

# MainTower SICAV

R.C.S. Luxembourg B 153.473

Audited Annual Report  
As at December 31, 2014

# MainTower SICAV

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# MainTower SICAV

## Organisation

### Board of Directors

#### Chairman

Mr Fausto Bianchi  
Wealth Management  
Sofia SGR Milan

#### Directors

Mr Marco Sagramoso  
Member  
Lemanik Asset Management S.A.

Mr Fabio Mazzali  
Member  
Zeus Capital S.A.

#### Registered Office

41, Op Bierg, L-8217 Mamer  
Grand Duchy of Luxembourg  
(Until December 31, 2014)

106, route d'Arlon, L-8210 Mamer  
Grand Duchy of Luxembourg  
(As from January 1, 2015)

#### Management Company

Lemanik Asset Management S.A.  
41, Op Bierg, L-8217 Mamer  
Grand Duchy of Luxembourg  
(Until December 31, 2014)

106, route d'Arlon, L-8210 Mamer  
Grand Duchy of Luxembourg  
(As from January 1, 2015)

#### Custodian and Paying Agent

RBC Investor Services Bank S.A.  
14, Porte de France, L-4360 Esch-sur-Alzette,  
Grand Duchy of Luxembourg

#### Administrative Agent, Registrar and Transfer Agent

RBC Investor Services Bank S.A.  
14, Porte de France, L-4360 Esch-sur-Alzette,  
Grand Duchy of Luxembourg

# MainTower SICAV

## Organisation (continued)

Domiciliary Agent

Lemanik Asset Management S.A.  
41, Op Bierg, L-8217 Mamer  
Grand Duchy of Luxembourg  
(Until December 31, 2014)

106, route d'Arlon, L-8210 Mamer  
Grand Duchy of Luxembourg  
(As from January 1, 2015)

Distributor

Lemanik Asset Management S.A.  
41, op Bierg, L-8217 Mamer  
Grand Duchy of Luxembourg  
(Until December 31, 2014)

106, route d'Arlon, L-8210 Mamer  
Grand Duchy of Luxembourg  
(As from January 1, 2015)

SOFIA Società di Gestione del Risparmio S.p.A.  
6, Via Vincenzo Monti, I-20123 Milano  
Italy

Banca Ifigest S.p.A (as from April 15, 2014)  
1, Piazza Santa Maria Sorprano, I-50125 Firenze  
Italy

IW Bank S.p.A (as from December 1, 2014)  
Via Cavriana 20, I-20134 Milano  
Italy

Investment Manager

Lemanik S.A.  
Via Giuseppe Bagutti 5, CH-6900 Lugano  
Switzerland

Investment Adviser

Zeus Capital S.A.  
61, Via San Gottardo, CH-6900 Massagno  
Switzerland

Cabinet de révision agréé

KPMG Luxembourg, Société coopérative  
39, Avenue John F. Kennedy, L-1855 Luxembourg  
Grand Duchy of Luxembourg

# MainTower SICAV

## **Report of the Board of Directors**

2014 was a consolidation year for the Sicav considering that it was the first complete year of life after the restructuring of 2013. The AUM nearly doubled from EUR 10 million to EUR 20 million and the goal is to launch during 2015 the remaining two sub funds still sleeping. Last year financial markets were mainly focused on Central banks policies and actions. Basically during the first months Fed was under spotlight for its decisions on the stop in QE action, the so called tapering and the potential starting of an increasing rates policy.

Effectively the reducing of buying program completed and the focus moved to ECB behaviour. UE was the only developed area which didn't put in place a QE strategy in order to restart the economy scenario. Fed, Boj, Boe already started such a kind of strategy supporting their economies and resulting in a depreciation of their own currencies in order to give more boost to the competitiveness of their countries.

As all knows, Bce represents an economic area and not a single sovereignty and this got more complications. As a consequence, waiting for a Bce decision, US, UK and Japanese equity markets saw a stronger increase in their valuation in respect of European one reflecting the different central banks behaviour.

In this context, bond markets were also influenced by these expectations and had a couple of down-spike movements in June and October showing uncertainty on an imminent rates increase in US. But even if the US economy showed a consistent recovery we think that is very early for this kind of action and keeping attention to the rating of issuers we continued to maintain our positions.

In the last quarter of the year we started to increase the exposure to Italian market considering it the most undervalued market in the western countries and the imminent starting of Bce QE will give to that country the biggest stimulus for an important recovery. That's why, even if we keep on thinking that US economy has more chances to continue the increasing path and UE has still very big problems in the governance especially, in the short term (12/18 months) UE and Italy in particular have more space to rise. While on UE bonds we think that even if valuations are really too high the QE starting will keep them at top level for some time.

### **MAINTOWER SICAV – HIGH VOLATILITY**

The yearly performance of the sub fund was -10.67%, the allocation was oriented during 2014 to equity investment in the Euro area and in particular on the Italian market. The reference markets have fluctuated within a wide lateral band on the expectation of a recovery in the economic cycle, more or less strong expectation that affected particularly the financial sector in the second half of the year. The delay of the indices within this side band, between 18000 and 22000 for Italy and 2800 and 3300 for the Eurostoxx50 did not affect the positive dynamics of the medium term, which is supported by the implementation of the ECB of unconventional monetary policies that will expand the budget for the benefit of the economic cycle. Additional indicators that move for the benefit of the economic cycle were in the second half of 2014 the gradual appreciation of the US Dollar and the sharp drop in oil prices. From a sector perspective has remained a strategic part of the portfolio of the financial sector that will benefit most from a possible upturn in the economy that has been delayed to the first quarter of 2015. We evaluated equity investments outside the European Union in terms marginal; during the year was reinforced the weight of small and micro cap Italian who benefited from a return of interest and volumes especially in the first and fourth quarters.

### **MAINTOWER SICAV – LOW VOLATILITY**

We sub fund recorded a -0.58% yearly performance, the first part of the year has been characterized by a low risk asset allocation, with the most part of the portfolio composed by investment grade and High Yield Bonds denominated in Euro, covered by short position on BUND and BTP. As the trend on lowering rates continued, all hedging has been removed and the High Yield part has been increased as well as the exposition in foreign currency, particularly in USD and GBP. The second part of the year has been strongly influenced by the weakness of equity markets due to the increasing correlation with High Yield Bonds. Moreover, the falling prices of OIL and the Russian crisis has affected part of the performance. The year has ended almost flat, but with strong potential rebound on bond and currency prices.

# MainTower SICAV

## **Report of the Board of Directors (continued)**

MAINTOWER SICAV – WISDOM

During the year we keep the investment strategy focused on the smoothing of the equity line of the sub fund by investing with a strategic view on sovereign bonds the majority of the AUM and managing with a tactical approach a dax and eurostoxx futures strategy in order to catch the daily movements on the markets both positive and negative.

Unfortunately, the very small assets of the sub fund led to a negative return of -6.65% on I class and -7.05% on A class.

