

CARTESIO FUNDS

Société d'investissement à capital variable

RCS Luxembourg N° B 237329

Annual Report, including Audited Financial Statements as at December 31, 2022

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.

Table of Contents

Board of Directors	2
Directors' Report	3
Report of the Réviseur d'Entreprise Agréé	5
Statistics	8
Combined Statement of Net Assets as at December 31, 2022	9
Combined Statement of Operations and Changes in Net Assets for the year ended December 31, 2022	9
Cartesio Funds Equity	
Statement of Net Assets as at December 31, 2022	10
Statement of Operations and Changes in Net Assets for the year ended December 31, 2022	10
Statement of Changes in Number of Shares	10
Securities Portfolio as at December 31, 2022	11
Financial derivative instruments as at December 31, 2022	12
Cartesio Funds Income	
Statement of Net Assets as at December 31, 2022	13
Statement of Operations and Changes in Net Assets for the year ended December 31, 2022	13
Statement of Changes in Number of Shares	13
Securities Portfolio as at December 31, 2022	14
Financial derivative instruments as at December 31, 2022	16
Notes to the Financial Statements as at December 31, 2022	17
Unaudited Information	22

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 (sinc May 27, 2022)
Independent Director

John Li How Cheong
Independent Director

Vogel Martin Peter
Waystone Global Head of Strategy

Rachel Wheeler (since July 14, 2022)
Waystone CEO, Global Management Company 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

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

*As of October 1, 2022, BNP Paribas Securities Services - Luxembourg Branch merged with its parent entity, BNP Paribas S.A.

Director's Report

Cartesio Funds Equity

Cartesio Funds Equity (CE) dropped 1.67% in 2022 with a volatility of 14.5%. The sub-fund's benchmark (MSCI Pan Euro) was down 6.6% on a total return basis with a volatility of 18.2%.

The sub-fund replicates the investment strategy of Cartesio Y (a Spanish domiciled fund) which since inception (March 2004) has returned 4.7% p.a. with a volatility of 11.0%, against 6.2% p.a. total return for the benchmark with a volatility of 18.8%. Cartesio Y has outperformed its benchmark since inception in risk adjusted terms.

During 2022 we have witnessed several bubbles bursting: technology stocks, some bubbles in assets' valuation or companies favoured by a somehow simplistic approach towards ESG, and lastly the fixed-income that in 2022 has delivered its worst return in decades. The Sub-fund has mainly avoided such bubbles and this is what explain that the Sub-fund has handsomely outperformed its benchmark both in absolute and in risk/adjusted terms.

The first half of 2022 was very hard in the financial markets. Both equities and fixed-income (credit and public debt) showed double-digit losses. The worst semester in many decades that, if we take into account the highest inflation also in decades, it is possible that it is historical in terms of loss of purchasing power for an investor. The reason for this bad start of the year was explained by a strong rise in the expectations of inflation and rates and, at the same time, lower expectations of economic growth. The Ukrainian war was also the trigger for stagflation.

We commenced the year with a portfolio that we thought was severely undervalued and penalized by a market infatuated with growth stories at any price. A portfolio that would hold up well on an environment of economic recovery, higher inflation and interest rate rises.

In that context the war in Ukraine was a shock of offer that led to higher inflation and an increasingly profound fear of a recession. The intense rise in energy and food prices is a blow to disposable income. Equities were facing a level of pessimism and declines from highs (percentage of stocks that have fallen the most 20% from highs) similar to what we saw in the COVID or the Euro crisis. However, we kept a mindset slightly more optimistic than the market about the economic growth looking at the unemployment low rates, believing that interest rates remain low and may continue to rise. In fact, the rental market variable was pricing in a recession, excessively penalizing the most cyclical sectors.

Central banks took action after underestimating the intensity and permanence over time of the inflationary pressures.

After the stock markets decline during the summer months, September 2022 closed with very attractive valuation levels that may be explained by the expectation of an imminent recession and a looming energy crisis without precedents just around the corner. However, a commendable adaptation of energy demand and a mild climate allowed Europe to face the winter with historically high gas reserve levels, causing a drop of energy prices and thus postponing that possible energy crisis to 2023. This, together with some levels of inflation that seemed to have peaked, caused a strong rebound in the stock markets that continued until the end of year.

The Sub-fund has maintained a high level of exposure to equity during the year compared to its historical average (78% on average in 2022 compared to an average of just roughly 60% since its launch). That being said, the level of equity exposure in 2022 has been less than that registered in 2021 (83%). In addition, especially at the end of the year the Sub-fund has had a certain level of protection (through the acquisition of put options). Despite the modest loss (-1.9%), the portfolio has performed significantly better than its index of reference with dividends (-6.6%). In a scenario where there have been multiple open fronts (COVID outbreaks, war in Ukraine, raw materials, inflation, interest rates hiking), the main long-term polestar that has guided us when it comes to providing profitability and minimizing losses, avoiding bubbles in various asset classes, has been valuation.

During 2022, the Sub-fund sold its interest in NOS, Thales, Atos and EDF; sold the position in Jungheinrich that we had bought in September and new positions were started in Acerinox, Enel, Credit Agricole, Bayer, Novartis and Rio Tinto.

