
MFG INVESTMENT FUND PLC

(An open-ended umbrella investment company with segregated liability between sub-funds)

Annual Report and Audited Financial Statements

For the financial year ended 31 March 2018

MFG INVESTMENT FUND PLC
Annual Report and Audited Financial Statements
For the financial year ended 31 March 2018

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MFG INVESTMENT FUND PLC
Annual Report and Audited Financial Statements
For the financial year ended 31 March 2018

GENERAL INFORMATION

Directors

Bronwyn Wright* (Irish)
Jim Cleary* (Irish)
Craig Wright (Australian)

Registered Office of the Company

25/28 North Wall Quay
International Financial Services Centre
North Wall Quay
Dublin 1
Ireland

Investment Manager and Distributor

MFG Asset Management
MLC Centre, Level 36
19 Martin Place
Sydney
NSW 2000
Australia

Company Secretary

Goodbody Secretarial Limited
25/28 North Wall Quay
International Financial Services Centre
North Wall Quay
Dublin 1
Ireland

Administrator and Registrar

Northern Trust International Fund Administration
Services (Ireland) Limited
Georges Court
54-62 Townsend Street
Dublin 2
Ireland

Depository

Northern Trust Fiduciary
Service (Ireland) Limited
Georges Court
54-62 Townsend Street
Dublin 2
Ireland

Independent Auditor

Ernst & Young
Harcourt Centre
Harcourt Street
Dublin 2
Ireland

Legal Advisers

A&L Goodbody
25/28 North Wall Quay
International Financial Services Centre
North Wall Quay
Dublin 1
Ireland

UK Facilities Agent

KB Associates
42 Brook Street
London
W1K 5DB
United Kingdom

Swedish Paying Agent

S.E. Banken
Skandinaviska Enskilda Banken AB (publ)
Transaction Banking
KB BV, SE-106 40
Stockholm
Sweden

Registered number: 525177

*Independent Director

BACKGROUND TO THE COMPANY

MFG Investment Fund plc (the “Company”) is an open-ended umbrella investment company with variable capital and segregated liability between sub-funds, incorporated in Ireland on 15 March 2013, under the Companies Act 2014 with registration number 525177. The Company has been authorised by the Central Bank as an Undertaking for Collective Investment in Transferable Securities (“UCITS”) pursuant to the European Communities (Undertaking for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (the “UCITS Regulations”) and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (as amended) (the “Central Bank UCITS Regulations”).

The Company is structured as an umbrella investment company which may consist of different sub-funds, each comprising one or more classes of shares. As at the date of this annual report, the Company had two sub-funds in operation, MFG Global Fund and MFG Select Infrastructure Fund (each a “Fund” collectively the “Funds”). The Funds launched on 7 October 2013 and on 30 December 2016, respectively. On 7 June 2018, the Central Bank of Ireland (the “Central Bank”) approved and noted the change of name of “MFG Global Low Carbon Fund” to “MFG Global Sustainable Fund”. This MFG Global Sustainable Fund has not yet launched.

The MFG Select Infrastructure Fund is registered for marketing in Germany. The MFG Global Fund is not registered for marketing in Germany. Shares of the MFG Global Fund are not allowed to be marketed in Germany.

Investment objective and policy

The investment objective and policy for each Fund is formulated by the Directors at the time of creation of each Fund. The investment objective for each existing Fund is set out below:

MFG Global Fund

The investment objective of the MFG Global Fund is to achieve attractive risk-adjusted returns over the medium to long-term, while reducing the risk of permanent capital loss.

The Fund seeks to achieve its objective through an integrated investment approach which incorporates three key elements namely: (i) detailed industry and company research; (ii) macro-economic research and (iii) portfolio construction.

The Fund seeks to gain exposure primarily in equities and equity related securities of companies listed on regulated markets around the world and may also have exposure to cash deposits. The Fund may also have exposure to non-discretionary allocations of subscription rights to subscribe for additional securities in a portfolio stock as a result of a corporate action. The Fund may invest in equity related securities which include American Depositary Receipts (“ADRs”) and Global Depositary Receipts (“GDRs”) and may also use spot exchange contracts to facilitate settlement of the purchase of equities.

MFG Select Infrastructure Fund

The investment objective of the MFG Select Infrastructure Fund is to achieve attractive risk-adjusted returns over the medium to long-term, while reducing the risk of permanent capital loss.

The Fund seeks to achieve its objective through an integrated investment approach which incorporates three key elements namely: (i) determining the investment universe; (ii) assessing each potential investment’s quality and intrinsic value and (iii) allocating capital to the securities within the investment universe in an appropriate manner.

The Fund seeks to gain exposure primarily in equities and equity related securities of companies listed on regulated markets around the world and may also have exposure to cash deposits and may, from time to time, invest in investment funds where such investment is consistent with the investment policy of the Fund. The Fund may also have exposure to non-discretionary allocations of subscription rights to subscribe for additional securities in a portfolio stock as a result of a corporate action. The Fund may invest in equity related securities which include American Depositary Receipts (“ADRs”) and Global Depositary Receipts (“GDRs”) and may also use spot exchange contracts to facilitate settlement of the purchase of equities.

INVESTMENT MANAGER'S REPORT

MFG Global Fund

Portfolio review

The portfolio recorded a positive return for the 12 months. The stocks that performed best included the investments in Visa, MasterCard and Microsoft. Visa rose after its earnings topped analyst expectations for every quarterly reporting period released over 2017 and so far in 2018, aided by outperformance of Visa Europe relative to the expectations held at the time of the acquisition. Like Visa, MasterCard gained after the payment company revealed that earnings beat estimates – in MasterCard's case, for instance, adjusted earnings per share surged 33% for the fourth quarter – due to higher consumer spending, and the company boosted forecasts for 2018. Microsoft gained after margin expansion in its server software and personal computers businesses drove earnings beyond consensus and guidance.

Stocks that lagged included the investments in Kraft Heinz, Wells Fargo and Sanofi. Kraft Heinz tumbled after revenue growth was weaker than expected, though cost cutting protected profits. Wells Fargo slid as scandals mounted and the Federal Reserve decided to ban the bank from expanding its assets until the lender can show it has resolved its "widespread consumer abuses and compliance breakdowns". Sanofi fell amid disputes regarding patent protection of its diabetes products and after earnings missed estimates due to pressure on drug prices in the US.

Macroeconomic and market overview

Global stocks hit record highs in the 12 months to March 2018 as US companies posted higher-than-expected earnings, the internet giants surged on strong results and upbeat outlooks, the Federal Reserve indicated it would only tighten US monetary policy slowly, US Congress slashed the corporate tax rate, and the world's major economies grew in unison for the first time in about a decade. Gains were tempered in the March quarter when US President Donald Trump imposed import restrictions that could lead to trade wars (especially with China), concerns mounted that US inflation might accelerate enough to prompt the Fed to tighten monetary policy more than expected, and worries gripped that regulators would crack down on US technology companies.

US stocks reached unprecedented heights in January as companies reported strong earnings growth that, in aggregate, beat expectations due to revenue rising rather than cost cutting. The record was set in the month after Trump signed off on the biggest tax overhaul in more than 30 years, which reduced the corporate tax rate from 35% to 21%. In June, December and March, the Fed raised the US cash rate by a quarter point to bring the target rate to between 1.5% and 1.75%. The Fed made its fourth, fifth and sixth post-crisis rate increases on signs that the US economy was growing at close to capacity. Over the 12 months, the US economy entered its ninth year of growth while the US jobless rate fell to a 17-year low of 4.1%.

European stocks fell over the period as political uncertainty mounted after Angela Merkel was returned as a weakened chancellor of Germany after elections in September, populists did well in Italy's election in March and concerns mounted that Trump could spark trade wars. In Asia, Japanese stocks rose after Japan's Prime Minister Shinzō Abe won a snap general election in October that signalled the country's fiscal and monetary stimulus would continue, and Japan's economic expansion reached eight consecutive quarters of growth. In China, Xi Jinping cemented his leadership positions across all levers of the government by directing China's parliament to abolish the term limit on his presidency, while China's economy expanded at about 7% p.a. over the period.

INVESTMENT MANAGER'S REPORT (continued)

MFG Global Fund (continued)

Outlook

We remain cautious about the outlook for global markets and think the risks are asymmetrical to the downside.

While the major central banks would like to engineer a 'soft landing' with gradual increases in interest rates, there is a material risk that they could be forced to tighten monetary policy faster than expected. In our view, the US administration's recent budget measures have elevated the risks. The tax cuts and additional spending will make a fiscal injection into the US economy of nearly 2% of GDP per annum for the next two years. The timing of such a large fiscal stimulus at, or near, the top of an economic cycle when central banks are trying to exit the largest monetary expansion in modern history may prove to be reckless. The US unemployment rate at 4.1% in February is at a 17-year low and the US economy has added jobs over the past 89 months (to the end of February), which is the longest such consecutive stretch on record. While there appear to be powerful longer-term secular forces at work that are likely to result in low inflation over the longer term, there is a significant risk that the size and timing of the US fiscal stimulus could trigger a jump in US inflation, in particular from stronger wages growth, over the next year or two. This may be highly problematic for the Federal Reserve and complicate its efforts to engineer a gradual tightening with a soft landing. We cannot think of a similar combination of circumstances in modern history. The cocktail could be explosive.

Other sources of concern are President Donald Trump's protectionist action and rhetoric, particularly when it comes to the trading relationship with China. We are vigilant for any signs that China's government might retaliate, or a Chinese consumer backlash might be directed at US technology stocks held in the portfolio.

In terms of other risks, North Korea's endeavours to advance its nuclear intercontinental ballistic missile capability could be destabilising, if talks with the US break down. Much uncertainty surrounds the direction of Italy's new government following the elections.

Due to these risks, over the quarter we increased the cash position held in the strategy from 10% to 17%.

Notwithstanding the uncertainty surrounding stock markets, we are confident about the long-term outlook for the investments selected for our portfolio and the portfolio's risk profile. Many of the stocks in the portfolio benefit from being leading digital platforms, the shift to a cashless society, a stronghold on the enterprise software market or the dynamics of ageing populations president. In the US, new President Donald Trump heightens the risks that protectionist trade policies could become more common, and there is a risk he could make a major mistake in the resetting of the US's relationship with China.

MFG Asset Management
MLC Centre, Level 36, 19 Martin Place,
Sydney, NSW 2000, Australia

19 June 2018

INVESTMENT MANAGER'S REPORT (continued)

MFG Select Infrastructure Fund

Portfolio review

The portfolio recorded a positive return over the 12 months. At a stock level on a contributions basis, the best performers included investments in Aeroports de Paris, Getlink and Crown Castle International. Aeroports de Paris soared 55% on higher traffic numbers – fiscal year traffic, for instance, rose a higher-than-expected 4.5% – and after a bill was drafted for cabinet to enable the government to reduce its stake in the airport operator. Getlink surged 25% after the renamed operator of the Eurotunnel announced a deal whereby a GE STATCOM, which stabilises power supply, will enable the company to double tunnel traffic when the project is completed in 2019. Crown Castle jumped 20% because the failure of a proposed merger between US telecoms Sprint and T-Mobile preserves at four the number of big customers of tower companies.