Luxembourg, April 29, 2015

Mr Fabio Mazzali

# MainTower SICAV

## Report of the Réviseur d'Entreprises agréé

To the Shareholders of  
MainTower SICAV  
106, route d'Arlon,  
L-8210 Mamer  
Grand Duchy of Luxembourg

We have audited the accompanying financial statements of MainTower SICAV (the "SICAV") and each of its sub-funds, which comprise the statement of net assets and the statement of investments and other net assets as at December 31, 2014, and the statement of operations and changes in net assets for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Board of Directors of the SICAV's responsibility for the financial statements*

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

### *Responsibility of the Réviseur d'Entreprises agréé*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier*. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the judgment of the *Réviseur d'Entreprises agréé*, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the *Réviseur d'Entreprises agréé* considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors of the SICAV, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements give a true and fair view of the financial position of MainTower SICAV and each of its sub-funds, as of December 31, 2014, and of the results of their operations and changes in their net assets for the year then ended in accordance with the Luxembourg legal and regulatory requirements relating to the preparation of the financial statements.

### *Other matter*

Supplementary information included in the annual report has been reviewed in the context of our mandate but has not been subject to specific audit procedures carried out in accordance with the standards described above. Consequently, we express no opinion on such information. However, we have no observation to make concerning such information in the context of the financial statements taken as a whole.

Luxembourg, April 29, 2015

KPMG Luxembourg, Société coopérative  
Cabinet de révision agréé

Mickael Tabart

# MainTower SICAV

## STATEMENT OF NET ASSETS

as at December 31, 2014

	Notes	Flexible Low Volatility (in EUR)	Flexible High Volatility (in EUR)	Wisdom*  (in EUR)
<b><u>ASSETS</u></b>				
- Investments in securities at market value	(2a)	6,822,595.18	10,104,623.64	1,796,797.37
- Cash at bank		545,479.10	206,842.14	417,929.28
- Amounts receivable on sale of investments		-	163,757.50	-
- Amounts receivable on subscriptions		49,249.96	30,646.93	3,337.44
- Interest and dividend receivable, net		159,868.88	-	-
- Net formation expenses capitalised	(2f,12)	602.79	602.81	55,115.86
- Other assets / receivables		9,486.94	9,487.48	-
		<b>7,587,282.85</b>	<b>10,515,960.50</b>	<b>2,273,179.95</b>
<b><u>LIABILITIES</u></b>				
- Amounts payable on redemptions		-	42,439.80	-
- Net unrealised loss on futures contracts	(9)	-	-	2,712.50
- Management commission payable		13,606.72	23,985.14	5,773.52
- Taxes and expenses payable	(3)	24,963.80	26,003.99	10,919.05
		<b>38,570.52</b>	<b>92,428.93</b>	<b>19,405.07</b>
<b>TOTAL NET ASSETS</b>		<b>7,548,712.33</b>	<b>10,423,531.57</b>	<b>2,253,774.88</b>
Net asset value per Class I share		-	-	93.35
Number of Class I shares outstanding		-	-	9,990.686
Net asset value per Class A share		-	-	92.94
Number of Class A shares outstanding		-	-	14,214.601
Net asset value per Class H share		98.53	89.99	-
Number of Class H shares outstanding		76,615.468	115,826.479	-

\*The sub-fund MainTower SICAV – Wisdom was launched on February 10, 2014

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



# MainTower SICAV

## STATEMENT OF NET ASSETS

as at December 31, 2014 (continued)

	Notes	Combined (in EUR)
<b><u>ASSETS</u></b>		
- Investments in securities at market value	(2a)	18,724,016.19
- Cash at bank		1,170,250.52
- Amounts receivable on sale of investments		163,757.50
- Amounts receivable on subscriptions		83,234.33
- Interest and dividend receivable, net		159,868.88
- Net formation expenses capitalised	(2f,12)	56,321.46
- Other assets / receivables		<u>18,974.42</u>
		<b>20,376,423.30</b>
<b><u>LIABILITIES</u></b>		
- Amounts payable on redemptions		42,439.80
- Net unrealised loss on futures contracts	(9)	2,712.50
- Management commission payable		43,365.38
- Taxes and expenses payable	(3)	<u>61,886.84</u>
		<b>150,404.52</b>
<b>TOTAL NET ASSETS</b>		<b><u><u>20,226,018.78</u></u></b>

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

# MainTower SICAV

## STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

For the Year ended December 31, 2014

	Notes	Flexible Low Volatility (in EUR)	Flexible High Volatility (in EUR)	Wisdom*
				(in EUR)
<b>NET ASSETS AT THE BEGINNING OF THE YEAR</b>		5,734,824.33	3,391,948.24	-
<b><u>INCOME</u></b>				
Income from investments:				
- Dividends, net		585.43	56,060.84	-
- Bond interest, net		427,955.57	-	-
- Bank interest		-	-	0.75
- Other income		235.94	234.08	-
		<b>428,776.94</b>	<b>56,294.92</b>	<b>0.75</b>
<b><u>EXPENSES</u></b>				
Fees:				
- Advisory fee	(5)	48,675.54	56,712.63	12,570.74
- Performance fee	(5)	18,916.98	140,473.08	-
- Management commission	(5)	115,800.87	180,721.87	29,003.54
- Administration and transfer agent fees	(11)	83,793.98	130,694.42	37,971.86
Other Expenses				
- Audit and legal fees		67,103.10	70,447.41	28,627.02
- Subscription tax	(6)	4,402.30	5,433.27	768.15
- Bank charges and correspondent fees	(8)	46,747.09	183,450.62	16,470.87
- Bank interest		214.02	2,282.12	45.98
- Amortisation of formation expenses	(2f)	809.07	809.07	4,884.14
- Other charges	(10)	72,534.67	84,387.21	17,713.16
		<b>458,997.62</b>	<b>855,411.70</b>	<b>148,055.46</b>
<b><u>NET RESULT ON INVESTMENTS</u></b>		<b>(30,220.68)</b>	<b>(799,116.78)</b>	<b>(148,054.71)</b>
Net realised result on:				
- Investments		159,703.43	(642,769.56)	7,815.71
- Forward foreign exchange contracts		1,916.65	558.24	-
- Futures contracts		-	-	(31,040.27)
- Foreign exchange		23,797.51	10,392.79	(0.03)
<b><u>NET REALISED PROFIT/(LOSS)</u></b>		<b>155,196.91</b>	<b>(1,430,935.31)</b>	<b>(171,279.30)</b>
Change in net unrealised appreciation/(depreciation) on:				
- Investments		(190,218.84)	(719,016.31)	4,961.38
- Future contracts		-	-	(2,712.50)
<b><u>NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF OPERATIONS</u></b>		<b>(35,021.93)</b>	<b>(2,149,951.62)</b>	<b>(169,030.42)</b>
<b><u>MOVEMENTS IN CAPITAL</u></b>				
Subscriptions of shares		12,864,982.07	18,051,584.85	2,702,680.23
Redemptions of shares		(11,016,072.14)	(8,870,049.90)	(279,874.93)
<b>NET ASSETS AT THE END OF THE YEAR</b>		<b>7,548,712.33</b>	<b>10,423,531.57</b>	<b>2,253,774.88</b>

