

CARTESIO FUNDS

Société d'Investissement à Capital Variable

R.C.S. Luxembourg N° B 237329

Annual Report, including Audited Financial Statements as at December 31, 2023

CARTESIO FUNDS

Cartesio Funds Equity

Cartesio Funds Income

No Subscription may be accepted on the basis of this annual report, including audited financial statements. Subscriptions are accepted only if they have been made on the basis of the current prospectus and relevant Key Investor Information Document ("KIID"), which will be accompanied by latest annual report including audited financial statements and a copy of the latest available unaudited semi-annual report, if published after such annual report, including audited financial statements.

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Board of Directors

REGISTERED OFFICE OF THE FUND

60, Avenue J. F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

BOARD OF DIRECTORS OF THE FUND

Chairman

Juan A. Bertran – Director

Directors

Alvaro Martinez - Director
Cayetano Cornet - Director
Carlo Montagna - Independent Director

MANAGEMENT COMPANY OF THE FUND

Waystone Management Company (Lux) S.A.
19, rue de Bitbourg,
L-1273 Luxembourg
Grand Duchy of Luxembourg

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY OF THE FUND

Géry Daeninck (until May 26, 2023)
Independent Director

Denis Harty (since April 28, 2023)
Waystone Country Head - Continental Europe
Luxembourg Management Company Solutions

John Li How Cheong (until May 26, 2023)
Independent Director

Timothy Madigan (since July 5, 2023)
Independent Director

Vogel Martin Peter (until December 31, 2023)
Waystone Global Head of Strategy

Rachel Wheeler
Global Product Head - Regulated Fund Solutions

INVESTMENT MANAGER

Cartesio Inversiones, S.G.I.I.C., S.A.
Rubén Darío 3
S-28010 Madrid
Spain

ADMINISTRATIVE AGENT, DOMICILIARY, CORPORATE, REGISTRAR AND TRANSFER AGENT

BNP Paribas, Luxembourg Branch
60, Avenue J. F. Kennedy,
L-1855 Luxembourg
Grand Duchy of Luxembourg

DEPOSITARY AND PAYING AGENT

BNP Paribas, Luxembourg Branch
60, Avenue J. F. Kennedy,
L-1855 Luxembourg
Grand Duchy of Luxembourg

Board of Directors (continued)

***CABINET DE RÉVISION AGRÉÉ* / AUDITOR OF THE FUND**

Deloitte Audit

Société à responsabilité limitée

20, Boulevard de Kockelscheuer

L-1821 Luxembourg

Grand Duchy of Luxembourg

Directors' Report

Cartesio Funds Equity

Cartesio Funds Equity is up 11.3% in 2023 with a volatility of 10.3%. The Sub-fund's benchmark (MSCI Euro Total Return) was up 15.8% on a total return basis with a volatility of 11.4%.

The Sub-Fund replicates the investment strategy of Cartesio Y (a Spanish domiciled fund) which since inception (March 2004) has returned 5.1% p.a. with a volatility of 11.0%, against 6.3% p.a. total return for the benchmark with a volatility of 18.4%. Cartesio Y has outperformed its benchmark since inception in risk adjusted terms.

As investors started 2023, there were significant fears and emotions, all negative and borrowing heavily from recent experiences or easy causal relationships. The market was for a long time expecting a recession. Over the year the financial markets have grappled with a crisis of regional banks in the United States, the collapse of Credit Suisse and a new conflict in the Middle East not to mention the war with no clear end in Ukraine. However, 2023 was a good year for financial assets. Apart from Chinese equities and commodities (excluding gold), it was a year of solid double digit or near double digit returns in financial markets.

As we explained during the year, a recession, or at least a deep one, was far from certain: the labour market remained strong, real interest rates were still negative and fiscal policy remained expansionary. Then we were more constructive than the consensus on economic growth and less optimistic about the ability or willingness of central banks to deal with inflation. As we have argued repeatedly during the year, it is time in the market that counts, rather than timing, particularly when valuation and sentiment are in your favor.

This mindset was reflected in a portfolio with a higher market exposure than our historical levels. At the year-end we remain 85% invested in equities, slightly more than this time last year (on average 82% in 2023 vs. the historical average of circa 60% since inception and 75% in 2022). The reason is, again, down to valuation of our portfolio which is trading at 11x P/E and 5% dividend yield. We are not expecting a major recession and the interest rate environment we think will be neutral to supportive.

The portfolio had a performance in line with the benchmark in 2023 after a significantly better performance the year before. This implies that the fund is up 8.9% over the course of two years, more than double return of the benchmark and with less volatility.

During 2023, the Sub-fund sold its interest in Volkswagen, Petrofac, OHLA, Unicaja, Novartis and Brenntag and new positions were started in AXA, ALD, Swatch, BAT and Michelin.

The five positions with the greatest positive contribution to the Sub-fund in the year were Covestro, Publicis, Heidelberg Cement, Merlin Properties and Ene. The five positions that have detracted most from the Sub-fund's return during the year have been Bayer, Petrofac, FNAC, ITV and BAT.

At the year-end our portfolio trades on 11.0x PE and 5.2% dividend yield. Our conviction in the valuation of the portfolio underpins the year-end's exposure to equities at 85%. Looking into 2024, we are not expecting a major recession and the interest rate environment we think will be neutral to supportive.

Directors' Report (continued)

Cartesio Funds Income

Cartesio Funds Income is up 10.2% in 2023 with a volatility of 4.7%. The Sub-fund's benchmark (Bloomberg Series Euro Govt 7-10 Yr Bond Index) is up 8.9% with a volatility of 8.8%.

The Sub-Fund replicates the investment strategy of Cartesio X (a Spanish domiciled fund) which since inception (March 2004) has returned 3.8% p.a. with a volatility of 4.1.%, against 3.3% p.a. total return for the benchmark with a volatility of 5.2%.

The market was for a long time expecting a recession but, as we explained during the year, a recession, or at least a deep one, was far from certain: the labour market remained strong, real interest rates were still negative and fiscal policy remained expansionary.

2023 started with significant fears and emotions, particularly after 2022 when fixed-income delivered its worst return in decades. However, we witnessed a strong start to the year with most asset classes pricing in, on the one hand, a more resilient economic growth scenario and on the other hand moderating inflation risk, which would help Central Banks to anchor interest rates expectations. Regarding fixed-income the market moved on from TINA (There Is No Alternative), which pushed managers to take increasingly larger risks to achieve a certain profitability, to TARA (There is A Reasonable Alternative). The action of central banks to fight inflation led to opportunities in fixed-income again. The rise in interest rates not only allowed the construction of portfolios with reasonable returns to maturity in nominal terms but also higher than expected inflation, all with better risk quality and less duration than has been possible for many years.

With this backdrop we continued to increase the level of the exposure to fixed-income ending the year at 75% from 53% at end of 2022 and only 20% at the end of 2021. We built a very strong portfolio diversified by issuer (circa 65) with a yield to maturity above than the expected inflation and with a duration in the region of three years. We have also gone gradually from having almost 10% of the fund short of the Spanish Bono back in 2021, to zero now.

