GLOBAL VALUE & GROWTH

Société d'Investissement à Capital Variable
Fonds d'Investissement Spécialisé

FINANCIAL STATEMENTS WITH THE REPORT OF THE REVISEUR D'ENTREPRISES AGREE THEREON

31 DECEMBER 2017

R.C.S. Luxembourg B 148 922

TABLE OF CONTENTS

GENERAL INFORMATION	
Management and Administration	3
Board of Directors	3
BOARD OF DIRECTORS' REPORT	4
AIFM DISCLOSURES	13
REPORT OF THE REVISEUR D'ENTREPRISES AGREE	16
FINANCIAL STATEMENTS	
Statement of Net Assets	19
Net Asset Value per share	19
Statement of Operations and Changes in Net Assets	20
Statement of Changes in Number of Shares Outstanding	21
Financial Details Relating to the Last Three Years	21
SECURITIES PORTFOLIO	
Statement of Investment	22
Industry Sector Analysis	23
NOTES TO THE FINANCIAL STATEMENTS	24

MANAGEMENT AND ADMINISTRATION

REGISTERED OFFICE
Global Value & Growth
Le Dôme - bâtiment A
15, rue Bender
L-1229 Luxembourg

ADMINISTRATION AGENT
Carnegie Fund Services S.A.
Le Dôme - bâtiment A
15, rue Bender
L-1229 Luxembourg

DEPOSITARY BANK
Banque Carnegie Luxembourg S.A.
Le Dôme - bâtiment A
15, rue Bender
L-1229 Luxembourg

Alternative Investment Fund Manager
Carnegie Fund Services S.A.
Le Dôme - bâtiment A
15, rue Bender
L-1229 Luxembourg

BOARD OF THE AIFM
Gianfranco MEI - Chairman (until 17/04/2018)
Andreas ULLER
Vincent GRUSSELLE

INVESTMENT MANAGER
Steffen Rønn JENSEN
6, boulevard du Jardin Exotique
MC-98000 Monaco

Jakob KJELGAARD
Managing Director
Core Capital Management S.A.
36-38 Grand-Rue
L-1660 Luxembourg

Mr. Stephan KARLSTEDT
CARNEGIE FUND SERVICES S.A.
Le Dôme - bâtiment A
15, rue Bender
L-1229 Luxembourg

LEGAL ADVISOR
Bonn & Schmitt Avocats
148, avenue de la Faïencerie
L-1511 Luxembourg

INDEPENDENT AUDITOR
BDO (previously HRT Révision S.A.)
1 rue Jean Piret
L-2013 Luxembourg

BOARD OF DIRECTORS

CHAIRMAN :
Steffen Rønn JENSEN
47, Avenue De Grande Bretagne
MC-98000 Monaco

DIRECTORS :
Jakob KJELGAARD
Managing Director
Core Capital Management S.A.
36-38 Grand-Rue
L-1660 Luxembourg

Marten Adriaan LANTING
8, Avenue des Ligures
MC-98000 Monaco

Board of Director Report

2017 was a very good year for our fund and Net Asset Value (NAV) per share increased from EUR 289.87 to EUR 346.77 representing a return of 19.6% - outperforming our 5% Benchmark by 14.6%. Since inception in November 2009, Global Value Growth SICAV FIS (GVG) is up 246.8% outperforming our Benchmark with 198.6% points. Since inception the average annual return is 16.6%.

(MSCI World increased 5.5% in 2017 and since the fund inception, MSCI World has increased 127.1%).

FX

In 2017 the USD took a big hit and fell 12%. As many of you know, GVG have been working with a FX hedge since inception of the fund in order to lower the volatility of our results. Until now the hedge has not been more than 33 percent of the USD exposure. GVG recovered some of the 12% drop because of our FX hedge. Last year I lowered the FX hedge from just below 20% of our US exposure to around 16% as I believe the spread between US and Euro interest rates will widen in favour of the US.

How do we compare?

The rating companies have no category that fits our fund 100% in my opinion. I would describe our fund as an Unleveraged Long Biased Large Cap Equity Fund. The rating companies have placed our fund in the Global Equity category. It's my impression that the rating companies do not put a lot of emphasis on the fund prospectus – or benchmark for that matter - but focus more on the historical activity. I have asked them: "What if I had been having 50% in cash the last 5 years? Would GVG then be in the category of Global Equities"? They answered: "Probably not". In other words, the rating companies have not rewarded GVG with any extra points for the strategic decision to be 100% long - without an equity hedge - for 8 years. Since the inception of the fund in November 2009, I have been bullish and the fund has been fully invested in equities, has not held more than 5% in cash and has not been hedging the equity exposure. Only a part of the currency exposure has been hedged. I think it's very important not to forget that the GVG benchmark is a yearly return of 5% and it is not the equity benchmark. A manager with a 5% benchmark thinks differently and is differently motivated than a long only equity benchmark manager.

