

Berenberg European Small Cap

Annual Report as at 31 December 2018

An investment fund
(Fonds commun de placement) pursuant to Part I of the Luxembourg Law
of 17 December 2010 on undertakings for collective investment.

R.C.S. Lux K1823



Berenberg European Small Cap

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Berenberg European Small Cap

Organisational structure

Management Company

Universal-Investment-Luxembourg S.A.
R.C.S. Lux B 75.014
15, rue de Flaxweiler, L - 6776 Grevenmacher

Board of Directors of the Management Company

Chairman of the Board of Directors

Bernd Vorbeck
Chairman of the Management Board of
Universal-Investment-Gesellschaft mbH, Frankfurt am Main

Managing Directors

Stefan Rockel
Managing Director of
Universal-Investment-Luxembourg S.A., Grevenmacher

Matthias Müller
Managing Director of
Universal-Investment-Luxembourg S.A., Grevenmacher

Marc-Oliver Scharwath (until 30 September 2018)
Managing Director of
Universal-Investment-Luxembourg S.A., Grevenmacher

Members

Markus Neubauer
Managing Director of
Universal-Investment-Gesellschaft mbH, Frankfurt am Main

Depository, Registrar and Transfer Agent and Paying Agent

State Street Bank Luxembourg S.C.A.
49, avenue John F. Kennedy, L - 1855 Luxembourg

Information agent in the Federal Republic of Germany

Joh. Berenberg, Gossler & Co. KG
Neuer Jungfernstieg 20, D - 20354 Hamburg

Representative in Switzerland

1741 Fund Solutions AG
Burggraben 16, CH - 9000 St. Gallen

Paying agent in Switzerland

Notenstein La Roche Privatbank AG (until 30 September 2018)
Bohl 17, CH - 9004 St. Gallen

Bank Vontobel AG (from 1 October 2018)
Gothardstrasse 43, CH - 8022 Zurich

UK Facilities Agent

Zeidler Legal Services (UK) Limited
Aldgate Tower, 4th Floor, 2 Leaman Street, UK - London E1 8FA

Portfolio Manager

Joh. Berenberg, Gossler & Co. KG
Neuer Jungfernstieg 20, D - 20354 Hamburg

Réviseur d'Entreprises agréé

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

Berenberg European Small Cap

Report of the Board of Directors

Dear Sir/Madam,

We hereby present the annual report of the Berenberg European Small Cap with the unit classes R, I and B. The report covers the time period from 1 September 2017 (beginning of the initial subscription period) to 31 December 2018.

The Berenberg European Small Cap (the "Fund") is a legally dependent pooled investment fund ("fonds commun de placement" (FCP)) established under the law of the Grand Duchy of Luxembourg for an indefinite period and subject to Part I of the Luxembourg Law of 17 December 2010 on undertakings for collective investment ("Law of 2010") and Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities.

The initial subscription period began on 1 September 2017, and the following asset classes were first valued on 2 October 2017: Berenberg European Small Cap - R (ISIN: LU1637619120), Berenberg European Small Cap - I (ISIN: LU1637619393) and Berenberg European Small Cap - B (ISIN: LU1637619476).

The financial year begins on 1 January and ends on 31 December of each year. An extended financial year has been formed for the period running from 1 September 2017 until 31 December 2018.

As at 31 December 2018, the fund assets and price performance of the Fund during the reporting period were as follows:

Unit class	ISIN	Fund assets in EUR	Price performance in %
Berenberg European Small Cap - R (since 2 October 2017)	LU1637619120	16.911.434,26	-14,93
Berenberg European Small Cap - I (since 2 October 2017)	LU1637619393	39.609.160,60	-14,08
Berenberg European Small Cap - B (since 2 October 2017)	LU1637619476	47.185.873,96	-13,11

Derivative exposure

As at 31 December 2018, there was no derivative exposure.

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Key risk data

General remarks

The calculation of the Value at Risk for the Fund was carried out using a historic simulation based on the individual securities. A one-year observation period, a confidence interval of 99% and a holding period of one day were chosen for the calculation.

The calculations comply with the regulatory requirements of the CSSF pursuant to the Law of 17 December 2010 and Circular no. 11/512.

Method of determining overall risk

The relative Value at Risk approach was used for monitoring overall risk during the period from 1 September 2017 (initial subscription period) to 31 December 2018. In the relative VaR approach, the VaR (99% confidence level, one-day holding period, one-year period under consideration) of the Fund may not exceed an amount equal to twice the VaR of a derivative-free reference asset. Here, in principle, the reference asset should approximate the investment policy of the Fund.

Derivative-free reference assets as at 31 December 2018: 100% MSCI Europe Small Cap Net TR EUR (Bloomberg: NCEDE15 INDEX)

The VaR limit usage during the reporting period was as follows:

Lowest usage:	0,00%
Highest usage:	134,11%
Average usage:	110,09%

The leverage shall be calculated according to Directive CESR/10-788 based on the sum of notionals method, excluding any netting and hedging effects. In this context, a portfolio with 100% leverage is considered unleveraged.