Exposure to equities (40% maximum) is down to 13% from 28% one year ago, mostly taking advantage of the rally in the last two months of the year. In equity, during 2023, the Sub-fund sold its interest in Volkswagen, Petrofac, OHLA, Unicaja, Novartis and Brenntag and new positions were started in AXA, ALD, Swatch, BAT and Michelin.

2023 has been a great year in terms of return (in fact the second best in 20 years for Cartesio X, the fund that replicates Cartesio Income) but more important is the fact that in the last two years the sub-fund has returned 6.5% and reached a new all-time high, while the benchmark (long-term public debt of the euro zone) drops 12%. Furthermore, this return has been achieved with almost half the volatility of the benchmark.

At the year-end our credit portfolio still offers an attractive 6% YTM with three years duration and very diversified by issuer and sector. Our equity portfolio trades on 11.0x PE and 5.2% dividend yield. We may increase equity exposure if the market corrects, or we find relevant opportunities.

Our portfolio is underpinned in our strong conviction that inflation is going to be stickier and higher than the market discounts and the economy is more resistant to a recession. This explains the preference for corporate debt and low duration.

The Board of Directors,

Luxembourg, April 2, 2024

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

To the Shareholders
of Cartesio Funds
60, avenue J.F. Kennedy
L-1855 Luxembourg
Grand-Duchy of Luxembourg

REPORT OF THE *REVISEUR D'ENTREPRISES AGREE*

Opinion

We have audited the Financial Statements of Cartesio Funds (the “Fund”) and of each of its Sub-Funds, which comprise the statement of net assets, securities portfolio and financial derivative instruments as at December 31, 2023 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 and of each of its Sub-Funds as at December 31, 2023, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the Financial Statements.

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the “*Commission de Surveillance du Secteur Financier*” (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the “*Responsibilities of the “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 Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the Financial Statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information stated in the annual report but does not include the Financial Statements and our report of the “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 of the Fund for the Financial Statements

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

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

Responsibilities of the “réviseur d’entreprises agréé” for the Audit of the Financial Statements

The objectives of our audit are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the “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 dated 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 dated 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund.
- Conclude on the appropriateness of the Board of Directors of the Fund 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 the "réviseur d'entreprises agréé" to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

For Deloitte Audit, *Cabinet de révision agréé*

Nicolas Hennebert, *Réviseur d'entreprises agréé*

Partner

April 19, 2024

Statistics

		December 31, 2023	December 31, 2022	December 31, 2021
Cartesio Funds Equity				
Net Asset Value	EUR	84,414,703.44	82,238,502.21	79,464,341.53
Net asset value per share				
Class "I"	EUR	111.35	99.98	101.91
Class "R"	EUR	111.16	99.86	101.82
Class "Z"	EUR	111.94	100.56	101.76
Number of shares				
Class "I"		158,331.842	263,433.586	258,514.117
Class "R"		336,014.999	328,658.892	296,133.048
Class "Z"		262,947.631	229,530.978	225,685.495
Cartesio Funds Income				
Net Asset Value	EUR	162,327,509.62	125,814,216.17	108,152,590.33
Net asset value per share				
Class "I"	EUR	108.11	98.10	101.51
Class "R"	EUR	107.91	97.96	101.40
Class "Z"	EUR	109.00	99.15	102.19
Number of shares				
Class "I"		387,772.196	555,068.037	575,536.417
Class "R"		870,184.224	586,810.121	403,424.118
Class "Z"		243,129.755	140,003.060	86,346.719

Combined Statement

Combined Statement of Net Assets as at December 31, 2023

	Notes	EUR
Assets		
Investment in securities at cost		212,338,547.97
Unrealised appreciation / (depreciation) on securities		14,960,962.04
Investment in securities at market value	2.2	227,299,510.01
Cash at bank		17,310,400.30
Receivable on Fund shares sold		514,941.67
Receivable on withholding tax reclaim		332,566.53
Net unrealised appreciation on futures contracts	2.2	251,336.42
Dividends and interest receivable		2,203,945.98
Other Receivables		39,833.65
Total assets		247,952,534.56
Liabilities		
Bank overdraft		0.01
Accrued expenses		1,110,479.15
Payable on fund shares repurchased		99,842.34
Total liabilities		1,210,321.50
Net assets at the end of the year		246,742,213.06

Combined Statement of Operations and Changes in Net Assets for the year ended December 31, 2023

	Notes	
Income		
Dividends (net of withholding taxes)		4,294,054.89
Interest on bonds		4,815,183.79
Bank interest		341,324.02
Other income		63,896.49
Total income		9,514,459.19
Expenses		
Investment Manager fees and management fees	4	2,475,752.51
Performance fees	4	320,864.70
Depositary fees	5	45,082.67
Administration fees	6	132,463.90
Professional fees	8	68,627.58
Transaction costs	2.7	90,359.55
Taxe d'abonnement	7	88,532.32
Bank interest and charges		26,816.99
Research fees	10	111,627.87
Other expenses	8	95,447.59
Total expenses		3,455,575.68
Net investment income / (loss)		6,058,883.51
Net realised gain / (loss) on:		
Investments	2.2	(945,662.31)
Foreign currencies transactions	2.3	(1,106.82)
Futures contracts	2.2	(1,652,109.46)
Options	2.2	(349,588.20)
Net realised gain / (loss) for the year		3,110,416.72
Net change in unrealised appreciation / (depreciation) on:		
Investments	2.2	19,961,841.51
Futures contracts	2.2	(282,727.71)
Options	2.2	17,000.00
Increase / (Decrease) in net assets as a result of operations		22,806,530.52
Proceeds received on subscription of shares		73,581,244.06
Net amount paid on redemption of shares		(57,698,279.90)
Net assets at the beginning of the year		208,052,718.38
Net assets at the end of the year		246,742,213.06

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

Cartesio Funds Equity (in EUR)

Statement of Net Assets as at December 31, 2023

	Notes	EUR
Assets		
Investment in securities at cost		65,791,721.04
Unrealised appreciation / (depreciation) on securities		10,724,370.58
Investment in securities at market value	2.2	76,516,091.62
Cash at bank		8,026,446.59
Receivable on Fund shares sold		100,999.96
Receivable on withholding tax reclaim		211,749.54
Net unrealised appreciation on futures contracts	2.2	59,796.38
Dividends and interest receivable		35,953.08
Other Receivables		20,227.52
Total assets		84,971,264.69
Liabilities		
Bank overdraft		0.01
Accrued expenses		498,089.59
Payable on fund shares repurchased		58,471.65
Total liabilities		556,561.25
Net assets at the end of the year		84,414,703.44

Statement of Operations and Changes in Net Assets for the year ended December 31, 2023