\*The sub-fund MainTower SICAV – Wisdom was launched on February 10, 2014

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

# MainTower SICAV

## STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

For the Year ended December 31, 2014 (continued)

	Notes	Combined (in EUR)
<b>NET ASSETS AT THE BEGINNING OF THE YEAR</b>		9,126,772.57
<b>INCOME</b>		
Income from investments:		
- Dividends, net		56,646.27
- Bond interest, net		427,955.57
- Bank interest		0.75
- Other income		470.02
		<b>485,072.61</b>
<b>EXPENSES</b>		
Fees:		
- Advisory fee	(5)	117,958.91
- Performance fee	(5)	159,390.06
- Management commission	(5)	325,526.28
- Administration and transfer agent fees	(11)	252,460.26
Other Expenses		
- Audit and legal fees		166,177.53
- Subscription tax	(6)	10,603.72
- Bank charges and correspondent fees	(8)	246,668.58
- Bank interest		2,542.12
- Amortisation of formation expenses	(2f)	6,502.28
- Other charges	(10)	174,635.04
		<b>1,462,464.78</b>
<b>NET RESULT ON INVESTMENTS</b>		<b>(977,392.17)</b>
Net realised result on:		
- Investments		(475,250.42)
- Forward foreign exchange contracts		2,474.89
- Futures contracts		(31,040.27)
- Foreign exchange		34,190.27
		<b>(1,447,017.70)</b>
<b>NET REALISED PROFIT/(LOSS)</b>		<b>(1,447,017.70)</b>
Change in net unrealised appreciation/(depreciation) on:		
- Investments		(904,273.77)
- Future contracts		(2,712.50)
<b>NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF OPERATIONS</b>		<b>(2,354,003.97)</b>
<b>MOVEMENTS IN CAPITAL</b>		
Subscriptions of shares		33,619,247.15
Redemptions of shares		(20,165,996.97)
<b>NET ASSETS AT THE END OF THE YEAR</b>		<b>20,226,018.78</b>

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

# MainTower SICAV

## STATISTICAL INFORMATION

as at December 31, 2014

	Flexible Low Volatility (in EUR)	Flexible High Volatility (in EUR)	Wisdom* (in EUR)
<b>Total net assets</b>			
- as at December 31, 2014	7,548,712.33	10,423,531.57	2,253,774.88
- as at December 31, 2013	5,734,824.33	3,391,948.24	-
- as at December 31, 2012	921,277.57	865,840.56	-
<b>Number of Class I shares outstanding</b>			
- outstanding at the beginning of the year/period	4,112.427	2,659.816	-
- subscribed	-	-	12,624.678
- redeemed	(4,112.427)	(2,659.816)	(2,633.992)
- outstanding at the end of the year/period	-	-	9,990.686
<b>Net asset value per Class I share</b>			
- as at December 31, 2014	-	-	93.35
- as at December 31, 2013	57.49	55.52	-
- as at December 31, 2012	69.14	65.38	-
<b>Number of Class A shares outstanding</b>			
- outstanding at the beginning of the year/period	5,842.000	2,426.942	-
- subscribed	-	-	14,464.934
- redeemed	(5,842.000)	(2,426.942)	(250.333)
- outstanding at the end of the year/period	-	-	14,214.601
<b>Net asset value per Class A share</b>			
- as at December 31, 2014	-	-	92.94
- as at December 31, 2013	65.63	62.44	-
- as at December 31, 2012	79.31	74.17	-
<b>Number of Class H shares outstanding</b>			
- outstanding at the beginning of the year/period	51,608.385	30,699.928	-
- subscribed	128,383.495	173,313.875	-
- redeemed	(103,376.412)	(88,187.324)	-
- outstanding at the end of the year/period	76,615.468	115,826.479	-
<b>Net asset value per Class H share</b>			
- as at December 31, 2014	98.53	89.99	-
- as at December 31, 2013	99.11	100.74	-
- as at December 31, 2012	-	-	-

\*The sub-fund MainTower SICAV – Wisdom was launched on February 10, 2014

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

# MainTower SICAV

## Flexible Low Volatility

### STATEMENT OF INVESTMENTS AND OTHER NET ASSETS

as at December 31, 2014

(in EUR)

Currency	Quantity	Description	Cost	Market value	% of net assets
<b><u>Transferable securities listed on an official stock exchange or on another regulated market</u></b>					
<b><u>Bonds</u></b>					
<b>Banks and Financial Institutions</b>					
EUR	200,000	DEUT BK 6% 14-PERP	200,712.50	193,545.20	2.56%
GBP	200,000	DEUT BK 7.125% 14-PERP /FTF	250,338.49	244,133.68	3.23%
BRL	500,000	KFW 6% 13-15.03.16	145,038.17	146,691.51	1.94%
TRY	400,000	KFW 8.5% 13-19.09.17	138,598.10	141,785.00	1.88%
MXN	2,500,000	RABOBANK NED. 8.75% 06-24.01.17	153,752.43	152,181.03	2.02%
EUR	200,000	SANTANDER 6.25% 14-PERP	194,950.00	193,500.00	2.56%
EUR	300,000	SOCGEN 6.75% 14-PERP	308,343.75	291,750.00	3.87%
EUR	200,000	UNICREDIT 6.75% 14-PERP	197,988.00	193,250.00	2.56%
USD	300,000	UNICREDIT 8% 14-PERP	224,912.51	240,437.81	3.19%
EUR	150,000	VTB CAP 4.25% 06-15.02.16 LOAN	141,375.00	141,447.00	1.87%
AUD	400,000	VTB CAP 7.5% 12-11.12.17	257,936.50	229,120.06	3.04%
			<b>2,213,945.45</b>	<b>2,167,841.29</b>	<b>28.72%</b>
<b>Construction, Building Material</b>					
USD	400,000	CLIFFS NATU 4.875% 11-01.04.21	280,591.19	176,044.75	2.33%
			<b>280,591.19</b>	<b>176,044.75</b>	<b>2.33%</b>
<b>Holding and Financial Companies</b>					
GBP	180,000	CLERICAL MED 7.375% 99	237,557.10	245,132.99	3.25%
USD	200,000	GAZ CAP 5.999% 11-23.01.21 REGS	153,661.40	146,286.61	1.94%
USD	200,000	GREENLAND G 5.875% 14-03.07.24	144,441.19	164,567.46	2.18%
USD	200,000	RHSB CAP 5.1% 13-25.07.18 REGS	138,612.49	136,227.38	1.80%
EUR	100,000	SUEDZUCK.INTL 5.25% (TV) 05-PERP	93,240.00	94,093.00	1.25%
EUR	200,000	WIND ACQ 7% 14-23.04.21	200,250.00	195,800.00	2.59%
			<b>967,762.18</b>	<b>982,107.44</b>	<b>13.01%</b>
<b>Insurance</b>					
NLG	300,000	AEGON NV 4.156% 95 /STP-DWN	124,608.05	87,806.47	1.16%
			<b>124,608.05</b>	<b>87,806.47</b>	<b>1.16%</b>
<b>Leisure</b>					
EUR	200,000	DOMETIC GRP 9.5% 26.06.19 /PIK	196,460.00	191,500.00	2.53%
EUR	150,000	SNAI 7.625% 13-15.06.18	153,654.00	150,750.00	2.00%
			<b>350,114.00</b>	<b>342,250.00</b>	<b>4.53%</b>

