH-REG-S 8.62500% 16-16.06.21	200 000.00	207 250.00	0.63
USD TUPY OVERSEAS SA-REG-S 6.62500% 14-17.07.24	400 000.00	405 000.00	1.22
USD UNIFIN FINANCIERA SA DE CV-REG-S 7.25000% 16-27.09.23	600 000.00	551 550.00	1.66
Total USD		1 765 323.00	5.32
Total Bonds, fixed rate		1 765 323.00	5.32
Bonds, floating rate			
USD			
USD BANCO DO BRASIL CAYMAN-REG-S-SUB 9.250%/VAR 12-PRP	400 000.00	418 410.00	1.26
Total USD		418 410.00	1.26
Total Bonds, floating rate		418 410.00	1.26
Total Transferable securities and money market instruments listed on an official stock exchange		26 418 209.07	79.68
Transferable securities and money market instruments traded on another regulated market			
Notes, fixed rate			
USD			
USD ARCOS DORADOS HOLDINGS INC-REG-S 5.87500% 17-04.04.27	400 000.00	377 000.00	1.14
USD AZUL INVESTMENTS LLP-REG-S 5.87500% 17-26.10.24	200 000.00	186 752.00	0.56
USD DIGICEL LTD-REG-S 6.00000% 13-15.04.21	200 000.00	180 250.00	0.55
USD GENNEIA SA-REG-S 8.75000% 17-20.01.22	200 000.00	180 250.00	0.54
USD GRUPO POSADAS SAB DE CV-REG-S 7.87500% 15-30.06.22	300 000.00	289 130.46	0.87
USD JSL EUROPE SA-REG-S 7.75000% 17-26.07.24	400 000.00	368 000.00	1.11
USD ULTRAPAR INTERNATIONAL SA-REG-S 5.25000% 16-06.10.26	400 000.00	386 600.00	1.17
USD VM HOLDING SA-REG-S 5.37500% 17-04.05.27	200 000.00	193 500.00	0.58
USD VTR FINANCE B V-REG-S 6.87500% 14-15.01.24	180 000.00	179 775.00	0.54
Total USD		2 341 257.46	7.06
Total Notes, fixed rate		2 341 257.46	7.06
Bonds, fixed rate			
USD			
USD AES ANDRES/DOMINICAN POWER PARTN-REG-S 7.95000% 16-11.05.26	200 000.00	201 841.00	0.61
Total USD		201 841.00	0.61
Total Bonds, fixed rate		201 841.00	0.61
Total Transferable securities and money market instruments traded on another regulated market		2 543 098.46	7.67
Transferable securities and money market instruments not listed on an official stock exchange and not traded on another regulated market			
Notes, fixed rate			
USD			
USD BRASKEM NETHERLANDS FINANCE BV-REG-S 4.50000% 17-10.01.28	200 000.00	184 500.00	0.56
Total USD		184 500.00	0.56
Total Notes, fixed rate		184 500.00	0.56
Total Transferable securities and money market instruments not listed on an official stock exchange and not traded on another regulated market		184 500.00	0.56
Total investments in securities		29 145 807.53	87.91
Cash at banks, deposits on demand and deposit accounts and other liquid assets		3 639 080.72	10.98
Bank overdraft and other short-term liabilities		-591.39	0.00
Other assets and liabilities		369 022.66	1.11
Total net assets		33 153 319.52	100.00

ZCH AM SICAV

– Small Cap Latam Fund

Audited Financial Statements as of 31 December 2018

Three-year comparison

Date	ISIN	31.12.2018	31.12.2017	31.12.2016
Net assets in USD		38 120 173.02	44 480 515.38	16 849 435.84
Class A¹	LU1061932239			
Shares outstanding		600.0010	1 162.1300	-
Net asset value per share in USD		100.23	116.09	-
Class EA²	LU1576657156			
Shares outstanding		87 819.7930	6 611.7630	-
Net asset value per share in USD		84.75	95.83	-
Class I	LU1061932403			
Shares outstanding		281 093.8680	352 231.8170	187 608.5840
Net asset value per share in USD		108.92	124.10	89.81