	Notes	EUR
Income		
Dividends (net of withholding taxes)		2,792,269.51
Interest on bonds		5.79
Bank interest		149,018.13
Other income		18,842.48
Total income		2,960,135.91
Expenses		
Investment Manager fees and management fees	4	1,104,432.89
Performance fees	4	186,861.88
Depository fees	5	18,557.91
Administration fees	6	57,144.38
Professional fees	8	33,613.24
Transaction costs	2.7	54,512.72
Taxe d'abonnement	7	32,930.31
Bank interest and charges		9,922.29
Research fees	10	39,447.76
Other expenses	8	42,324.65
Total expenses		1,579,748.03
Net investment income / (loss)		1,380,387.88
Net realised gain / (loss) on:		
Investments	2.2	(733,810.53)
Foreign currencies transactions	2.3	6,341.45
Futures contracts	2.2	(465,266.80)
Options	2.2	(349,588.20)
Net realised gain / (loss) for the year		(161,936.20)
Net change in unrealised appreciation / (depreciation) on:		
Investments	2.2	9,076,542.34
Futures contracts	2.2	(23,537.83)
Options	2.2	17,000.00
Increase / (Decrease) in net assets as a result of operations		8,908,068.31
Proceeds received on subscription of shares		14,822,214.42
Net amount paid on redemption of shares		(21,554,081.50)
Net assets at the beginning of the year		82,238,502.21
Net assets at the end of the year		84,414,703.44

Statement of Changes in Number of Shares

	Number of Shares in issue at the beginning of the year	Number of Shares subscribed	Number of Shares redeemed	Number of Shares in issue at the end of the year
Class "I"	263,433.59	5,998.32	111,100.07	158,331.84
Class "R"	328,658.89	73,500.96	66,144.85	336,015.00
Class "Z"	229,530.98	60,789.89	27,373.24	262,947.63

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

Cartesio Funds Equity (in EUR)

Securities Portfolio as at December 31, 2023

Quantity/ Nominal	Name	Currency	Market Value in EUR	% NAV
Transferable securities admitted to an official exchange listing				
Shares				
France				
206,667.00	ALD SA	EUR	1,331,968.82	1.58
45,000.00	AXA SA	EUR	1,327,050.00	1.57
167,348.00	CARREFOUR SA	EUR	2,772,119.62	3.28
155,346.00	CREDIT AGRICOLE SA	EUR	1,996,506.79	2.37
153,568.00	ENGIE	EUR	2,444,495.42	2.90
40,985.00	FNAC DARTY SA	EUR	1,127,087.50	1.34
60,600.00	MICHELIN (CGDE)	EUR	1,967,076.00	2.33
29,493.00	PUBLICIS GROUPE	EUR	2,477,412.00	2.93
61,575.00	TOTALENERGIES SE	EUR	3,793,020.00	4.48
25,214.00	UNIBAIL-RODAMCO-WESTFIELD	EUR	1,687,320.88	2.00
14,668.00	VINCI SA	EUR	1,667,751.60	1.98
			22,591,808.63	26.76
Spain				
232,000.00	ACERINOX SA	EUR	2,471,960.00	2.93
495,742.00	BANCO SANTANDER SA	EUR	1,873,656.89	2.22
83,202.00	CIA DE DISTRIBUCION INTEGRAL	EUR	2,036,784.96	2.41
322,935.00	MERLIN PROPERTIES SOCIMI SA	EUR	3,248,726.10	3.85
161,515.00	REPSOL SA	EUR	2,172,376.75	2.57
			11,803,504.70	13.98
Germany				
9,574.00	ALLIANZ SE-REG	EUR	2,316,429.30	2.74
38,794.00	BAYER AG-REG	EUR	1,304,642.22	1.55
59,912.00	COVESTRO AG	EUR	3,156,164.16	3.74
50,731.00	FRESENIUS SE & CO KGAA	EUR	1,424,019.17	1.69
20,948.00	HEIDELBERG MATERIALS AG	EUR	1,695,531.12	2.01
			9,896,785.97	11.73
United Kingdom				
54,000.00	BRITISH AMERICAN TOBACCO PLC	GBP	1,429,838.63	1.69
38,537.00	COCA-COLA EUROPACIFIC PARTNE	USD	2,329,884.39	2.76
2,373,098.00	ITV PLC	GBP	1,732,200.30	2.05
25,207.00	RIO TINTO PLC	GBP	1,698,629.58	2.01
			7,190,552.90	8.51
Italy				
312,000.00	ENEL SPA	EUR	2,099,760.00	2.49
410,543.00	UNIPOL GRUPPO SPA	EUR	2,119,222.97	2.51
			4,218,982.97	5.00
USA				
14,820.00	ALPHABET INC-CL A	USD	1,875,356.28	2.22
3,334.00	MICROSOFT CORP	USD	1,135,716.42	1.35
			3,011,072.70	3.57
Netherlands				
297,519.00	KONINKLIJKE KPN NV	EUR	927,664.24	1.10
66,652.00	SIGNIFY NV	EUR	2,020,888.64	2.39
			2,948,552.88	3.49
Jersey				
444,809.00	GLENCORE PLC	GBP	2,422,275.49	2.87
			2,422,275.49	2.87
Brazil				
714,379.00	CCR SA	BRL	1,891,069.92	2.24
			1,891,069.92	2.24
Luxembourg				
283,046.00	SES	EUR	1,686,954.16	2.00
			1,686,954.16	2.00
Austria				
35,635.00	STRABAG SE	EUR	1,475,289.00	1.75

Quantity/ Nominal	Name	Currency	Market Value in EUR	% NAV
			1,475,289.00	1.75
Mexico				
141,388.00	PROMOTORA Y OPERADORA DE INF	MXN	1,385,383.57	1.64
			1,385,383.57	1.64
Switzerland				
4,150.00	SWATCH GROUP AG/THE-BR	CHF	1,021,678.73	1.21
			1,021,678.73	1.21
			71,543,911.62	84.75
Money markets instruments				
Spain				
2,000,000.00	LETRAS 0% 23-10/05/2024	EUR	1,974,880.00	2.34
3,000,000.00	LETRAS 0% 23-12/01/2024	EUR	2,997,300.00	3.55
			4,972,180.00	5.89
			4,972,180.00	5.89
Total securities portfolio			76,516,091.62	90.64

Financial Derivative Instruments as at December 31, 2023

Quantity	Name	Currency	Commitment in EUR	Unrealised appreciation / (depreciation) in EUR
Future contracts				
50.00	EURO FX CURR FUT (CME) 18/03/2024	USD	5,661,744.72	70,488.72
10.00	EURO / GBP FUTURE 18/03/2024	GBP	1,441,869.59	6,632.60
(60.00)	MEXICAN PESO FUTURE 18/03/2024	USD	27,176,374.67	(30,165.78)
(105.00)	BRAZIL REAL FUTURE 31/01/2024	USD	9,511,731.13	12,840.84
Total Future contracts				59,796.38

Summary of net assets

		% NAV
Total securities portfolio	76,516,091.62	90.64
Total financial derivative instruments	59,796.38	0.07
Cash at bank	8,026,446.58	9.51
Other assets and liabilities	(187,631.14)	(0.22)
Total net assets	84,414,703.44	100.00

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

Cartesio Funds Income (in EUR)

Statement of Net Assets as at December 31, 2023

	Notes	EUR
Assets		
Investment in securities at cost		146,546,826.93
Unrealised appreciation / (depreciation) on securities		4,236,591.46
Investment in securities at market value	2.2	150,783,418.39
Cash at bank		9,283,953.71
Receivable on Fund shares sold		413,941.71
Receivable on withholding tax reclaim		120,816.99
Net unrealised appreciation on futures contracts	2.2	191,540.04
Dividends and interest receivable		2,167,992.90
Other Receivables		19,606.13
Total assets		162,981,269.87
Liabilities		
Accrued expenses		612,389.56
Payable on fund shares repurchased		41,370.69
Total liabilities		653,760.25
Net assets at the end of the year		162,327,509.62