Lagging stocks on a contributions basis included the investments in Enbridge of Canada, and National Grid and United Utilities of the UK. Enbridge dropped 24% over the 12 months. Half that loss for the owner and operator of the world's largest crude oil and liquids transportation system across Canada and the US occurred in the March quarter following a revised policy statement from the Federal Energy Regulatory Commission regarding tax treatment for master limited partnerships. The regulator announced that the tax-friendly corporate structure popular with pipeline firms would no longer be able to recover an income tax allowance in certain pipeline service contracts. National Grid lost 21% and United Utilities slumped 25% after the Labour opposition party in the UK said that, if elected, it would nationalise key utilities at a price the Labour party considered appropriate.

Macroeconomic and market overview

Global infrastructure and utility stocks rose in the 12 months to March 2018 after these companies posted healthy earnings and boosted forecasts for 2018 and beyond, and higher oil prices boosted those companies whose revenue is tied to the value of goods they pipe or process. Infrastructure and utility stocks, however, underperformed broader global equity markets because these stocks were seen as gaining relatively less benefit from the reduction in US corporate tax rate from 35% to 21% while the prospects of faster inflation in the US boosted US bond yields and reduced the appeal of stocks considered by some to be bond proxies.

Oil prices surged about 20% over the 12 months as the world's major economies grew in unison for the first time in about a decade. US bond yields, for global credit markets, rose to four-year highs after a report in February showed that average hourly earnings for US private sector workers rose 2.9% in January from a year ago, the fastest rise since 2009. The news boosted concerns the US fiscal stimulus in the form of corporate tax cuts and extra spending would prompt the Federal Reserve to raise the cash rate more than three times in 2018. In June, December and March, the Fed raised the US cash rate by a quarter point to bring the cash rate to between 1.5% and 1.75%, its highest range since the global financial crisis began. Over the 12 months, US two-year government bond yields rose 98 basis points to 2.27% while 10-year government bond yields jumped 36 basis points to 2.74%.

Global stocks hit record highs in the 12 months to March 2018 as US companies posted higher-than-expected earnings, the internet giants surged on strong results and upbeat outlooks, the Federal Reserve indicated it would only tighten US monetary policy slowly; US Congress slashed the corporate tax rate, and the world's major economies expanded. Gains were tempered in the March quarter when US President Donald Trump imposed import restrictions that could lead to trade wars (especially with China), concerns mounted about US inflation, and worries gripped that regulators would crack down on US technology companies.

INVESTMENT MANAGER'S REPORT (continued)

MFG Select Infrastructure Fund (continued)

Outlook

The strategy remains consistent with previous periods and is not expected to change over the long term. The strategy seeks to provide investors with attractive risk-adjusted returns from the infrastructure asset class. It does this by investing in a portfolio of listed infrastructure companies that meet our strict definition of infrastructure at discounts to their assessed intrinsic value. We expect the strategy to provide investors with real returns of about 5% over inflation over the longer term. We believe that infrastructure assets, with requisite earnings reliability and a linkage of earnings to inflation, offer attractive, long-term investment propositions. Furthermore, given the predictable nature of earnings and the structural linkage of those earnings to inflation, investment returns generated by infrastructure assets are different from standard asset classes and offer investors valuable diversification when included in an investment portfolio. In the current uncertain economic and investment climate, the reliable financial performance of infrastructure investments makes them particularly attractive and an investment in listed infrastructure can be expected to reward patient investors with a three to five-year time frame. Unless indicated, indices and stock price movements reflect changes in local currency.

MFG Asset Management
MLC Centre, Level 36, 19 Martin Place,
Sydney, NSW 2000, Australia

19 June 2018

MFG INVESTMENT FUND PLC
Annual Report and Audited Financial Statements
For the financial year ended 31 March 2018

DIRECTORS' REPORT

The Directors of MFG Investment Fund plc (the "Company") have pleasure in presenting the Annual Report and Audited Financial Statements of the Company for the financial year ended 31 March 2018.

Directors' responsibility statement

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable Irish law and regulations.

Irish company law requires the Directors to prepare Financial Statements for each financial year. Under the law the Directors have elected to prepare the Company's Financial Statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union. Under company law, the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014.

In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- state whether the Financial Statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that its Financial Statements and Directors' Report comply with the Companies Act 2014, the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (the "UCITS Regulations") and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (as amended) (the "Central Bank UCITS Regulations") and enable the Financial Statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for preparing a Directors' Report that complies with the requirements of the Companies Act 2014.

Principal activities, review of business and future developments

The Company is structured as an umbrella investment company and has two sub-funds in operation, MFG Global Fund and MFG Select Infrastructure Fund (each a "Fund" collectively the "Funds"). The investment objective of each Fund is to achieve attractive risk-adjusted returns over the medium to long-term, while reducing the risk of permanent capital loss.

The Company is authorised by the Central Bank of Ireland (the "Central Bank") as an investment company pursuant to the UCITS Regulations.

A review of the investment performance and future outlook can be found in the Investment Manager's Report on pages 4 to 7. The Funds will continue to pursue their investment objectives as set out in the supplements to the prospectus.

DIRECTORS' REPORT (continued)

Risk management objectives and policies

The principal risks and uncertainties faced by the Company are the investment risks associated with the portfolio of investments held by the Funds and the risks associated with the management and administration of the Portfolios that have been disclosed in Note 2 of the Financial Statements.

Directors' statement on adequate accounting records

The measures taken by the Directors to secure compliance with the Company's obligation to keep adequate accounting records are the use of appropriate systems and procedures and the appointment of an independent administrator. The accounting records of the Company are maintained by Northern Trust International Fund Administration Services (Ireland) Limited at Georges Court, 54-62 Townsend Street, Dublin 2, Ireland.

Directors' compliance statement

The Directors acknowledge that they are responsible for securing the Company's compliance with the relevant obligations as set out in section 225 of the Companies Act 2014. The Directors confirm that:

1. A compliance policy statement has been drawn up that sets out policies, that in their opinion are appropriate to the Company, respecting compliance by the Company with its relevant obligations;
2. appropriate arrangements or structures are in place that are, in their opinion, designed to secure material compliance with the Company's relevant obligations; and
3. during the financial year, the arrangements or structures referred to in (2) have been reviewed.

Audit Committee

The Directors believe that there is no requirement to form an audit committee as the Board is formed of non-executive Directors with two independent Directors and the Company complies with the provisions of the Irish Funds Corporate Governance Code. The Directors have delegated the day to day investment management and administration of the Company to the Investment Manager and to the Administrator, respectively.

Corporate Governance Code

The Company has adopted the Corporate Governance Code for Collective Investment Schemes and Management Companies (the "Code") which was issued by the Irish Funds ("IF"). The aim of the Code is to provide a framework for the organisation and operation of Funds to ensure that each Fund operates efficiently and in the interests of shareholders. The Company operates in accordance with the requirements of the Code.

Transactions involving Directors

There were no contracts or agreements of any significance in relation to the business of the Company in which the Directors had any interest, as defined in the Companies Act 2014, at any time during the financial year other than those set out in Note 7 to the Financial Statements.

Transactions with Connected Persons

Any transaction carried out with a UCITS by a management company or depositary to the UCITS, the delegates or sub-delegates of the management company or depositary, and any associated or group company of such a management company, depositary, delegate or sub-delegate ("connected persons") must be carried out as if conducted at arm's length. Transactions must be in the best interests of the shareholders and the UCITS.

The Directors are satisfied that there are arrangements (evidenced by written procedures) in place, to ensure that the obligations set out above (as referred to in Regulation 41(1) of the Central Bank UCITS Regulations) are applied to all transactions with connected persons, and are satisfied that transactions with connected parties entered into during the financial year complied with the obligations set out in Regulation 41(1) of the Central Bank UCITS Regulations.

MFG INVESTMENT FUND PLC
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For the financial year ended 31 March 2018

DIRECTORS' REPORT (continued)

Results

The financial position at 31 March 2018 is set out in the Statement of Financial Position. The results of operations for the financial year ended 31 March 2018 are set out in the Statement of Comprehensive Income.

Directors' and Secretary's interests in shares of the Company

No Director, nor the Company Secretary, had any beneficial interest in the shares of the Company throughout the financial year.

Distributions

No distributions were declared during the financial year ended 31 March 2018 or in the prior financial year.

Independent auditor

The independent auditor, Ernst & Young, Chartered Accountants, have indicated their willingness to continue in office in accordance with Section 383 of the Companies Act 2014.

Directors

All Directors, who, at any time during the financial year, were Directors of the Company, are disclosed on page 2.

Significant events during the financial year

On 22 September 2017, there was a redemption from Class 1 Accumulating Unhedged USD of the MFG Global Fund for an amount of USD 1,109,044,578 of which USD 1,001,894,587 was made In-Specie. The total number of units redeemed was 7,683,024 at a NAV per share of USD 144.35.

There were no other significant events during the financial year ended 31 March 2018.

Subsequent events

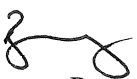
On 7 June 2018, the Central Bank of Ireland (the "Central Bank") approved and noted the change of name of "MFG Global Low Carbon Fund" to "MFG Global Sustainable Fund". This MFG Global Sustainable Fund has not yet launched.


There were no other significant events have occurred in respect of the Company subsequent to the financial year end which were deemed material for disclosure in the Financial Statements.

Statement on relevant audit information

So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware. The Directors have taken all the steps that should have been taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Signed on behalf of the board of Directors:


Director: Bronwyn Wright


Director: Jim Cleary

19 June 2018

MFG INVESTMENT FUND PLC
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For the financial year ended 31 March 2018

ANNUAL DEPOSITARY REPORT TO SHAREHOLDERS

We, Northern Trust Fiduciary Services (Ireland) Limited, appointed Depositary to MFG Investment Fund plc (“the Company”) provide this report solely in favour of the shareholders of the Company for the financial year ended 31 March 2018 (“the Annual Accounting Period”). This report is provided in accordance with the UCITS Regulations – European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (SI No 352 of 2011), as amended which implemented Directive 2009/65/EU into Irish Law (“the Regulations”). We do not, in the provision of this report, accept nor assume responsibility for any other purpose or person to whom this report is shown.

In accordance with our Depositary obligation as provided for under the Regulations, we have enquired into the conduct of the Company for the Annual Accounting Period and we hereby report thereon to the shareholders of the Company as follows;

We are of the opinion that the Company has been managed during the Annual Accounting Period, in all material respects:

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the constitutional documents and by the Regulations; and
- (ii) otherwise in accordance with the provisions of the constitutional document and the Regulations.