A manager working with an equity benchmark is motivated to be 100% long equities most of the time. And when the equity markets rise rapidly, he may include and overweigh popular growth equities trading at very high multiples in order to keep up with the rising equity Benchmark.

Our 5% per annum Benchmark motivates me to have different objectives and priorities. My main concern is the long term down side and permanent loss of capital. I am more worried about permanently losing money than I am about not making (enough) money in a rapidly rising equity market.

That being said, I am proud to share with you that in the Global Equity category on Bloomberg, GVG stayed in the lead and was in the top 5% best performing funds on a rolling 5 years basis.

<u>Our most important stocks and re-allocations</u>:

US Financials

The first couple of years after the fund inception (November 2009) we had extremely low exposure to financials. After a few FED stress tests the US financials looked more and more like good investments and the book values looked trustworthy. Quite fast I increased our exposure to financials. Initially I looked at the US financials as value plays as they were trading 30-65% below book value. Now – with US interest rates increasing - I look at the US financials as a good combination between value and growth and my target prices are higher.

JP Morgan (JPM)

JPM is up more than 200% since I started buying the stock. GVG initiated a 7% allocation to JPM in Q3 2011 around $33 per share and we have been able to take profit on this stock many times since. Here is our "trading" history on JPM. In Q2 2012 we had the opportunity to buy more when the stock dropped from $46 to $31. By the end of 2012 the allocation was around 12.5% as the stock price had increased to the $43-level. By the end of 2013 the stock reached $58.2, and I had lowered the allocation to 9.9% as JPM was trading at book value at the time and JPM was closer to my initial target price. The stock price end of 2014 was $62.3 and I had lowered the allocation further to 9.3%. The stock ended 2015 at $66.4. After a few years of the stock not doing much, I increased the allocation again. This time to 11.4%, as I increased my target price, based on my expectations of higher US interest rates. In 2016 JPM jumped 29.3% and then another jump of 25.7% in 2017 and finished the year at $107.9. Our allocation to JPM was 12.1% end of last year. JPM is the biggest US bank by assets and is probably the bank that weathered the financial crisis the best. In 2017 JPM had another very impressive year making net $24.4 billion. EPS reached a record of $6.31 because of stock buy backs. EPS would have been some 9% higher had it not been for the Tax Cuts and Jobs Act. Now - in March 2018 - I still believe JPM is an attractive investment and I will not be surprised if JPM post EPS of more than $8 in 2018, helped by the new tax rate.

Bank of America (BAC)

BAC is up more than 300% since July 2012, when I initiated a 2.5%-allocation around $7.30 per share. Back then the stock traded with more than a 60% discount to book value. After a few quarters that confirmed that BAC was on the right track and the book value increasingly looked like it would not go lower, I increased the allocation to 5.7% in 2013. In 2014 yet another notch to 9.3% and in 2015 I increased the allocation to 15.3%. End of 2016 our allocation was 16% and the stock reached $22. In 2017 BAC continued being fruit full and increased another 35.1%. The long upward price move from a low of around $12 in February 2016 to $29.7 at end of 2017 has motivated me to lower the allocation. End of 2017 our BAC-allocation is down to 12.7%.

Berkshire Hathaway (BRK)

BRK has been another very profitable value play for us. We tripled our allocation to BRK in early summer of 2012 to an allocation of 15.9% at the $120000-price-level. Since then BRK has increased to $299400. Last year BRK went up 22.5%. For more than 3 years, the allocation has been at a lower level around 8%.

Our fund is now more than 8 years old and we have only experienced one negative return period of more than 10%. That was from March 16th 2015 to February 11th 2016 when the fund fell 22.7%. I can say with almost certainty that our fund will experience negative return periods like this again and some will be worse than 22.7%. The tricky thing is, that I have no clue when these periods will come. So I do what ever I can, to always be well prepared with a portfolio of stocks in strong businesses that are not very over priced in my opinion.

Warren Buffett – the chairman of BRK – wrote about some important experiences on leverage and investor time horizon in his latest chairman letter.

Since Warren Buffett became CEO of BRK some 53 years ago, the BRK stock has increased 20.9% per year – a total return of 2.404.748%. Significantly beating the S&P 500 benchmark that increased 9.9% per year in the same period (a total of 15.508%).

In this 53 year period BRK shares have suffered four truly major dips.

1. Decrease of 59.1% (March 1973-January 1975)
2. Decrease of 37.1% (October 2nd 1987 – October 27th 1987)
3. Decrease of 48.9% (June 1998 – October 2000)
4. Decrease of 50.7% (September 2008 – March 2009)

Our fund can re-allocate assets without tax consequences, as our fund doesn't pay capital gain tax. So we obviously have an advantage versus BRK that has to pay capital gain tax every time they sell a profitable stock. This most likely motivates BRK to hold on to their very profitable stock positions, even when they are little over valued from time to time. But that being said, I think it will be naive not to expect similar dips for our fund in the many years to come.