¹ First NAV: 28.4.2017

² First NAV: 11.10.2017

Structure of the Securities Portfolio

Geographical Breakdown as a % of net assets	
Brazil	66.85
Mexico	17.76
Chile	12.30
Peru	0.24
Total	97.15

Economic Breakdown as a % of net assets	
Real Estate	10.99
Finance & holding companies	10.47
Miscellaneous unclassified companies	9.27
Energy & water supply	9.21
Building industry & materials	9.10
Mining, coal & steel	8.34
Banks & credit institutions	8.18
Traffic & transportation	5.98
Internet, software & IT services	5.89
Miscellaneous services	3.82
Mechanical engineering & industrial equipment	2.96
Food & soft drinks	2.54
Retail trade, department stores	2.25
Miscellaneous consumer goods	2.03
Agriculture & fishery	1.80
Textiles, garments & leather goods	1.74
Healthcare & social services	1.05
Vehicles	0.76
Insurance	0.69
Non-ferrous metals	0.08
Total	97.15

Statement of Net Assets

	USD
Assets	31.12.2018
Investments in securities, cost	37 355 653.90
Investments in securities, unrealized appreciation (depreciation)	-322 947.50
Total investments in securities (Note 1)	37 032 706.40
Cash at banks, deposits on demand and deposit accounts	341 420.25
Receivable on securities sales (Note 1)	689 001.55
Receivable on dividends	121 019.65
Total Assets	38 184 147.85
Liabilities	
Bank overdraft	-173.04
Payable on securities purchases (Note 1)	-69.86
Provisions for management fees (Note 2)	-23 646.67
Provisions for central administration fees (Note 2)	-2 899.54
Provisions for depositary fees (Note 2)	-2 783.71
Provisions for taxe d'abonnement (Note 3)	-1 703.29
Provisions for regulatory fees (Note 2)	-3 658.65
Provisions for other commissions and fees (Note 2)	-28 173.78
Provisions for retrocessions	-866.29
Total provisions	-63 731.93
Total Liabilities	-63 974.83
Net assets at the end of the financial year	38 120 173.02

Statement of Operations

	USD
Income	1.1.2018-31.12.2018
Interest on liquid assets	50 811.18
Dividends	1 104 985.19
Total income	1 155 796.37
Expenses	
Management fees (Note 2)	-305 947.93
Central administration fees (Note 2)	-35 628.95
Depositary fees (Note 2)	-36 481.04
Taxe d'abonnement (Note 3)	-8 072.45
Regulatory fees (Note 2)	-5 122.23
Other commissions and fees (Note 2)	-56 414.67
Interest on cash and bank overdraft	-10 810.70
Retrocessions	-712.73
Total expenses	-459 190.70
Net income (loss) on investments	696 605.67
Realized gain (loss) (Note 1)	
Realized gain (loss) on market-priced securities without options	-222 038.32
Realized gain (loss) on forward foreign exchange contracts	-167 024.03
Realized gain (loss) on foreign exchange	-137 242.38
Total realized gain (loss)	-526 304.73
Net realized gain (loss) of the financial year	170 300.94
Changes in unrealized appreciation (depreciation) (Note 1)	
Unrealized appreciation (depreciation) on market-priced securities without options	-5 745 358.65
Total changes in unrealized appreciation (depreciation)	-5 745 358.65
Net increase (decrease) in net assets as a result of operations	-5 575 057.71

Statement of Changes in Net Assets

	USD
	1.1.2018-31.12.2018
Net assets at the beginning of the financial year	44 480 515.38
Subscriptions	22 463 181.74
Redemptions	-23 248 466.39
Total net subscriptions (redemptions)	-785 284.65
Net income (loss) on investments	696 605.67
Total realized gain (loss)	-526 304.73
Total changes in unrealized appreciation (depreciation)	-5 745 358.65
Net increase (decrease) in net assets as a result of operations	-5 575 057.71
Net assets at the end of the financial year	38 120 173.02