For and on behalf of:
Northern Trust Fiduciary Services (Ireland) Limited

19 June 2018

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MFG INVESTMENT FUND PLC

Opinion

We have audited the financial statements of MFG Investment Fund plc ('the Company') for the year ended 31 March 2018, which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares, Statement of Cash Flows and notes to the financial statements, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRS) as adopted by the European Union as applied in accordance with the provisions of the Companies Act 2014.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 March 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014, the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters, in relation to which ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MFG INVESTMENT FUND PLC

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- in our opinion, the information given in the directors' report is consistent with the financial statements; and
- in our opinion, the directors' report has been prepared in accordance with the Companies Act 2014

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the Company statement of financial position is in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MFG INVESTMENT FUND PLC

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibility Statement set on page 8, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company'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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) 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.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf.

This description forms part of our auditor's report.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Aidan Tiernan

for and on behalf of

Ernst & Young Chartered Accountants and Statutory Audit Firm

Dublin

Date: 26 June 2018

MFG INVESTMENT FUND PLC
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For the financial year ended 31 March 2018

STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 March 2018

	Note	MFG Global Fund USD '000	MFG Select Infrastructure Fund USD '000	Company Total USD '000
Income				
Net gains on financial assets at fair value through profit or loss	1, 5	321,131	2,401	323,532
Dividend income	1	39,597	1,263	40,860
Bank interest income	1	1,962	23	1,985
Net investment income		362,690	3,687	366,377
Expenses				
Investment manager and distributor fee	6, 7	(18,985)	(317)	(19,302)
Transaction costs	1	(282)	(24)	(306)
Total operating expenses		(19,267)	(341)	(19,608)
Operating profit before finance costs		343,423	3,346	346,769
Finance Costs				
Bank interest expense	1	(4)	(1)	(5)
Operating profit after finance costs and before taxation		343,419	3,345	346,764
Taxation				
Withholding tax	1	(9,820)	(214)	(10,034)
Increase in net assets attributable to holders of redeemable participating shares from operations		333,599	3,131	336,730

There were no recognised gains or losses in the financial year other than those dealt with in the Statement of Comprehensive Income.

The accompanying notes form an integral part of these Financial Statements.

MFG INVESTMENT FUND PLC
Annual Report and Audited Financial Statements
For the financial year ended 31 March 2018

STATEMENT OF COMPREHENSIVE INCOME (continued)
For the financial year ended 31 March 2017

	Note	MFG Global Fund USD '000	MFG Select Infrastructure Fund* USD '000	Company Total USD '000
Income				
Net gains on financial assets at fair value through profit or loss	1, 5	234,370	2,338	236,708
Dividend income	1	31,421	104	31,525
Bank interest income	1	131	-	131
Net investment income		265,922	2,442	268,364
Expenses				
Investment manager and distributor fee	6, 7	(16,013)	(54)	(16,067)
Transaction costs	1	(537)	(26)	(563)
Total operating expenses		(16,550)	(80)	(16,630)
Operating profit before finance costs		249,372	2,362	251,734
Finance Costs				
Bank interest expense	1	(2)	-	(2)
Operating profit after finance costs and before taxation		249,370	2,362	251,732
Taxation				
Withholding tax	1	(8,412)	(29)	(8,441)
Increase in net assets attributable to holders of redeemable participating shares from operations		240,958	2,333	243,291

*The MFG Select Infrastructure Fund launched 30 December 2016. The amounts are for the period from 30 December 2016 to 31 March 2017.

There were no recognised gains or losses in the financial year other than those dealt with in the Statement of Comprehensive Income.

The accompanying notes form an integral part of these Financial Statements.

MFG INVESTMENT FUND PLC
Annual Report and Audited Financial Statements
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STATEMENT OF FINANCIAL POSITION
As at 31 March 2018

	Note	MFG Global Fund USD '000	MFG Select Infrastructure Fund USD '000	Company Total USD '000
Assets				
Financial assets at fair value through profit or loss:				
- Transferable securities	1, 2	1,625,470	39,046	1,664,516
Cash and cash equivalents	8	342,302	3,583	345,885
Dividends receivable		630	58	688
Bank interest receivable		280	3	283
Receivables for investments sold	1	9,482	22	9,504
Total assets		1,978,164	42,712	2,020,876
Liabilities				
Payables for investments purchased	1	(17,084)	-	(17,084)
Redemptions payable		(701)	-	(701)
Other liabilities		(9)	-	(9)
Accrued expenses:				
- Investment manager and distributor fee payable	6, 7	(2,204)	(53)	(2,257)
Total liabilities (excluding net assets attributable to holders of redeemable participating shares)		(19,998)	(53)	(20,051)
Net assets attributable to holders of redeemable participating shares		1,958,166	42,659	2,000,825
Number of shares in issue				
Class 1 Accumulating Unhedged USD	3	9,099,516	355,815	
Class 2 Accumulating Unhedged GBP	3	2,387,546	-	
Net asset value per share				
Class 1 Accumulating Unhedged USD	9	\$151.98	\$119.89	
Class 2 Accumulating Unhedged GBP	9	£171.75	-	

The Financial Statements were approved on 19 June 2018 by the Board of Directors and signed on its behalf by:



Director: Bronwyn Wright



Director: Jim Cleary

The accompanying notes form an integral part of these Financial Statements.

MFG INVESTMENT FUND PLC
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STATEMENT OF FINANCIAL POSITION (continued)
As at 31 March 2017

		MFG Global Fund USD '000	MFG Select Infrastructure Fund* USD '000	Company Total USD '000
	Note			
Assets				
Financial assets at fair value through profit or loss:				
- Transferable securities	1, 2	2,386,875	26,417	2,413,292
Cash and cash equivalents	8	413,757	2,171	415,928
Dividends receivable		-	24	24
Bank interest receivable		52	-	52
Receivables for investments sold	1	19,776	438	20,214
Total assets		2,820,460	29,050	2,849,510
Liabilities				
Payables for investments purchased	1	(18,658)	(487)	(19,145)
Bank interest payable		(1)	-	(1)
Subscriptions for shares not yet allocated		(1,000)	-	(1,000)
Accrued expenses:				
- Investment manager and distributor fee payable	6, 7	(1,905)	(19)	(1,924)
Total liabilities (excluding net assets attributable to holders of redeemable participating shares)		(21,564)	(506)	(22,070)
Net assets attributable to holders of redeemable participating shares		2,798,896	28,544	2,827,440
Number of shares in issue				
Class 1 Accumulating Unhedged USD	3	17,023,115	262,107	
Class 2 Accumulating Unhedged GBP	3	2,564,445	-	
Net asset value per share				
Class 1 Accumulating Unhedged USD	9	\$132.72	\$108.90	
Class 2 Accumulating Unhedged GBP	9	£168.26	-	

*The MFG Select Infrastructure Fund launched 30 December 2016. The amounts are for the period from 30 December 2016 to 31 March 2017.

The accompanying notes form an integral part of these Financial Statements.

MFG INVESTMENT FUND PLC
Annual Report and Audited Financial Statements
For the financial year ended 31 March 2018

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES

For the financial year ended 31 March 2018

	MFG Global Fund USD '000	MFG Select Infrastructure Fund USD '000	Company Total USD '000
Net assets attributable to holders of redeemable participating shares at the beginning of the financial year	2,798,896	28,544	2,827,440
Redeemable participating share transactions			
Issue of redeemable participating shares during the financial year	231,491	10,984	242,475
Redemption of redeemable participating shares during the financial year	<u>(1,405,820)</u>	<u>-</u>	<u>(1,405,820)</u>
Net (decrease)/increase in net assets from redeemable participating share transactions	<u>(1,174,329)</u>	<u>10,984</u>	<u>(1,163,345)</u>
Increase in net assets attributable to holders of redeemable participating shares from operations	<u>333,599</u>	<u>3,131</u>	<u>336,730</u>
Net assets attributable to holders of redeemable participating shares at the end of the financial year	<u><u>1,958,166</u></u>	<u><u>42,659</u></u>	<u><u>2,000,825</u></u>

The accompanying notes form an integral part of these Financial Statements.

MFG INVESTMENT FUND PLC
Annual Report and Audited Financial Statements
For the financial year ended 31 March 2018

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES (continued)
For the financial year ended 31 March 2017

	MFG Global Fund USD '000	MFG Select Infrastructure Fund* USD '000	Company Total USD '000
Net assets attributable to holders of redeemable participating shares at the beginning of the financial year/period	1,543,899	-	1,543,899
Redeemable participating share transactions			
Issue of redeemable participating shares during the financial year/period	1,335,433	26,211	1,361,644
Redemption of redeemable participating shares during the financial year/period	(321,394)	-	(321,394)
Net increase in net assets from redeemable participating share transactions	1,014,039	26,211	1,040,250
Increase in net assets attributable to holders of redeemable participating shares from operations	240,958	2,333	243,291
Net assets attributable to holders of redeemable participating shares at the end of the financial year/period	2,798,896	28,544	2,827,440

*The MFG Select Infrastructure Fund launched 30 December 2016. The amounts are for the period from 30 December 2016 to 31 March 2017.

The accompanying notes form an integral part of these Financial Statements.

MFG INVESTMENT FUND PLC
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STATEMENT OF CASH FLOWS
For the financial year ended 31 March 2018

	MFG Global Fund USD '000	MFG Select Infrastructure Fund USD '000	Company Total USD '000
Operating profit after finance costs and before taxation	343,419	3,345	346,764
Adjustments to reconcile profit before tax to net cash flows from operating activities:			
Bank interest income	(1,958)	(22)	(1,980)
Dividend income	(39,597)	(1,263)	(40,860)
	301,864	2,060	303,924
Working capital adjustments:			
Increase in financial assets at fair value through profit or loss	(240,490)	(12,629)	(253,119)
Decrease in receivable for investments sold	10,294	416	10,710
Decrease in payable for investments purchased	(1,574)	(487)	(2,061)
Increase in investment manager and distributor fee payable	299	34	333
Increase in other payable	9	-	9
Decrease in subscriptions for shares not yet allocated	(1,000)	-	(1,000)
	(232,462)	(12,666)	(245,128)
Dividend received	38,967	1,229	40,196
Bank interest income received	1,729	19	1,748
Withholding tax paid	(9,820)	(214)	(10,034)
Net cash used in operating activities	30,876	1,034	31,910
Net cash (used in)/provided by financing activities			
Subscriptions received	231,491	10,984	242,475
Payment for redemptions**	(403,224)	-	(403,224)
Net cash (used in)/provided by financing activities	(171,733)	10,984	(160,749)
Net (decrease)/increase in cash and cash equivalents	(71,455)	1,412	(70,043)
Beginning cash and cash equivalents	413,757	2,171	415,928
Ending cash and cash equivalents	342,302	3,583	345,885
Supplemental schedule of non-cash activity			
In specie redemption	1,001,895	-	1,001,895
	1,001,895	-	1,001,895
Supplementary cash flow information			
Cash flows from operating activities include:			
Cash received during the year for dividend income	38,967	1,229	40,196
Cash received during the year for interest income	1,734	20	1,754
Cash paid during the year for interest expense	(5)	(1)	(6)
	40,696	1,248	41,944

**Redemptions differ from those on the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares due to an in specie transfer of investments and redemption which traded on 29 March 2018 for settlement date 4 April 2018 on Class 2 Accumulating Unhedged GBP.