That's why Warren Buffetts thoughts on investor time horizon and leverage is important. Let me share his words with you:

"The table (above) offers the strongest argument I (Warren Buffett) can muster against ever using borrowed money to own stocks. There is simply no telling how far stocks can fall in a short period. Even if your borrowings are small and your positions aren't immediately threatened by the plunging market, your mind may well become rattled by scary headlines and breathless commentary. And an unsettled mind will not make good decisions. In the next 53 years our shares (and others) will experience declines resembling those in the table. No one can tell you when these will happen. The (traffic) light can at any time go from green to red without pausing at yellow. When major declines occur, however, they offer extraordinary opportunities to those who are not handicapped by debt"

Later in his chairman letter, Warren Buffet shares some important thoughts and investment lessons on investor time horizon. Let me copy-paste the two most important pieces:

"Though markets are generally rational, they occasionally do crazy things. Seizing the opportunities then offered does not require great intelligence, a degree in economics or a familiarity with Wall Street jargon such as alpha and beta. What investors then need instead is an ability to both disregard mob fears or enthusiasms and to focus on a few simple fundamentals. A willingness to look unimaginative for a sustained period – or even look foolish – is also essential"

"I want to quickly acknowledge that in any upcoming day, week or even year, stocks will be riskier – far riskier – than short term U.S. bonds. As an investor's investment horizon lengthens, however, a diversified portfolio of U.S. equities becomes progressively less risky than bonds, assuming that the stocks are purchased at a sensible multiple of earnings relative to then-prevailing interest rates"

It is very important for me to underline that I share and strongly believe in this long time horizon and work with this perspective at GVG. I hope you have a similar long term time horizon. After all, if an audience enters a concert building with a poster advertising a classical concert and they experience rock music, they'll probably be very disappointed – no matter how good the rock musicians are.

LVMH

LVMH is our largest position 3 years in a row and had another record year in 2017. With all product categories again showing excellent performance. Even with Wines & Spirits being handicapped by roadblocks for growth (it takes many years to make a good Cognac and they cant make it fast enough to meet demand). In 2017 LVMH grew their revenues 13% and profits grew 18%. Very impressive, also having in mind that the US currency declined 12%. The financial markets rewarded this result and the stock ended the year 2017 up 36.8% at 247. I still believe LVMH is a very attractive long term investment opportunity and is very well positioned to capitalize on the growing class of affluent consumers in the world. The higher stock price has motivated me to lower the allocation from 20.7% (including Chr. Dior) to an allocation of 17% end of 2017.

Apple (AAPL)

We have now made more than 500% on our Apple investment. I started buying AAPL around $27 in early 2010 when the iPad was introduced. In the spring of 2012 I sold more than half of our position at the $75-level and lowered the weighting to just below 10%. Since spring 2012 my desired allocation to AAPL has been around this level. In 2016 AAPL increased 11% to $116.2 and last year the stock increased an impressive 46.2% to 169.9. I still think Apple is an above average company, with very loyal and less price sensitive clients, trading at below average multiples. Warren Buffett seems to agree. On February 27th 2017 he disclosed that Berkshire Hathaway had bought 133.000.000 shares. In BRKs latest filling we could read that he has bought more and now owns 166.713.209 shares (that is $28.2 billion at $169.9).

Alphabet (GOOG)

For more than 10 years GOOG has had an impressive growth. Basically doubling their business every 3 years. GOOG have been blessed with very high margins and maybe for that reason financial discipline has been loose. GOOG has a history of investing right and left in various tech projects and an image of a drunken sailor the first night on land easily comes to mind. In May 2015 GOOG hired Ruth Porat (from Morgan Stanley) as their new CFO. Porat has been credited with boosting GOOGs share price by reorganizing the company and imposing financial discipline for the first time and internally she has earned the name Ruthless Ruth. I am impressed with Ruth Porat and her entering, motivated me to initiate a 3.3% allocation to GOOG in late 2016 between $700 and $800 per share. I will not be surprised if GOOG - under Ruth Porat leadership will improve their already impressive margins even further. In my valuation I have placed a value of zero on GOOGs driverless car unit Waymo and on Google Maps. So in late 2016 I estimated we got these two units for free - call it our margin of safety. GOOGs stock price ended last year at 1047 – up 35.3% in 2017 – and our allocation was 5.9%.

Wal-Mart (WMT)

In 2017 WMT increased 43.6% from $69,3 to $99.4. I still fear that WMT may be to late with their online initiatives and I have been decreasing our WMT allocation further in 2017 – down from 8.8% end of 2016 to 3.4% end of 2017.