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

# MainTower SICAV

## Flexible Low Volatility

### STATEMENT OF INVESTMENTS AND OTHER NET ASSETS (continued)

as at December 31, 2014

(in EUR)

Currency	Quantity	Description	Cost	Market value	% of net assets
<b>Mines, Heavy Industries</b>					
USD	200,000	ARCELORMIT 7% 11-01.03.41	142,698.71	165,761.76	2.20%
EUR	300,000	OVAKO GROUP 6.5% 14-01.06.19	307,550.00	291,000.00	3.85%
			<b>450,248.71</b>	<b>456,761.76</b>	<b>6.05%</b>
<b>Miscellaneous</b>					
EUR	200,000	THOM EUROPE 7.375% 14-15.07.19	189,980.00	190,000.00	2.52%
			<b>189,980.00</b>	<b>190,000.00</b>	<b>2.52%</b>
<b>News Transmission</b>					
EUR	200,000	ALTICE 7.25% 14-15.05.22	209,250.00	203,000.00	2.69%
USD	300,000	TELEMAR N L 5.5% 23.10.20 REGS	220,458.47	230,750.25	3.06%
			<b>429,708.47</b>	<b>433,750.25</b>	<b>5.75%</b>
<b>Other Services</b>					
EUR	200,000	SGD GROUP 5.625% 14-15.04.19	203,213.00	195,000.00	2.58%
			<b>203,213.00</b>	<b>195,000.00</b>	<b>2.58%</b>
<b>Petrol</b>					
GBP	200,000	PETROBRAS 6.625% 14-16.01.34	239,976.87	218,567.15	2.90%
			<b>239,976.87</b>	<b>218,567.15</b>	<b>2.90%</b>
<b>Public Services</b>					
GBP	200,000	EDF 5.875% 14-PERP	244,611.79	267,143.04	3.54%
			<b>244,611.79</b>	<b>267,143.04</b>	<b>3.54%</b>
<b>Supranational</b>					
ZAR	3,000,000	EIB 5.75% 13-21.12.17 REGS SR	193,034.85	204,022.16	2.70%
			<b>193,034.85</b>	<b>204,022.16</b>	<b>2.70%</b>
<b>Transportation</b>					
EUR	200,000	RICKMERS HLD 8.875% 13-11.06.18	175,700.00	146,200.00	1.94%
GBP	200,000	RZD CAPITAL 7.487% 11-25.03.31	249,893.37	222,347.87	2.94%
			<b>425,593.37</b>	<b>368,547.87</b>	<b>4.88%</b>
<b>Total - Bonds</b>			<b>6,313,387.93</b>	<b>6,089,842.18</b>	<b>80.67%</b>
<b>Total - Transferable securities listed on an official stock exchange or on another regulated market</b>			<b>6,313,387.93</b>	<b>6,089,842.18</b>	<b>80.67%</b>

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

# MainTower SICAV

## Flexible Low Volatility

### STATEMENT OF INVESTMENTS AND OTHER NET ASSETS (continued)

as at December 31, 2014

(in EUR)

Currency	Quantity	Description	Cost	Market value	% of net assets
<b><u>Transferable securities admitted to an other regulated market</u></b>					
<b><u>Bonds</u></b>					
<b>Banks and Financial Institutions</b>					
USD	200,000	INTESA SAN 5.017% 14-26.06.24	148,624.93	159,498.03	2.11%
			<b>148,624.93</b>	<b>159,498.03</b>	<b>2.11%</b>
<b>Holding and Financial Companies</b>					
USD	200,000	CIA BRASIL 4.75% 14-17.06.24	150,028.99	159,591.97	2.12%
			<b>150,028.99</b>	<b>159,591.97</b>	<b>2.12%</b>
<b>Total - Bonds</b>			<b>298,653.92</b>	<b>319,090.00</b>	<b>4.23%</b>
<b>Total - Transferable securities admitted to an other regulated market</b>			<b>298,653.92</b>	<b>319,090.00</b>	<b>4.23%</b>
<b><u>Other Transferable Securities</u></b>					
<b><u>Bonds</u></b>					
<b>Electronic Semiconductor</b>					
EUR	100,000	TESMEC 6% 14-10.04.21	100,050.00	99,100.00	1.31%
			<b>100,050.00</b>	<b>99,100.00</b>	<b>1.31%</b>
<b>Total - Bonds</b>			<b>100,050.00</b>	<b>99,100.00</b>	<b>1.31%</b>
<b>Total - Other Transferable Securities</b>			<b>100,050.00</b>	<b>99,100.00</b>	<b>1.31%</b>
<b><u>Investment Funds</u></b>					
<b>Investment Funds</b>					
EUR	2,900	ISHS EUR H YLD CO BD UCI DIS	313,126.46	314,563.00	4.17%
			<b>313,126.46</b>	<b>314,563.00</b>	<b>4.17%</b>
<b>Total - Investment Funds</b>			<b>313,126.46</b>	<b>314,563.00</b>	<b>4.17%</b>
<b>Total Investments</b>			<b>7,025,218.31</b>	<b>6,822,595.18</b>	<b>90.38%</b>
<b>Other Net Assets</b>				<b>726,117.15</b>	<b>9.62%</b>
<b>Total Net Assets</b>				<b>7,548,712.33</b>	<b>100.00%</b>

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

# MainTower SICAV

## Flexible Low Volatility

### **GEOGRAPHICAL CLASSIFICATION OF INVESTMENTS**

as at December 31, 2014

(by Country of incorporation - in percentage of net assets)

Luxembourg	18.83%
France	12.51%
Germany	11.55%
Italy	11.17%
Netherlands	7.33%
Ireland	7.11%
Sweden	6.38%
Brazil	5.18%
Great Britain	3.25%
Spain	2.56%
United States of America	2.33%
British Virgin Islands	<u>2.18%</u>
 TOTAL	 <u><u>90.38%</u></u>

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



# MainTower SICAV

## Flexible Low Volatility

### **INDUSTRIAL CLASSIFICATION OF INVESTMENTS**

as at December 31, 2014

(in percentage of net assets)

Banks and Financial Institutions	30.83%
Holding and Financial Companies	15.13%
Mines, Heavy Industries	6.05%
News Transmission	5.75%
Transportation	4.88%
Leisure	4.53%
Investment Funds	4.17%
Public Services	3.54%
Petrol	2.90%
Supranational	2.70%
Other Services	2.58%
Miscellaneous	2.52%
Construction, Building Material	2.33%
Electronic Semiconductor	1.31%
Insurance	<u>1.16%</u>
TOTAL	<u>90.38%</u>