Statement of Operations and Changes in Net Assets for the year ended December 31, 2023

	Notes	EUR
Income		
Dividends (net of withholding taxes)		1,501,785.38
Interest on bonds		4,815,178.00
Bank interest		192,305.89
Other income		45,054.01
Total income		6,554,323.28
Expenses		
Investment Manager fees and management fees	4	1,371,319.62
Performance fees	4	134,002.82
Depository fees	5	26,524.76
Administration fees	6	75,319.52
Professional fees	8	38,297.59
Transaction costs	2.7	35,846.83
Taxe d'abonnement	7	55,602.01
Bank interest and charges		16,894.70
Research fees	10	72,180.11
Other expenses	8	49,839.69
Total expenses		1,875,827.65
Net investment income / (loss)		4,678,495.63
Net realised gain / (loss) on:		
Investments	2.2	(211,851.78)
Foreign currencies transactions	2.3	(7,448.27)
Futures contracts	2.2	(1,186,842.66)
Net realised gain / (loss) for the year		3,272,352.92
Net change in unrealised appreciation / (depreciation) on:		
Investments	2.2	10,885,299.17
Futures contracts	2.2	(259,189.88)
Increase / (Decrease) in net assets as a result of operations		13,898,462.21
Proceeds received on subscription of shares		58,759,029.64
Net amount paid on redemption of shares		(36,144,198.40)
Net assets at the beginning of the year		125,814,216.17
Net assets at the end of the year		162,327,509.62

Statement of Changes in Number of Shares

	Number of Shares in issue at the beginning of the year	Number of Shares subscribed	Number of Shares redeemed	Number of Shares in issue at the end of the year
Class "I"	555,068.04	20,945.78	188,241.63	387,772.20
Class "R"	586,810.12	414,083.95	130,709.84	870,184.22
Class "Z"	140,003.06	138,969.00	35,842.31	243,129.76

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

Cartesio Funds Income (in EUR)

Securities Portfolio as at December 31, 2023

Quantity/ Nominal	Name	Currency	Market Value in EUR	% NAV
Transferable securities admitted to an official exchange listing				
Shares				
France				
99,067.00	ALD SA	EUR	638,486.82	0.39
20,000.00	AXA SA	EUR	589,800.00	0.36
75,311.00	CARREFOUR SA	EUR	1,247,526.72	0.77
62,785.00	CREDIT AGRICOLE SA	EUR	806,912.82	0.50
58,639.00	ENGIE	EUR	933,415.60	0.58
24,579.00	FNAC DARTY SA	EUR	675,922.50	0.42
31,200.00	MICHELIN (CGDE)	EUR	1,012,752.00	0.62
11,777.00	PUBLICIS GROUPE	EUR	989,268.00	0.61
26,628.00	TOTALENERGIES SE	EUR	1,640,284.80	1.01
8,530.00	UNIBAIL-RODAMCO-WESTFIELD	EUR	570,827.60	0.35
6,517.00	VINCI SA	EUR	740,982.90	0.46
			9,846,179.76	6.07
Spain				
115,563.00	ACERINOX SA	EUR	1,231,323.77	0.76
204,562.00	BANCO SANTANDER SA	EUR	773,142.08	0.48
34,001.00	CIA DE DISTRIBUCION INTEGRAL	EUR	832,344.48	0.51
191,395.00	MERLIN PROPERTIES SOCIMI SA	EUR	1,925,433.70	1.19
72,000.00	REPSOL SA	EUR	968,400.00	0.60
			5,730,644.03	3.54
Germany				
3,901.00	ALLIANZ SE-REG	EUR	943,846.95	0.58
19,135.00	BAYER AG-REG	EUR	643,510.05	0.40
25,728.00	COVESTRO AG	EUR	1,355,351.04	0.83
21,569.00	FRESENIUS SE & CO KGAA	EUR	605,441.83	0.37
9,228.00	HEIDELBERG MATERIALS AG	EUR	746,914.32	0.46
			4,295,064.19	2.64
United Kingdom				
24,000.00	BRITISH AMERICAN TOBACCO PLC	GBP	635,483.83	0.39
16,443.00	COCA-COLA EUROPACIFIC PARTNE	USD	994,117.06	0.61
1,070,026.00	ITV PLC	GBP	781,046.28	0.48
14,210.00	RIO TINTO PLC	GBP	957,572.35	0.59
			3,368,219.52	2.07
Italy				
133,500.00	ENEL SPA	EUR	898,455.00	0.55
181,982.00	UNIPOL GRUPPO SPA	EUR	939,391.08	0.58
			1,837,846.08	1.13
Netherlands				
125,596.00	KONINKLIJKE KPN NV	EUR	391,608.33	0.24
33,876.00	SIGNIFY NV	EUR	1,027,120.32	0.63
			1,418,728.65	0.87
USA				
5,080.00	ALPHABET INC-CL A	USD	642,834.68	0.40
1,448.00	MICROSOFT CORP	USD	493,256.56	0.30
			1,136,091.24	0.70
Jersey				
195,021.00	GLENCORE PLC	GBP	1,062,016.70	0.65
			1,062,016.70	0.65
Luxembourg				
129,560.00	SES	EUR	772,177.60	0.48
			772,177.60	0.48
Brazil				
260,927.00	CCR SA	BRL	690,713.47	0.43
			690,713.47	0.43
Mexico				
56,188.00	PROMOTORA Y OPERADORA DE INF	MXN	550,555.44	0.34