Tod's

Our worst performing stock last year, was the Italian shoe and luxury brand TOD's. Including the 2.8% dividend, we made 1%. Since I re-entered* this stock in 2015 the stock has moved side ways in a range between 45 and 70. TOD's finished 2017 at 60.80. Very close to our average purchase price and our return has been the dividends. TOD's is in a transition phase were their aim is to be more in control of their brand and the client experience. This means less wholesale clients and that hurts revenue and profitability short term. At the same time TOD's are investing a lot in selling directly to their retail clients online and ecommerce is growing 30+ percent. The online sales channel has very high margins, but at the moment this segment is only a fraction of their revenues. Late last year TOD's were able to hire Umberto Macchi di Cellere away from Bulgari, were he successfully has worked as managing director for world wide sales for many years. I expect Umberto Macchi di Cellere as managing director working closely with founder and majority shareholder, Diego della Valle, will inject new and positive energy into the TOD's brand. I added a bit to our position and increased the allocation from 5.44% to 6% end of last year.

*We bought TOD's at the 70-level in July 2012 and sold it about a year later between 120 and 140.

Two new stocks entered our portfolio in 2017:

TEVA

TEVA (Israel) is a leader in generic pharmaceutical products and is expected to launch 5-600 generic products alone in 2018 and 2019. The majority of their revenue is in the U.S. We have owned TEVA before. We had a 5-6% allocation and sold it with a 25% loss at $39 in 2011, after TEVA bought Cephalon for $6.5 billion and the CEO (Shlomo Yanis) unexpectedly resigned and was replaced with a new CEO (Jeremy Levin) coming in from the outside. As some long time GVG shareholders know, I do not like big M&A situations and I am always sceptical of CEOs not being promoted from within. In this case I was right to be cautious. After our fond got out of TEVA, they acquired Allergan's generic unit Actavis Pharmaceuticals for a whopping $33.4 billion in cash and a 100 million of TEVA shares. This ill-timed acquisition stretched TEVAs balance sheet to the limit and TEVA was vulnerable when prices on generic products started to fall in the following years and TEVAs key drug product Copaxone began loosing exclusivity. TEVAs stock price continued to fall and reached a low of $11 in March last year (a P/E of 2.1 based on 2016 EPS). TEVA got my attention when they announced that they had hired Danish born Kaare (pronounced: Core) Schultz as their new CEO. Kaare Schultz is a very well known and admired pharmaceutical name in Denmark. After loosing a power struggle with then Novo CEO Lars Reibien Sørensen, Kaare Schultz resigned from Novo and became CEO of struggling Lundbeck (another Danish pharmaceutical). In an impressive short time Kaare Schultz turned Lundbeck around and the Danish pharmaceutical analysts started calling him Hard Kaare Schultz. I have decided to make an exemption to some of my investment principals. Because I believe in Kaare Schultz, his turn around plan for TEVA (aggressively paying down debt, re-focusing on earlier stage – and more profitable - generic products and aggressively shrinking/right-sizing the number of employees) and an attractive stock price, I re-entered TEVA again in Q4 last year and acquired shares for our fund between $11 and $20. Our allocation is 2.9% at year end.

With the present stock price, I estimate that we are more than compensated for the risk of owning this un-loved stock. Even if EPS should go as low as $2 per share, before things get better. Interestingly Todd Combs and/or Ted Weschler from Berkshire Hathaway also bought TEVA shares (BRK bought 1.9% of TEVA) in Q4 – I can't imagine a better "analyst upgrade".

Novo Nordisk

In 2015 the Danish world leader in insulin, Novo, reached an all time high of DKK400. As the US market consolidated on the buy side and got more bargain power, Novo had to lower their prices. This took the financial markets by surprise and Novo fell dramatically 44% and reached a low of DKK225 on November 25th 2016. In March last year I initiated a position at DKK233 with an allocation of 4.3%. My thinking is, that whatever Novo would potentially loose in revenue in the US would be more than picked up by new patients in places like India and China. I understand that more than 400 million people needs insulin and less than half has been diagnosed. Plenty of growth left in this (growing) market. In Q4 last year Novo got FDA approval for Semaglutide in the US. I'm told by doctors that Semaglutide is by far the best product on the market and it's easy for Novo to prove. This approval gave the stock an extra boost and Novo finished the year 43.4% above our initial purchase price and ended the year at DKK334.1. I added a bit to our position again later in 2017 and we had an allocation to Novo at 6.5% at year end.

Expected opportunities

I do not pride myself of being able to time the market. And because of my high-conviction-strategy, with a high allocation to my top 3-5 ideas, you should expect me to be out of sync with the equity market for 1, 2 - maybe even 3-year periods - from time to time. I am primarily a bottom-up-investor. Company by company I look for attractive long term opportunities.