The accompanying notes form an integral part of these Financial Statements.

MFG INVESTMENT FUND PLC
Annual Report and Audited Financial Statements
For the financial year ended 31 March 2018

STATEMENT OF CASH FLOWS (continued)
For the financial year ended 31 March 2017

	MFG Global Fund USD '000	MFG Select Infrastructure Fund* USD '000	Company Total USD '000
Operating profit after finance costs and before taxation	249,370	2,362	251,732
Adjustments to reconcile profit before tax to net cash flows from operating activities:			
Bank interest income	(129)	-	(129)
Dividend income	(31,421)	(104)	(31,525)
	217,820	2,258	220,078
Working capital adjustments:			
Increase in financial assets at fair value through profit or loss	(1,077,607)	(26,417)	(1,104,024)
Increase in receivable for investments sold	(19,776)	(438)	(20,214)
Increase in payable for investments purchased	18,658	487	19,145
Increase in investment manager and distributor fee payable	877	19	896
Increase in subscriptions for shares not yet allocated	1,000	-	1,000
	(1,076,848)	(26,349)	(1,103,197)
Dividend received	32,217	80	32,297
Bank interest income received	78	-	78
Withholding tax paid	(8,412)	(29)	(8,441)
Net cash used in operating activities	23,883	51	23,934
Net cash provided by/(used in) financing activities			
Subscriptions received	1,335,433	26,211	1,361,644
Payment for redemptions	(321,394)	-	(321,394)
Net cash provided by financing activities	1,014,039	26,211	1,040,250
Net increase in cash and cash equivalents	178,894	2,171	181,065
Beginning cash and cash equivalents	234,863	-	234,863
Ending cash and cash equivalents	413,757	2,171	415,928
Supplementary cash flow information			
Cash flows from operating activities include:			
Cash received during the year/period for dividend income	32,217	80	32,297
Cash received during the year/period for interest income	79	-	79
Cash paid during the year/period for interest expense	(1)	-	(1)
	32,295	80	32,375

*The MFG Select Infrastructure Fund launched 30 December 2016. The amounts are for the period from 30 December 2016 to 31 March 2017.

The accompanying notes form an integral part of these Financial Statements.

MFG INVESTMENT FUND PLC
Annual Report and Audited Financial Statements
For the financial year ended 31 March 2018

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2018

1. Significant accounting policies

1.1 Statement of compliance

These Financial Statements have been prepared in accordance with International Financial Reporting Standards (“IFRSs”) as adopted by the European Union, with Irish Statute comprising the Companies Act 2014, with the European Communities (Undertaking for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (the “UCITS Regulations”) and with the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (as amended) (the “Central Bank UCITS Regulations”).

1.2 Basis of preparation

The Financial Statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

IAS 1 requires that comparative information to be disclosed in respect of the previous period for all amounts reported in the financial statements, both on the face of the financial statements and in the notes, unless another standard requires otherwise. Comparative information is provided for narrative and descriptive where it is relevant to understanding the financial statements of the current period. The MFG Select Infrastructure Fund launched 30 December 2016, therefore the information for comparative year represents funds activity for three months.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

New accounting standards that are effective

Amendments to IAS 7, ‘Statement of Cash Flows’ became effective for annual periods beginning on or after 1 January 2017. These amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. Adoption of these amendments did not have a material impact on the Company’s financial statements.

The amendments state that one way to fulfil the disclosure requirement is by providing reconciliation between the opening and closing balances in the statement of financial position for liabilities arising from financing activities. Where an entity discloses such reconciliation the amendments require the entity to provide sufficient information to enable users of the financial statements to link items included in the reconciliation to the statement of financial position and the statement of cash flows.

The Company presents (i) a statement of changes in net assets attributable to holders of redeemable shares which reconciles the opening and closing amounts based on shareholder transactions and the net increase/(decrease) in net assets attributable to holders of redeemable shares from operations (ii) a statement of cash flows which discloses the cash movements resulting from operating activities and from shareholder transactions and (iii) a statement of comprehensive income which discloses the income and expenses that comprise the net increase/(decrease) in net assets attributable to holders of redeemable shares from operations.

Accounting standards in issue that are not yet effective and have not been early adopted

IFRS 9, ‘Financial Instruments’ became effective for annual periods beginning on or after 1 January 2018. The IASB has issued IFRS 9 as a first step in its project to replace IAS 39, ‘Financial Instruments: recognition and measurement’. IFRS 9 deals with the classification and measurement of financial assets and financial liabilities, including a new expected credit loss model for calculating impairment of financial assets, and the new general hedge accounting requirements. IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted. This change is not expected to have any significant impact on the Company. The Company did not early adopt this standard.

The requirements of IFRS 9 represent a significant change from existing requirements in IAS 39 in respect of financial assets. Among other changes the standard contains three primary measurement categories for financial assets: at amortised cost, fair value through profit or loss (“FVTPL”) and fair value through other comprehensive income (“FVOCI”).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018 (continued)

1. Significant accounting policies (continued)

1.2 Basis of preparation (continued)

Accounting standards in issue that are not yet effective and have not been early adopted (continued)

A financial asset would be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, and the asset's contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. FVOCI applies to debt assets for which: (a) contractual cash flows are solely principal and interest; and (b) business model is to hold to collect cash flows and sell. All other financial assets would be measured at fair value. The standard eliminates the existing IAS 39 categories of held to maturity, available for sale and loans and receivables. This change is not expected to have any significant impact on the Company. The Company has not adopted any new standards or interpretations that are not mandatory.

IFRS 15 "Revenue from Contracts with Customers" replaces IAS 11 and IAS 18 and is effective from 1 January 2018. It establishes principles for reporting useful information to users of Financial Statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. IFRS 15 is not expected to have a significant impact on the Company's Financial Statements.

1.3 Functional currency and foreign currency translation

The functional and presentation currency of the Company and each Fund is US Dollar ("USD") as that is the currency in which the majority of the capital activities of the Funds are denominated. The primary statements are presented to the nearest thousand (USD '000).

Assets and liabilities expressed in foreign currencies will be converted into the functional currency of the Company using the exchange rates prevailing as at the Statement of Financial Position date. Transactions in foreign currencies are translated into USD at exchange rates ruling on the transaction dates.

1.4 Use of estimates

The preparation of Financial Statements in conformity with IFRS as adopted by the European Union requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about fair values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial year in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Financial Statements have been prepared on a going concern basis.

1.5 Financial assets at fair value through profit or loss

Classification

The Company classifies all its investment securities as financial assets and liabilities at fair value through profit or loss. The Company has classified all of its financial assets into subcategory, financial assets designated at fair value through profit or loss upon initial recognition. These include equity securities. These instruments are designated on the basis that their fair value can be reliably measured and their performance has been evaluated on a fair value basis in accordance with the risk management and/or investment strategy as set out in the Company's prospectus.

Financial assets that are classified as loans and receivables include dividends and receivables for investments sold.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2018 (continued)

1. Significant accounting policies (continued)

1.5 Financial assets at fair value through profit or loss (continued)

Recognition & derecognition

The Company recognises financial assets and financial liabilities on the date it becomes party to the contractual provisions of the instrument. Investment transactions are accounted for on a trade date basis.

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and
- Either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company’s continuing involvement in the asset. The Company derecognises a financial liability when the obligation under the liability is discharged, cancelled or expires.

Gains and losses on investments

Gains and losses arising from changes in the fair value of the ‘financial assets at fair value through profit or loss’ category are included in the Statement of Comprehensive Income in the period in which they arise.

Investment transactions are accounted for on a trade date basis. Profits and losses on the disposal of investments are calculated by reference to the net proceeds received on disposal and the cost attributable to those investments based on the weighted average cost and are included in the Statement of Comprehensive Income.

Initial Measurement

Financial assets and liabilities at fair value through profit or loss are measured initially at fair value. All transaction costs for such instruments are expensed immediately in the Statement of Comprehensive Income.

Subsequent Measurement

Subsequent to initial measurement, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the ‘financial assets or financial liabilities at fair value through profit or loss’ category are presented in the Statement of Comprehensive Income within ‘Net gain on financial assets and liabilities at fair value through profit or loss’ in the period in which they arise.

Fair value is the price that would be received to sell the asset or transfer the liability in an orderly transaction between market participants. In determining fair value, securities which are quoted, listed or traded on a recognised exchange will be valued at the last traded price (or, if no last traded price is available, at the mid-market price). Where a security is listed or dealt in on more than one recognised exchange the relevant exchange or market shall be the principal stock exchange or market on which the security is listed or dealt on or the exchange or market which the Directors determine provides the fairest criteria in determining a value for the relevant investment.

The value of any security which is not quoted, listed or dealt in on a recognised exchange, or which is so quoted, listed or dealt but for which no such quotation or value is available or the available quotation or value is not representative of the fair market value, shall be the probable realisation value as estimated with care and good faith by (i) the Directors or (ii) a competent person, firm or corporation (including the Investment Manager) selected by the Directors and approved for the purpose by the Depositary.

MFG INVESTMENT FUND PLC
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For the financial year ended 31 March 2018

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2018 (continued)

1. Significant accounting policies (continued)

1.6 Cash and cash equivalents

Cash and cash equivalents includes deposits held at call with banks and other short-term investments in an active market with original maturities of three months or less and bank overdrafts.

1.7 Redeemable participating shares

The Funds may issue three classes of redeemable participating shares, which are redeemable at the holder's option and do not have identical features. Such shares are classified as financial liabilities. Redeemable participating shares can be put back to the Funds at any dealing date for cash equal to a proportionate share of each Fund's net asset value attributable to the share class.

Redeemable participating shares are issued and redeemed at the holder's option at prices based on each Fund's net asset value per share at the time of issue or redemption.

The net asset value per share for each class in each Fund is calculated by dividing the net assets attributable to the holders of each class of redeemable participating shares with the total number of outstanding redeemable participating shares for each respective class.

1.8 Receivables for investments sold

Receivables from brokers for investments sold but not settled at balance date are measured at fair value. Receivables for investments sold are usually settled between two and five days after trade date.

1.9 Payables for investments purchased

Payables from brokers for investments purchased but not settled at balance date are measured at fair value. Payables for investments purchased are usually settled between two and five days after trade date.

1.10 Income and expenses

Interest income and expense are accounted for on an accrual basis. Dividend income is recognised in the Statement of Comprehensive Income on the date on which the relevant securities are listed as "ex-dividend". Dividend income is shown gross of any non-recoverable withholding tax, which is disclosed separately in the Statement of Comprehensive Income. Operating expenses of the Company are expensed in the financial period to which they relate on an accrual basis.

1.11 Transaction costs

Transaction costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisers, brokers and dealers. Transaction costs, when incurred, are immediately recognised in the Statement of Comprehensive Income as an expense.

1.12 Distributions

It is not the current intention to declare or distribute dividends in respect of the accumulating shares. The net income earned per accumulating share will be accumulated and reinvested on behalf of the shareholders of accumulating shares.