The average leverage of the Fund during the reporting period was 101.38%.

Remuneration policy of the Management Company (unaudited)

Information on employee remuneration (as at 30 September 2018) is listed below:

Total employee remuneration paid during the company's last completed financial year	5,11 EUR million
- of which fixed remuneration	4,74 EUR million
- of which variable remuneration	0,37 EUR million
Number of company employees	48,2 Full-time equivalent
Amount of carried interest paid	n/a
Total risk taker remuneration paid during the company's last completed financial year	0,85 EUR million
- of which managers	0,76 EUR million
- of which other risk takers	0,09 EUR million

The remuneration system of the Management Company can be found on the website of Universal-Investment-Gesellschaft mbH at <http://www.universal-investment.com/de/permanent-seiten/profil/luxemburg/regulatorische-informationen/verguetungssystem-luxemburg> and in the Sales Prospectus.

Remuneration policy of the Portfolio Manager (unaudited)

The Portfolio Manager has not published any information and no data has been made available.

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Portfolio Manager Report as at 31 December 2018

The European small cap indices reached a new all-time high in the summer of 2018, despite the early macroeconomic indicators for Europe that have weakened since December 2017. Our stance towards more defensive quality stocks aided the very positive absolute and relative development of the Fund in this environment. The upward trend on the European and global stock markets ended abruptly in the fourth quarter and there was a veritable sell-off which was just as significant as during the recent financial crisis. There were fears of a recession due to the disappointing European GDP growth rates in the third quarter that were in decline in countries such as Germany or Italy compared to the previous quarter. The economic data was also disappointing outside Europe. A significant decline in the Chinese purchasing managers' index resulted in the sustainability of the economic growth of the second largest nation being called into question again. Risks such as the trade war between the USA and China, the ongoing Brexit discussion or a continued restrictive monetary policy of the FED did not provide any relief for the stock markets and remained volatile until the end of the year. Driven by changes to the allocation decisions for different multi-asset approaches and outflows from small-cap funds, there was also sales pressure on small caps which, combined with the often lower liquidity, led to partially significant losses.

Significant risks

On the equities side, the fund management knowingly accepted price risks by direct investment in individual stocks.

Fund result

The main sources of the negative sales result during the reporting period were realised profits from foreign shares.

Berenberg European Small Cap

Notes on the statement of assets as at 31 December 2018

Significant accounting principles

The annual financial statements were prepared in accordance with the legal provisions and regulations valid in Luxembourg relating to the preparation and presentation of the annual financial statements and based on the assumption that the company constitutes a going concern.

The Sales Prospectus outlines the currency ("Fund currency") used to denominate the value of a unit ("unit value") in the table entitled "Fund overview". It is calculated by the Management Company under the supervision of the Depositary Bank for every whole banking day which is a trading day in Luxembourg and Frankfurt am Main ("valuation day"). The calculation is made by dividing the fund assets by the number of units of the Fund circulating on the valuation day. To counteract the practices of late trading and market timing, the calculation is made after the end of this time limit for the acceptance of subscription and/or redemption applications, as defined in the table entitled "The sub-funds – an overview" or in the Sales Prospectus.

The currency of the Fund is the euro (EUR).

The fund assets ("net asset value") are calculated based on the following principles:

- (a) Securities and money market instruments listed on a stock exchange shall be valued at the latest prices paid at the time of calculating the net asset value.
- (b) Securities and money market instruments not listed on an exchange but traded on another regulated market which operates regularly and is recognised and open to the public shall be valued at a price that cannot be less than the bid price or more than the offer price at the time of valuation and which the Management Company deems to be the best possible price at which the securities and/or money market instruments can be sold.
- (c) Securities and money market instruments which are neither listed on the stock market nor traded on another regulated market shall be valued at the market value at the time of calculating the net asset value fixed by the Management Company in good faith while abiding by generally recognised valuation rules that are verifiable by auditors.
- (d) Units in UCITS and/or UCIs shall be valued at their net asset value last determined and available at the time of the calculation of the net asset value, applying a redemption fee if necessary.
- (e) The liquid funds shall be valued at their nominal value plus interest at the time of calculating the net asset value. Fixed-term deposits with an original maturity of more than 30 days may be valued at the relevant yield value.
- (f) All assets not denominated in the currency of the Fund shall be converted to the currency of the Fund at the latest mean rate of exchange available at the time of the valuation.
- (g) Derivatives (e.g. options) are in principle valued at their latest available market or brokerage prices at the time of valuation. If a valuation day coincides with the settlement day for a position, the valuation of the corresponding position shall be made at its settlement price. Options on indices without an average calculation shall be valued using the Black & Scholes model, and options with an average calculation (Asian style options) shall be valued with the Levy approximation. The valuation of swaps including credit default swaps shall take place in a regular and reproducible form. It should be noted that swap contracts are entered into under normal market conditions exclusively in the interests of the Fund.
- h) The pro rata interest applicable to securities and/or money market instruments shall be included if not expressed in the market value.