I'm convinced that the easy money has been made and I think it will be a mistake to pursue high returns, in what I estimate is a low-return world. That being said my outlook is not so bad, and prices are not so high, that I think its time for maximum defensiveness. After all, if an investor turned to maximum defence today, the return will be near zero - something most investors can't stomach for very long. On the other hand, I think the outlook is not so good, and prices are not so low, that its right to be aggressive.

In other words, the odds are less favourable now, compared to when our fund was incepted in November 2009, but today the beginning of 2018, I estimate that our universe of opportunities is still attractive compared to bonds. Leading 10 year government bonds are trading way above their historic average representing a yearly return at the 0.7-2.9% level. As fear and doubt about the future slowly decreases and investors are less happy with earning less than 3% on government bonds, I think its likely that more funds will be moved away from bonds and allocated primarily to high quality large cap equities.

Steffen Rønn Jensen
Chairman of the Board
Global Value & Growth SICAV-FIS
March 8th, 2018

AIFM REPORT

General Investment Guidelines

The objective of the Company is to achieve long-term capital growth by investing in global equities with a market capitalization exceeding EUR 1 billion with at least two thirds of the equity portfolio having a market capitalization exceeding EUR 5 billion.
If the Investment Manager of the Company deems that it is required, the Company may invest up to 100% of its net assets in cash, money market instruments and fixed income securities.

Material Changes

During the financial year, the Company has not been subject to material changes affecting the AIF and its investors, other than changes linked to AIFMD requirements.

Liquidity

The sub-fund of the AIF is investing in highly liquid assets so that the AIF is, under normal market circumstances, in position to fulfill its obligations arising from redemptions. The liquidity of the AIF is monitored on a daily basis. As a consequence, no arrangements are made for illiquid assets nor for managing the liquidity of the AIF.

Risk Management

The AIF has implemented a Risk Management Policy in accordance with the applicable Laws and Regulations which covers the following risks:

Market
Liquidity
Counterparty
Credit
Operational Risk
Investment Compliance

The market risk of the AIF is captured by using the Value At Risk approach with 99% confidence level and 20 days time horizon.
The model is back tested on a daily basis and the result were as follow for the period:

	Min	Max	Average
1 day VaR	1.87%	2.71%	2.14%
20 day VaR	8.35%	12.13%	9.57%

The credit risk of the AIF is limited to the cash held at banks as the AIF is not investing in bonds and equivalent securities. The level of cash is limited hence the credit risk of the AIF is considered to be limited.

The AIF is confronted with various operational risks which are linked to the instruments in which the AIF is investing such as but not limited to valuation risk, corporate action errors, wrong performance fee calculation, unreconciled cash and securities positions. The AIFM and the accounting agent have implemented a series controls in order to mitigate the operational risks.

The investment guidelines are controlled ex-ante by the investment managers and daily on an ex-post basis by the accounting agent. The result of the ex-post controls are notified to the AIFM in order to take appropriate measures if and when necessary.

AIFM REPORT (continued)

Leverage

The analysis done by the AIFM for the year 2017 are as follows:

	Min	Max	Average
AIFMD Commitment Method N	99.76%	122.00%	110.19%
AIFMD Gross Method Leverage	104.60%	126.41%	109.68%

Counterparty exposure, concentration and diversification rule

The Fund applies a diversification rule on assets held. In order to evaluate this constraint we take into consideration the exposure to each single asset in the portfolio. As of 31 December 2017 the constraint is met and the Fund is also in line with the diversification requirement set in the prospectus.

Currency Exposure

USD:	46.7942%	DKK:	6.5469%
EUR:	46.6604%	Others:	0.0012%

AIFM Remuneration Disclosures (unaudited)

The AIFM has adopted a renumeration policy in accordance with the applicable laws and regulations related to the AIFM. The board of directors of the AIFM is not receiving any remuneration for exercising their mandates.

Fees and commission income for all funds under the management of the AIFM

Fee and commission income for asset management activities is composed of management fees, administration fees and performance fee related to the activities performed by the AIFM for a total amount of EUR 10,054,502.00 in 2017.

Remuneration policy of the Management Company

The Board of Directors of theAIFM is responsible for the design and implementation of the Remuneration Policy and reviews this on a regular basis as part of its supervisory function. In reviewing the Remuneration Policy, the Board of Directors of the AIFM will consider whether the remuneration framework operates as intended and that the risk profile, long-term objectives and goals of the Company are adequately reflected.

A copy of the Remuneration Policy is available, free of charge, at the registered office of the AIFM.

Proportion of the total remuneration of the staff of the AIFM attributable to Global Value and Growth, indicating the number of beneficiaries, as of 31 December 2017 is presented below.

The below table represents the proportion of the total remuneration of the staff of the AIFM attributable to all funds it manages, taking into account AIFs and UCITS.