Changes in the Number of Shares outstanding

	1.1.2018-31.12.2018
Class	A
Number of shares outstanding at the beginning of the financial year	1 162.1300
Number of shares issued	0.0000
Number of shares redeemed	-562.1290
Number of shares outstanding at the end of the financial year	600.0010
Class	EA
Number of shares outstanding at the beginning of the financial year	6 611.7630
Number of shares issued	166 298.5130
Number of shares redeemed	-85 090.4830
Number of shares outstanding at the end of the financial year	87 819.7930
Class	I
Number of shares outstanding at the beginning of the financial year	352 231.8170
Number of shares issued	52 509.9230
Number of shares redeemed	-123 647.8720
Number of shares outstanding at the end of the financial year	281 093.8680

Statement of Investments in Securities and other Net Assets as of 31 December 2018

Description	Quantity/ Nominal	Valuation in USD Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
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Transferable securities and money market instruments listed on an official stock exchange

Bearer shares

Brazil

BRL	ALIANSCE SHOPPING COM NPV	28 600.00	141 090.63	0.37
BRL	AREZZO INDUSTRIA E COM NPV	26 400.00	375 045.86	0.98
BRL	B2W CIA DIGITAL COM NPV	55 120.00	597 598.50	1.57
BRL	BR PROPERTIES SA COM NPV	70 300.00	148 735.08	0.39
BRL	CIA HERING COM NPV	76 000.00	573 370.32	1.50
BRL	CIA LOCAAO AMERIC COM NPV	75 000.00	729 536.22	1.91
BRL	CIA SANEAMENTO MIN COM NPV	35 000.00	555 647.29	1.46
BRL	CONSTRUTORA TENDA COM NPV	70 800.00	586 201.90	1.54
BRL	CVC BRASIL OP AG V COM NPV	105 310.00	1 662 353.30	4.36
BRL	CYRELA BRAZIL REAL COM NPV	171 400.00	684 140.62	1.80
BRL	DURATEX SA COM NPV	361 700.00	1 104 021.42	2.90
BRL	ECORODOVIAS INFRA COM NPV	201 000.00	486 455.52	1.28
BRL	ESTACIO PARTICIPAC COM NPV	142 756.00	875 155.15	2.30
BRL	EVEN CONSTRUT INCO COM NPV	385 000.00	596 013.67	1.56
BRL	EZ TEC EMPREENDIME COM NPV	91 700.00	591 971.62	1.55
BRL	FLEURY SA COM NPV	78 700.00	401 647.68	1.05
BRL	IGUATEMI EMP SHOPP COM NPV	99 600.00	1 069 047.28	2.80
BRL	IOCHPE-MAXION COM NPV	122 700.00	753 786.23	1.98
BRL	LIGHT S.A. COM NPV	45 000.00	191 575.82	0.50
BRL	LINX SA COM NPV	68 000.00	571 966.72	1.50
BRL	MAHLE METAL LEVE COM NPV	57 900.00	375 268.79	0.98
BRL	MARFRIG GBL FOODS COM NPV	121 000.00	170 459.91	0.45
BRL	MINERVA SA COM STK NPV	67 700.00	87 163.26	0.23
BRL	MRV ENGENHARIA NPV	159 800.00	509 611.82	1.34
BRL	MULTIPLUS SA COM NPV	26 000.00	168 715.73	0.44
BRL	ODONTOPREV SA COM NPV	74 000.00	262 529.83	0.69
BRL	RANDON SA IMPLEMEN PRF NPV	513 600.00	1 227 100.82	3.22
BRL	SAO MARTINHO SA COM NPV	92 000.00	431 782.24	1.13
BRL	SLC AGRICOLA SA COM NPV	27 400.00	295 933.43	0.78
BRL	SMILES FIDELIDADE COM NPV	32 020.00	361 611.40	0.95
BRL	TOTVS SA COM NPV	72 200.00	505 767.92	1.33
BRL	TUPY SA COM NPV	39 200.00	203 800.55	0.53
BRL	VULCABRAS/AZALEIA COM NPV	171 000.00	313 255.50	0.82
Total Brazil			17 608 362.03	46.19