The five positions with the greatest contribution to the Sub-fund's profitability in the year were Total, Repsol, Glencore, Logista and Thales. The five positions that have detracted from the fund during the year have been OHLA, Alphabet, FNAC, Covestro and ITV.

At the year-end our portfolio trades on 8.6x PE and 5.5% dividend yield. Our conviction in the valuation of the portfolio underpins the year-end's exposure to equities at 76.1%. Looking into 2023, we continue to see stocks and sectors highly penalized. We still see upside in a number of sectors (energy, materials, financials, etc.) that trade at a very attractive valuation.

Cartesio Funds Income

Cartesio Funds Income (CI) dropped 2.9% in 2022 with a volatility of 6.8%. The sub-fund's benchmark (Bloomberg Series Euro Govt 7-10 Yr Bond Index) is down 19.4% with a volatility of 10.2%.

During 2022 we have witnessed several bubbles bursting: technology stocks, some bubbles in assets' valuation or companies favoured by a somehow simplistic approach towards ESG, and lastly the fixed-income that in 2022 has delivered its worst return in decades. The Sub-fund has mainly avoided such bubbles and this is what explain that, in spite of its modest negative return, the Sub-fund has handsomely outperformed its benchmark both in absolute and in risk/adjusted terms.

Director's Report (continued)**Cartesio Funds Income (continued)**

In particular, 2022 has been a very tough year for conservative mixed funds driven by the highest correction seen in fixed income since 1971. The positive correlation between fixed-income and equity indexes has not helped either to diversify risks.

The first half of 2022 was very hard in the financial markets. Both equities and fixed-income (credit and public debt) showed double-digit losses. The worst semester in many decades that, if we take into account the highest inflation also in decades, it is possible that it is historical in terms of loss of purchasing power for an investor. The reason for this bad start of the year was explained by a strong rise in the expectations of inflation and rates and, at the same time, lower expectations of economic growth. The Ukrainian war was also the trigger for stagflation.

We commenced the year with an equity portfolio that we thought was severely undervalued and penalized by a market infatuated with growth stories at any price. A portfolio that would hold up well on an environment of economic recovery, higher inflation and interest rate rises. In fixed-income we started the year with an historically low exposure of roughly 20% plus a significant hedge to interest rates and duration through a short position in the Spanish bond of around 10%.

In that context the war in Ukraine was a shock of offer that led to higher inflation and an increasingly profound fear of a recession. The intense rise in energy and food prices is a blow to disposable income. Equities were facing a level of pessimism and declines from highs (percentage of stocks that have fallen the most 20% from highs) similar to what we saw in the COVID or the Euro crisis. However, we kept a mindset slightly more optimistic than the market about the economic growth looking at the unemployment low rates, believing that interest rates remain low and may continue to rise. In fact, the rental market variable was pricing in a recession, excessively penalizing the most cyclical sectors.

Central banks finally took action after underestimating the intensity and permanence over time of the inflationary pressures.

As a result, from March on and after having significantly avoided the worst of the fixed-income bubble we took benefit from our meaningful cash position and we gradually increased the exposure in credit, mainly in AT1 and in investment grade bonds for the first time in years, while gradually reducing both the short position in the Spanish bond as well as some of the equity exposure.

After the stock markets decline during the summer months, September 2022 closed with very attractive valuation levels that may be explained by the expectation of an imminent recession and a looming energy crisis without precedents just around the corner. However, a commendable adaptation of energy demand and a mild climate allowed Europe to face the winter with historically high gas reserve levels, causing a drop of energy prices and thus postponing that possible energy crisis to 2023. This, together with some levels of inflation that seemed to have peaked, caused a strong rebound in the stock markets that continued until the end of year.

In a scenario where there have been multiple open fronts (COVID outbreaks, war in Ukraine, raw materials, inflation, interest rates hiking), the main long-term polestar that has guided us when it comes to providing profitability and minimizing losses, avoiding bubbles in various asset classes, has been valuation.

During the year the Sub-fund has maintained a level of investment in equities somewhat below 27% and a weight in credit that has evenly rising from levels of 21% in January to 54% in December 2022. Throughout the year we have incorporated a significant number of corporate fixed income names (ending the year with more than 40 references) diversifying our portfolio in both sectors and geographies.

In addition, we have reduced our short position in the Spanish bond from an average weight from 10% in 2021 to c. 4.5% by the end of 2022. This hedge has provided us with an excellent return and stability in the backdrop of the rate storm (positive c. 2% contribution to the Sub-fund's performance in 2022).

At the year-end our credit portfolio (before duration hedges) currently yields 7.2% and it is well diversified both by sector and geography. Fund duration stands at 1.4Yr. Our current 20% cap to high yield bonds is starting to limit our room for manoeuvre to take advantage of market opportunities.

In equity, during 2022, the Sub-fund sold its interest in NOS, Thales, Atos and EDF; sold the position in Jungheinrich that we had bought in September and new positions were started in Acerinox, Enel, Credit Agricole, Bayer, Novartis and Rio Tinto.

At the year-end our equity portfolio trades on 8.6 x PE and 5.5% dividend yield. Our conviction in the valuation of the portfolio underpins the year-end's exposure to equities at 8.4%. Looking into 2023, we continue to see stocks and sectors highly penalized. We still see upside in a number of sectors (energy, materials, financials, etc.) that trade at a very attractive valuation.