Quantity/ Nominal	Name	Currency	Market Value in EUR	% NAV
			550,555.44	0.34
Austria				
11,277.00	STRABAG SE	EUR	466,867.80	0.29
			466,867.80	0.29
Switzerland				
1,800.00	SWATCH GROUP AG/THE-BR	CHF	443,137.76	0.27
			443,137.76	0.27
			31,618,242.24	19.48
Bonds and other debt instruments				
Spain				
1,800,000.00	ABANCA CORP 21-31/12/2061 FRN	EUR	1,710,882.00	1.05
1,500,000.00	ABANCA CORP 23-18/05/2026 FRN	EUR	1,524,615.00	0.94
1,800,000.00	BANCO BILBAO VIZ 23-21/09/2171 FRN	EUR	1,954,026.00	1.20
1,200,000.00	BANCO BILBAO VIZ 3.375% 22-20/09/2027	EUR	1,212,084.00	0.75
1,200,000.00	BANCO SABADELL 22-10/11/2028 FRN	EUR	1,263,240.00	0.78
2,000,000.00	BANCO SABADELL 23-07/02/2029 FRN	EUR	2,067,940.00	1.27
1,500,000.00	BANCO SANTANDER 23-18/10/2027 FRN	EUR	1,537,815.00	0.95
1,200,000.00	BANKINTER SA 20-31/12/2060 FRN	EUR	1,199,676.00	0.74
1,800,000.00	BANKINTER SA 23-15/05/2171 FRN	EUR	1,829,052.00	1.13
2,800,000.00	CAIXABANK 18-31/12/2049 FRN	EUR	2,608,844.00	1.61
600,000.00	CAIXABANK 23-13/06/2171 FRN	EUR	636,360.00	0.39
1,600,000.00	IBERCAJA 23-07/06/2027 FRN	EUR	1,651,520.00	1.02
1,200,000.00	IBERCAJA 23-25/04/2171 FRN	EUR	1,250,004.00	0.77
1,200,000.00	INTL CONSOLIDAT 3.75% 21-25/03/2029	EUR	1,167,624.00	0.72
600,000.00	KUTXABANK 23-01/02/2028 FRN	EUR	607,854.00	0.37
1,600,000.00	KUTXABANK 23-15/06/2027 FRN	EUR	1,629,536.00	1.00
1,200,000.00	MAPFRE 17-31/03/2047	EUR	1,186,224.00	0.73
1,600,000.00	MERLIN PROPERTIE 1.875% 16-02/11/2026	EUR	1,542,480.00	0.95
2,300,000.00	NH HOTEL GRP 4% 21-02/07/2026	EUR	2,284,061.00	1.41
1,857,967.00	OHL OPERACIONES 6.6% 21-31/03/2026	EUR	1,784,110.95	1.10
2,400,000.00	UNICAJA ES 21-31/12/2061 FRN	EUR	1,934,904.00	1.19
1,800,000.00	UNICAJA ES 23-11/09/2028 FRN	EUR	1,870,956.00	1.15
			34,453,807.95	21.22
Netherlands				
2,500,000.00	ABERTIS FINANCE 21-31/12/2061 FRN	EUR	2,282,250.00	1.41
2,000,000.00	ATRADIUS FIN BV 14-23/09/2044 FRN	EUR	2,010,500.00	1.24
1,600,000.00	IMPERIAL BRAN NE 5.25% 23-15/02/2031	EUR	1,658,480.00	1.02
1,100,000.00	KONINKLIJKE KPN 22-21/12/2170 FRN	EUR	1,138,984.00	0.70
2,000,000.00	NATURGY FINANCE 21-23/02/2170 FRN	EUR	1,829,420.00	1.13
2,900,000.00	REPSOL INTL FIN 20-31/12/2060 FRN	EUR	2,845,857.00	1.75
2,000,000.00	TELEFONICA EUROP 22-23/11/2171 FRN	EUR	2,161,960.00	1.33
2,400,000.00	VOLKSWAGEN INTFN 23-06/09/2172 FRN	EUR	2,706,048.00	1.67
			16,633,499.00	10.25
Italy				
500,000.00	BANCA POP SONDRI 21-25/02/2032 FRN	EUR	465,935.00	0.29
2,700,000.00	ENEL SPA 23-16/07/2171 FRN	EUR	2,827,764.00	1.74
1,600,000.00	ENI SPA 20-31/12/2060 FRN	EUR	1,537,984.00	0.95

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

Cartesio Funds Income (in EUR)

Securities Portfolio as at December 31, 2023

Quantity/ Nominal	Name	Currency	Market Value in EUR	% NAV
2,800,000.00	INTESA SANPAOLO 23-07/03/2172 FRN	EUR	3,087,224.00	1.90
1,100,000.00	TELECOM ITALIA 7.875% 23-31/07/2028	EUR	1,225,642.00	0.76
3,750,000.00	UNICREDIT SPA 20-31/12/2060 FRN	EUR	3,213,600.00	1.97
2,600,000.00	UNIPOLSAI ASSICU 20-31/12/2060 FRN	EUR	2,497,430.00	1.54
			14,855,579.00	9.15
France				
1,900,000.00	ACCOR 23-11/04/2172 FRN	EUR	2,070,069.00	1.28
1,200,000.00	AIR FRANCE-KLM 8.125% 23-31/05/2028	EUR	1,365,540.00	0.84
1,408,000.00	AXA 03-29/10/2049 FRN	EUR	1,145,506.56	0.71
1,700,000.00	AXA SA 04-29/10/2049 FRN	EUR	1,352,452.00	0.83
2,500,000.00	CNP ASSURANCES 18-31/12/2049 FRN	EUR	2,444,600.00	1.51
1,000,000.00	ELEC DE FRANCE 22-06/12/2171 FRN	EUR	1,093,860.00	0.67
800,000.00	JCDECAUX SE 5% 23-11/01/2029	EUR	842,216.00	0.52
2,050,000.00	ORANGE 14-29/10/2049 FRN	EUR	2,098,605.50	1.29
1,200,000.00	TOTALENERGIES SE 16-29/12/2049	EUR	1,172,376.00	0.72
			13,585,225.06	8.37
United Kingdom				
1,900,000.00	BP CAPITAL PLC 20-22/06/2169 FRN	EUR	1,839,675.00	1.13
3,500,000.00	BRIT AMER TOBACC 21-27/09/2170 FRN	EUR	2,969,610.00	1.83
1,290,000.00	DIRECT LINE INS 17-31/12/2049 FRN	GBP	1,165,706.57	0.72
2,000,000.00	HSBC HOLDINGS 17-31/12/2049	EUR	1,812,360.00	1.12
2,100,000.00	SSE PLC 22-21/04/2171 FRN	EUR	2,039,142.00	1.26
			9,826,493.57	6.06
Luxembourg				
2,500,000.00	ARCELORMITTAL SA 4.875% 22-26/09/2026	EUR	2,581,625.00	1.59
1,710,000.00	AROUNDTOWN SA 19-12/01/2168 FRN	EUR	604,861.20	0.37
2,400,000.00	TRAFIGURA FUND 3.875% 21-02/02/2026	EUR	2,295,792.00	1.41
2,000,000.00	TRATON FIN LUX 4.125% 22-22/11/2025	EUR	2,016,120.00	1.24
			7,498,398.20	4.61
Germany				
2,800,000.00	ALLIANZ SE 22-07/09/2038 FRN	EUR	2,873,108.00	1.77
2,300,000.00	BAYER AG 22-25/03/2082 FRN	EUR	2,184,977.00	1.35
1,000,000.00	FRESENIUS SE & C 4.25% 22-28/05/2026	EUR	1,023,340.00	0.63
			6,081,425.00	3.75
Ireland				
1,400,000.00	BANK OF IRELAND 22-01/03/2033 FRN	EUR	1,515,206.00	0.93
1,600,000.00	GLENCORE FIN DAC 1.125% 20-10/03/2028	EUR	1,476,112.00	0.91
2,300,000.00	PERM TSB GRP 23-25/04/2028 FRN	EUR	2,430,134.00	1.50
			5,421,452.00	3.34
Austria				
2,000,000.00	LENZING AG 20-31/12/2060 FRN	EUR	1,742,540.00	1.07
1,200,000.00	OMV AG 15-29/12/2049 FRN	EUR	1,244,856.00	0.77
			2,987,396.00	1.84
Norway				
1,600,000.00	VAR ENERGI ASA 5.5% 23-04/05/2029	EUR	1,715,056.00	1.06
			1,715,056.00	1.06
Sweden				
1,600,000.00	ERICSSON LM 1.125% 22-08/02/2027	EUR	1,480,768.00	0.91