Chile

CLP	AES GENER SA COM NPV	15 615.00	4 340.25	0.01
CLP	BCO DE CHILE ORD NPV	18 313.00	2 616.86	0.01
CLP	CAP SA NPV	40 458.00	354 444.73	0.93
CLP	E CL SA NPV	148 320.00	271 100.75	0.71
CLP	INV LA CONSTRUCCIO COM NPV	19 940.00	320 419.14	0.84
CLP	INV ORO BLANCO NPV	18 000 000.00	113 057.64	0.30
CLP	INVERSIONES AGUAS COM NPV	100 000.00	145 936.60	0.38
CLP	PARQUE ARAUCO SA NPV	319 754.00	711 798.21	1.87
CLP	RIPLEY CORP SA COM NPV	375 000.00	311 909.22	0.82
CLP	SALFACORP SA COM NPV	168 000.00	239 847.84	0.63
CLP	SMU SA COM NPV	1 206 082.00	330 195.36	0.86
CLP	SONDA S.A. COM NPV	744 057.00	1 165 296.19	3.06
CLP	SUDAMERICANA VAPOR NPV	8 234 219.00	233 975.22	0.61
Total Chile			4 204 938.01	11.03

Mexico

MXN	BANCO ACTINVER SA CBFI (PROLOGIS)	210 490.00	323 851.32	0.85
MXN	BANCO DEL BAJIO COM MXN2 SER'O	499 741.00	973 662.31	2.55
MXN	BCO NAC MEX SA INT CBFI (CONCEN FIBRA DANHOS)	153 001.00	180 474.17	0.47
MXN	BOLSA MEXICANA DE SER'A NPV	228 733.00	388 969.50	1.02
MXN	CIBANCO SA INSTIT CBFI(PLA ADMINIS INDUS) NPV	426 613.00	506 032.61	1.33
MXN	CONTROLADORA VUELA COM NPV A	264 297.00	140 645.26	0.37
MXN	CORPORACION INMOBI COM NPV	332 270.00	452 671.74	1.19
MXN	GENTERA SAB DE COM NPV	391 132.00	287 583.19	0.76
MXN	GPO CEM CHIHUAHUA COM MXN0.4	152 603.00	778 289.83	2.04
MXN	GRUPO AEROPORTUARIO DEL CENTRO NORTE SAB DE CV-B	181 880.00	864 896.83	2.27
MXN	GRUPO COM CHEDRAUI NPV B CL'I	207 797.00	415 725.89	1.09
MXN	INDS BACHOCO SAB D SERIES 'B' NPV	92 100.00	301 734.92	0.79
MXN	INDUSTRIAS CH SAB DE CV SER'B NPV	89 193.00	384 919.74	1.01
MXN	MACQUARIE MEXICO REAL ESTATE	450 436.00	404 606.17	1.06
MXN	REGIONAL SAB DE CV COM SER 'A' MXN3.333333	79 826.00	366 789.20	0.96
Total Mexico			6 770 852.68	17.76

Peru

PEN	ALICORP S.A.A PEN1	20 000.00	58 901.88	0.16
PEN	VOLCAN CIA MINERA SER'B'PEN1.00	149 166.00	31 347.60	0.08
Total Peru			90 249.48	0.24