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

# MainTower SICAV

## Flexible High Volatility

### STATEMENT OF INVESTMENTS AND OTHER NET ASSETS

as at December 31, 2014

(in EUR)

Currency	Quantity	Description	Cost	Market value	% of net assets
<b><u>Transferable securities listed on an official stock exchange or on another regulated market</u></b>					
<b><u>Equities</u></b>					
<b>Aerospace Technology</b>					
EUR	50,000	FINMECCANICA /POST REGROUP.	352,973.47	386,750.00	3.71%
			<b>352,973.47</b>	<b>386,750.00</b>	<b>3.71%</b>
<b>Automobile Industry</b>					
EUR	35,000	FIAT CHRYSLER AUTOMOBILES N.V	328,236.24	336,000.00	3.22%
			<b>328,236.24</b>	<b>336,000.00</b>	<b>3.22%</b>
<b>Banks and Financial Institutions</b>					
EUR	50,000	BANCA POP ETRURIA LAZIO	27,280.90	19,385.00	0.19%
EUR	50,000	BANCO POPOLARE -AZ. POST RAG	571,319.90	503,000.00	4.83%
EUR	700,000	BCA POPOLARE DI MILANO	402,180.73	379,750.00	3.64%
EUR	300,000	INTESA SANPAOLO SPA	695,843.49	726,600.00	6.97%
EUR	50,000	MEDIOBANCA BCA CREDITO FINANZ.	344,927.22	338,500.00	3.25%
EUR	180,000	UNICREDIT AZ	1,109,580.85	960,300.00	9.21%
EUR	95,000	UNIONE DI BANCHE ITALIANE SCPA	558,465.30	566,200.00	5.43%
			<b>3,709,598.39</b>	<b>3,493,735.00</b>	<b>33.52%</b>
<b>Construction, Building Material</b>					
EUR	40,000	ITALCEMENTI SPA	200,732.63	197,600.00	1.89%
EUR	224,000	PANARIAGROUP INDUST.CERAMICHE	325,406.72	280,000.00	2.69%
			<b>526,139.35</b>	<b>477,600.00</b>	<b>4.58%</b>
<b>Electronic Semiconductor</b>					
EUR	137,563	BEGHELLI SPA MONTEVEGLIO	68,263.83	55,231.54	0.53%
EUR	18,000	GEFRAN SPA	56,729.40	54,180.00	0.52%
EUR	100,000	TESMEC	64,751.00	58,300.00	0.56%
			<b>189,744.23</b>	<b>167,711.54</b>	<b>1.61%</b>
<b>Electronics and Electrical Equipment</b>					
EUR	27,851	IRCE SPA	56,116.67	48,767.10	0.47%
			<b>56,116.67</b>	<b>48,767.10</b>	<b>0.47%</b>
<b>Graphic Art, Publishing</b>					
EUR	100,000	ARNOLDO MONDADORI EDITORE SPA	113,220.98	87,550.00	0.84%
			<b>113,220.98</b>	<b>87,550.00</b>	<b>0.84%</b>

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

# MainTower SICAV

## Flexible High Volatility

### STATEMENT OF INVESTMENTS AND OTHER NET ASSETS (continued)

as at December 31, 2014

(in EUR)

Currency	Quantity	Description	Cost	Market value	% of net assets
<b>Holding and Financial Companies</b>					
EUR	140,000	DEA CAPITAL SPA	217,379.18	226,940.00	2.18%
EUR	40,000	MEDIOLANUM SPA	204,750.25	211,600.00	2.03%
			<b>422,129.43</b>	<b>438,540.00</b>	<b>4.21%</b>
<b>Insurance</b>					
EUR	20,000	ASSICURAZIONI GENERALI SPA	328,614.36	340,000.00	3.26%
			<b>328,614.36</b>	<b>340,000.00</b>	<b>3.26%</b>
<b>Mechanics, Machinery</b>					
EUR	170,000	EMAK SPA BAGNOLO IN PIANO	158,966.85	146,115.00	1.40%
			<b>158,966.85</b>	<b>146,115.00</b>	<b>1.40%</b>
<b>News Transmission</b>					
EUR	60,000	MEDIASET SPA	197,063.50	206,400.00	1.98%
EUR	15,000	PRYSMIAN SPA	220,388.11	227,250.00	2.18%
EUR	600,000	TELECOM ITALIA SPA	535,969.31	529,200.00	5.08%
			<b>953,420.92</b>	<b>962,850.00</b>	<b>9.24%</b>
<b>Non-Ferrous Metals</b>					
EUR	200,000	INTEK GRP /POST REGRP	74,629.58	65,320.00	0.63%
			<b>74,629.58</b>	<b>65,320.00</b>	<b>0.63%</b>
<b>Petrol</b>					
EUR	25,000	ENI SPA ROMA	393,457.07	362,750.00	3.48%
EUR	20,000	SAIPEM SPA	201,204.97	175,300.00	1.68%
			<b>594,662.04</b>	<b>538,050.00</b>	<b>5.16%</b>
<b>Pharmaceuticals and Cosmetics</b>					
EUR	130,000	ISAGRO SPA	276,208.62	187,460.00	1.80%
			<b>276,208.62</b>	<b>187,460.00</b>	<b>1.80%</b>
<b>Public Services</b>					
EUR	250,000	A2A SPA	210,414.17	209,375.00	2.01%
EUR	120,000	ENEL	460,694.07	443,520.00	4.25%
			<b>671,108.24</b>	<b>652,895.00</b>	<b>6.26%</b>
<b>Textile</b>					
EUR	75,000	AEFFE SPA	77,605.62	163,950.00	1.57%
EUR	10,000	MONCLER SPA	113,735.01	111,200.00	1.07%
EUR	4,000	TOD S SPA	271,740.58	288,000.00	2.76%
			<b>463,081.21</b>	<b>563,150.00</b>	<b>5.40%</b>

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

# MainTower SICAV

## Flexible High Volatility

### STATEMENT OF INVESTMENTS AND OTHER NET ASSETS (continued)

as at December 31, 2014

(in EUR)