Quantity/ Nominal	Name	Currency	Market Value in EUR	% NAV
			1,480,768.00	0.91
Mexico				
1,000,000.00	PETROLEOS MEXICA 2.75% 15-21/04/2027	EUR	843,140.00	0.52
			843,140.00	0.52
Jersey				
1,600,000.00	PETROFAC LTD 9.75% 21-15/11/2026	USD	785,636.38	0.48
			785,636.38	0.48
			116,167,876.16	71.56
Money markets instruments				
Spain				
3,000,000.00	LETRAS 0% 23-12/01/2024	EUR	2,997,300.00	1.85
			2,997,300.00	1.85
			2,997,300.00	1.85
Total securities portfolio			150,783,418.39	92.89

Financial Derivative Instruments as at December 31, 2023

Quantity	Name	Currency	Commitment in EUR	Unrealised appreciation / (depreciation) in EUR
Future contracts				
(238.00)	EURO STOXX 50 - FUTURE 15/03/2024	EUR	10,761,027.20	143,990.00
35.00	EURO FX CURR FUT (CME) 18/03/2024	USD	3,963,221.31	49,342.11
10.00	EURO / GBP FUTURE 18/03/2024	GBP	1,441,869.59	6,632.60
(35.00)	MEXICAN PESO FUTURE 18/03/2024	USD	15,852,885.22	(17,596.70)
(75.00)	BRAZIL REAL FUTURE 31/01/2024	USD	6,794,093.67	9,172.03
Total Future contracts				191,540.04

Summary of net assets

		% NAV
Total securities portfolio	150,783,418.39	92.89
Total financial derivative instruments	191,540.04	0.12
Cash at bank	9,283,953.71	5.72
Other assets and liabilities	2,068,597.48	1.27
Total net assets	162,327,509.62	100.00

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

Notes to the Financial Statements as at December 31, 2023

Note 1 - General information

Cartesio Funds (the "Fund") is an investment company organised as a "Société Anonyme" under the laws of the Grand Duchy of Luxembourg and qualifies as a "Société d'Investissement à Capital Variable" (SICAV). The Fund was incorporated in Luxembourg on August 26, 2019. The Articles of Incorporation of the Fund were initially published in the in the official gazette ("RESA - Recueil Électronique des Sociétés et Associations") on September 6, 2019. The Fund qualifies as an undertaking for collective investment under Part I of the Luxembourg law of December 17, 2010 relating to undertakings for collective investment as amended from time to time (the "Law of 2010") and is managed by a management company. The Fund is registered with the Luxembourg Trade and Companies' Register ("RCS") under number B 237329.

Waystone Management Company (Lux) S.A. is a "Société Anonyme" incorporated under Luxembourg law (the law of August 10, 1915 as amended December 5, 2017) for an unlimited period of time. The Management Company is registered under the Registre de Commerce et des Sociétés Luxembourg (the "RCS") with number B 96744. The Management Company was incorporated by a notarial deed dated October 23, 2003, published in the Mémorial C, "Recueil des Sociétés et Associations" (the "Memorial") number 1252 of November 26, 2003. As at the date of this Report, the share capital of the Management Company is EUR 2,450,000 and has been fully paid, and the UCITS ("Undertakings for the Collective Investment in Transferable Securities") funds under the management of the Management Company comply with the requirements of the amended Law of December 17, 2010.

The Management Company is registered on the official list of Luxembourg management companies governed by Chapter 15 of the amended Law of December 17, 2010.

As at December 31, 2023, the Fund has the following active Sub-Funds:

- Cartesio Funds Equity
- Cartesio Funds Income

There are three classes of Shares active as at December 31, 2023, namely Class "I", Class "R" and "Z" Shares. The Sub-Funds issue shares in dematerialised and registered form. The Sub-Funds only issue capitalisation Shares.

Note 2. Significant accounting policies

The Financial Statements of the Fund are presented in accordance with Luxembourg regulations relating to undertakings for collective investment in transferable securities. They are prepared in accordance with generally accepted accounting policies in Luxembourg.

2.1 Combined Financial Statements

The combined Financial Statements of Cartesio Funds are expressed in euro and are equal to the sum of the corresponding in the Financial Statements of each Sub-Fund converted into euro at the exchange rate prevailing at the end of the financial year.

2.2 Valuation rules

The value of the following assets is determined as follows:

a) The value of any cash at bank or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received is deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as may be considered appropriate in such case to reflect the true value thereof validated by the Board of Directors of the Fund.

b) The value of securities and/or financial derivative instruments, which are listed or dealt in on any stock exchange, is based on the last available price on the stock exchange, which is normally the principal market for such assets.

Notes to the Financial Statements as at December 31, 2023 (continued)

Note 2. Significant accounting policies (continued)

2.2 Valuation rules (continued)

c) The value of assets dealt in any other Regulated Market is based on the last available price.

d) In the event that any assets are not listed or dealt in on any stock exchange or on any other Regulated Market, or if, with respect to assets listed or dealt in on any stock exchange, or other Regulated Market as aforesaid, the price as determined pursuant to sub-paragraph (b) or (c) is not representative of the fair market value of the relevant assets, the value of such assets are based on the reasonably foreseeable sales price determined prudently and in good faith validated by the Board of Directors of the Fund.

e) The liquidating value of options contracts not traded on stock exchanges or on other Regulated Markets means their net liquidating value determined, pursuant to the policies established by the Board of Directors of the Fund, on a basis consistently applied for each different variety of contracts. The liquidating value of futures, forward or options contracts traded on exchanges or on other Regulated Markets is based upon the last available closing or settlement prices of these contracts on exchanges and Regulated Markets on which the particular futures, forward or options contracts are traded by the Fund; provided that if a futures, forward or options contract cannot be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the Board of Directors of the Fund may deem fair and reasonable.

f) Investments in UCITS and other UCIs are taken at their latest official net asset values or their latest unofficial net asset values (i.e. which are not generally used for the purposes of subscription and redemption of shares of the target funds) as provided by the relevant administrators if more recent than their official net asset values and for which the Administrative Agent has sufficient assurance that the valuation method used by the relevant administrator for said unofficial net asset values is coherent as compared to the official one.

If events have occurred which may have resulted in a material change of the net asset value of such shares or units of UCITS and/or other UCI since the day on which the latest official net asset value was calculated, the value of such shares or units may be adjusted in order to reflect, in the reasonable opinion of the Board of Directors, such change of value.

g) Non-listed money market instruments held by the Fund with a remaining maturity of ninety days or less are valued at the amortised cost method which approximates market value.

h) All other securities and other assets are valued at fair market value as determined in good faith pursuant to the procedures established by the Board of Directors of the Fund.

i) Futures contracts are valued based on the last available market price. Net realised gain or (loss) and net change in unrealised appreciation or (depreciation) on futures contracts are included in the Statement of Operations and Changes in Net Assets. The net unrealised appreciation or (depreciation) are recorded in the Statement of Net Assets. For the calculation of net holdings by currency on financial instruments, the holdings are converted at the exchange rate prevailing at the year end.

j) Established in good faith by the Board of Directors of the Fund, on a basis consistently applied. The liquidating value of options contracts traded on Regulated Markets or on other Regulated Markets is based upon the last available settlement prices of these contracts on regulated markets and organised markets on which the particular options contracts are traded; provided that if an options contract cannot be liquidated on such Luxembourg Banking Day with respect to which a Net Asset Value is being determined, then the basis for determining the liquidating value of such contract is such value as Board of Directors of the Fund may, in good faith and pursuant to verifiable valuation procedures, deem fair and reasonable. The net unrealised appreciation or (depreciation) is included in the Statement of Net Assets and all net realised gain or (loss) and net changes in unrealised appreciation or (depreciation) are included in the Statement of Operations and Changes in Net Assets.

