



**Unaudited semi-annual report  
as at 31st December 2017**

# **LS FUND**

Société d'Investissement à Capital Variable  
organised under the laws of Luxembourg

R.C.S. Luxembourg B 140 175

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No subscription can be received on the basis of this financial report. Subscriptions are only valid if made on the basis of the current prospectus and the key investor information document ("KIID") supplemented by the latest annual report including audited financial statements and the most recent semi-annual report, if published thereafter.

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**LS FUND**

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## LS FUND

### Organisation

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**Registered office** 11, rue Aldringen  
L-1118 LUXEMBOURG

#### **Board of Directors**

*Chairman*

Paavo PÕLD  
Member of the Management Board / Compliance  
LIMESTONE PLATFORM AS.  
Väike Karja 12  
10140 TALLINN, ESTONIA

*Members*

Frits CARLSEN  
Independent Director  
NED / Directorships  
5, An Den Azingen  
L-5386 UEBERSYREN

Benoit DUVIEUSART  
Lawyer  
DUVIEUSART EBEL AVOCATS ASSOCIÉS  
55, rue Charles Arendt  
L-1134 LUXEMBOURG

**Management Company** LIMESTONE PLATFORM AS.  
Väike Karja 12  
10140 TALLINN, ESTONIA

#### **Board of Directors of the Management Company**

*Chairman* Markku MALKAMÄKI

*Members of the Board* Olli-Pekka KALLASVUO  
Eero LESKINEN

#### **Management Board of the Management Company**

Ari-Pekka HILDEN  
Triin LINDMA  
Miika PEURA  
Paavo PÕLD

**Investment manager and  
general distributor** LIMESTONE PLATFORM AS.  
Väike Karja 12  
10140 TALLINN, ESTONIA

## LS FUND

### Organisation (continued)

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<b>Depository and principal paying agent</b>	KBL EUROPEAN PRIVATE BANKERS S.A. 43, boulevard Royal L-2955 LUXEMBOURG
<b>Domiciliary agent</b>	KREDIETRUST LUXEMBOURG S.A. 11, rue Aldringen L-2960 LUXEMBOURG
<b>Registrar, transfer and administrative agent</b>	EUROPEAN FUND ADMINISTRATION S.A. 2, rue d'Alsace L-1122 LUXEMBOURG
<b>Cabinet de révision agréé</b>	DELOITTE Audit Société à responsabilité limitée 560, rue de Neudorf L-2220 LUXEMBOURG
<b>Representative agent in Switzerland</b>	ACOLIN FUND SERVICES AG Affolternstrasse 56 8050 ZÜRICH
<b>Paying agent in Switzerland</b>	FRANKFURTER BANKGESELLSCHAFT (SCHWEIZ) AG Börsenstrasse 16, Postfach CH-8022 ZÜRICH

## LS FUND

### General information

LS FUND (the "Company"), is organised as a "*Société d'Investissement à Capital Variable*" under the laws of the Grand Duchy of Luxembourg.

The Company was incorporated on 25th June 2008 in Luxembourg for an unlimited period. The Company qualifies as an undertaking for collective investment in transferable securities ("UCITS") under the Council Directive 2009/65/EC and is governed by the amended Luxembourg law of 10th August 1915 and by Part I of the amended law of 17th December 2010 relating to undertakings for collective investment ("UCI").

Its Articles of Association were published in the "*Mémorial C, Mémorial Recueil des Sociétés et des Associations*" on 28th July 2008 and were amended for the last time by notarial deed at the extraordinary general meeting held on 17th December 2015 which decided to change the corporate denomination of the Company from NORTHERN STAR to LS FUND. The Articles of Association are available for inspection and a copy thereof may be obtained upon request at the registered office of the Company.

The Directive 2014/91/EU of the European Parliament and of the Council of 23rd July 2014 amending the Directive 2009/65/EC had been transposed by the law of 10th May 2016 coming into force on 1st June 2016 and amending the amended law of 17th December 2010.

At the date of the financial statements, the Company offers the following Sub-Fund:

- LS FUND - NORTHERN STAR Global Dynamic Opportunities 10+ in EUR

As authorised by article 26 of the Fund's articles of association and Chapter 8 of the UCITS Law, the Board of Directors resolved per circular resolution, to merge the NORTHERN STAR ENHANCED FIXED INCOME 5+ Sub-Fund into the NORTHERN STAR GLOBAL DYNAMIC OPPORTUNITIES 10+ with effect as from 31st August 2017 as follow:

Absorbing Sub-Fund	Absorbed Sub-Fund	Class of shares	Exchange ratio
LS FUND - NORTHERN STAR GLOBAL DYNAMIC OPPORTUNITIES 10+	LS FUND - NORTHERN STAR ENHANCED FIXED INCOME 5+	A-Class EUR Share	0.89071540
		I-Class EUR Share	0.88888330

The Company may issue shares of no par value of different Classes of Shares.