Currency	Quantity	Description	Cost	Market value	% of net assets
<b>Transportation</b>					
EUR	10,000	ATLANTIA SPA	192,281.82	193,300.00	1.86%
			<b>192,281.82</b>	<b>193,300.00</b>	<b>1.86%</b>
<b>Total - Equities</b>			<b>9,411,132.40</b>	<b>9,085,793.64</b>	<b>87.17%</b>
<b>Total - Transferable securities listed on an official stock exchange or on another regulated market</b>			<b>9,411,132.40</b>	<b>9,085,793.64</b>	<b>87.17%</b>
<b><u>Other Transferable Securities</u></b>					
<b><u>Equities</u></b>					
EUR	350,000	BANCO ESPIRITO SANTO SA /REG	350,196.18	42,000.00	0.40%
<b>Total - Equities</b>			<b>350,196.18</b>	<b>42,000.00</b>	<b>0.40%</b>
<b>Total - Other Transferable Securities</b>			<b>350,196.18</b>	<b>42,000.00</b>	<b>0.40%</b>
<b><u>Investment Funds</u></b>					
<b>Investment Funds</b>					
EUR	3,000	LYXOR ETF DLY DBL SHORT BUND	182,160.00	137,430.00	1.32%
EUR	55,000	LYXOR UC ETF DAILY LEV PARTS	457,485.92	440,000.00	4.22%
EUR	20,000	LYXOR.ETF EU.DAILY LEV DIS /CAP	369,150.36	399,400.00	3.83%
			<b>1,008,796.28</b>	<b>976,830.00</b>	<b>9.37%</b>
<b>Total - Investment Funds</b>			<b>1,008,796.28</b>	<b>976,830.00</b>	<b>9.37%</b>
<b>Total Investments</b>			<b>10,770,124.86</b>	<b>10,104,623.64</b>	<b>96.94%</b>
<b>Other Net Assets</b>					<b>3.06%</b>
					<b>318,907.93</b>
<b>Total Net Assets</b>					<b>100.00%</b>
					<b>10,423,531.57</b>

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

# MainTower SICAV

## Flexible High Volatility

### **GEOGRAPHICAL CLASSIFICATION OF INVESTMENTS**

as at December 31, 2014

(by Country of incorporation - in percentage of net assets)

Italy	83.95%
France	9.37%
Netherlands	3.22%
Portugal	<u>0.40%</u>
TOTAL	<u>96.94%</u>

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

# MainTower SICAV

## Flexible High Volatility

### **INDUSTRIAL CLASSIFICATION OF INVESTMENTS**

as at December 31, 2014

(in percentage of net assets)

Banks and Financial Institutions	33.92%
Investment Funds	9.37%
News Transmission	9.24%
Public Services	6.26%
Textile	5.40%
Petrol	5.16%
Construction, Building Material	4.58%
Holding and Financial Companies	4.21%
Aerospace Technology	3.71%
Insurance	3.26%
Automobile Industry	3.22%
Transportation	1.86%
Pharmaceuticals and Cosmetics	1.80%
Electronic Semiconductor	1.61%
Mechanics, Machinery	1.40%
Graphic Art, Publishing	0.84%
Non-Ferrous Metals	0.63%
Electronics and Electrical Equipment	<u>0.47%</u>
TOTAL	<u><u>96.94%</u></u>

# MainTower SICAV

## Wisdom\*

### STATEMENT OF INVESTMENTS AND OTHER NET ASSETS

as at December 31, 2014

(in EUR)

Currency	Quantity	Description	Cost	Market value	% of net assets
<b><u>Transferable securities listed on an official stock exchange or on another regulated market</u></b>					
<b><u>Bonds</u></b>					
<b>States, Provinces, and Municipalities</b>					
EUR	300,000	ITALY 0% 14-13.02.15 BOT	298,082.53	299,764.07	13.30%
EUR	300,000	ITALY 0% 14-13.11.15 BOT	298,911.00	298,972.57	13.26%
EUR	300,000	ITALY 0% 14-14.01.15 BOT	298,313.07	299,927.85	13.31%
EUR	300,000	ITALY 0% 14-14.04.15 BOT	298,191.00	299,483.20	13.29%
EUR	300,000	ITALY 0% 14-14.09.15 BOT	299,160.00	299,355.67	13.28%
EUR	300,000	ITALY 0% 14-14.10.15 BOT	299,178.39	299,294.01	13.28%
			<b>1,791,835.99</b>	<b>1,796,797.37</b>	<b>79.72%</b>
<b>Total - Bonds</b>			<b>1,791,835.99</b>	<b>1,796,797.37</b>	<b>79.72%</b>
<b>Total - Transferable securities listed on an official stock exchange or on another regulated market</b>			<b>1,791,835.99</b>	<b>1,796,797.37</b>	<b>79.72%</b>
<b>Total Investments</b>			<b>1,791,835.99</b>	<b>1,796,797.37</b>	<b>79.72%</b>
<b>Other Net Assets</b>				<b>456,977.51</b>	<b>20.28%</b>
<b>Total Net Assets</b>				<b>2,253,774.88</b>	<b>100.00%</b>

\*The sub-fund MainTower SICAV – Wisdom was launched on February 10, 2014

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

# MainTower SICAV

## Wisdom\*

### **GEOGRAPHICAL CLASSIFICATION OF INVESTMENTS**

as at December 31, 2014

(by Country of incorporation - in percentage of net assets)

Italy	<u>79.72%</u>
TOTAL	<u><u>79.72%</u></u>

\*The sub-fund MainTower SICAV – Wisdom was launched on February 10, 2014

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



# MainTower SICAV

## Wisdom\*

### **INDUSTRIAL CLASSIFICATION OF INVESTMENTS**

as at December 31, 2014

(in percentage of net assets)

States, Provinces, and Municipalities	<u>79.72%</u>
TOTAL	<u><u>79.72%</u></u>

\*The sub-fund MainTower SICAV – Wisdom was launched on February 10, 2014

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

# MainTower SICAV

## **NOTES TO THE FINANCIAL STATEMENTS as at December 31, 2014**

### **NOTE 1 - GENERAL INFORMATION**

MAINTOWER SICAV (the "SICAV") was established on June 1, 2010 for an unlimited period, organized under the Law of the Grand Duchy of Luxembourg as an Investment Company with Variable Capital (« SICAV »). The Fund is registered pursuant to part I of the law of December 17th, 2010 on undertakings for collective investments (the "law"), as amended.

The SICAV is registered at the "Registre de Commerce et des Sociétés" with the District Court of Luxembourg under the number B 153.473.

The Articles are published in the "Mémorial C, Recueil des Sociétés et Associations" (the "Mémorial") of June 22nd, 2010 and have been filed with the Chancery of the District Court of Luxembourg. Any interested person may inspect the Articles on the Chancery of the District Court of Luxembourg website at [www.rcsl.lu](http://www.rcsl.lu) upon payment of the applicable charges.

Annual financial reports may be obtained at the registered office of the SICAV. The net asset values, the subscription prices and the redemption prices along with any other notices to the shareholders are available at the Custodian Bank.

The following sub-funds of the SICAV are active as at December 31, 2014:

- MainTower SICAV - Flexible Low Volatility ("Flexible Low Volatility")
- MainTower SICAV - Flexible High Volatility ("Flexible High Volatility")
- MainTower SICAV - Wisdom ("Wisdom") (launched on February 10, 2014)

Each sub-fund offers three classes of Shares which will differ in the status of the investors:

- Class A Retail, intended for direct distribution to retail investors
- Class H Retail, intended for direct distribution to retail investors with a high level specific distribution partner
- Class I Institutional, intended for institutional investors

The valuation currency used for the Net Asset Values calculation will be EUR for all classes of Shares for each sub-fund and for the consolidation of each sub-fund. The Net Asset Value are determined on each Business Day in Luxembourg.

The share classes I and A of the sub-fund Flexible Low Volatility were closed respectively on January 24, 2014 and February 12, 2014.