Total Bearer shares			28 674 402.20	75.22
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Description	Quantity/ Nominal	Valuation in USD Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
Other shares			
Brazil			
BRL AES TIETE ENERGIA UNITS (1 COM & 4 PRF)	69 000.00	178 386.12	0.47
BRL TRANSMISSORA ALIAN UNITS (1 COM & 2 PRF)	53 300.00	324 551.38	0.85
Total Brazil		502 937.50	1.32
Total Other shares		502 937.50	1.32
Preference shares			
Brazil			
BRL AZUL SA PRF NPV - PFD	43 000.00	399 406.57	1.05
BRL BANCO INTER SA PRF NPV 144A/REG S	15 000.00	149 351.74	0.39
BRL BCO EST R GDE SUL PRF CLASS 'B' NPV	100 900.00	577 426.82	1.51
BRL BRADESPAR SA PRF NPV	214 900.00	1 757 125.98	4.61
BRL CESP CIA ENERGETICA DE SAN PAOLO SA-B	109 000.00	613 094.24	1.61
BRL MARCOPOLO SA PRF NPV	275 000.00	289 492.36	0.76
BRL METALURGICA GERDAU PRF NPV	861 600.00	1 542 799.20	4.05
BRL USIMINAS USI SD MG PRF 'A' NPV	291 760.00	694 066.23	1.82
Total Brazil		6 022 763.14	15.80
Total Preference shares		6 022 763.14	15.80
Registered shares			
Brazil			
BRL BK BRASIL OPERACAO COM NPV	57 200.00	305 204.41	0.80
BRL GRENDENE SA COM NPV	39 400.00	83 359.35	0.22
BRL LOG COML PPTYS PAR COM NPV	11 529.69	53 606.40	0.14
BRL VIA VAREJO SA COM NPV	231 000.00	261 650.00	0.69
Total Brazil		703 820.16	1.85
Chile			
CLP EMPRESAS TRICOT SA COM NPV	65 586.00	91 196.67	0.24
CLP PLAZA SA NPV	190 249.00	395 219.00	1.03
Total Chile		486 415.67	1.27
Total Registered shares		1 190 235.83	3.12
Depository receipts			
Brazil			
USD GOL LINHAS AEREAS SPON ADR EA REP 10 PRF (POS)	47 300.00	640 915.00	1.68
Total Brazil		640 915.00	1.68
Total Depository receipts		640 915.00	1.68
Rights			
Brazil			
BRL MARCOPOLO SA PR RIGHTS 18.01.19	6 547.00	1 452.73	0.01
Total Brazil		1 452.73	0.01
Total Rights		1 452.73	0.01
Total Transferable securities and money market instruments listed on an official stock exchange		37 032 706.40	97.15
Total investments in securities		37 032 706.40	97.15
Cash at banks, deposits on demand and deposit accounts and other liquid assets		341 420.25	0.90
Bank overdraft and other short-term liabilities		-173.04	0.00
Other assets and liabilities		746 219.41	1.95
Total net assets		38 120 173.02	100.00

Notes to the Financial Statements

Audited Financial Statements as of 31 December 2018
ZCH AM SICAV

Note 1 – Summary of significant accounting policies

The financial statements have been prepared in accordance with the generally accepted accounting principles for investment funds in Luxembourg under the supervision of the Board of Directors of the Fund. The significant accounting policies are summarised as follows:

a) Calculation of the net asset value

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 Net Asset Value per share will be determined on each Business Day and (ii) any other day as the Board of Directors may determine on a case-by-case basis or generally from time to time (the "Valuation Day").

b) Valuation principles

The assets of each class within each subfund are valued as of the Valuation Day as follows:

- 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;
- 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 organized market at the last available stock 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;
- 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;

- 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;
- 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;
- 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;
- 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;
- 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;
- 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;
- 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

- 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.

Dilution Provisions

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".

Swing Pricing

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. 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.

For the fiscal year ending 31 December 2018 no swing pricing was applied.

Dilution Adjustment

The need to make a dilution adjustment will depend upon the net value of subscriptions, conversions and redemptions received by a subfund on each Valuation Day. The Company therefore reserves the right to make a dilution adjustment where a subfund experiences a net cash movement which exceeds a threshold, set by the Board of Directors from time to time, of the previous Valuation Day's net asset value.

The Company may also make a discretionary dilution adjustment if, in its opinion, it is in the interest of existing shareholders to do so.

Where a dilution adjustment is made, it will typically increase the Net Asset Value per share when there are net inflows into a subfund and decrease the Net Asset Value per share when there are net outflows. The Net Asset Value per share of each class in a subfund will be calculated separately but any dilution adjustment will, in percentage terms, affect the Net Asset Value per share of each class identically.