1.13 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when, and only when, there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liability simultaneously.

MFG INVESTMENT FUND PLC
Annual Report and Audited Financial Statements
For the financial year ended 31 March 2018

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2018 (continued)

1. Significant accounting policies (continued)

1.14 Taxation

The Company may incur withholding taxes imposed by certain countries on investment income and capital gains. Such income or gains are recorded gross of withholding taxes in the Statement of Comprehensive Income. Withholding taxes are shown as a separate item in the Statement of Comprehensive Income.

2. Risks

2.1 Financial risks

The Company's activities expose it to a variety of financial risks: market risk (including price risk, currency risk and interest rate risk), liquidity risk and credit risk.

The Company's overall risk management process seeks to maximise the returns derived for the level of risk to which the Company is exposed and seeks to minimise potential adverse effects on the Company's financial performance. The Investment Manager selects the assets which each Fund will invest in, and does this in accordance with the respective investment objective and policy of each Fund. The value of investments and the income from them, and therefore the value of and income from Shares relating to each Fund, will be closely linked to the performance of such investments. Investments made by the Investment Manager will be speculative and an investment in an investment fund involves a degree of risk.

(a) Market risk

Price risk

The Company is exposed to equity securities price risk. This arises from investments held by the Company for which prices in the future are uncertain.

Where investments are denominated in currencies other than USD, the price initially expressed in foreign currency and then converted into USD will also fluctuate because of changes in foreign exchange rates. 'Foreign exchange risk' below, sets out how this component of price risk is managed and measured.

The Investment Manager seeks to ensure that each investment is consistent with the Company's requirements for prudent risk management. The Investment Manager believes that the primary risk management tool is the investment process. Each Fund aims to hold 20 to 40 stocks. The size and diversification of each portfolio is sufficient to ensure the Funds' returns are not overly correlated to a single company, industry specific or macroeconomic risk but the returns of each portfolio are not expected to be perfectly correlated to any market or sector index.

At 31 March 2018, the fair values of investments exposed to price risk are set out in the Schedule of Investments for each Fund. The largest exposure to any one individual equity position at the year end was 5.81% (2017: 7.66%) of the net asset value of the MFG Global Fund and 7.43% (2017: 8.18%) of the net asset value of the MFG Select Infrastructure Fund.

The following table demonstrates the impact on net assets attributable to holders of redeemable participating shares of a 5% increase in price of the financial assets at fair value through profit or loss to which the Funds had exposure, with all other variables held constant.

	As at 31 March 2018 USD '000	As at 31 March 2017 USD '000
MFG Global Fund	81,274	119,344
MFG Select Infrastructure Fund	1,952	1,321

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018 (continued)

2. Risks (continued)

2.1 Financial risks (continued)

(a) Market risk (continued)

Price risk (continued)

Conversely, if the price of financial assets at fair value through profit or loss to which the Funds had exposure had decreased by 5%, with all other variables held constant, this would have an equal but opposite effect on the net assets attributable to holders of redeemable participating shares of each Fund. 5% represents the Investment Manager's best estimate of a reasonable possible shift in price of the investments. Actual trading results may differ from this sensitivity analysis and this difference may be material.

Foreign exchange risk

The Company operates internationally and holds monetary assets denominated in currencies other than USD, the functional currency. Foreign currency risk arises as the value of future transactions, recognised monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates.

The Company is managed on an unhedged basis and therefore the returns of each Fund are exposed to changes in exchange rates relative to the USD.

The table below provides each Fund's exposure to currency risk.

31 March 2018

MFG Global Fund	Monetary assets exposure USD '000	Monetary liabilities exposure USD '000	Total exposure USD '000	FX rate sensitivity	FX rate sensitivity USD '000
Australian Dollar (AUD)	7	-	7	5.00%	-
Euro (EUR)	63,178	(12,105)	51,073	5.00%	2,554
Swiss Franc (CHF)	126,287	-	126,287	5.00%	6,314
UK Pound Sterling (GBP)	83,867	(6,151)	77,716	5.00%	3,886
	<u>273,339</u>	<u>(18,256)</u>	<u>255,083</u>		<u>12,754</u>

MFG Select Infrastructure Fund	Monetary assets exposure USD '000	Monetary liabilities exposure USD '000	Total exposure USD '000	FX rate sensitivity	FX rate sensitivity USD '000
Australian Dollar (AUD)	7,964	-	7,964	5.00%	398
Canadian Dollar (CAD)	3,226	-	3,226	5.00%	161
Chilean Peso (CLP)	807	-	807	5.00%	40
Euro (EUR)	11,304	(22)	11,282	5.00%	564
New Zealand Dollar (NZD)	1,253	-	1,253	5.00%	63
Swiss Franc (CHF)	1,144	-	1,144	5.00%	57
UK Pound Sterling (GBP)	2,335	-	2,335	5.00%	117
	<u>28,033</u>	<u>(22)</u>	<u>28,011</u>		<u>1,400</u>

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018 (continued)

2. Risks (continued)

2.1 Financial risks (continued)

(a) Market risk (continued)

Foreign exchange risk (continued)

31 March 2017

MFG Global Fund	Monetary assets exposure USD '000	Monetary liabilities exposure USD '000	Total exposure USD '000	FX rate sensitivity	FX rate sensitivity USD '000
Australian Dollar (AUD)	7	-	7	5.00%	-
Euro (EUR)	84,458	-	84,458	5.00%	4,223
Swiss Franc (CHF)	184,685	(2)	184,683	5.00%	9,234
UK Pound Sterling (GBP)	145,309	-	145,309	5.00%	7,265
	<u>414,459</u>	<u>(2)</u>	<u>414,457</u>		<u>20,722</u>

MFG Select Infrastructure Fund	Monetary assets exposure USD '000	Monetary liabilities exposure USD '000	Total exposure USD '000	FX rate sensitivity	FX rate sensitivity USD '000
Australian Dollar (AUD)	4,802	-	4,802	5.00%	240
Canadian Dollar (CAD)	2,191	(280)	1,911	5.00%	96
Chilean Peso (CLP)	535	-	535	5.00%	27
Euro (EUR)	6,301	(53)	6,248	5.00%	312
New Zealand Dollar (NZD)	781	-	781	5.00%	39
Swiss Franc (CHF)	1,171	-	1,171	5.00%	59
UK Pound Sterling (GBP)	2,247	-	2,247	5.00%	112
	<u>18,028</u>	<u>(333)</u>	<u>17,695</u>		<u>885</u>

The preceding table also summarises the sensitivity of each Fund's monetary assets and liabilities to changes in foreign exchange movements at 31 March 2018 and 31 March 2017.

The analysis is based on the assumptions that the relevant foreign exchange rate increased by 5%, with all other variables held constant. This represents the Investment Manager's best estimate of a reasonable possible shift in the foreign exchange rates, having regard to historical volatility of those rates, and is not intended to be predictive. A decrease of 5%, with all other variables held constant, would have an equal but opposite effect.

Interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of markets interest rates on the fair value of financial assets and liabilities and future cash flow. If the Funds invest in interest bearing securities and as such their net asset values are exposed to change in interest rates, the risk being that if interest rates rise, they will cause the value of the interest bearing securities component of the Funds' portfolio to decline. As equity funds do not invest in interest-bearing securities, the Funds do not have a significant direct exposure to interest rate risk. Excess cash and cash equivalents are invested at short term market interest rates thus contributing very little to fair value interest rate risk, however, such balances are exposed to cash flow interest rate risks. Balances exposed to cash flow interest rate risks are the cash and cash equivalent amounts disclosed in the Statement of Financial Position. If interest rates across all currencies had increased by 1%, with all other variables held constant, this would have increased net assets attributable to holders of redeemable shares of each Fund as follows:

	As at 31 March 2018 USD '000	As at 31 March 2017 USD '000
MFG Global Fund	3,423	4,138
MFG Select Infrastructure Fund	36	22

A decrease of 1%, with all other variables held constant, would have an equal but opposite effect.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018 (continued)

2. Risks (continued)

2.1 Financial risks (continued)

(b) Liquidity risk

Liquidity risk is the risk that the Company may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

Each Fund invests primarily in securities which are readily realisable. As a result, each Fund is likely to be able to liquidate its investments quickly at an amount close to their fair value in order to meet its liquidity requirements. Liquidity is monitored at a strategy and individual level daily for each Fund. The Investment Manager endeavours to manage each Fund's investments, including cash to meet its liabilities.

All of the liabilities of the Company as at 31 March 2018 and 31 March 2017, as shown in the Statement of Financial Position, fall due within one month of the financial year end.

(c) Credit risk, Depositary and Title risk

Credit risk, is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's exposure to credit risk is the value of cash and cash equivalents disclosed in the Statement of Financial Position.

Northern Trust Fiduciary Services (Ireland) Limited ("NTFSIL") is the appointed Depositary of the Company, responsible for the safe-keeping of assets. NTFSIL has appointed The Northern Trust Company ("TNTC") as its global sub-custodian. Both NTFSIL and TNTC are wholly owned subsidiaries of Northern Trust Corporation ("NTC"). As at year-end date 31 March 2018, NTC had a long term credit rating from Standard & Poor's of A+ (31 March 2017: A+).

TNTC (as global sub-custodian of NTFSIL) does not appoint external sub-custodians within the U.S., the U.K., Ireland and Canada. However, in all other markets, TNTC appoints local external sub-custodians.

NTFSIL, in the discharge of its depositary duties, verifies the Company's ownership of Other Assets, (as defined under Other Assets, Art 22(5) of UCITS V Directive 2014/91/EU), by assessing whether the Company holds the ownership based on information or documents provided by the Fund or where available, on external evidence.

TNTC, in the discharge of its delegated depositary duties, holds in custody (i) all financial instruments that may be registered in a financial instruments account opened on the books of TNTC and (ii) all financial instruments that can be physically delivered to TNTC. TNTC ensures all financial instruments (held in a financial instruments account on the books of TNTC) are held in segregated accounts in the name of the Company, clearly identifiable as belonging to the Company, and distinct and separately from the proprietary assets of TNTC, NTFSIL and NTC.

In addition TNTC, as banker, holds cash of the Company on deposit. Such cash is held on the Statement of Financial Position of TNTC. In the event of insolvency of TNTC, in accordance with standard banking practice, the Company will rank as an unsecured creditor of TNTC in respect of any cash deposits.

Insolvency of NTFSIL and or one of its agents or affiliates may cause the Company's rights with respect to its assets to be delayed.

The Responsible Party ("the Board of Directors or its delegates") manages risk by monitoring the credit quality and financial position of the Depositary and such risk is further managed by the Depositary monitoring the credit quality and financial positions of sub-custodian appointment.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2018 (continued)

2. Risks (continued)

2.2 Capital risk management

The capital of the Company is represented by the net assets attributable to holders of redeemable participating shares. The amount of net assets attributable to holders of redeemable participating shares can change significantly on a daily basis, as each Fund is subject to daily subscriptions and redemptions at the discretion of shareholders. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and maintain a strong capital base to support the investment activities of the Company.