If different unit classes are established for the Fund in accordance with Article 1(4) of the Management Regulations, the following special features apply to the calculation of unit value:

The unit value is calculated separately for each unit class according to the criteria stated in this Article.

The inflow of funds based on the issue of units increases the percentage share of the respective unit class in the total value of the fund assets. The outflow of funds based on the redemption of units reduces the percentage share of the respective unit class in the total value of the fund assets.

In the event of a distribution, the unit value of units in a corresponding unit class that carry entitlement to a dividend is reduced by the amount of the distribution. At the same time the percentage share made up of the unit class carrying entitlement to a distribution in the total fund assets is reduced, whilst the percentage share of the unit class which does not carry entitlement to a distribution in the total fund assets is increased.

An income equalisation procedure is calculated on the Fund's income. This means that the income which has accrued during the financial year which the purchaser of units has to pay as part of the issue price, and which the seller of unit certificates will receive as part of the redemption price, is continuously netted. The expenses incurred are taken into account correspondingly. When calculating the income equalisation, the method is used which corresponds to the applicable rules given in the German Investment Act or Investment Tax Act.

If unusual circumstances arise which render a valuation in accordance with the above criteria impossible or inappropriate, the Management Company has the right to apply other valuation rules, in good faith, which are generally recognised and may be verified by auditors, in order to obtain a proper valuation of the fund assets.

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Notes on the statement of assets as at 31 December 2018

The Management Company is not obliged to redeem more than 10% of the units currently in circulation at this point on a valuation day. If the company receives redemption requests on a valuation day for more than the stated number of units the Management Company is entitled to postpone the redemption of units exceeding more than 10% of the units in issue at this point until the fourth valuation day afterwards. These redemption requests should be given preferential treatment over applications received later. Redemption requests submitted on the same valuation day are treated equally.

Exchange rates

As at 31 December 2018, the foreign currency positions were valued at the exchange rates set out below:

Currency	Rate
EUR - CHF	1,1253
EUR - DKK	7,4671
EUR - GBP	0,9012
EUR - NOK	9,9851
EUR - SEK	10,2697

Management fee

In exchange for the performance of its duties, the Management Company receives a fee from the fund assets amounting at most to 0.25% p.a. and at least EUR 50,000.00 p.a. plus any legally applicable value-added tax. This fee is calculated on the basis of the relevant daily calculated net asset value and is payable at the end of each quarter.

Depositary fee

In exchange for the performance of its duties, the Depositary receives an average fee from the fund assets amounting at most to 0.10% p.a., and at least EUR 25,200.00 p.a. plus any legally applicable value-added tax. Depending on the depositary available for the relevant target investment, the fee may also be higher or lower. This fee is calculated on the basis of the relevant daily calculated net asset value and is payable at the end of each month.

Registrar and transfer agent fee

In exchange for the performance of its duties, the Registrar and Transfer Agent receives EUR 2,500.00 per unit class, plus any legally applicable value-added tax.

Portfolio management fee

The Portfolio Manager receives a fee from the fund assets amounting at most to 1.25% p.a., plus any legally applicable value-added tax. This fee is calculated on the basis of the relevant daily calculated net asset value and is payable at the end of each quarter.

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Notes on the statement of assets as at 31 December 2018

Transaction costs

For the reporting period ending 31 December 2018, transaction costs amounting to EUR 291,419.21 were incurred from the purchase and sale of securities, money market instruments, derivatives and other assets in the Fund.

The transaction costs include in particular commissions for brokers and agents, clearing fees and external charges (e.g. stock market fees, local taxes and charges, registration and transfer charges).

Portfolio Turnover Rate (PTR)

In the reporting period: 78,99%

The absolute number calculated for the PTR represents the ratio between securities purchases and sales, cash inflows and outflows and the average fund assets for the reporting period.

Ongoing charges *)

In the reporting period:

Unit class	Ongoing charges in %
Berenberg European Small Cap - R (since 2 October 2017)	1,83
Berenberg European Small Cap - I (since 2 October 2017)	0,96
Berenberg European Small Cap - B (since 2 October 2017)	0,34

*) In the event of a short or extended financial year, the ongoing charges will be annualised.

Taxation

In the Grand Duchy of Luxembourg, the fund assets are subject to a tax ("taxe d'abonnement") of 0.01% p.a. for institutional unit classes and 0.05% p.a. for non-institutional unit classes pursuant to Article 174 of the Law of 2010. This tax d'abonnement is payable quarterly on the fund assets reported at the end of each quarter. The income of the Fund is not subject to taxation in Luxembourg. However, the income of the Fund may be subject to withholding tax in countries in which assets of the Fund are invested. In such cases, neither the Depositary nor the Management Company are obligated to collect tax certificates.

Interested parties should obtain information about laws and regulations applicable to the purchase, possession and redemption of units, as well as seek advice, if appropriate.