As dilution is related to the inflows and outflows of money from a subfund it is not possible to accurately predict whether dilution will occur at any future point in time. Consequently it is also not possible to accurately predict how frequently the Company will need to make such dilution adjustments. Because the dilution adjustment for each subfund will be calculated by reference to the costs of dealing in the underlying investments of that subfund, including any dealing spreads, which can vary with market conditions, this means that the amount of the dilution adjustment can vary over time but will not exceed 2% of the relevant net asset value.

Dilution Levy

In order to mitigate the "dilution" and consequent potential adverse effect on remaining shareholders, the Company has, alternatively, the power to charge a "dilution levy" of up to 2% of the applicable Net Asset Value when Shares are subscribed for or redeemed, such "dilution levy" to accrue to the affected subfund. Any dilution levy must be fair to all shareholders and potential shareholders and the Company will operate this measure in a fair and consistent manner to reduce dilution and only for that purpose. The dilution levy mechanism will not be applied if the swing pricing mechanism is used.

c) Net realized gain (loss) on sales of securities

The realized gains or losses on the sales of securities are calculated on the basis of the average cost of the securities sold.

d) Valuation of forward foreign exchange contracts

The unrealized gain (loss) of outstanding forward foreign exchange contracts is valued on the basis of the forward exchange rates prevailing at valuation date.

e) Valuation of financial futures contracts

Financial futures contracts are valued based on the latest available published price applicable on the valuation date. Realized gains and losses and the changes in unrealized gains and losses are recorded in the statement of operations. The realized gains and losses are calculated in accordance with the FIFO method, i.e. the first contracts acquired are regarded as the first to be sold.

f) Conversion of foreign currencies

Bank accounts, other net assets and the valuation of the investments in securities held denominated in currencies other than the reference currency of the different subfunds are converted at the mid closing spot rates on the valuation date. Income and expenses denominated in currencies other than the currency of the different subfunds are converted at the mid closing spot rates at payment date. Gain or loss on foreign exchange is included in the statement of operations.

The cost of securities denominated in currencies other than the reference currency of the different subfunds is converted at the mid closing spot rate prevailing on the day of acquisition.

g) Receivable on securities sales, Payable on securities purchases

The account "Receivable on securities sales" can also include receivables from foreign currency transactions. The account "Payable on securities purchases" can also include payables from foreign currency transactions.

h) Income recognition

Dividends, net of withholding taxes, are recognized as income on the date upon which the relevant securities are first listed as "ex-dividend". Interest income is accrued on a daily basis.

Note 2 – Charges and Expenses

Management Fee and Distribution Fee

In consideration for the management company services, including but not limited to investment management, investment advisory and distribution services provided to the Company, the Management Company is entitled to receive an aggregate management fee of a percentage of the net assets of the relevant Class (the "Management Fee"), as well as a distribution fee, if any, as further detailed in the relevant section of the "subfund Particulars" of the sales prospectus. Unless otherwise provided for in the relevant section of the "subfund Particulars" of the sales prospectus, these fees will be accrued on each Valuation Day and payable monthly in arrears out of the assets of the relevant subfund/ Share Class. The Management Company will receive a minimum annual fee of EUR 24.500 for each subfund irrespective of the amount of the assets under management.

For all subfund(s), in certain circumstances, the Management Company may instruct the Company to pay a portion of the above fees and expenses directly out of the assets of the Company to any such service providers. In such case, the fees and expenses due to the Management Company are reduced accordingly.

Central administration Fee

In consideration of its services, the Administration Agent, Registrar and Transfer Agent and Domiciliary Agent will be entitled to receive from the Company customary fees of maximum 0.06% per annum (Luxembourg tax not included). The central administration fees will be calculated by reference to the monthly average net asset value of each Class with a minimum annual fee of the equivalent in USD of EUR 30.000 per subfund (reduced for the first financial year to the equivalent in USD of EUR 20.000). They will accrue on each Valuation Day and will be payable monthly in arrears.