The proportion allocated to Global Value and Growth has been calculated based on the Average NAV (50%) and the Income generated (50%) by the Company.

AIFM REPORT (continued)

	Number of Beneficiaries (a)	Fixed Remuneration (b) in % of total	Variable Remuneration (c) in % of total	Carried Interest paid in % of total	Total Remuneration (d)
Staff (e)	11	1.37%	0.10%	0.00%	982,868
Senior Management (f)	3	0.57%	0.09%	0.00%	407,751

(a) Number of beneficiaries = average number of employees.

(b) Fixed remuneration = consists of salaries paid in accordance with the remuneration policy.

(c) Variable remuneration = consists of annual bonuses paid in accordance with the remuneration policy.

(d) Total remuneration = sum of fixed remuneration and variable remuneration.

(e) Staff = All the employees of the Management Company

(f) Senior Management = Conducting Officers of the Management Company

BDO

Tel. 352 45 123-1
www.bdo.lu

1, rue Jean Piret
Boîte Postale 351
L-2013 Luxembourg

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

To the Shareholders of
GLOBAL VALUE & GROWTH
Le Dôme - Bâtiment A
15, rue Bender,
L-1229 Luxembourg

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of GLOBAL VALUE & GROWTH and its Sub-Fund (the "Fund"), which comprise the Statement of Net Assets and the Schedule of Investments as at December 31st, 2017, and the Statement of Operations and Changes in Net Assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at December 31st, 2017, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "*Commission de Surveillance du Secteur Financier*" (CSSF). Our responsibilities under those Law and standards are further described in the « Responsibilities of "*Réviseur d'Entreprises Agréé*" for the Audit of the Financial Statements » section of our report. We are also independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The board of directors of the Fund (the "Board of Directors") is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our report of *"Réviseur d'Entreprises Agréé"* thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the financial statements

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

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

Responsibilities of the *"Réviseur d'Entreprises Agréé"* for the audit of the financial statements

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

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of "*Réviseur d'Entreprises Agréé*" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of "*Réviseur d'Entreprises Agréé*". However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Luxembourg, 5 July 2018

BDO Audit
Cabinet de révision agréé
represented by

Hugo Müller

STATEMENT OF NET ASSETS AS AT 31 DECEMBER 2017
(Expressed in EUR)

ASSETS	
Securities portfolio at market value	117,366,215.11
Cash at banks and liquidities	2,743,482.81
OTHER ASSETS	
Dividends receivable	14,586.01
Unrealised gain on forward foreign exchange contracts (Note 5)	99,481.97
Brokers receivable	78,846.41
Receivable commissions on redemptions	1,024.00
Receivable on subscriptions	154,265.50
Total Other Assets	348,203.89
Total assets	120,457,901.81
LIABILITIES	
Payable for investments purchased	(1,141,404.80)
Bank Overdraft	(19,739.79)
Payable on redemptions	(256,000.50)
Taxe d'abonnement payable (Note 4)	(3,000.45)
Performance Fee Payable	(614,755.30)
Other payables	(7,719.55)
Total Liabilities	(2,042,620.39)
NET ASSET VALUE	118,415,281.42

NET ASSET VALUE PER SHARE AS AT 31 DECEMBER 2017
(Expressed in EUR)

Net asset value per share	346.77

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED 31 DECEMBER 2017
(Expressed in EUR)

INCOME	
Dividends, net	1,454,499.57
Redemption fees	65,413.86
Total Income	1,519,913.43
EXPENSES	
Performance fee (Note 7)	(1,370,417.34)
Management fee (Note 6)	(768,405.93)
Depositary bank and administration fee (Note 8)	(128,783.62)
Taxe d'abonnement (Note 4)	(10,498.43)
Bank interest	(12,105.25)
Printing & publication expenses	(3,069.51)
Professional expenses	(3,000.00)
Audit Fees	(5,601.87)
Total Expenses	(2,301,881.95)
Net investments result	(781,968.52)
Realised gains on investments	6,066,205.14
Realised losses on investments	(87,580.38)
Realised losses on foreign exchange	(3,149,752.47)
Net realised gain	2,046,903.77
Variation in net unrealised appreciation:	
- on investments (note 9)	16,390,515.95
- on forward foreign exchange contracts	179,115.36
Increase in net assets as a result of operations	18,616,535.08
Subscriptions	34,235,599.41
Redemptions	(24,214,557.05)
Increase in net assets	28,637,577.44
Net assets at the beginning of the year	89,777,703.98
NET ASSETS AT THE END OF THE YEAR	118,415,281.42

STATEMENT OF CHANGES IN NUMBER OF SHARES OUTSTANDING FOR THE YEAR ENDED 31 DECEMBER 2017

Shares outstanding as at 1 January 2017	309,715.2047
Shares issued	107,702.5580
Shares redeemed	(75,932.8156)
Shares outstanding as at 31 December 2017	341,484.9471