In this context, we have maintained the level of investment since the start of the Ukraine invasion and the portfolio has outperformed the market since the end of February. This explains why the Sub-Funds outperformed their benchmark index during the 2022 both in terms of volatility and profitability.

The Board of Directors
Luxembourg, April 25, 2023

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

REPORT OF THE *REVISEUR D'ENTREPRISES AGREÉ*

Opinion

We have audited the financial statements of Cartesio Fund (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, 2022 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, 2022, 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 25, 2023

Statistics

		December 31, 2022	December 31, 2021	December 31, 2020
Cartesio Funds Equity				
Net Asset Value	EUR	82,238,502.21	79,464,341.53	73,819,510.23
Net asset value per share				
Class "I"	EUR	99.98	101.91	93.22
Class "R"	EUR	99.86	101.82	93.17
Class "Z"	EUR	100.56	101.76	92.52
Number of shares				
Class "I"		263,433.586	258,514.117	267,090.281
Class "R"		328,658.892	296,133.048	298,139.163
Class "Z"		229,530.978	225,685.495	228,521.217
Cartesio Funds Income				
Net Asset Value	EUR	125,814,216.17	108,152,590.33	121,386,581.88
Net asset value per share				
Class "I"	EUR	98.10	101.51	96.80
Class "R"	EUR	97.96	101.40	96.74
Class "Z"	EUR	99.15	102.19	97.12
Number of shares				
Class "I"		555,068.037	575,536.417	727,231.439
Class "R"		586,810.121	403,424.118	399,736.917
Class "Z"		140,003.060	86,346.719	126,881.622

Combined Statement

Statement of Net Assets as at December 31, 2022

	Notes	EUR
Assets		
Investment in securities at cost		193,960,962.16
Unrealised appreciation / (depreciation) on securities		(5,000,879.47)
Investment in securities at market value	2.2	188,960,082.69
Investment in option at market value	2.2	186,500.00
Cash at bank		18,337,860.86
Receivable on Fund shares sold		23,227.29
Receivable on withholding tax reclaim		252,034.86
Net unrealised appreciation on futures contracts	2.2	534,064.13
Dividends and interest receivable		1,352,388.69
Amortization of formation expenses		1,232.16
Other Receivables		40,127.29
Total assets		209,687,517.97
Liabilities		
Bank overdraft		2,639.59
Accrued expenses		765,654.34
Payable on fund shares repurchased		866,505.66
Total liabilities		1,634,799.59
Net assets at the end of the year		208,052,718.38

Statement of Operations and Changes in Net Assets for the year ended December 31, 2022

	Notes	EUR
Income		
Dividends (net of withholding taxes)		4,798,397.32
Interest on bonds		2,267,763.93
Bank interest		41,430.54
Other income		61,967.33
Total income		7,169,559.12
Expenses		
Investment Manager fees and management fees	4	2,256,688.65
Depositary fees	5	47,931.13
Administration fees	6	120,436.82
Professional fees	8	97,987.55
Transaction costs	2.7	104,881.75
Research fees		22,722.68
Taxe d'abonnement	7	68,710.30
Bank interest and charges		142,824.85
Amortization of formation expenses	9	7,870.44
Other expenses	8	44,765.32
Total expenses		2,914,819.49
Net investment income / (loss)		4,254,739.63
Net realised gain / (loss) on:		
Investments	2.2	1,510,629.57
Foreign currencies transactions	2.3	57,236.80
Futures contracts	2.2	494,715.91
Options	2.2	10,999.83
Net realised gain / (loss) for the year		6,328,321.74
Net change in unrealised appreciation / (depreciation) on :		
Investments		(13,663,746.74)
Futures contracts		473,817.09
Options		86,179.68
Increase / (Decrease) in net assets as a result of operations		(6,775,428.23)
Proceeds received on subscription of shares		76,514,003.02
Net amount paid on redemption of shares		(49,302,788.27)
Net assets at the beginning of the year		187,616,931.86
Net assets at the end of the year		208,052,718.38

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

Cartesio Funds Equity (in EUR)

Statement of Net Assets as at December 31, 2022

	Notes	EUR
Assets		
Investment in securities at cost		73,972,140.02
Unrealised appreciation / (depreciation) on securities		1,647,828.24
Investment in securities at market value	2.2	75,619,968.26
Investment in option at market value	2.2	186,500.00
Cash at bank		6,870,932.16
Receivable on Fund shares sold		967.26
Receivable on withholding tax reclaim		160,151.06
Net unrealised appreciation on futures contracts	2.2	83,334.21
Dividends and interest receivable		184,645.23
Amortization of formation expenses		616.08
Other Receivables		20,277.30
Total assets		83,127,391.56
Liabilities		
Bank overdraft		1,319.80
Accrued expenses		333,015.71
Payable on fund shares repurchased		554,553.84
Total liabilities		888,889.35
Net assets at the end of the year		82,238,502.21

Statement of Operations and Changes in Net Assets for the year ended December 31, 2022