Publications

Information on the issue and redemption prices of each unit class is always available at the registered office of the Management Company, Depositary and Paying Agents of the Fund abroad and is published in accordance with the legal provisions of any country in which units are authorised for sale to the public as well as on the website of the Management Company www.universal-investment.com. The net asset value may be requested from the registered office of the Management Company and is also published on the website of the Management Company.

Information, particularly notices to investors, is also published on the Management Company's website. In addition, notices will be published in Luxembourg in the RESA and in a Luxembourg daily newspaper, where required by law, and also, if required, in another daily newspaper that has sufficient circulation.

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Notes on the statement of assets as at 31 December 2018

Changes to the securities portfolio

The changes to the securities holdings in the reporting period can be obtained free of charge at the registered office of the Management Company, via the Depositary and via any paying agent.

Information as per Regulation (EU) 2015/2365 on the transparency of securities financing transactions and of reuse and amending Regulation (EU) No. 648/2012 - figures according to Section A

During the reporting period, there were no securities financial transactions or total return swaps subject to the above-named regulations.

Adjusting events information

The securities in the portfolio as described in the Sales Prospectus were valued at the last available price as at 31 December 2018. The market movements between 28 and 31 December 2018 results in a valuation difference of EUR 783.743.91 for the Berenberg European Small Cap on the basis of the securities prices at the end of the year which has a significant influence of 0.76% on the net fund assets.

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Balance sheet as at 31 December 2018

Investment focuses	Current value in EUR	% of fund assets *)
I. Assets	104.095.025,23	100,37
1. Shares	102.766.888,15	99,09
2. Bank deposits	1.237.379,52	1,19
3. Other assets	90.757,56	0,09
II. Liabilities	-388.556,40	-0,37
III. Fund assets	103.706.468,83	100,00

*) Minor rounding differences may arise due to rounding of the share percentages during calculation.

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Statement of assets as at 31 December 2018

Name	ISIN	Quantity or Units or % of 1,000	holding 31.12.2018	Currency	Rate	Market value in EUR	% of fund assets *)
Portfolio positions				EUR		102.766.888,15	99,09
Exchange-traded securities				EUR		81.416.338,19	78,51
Shares				EUR		81.416.338,19	78,51
ALSO Holding AG Namens-Aktien SF 1	CH0024590272	QTY	24.246	CHF	111,400	2.400.252,73	2,31
BELIMO Holding AG Namens-Aktien SF 1	CH0001503199	QTY	354	CHF	3.940,000	1.239.456,15	1,20
Burckhardt Compression HldgAG Nam.-Aktien SF 2,50	CH0025536027	QTY	8.252	CHF	230,400	1.689.559,05	1,63
Interroll Holding S.A. Nam.-Akt. SF 1	CH0006372897	QTY	831	CHF	1.452,000	1.072.258,06	1,03
LEM HOLDING SA Namens-Aktien SF -,50	CH0022427626	QTY	820	CHF	1.048,000	763.671,91	0,74
Tecan Group AG Namens-Aktien SF 0,10	CH0012100191	QTY	5.427	CHF	190,800	920.173,82	0,89
VAT Group AG Namens-Aktien SF -,10	CH0311864901	QTY	9.629	CHF	86,300	738.454,37	0,71
Netcompany Group A/S Navne-Aktier DK1	DK0060952919	QTY	89.393	DKK	220,000	2.633.748,04	2,54
SP Group AS Navne-Aktier DK 2	DK0061027356	QTY	68.840	DKK	197,500	1.820.773,79	1,76
BE Semiconductor Inds N.V. Aandelen op Naam EO-,01	NL0012866412	QTY	101.204,00	EUR	18,042	1.825.922,57	1,76
CANCOM SE Inhaber-Aktien o.N.	DE0005419105	QTY	37.196	EUR	28,660	1.066.037,36	1,03
Cort.Amorim-Soc.Gest.Part.S.SA Açções Nominativas EO 1	PTCOR0AE0006	QTY	83.033	EUR	8,720	724.047,76	0,70
Dalata Hotel Group PLC Registered Shares EO -,01	IE00BJMZDW83	QTY	305.120	EUR	4,710	1.437.115,20	1,39
Devoteam S.A. Actions Port. EO 0.15	FR0000073793	QTY	25.195	EUR	80,000	2.015.600,00	1,94
Diasorin S.p.A. Azioni nom. EO 1	IT0003492391	QTY	29.429	EUR	70,700	2.080.630,30	2,01
Euronext N.V. Aandelen an toonder WI EO 1,60	NL0006294274	QTY	37.369	EUR	49,980	1.867.702,62	1,80
GRENKE AG Namens-Aktien o.N.	DE000A161N30	QTY	27.764	EUR	74,200	2.060.088,80	1,99
HYPOPORT AG Namens-Aktien o.N.	DE0005493365	QTY	6.347	EUR	148,200	940.625,40	0,91
ID Logistics Group Actions Port. EO -,50	FR0010929125	QTY	20.029	EUR	113,600	2.275.294,40	2,19
IMCD N.V. Aandelen op naam EO -,16	NL0010801007	QTY	18.221	EUR	55,700	1.014.909,70	0,98
JENOPTIK AG Namens-Aktien o.N.	DE000A2NB601	QTY	72.044	EUR	22,780	1.641.162,32	1,58
Jungheinrich AG Inhaber-Vorzugsakt.o.St.o.N.	DE0006219934	QTY	40.735	EUR	22,840	930.387,40	0,90
Kinepolis Group S.A. Actions au Port. o.N.	BE0974274061	QTY	27.149	EUR	47,850	1.299.079,65	1,25
Lotus Bakeries S.A. Actions Nom. o.N.	BE0003604155	QTY	669	EUR	2.110,000	1.411.590,00	1,36
Melexis N.V. Actions au Port. o.N.	BE0165385973	QTY	29.973	EUR	49,880	1.495.053,24	1,44
Oeneo S.A. Actions Port. EO 1	FR0000052680	QTY	309.620	EUR	8,580	2.656.539,60	2,56
Pharmagest Interactive S.A. Actions Port. EO 0.20	FR0012882389	QTY	26.004	EUR	51,100	1.328.804,40	1,28
Revenio Group Corp. Registered Shares EO 15	FI0009010912	QTY	121.021	EUR	12,560	1.520.023,76	1,47
Robertet S.A. Actions Port. EO 2.50	FR0000039091	QTY	2.037	EUR	518,000	1.055.166,00	1,02
Stabilus S.A. Actions au Porteur EO -,01	LU1066226637	QTY	14.214	EUR	54,850	779.637,90	0,75
Technogym S.p.A. Azioni nom. o.N.	IT0005162406	QTY	110.630	EUR	9,360	1.035.496,80	1,00
TFF Group S.A. Actions Port. EO -,40	FR0013295789	QTY	38.754	EUR	34,030	1.318.798,62	1,27
Trigano S.A. Actions Port. EO 4.2567	FR0005691656	QTY	16.014	EUR	77,700	1.244.287,80	1,20
Wavestone S.A. Actions au Porteur EO 0,025	FR0013357621	QTY	75.048	EUR	23,100	1.733.608,80	1,67