The Directors may determine to redeem all the outstanding shares of each Fund in the event that the Fund's Net Asset Value falls below USD 100 million or such amount as may be determined by the Directors from time to time and notified in advance to Shareholders.

2.3 Fair value estimation

The Company's accounting policies in relation to measuring financial assets and financial liabilities at fair value through profit or loss are set out in Note 1.5 above.

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes "observable" requires significant judgement by the Company. The Company considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, comprise equity securities which are quoted, listed or traded on a recognised exchange and on-market renounceable subscription rights. The Company does not adjust the quoted price for these instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These comprise off-market renounceable subscription rights. As Level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

Investments classified within Level 3 have significant unobservable inputs, as they trade infrequently. The Company does not hold any Level 3 financial assets.

All of the financial assets of the Company are classified in Level 1, being exchange traded equity securities with observable prices in active markets.

There were no transfers between levels during the current financial year or in the prior financial year.

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For the financial year ended 31 March 2018 (continued)

3. Share capital

The authorised share capital of the Company is 1,000,000,000,000 shares initially designated as unclassified shares (the "Shares"). The subscriber shares in issue is €2 represented by 2 shares, these were issued for the purposes of the incorporation of the Company. The subscriber shares do not form part of the Net Asset Value of the Company and are thus disclosed in the financial statements by way of this note only.

The Directors are generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities, including fractions thereof, up to an amount equal to the authorised but as yet unissued share capital of the Company.

The rights attached to any Class may be varied or abrogated with the consent in writing of the shareholders of three-fourths in number of the issued Shares of that Class, or with the sanction of a special resolution passed at a separate general meeting of the shareholders of the Shares of the Class. These may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up but such consent or sanction will not be required in the case of a variation, amendment or abrogation of the rights attached to any Shares of any Class if, in the view of the Directors, such variation, amendment or abrogation does not materially prejudice the interests of the relevant Shareholders or any of them.

Holders to any class or classes of shares are entitled to one vote per share held at meetings of shareholders or by proxy. Shareholders who hold a fraction of a Share do not carry voting rights.

The shares issued in each Fund will rank pari passu with each other in all respects provided that they may differ as to certain matters including currency of denomination, hedging strategies if any applied to the currency of a particular class, dividend policy, voting rights, return of capital, the level of fees and expenses to be charged, subscription or redemption procedures or the minimum subscription, minimum holding and minimum transaction size applicable.

During the financial year ended 31 March 2018, the number of shares issued, redeemed and outstanding was as follows:

	Shares in issue at start of financial year	Shares subscribed	Shares redeemed	Shares in issue at end of financial year
MFG Global Fund				
Class 1 Accumulating Unhedged USD	17,023,115	1,373,779	(9,297,378)	9,099,516
Class 2 Accumulating Unhedged GBP	2,564,445	128,406	(305,305)	2,387,546
MFG Select Infrastructure Fund				
Class 1 Accumulating Unhedged USD	262,107	93,708	-	355,815

During the financial year ended 31 March 2017, the number of shares issued, redeemed and outstanding was as follows:

	Shares in issue at start of financial year/period	Shares subscribed	Shares redeemed	Shares in issue at end of financial year/period
MFG Global Fund				
Class 1 Accumulating Unhedged USD	11,796,774	7,615,897	(2,389,556)	17,023,115
Class 2 Accumulating Unhedged GBP	608,075	2,076,818	(120,448)	2,564,445
MFG Select Infrastructure Fund*				
Class 1 Accumulating Unhedged USD	-	262,107	-	262,107

*The MFG Select Infrastructure Fund launched 30 December 2016. The amounts are for the period from 30 December 2016 to 31 March 2017.

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For the financial year ended 31 March 2018 (continued)

4. NAV reconciliation

31 March 2018	MFG Global Fund USD '000	MFG Select Infrastructure Fund USD '000	Company Total USD '000
Dealing NAV	1,958,867	42,659	2,001,526
Adjustments for financial statements:			
Late trade for redemptions from Class 2 Accumulating Unhedged GBP	(701)	-	(701)
Adjusted NAV	1,958,166	42,659	2,000,825

The published Net Asset Value per redeemable participating share at which shareholders may subscribe to or redeem from the Funds, differs from the Net Asset Value per the financial statements. The difference relates to a redemption which traded on 29 March 2018 for settlement date 4 April 2018 on Class 2 Accumulating Unhedged GBP.

5. Net gains on financial assets at fair value through profit or loss

31 March 2018	MFG Global Fund USD '000	MFG Select Infrastructure Fund USD '000	Company Total USD '000
Net realised gains on sale of investments	291,045	1,095	292,140
Net currency losses	200	17	217
Net change in unrealised gains on investments	29,886	1,289	31,175
	321,131	2,401	323,532

31 March 2017	MFG Global Fund USD '000	MFG Select Infrastructure Fund* USD '000	Company Total USD '000
Net realised gains on sale of investments	47,061	292	47,353
Net currency losses	(2,117)	(61)	(2,178)
Net change in unrealised gains on investments	189,426	2,107	191,533
	234,370	2,338	236,708

*The MFG Select Infrastructure Fund launched 30 December 2016. The amounts are for the period from 30 December 2016 to 31 March 2017.

6. Fees and expenses

Investment manager and distributor fee

The Investment Manager and Distributor is entitled to receive out of the assets of each Fund an annual investment management and distribution fee equal to a percentage of the net asset value of the relevant class as outlined in the table below. Such fee shall be calculated and accrued at each dealing day and payable monthly in arrears.

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For the financial year ended 31 March 2018 (continued)

6. Fees and expenses (continued)

Investment manager and distributor fee (continued)

Class of shares	Capped fee (up to and not exceeding)
Class 1 Accumulating Unhedged USD	0.80% p.a.
Class 2 Accumulating Unhedged GBP	0.80% p.a.
Class 3 Share Class S USD**	nil

**Shares in Share Class S are Accumulating Shares which may be issued at the discretion of the Directors to entities associated with the Investment Manager.

The annual rate of fee paid by each Fund in respect of each share class to the Investment Manager may be increased up to a maximum of 1% of the net asset value of the relevant class, i.e. 'the maximum capped fee' by agreement between the Company and the Investment Manager, but will not be increased without at least 30 days written notice being sent to Shareholders.

The Investment Manager will pay the fees of the Administrator, Facility Agent, Paying Agent, Depositary and the preliminary expenses incurred with respect of the establishment and initial issue of Shares in each Fund.

Establishment expenses

Fees and expenses relating to the establishment and organisation of the Company, including the fees of the Company's professional advisers and registering the Shares for sale in various markets are borne by the Investment Manager.

Operating costs and expenses

The preliminary expenses incurred in connection with the establishment and initial issue of shares in each Fund were borne by the Investment Manager. Operating costs and expenses incurred in operation of each Fund, other than those expressly borne by the Investment Manager, as described below, have been met out of the assets of each Fund. The Funds have borne expenses incurred in connection with the acquisition, disposal or maintenance of investments including brokerage costs, clearing house fees, taxes and other transaction charges.

The Investment Manager has borne the following operating expenses of each Fund: auditors fees, legal and other professional advisers expenses; insurance premiums, registration fees and other expenses payable by the Company to government, regulatory, supervisory or fiscal agencies; fees required to be paid to the Central Bank of Ireland; expenses in respect Shareholders' and Directors' meetings; Company secretarial expenses; expenses related to transfer agents, dividend dispersing agents, Shareholder servicing agents and registrars; printing and mailing expenses, and expenses related to the preparation, printing and distribution of the Company's Prospectus, Supplement, KIIDs, proxy statements, reports to Shareholders and other Fund materials and/or sales literature; Directors' fees and expenses; and such other expenses as have been agreed between the Company and the Investment Manager.

The establishment and operating expenses borne by the Investment Manager for the financial year ended 31 March 2018 amounted to USD 2,092,411 (2017: USD 1,833,439).

Administration and Depositary fees

The Investment Manager bears the Administration and Depositary fees of the Company.

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For the financial year ended 31 March 2018 (continued)

7. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

The Investment Manager of the Company is MFG Asset Management. Under the terms of the investment management agreement the Investment Manager is responsible, subject to the overall supervision and control of the Directors, for managing the assets and investments of the Funds in accordance with the investment objective and policies of each Fund. The Investment Manager is entitled to receive investment management and distributor fees as set out in Note 6. Total investment management fees for the financial year amounted to USD 19,301,933 (2017: USD 16,066,874), of which USD 2,256,699 (2017: USD 1,923,631) remained payable at the financial year end.

During the financial year, Craig Wright was both a Director of the Company and an employee of MFG Asset Management.

The Directors who are not associated with the Investment Manager shall receive a fee for their services, however the aggregate emoluments of such Directors shall not exceed EUR 60,000 per annum or such other amount that maybe approved by a resolution of the Directors or the Shareholders at a general meeting. None of the Directors had any interest in the redeemable participating shares of the Company during the financial year.

Directors' fees for the financial year amounted to EUR 60,000 (2017: EUR 45,000).

8. Cash and cash equivalents

Cash balances are held by The Northern Trust Company, a wholly owned subsidiary of Northern Trust Corporation. The total cash and cash equivalents balance as at 31 March 2018 amounted to USD 345,885,430 (2017: USD 415,927,549). As at 31 March 2017 cash and cash equivalents included a balance of USD 1,000,000 held in a single, Company level umbrella cash account with The Northern Trust Company relating to subscriptions for shares not yet allocated. This balance is attributable to the MFG Global Fund only. There were no such balances held as at 31 March 2018.

9. Net asset value

Net asset value	31 March 2018 USD	31 March 2017 USD	31 March 2016 USD
MFG Global Fund			
Class 1 Accumulating Unhedged USD	1,382,940,699	2,259,348,092	1,427,272,640
Class 2 Accumulating Unhedged GBP*	575,224,817	539,548,355	116,626,652
MFG Select Infrastructure Fund			
Class 1 Accumulating Unhedged USD	42,659,071	28,544,306	N/A

*These values are shown in USD.

Net asset value per share	31 March 2018	31 March 2017	31 March 2016
MFG Global Fund			
Class 1 Accumulating Unhedged USD	\$151.98	\$132.72	\$120.99
Class 2 Accumulating Unhedged GBP	£171.75	£168.26	£133.44
MFG Select Infrastructure Fund*			
Class 1 Accumulating Unhedged USD	\$119.89	\$108.90	N/A

*The MFG Select Infrastructure Fund launched 30 December 2016.

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NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2018 (continued)

10. Taxation

Under current law and practice the Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended. On this basis, it is not chargeable to Irish tax on its income or gains.

However, Irish tax may arise on the happening of a “chargeable event”. A chargeable event includes any distribution payments to shareholders or any encashment, redemption, cancellation or transfer of shares.

No Irish tax will arise on the Company in respect of chargeable events in respect of:

- a) A shareholder who is neither Irish resident nor ordinarily resident in Ireland for tax purposes, at the time of the chargeable event, provided appropriate valid declarations in accordance with the provisions of the Taxes Consolidation Act, 1997, as amended are held by the Company; and
- b) Certain exempted Irish tax resident shareholders who have provided the Company with the necessary signed statutory declarations.