FINANCIAL DETAILS RELATING TO THE LAST THREE YEARS (EUR)

31 December 2017	
Total net assets	118,415,281.42
Net asset value per share	346.77
31 December 2016	
Total net assets	89,777,703.98
Net asset value per share	289.87
31 December 2015	
Total net assets	87,092,816.65
Net asset value per share	237.02

STATEMENT OF INVESTMENTS AS AT 31 DECEMBER 2017

NOMINAL	SECURITY DESCRIPTION	MARKET VALUE (EUR)	% OF NET ASSETS
Transferable Securities Admitted To An Official Exchange Listing			
Shares			
	Denmark		
173,000	Novo Nordisk B	7,772,278.56	6.56
		7,772,278.56	6.56
	France		
82,000	LVMH Moet Hennessy Louis Vuitton	20,122,800.00	16.99
		20,122,800.00	16.99
	Germany		
24,000	Allianz	4,596,000.00	3.88
36,000	Henkel	3,600,000.00	3.04
32,000	Munich Re Registered	5,784,000.00	4.88
		13,980,000.00	11.80
	Italy		
117,000	Tod's	7,125,300.00	6.02
		7,125,300.00	6.02
	Spain		
630,000	Banco Santander	3,451,770.00	2.91
		3,451,770.00	2.91
	United States of America		
8,000	Alphabet C	6,980,071.71	5.89
83,000	Apple	11,711,906.95	9.89
610,000	Bank of America	15,014,758.61	12.68
38	Berkshire Hathaway A	9,429,500.54	7.96
160,000	JPMorgan Chase & Co	14,266,989.08	12.05
220,000	Teva Pharmaceutical ADR	3,476,194.45	2.94
49,000	Wal-Mart Stores	4,034,645.21	3.41
		64,914,066.55	54.82
	TOTAL SHARES	117,366,215.11	99.10
	TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING	117,366,215.11	99.10
	TOTAL SECURITIES PORTFOLIO	117,366,215.11	99.10

A statement of changes in the composition of the portfolio is available to Shareholders free of charge on request from the Company's registered office

INDUSTRY SECTOR ANALYSIS AS 31 DECEMBER 2017

SECTOR DESCRIPTION	% OF NET ASSETS
Banks	27.64
Chemicals	3.04
Equity Investment Instruments	7.96
Food & Beverage	16.99
Insurance	8.76
Pharmaceuticals & Biotechnology	9.50
Retail	9.43
Software & Computer Services	15.78
	99.10

NOTES TO THE FINANCIAL STATEMENTS

1 GENERAL

GLOBAL VALUE & GROWTH (the "Company") was incorporated as a "*Société Anonyme*" on 23 October 2009. The Company is organised as an investment company with variable capital ("SICAV") and qualifies as specialised investment fund, within the meaning of the 13 February 2007 Law as amended. The Company is governed by Luxembourg law.

GLOBAL VALUE & GROWTH (the "Fund"), which should be considered as an Alternative Investment Fund ("AIF") is managed by Carnegie Fund Services S.A. as the AIFM and registered by the CSSF since 21 November 2014.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Valuation of investments

(a) The value of any cash at hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, dividends and interests declared or due but not yet collected will be deemed to be the full value thereof, unless it is unlikely that such values are received in full, in which case the value thereof will be determined by deducting such amount the Directors consider appropriate to reflect the true value thereof.

(b) Securities listed on a stock exchange or traded on any other regulated market will be valued at the last available price on such stock exchange or market. If a security is listed on several stock exchanges or markets, the last available price on the stock exchange or market, which constitutes the main market for such securities, will be determining.

(c) Securities not listed on any stock exchange or traded on any regulated market will be valued at their last available market price.

(d) Securities for which no price quotation is available or for which the price referred to in (b) and/or (c) is not representative of the fair market value, will be valued prudently, and in good faith on the basis of their reasonable foreseeable sales prices.

(e) Contracts for differences are valued at fair value based on the last available price of the underlying security.

(f) Investments in investment funds of the open ended type are taken at their latest net asset values reported by the administrator of the relevant investment fund.

(g) Financial futures contracts (on securities, interest rates and indices) are valued at the exchange quoted settlement price. While the contracts are open, unrealised gains and losses are recorded on "mark-to market" basis at the valuation date. When a contract is closed, the Fund records a realised gain or loss equal to the difference between the proceeds from, or cost of, the closing transaction and the price at which the contract was originally written.

(h) Options contracts (on securities, currencies, interest rates and indices) are valued on the basis of the last available trade price.

(i) Forward foreign exchange contracts are valued by reference to the forward rate prevailing at the valuation date.