	Notes	EUR
Income		
Dividends (net of withholding taxes)		3,075,113.92
Bank interest		17,253.83
Other income		18,258.60
Total income		3,110,626.35
Expenses		
Investment Manager fees and management fees	4	1,094,244.67
Depository fees	5	22,549.49
Administration fees	6	54,860.78
Professional fees	8	44,611.02
Transaction costs	2.7	61,315.42
Research fees		22,722.68
Taxe d'abonnement	7	30,029.27
Bank interest and charges		56,896.12
Amortization of formation expenses	9	3,935.22
Other expenses	8	15,461.42
Total expenses		1,406,626.09
Net Investment income / (loss)		1,704,000.26
Net realised gain / (loss) on:		
Investments	2.2	1,081,168.94
Foreign currencies transactions	2.3	8,812.19
Futures contracts	2.2	(1,005,592.65)
Options	2.2	4,714.23
Net realised gain / (loss) for the year		1,793,102.97
Net change in unrealised appreciation / (depreciation) on:		
Investments		(3,778,250.21)
Futures contracts		144,816.94
Options		27,219.86
Increase / (Decrease) in net assets as a result of operations		(1,813,110.44)
Proceeds received on subscription of shares		18,936,372.07
Net amount paid on redemption of shares		(14,349,100.95)
Net assets at the beginning of the year		79,464,341.53
Net assets at the end of the year		82,238,502.21

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"	258,514.12	38,713.47	(33,794.00)	263,433.59
Class "R"	296,133.05	105,569.74	(73,043.90)	328,658.89
Class "Z"	225,685.50	39,848.33	(36,002.85)	229,530.98

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

Cartesio Funds Equity (in EUR)

Securities Portfolio as at December 31, 2022

Quantity/ Nominal	Name	Currency	Market Value in EUR	% NAV	Quantity/ Nominal	Name	Currency	Market Value in EUR	% NAV
Transferable securities admitted to an official exchange listing									
Shares									
France									
156,348.00	CARREFOUR SA	EUR	2,445,282.72	2.97					
98,750.00	CREDIT AGRICOLE SA	EUR	970,811.25	1.18					
144,868.00	ENGIE	EUR	1,939,492.78	2.36					
37,545.00	FNAC DARTY SA	EUR	1,293,049.80	1.57					
34,493.00	PUBLICIS GROUPE	EUR	2,049,574.06	2.51					
60,575.00	TOTALENERGIES SE	EUR	3,552,723.75	4.32					
14,368.00	VINCI SA	EUR	1,340,390.72	1.63					
			13,591,325.08	16.54					
Spain									
165,000.00	ACERINOX SA	EUR	1,524,930.00	1.85					
495,742.00	BANCO SANTANDER SA	EUR	1,389,316.96	1.69					
90,253.00	CIA DE DISTRIBUCION INTEGRAL	EUR	2,129,970.80	2.59					
322,935.00	MERLIN PROPERTIES SOCIMI SA	EUR	2,833,754.63	3.45					
1,830,403.00	OBRASCON HUARTE LAIN S.A.	EUR	820,752.71	1.00					
161,515.00	REPSOL SA	EUR	2,398,497.75	2.92					
1,806,416.00	UNICAJA BANCO SA	EUR	1,862,414.90	2.26					
			12,959,637.75	15.76					
Germany									
9,574.00	ALLIANZ SE-REG	EUR	1,923,416.60	2.34					
40,394.00	BAYER AG-REG	EUR	1,952,040.05	2.37					
59,912.00	COVESTRO AG	EUR	2,189,783.60	2.67					
50,731.00	FRESENIUS SE & CO KGAA	EUR	1,331,688.75	1.62					
32,948.00	HEIDELBERGCEMENT AG	EUR	1,755,469.44	2.13					
13,158.00	VOLKSWAGEN AG-PREF	EUR	1,531,854.36	1.86					
			10,684,252.80	12.99					
United Kingdom									
48,837.00	COCA-COLA EUROPACIFIC PARTNE	USD	2,523,739.22	3.07					
2,004,302.00	ITV PLC	GBP	1,701,185.04	2.06					
610,758.00	PETROFAC LTD	GBP	484,526.04	0.59					
25,207.00	RIO TINTO PLC	GBP	1,650,444.78	2.01					
			6,359,895.08	7.73					
Netherlands									
297,519.00	KONINKLIJKE KPN NV	EUR	859,829.91	1.05					
59,152.00	SIGNIFY NV	EUR	1,856,189.76	2.25					
25,214.00	UNIBAIL-RODAMCO-WESTFIELD	EUR	1,226,156.82	1.49					
			3,942,176.49	4.79					
Italy									
255,000.00	ENEL SPA	EUR	1,282,650.00	1.56					
480,543.00	UNIPOL GRUPPO SPA	EUR	2,190,314.99	2.66					
			3,472,964.99	4.22					
Switzerland									
367,930.00	GLENCORE PLC	GBP	2,295,199.79	2.79					
13,000.00	NOVARTIS AG-REG	CHF	1,100,414.17	1.34					
			3,395,613.96	4.13					
United States of America									
14,820.00	ALPHABET INC-CL A	USD	1,221,455.96	1.49					
5,934.00	MICROSOFT CORP	USD	1,329,371.21	1.61					
			2,550,827.17	3.10					
Brazil									
933,714.00	CCR SA	BRL	1,786,175.19	2.17					
			1,786,175.19	2.17					
Luxembourg									
283,046.00	SES	EUR	1,723,750.14	2.10					
			1,723,750.14	2.10					
Austria									
39,175.00	STRABAG SE-BR	EUR	1,531,742.50	1.86					
			1,531,742.50	1.86					
Mexico									
165,644.00	PROMOTORA Y OPERADORA DE INF	MXN	1,266,892.11	1.54					
			1,266,892.11	1.54					
			63,265,253.26	76.93					
Money market instruments									
Spain									
4,000,000.00	LETRAS 0% 22-08/09/2023	EUR	3,930,800.00	4.78					
4,000,000.00	LETRAS 0% 22-10/02/2023	EUR	3,993,440.00	4.86					
					Total securities portfolio				
					75,619,968.26				
					91.95				