2.3 Foreign currency translation

The Financial Statements of the Fund include a consolidation of the Sub-Funds. These consolidated figures are expressed in "Euro" (EUR) all figures expressed in another currency being converted into EUR on the basis of the average rate the last know bid and offer rates on December 31, 2023.

At the end of the year, the investments' market value (determined as noted previously), the receivables, cash at banks and liabilities denominated in currencies other than the Sub-Fund's accounting currency are converted into that currency at the exchange rates prevailing at that date.

Income and charges expressed in currencies other than the currency at the exchange rate prevailing on the date of the transactions. Net realised gain or (loss) on foreign currency transaction are recorded in the Statement of Operations and Changes in Net Asset.

2.4 Net realised gain or (loss) on investments

The net realised gain or (loss) on sales of investments is calculated on an average cost basis and is included in the Statement of Operations and Changes in Net Assets.

Notes to the Financial Statements as at December 31, 2023 (continued)

Note 2. Significant accounting policies (continued)

2.5 Expenses

Interest expenses are accounted for on accrual basis. Expenses are included in the Statement of Operations and Changes in Net Assets.

2.6 Dividends and interests

Dividends and interest received or paid by the Fund on its investments are in many cases subject to recoverable withholding taxes at source. The value of any dividends and interest declared or accrued as aforesaid and not yet received or paid is deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full. Dividends are recognised as income net of withholding tax on the date the securities are first quoted ex-dividend to the extent the information is reasonably available to the Fund. Interest is accrued at each net asset valuation.

2.7 Transaction costs

The Fund incurred transaction costs which have been defined as brokerage fees, certain taxes and certain depositary fees relating to the purchase and sale of transferable securities, money market instruments or other eligible assets. The global amounts of transaction costs are all taken into account through the Statement of Operations and Changes in Net Assets.

Note 3. Exchange rates as at December 31, 2023

The exchange rates used for the translation of the Fund's assets and liabilities not denominated in EUR are as follows:

1 Brazilian Real (BRL)	0.186682	EUR	1 New Mexican Peso (MXN)	0.053334	EUR
1 Danish Krone (DKK)	0.134153	EUR	1 Swedish Krone (SEK)	0.090038	EUR
1 Great Britain Pound (GBP)	1.153496	EUR	1 United States Dollar (USD)	0.905879	EUR
1 Japanese Yen (JPY)	0.006377	EUR	1 Swiss Franc (CHF)	1.076936	EUR

Note 4. Investment Manager fees, Management Company fees and performance fees

As compensation for its services the Investment Manager shall be entitled to the following commissions deducted from the net assets of the Sub-Fund a Delegate Manager's fee payable on advance on a quarterly basis and calculated on the basis of the average net assets of the Sub-Fund for the previous quarter of:

Sub-Fund	Class "I"	Class "R"	Class "Z"
Cartesio Funds Equity	1.50 % p.a. (until June 30, 2023)	1.50% p.a. (until June 30, 2023)	0.75% p.a. (until June 30, 2023)
	1.55 % p.a. (since June 30, 2023)	1.55 % p.a. (since June 30, 2023)	0.90 % p.a. (since June 30, 2023)
Cartesio Funds Income	0.95% p.a. (until June 30, 2023)	0.95% p.a. (until June 30, 2023)	0.50% p.a. (until June 30, 2023)
	1.00 % p.a. (since June 30, 2023)	1.00 % p.a. (since June 30, 2023)	0.65 % p.a. (since June 30, 2023)

Amount and % of performance fees

Sub-Fund	Share Classes	Fund Currency	Amount of performance fees in Fund Currency	% of the average Net Assets per Share
Cartesio Funds Equity	Class "Z"	EUR	186,861.88	0.22
Cartesio Funds Income	Class "Z"	EUR	134,002.82	0.08

There is no equalisation mechanism to allocate the performance fee amongst different investors. No performance fee is payable or accrued if the Fund's performance is negative during the calendar year.

Notes to the Financial Statements as at December 31, 2023 (continued)

Note 4. Investment Manager fees, Management Company fees and performance fees (continued)

If during five consecutive years no performance fee is paid i.e. (the last NAV per shares calculated in December is below high water-mark), the high water-mark is reset to the last December NAV per share. This reset will apply to all existing and new investors. Reset in case of losses will not be performed with interval less than 5 years.

Under the Management Company Services Agreement, the Management Company is entitled to receive a variable fee based on the net assets of the relevant Sub-Fund, calculated at a maximum rate of 0.04% per annum, subject to a minimum annual fee of €20,000 per Sub-Fund. This fee will be calculated as the average of the month-end Net Asset Value of the previous quarter and invoiced quarterly in arrears.

Additional fees may be charged to the relevant Sub-Fund in relation to other ancillary services as may be agreed from time to time. In addition, the Management Company shall be entitled to receive from the Fund reimbursement for its reasonable cash disbursements, included but not limited to reasonable out-of-pocket expenses, incurred in the performance of its duties.

Note 5. Depositary and Paying Agent fees

The Board of Directors of the Fund has appointed BNP Paribas, Luxembourg Branch as depositary and paying agent.

The Depositary and Paying Agent entitles to receive out of the assets of each Sub-Fund annual customary fees to equal to 0.09% per annum, with a minimum monthly fee of 500 euros per Sub-Fund. They will be calculated by reference to the Net Asset Value of each Sub-Fund calculated on each Valuation Day and be payable monthly in arrears.

Further fees may be payable to the Depositary in consideration on ancillary services rendered to the Fund and relating to the core services of the Depositary. These fees will be paid directly out of the respective Sub-Fund's assets to the Depositary.

Note 6. Administrative Agent, Domiciliary Agent, Registrar and Transfer Agent fees

The Board of Directors of the Fund has appointed BNP Paribas, Luxembourg Branch as Administrative Agent, Domiciliary Agent, Registrar and Transfer Agent.

The Administrative Agent, Domiciliary Agent, Registrar & Transfer Agent entitles to receive out of the assets of each Sub-Fund annual customary fees, calculated by reference to the Net Asset Value of each Sub-Fund calculated on each Valuation Day and be payable monthly in arrears. For the fund accounting services, the Administrative Agent is entitled to receive up to 0.05% per annum per Sub-Fund, subject to a minimum annual fee of 2,000 euros per Sub-Fund. The Administrative Agent, Domiciliary Agent, Registrar & Transfer Agent Additional is entitled to further fees for additional services provided to the Fund, such as but not limited to transaction services, maintenance, reporting and domiciliation services, as agreed with the Fund.