Depositary Fees

In consideration of its services, the Depositary will be entitled to receive from the Company customary fees of maximum 0.05% per annum (Luxembourg tax not included) with a minimum annual fee of the equivalent in USD of EUR 20.000 per subfund. The depositary 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).

Other charges and expenses

The Company also pays the costs and expenses (i) of all transactions carried out by it or on its behalf and (ii) of the administration of the Fund, including but not limited to (a) the charges and expenses of legal advisers and the Auditor, (b) brokers' commissions (if any) and any issue or transfer taxes chargeable in connection with any securities transactions, (c) all taxes and corporate fees payable to governments or agencies, (d) Directors' fees, (e) Investment Manager's cost and expenses associated with the operations of the Company or the relevant subfund with regard to

its establishment, organisational, administrative and offering expenses, (f) interest on borrowings, (g) communication expenses with respect to investor services and all expenses of meetings of shareholders and of preparing, printing and distributing financial and other reports, proxy forms, prospectuses, key investor information documents, and similar documents, (h) the cost of insurance (if any), (i) litigation and indemnification expenses and extraordinary expenses not incurred in the ordinary course of business, being inter alia the cost of obtaining and maintaining the listing of the shares, as the case may be and marketing and promotional expenses and (j) all other organisational and operating expenses, including out-of-pocket expenses incurred on behalf of the Company.

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.

The costs and expenses for the formation of the Company and the initial issue of its shares will be borne by the first subfunds of the Company (namely the Small Cap Latam Fund and the LATAM High Yield Bond Fund) and amortized over a period not exceeding 5 years. Any additional subfund(s) which may be created in the future shall bear their own formation expenses to be amortized over a period not exceeding 5 years.

The fees detailed in the table below shall be calculated as a percentage of the applicable Net Asset Value per share:

ZCH AM SICAV – ESG Latam Fund*

Class of Shares	Class A	Class B	Class EA	Class I
Management Fee	Up to 2.5%	Up to 1.5%	Up to 2.5%	Up to 0.80%
Initial charge	Up to 5.0%	0%	0%	0%
Sales charge	0%	0%	0%	0%
Distribution Fee	0%	0%	0%	0%
Redemption charge	0%	0%	0%	0%
Conversion charge	0%	0%	0%	0%

* formerly EuroAmerica AM SICAV – ESG Latam Fund

ZCH AM SICAV – Latam High Yield Bond Fund**

Class of Shares	Class A		Class B		Class EA	Class I	
	A	A-GBP	B	B-GBP	I	I-GBP	
Management Fee	Up to 2.5%	Up to 1.5%	Up to 1.5%	Up to 1.2%	0.10%	Up to 1.0%	Up to 0.7%
Initial charge	Up to 5.0%	0%	0%	0%	0%	0%	0%
Sales charge	0%	0%	0%	0%	0%	0%	0%
Distribution Fee	0%	0%	0%	0%	0%	0%	0%
Redemption charge	0%	0%	0%	0%	0%	0%	0%
Conversion charge	0%	0%	0%	0%	0%	0%	0%

ZCH AM SICAV – Small Cap Latam Fund***

Class of Shares	Class A	Class B	Class EA	Class I
Management Fee	Up to 2.5%	Up to 1.5%	0.10%	Up to 1.0%
Initial charge	Up to 5.0%	0%	0%	0%
Sales charge	0%	0%	0%	0%
Distribution Fee	0%	0%	0%	0%
Redemption charge	0%	0%	0%	0%
Conversion charge	0%	0%	0%	0%

** formerly EuroAmerica AM SICAV – Latam High Yield Bond Fund
*** formerly EuroAmerica AM SICAV – Small Cap Latam Fund

Note 3 – Taxe d'abonnement

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

The Company is not subject to net wealth tax.

The Company is, however, liable in Luxembourg to a subscription tax of 0.05% per annum of 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. This tax rate is reduced to 0.01% per annum for Classes of shares reserved to institutional investors within the meaning of Article 174 of the 2010 Law. In addition, the value of the subfund(s)' assets represented by units held in other Luxembourg undertaking for collective investment shall be exempt from this tax, provided such units have already been subject to this subscription tax.