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

Cartesio Funds Equity (in EUR)

Financial derivative instruments as at December 31, 2022

Quantity	Name	Currency	Commitment in EUR	Counterparty	Unrealised appreciation / (depreciation) in EUR
Futures					
Currency Future					
(105.00)	BRAZIL REAL FUTURE 31/01/2023	USD	9,808,500.70	BNP Paribas Paris	24,521.25
10.00	EURO / GBP FUTURE 13/03/2023	GBP	1,411,599.96	BNP Paribas Paris	36,101.61
50.00	EURO FX CURR FUT (CME) 13/03/2023	USD	5,838,393.27	BNP Paribas Paris	42,328.35
(60.00)	MEXICAN PESO FUTURE 13/03/2023	USD	28,024,287.72	BNP Paribas Paris	(19,617.00)
					83,334.21
Total Futures					83,334.21

For the Futures disclosed in the table above, there is no collateral pledged (for the counterparty BNP Paribas Paris).

Quantity	Name	Currency	Commitment in EUR	Counterparty	Market Value in EUR
Options					
Index Option					
500.00	PUT EURO STOXX 50 - OPTION 20/01/2023 37	EUR	5,699,914.05	BNP Paribas Paris	186,500.00
					186,500.00
Total Options					186,500.00

For the Options disclosed in the table above, there is no collateral pledged (for the counterparty BNP Paribas Paris).

Total financial derivative instruments **269,834.21**

Summary of net assets

		% NAV
Total securities portfolio	75,619,968.26	91.95
Total financial derivative instruments	269,834.21	0.33
Cash at bank	6,869,612.36	8.35
Other assets and liabilities	(520,912.62)	(0.63)
Total net assets	82,238,502.21	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, 2022

	Notes	EUR
Assets		
Investment in securities at cost		119,988,822.14
Unrealised appreciation / (depreciation) on securities		(6,648,707.71)
Investment in securities at market value	2.2	113,340,114.43
Cash at bank		11,466,928.70
Receivable on Fund shares sold		22,260.03
Receivable on withholding tax reclaim		91,883.80
Net unrealised appreciation on futures contracts	2.2	450,729.92
Dividends and interest receivable		1,167,743.46
Amortization of formation expenses		616.08
Other Receivables		19,849.99
Total assets		126,560,126.41
Liabilities		
Bank overdraft		1,319.79
Accrued expenses		432,638.63
Payable on fund shares repurchased		311,951.82
Total liabilities		745,910.24
Net assets at the end of the year		125,814,216.17

Statement of Operations and Changes in Net Assets for the year ended December 31, 2022

	Notes	EUR
Income		
Dividends (net of withholding taxes)		1,723,283.40
Interest on bonds		2,267,763.93
Bank interest		24,176.71
Other income		43,708.73
Total income		4,058,932.77
Expenses		
Investment Manager fees and management fees	4	1,162,443.98
Depositary fees	5	25,381.64
Administration fees	6	65,576.04
Professional fees	8	53,376.53
Transaction costs	2.7	43,566.33
Taxe d'abonnement	7	38,681.03
Bank interest and charges		85,928.73
Amortization of formation expenses	9	3,935.22
Other expenses	8	29,303.90
Total expenses		1,508,193.40
Net investment income / (loss)		2,550,739.37
Net realised gain / (loss) on:		
Investments	2.2	429,460.63
Foreign currencies transactions	2.3	48,424.61
Futures contracts	2.2	1,500,308.56
Options	2.2	6,285.60
Net realised gain / (loss) for the year		4,535,218.77
Net change in unrealised appreciation / (depreciation) on :		
Investments		(9,885,496.53)
Futures contracts		329,000.15
Options		58,959.82
Increase / (Decrease) in net assets as a result of operations		(4,962,317.79)
Proceeds received on subscription of shares		57,577,630.95
Net amount paid on redemption of shares		(34,953,687.32)
Net assets at the beginning of the year		108,152,590.33
Net assets at the end of the year		125,814,216.17

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"	575,536.42	128,147.55	(148,615.93)	555,068.04
Class "R"	403,424.12	361,660.05	(178,274.05)	586,810.12
Class "Z"	86,346.72	84,751.87	(31,095.53)	140,003.06

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

Cartesio Funds Income (in EUR)