The share classes I and A of the sub-fund Flexible High Volatility were closed respectively on January 24, 2014 and February 11, 2014.

The sub-fund MainTower SICAV – WISDOW was launched in February 2014. The share classes I and A received initial subscription respectively on February 10, 2014 and February 13, 2014.

### **NOTE 2 - ACCOUNTING PRINCIPLES**

The significant accounting policies used by the SICAV are as follows :

#### **a) Valuation of investments**

The Net Asset Value per Share of each Class in respect of each sub-fund shall be determined in the Reference Currency of that Class or sub-fund.

The value of any cash on hand or on deposit, bills and demand notes payable and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received is 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 is arrived at after making such discount as may be considered appropriate in such case to reflect the true value thereof.

The value of any security or other asset which is quoted or dealt in on a stock exchange will be based on its last available price in Luxembourg on the stock exchange which is normally the principal market for such security.

# MainTower SICAV

## **NOTES TO THE FINANCIAL STATEMENTS (continued) as at December 31, 2014**

### **NOTE 2 - ACCOUNTING PRINCIPLES (continued)**

The value of any security or other asset dealt in on any other regulated market that operates regularly, is recognized and is open to the public (a "Regulated Market") will be based on its last available price in Luxembourg.

In the event that any assets are not listed nor dealt in on any stock exchange or on any other Regulated Market, or if, with respect to assets listed or dealt in on any stock exchange or on any other Regulated Market as aforesaid, the price as determined pursuant to the above sub-paragraph is not, in the opinion of the Board of Directors, representative of the fair market value of the relevant assets, the value of such assets will be based on the reasonably foreseeable sales price determined prudently and in good faith.

Units or shares of undertakings for collective investment will be valued at their last determined and available net asset value or, if such price is not, in the opinion of the Board of Directors, representative of the fair market value of such assets, then the price shall be determined by the Board of Directors on a fair and equitable basis.

The liquidating value of futures, spot, forward or options contracts not traded on stock exchanges nor on other Regulated Markets shall mean their net liquidating value determined, pursuant to the policies established by the Board of Directors, on a basis consistently applied for each different variety of contracts. The liquidating value of futures, spot, forward or options contracts traded on stock exchanges or on other Regulated Markets shall be based upon the last available settlement prices of these contracts on stock exchanges and Regulated Markets on which the particular futures, spot, forward or options contracts are traded by the Fund; provided that if a futures, spot, forward or options contract could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the Board of Directors may deem fair and reasonable. Swaps will be valued at their market value.

The value of money market instruments not traded on any stock exchange nor on any other Regulated Market and with a remaining maturity of less than 12 months and of more than 90 days is deemed to be the nominal value thereof, increased by any interest accrued thereon. Money market instruments with a remaining maturity of 90 days or less will be valued by the amortized cost method, which approximates market value.

#### **b) Valuation of forward exchange contracts**

The unrealised gain or loss of outstanding forward exchange contracts is valued on the basis of the forward exchange rates prevailing at valuation date.

#### **c) Net realised profit or loss on sale of investments**

The net realised profit or loss on sale of investments is determined on the basis of the average cost of investments sold.

#### **d) Conversion of foreign currencies**

All assets expressed in currencies other than the concerned sub-fund's currency are converted into the sub-fund's currency at the exchange rate prevailing on closing date in Luxembourg.

#### **e) Acquisition cost of investments**

The cost of investments expressed in currencies other than EUR are converted into EUR at the exchange rate prevailing on purchase date.

#### **f) Formation expenses**

Formation costs and expenses shall be charged to the SICAV and amortized over a 5 year period.

Expenses incurred in connection with the creation of any additional sub-fund shall be borne by the relevant sub-fund and will be written off over a period of five years.

# MainTower SICAV

## **NOTES TO THE FINANCIAL STATEMENTS (continued) as at December 31, 2014**

### **NOTE 2 - ACCOUNTING PRINCIPLES (continued)**

#### **g) Unrealised profit or loss**

In accordance with current practices, unrealised profits or losses at the end of the Financial Year are accounted for in the financial statements.

#### **h) Income, expenses and accruals**

Interest income is accrued on a day-to-day basis and dividends are accrued on an ex-dividend basis. Interest and dividend income are stated net of irrecoverable withholding taxes, if any.

When the SICAV incurs any expenses, which relate to a particular sub-fund or to any action taken in connection with a particular sub-fund, such expense shall be allocated to the relevant sub-fund.

Expenses of the SICAV, which cannot be considered as being attributable to a particular sub-fund, shall be allocated to all the sub-funds pro rata to the net asset value of each sub-fund.

#### **i) Purchases and sales of investments**

The details of purchases and sales of investments of the period covered by this report can be obtained free of charge at the registered office of the SICAV.

### **NOTE 3 - TAXES AND EXPENSES PAYABLE**

	<b>Flexible Low</b>	<b>Flexible High</b>	<b>Wisdom</b>	
	<b>Volatility</b>	<b>Volatility</b>		
Audit Fees	8,784.00	8,546.23	2,147.59	EUR
Domiciliary fees	337.77	455.48	212.35	EUR
Subscription tax (note 6)	921.81	1,068.63	188.66	EUR
Administration and Custody fees	10,308.69	11,722.25	4,394.26	EUR
Transfer Agent fees	932.74	932.74	932.74	EUR
Other fees	3,678.79	3,278.66	3,043.45	EUR
<b>Total</b>	<b>24,963.80</b>	<b>26,003.99</b>	<b>10,919.05</b>	<b>EUR</b>

### **NOTE 4 - SUBSCRIPTION FEE AND REDEMPTION FEE**

The subscription price corresponds to the Net Asset Value per Share of the relevant Class of each sub-fund on the relevant Valuation Day which may be increased by a sales fee of a maximum of 3% of the applicable Net Asset Value per Share and which shall revert to the sales agents.

The redemption price corresponds to the Net Asset Value per Share of the relevant Class of each sub-fund on the relevant Valuation Day which may be reduced by a redemption fee of a maximum of 3% of the applicable Net Asset Value per Share and which shall revert to the sales agents.

### **NOTE 5 - MANAGEMENT COMMISSION, ADVISORY FEES AND PERFORMANCE FEES**

A Management Fee is payable to the Management Company by the sub-fund in remuneration for its services.

The Management Fee is calculated as follows until October 2014:

Up to 2.50% per annum for Class A Shares

Up to 3.00% per annum for Class H Shares

Up to 2.00% per annum for Class I Shares

# MainTower SICAV

## **NOTES TO THE FINANCIAL STATEMENTS (continued) as at December 31, 2014**

### **NOTE 5 - MANAGEMENT COMMISSION, ADVISORY FEES AND PERFORMANCE FEES (continued)**

The Management Fee is calculated as follows since November 2014:

Up to 1.80% per annum for Class A Shares

Up to 2.50% per annum for Class H Shares

Up to 1.80% per annum for Class I Shares

The Management Fee per annum is calculated monthly and accrued with every NAV calculation on the assets of each Class within each sub-fund.