Note 4 – Distribution

The Directors may issue distribution and capital-accumulation shares, as further specified in the prospectus.

- (i) Capital-accumulation shares do not pay any dividends.
- (ii) The distribution policy of the distribution shares can be summarised as follows:

Dividends will be declared by the relevant shareholders at the annual general meeting of shareholders or any other shareholder meeting. During the course of a financial year, the Board of Directors may declare interim dividends in respect of certain subfund(s) or distribution shares.

In the absence of any instruction to the contrary, dividends will be paid out. Holders of registered shares may however, by written request to the Registrar and Transfer Agent or by completion of the relevant section of the Application Form, elect to have dividends relating to any distribution Class of any subfund reinvested automatically in the acquisition of further shares relating to that subfund. Such shares will be purchased no later than on the next Valuation Day after the date of payment of the dividend. Shares allocated as a result of such reinvestment will not be subject to any sales charge.

Note 5 – Transaction costs

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

For the financial year ended on 31 December 2018, the Company incurred transaction costs relating to purchase or sale of investments in securities and similar transactions as follows:

ZCH AM SICAV*	Transaction costs
– ESG Latam Fund	31 373.25 USD
– Latam High Yield Bond Fund	10 504.64 USD
– Small Cap Latam Fund	103 866.11 USD

* formerly EuroAmerica AM SICAV

Not all transaction costs are separately identifiable. For fixed income investments, forward currency contracts and other derivative contracts, transaction costs will be included in the purchase and sale price of the investment. Whilst not separately identifiable these transaction costs will be captured within the performance of each subfund.

Note 6 – Name Change

The name of the Company was changed from EuroAmerica AM SICAV to ZCH AM SICAV as per 16 November 2018.

Note 7 – Official language

The English version of these financial statements is the authoritative version and only this version was audited by the auditors. However, in the case of Company shares sold to investors from other countries in which Company shares can be bought and sold, the Company and the depositary may recognize approved translations (i.e. approved by the Company and the depositary) into the languages concerned as binding upon themselves.

1) Global Exposure

Risk management

Risk management in accordance with the commitment approach is applied pursuant to the applicable laws and regulatory provisions.

Leverage

Leverage is defined pursuant to the applicable ESMA directives as the total of the notional values of the derivatives used by the respective subfund. According to this definition, leverage may result in artificially increased leverage amounts, as some derivatives that can be used for hedging purposes may be included in the calculation. Consequently, this information does not necessarily reflect the precise actual leverage risk that the investor is exposed to.

Subfund	Global risk calculation method
ZCH AM SICAV – ESG Latam Fund*	Commitment approach
ZCH AM SICAV – Latam High Yield Bond Fund**	Commitment approach
ZCH AM SICAV – Small Cap Latam Fund***	Commitment approach

* formerly EuroAmerica AM SICAV – ESG Latam Fund
 ** formerly EuroAmerica AM SICAV – Latam High Yield Bond Fund
 *** formerly EuroAmerica AM SICAV – Small Cap Latam Fund

2) Remuneration Policy and quantitative disclosure

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;

Unaudited Information

Audited Financial Statements as of 31 December 2018
ZCH AM SICAV

- (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 1 January 2018 until 31 December 2018:

	Number of beneficiaries	Fixed Remuneration in % of total	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 31 December 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 consists 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

Remuneration for the delegated Investment Manager EuroAmerica Administradora General de Fondos S.A. from 1 January 2018 until 31 December 2018:

	Number of beneficiaries	Fixed Remuneration	Variable Remuneration	Total
Staff	7	351 880	133 083	484 962
Thereof Senior	3	270 677	112 782	383 459

3) Transparency of securities financing transactions and their reuse

No securities financing transactions or total return swaps within the meaning of Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 ("SFTR") were used in the investment fund's financial year. As a result, no disclosures within the meaning of Article 13 of said Regulation need to be made to investors in the annual report.