Where the Company has a concession from the Revenue Commissioners it may be possible to obtain an exemption from the requirement to have a valid non-resident declaration in place.

Interest and capital gains (if any) received on investments made by the Company may be subject to withholding taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Company or its shareholders.

11. Exchange rates

The exchange rates used to translate foreign currency balances and foreign currency-denominated assets and liabilities to USD at the financial year end were as follows:

	As at 31 March 2018	As at 31 March 2017
Australian Dollar (AUD)	1.3037	1.3109
Canadian Dollar (CAD)	1.2893	1.3337
Chilean Peso (CLP)	603.5650	622.1050
Euro (EUR)	0.8131	0.9350
New Zealand Dollar (NZD)	1.3862	1.4305
Swiss Franc (CHF)	0.9576	1.0010
UK Pound Sterling (GBP)	0.7129	0.7997

12. Efficient portfolio management and use of financial derivative instruments

The only financial derivative instruments the Funds may hold are subscription rights received as a result of a corporate action by an entity in which the Fund holds equity securities.

The Investment Manager employs a risk management process which enables it to accurately measure, monitor and manage the risks attached to these financial derivative instruments. The Investment Manager uses the commitment approach to calculate the Funds’ daily global exposure to financial derivative instruments, being the incremental exposure and leverage generated through the use of financial derivative instruments, in accordance with its risk management process and the requirements of the Central Bank. It is expected that the Funds will not be leveraged in excess of 5% of their total Net Asset Value through the use of financial derivative instruments.

The Company did not hold any financial derivative instruments at 31 March 2018 (2017: Nil).

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2018 (continued)

13. Soft commissions and directed brokerage services

There were no soft commissions, other than for general research during the period to 1 April to 31 December 2017. From 1 January 2018, the Investment Manager committed to pay from its own resources for investment research, however, it may receive proprietary and third party research from any of the brokers with which it executes client transactions on behalf of the MFG Investment Fund.

14. Segregated liability

The Company was incorporated with limited liability as an open-ended umbrella investment company with variable capital and segregated liability between Funds. Any liability incurred on behalf of or attributable to any Fund shall be discharged solely out of the assets of that Fund.

15. Auditor's remuneration

Fees and expenses paid to the statutory auditors, Ernst & Young, in respect of the financial year, relate to the audit of the Financial Statements of the Company and tax advisory services in relation to the annual reporting requirements for UK reporting. The Auditor's fees were borne by the Investment Manager. The Financial Statements audit fee (inclusive of VAT) charged for the financial year ended 31 March 2018 was EUR 37,761 (2017: EUR 30,830). The tax advisory service fee charged for the financial year ended 31 March 2018 was GBP 8,800 (2017: GBP 10,200).

16. Significant events during the financial year

On 22 September 2017, there was a redemption from Class 1 Accumulating Unhedged USD of the MFG Global Fund for an amount of USD 1,109,044,578 of which USD 1,001,894,587 was made In-Specie. The total number of units redeemed was 7,683,024 at a NAV per share of USD 144.35.

There were no other significant events during the financial year ended 31 March 2018.

17. Significant events after the financial year end

On 7 June 2018, the Central Bank of Ireland (the "Central Bank") approved and noted the change of name of "MFG Global Low Carbon Fund" to "MFG Global Sustainable Fund". This MFG Global Sustainable Fund has not yet launched.

There were no other significant events have occurred in respect of the Company subsequent to the financial year end which were deemed material for disclosure in the Financial Statements.

18. Approval of the financial statements

These Financial Statements were approved by the Directors on 19 June 2018.

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SCHEDULE OF INVESTMENTS

MFG GLOBAL FUND
As at 31 March 2018

Holdings	Financial assets at fair value through profit or loss	Fair Value USD '000	% of Net Assets
	Equities 83.01% (31 Mar 2017: 85.28%)		
	France 1.26% (31 Mar 2017: 3.02%)		
	Pharmaceuticals 1.26% (31 Mar 2017: 3.02%)		
306,289	Sanofi	24,609	1.26
	Total France	24,609	1.26
	Germany 1.64% (31 Mar 2017: 0.00%)		
	Software 1.64% (31 Mar 2017: 0.00%)		
307,557	SAP	32,140	1.64
	Total Germany	32,140	1.64
	Switzerland 6.45% (31 Mar 2017: 6.60%)		
	Food 3.24% (31 Mar 2017: 3.66%)		
803,915	Nestle SA	63,484	3.24
	Pharmaceuticals 3.21% (31 Mar 2017: 2.94%)		
778,279	Novartis AG	62,792	3.21
	Total Switzerland	126,276	6.45
	United Kingdom 4.15% (31 Mar 2017: 5.17%)		
	Banks 0.62% (31 Mar 2017: 2.62%)		
13,452,829	Lloyds Banking Group PLC	12,202	0.62
	Food 2.71% (31 Mar 2017: 2.55%)		
18,370,359	Tesco PLC	53,060	2.71
	Household Products/Wares 0.82% (31 Mar 2017: 0.00%)		
189,220	Reckitt Benckiser	16,016	0.82
	Total United Kingdom	81,278	4.15
	United States 69.51% (31 Mar 2017: 70.49%)		
	Banks 4.39% (31 Mar 2017: 4.32%)		
1,641,376	Wells Fargo & Co	86,025	4.39

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SCHEDULE OF INVESTMENTS (CONTINUED)

MFG GLOBAL FUND (CONTINUED)

As at 31 March 2018

Holdings	Financial assets at fair value through profit or loss	Fair Value USD '000	% of Net Assets
	Equities 83.01% (31 Mar 2017: 85.28%) (continued)		
	United States 69.51% (31 Mar 2017: 70.49%) (continued)		
	Commercial Services 0.00% (31 Mar 2017: 3.27%)	-	-
	Computers 4.85% (31 Mar 2017: 7.66%)		
566,614	Apple Inc	95,066	4.85
	Diversified Financial Services 9.05% (31 Mar 2017: 8.04%)		
419,850	MasterCard Inc	73,541	3.76
866,724	Visa Inc	103,678	5.29
	Food 4.02% (31 Mar 2017: 0.00%)		
1,263,385	Kraft Heinz	78,696	4.02
	Healthcare Services 3.95% (31 Mar 2017: 2.90%)		
797,105	HCA Holdings Inc	77,319	3.95
	Internet 14.98% (31 Mar 2017: 13.20%)		
110,256	Alphabet Class C	113,761	5.81
14,858	Alphabet Class A	15,410	0.79
1,330,629	eBay Inc	53,545	2.73
691,854	Facebook Inc	110,551	5.65
	REITS 3.18% (31 Mar 2017: 0.00%)		
567,765	Crown Castle International Corp	62,233	3.18
	Retail 18.15% (31 Mar 2017: 21.21%)		
241,594	Costco Wholesale Corp	45,524	2.32
1,058,465	Lowe's Cos Inc	92,880	4.74
317,039	McDonald's Corp	49,579	2.53
1,646,181	Starbucks Corp	95,297	4.87
847,664	Yum! Brands Inc	72,162	3.69
	Semiconductors 0.00% (31 Mar 2017: 1.55%)	-	-
	Software 6.94% (31 Mar 2017: 8.34%)		
768,377	Microsoft Corp	70,130	3.58
1,437,603	Oracle Corp	65,770	3.36
	Total United States	1,361,167	69.51
	Total Equities	1,625,470	83.01

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SCHEDULE OF INVESTMENTS (CONTINUED)

MFG GLOBAL FUND (CONTINUED)

As at 31 March 2018

	Fair Value USD '000	% of Net Assets
Total Value of Investments	1,625,470	83.01
Cash and Cash Equivalents*	342,302	17.48
Other Net Liabilities	(9,606)	(0.49)
Net Assets Attributable to Holders of Redeemable Participating Shares	1,958,166	100.00

*All cash holdings are held with The Northern Trust Company.

<u>Analysis of Total Assets</u>	% of Total Assets
Transferable Securities admitted to official stock exchange listing	82.17%
Other Assets	17.83%
	100.00%

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SCHEDULE OF INVESTMENTS (CONTINUED)

MFG SELECT INFRASTRUCTURE FUND

As at 31 March 2018

Holdings	Financial assets at fair value through profit or loss	Fair Value USD '000	% of Net Assets
	Equities 91.53% (31 Mar 2017: 92.55%)		
	Australia 18.47% (31 Mar 2017: 16.70%)		
	Commercial Services 11.73% (31 Mar 2017: 11.50%)		
413,335	Macquarie Atlas Roads Group	1,833	4.30
361,861	Transurban Group	3,170	7.43
	Electric 0.63% (31 Mar 2017: 0.00%)		
147,769	Spark Infrastructure Group	271	0.63
	Engineering & Construction 3.65% (31 Mar 2017: 3.57%)		
302,375	Sydney Airport	1,556	3.65
	Pipelines 2.46% (31 Mar 2017: 1.63%)		
173,575	APA Group	1,049	2.46
	Total Australia	7,879	18.47
	Canada 7.52% (31 Mar 2017: 7.63%)		
	Pipelines 4.24% (31 Mar 2017: 5.46%)		
57,576	Enbridge Inc	1,810	4.24
	Transportation 3.28% (31 Mar 2017: 2.17%)		
7,932	Canadian Pacific Railway Ltd	1,398	3.28
	Total Canada	3,208	7.52
	Chile 1.89% (31 Mar 2017: 1.87%)		
	Water 1.89% (31 Mar 2017: 1.87%)		
1,240,528	Aguas Andinas SA	807	1.89
	Total Chile	807	1.89
	France 8.25% (31 Mar 2017: 9.06%)		
	Commercial Services 3.87% (31 Mar 2017: 0.00%)		
115,755	Groupe Eurotunnel SE	1,651	3.87
	Engineering & Construction 4.38% (31 Mar 2017: 3.94%)		
8,590	Aéroports de Paris	1,870	4.38

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SCHEDULE OF INVESTMENTS (CONTINUED)

MFG SELECT INFRASTRUCTURE FUND (CONTINUED)