Securities Portfolio as at December 31, 2022

Quantity/ Nominal	Name	Currency	Market Value in EUR	% NAV	Quantity/ Nominal	Name	Currency	Market Value in EUR	% NAV
Transferable securities admitted to an official exchange listing					Shares				
Bonds and other debt instruments					France				
Spain					81,376.00 CARREFOUR SA EUR 1,272,720.64 1.01				
1,800,000.00	ABANCA CORP 21-31/12/2061 FRN	EUR	1,578,600.00	1.25	56,098.00	CREDIT AGRICOLE SA	EUR	551,499.44	0.44
1,200,000.00	BANCO BILBAO VIZ 3.375% 22-20/09/2027	EUR	1,164,348.00	0.93	82,139.00	ENGIE	EUR	1,099,676.93	0.87
2,000,000.00	BANKINTER SA 20-31/12/2060 FRN	EUR	1,972,680.00	1.57	22,578.00	FNAC DARTY SA	EUR	777,586.32	0.62
2,800,000.00	CAIXABANK 18-31/12/2049 FRN	EUR	2,427,768.00	1.93	17,877.00	PUBLICIS GROUPE	EUR	1,062,251.34	0.84
2,200,000.00	IBERCAJA 22-15/06/2025 FRN	EUR	2,152,128.00	1.71	33,128.00	TOTALENERGIES SE	EUR	1,942,957.20	1.57
1,600,000.00	MERLIN PROPRTIE 1.875% 16-02/11/2026	EUR	1,434,944.00	1.14	8,217.00	VINCI SA	EUR	766,563.93	0.61
1,800,000.00	NH HOTEL GRP 4% 21-02/07/2026	EUR	1,659,492.00	1.32				7,473,255.80	5.96
2,400,000.00	UNICAJA ES 21-31/12/2061 FRN	EUR	1,743,744.00	1.39	Spain				
2,000,000.00	UNICAJA ES 4.5% 22-30/06/2025	EUR	1,987,360.00	1.58	77,000.00	ACERINOX SA	EUR	711,634.00	0.57
			16,121,064.00	12.82	279,562.00	BANCO SANTANDER SA	EUR	783,472.51	0.62
United Kingdom					51,351.00	CIA DE DISTRIBUCION INTEGRAL	EUR	1,211,883.60	0.96
1,900,000.00	BP CAPITAL PLC 20-22/06/2169 FRN	EUR	1,751,249.00	1.39	191,395.00	MERLIN PROPRTIES SOCIMI SA	EUR	1,679,491.13	1.33
3,000,000.00	BRIT AMER TOBACC 21-27/09/2170 FRN	EUR	2,162,010.00	1.72	980,688.00	OBRASCON HUARTE LAIN S.A.	EUR	439,740.50	0.35
1,290,000.00	DIRECT LINE INS 17-31/12/2049 FRN	GBP	1,081,739.99	0.86	93,000.00	REPSOL SA	EUR	1,381,050.00	1.10
2,000,000.00	HSBC HOLDINGS 17-31/12/2049	EUR	1,721,640.00	1.37	1,086,374.00	UNICAJA BANCO SA	EUR	1,120,051.59	0.89
1,600,000.00	PETROFAC LTD 9.75% 21-15/11/2026	USD	851,983.19	0.68				7,327,323.33	5.82
2,100,000.00	SSE PLC 22-21/04/2171 FRN	EUR	1,918,140.00	1.52	Germany				
			9,486,762.18	7.54	5,701.00	ALLIANZ SE-REG	EUR	1,145,330.90	0.91
Netherlands					19,485.00	BAYER AG-REG	EUR	941,612.63	0.75
2,000,000.00	ABERTIS FINANCE 20-31/12/2060 FRN	EUR	1,698,500.00	1.35	33,228.00	COVESTRO AG	EUR	1,214,483.40	0.97
1,600,000.00	ATRAIDIUS FIN BV 14-23/09/2044 FRN	EUR	1,581,248.00	1.26	26,769.00	FRESENIUS SE & CO KGAA	EUR	702,686.25	0.56
2,000,000.00	NATURGY FINANCE 21-23/02/2170 FRN	EUR	1,745,720.00	1.38	18,728.00	HEIDELBERGCEMENT AG	EUR	997,827.84	0.79
1,200,000.00	REPSOL INTL FIN 20-31/12/2060 FRN	EUR	1,115,784.00	0.89	7,809.00	VOLKSWAGEN AG-PREF	EUR	909,123.78	0.72
1,800,000.00	VOLKSWAGEN INTFN 22-28/12/2170 FRN	EUR	1,532,628.00	1.22				5,911,064.80	4.70
			7,673,880.00	6.10	United Kingdom				
Italy					31,943.00	COCA-COLA EUROPACIFIC PARTNE	USD	1,650,711.59	1.31
1,600,000.00	ENI SPA 20-31/12/2060 FRN	EUR	1,452,592.00	1.14	1,251,261.00	ITV PLC	GBP	1,062,028.83	0.84
1,100,000.00	INTESA SANPAOLO 20-31/12/2060 FRN	EUR	937,596.00	0.75	378,432.00	PETROFAC LTD	GBP	300,217.36	0.24
3,750,000.00	UNICREDIT SPA 20-31/12/2060 FRN	EUR	2,801,475.00	2.23	14,210.00	RIO TINTO PLC	GBP	930,409.03	0.74
2,600,000.00	UNIPOLSAI ASSICU 20-31/12/2060 FRN	EUR	2,360,956.00	1.88				3,943,366.81	3.13
			7,552,619.00	6.00	Netherlands				
Luxembourg					158,596.00	KONINKLIJKE KPN NV	EUR	458,342.44	0.36
2,000,000.00	ARCELORMITTAL SA 4.875% 22-26/09/2026	EUR	1,999,880.00	1.59	33,876.00	SIGNIFY NV	EUR	1,063,028.88	0.85
1,310,000.00	AROUNDTOWN SA 19-12/01/2168 FRN	EUR	540,139.20	0.43	15,530.00	UNIBAIL-RODAMCO-WESTFIELD	EUR	755,223.90	0.60
1,600,000.00	HOLCIM FINANCE L 19-31/12/2049 FRN	EUR	1,544,848.00	1.23				2,276,595.22	1.81
1,200,000.00	SES 16-29/12/2049	EUR	1,174,140.00	0.93	Switzerland				
1,500,000.00	TRATON FIN LUX 4.125% 22-22/11/2025	EUR	1,484,910.00	1.18	207,385.00	GLENCORE PLC	GBP	1,293,697.19	1.03
			6,743,917.20	5.36	7,000.00	NOVARTIS AG-REG	CHF	592,530.71	0.47
France								1,886,227.90	1.50
1,000,000.00	AXA SA 04-29/10/2049 FRN	EUR	816,050.00	0.65	Italy				
1,000,000.00	CNP ASSURANCES 18-31/12/2049 FRN	EUR	923,520.00	0.73	140,000.00	ENEL SPA	EUR	704,200.00	0.56
1,600,000.00	CRDT AGR ASSR 15-29/01/2049 FRN	EUR	1,559,696.00	1.24	257,982.00	UNIPOL GRUPPO SPA	EUR	1,175,881.96	0.93
1,600,000.00	ORANGE 14-29/10/2049 FRN	EUR	1,607,088.00	1.28				1,880,081.96	1.49
			4,906,354.00	3.90	United States of America				
Germany					8,080.00	ALPHABET INC-CL A	USD	665,949.00	0.53
1,400,000.00	ALLIANZ SE 22-07/09/2038 FRN	EUR	1,360,534.00	1.08	3,448.00	MICROSOFT CORP	USD	772,442.19	0.61
1,800,000.00	BAYER AG 22-25/03/2082 FRN	EUR	1,583,460.00	1.26				1,438,391.19	1.14
600,000.00	FRESENIUS MEDICA 3.875% 22-20/09/2027	EUR	573,738.00	0.46	Luxembourg				
1,000,000.00	FRESENIUS SE & C 4.25% 22-28/05/2026	EUR	983,700.00	0.78	159,560.00	SES	EUR	971,720.40	0.77
			4,501,432.00	3.58				971,720.40	0.77
Ireland					488,755.00	CCR SA	BRL	934,978.01	0.74
1,400,000.00	BANK OF IRELAND 22-01/03/2033 FRN	EUR	1,390,704.00	1.10				934,978.01	0.74
1,600,000.00	GLENCORE FIN DAC 1.125% 20-10/03/2028	EUR	1,317,632.00	1.05	Austria				
			2,708,336.00	2.15	21,073.00	STRABAG SE-BR	EUR	823,954.30	0.65
Austria								823,954.30	0.65
2,000,000.00	LENZING AG 20-31/12/2060 FRN	EUR	1,684,266.04	1.34	Mexico				
			1,684,266.04	1.34	88,491.00	PROMOTORA Y OPERADORA DE INF	MXN	676,804.17	0.54
Australia								676,804.17	0.54
1,600,000.00	BHP BILLITON FIN 15-22/10/2079 FRN	EUR	1,614,352.00	1.28				35,543,763.89	28.25
			1,614,352.00	1.28	Money market instruments				
Sweden					Spain				
1,600,000.00	ERICSSON LM 1.125% 22-08/02/2027	EUR	1,364,048.00	1.08	5,000,000.00	LETRAS 0% 22-08/09/2023	EUR	4,913,500.00	3.91
			1,364,048.00	1.08	100,000.00	LETRAS 0% 22-10/02/2023	EUR	99,836.00	0.08
Mexico					1,000,000.00	LETRAS 0% 22-11/08/2023	EUR	984,550.00	0.78
1,000,000.00	PETROLEOS MEXICA 2.75% 15-21/04/2027	EUR	786,730.00	0.63	5,000,000.00	LETRAS 0% 22-12/05/2023	EUR	4,962,350.00	3.94
			786,730.00	0.63				10,960,236.00	8.71
			65,143,760.42	51.78				10,960,236.00	8.71