At the date of the financial statements, the following classes of capitalisation Shares have been issued:

- A-Class EUR Share
- I-Class EUR Share (restricted to institutional investors)
- R-Class EUR Share.

The Board of Directors may decide to issue further Sub-Funds and Classes of Shares.

The reference currency of the Company is the Euro ("EUR"). The combined accounts of the Company are expressed in EUR.

Financial year ends on 30th June of each year.

The full prospectus, the KIID, the Articles of Association, the most recent annual and semi-annual report are available free of charge at the registered office of the Company, at any Paying Agent and any Distributor. The net asset value per share and redemption and subscription prices may be obtained at the registered office of the Company.

## **LS FUND**

### **Additional information for investors in Switzerland**

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#### **Representative agent, paying agent, place of execution and jurisdiction**

Representative agent in Switzerland: ACOLIN FUND SERVICES AG, Affolternstrasse 56, CH-8050 ZÜRICH.

Paying Agent in Switzerland: FRANKFURTER BANKGESELLSCHAFT (SCHWEIZ) AG, Börsenstrasse 16, Postfach, CH-8022 ZÜRICH.

Place of execution and jurisdiction in respect of all shares of the Company offered or distributed in or from Switzerland is the registered office of the representative agent in Switzerland.

#### **Publications, issue and redemption prices**

The Articles of Incorporation, the detailed prospectus, the KIID, the statement of changes in investments and the annual and semi-annual reports may be obtained, free of charge, at the representative agent in Switzerland.

The publications in relation with the Company are made in Switzerland on the electronic platform [www.fundinfo.com](http://www.fundinfo.com).

The issue and redemption prices respectively the net asset value with a note "commission not included" of all the classes of shares are published on a daily basis on the electronic platform [www.fundinfo.com](http://www.fundinfo.com).

In this publication organs are particularly published essential information like important changes in the prospectus as well as the liquidation of the Company or of one or several Sub-Funds.

#### **Prevailing version**

The German version of the prospectus prevails in the legal relationship between the Company and the investors in Switzerland.

## LS FUND

### Combined statement of net assets (in EUR) as at 31st December 2017

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#### Assets

Securities portfolio at market value	15,625,254.86
Cash at banks	2,878,038.04
Other liquid assets	1,483,564.00
Unrealised gain on futures contracts	33,520.49
	<hr/>
Total assets	20,020,377.39
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#### Liabilities

Payable on redemptions of shares	5,000.02
Expenses payable	118,269.68
Other liabilities	487.33
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Total liabilities	123,757.03
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Net assets at the end of the period	19,896,620.36
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The accompanying notes are an integral part of these financial statements.



## LS FUND

### Combined statement of operations and other changes in net assets (in EUR)

from 1st July 2017 to 31st December 2017

#### **Income**

Dividends, net	69,950.72
Equalisation	522.19
Other commissions received	1.09
Total income	70,474.00

#### **Expenses**

Management fees	211,195.68
Depository fees	6,131.85
Banking charges and other fees	5,272.52
Transaction fees	19,125.44
Central administration costs	25,623.13
Professional fees	30,338.52
Other administration costs	25,870.23
Subscription duty ("taxe d'abonnement")	2,823.66
Bank interest paid	8,068.07
Other expenses	11,846.28
Total expenses	346,295.38

Net investment loss	-275,821.38
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#### **Net realised gain/(loss)**

- on securities portfolio	-849.83
- on futures contracts	467,976.90
- on forward foreign exchange contracts	5,862.55
- on foreign exchange	-74,040.45

Realised result	123,127.79
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#### **Net variation of the unrealised gain/(loss)**

- on securities portfolio	568,067.95
- on futures contracts	4,322.74

Result of operations	695,518.48
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Subscriptions	2,114,597.73
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Redemptions	-9,811,354.84
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Total changes in net assets	-7,001,238.63
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Total net assets at the beginning of the period	26,897,858.99
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Total net assets at the end of the period	19,896,620.36
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The accompanying notes are an integral part of these financial statements.