Note 7. "Taxe d'abonnement"

Under current law and practice, the Fund is not liable to any Luxembourg income tax, nor are dividends paid by the Fund liable to any Luxembourg withholding tax.

During the year, the Fund is liable to a subscription tax ("taxe d'abonnement") at a rate of 0.05% per annum on the Net Asset Value of each class which is available to all investors. This tax is reduced to 0.01% per annum of the Net Asset Value of each class which is restricted to institutional investors.

The "taxe d'abonnement" is not applicable in respect of asset invested in Luxembourg UCI's which are themselves subject to such tax. No stamp duty or other tax is payable in Luxembourg on the issue of shares in the Fund.

Note 8. Professional fees and other expenses

The caption "Professional fees" include mainly legal, audit fees, directors fees and compliance fees.

The caption "Other expenses" is mainly composed of transfer agent fees and regulatory fees.

Note 9. Formation expenses

The formation expenses of the Fund and the expenses relating to the creation of new Sub-Funds are capitalized and amortized over a period not exceeding five years, as permitted by Luxembourg law of July 30, 2013.

Notes to the Financial Statements as at December 31, 2023 (continued)**Note 10. Research fees**

The Research fees are composed of RPA fees. The Investment Manager may use such research payment account to pay for investment research within the meaning of Commission Delegated Directive (EU) 2017/593 of 7 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to safeguarding of financial instruments and funds belonging to clients, product governance obligations and the rules applicable to the provision or reception of fees, commissions or any monetary or non-monetary benefits.

Note 11. Changes in the composition of the Securities Portfolio

The report on changes in the composition of the Securities Portfolio for each Sub-Fund during the year is available upon request and free of charge at the registered office of the Fund.

Note 12. Significant events that occurred during the year

A new prospectus dated on June 30, 2023 has been published.

Unaudited Information

Note 1. Remuneration Policy of the Management Company

Waystone Management Company (Lux) S.A. (Henceforth, "Waystone", "WMC Lux", or the "Company") has adopted a remuneration policy in accordance with the applicable regulatory framework, particularly:

- The ESMA Guidelines on sound remuneration policies under the UCITS Directive of October 14, 2016 (ESMA/2016/575) and the ESMA Guidelines on sound remuneration policies under the AIFMD (ESMA/2013/232, as amended by ESMA/2016/579),
- The Law of December 17, 2010 relating to undertakings for collective investment,
- The Law of July 12, 2013 on alternative investment fund managers, and
- The CSSF Circular 18/698 of August 23, 2018 on the Authorization and organization of investment fund managers incorporated under Luxembourg law.

Through its remuneration policy, and as prescribed by the Sustainable Finance Disclosure Regulation [Regulation (EU) 2019/2088 of November 27, 2019 or the "SFDR"], the Company ensures that the structure of its remuneration does not encourage excessive risk taking with respect to sustainability risks when performing its activities as AIFM/Management Company, while it promotes sound and effective risk management with respect to sustainability risks.

Details of Waystone's remuneration policy, including the persons in charge of determining the fixed and variable remunerations of staff, a description of the key remuneration elements, and an overview of how remuneration is determined, is available under <https://www.waystone.com/waystone-policies/>.

With respect to the financial year ended December 31, 2023 (when, as of that date, WMC Lux had a headcount of 83 employees), the total fixed and variable remuneration paid by the Company to its employees amounted to EUR 8,084,973 and EUR 714,783 respectively.

The total remuneration paid by the Company to senior management and members of its identified staff whose actions have a material impact on the risk profile of the collective investment schemes managed amounted to EUR 3,872,522

The Company's remuneration committee has reviewed the implementation of the remuneration policy and has not identified any deficiency in that respect. Moreover, the current version of the remuneration policy was updated and approved by the Board of directors in the financial year ended December 31, 2023, being the current version dated of November 2023.

The remuneration policy was reviewed and approved by the Board of Directors of the Management Company on November 29, 2023.

Note 2. Remuneration policy of the Delegated Investment Manager

The remuneration policy of the investment manager delegated complies with applicable laws and regulations. Its main purpose is to ensure that its remuneration structure is aligned with its interests and those of the collective investment schemes it manages. Moreover, it aims to avoid risk-taking which is unrelated to the risk profiles, rules or articles of incorporation or management regulations of the collective investment schemes mentioned above.

In order to deepen the remuneration policy of the investment manager delegated, including the persons in charge of determining the fixed and variable remunerations of staffs, a description of the key remuneration elements and an overview of how remuneration is defined, is available on request at the registered office of the management company.

As regards the financial year ended December 31, 2023 (as of that date, the investment manager delegated had a headcount of 13 employees) including the senior managers. The total remuneration paid by the management company to its headcount amounted to EUR 2.834 million being EUR 1.503 million the fixed remuneration and EUR 1,337 million variable remuneration.

The total fixed remuneration paid by the investment manager delegated to senior management made up by four people has amounted EUR 0.829 million; a fixed remuneration amounting EUR 1.211 million has being paid to six beneficiaries whose actions have a material impact on the risk profile of the collective investment schemes managed (such beneficiaries are the abovementioned senior management who are portfolio managers as well, two more portfolio managers and one employee devoted to risk control function).

In addition, the variable remuneration of the senior management has amounted EUR 0.840 million while the total remuneration of the risk-takers plus the employee devoted to risk control function has amounted EUR 1.050 million.

Five staff members who are neither risk-takers nor are engaged in control functions received a variable remuneration amounting EUR 0.197 million. The employee in charge of the compliance function received a variable remuneration amounting EUR 0.03 million.

Variable remuneration is calculated on the basis of the global financial result of the delegated investment manager and on the basis of the individual performance of each employee (amongst the specific assessment criteria applicable to each employee it is worth to mention the achievement of individual goals, compliance with internal policies and procedures, teamworking, ability to enhance labour quality, etc).

Unaudited Information (continued)

Note 2. Remuneration policy of the Delegated Investment Manager (continued)

There is not a direct link between the variable remuneration of any employee with the performance fee charged to the Sub-Funds.

The remuneration policy of the delegated investment manager is reviewed on an annual basis by its board of directors. It was reviewed on December 27, 2023 and it was resolved that no amendments were necessary. Furthermore, the remuneration policy was already adapted in the first quarter of 2021 to the new requirements stem from the EU Regulation 2019/2088 which applied from March 10, 2021.

Note 3. SFT Regulation

During the year, the Fund did not engage in transactions which are the subject of EU Regulation No 2015/2365 on the transparency of Securities Financing Transactions and of Reuse. Accordingly, no global, concentration or transaction data, or information on the reuse or safekeeping of collateral is required to be reported.

Note 4. Regulation (EU) 2019/2088 of the European Parliament and of the Council of November 27, 2019 on sustainability-related disclosures in the financial services sector ("SFDR")

Given that the EU regulatory framework on sustainability is still in process, the Sub-Funds do not currently promote environmental or social characteristics or have specific sustainable investment objectives. Their underlying investments do not take into account the EUR criteria for environmentally sustainable activities.