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

Cartesio Funds Income (in EUR)

Securities Portfolio as at December 31, 2022 (continued)

Quantity/ Nominal	Name	Currency	Market Value in EUR	% NAV
Mortgage backed securities				
Spain				
2,040,000.00	OHL OPERACIONES 6.6% 21-31/03/2026	EUR	1,692,354.12	1.35
			1,692,354.12	1.35
			1,692,354.12	1.35
Total securities portfolio			113,340,114.43	90.09

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

Cartesio Funds Income (in EUR)

Financial derivative instruments as at December 31, 2022

Quantity	Name	Currency	Commitment in EUR	Counterparty	Unrealised appreciation / (depreciation) in EUR
Futures					
Bond Future					
(30.00)	EURO-BONO 10YR 6% 08/03/2023	EUR	2,710,740.00	BNP Paribas Paris	261,126.53
					261,126.53
Currency Future					
(75.00)	BRAZIL REAL FUTURE 31/01/2023	USD	7,006,071.93	BNP Paribas Paris	17,515.18
10.00	EURO / GBP FUTURE 13/03/2023	GBP	1,411,599.96	BNP Paribas Paris	36,101.61
35.00	EURO FX CURR FUT (CME) 13/03/2023	USD	4,086,875.29	BNP Paribas Paris	29,629.85
(35.00)	MEXICAN PESO FUTURE 13/03/2023	USD	16,347,501.17	BNP Paribas Paris	(11,443.25)
					71,803.39
Index Future					
(80.00)	EURO STOXX 50 - FUTURE 17/03/2023	EUR	3,034,896.00	BNP Paribas Paris	117,800.00
					117,800.00
Total Futures					450,729.92

For the Futures disclosed in the table above, there is no collateral pledged (for the counterparty BNP Paribas Paris).