## LS FUND - NORTHERN STAR Global Dynamic Opportunities 10+

### Statement of net assets (in EUR)

as at 31st December 2017

#### Assets

Securities portfolio at market value	15,625,254.86
Cash at banks	2,878,038.04
Other liquid assets	1,483,564.00
Unrealised gain on futures contracts	33,520.49
Total assets	20,020,377.39

#### Liabilities

Payable on redemptions of shares	5,000.02
Expenses payable	118,269.68
Other liabilities	487.33
Total liabilities	123,757.03
Net assets at the end of the period	19,896,620.36

#### Breakdown of net assets per share class

Share class	Number of shares	Currency of share class	NAV per share in currency of share class	Net assets per share class (in EUR)
A-Class EUR	93,065.477	EUR	105.52	9,820,330.51
I-Class EUR	83,511.393	EUR	109.04	9,105,795.06
R-Class EUR	9,688.858	EUR	100.17	970,494.79
				19,896,620.36

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

## LS FUND - NORTHERN STAR Global Dynamic Opportunities 10+

### Statement of operations and other changes in net assets (in EUR)

from 1st July 2017 to 31st December 2017

#### Income

Dividends, net	66,513.42
Equalisation	522.19
Other commissions received	1.09
Total income	67,036.70

#### Expenses

Management fees	195,031.87
Depositary fees	5,948.88
Banking charges and other fees	4,610.03
Transaction fees	17,177.81
Central administration costs	19,970.10
Professional fees	16,320.14
Other administration costs	21,779.44
Subscription duty ("taxe d'abonnement")	2,705.83
Bank interest paid	7,902.50
Other expenses	11,127.67
Total expenses	302,574.27

Net investment loss	-235,537.57
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#### Net realised gain/(loss)

- on securities portfolio	21,316.73
- on futures contracts	445,639.15
- on forward foreign exchange contracts	5,862.55
- on foreign exchange	-65,817.55

Realised result	171,463.31
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#### Net variation of the unrealised gain/(loss)

- on securities portfolio	559,787.46
- on futures contracts	7,265.57

Result of operations	738,516.34
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Subscriptions	2,112,484.77
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Redemptions	-7,719,346.54
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Total changes in net assets	-4,868,345.43
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Total net assets at the beginning of the period	24,764,965.79
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Total net assets at the end of the period	19,896,620.36
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The accompanying notes are an integral part of these financial statements.

## LS FUND - NORTHERN STAR Global Dynamic Opportunities 10+

### Statistical information (in EUR)

as at 31st December 2017

<b>Total net assets</b>	<b>Currency</b>	<b>30.06.2016</b>	<b>30.06.2017</b>	<b>31.12.2017</b>
	EUR	31,341,948.01	24,764,965.79	19,896,620.36
<b>Net asset value per share</b>	<b>Currency</b>	<b>30.06.2016</b>	<b>30.06.2017</b>	<b>31.12.2017</b>
A-Class EUR	EUR	100.88	102.63	105.52
I-Class EUR	EUR	103.42	105.76	109.04
R-Class EUR	EUR	97.21	97.91	100.17
<b>Number of shares</b>	<b>outstanding at the beginning of the period</b>	<b>issued</b>	<b>redeemed</b>	<b>outstanding at the end of the period</b>
A-Class EUR	134,649.667	17,672.112	-59,256.302	93,065.477
I-Class EUR	90,908.492	2,925.607	-10,322.706	83,511.393
R-Class EUR	13,598.909	-	-3,910.051	9,688.858
<b>Synthetic TER per share as at 31.12.2017</b>		<b>Performance fee ratio (in %)</b>		<b>Synthetic TER with performance fee (in %)</b>
A-Class EUR		0.00		3.03
I-Class EUR		0.00		2.52
R-Class EUR		0.00		4.04