(j) Contracts for which no price quotation is available or for which the price referred to in (g) and/or (h) is not representative of the fair market value, will be valued prudently, and in good faith on the basis of their reasonable foreseeable sales prices.

2.2 Realised gains and losses on investments

Gains and losses on sales of investments have been determined on the basis of average cost.

NOTES TO THE FINANCIAL STATEMENTS

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Foreign exchange

The financial statements of the Company are maintained in Euro (EUR).

The market value of the investments and other assets and liabilities expressed in currencies other than EUR has been converted at the rates of exchange ruling as at 31 December 2017. The cost of investments in currencies other than EUR has also been converted at the rates of exchange prevaling at each Net Asset Value calculation date. Income and expenses expressed in currencies other than the reference currency are converted at exchange rates prevailing at the transaction date. Profits and losses arising from foreign exchange operations are taken to the Statement of Operations.

2.4 Income / expense from investments

Dividends are recognised as income on the ex-dividend date, to the extent information thereon is reasonably available to the Sub-Fund, net of any withholding taxes.

Interest Income is accrued on a daily basis.

3 EXCHANGE RATES AT 31 DECEMBER 2017

1 GBP	=	1.12714157	EUR	1 USD	=	0.83381973	EUR
1 DKK	=	0.13430931	EUR				

4 TAX STATUS

The Company is registered under the Luxembourg law as a SICAV. Accordingly, no Luxembourg income or capital gains tax is, at present, payable. It is subject, however, to an annual "*taxe d'abonnement*" calculated as a percentage of the net asset value of the Company at the end of each quarter. This tax is payable quarterly. Presently the annual rate payable is 0.01%.

5 FORWARD FOREIGN EXCHANGE CONTRACTS

As at 31 December 2017 the Fund had entered with Banque Carnegie Luxembourg S.A. into the following outstanding forward foreign exchange contract:

	Purchase		Sale	Maturity		Unrealised Result
EUR	10,017,530.68	USD	12,000,000.00	24-May-18	EUR	99,481.97
						99,481.97

NOTES TO THE FINANCIAL STATEMENTS

6 MANAGEMENT FEE

In consideration for its services, the Investment Manager receives from the Company an annual fee of 0.75% payable monthly calculated on the basis of the average Net Asset Value of the Company.

7 PERFORMANCE FEE

In consideration for its services, the Investment Manager is also entitled to a performance related fee of 10% of the appreciation of the Net Asset Value per share which exceeds the benchmark. The benchmark is 5% per annum. The performance fee is due as of each Valuation Date. The accrued performance fees (if any) are payable quarterly.

The performance fee accrue only on the Valuation Date on which the Net Asset Value per share exceeds the highest Net Asset Value per share on any previous Valuation Date plus the prorated benchmark ("high water mark").

For the period from 1 January 2017 to 31 December 2017, the performance fee paid amounted to EUR 1,370, 417.34.

8 DEPOSITARY BANK AND ADMINISTRATION FEE

In consideration for its services as Depositary, Banque Carnegie Luxembourg S.A. will receive from the Company a fixed fee payable monthly equal to 0.05% of the net assets with a minimum of EUR 20,000.- per annum .

On the 21 November 2014 it has been agreed that the AIFM shall be entitled to receive from the fund, for each sub-fund 0.075% of the net assets with a minimun fee of EUR 20,000.- per annum.

9 VARIATION IN UNREALISED APPRECIATION / DEPRECIATION ON INVESTMENTS SECURITIES

Description	
Variation in unrealised appreciation on investments	16,370,896.73
Variation in unrealised depreciation on investments	19,619.21
Variation in net unrealised appreciation on investments	16,390,515.95

NOTES TO THE FINANCIAL STATEMENTS

10 OFF BALANCE-SHEET COMMITMENTS

In accordance with the pledge agreement dated 28 December 2010 with effect date as from 1 January 2010, Banque Carnegie Luxembourg S.A. requested guarantees over the Fund's assets in order to secure the performance of the Fund's debts and obligations towards it.

As of the date of issuance of the financial statements, the Fund has fulfilled all commitments and obligations towards Banque Carnegie Luxembourg S.A.; therefore the pledge has not been enforced.

11 CHANGES IN THE COMPOSITION OF THE SECURITIES PORTFOLIO

A copy of the list of changes in the portfolio of the Fund may be obtained free of charge at the registered office of the Fund for the year ended 31 December 2017.

12 SUBSEQUENT EVENTS

There is no subsequent event until the date of the approval of the accounts.

13 SECURITIES FINANCING TRANSACTIONS REGULATION (UNAUDITED)

Furthermore, no securities financing transactions as defined by the Regulation (EU) 2015/2365 on transparency of Securities Financing Transactions and of Reuse (”SFTR”) were carried out during the year referring to the financial statements