In addition, the Management Company is entitled to receive, on the assets of each Class within each sub-fund, a quarterly performance fee at the rate of 20% per annum for Class A and I, and 25% per annum for Class H, of the increase of the Net Asset Value of the sub-fund (the "NAV") before the calculation of the performance fee, compared to the reference NAV. The reference NAV is the highest NAV on which a performance fee has been paid. Under the high water mark principle, this reference NAV will be maintained, as the case may be, until an outperformance of the NAV is recorded.

The amount of the performance fee will be accrued at each Net Asset Value calculation, based on the outstanding Shares on the day the Net Asset Value is calculated. The amount of the provision is paid to the Management Company at the end of each quarter.

The Management Company will remunerate the Investment Manager and other Service Providers out of the Management Fee and the Performance Fee received.

An investment advisory fee is payable to the Investment Adviser by the SICAV, at the charge of each sub-fund, in remuneration for its services. Such fee is different for each class of Shares, payable quarterly in arrears and calculated on the average net assets of the sub-fund in the respective class of Shares for the relevant quarter as follows:

<b>FLEXIBLE LOW VOLATILITY</b> (until October 2014)		<b>FLEXIBLE HIGH VOLATILITY</b> (until October 2014)		<b>WISDOM</b> (until October 2014)	
Class A Shares	up to 1.000% / annum	Class A Shares	up to 1.000% / annum	Class A Shares	up to 1.000% / annum
Class I Shares	up to 1.000% / annum	Class I Shares	up to 1.000% / annum	Class I Shares	up to 1.000% / annum
Class H Shares	up to 1.000% / annum	Class H Shares	up to 1.000% / annum	Class H Shares	up to 1.000% / annum

<b>FLEXIBLE LOW VOLATILITY</b> (since November 2014)		<b>FLEXIBLE HIGH VOLATILITY</b> (since November 2014)		<b>WISDOM</b> (since November 2014)	
Class A Shares	up to 0.50% / annum	Class A Shares	up to 0.50% / annum	Class A Shares	up to 0.50% / annum
Class I Shares	up to 0.50% / annum	Class I Shares	up to 0.50% / annum	Class I Shares	up to 0.50% / annum
Class H Shares	up to 0.50% / annum	Class H Shares	up to 0.50% / annum	Class H Shares	up to 0.50% / annum

### **NOTE 6 - SUBSCRIPTION TAX**

The sub-fund is liable to a tax of 0.05% per annum of its Net Asset Value (taxe d'abonnement), such tax being payable quarterly on the basis of the value of the aggregate net assets of the sub-fund at the end of the relevant calendar quarter. However, this tax is reduced to 0.01% per annum for the net assets attributable to Class I.

# MainTower SICAV

## **NOTES TO THE FINANCIAL STATEMENTS (continued) as at December 31, 2014**

### **NOTE 7 - OVERALL RISK DETERMINATION**

Each sub-fund shall ensure that its global exposure relating to financial derivative instruments does not exceed the total net value of its portfolio. Global exposure is a measure designed to limit the leverage generated by each sub-fund through the use of financial derivative instruments. In order to calculate global exposure, each sub-fund will use the commitment approach, thereby aggregating the market value of the equivalent position of underlying assets.

The investments within each sub-fund are subject to market fluctuations and to the risks inherent in all investments; accordingly, no assurance can be given that the investment objective of each sub-fund will be achieved.

### **NOTE 8 - TRANSACTIONS COSTS**

For the year ended December 31, 2014, the following sub-funds of the SICAV incurred transaction costs relating to purchase or sale of transferable securities, money market instruments, derivatives or other eligible assets as follows:

	EUR
Flexible Low Volatility	943.25
Flexible High Volatility	116,315.73
Wisdom	88.64

These transaction costs are composed of brokerage costs and are included in the cost of securities.

For Bonds, transaction costs are included in the spread.

The transaction amounts included under the heading "Bank charges and correspondent fees" in the "Statement of Operations and Changes in Net Assets" are composed of the below transaction fees and are not included in the table above. These transaction costs are paid to the Investment Manager of the fund.

	EUR
Flexible Low Volatility	40,198.35
Flexible High Volatility	177,067.34
Wisdom	6,573.78

### **NOTE 9 - FUTURES CONTRACTS**

As at December 31, 2014, the following financial futures contracts were held by the Fund:

#### **MainTower SICAV - Wisdom**

Type	Number of contracts	Denomination	Maturity Date	Currency	Commitments in Currency	Unrealised loss (in EUR)
Long	4	DAX-INDEX	March 20, 2015	EUR	984,350.00	(2,712.50)
						<u>(2,712.50)</u>

The Counterparty for futures contracts is JP Morgan.

The unrealised loss is recorded in the statement of net assets of the Sub-Fund.

# MainTower SICAV

## **NOTES TO THE FINANCIAL STATEMENTS (continued) as at December 31, 2014**

### **NOTE 10 - OTHER CHARGES**

For the year ended December 31, 2014, the amounts included under "Other charges" are as follows:

	<b>Flexible Low Volatility</b>	<b>Flexible High Volatility</b>	<b>Wisdom</b>
CONSOB fees	(2,063.48)	(1,886.52)	-
C.S.S.F Fee	(1,377.80)	(445.20)	-
Stock Exch.Maintenance Fee	(933.90)	(878.02)	(195.27)
Distribution fee	(1,897.68)	(1,908.16)	(864.52)
Set Up Expenses	(1,895.42)	(1,895.42)	-
Marketing Expenses	(56,175.33)	(69,370.12)	(14,531.37)
Printing fees	(1,001.32)	(799.96)	(321.88)
Out-of-Pocket Expenses	(2,180.49)	(2,182.31)	(728.38)
Travelling Expenses	(832.49)	(865.80)	(252.14)
Directors Fees	(4,176.76)	(4,155.70)	(819.60)
<b>Total</b>	<b>(72,534.67)</b>	<b>(84,387.21)</b>	<b>(17,713.16)</b>

### **NOTE 11 - ADMINISTRATION AND TRANSFER AGENT FEES**

For the year ended December 31, 2014, the administration and transfer agent fees amounted to EUR 252,460.26.

They are mainly composed of Investment Compliance fees paid to the Management Company of the fund and are calculated as follows:

- EUR 10,000 per sub-fund
- plus 0.05% on each transaction
- plus EUR 4 per contract for the derivatives

For the year ended December 31, 2014, the following Investment Compliance were paid:

- Flexible Low Volatility: EUR 39,000
- Flexible High Volatility: EUR 80,000
- Wisdom: EUR 19,000

### **NOTE 12 - TRANSACTION WITH RELATED PARTIES**

For the Sub-Fund MainTower SICAV - Wisdom launched on February 10, 2014, the formation expenses disclosed in the Statement of Net Assets include the fees charged by the Investment Advisor of the Fund, Zeus Capital S.A. for an amount of EUR 20,000 and the fees charged by Gastone Holding srl (which is a related party transaction as one director of the fund is also director of this company) for consultancy services for an amount of EUR 40,000.