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

## LS FUND - NORTHERN STAR Global Dynamic Opportunities 10+

### Statement of investments and other net assets (in EUR)

as at 31st December 2017

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<b><u>Investments in securities</u></b>					
<b><u>Transferable securities admitted to an official stock exchange listing</u></b>					
<b>Shares</b>					
EUR	16,000	Deutsche Wohnen SE	474,084.70	583,360.00	2.93
EUR	129,650	Nokia Oyj	731,565.60	504,857.10	2.54
			1,205,650.30	1,088,217.10	5.47
SEK	62,000	Nordea Bank AB	595,888.82	626,281.85	3.15
USD	4,800	Alibaba Group Holding Ltd ADR repr 1 Share	577,757.18	689,231.79	3.46
USD	3,500	Facebook Inc A	516,377.65	514,310.70	2.58
USD	805	Samsung Electronics Co Ltd spons GDR repr 0.5 Share	727,144.03	803,089.48	4.04
			1,821,278.86	2,006,631.97	10.08
<b>Total shares</b>			3,622,817.98	3,721,130.92	18.70
<b>Investment certificates</b>					
USD	5,000	ETFS Metal Sec Ltd Certif Gold Perpetual	523,606.89	517,966.44	2.60
<b>Total investment certificates</b>			523,606.89	517,966.44	2.60
<b><u>Open-ended investment funds</u></b>					
<b>Investment funds (UCITS)</b>					
EUR	9,894.1832	MontLake UCITS Platform ICAV Butler Cred Opp Fd Istl Cap	999,487.66	1,005,927.75	5.06
EUR	17,050	UBAM Global High Yield Solution IHC Cap	2,697,928.50	2,746,925.50	13.81
<b>Total investment funds (UCITS)</b>			3,697,416.16	3,752,853.25	18.87
<b>Tracker funds (UCITS)</b>					
EUR	120,000	Go UCITS ETF Solutions Plc ROBO GI Robot & Autom Cap	1,455,104.44	1,624,800.00	8.17
EUR	10,500	iShares Core DAX UCITS ETF (DE) Cap	996,913.58	1,177,785.00	5.92
EUR	70,000	iShares ES Bks 30-15 UCITS ETF	907,481.16	889,350.00	4.47
EUR	25,000	iShares STOXX Eu 600 Oil&Gas UCITS ETF (DE) Dist	737,050.00	794,750.00	3.99
EUR	33,000	Lyxor UCITS ETF MSCI India C-EUR Cap	516,674.00	549,780.00	2.76
EUR	21,500	Lyxor UCITS ETF Russia (DJRuGDR) C EUR Cap	589,636.58	651,665.00	3.27
			5,202,859.76	5,688,130.00	28.58
USD	9,500	Source Mks Plc Financials S&P US Select Sector ETF UCITS Cap	1,417,683.38	1,545,070.16	7.77
<b>Total tracker funds (UCITS)</b>			6,620,543.14	7,233,200.16	36.35
<b>Tracker funds (UCI)</b>					
USD	4,500	iShares Trust Nasdaq Biotech ETF Dist	409,888.69	400,104.09	2.01
<b>Total tracker funds (UCI)</b>			409,888.69	400,104.09	2.01
<b>Total investments in securities</b>			14,874,272.86	15,625,254.86	78.53
<b>Cash at banks</b>				2,878,038.04	14.46
<b>Other net assets/(liabilities)</b>				1,393,327.46	7.01
<b>Total</b>				19,896,620.36	100.00

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

## LS FUND - NORTHERN STAR Global Dynamic Opportunities 10+

### Industrial and geographical classification of investments

as at 31st December 2017

#### Industrial classification

(in percentage of net assets)

Investment funds	57.23 %
Financials	8.68 %
Technologies	8.58 %
Cyclical consumer goods	4.04 %
Total	<u>78.53 %</u>

#### Geographical classification

(by domicile of the issuer)

(in percentage of net assets)

Ireland	21.00 %
Germany	17.31 %
Luxembourg	13.81 %
France	6.03 %
United States of America	4.59 %
South Korea	4.04 %
Cayman Islands	3.46 %
Sweden	3.15 %
Jersey	2.60 %
Finland	2.54 %
Total	<u>78.53 %</u>

## LS FUND - NORTHERN STAR Enhanced Fixed Income 5+

### Statement of operations and other changes in net assets (in EUR)

from 1st July 2017 to 31st August 2017 (date of merger)

<b><u>Income</u></b>	
Dividends, net	3,437.30
Total income	3,437.30
<b><u>Expenses</u></b>	
Management fees	16,163.81
Depository fees	182.97
Banking charges and other fees	662.49
Transaction fees	1,947.63
Central administration costs	5,653.03
Professional fees	14,018.38
Other administration costs	4,090.79
Subscription duty ("taxe d'abonnement")	117.83
Bank interest paid	165.57
Other expenses	718.61
Total expenses	43,721.11
Net investment loss	-40,283.81
<b><u>Net realised gain/(loss)</u></b>	
- on securities portfolio	-22,166.56
- on futures contracts	22,337.75
- on foreign exchange	-8,222.90
Realised result	-48,335.52
<b><u>Net variation of the unrealised gain/(loss)</u></b>	
- on securities portfolio	8,280.49
- on futures contracts	-2,942.83
Result of operations	-42,997.86
Subscriptions	2,112.96
Redemptions	-2,092,008.30
Total changes in net assets	-2,132,893.20
Total net assets at the beginning of the period	2,132,893.20
Total net assets at the end of the period	0.00