Total financial derivative instruments **450,729.92**

Summary of net assets

		% NAV
Total securities portfolio	113,340,114.43	90.09
Total financial derivative instruments	450,729.92	0.36
Cash at bank	11,465,608.91	9.11
Other assets and liabilities	557,762.91	0.44
Total net assets	125,814,216.17	100.00

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

Notes to the Financial Statements as at December 31, 2022

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 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, 2022, 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, 2022, 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, 2022 (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, 2022.

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, 2022 (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, 2022

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)	5.656100	EUR	1 New Mexican Peso (MXN)	20.862200	EUR
1 Danish Krone (DKK)	7.435900	EUR	1 Swedish Krone (SEK)	11.155200	EUR
1 Great Britain Pound (GBP)	0.8855200	EUR	1 United States Dollar (USD)	1.070500	EUR
1 Japanese Yen (JPY)	140.740000	EUR	1 Swiss Franc (CHF)	0.987510	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.	1.50% p.a.	0.75% p.a.
Cartesio Funds Income	0.95% p.a.	0.95% p.a.	0.50% p.a.

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	0.01	0.00
Cartesio Funds Income	Class "Z"	EUR	0.01	0.00

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.

If during five consecutive years no performance fee is paid (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.

Notes to the Financial Statements as at December 31, 2022 (continued)

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%, 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 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 with 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 and compliance fees.

The caption "Other expenses" is mainly composed of VAT (Value-Added Tax), 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.

Note 10. 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.

*As of October 1, 2022, BNP Paribas Securities Services - Luxembourg Branch merged with its parent entity, BNP Paribas S.A.

Notes to the Financial Statements as at December 31, 2022 (continued)**Note 11. Event during the year 2022**

In February 2022, Russian Federation invaded Ukraine, which caused a sharp increase in the price of raw materials, both energy and food. Stock markets plummeted initially, although a recovery followed only some weeks later. Long-term public debt did not provide any shelter as long-term interest rates soared, discounting that the ECB has little room of action in the face of expectations and inflation data at highs for decades. Economic growth forecasts for 2022 have been lowered significantly, although they do not confirm a recession.

The Sub-funds do not have any direct exposure neither to Russia, Ukraine nor Bielrussian companies. Indirect exposure through interests of the invested companies is negligible.

Unaudited Information

Note 1. Remuneration Policy of the Management Company

Waystone Management Company (Lux) S.A. has adopted a remuneration policy on the application of the ESMA Guidelines on sound remuneration policies under the UCITS Directive of 14 October 2016 (ESMA/2016/575), ESMA Guidelines on sound remuneration policies under the AIFMD (ESMA/2013/232 as amended by ESMA/2016/579), and CSSF Circular 18/698 on the Authorization and organization of investment fund managers incorporated under Luxembourg law.

As prescribed by the Sustainable Finance Disclosure Regulation (EU) 2019/2088 adopted by the European Parliament on November 27th, 2019, the company ensures when performing its activities as AIFM/management company that the structure of its remuneration does not encourage excessive risk taking with respect to sustainability risks.

Details of the remuneration policy of the management company, 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 at <https://www.waystone.com/waystone-policies/>.

With respect to the financial year ended 31 December 2022 (as of that date, Waystone Management Company (Lux) S.A. had a headcount of 92 employees), the total fixed and variable remuneration paid by Waystone Management Company (Lux) S.A. to its employees amounted to EUR 6,680,489.44 and to EUR 865,637.79 respectively.

The total remuneration paid by the Management 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 3,736,654.76. The remuneration committee of the management company 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 course of the financial year ended 31 December 2021, the current version being dated February 2021. The remuneration Policy will be reviewed and approved by the Board of Directors Q2 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, 2022 (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 1.519 million being EUR 1.33 million the fixed remuneration and EUR 0.189 million variable remuneration.

The total fixed remuneration paid by the investment manager delegated to senior management made up by four people has amounted EUR 0.7 million; a fixed remuneration amounting EUR 1.038 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 0.057 million while the total remuneration of the risk-takers plus the employee devoted to risk control function has amounted EUR 0.0395 million.

Five staff members who are neither risk-takers nor are engaged in control functions received a variable remuneration amounting EUR 0.1025 million. The employee in charge of the compliance function received a variable remuneration amounting EUR 0.017 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).

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 21st, 2022 and minor amendments were made in order to refine and to accommodate the wording to the company's current structure. Furthermore, the remuneration policy was adapted in the first quarter of 2021 to the new requirements stem from the EU Regulation 2019/2088 which applied from March 10th, 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 27 November 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.