Berenberg European Small Cap

Statement of assets as at 31 December 2018

Name	ISIN	Quantity or Units or % of 1,000	holding 31.12.2018	Currency	Rate	Market value in EUR	% of fund assets *)
4imprint Group PLC Registered Shares LS -,3846	GB0006640972	QTY	72.272	GBP	18,400	1.475.593,43	1,42
Cineworld Group PLC Registered Shares LS -,01	GB00B15FWH70	QTY	778.754	GBP	2,542	2.196.618,58	2,12
Dechra Pharmaceuticals PLC Registered Shares LS -,01	GB0009633180	QTY	94.584	GBP	20,460	2.147.346,47	2,07
Diploma PLC Registered Shares LS -,05	GB0001826634	QTY	133.049	GBP	11,820	1.745.050,13	1,68
Intermediate Capital Grp PLC Registered Shares LS -,2625	GB00BYT1DJ19	QTY	185.796	GBP	9,365	1.930.736,28	1,86
On the Beach Group PLC Registered Shares LS 0,01	GB00BYM1K758	QTY	359.320	GBP	3,335	1.329.707,28	1,28
Sanne Group PLC Registered Shares LS -,01	JE00BVRZ8S85	QTY	102.573	GBP	5,700	648.763,98	0,63
AF Gruppen ASA Navne-Aksjer A NK 0,05	NO0003078107	QTY	157.248	NOK	132,000	2.078.770,97	2,00
Atea ASA Navne-Aksjer NK 1	NO0004822503	QTY	158.076	NOK	111,000	1.757.261,92	1,69
AAK AB Namn-Aktier SK 1,67	SE0011337708	QTY	144.603	SEK	122,700	1.727.683,19	1,67
Addlife AB Namn-Aktier B o.N.	SE0007982814	QTY	93.113	SEK	204,000	1.849.620,92	1,78
Addtech AB Namn-Aktier B SK -,75	SE0005568136	QTY	121.045	SEK	158,200	1.864.642,49	1,80
BioGaia AB Namn-Aktier B SK 1	SE0000470395	QTY	49.216	SEK	317,500	1.521.571,22	1,47
Biotage AB Namn-Aktier SK 1	SE0000454746	QTY	191.094	SEK	109,000	2.028.223,41	1,96
CellaVision AB Namn-Aktier SK -,15	SE0000683484	QTY	65.868	SEK	191,500	1.228.246,39	1,18
HMS Networks AB Namn-Aktier o.N.	SE0009997018	QTY	108.410	SEK	123,000	1.298.424,49	1,25
Nolato AB Namn-Aktier B SK 25	SE0000109811	QTY	39.117	SEK	366,500	1.395.988,25	1,35
Thule Group AB (publ) Namn-Aktier o.N.	SE0006422390	QTY	61.435	SEK	162,100	969.708,32	0,94
Troax Group AB Namn-Aktier A o.N.	SE0006732392	QTY	42.557	SEK	254,500	1.054.632,22	1,02
Vitrolife AB Namn-Aktier SK 0,20	SE0011205202	QTY	79.069	SEK	147,000	1.131.789,93	1,09