As at 31 March 2018

Holdings	Financial assets at fair value through profit or loss	Fair Value USD '000	% of Net Assets
	Equities 91.53% (31 Mar 2017: 92.55%) (continued)		
	France 8.25% (31 Mar 2017: 9.06%) (continued)		
	Telecommunications 0.00% (31 Mar 2017: 2.44%)	-	-
	Transportation 0.00% (31 Mar 2017: 2.68%)	-	-
	Total France	3,521	8.25
	Italy 13.45% (31 Mar 2017: 5.96%)		
	Commercial Services 7.41% (31 Mar 2017: 2.42%)		
70,676	Atlantia SpA	2,186	5.13
52,362	Societa Iniziative Autostradali e Servizi SpA	974	2.28
	Electric 1.90% (31 Mar 2017: 1.80%)		
139,089	Terna Rete Elettrica Nazionale SpA	812	1.90
	Gas 4.14% (31 Mar 2017: 1.74%)		
37,871	Italgas SpA	226	0.53
335,345	Snam SpA	1,540	3.61
	Total Italy	5,738	13.45
	Luxembourg 0.00% (31 Mar 2017: 4.32%)	-	-
	Netherlands 3.06% (31 Mar 2017: 2.64%)		
	Pipelines 3.06% (31 Mar 2017: 2.64%)		
26,611	Koninklijke Vopak NV	1,304	3.06
	Total Netherlands	1,304	3.06
	New Zealand 2.82% (31 Mar 2017: 2.64%)		
	Engineering & Construction 2.82% (31 Mar 2017: 2.64%)		
272,491	Auckland International Airport Ltd	1,203	2.82
	Total New Zealand	1,203	2.82
	Spain 1.63% (31 Mar 2017: 0.00%)		
	Engineering & Construction 1.63% (31 Mar 2017: 0.00%)		
3,443	Aena SME SA	693	1.63
	Total Spain	693	1.63

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SCHEDULE OF INVESTMENTS (CONTINUED)

MFG SELECT INFRASTRUCTURE FUND (CONTINUED)
As at 31 March 2018

Holdings	Financial assets at fair value through profit or loss	Fair Value USD '000	% of Net Assets
	Equities 91.53% (31 Mar 2017: 92.55%) (continued)		
	Switzerland 2.63% (31 Mar 2017: 4.04%)		
	Engineering & Construction 2.63% (31 Mar 2017: 4.04%)		
5,103	Flughafen Zuerich AG	1,123	2.63
	Total Switzerland	1,123	2.63
	United Kingdom 5.41% (31 Mar 2017: 7.79%)		
	Gas 2.65% (31 Mar 2017: 4.05%)		
100,347	National Grid PLC	1,129	2.65
	Water 2.76% (31 Mar 2017: 3.74%)		
14,395	Severn Trent PLC	372	0.87
80,166	United Utilities Group PLC	805	1.89
	Total United Kingdom	2,306	5.41
	United States 26.40% (31 Mar 2017: 29.90%)		
	Electric 8.81% (31 Mar 2017: 7.31%)		
15,095	Eversource Energy	889	2.08
17,765	Sempra Energy	1,976	4.63
14,270	WEC Energy Group Inc	895	2.10
	Gas 3.76% (31 Mar 2017: 7.93%)		
19,043	Atmos Energy Corp	1,604	3.76
	REITS 9.80% (31 Mar 2017: 9.79%)		
11,511	American Tower Corp	1,673	3.92
22,877	Crown Castle International Corp	2,508	5.88
	Transportation 1.49% (31 Mar 2017: 3.40%)		
4,720	Union Pacific Corp	635	1.49
	Water 2.54% (31 Mar 2017: 1.47%)		
13,195	American Water Works Co Inc	1,084	2.54
	Total United States	11,264	26.40
	Total Equities	39,046	91.53

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SCHEDULE OF INVESTMENTS (CONTINUED)

MFG SELECT INFRASTRUCTURE FUND (CONTINUED)

As at 31 March 2018

	Fair Value USD '000	% of Net Assets
Total Value of Investments	39,046	91.53
Cash and Cash Equivalents*	3,583	8.40
Other Net Assets	30	0.07
Net Assets Attributable to Holders of Redeemable Participating Shares	42,659	100.00

*All cash holdings are held with The Northern Trust Company.

<u>Analysis of Total Assets</u>	% of Total Assets
Transferable Securities admitted to official stock exchange listing	91.42%
Other Assets	8.58%
	100.00%

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SCHEDULE OF SIGNIFICANT PORTFOLIO CHANGES (UNAUDITED)

MFG GLOBAL FUND

For the financial year ended 31 March 2018

Only the top 20 purchases and sales or those greater than 1% of the total value of purchases and sales have been included in the portfolio changes schedules.

Purchases		Cost USD ('000)
1,816,358	Kraft Heinz	150,259
958,230	Crown Castle International Corp	92,392
401,421	Facebook Inc	65,035
952,509	Starbucks Corp	53,023
475,958	Lowe's Cos Inc	37,019
441,174	HCA Holdings Inc	35,028
34,980	Alphabet Class C	32,301
307,557	SAP	32,086
201,936	Costco Wholesale Corp	31,377
463,327	Wells Fargo & Co	27,127
189,220	Reckitt Benckiser	15,723
179,121	Novartis AG	14,862
84,742	Apple Inc	13,598
74,601	Visa Inc	7,649
143,530	Oracle Corp	6,892
88,835	Yum! Brands Inc	6,790
80,005	Nestle SA	6,615
84,542	Microsoft Corp	6,409
44,553	MasterCard Inc	6,180
32,229	McDonald's Corp	4,951
Sales		Proceeds USD ('000)
1,902,988	PayPal Holdings Inc	118,330
1,262,850	CYS Health	98,418
478,613	Apple Inc	79,383
623,457	Microsoft Corp	49,569
768,192	QUALCOMM Inc	44,141
45,771,504	Lloyds Banking Group PLC	41,624
234,804	McDonald's Corp	37,275
924,104	eBay Inc	36,438
370,314	Lowe's Cos Inc	33,773
341,344	Sanofi	29,532
147,571	Costco Wholesale Corp	26,975
227,946	Visa Inc	23,546
15,681	Alphabet Class C	14,774
154,582	HCA Holdings Inc	14,088
95,301	MasterCard Inc	13,490
78,053	Facebook Inc	12,591
210,025	Wells Fargo & Co	11,331
225,504	Oracle Corp	11,101
126,192	Nestle SA	10,606
132,137	Yum! Brands Inc	9,670

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SCHEDULE OF SIGNIFICANT PORTFOLIO CHANGES (UNAUDITED) (CONTINUED)

MFG SELECT INFRASTRUCTURE FUND
For the financial year ended 31 March 2018

Only the top 20 purchases or those greater than 1% of the total value of purchases have been included in the portfolio changes schedules. Below are listed the total sales for the financial year under review.

Purchases		Cost
		USD ('000)
52,943	Atlantia SpA	1,509
157,853	Transurban Group	1,508
11,670	Crown Castle International Corp	1,163
239,793	Snam SpA	1,101
23,320	Enbridge Inc	901
69,738	United Utilities Group PLC	843
10,256	American Water Works Co Inc	823
8,972	Atmos Energy Corp	751
53,925	National Grid PLC	699
95,712	APA Group	659
3,443	Aena SME SA	622
4,453	American Tower Corp	602
3,848	Aéroports de Paris	590
105,015	Sydney Airport	584
3,707	Canadian Pacific Railway Ltd	582
4,992	Sempra Energy	578
113,050	Auckland International Airport Ltd	565
122,663	Macquarie Atlas Roads Group	563
18,778	SES SA	480
1,918	Flughafen Zuerich AG	465
Sales		Proceeds
		USD ('000)
71,707	SES SA	1,657
41,990	Eutelsat Communications SA	1,170
4,340	Aéroports de Paris	951
6,399	Norfolk Southern Corp	800
85,356	Transurban Group	782
75,551	United Utilities Group PLC	773
5,222	American Tower Corp	649
12,892	Xcel Energy Inc	620
2,214	Flughafen Zuerich AG	543
3,219	Union Pacific Corp	380
37,057	National Grid PLC	379
5,280	WEC Energy Group Inc	323
4,692	Eversource Energy	267
2,579	Crown Castle International Corp	247
2,446	American Water Works Co Inc	214
3,074	Enbridge Inc	121
7,290	National Grid PLC	100
714	Atmos Energy Corp	62

RISK ITEM (UNAUDITED)

Cybersecurity Risk

Cybersecurity breaches may occur allowing an unauthorised party to gain access to assets of the Funds, Shareholder data, or proprietary information, or may cause the Company, the Investment Manager, the Distributor, the Administrator or the Depositary to suffer data corruption or lose operational functionality.

The Funds may be affected by intentional cybersecurity breaches which include unauthorised access to systems, networks, or devices (such as through “hacking” activity); infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. In addition, unintentional incidents can occur, such as the inadvertent release of confidential information (possibly resulting in the violation of applicable privacy laws). A cybersecurity breach could result in the loss or theft of Shareholder data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system, or costs associated with system repairs. Such incidents could cause the Company, the Investment Manager, the Distributor, the Administrator, the Depositary, or other service providers to incur regulatory penalties, reputational damage, additional compliance costs, or financial loss. Consequently, Shareholders may lose some or all of their invested capital. In addition, such incidents could affect issuers in which a Fund invests, and thereby cause a Fund’s investments to lose value, as a result of which investors, including the relevant Fund and its Shareholders, could potentially lose all or a portion of their investment with that issuer.

UCITS REMUNERATION DISCLOSURE (UNAUDITED)

Remuneration Policy of the Company

The Company has designed and implements a remuneration policy which is intended to comply with the provisions of the UCITS Directive and ESMA Guidelines on Sound Remuneration Policies under the UCITS Directive and AIFMD (ESMA/2016/411) (the “ESMA Remuneration Guidelines”) each of which may be amended from time to time. The Company’s remuneration policy includes measures to avoid conflicts of interest.

The Company’s remuneration policy applies to those categories of staff, including senior management, risk takers, control functions and any employee receiving total remuneration that falls into the remuneration bracket of senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Company. The result of this categorisation is such that the remuneration policy will only be applicable to the Directors.

The Directors of the Company receive a fixed fee only. The Directors do not receive performance based variable remuneration, therefore avoiding any potential conflicts of interest. The basic fee of a non-executive Director is set at a level that is on par with the rest of the market and reflects the qualifications and contribution required in view of the Company’s complexity, the extent of the responsibilities and the number of board meetings. No pension contributions are payable on Director’s fees. Details of the Director’s fees are included in Note 7 of the annual financial statements.

Given the internal organisation of the Company as a self-managed UCITS investment company and considering the size of the Company with the limited nature, scale and complexity of the activities of the Company, it is not considered proportionate for the Company to set up a remuneration committee. Noting the net assets of the Funds, the legal structure of the Company as a self-managed UCITS investment company with a Board of Directors and no other employees are factors supporting the view that a remuneration committee would not be considered appropriate for the Company.

The Directors of the Company in its supervisory function (being the body with ultimate decision-making authority in the Company and comprising the supervisory and managerial functions) is responsible for, and oversees, the implementation of the remuneration policy.

As the Company delegates investment management functions in respect of the Company, it will, in accordance with the requirements of the ESMA Remuneration Guidelines, ensure that:

- a) the entities to which investment management activities have been delegated are subject to regulatory requirements on remuneration that are equally as effective as those applicable under the ESMA Remuneration Guidelines; or
- b) appropriate contractual arrangements are put in place to ensure that the delegates apply in a proportionate manner the remuneration rules as detailed in the UCITS Directive as amended such that there is no circumvention of the remuneration rules set out in the ESMA Remuneration Guidelines.

Details of the remuneration policy of the Company will be made available free of charge upon request.