Securities permitted on or included in organised markets

EUR 21.350.549,96 20,59

Shares

EUR 21.350.549,96 20,59

Amplifon S.p.A. Azioni nom. EO -,02	IT0004056880	QTY	130.953	EUR	14,050	1.839.889,65	1,77
Carel Industries S.p.A. Azioni nom. o.N.	IT0005331019	QTY	140.363	EUR	9,036	1.268.320,07	1,22
Reply S.p.A. Azioni nom. EO 0,13	IT0005282865	QTY	44.948	EUR	44,080	1.981.307,84	1,91
Solutions 30 SE Actions au Porteur EO -,1275	FR0013379484	QTY	269.596	EUR	8,440	2.275.390,24	2,19
Total Produce PLC Registered Shares EO -,01	IE00B1HDWM43	QTY	921.623	EUR	1,400	1.290.272,20	1,24
Abcam PLC Registered Shares LS -,002	GB00B6774699	QTY	138.410	GBP	10,810	1.660.244,23	1,60
Accesso Technology Group PLC Registered Shares LS -,01	GB0001771426	QTY	118.405	GBP	14,500	1.905.095,98	1,84
Advanced Medical Solut.Grp PLC Registered Shares LS -,05	GB0004536594	QTY	648.764	GBP	2,670	1.922.103,73	1,85
GB Group PLC Registered Shares LS -,25	GB0006870611	QTY	315.436	GBP	4,305	1.506.826,43	1,45
Ideagen PLC Registered Shares LS -,01	GB00B0CM0C50	QTY	913.455	GBP	1,230	1.246.726,20	1,20
Learning Technology Group PLC Registered Shares LS -,00375	GB00B4T7HX10	QTY	1.906.590	GBP	0,660	1.396.304,26	1,35
Restore PLC Registered Shares LS -,05	GB00B5NR1S72	QTY	541.434	GBP	3,240	1.946.566,98	1,88
Scapa Group PLC Registered Shares LS -,05	GB0007281198	QTY	326.282	GBP	3,070	1.111.502,15	1,07

Total securities

EUR 102.766.888,15 99,09

Berenberg European Small Cap

Statement of assets as at 31 December 2018

Name	ISIN	Quantity or Units or % of 1,000	holding 31.12.2018	Currency	Rate	Market value in EUR	% of fund assets *)
Bank deposits, non-securitised money market instruments and money market funds				EUR		1.237.379,52	1,19
Bank deposits				EUR		1.237.379,52	1,19
Deposits at State Street Bank Luxembourg S.C.A.							
Deposits in the fund currency			843.771,61	EUR		843.771,61	0,81
Deposits in other EU/EEA currencies			4.503,50	DKK		603,11	0,00
			2.274,17	GBP		2.523,49	0,00
			19.909,85	NOK		1.993,96	0,00
			352.773,92	SEK		34.350,95	0,03
Deposits in currencies outside EU/EEA			398.509,69	CHF		354.136,40	0,34
Other assets				EUR		90.757,56	0,09
Dividend entitlements			90.757,56	EUR		90.757,56	0,09

Berenberg European Small Cap

Statement of assets as at 31 December 2018

Name	ISIN	Quantity or Units or % of 1,000	holding 31.12.2018	Currency	Rate	Market value in EUR	% of fund assets *)
Liabilities				EUR		-388.556,40	-0,37
Management fee			-40.926,94	EUR		-40.926,94	-0,04
Depositary fee			-25.617,55	EUR		-25.617,55	-0,02
Portfolio management fee			-300.706,91	EUR		-300.706,91	-0,29
Auditing costs			-6.463,89	EUR		-6.463,89	-0,01
Taxe d'abonnement			-8.645,28	EUR		-8.645,28	-0,01
Other liabilities			-6.195,83	EUR		-6.195,83	-0,01
Fund assets				EUR		103.706.468,83	100,00
Berenberg European Small Cap - R							
Unit value				EUR		85,07	
Issuing price				EUR		89,32	
Redemption price				EUR		85,07	
Units in circulation				QTY		198.804,393	
Berenberg European Small Cap - I							
Unit value				EUR		85,92	
Issuing price				EUR		85,92	
Redemption price				EUR		85,92	
Units in circulation				QTY		461.003,123	
Berenberg European Small Cap - B							
Unit value				EUR		86,89	
Issuing price				EUR		86,89	
Redemption price				EUR		86,89	
Units in circulation				QTY		543.059,000	

*) Minor rounding differences may arise due to rounding of the share percentages during calculation.

The securities in the portfolio as described in the Sales Prospectus were valued at the last available price as at 31 December 2018. The market movements between 28 and 31 December 2018 results in a valuation difference of EUR 783.743.91 for the Berenberg European Small Cap on the basis of the securities prices at the end of the year which has a significant influence of 0.76% on the net fund assets.

Berenberg European Small Cap

Income and expenditure statement (including income equalisation) for the period from 1 September 2017 to 31 December 2018

				Total
I. Income				
- Dividends			EUR	3.181.496,17
- Interest from liquid investments *)			EUR	-11.576,62
Total revenues			EUR	3.169.919,55
II. Expenditure				
- Interest on short-term loans			EUR	-1.264,30
- Management fee			EUR	-138.414,44
- Portfolio management fee			EUR	-428.487,51
- Depositary fee			EUR	-59.145,14
- Custody fees			EUR	-7.998,81
- Auditing and publication costs			EUR	-22.170,53
- <i>Taxe d'abonnement</i>			EUR	-42.704,97
- Registrar and Transfer Agent			EUR	-59.955,34
- Legal and consultancy costs			EUR	-6.835,67
- Foreign withholding tax			EUR	-226.812,32
- Expenditure equalisation			EUR	-653.025,12
- Other expenditure			EUR	-52.988,05
Total expenditure			EUR	-1.699.802,20
III. Ordinary net profit			EUR	1.470.117,35
IV. Sale transactions				
1. Realised profits from			EUR	7.135.818,69
- Securities transactions	EUR	7.029.161,88		
- Currencies	EUR	106.656,81		
2. Realised losses from			EUR	-11.105.853,41
- Securities transactions	EUR	-11.072.166,13		
- Currencies	EUR	-33.687,28		
Realised profit/loss			EUR	-3.970.034,72
V. Net change in unrealised gains/losses				
- Net change in unrealised gains	EUR	2.892.246,09		
- Net change in unrealised losses	EUR	-25.149.343,23		
Net change in unrealised profit			EUR	-22.257.097,14
VI. Result for the reporting period			EUR	-24.757.014,51

*) "Interest from liquid investments" includes negative credit interest of EUR 12,393.30.

Berenberg European Small Cap

Performance of fund assets				2017/2018	
I. Value of fund assets at the beginning of the reporting period				EUR	0,00
1. Distribution for the previous year				EUR	0,00
2. Interim distributions				EUR	0,00
3. Inflow/outflow of funds (net)				EUR	129.133.310,82
(a) Inflows from sale of unit certificates	EUR	159.191.129,62			
(b) Outflows from redemption of unit certificates	EUR	-30.057.818,80			
4. Income equalisation/expenditure equalisation				EUR	-669.827,48
5. Result for the reporting period				EUR	-24.757.014,51
II. Value of fund assets at the end of the reporting period				EUR	103.706.468,83

Berenberg European Small Cap

Berenberg European Small Cap - R Comparative overview since launch

Reporting period	Units in circulation as at End of the reporting period		Fund assets as at End of the reporting period		Unit value as at End of the reporting period	
2017/2018 *)	Quantity	198.804,393	EUR	16.911.434,26	EUR	85,07
*) Launch date: 02/10/2017						

Performance of units outstanding during the reporting period

	Quantity
Units outstanding at the start of the reporting period	0,000
Units issued	223.969,988
Units redeemed	-25.165,595
Units outstanding at the end of the reporting period	198.804,393

Berenberg European Small Cap

Berenberg European Small Cap - I Comparative overview since launch

Reporting period	Units in circulation as at End of the reporting period		Fund assets as at End of the reporting period		Unit value as at End of the reporting period	
2017/2018 *)	Quantity	461.003,123	EUR	39.609.160,60	EUR	85,92

*) Launch date: 02/10/2017

Performance of units outstanding during the reporting period

	Quantity
Units outstanding at the start of the reporting period	0,000
Units issued	600.867,123
Units redeemed	-139.864,000
Units outstanding at the end of the reporting period	461.003,123

Berenberg European Small Cap

Berenberg European Small Cap - B Comparative overview since launch

Reporting period	Units in circulation as at End of the reporting period		Fund assets as at End of the reporting period		Unit value as at End of the reporting period	
2017/2018 *)	Quantity	543.059,000	EUR	47.185.873,96	EUR	86,89
*) Launch date: 02/10/2017						

Performance of units outstanding during the reporting period

	Quantity
Units outstanding at the start of the reporting period	0,000
Units issued	686.015,000
Units redeemed	-142.956,000
Units outstanding at the end of the reporting period	543.059,000



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To the unitholders of Berenberg European Small Cap

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Report on the annual audit

Audit opinion

We have audited the accompanying annual financial statements for Berenberg European Small Cap ("the Fund"). These statements consist of the statement of assets as at 31 December 2018, the statement of income and expenditure, the performance of fund assets for the period from 1 September 2017 to 31 December 2018, and the Annex containing an overview of important accounting methods.

It is our opinion that the accompanying annual accounts accurately reflect the assets and finances of the Fund and its sub-funds as at 31 December 2018 as well as its profits and performance of fund assets for the period from 1 September 2017 to 31 December 2018, in accordance with the statutory provisions and regulations applicable in Luxembourg with regard to the preparation and presentation of annual financial statements.

Basis for the audit opinion

We carried out our audit in compliance with the Law concerning the audit profession (Law of 23 July 2016) and in accordance with the international standards on auditing (ISAs) adopted for Luxembourg by the Commission de Surveillance du Secteur Financier (CSSF). Our remit under the aforementioned law and standards with regard to the annual audit is described in detail in the chapter entitled "Responsibility of the Réviseur d'Entreprises agréé". In accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) adopted for Luxembourg by the CSSF and the ethical standards we uphold in carrying out annual audits, we are not affiliated with the Fund in any way and have complied with all other professional requirements incumbent on us under these ethical standards. We feel that the audit evidence we requested is sufficient and appropriate to serve as a basis for our audit opinion.

Other information

The Board of Directors of the Management Company is responsible for all other information. Other information includes information from the annual report but does not cover the annual financial statements or our Réviseur d'Entreprises agréé report on the annual financial statements.

Our audit opinion on the annual financial statements does not cover other information and we do not vouch in any way for the accuracy of this information.

Our responsibilities regarding the audit of the annual financial statement pertain to reading the other information and assessing if there are any major discrepancies between this information and the annual financial statement, if there are any major discrepancies between this information and the information revealed by the audit, or if the other information seems to contain major errors. If our work leads us to conclude that the other information contains major errors, we are obliged to report any such findings. We have nothing to report in this regard.



Responsibility of the Board of Directors of the Management Company for the annual financial statement

The Board of Directors of the Management Company is responsible for preparing and appropriately presenting the annual financial statements as a whole in accordance with the statutory provisions and regulations applicable in Luxembourg as regards preparing and presenting the annual financial statements, and for all internal controls the Board of Directors of the Management Company deems necessary in order to prepare the annual financial statements without any material misstatements, whether intentional or otherwise.

In preparing the annual financial statements, the Board of Directors of the Management Company is responsible for assessing the Fund's capacity as a going concern and for providing information on issues related to this where relevant. The Board is also responsible for using the assumption of a going concern as an accounting principle, unless the Board of Directors of the Management Company intends to liquidate the Fund, suspend trading or has no realistic alternative than to do so.

Responsibility of the Réviseur d'Entreprises agréé for the annual financial statements

The objective of our audit is to obtain reasonable assurance that the annual financial statements as a whole do not contain any material misstatements, whether intentional or otherwise, and to issue a report of the "Réviseur d'Entreprises agréé" containing our audit opinion. Reasonable assurance translates to a high degree of certainty, yet this does not guarantee that material misstatements are always discovered by an audit in accordance with the Law of 23 July 2016 and the ISAs adopted for Luxembourg by the CSSF. Misstatements may be the result of both irregularities and violations and are deemed material if there are reasonable grounds to assume that, whether individually or collectively, they will influence the financial decisions taken by the target audience on the basis of these annual financial statements.

While undertaking an audit in accordance with the Law of 23 July 2016 and the ISAs adopted for Luxembourg by the CSSF, we exercise our professional judgement and always adopt a critical approach. In addition:

- We identify and assess the risk posed by material misstatements in the annual financial statements resulting from irregularities or violations, we plan and implement audit procedures in response to these risks and request audit evidence that is sufficient and appropriate to form a basis for the audit opinion. Material misstatements resulting from violations are less likely to be uncovered than those resulting from irregularities, since violations may involve fraudulent cooperation, fabrications, the intentional omission of information, incorrect data or the removal of internal controls.
- We learn about the internal control system relevant to the audit in order to plan audit procedures that are appropriate in the circumstances; however, the aim of this is not to give an audit opinion on the effectiveness of the internal control system.
- We assess the adequacy of the balance sheet methods used by the Board of Directors of the Management Company, the accounting-related estimates and the corresponding notes.
- Regarding the appropriateness of the continued use of the accounting policy by the Board of Directors of the Management Company, and on the basis of the audit evidence obtained, we come to a conclusion as to whether there is material uncertainty surrounding events or circumstances that could raise significant doubts as to the Fund's ability to continue as a going concern. If this is our conclusion, we are obligated to refer to the corresponding notes to the annual financial statements in the report of the "Réviseur d'Entreprises agréé", or to modify the audit opinion if the information is inadequate. We base these conclusions on the evidence requested up to the date of the report of the "Réviseur d'Entreprises agréé". Nonetheless, future events or circumstances may result in the Fund's inability to continue as a going concern.
- We assess the overall presentation, structure and content of the annual financial statements, including the notes, and judge whether the statements accurately reflect the underlying business operations and events.

Among other things, we inform the persons responsible for monitoring of the intended scope and time frame of the audit, and of any significant audit findings, including any substantial flaws in the internal control system.

Luxembourg,

KPMG Luxembourg, Société coopérative
Cabinet de révision agréé

S. Kraiker