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

## LS FUND - NORTHERN STAR Enhanced Fixed Income 5+

### Statistical information (in EUR)

as at 31st August 2017 (date of merger)

<b>Total net assets</b>	<b>Currency</b>	<b>30.06.2016</b>	<b>30.06.2017</b>	<b>31.08.2017</b>
	EUR	2,479,409.16	2,132,893.20	0.00

  

<b>Net asset value per share</b>	<b>Currency</b>	<b>30.06.2016</b>	<b>30.06.2017</b>	<b>31.08.2017</b>
A-Class EUR	EUR	100.16	92.80	-
I-Class EUR	EUR	102.46	95.44	-

  

<b>Number of shares</b>	<b>outstanding at the beginning of the period</b>	<b>issued</b>	<b>redeemed</b>	<b>outstanding at the end of the period</b>
A-Class EUR	19,598.492	22.764	-19,621.256	-
I-Class EUR	3,291.329	-	-3,291.329	-

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



## LS FUND

### Notes to the financial statements

as at 31st December 2017

#### Note 1 - Principal accounting methods

##### a) Presentation of the financial statements

The financial statements of the Company are established in accordance with Luxembourg legal and regulatory requirements concerning undertakings for collective investment and with generally accepted accounting principles in Luxembourg.

##### b) The valuation of the securities

- 1) The valuation of any transferable securities or money market instruments or derivatives traded or listed on a stock exchange is made on the basis of the last price as at the Valuation Day unless such price is not representative.
- 2) The value of any transferable securities or money market instruments traded on another regulated market is determined on the basis of the last price as at the Valuation Day.
- 3) In the event that transferable securities and money market instruments on a dedicated Valuation Day are neither officially traded nor listed on an exchange or regulated market, or if, for securities and money market instruments officially listed or traded on a stock exchange or another regulated market, the price as determined pursuant to the above paragraphs is not representative of the true value of such transferable securities or money market instruments, the valuation is made on the basis of their likely value of realisation, estimated with due care and good faith by the Board of Directors of the Company.
- 4) Shares of UCITS and other UCI's are valued on the basis of their last available net asset value ("NAV") at the Valuation Day.

##### c) Acquisition cost of securities in the portfolio

The acquisition cost of the securities held by the Sub-Fund that are denominated in currencies other than the reference currency of the Sub-Fund is converted into this currency at the exchange rate prevailing on the date of purchase.

##### d) Net realised gain/(loss) on securities portfolio

The realised gains and losses on securities portfolio are calculated on the basis of the average acquisition cost and are disclosed net in the statement of operations and other changes in net assets.

##### e) Investment income

Dividend income is recorded at the ex-date, net of any withholding tax.

Interest income accrued and payable are recorded, net of any withholding tax.

##### f) Valuation of forward foreign exchange contracts

Forward foreign exchange contracts are valued at forward market rates for the remaining period from valuation date to the maturity of the contracts. Net unrealised gains or losses are disclosed in the statement of net assets. Net variation of the unrealised gains or losses and net realised gains or losses are disclosed in the statement of operations and other changes in net assets.

## LS FUND

### Notes to the financial statements (continued)

as at 31st December 2017

#### g) Valuation of futures contracts

Open futures contracts are valued at the last settlement or close price on the stock exchanges or regulated markets. Unrealised gains or losses are disclosed in the statement of net assets. Net variation of the unrealised gains and losses and net realised gains and losses are disclosed in the statement of operations and other changes in net assets.

#### h) Formation expenses

Formation expenses were amortised on a straight-line basis over a period of five years.

#### i) Conversion of foreign currencies

Cash at banks, other net assets, liabilities and the market value of the securities in portfolio expressed in currencies other than the reference currency of the Sub-Fund are converted into this currency at the exchange rate prevailing on the date of the financial statements. Income and expenses expressed in currencies other than the reference currency of the Sub-Fund are converted into this currency at the exchange rate prevailing on the date of the transaction. Net realised gains or losses on foreign exchange are disclosed in the statement of operations and other changes in net assets.

#### j) Combined financial statements

The combined financial statements of the Company are expressed in EUR and are equal to the sum of the corresponding captions in the financial statements of each Sub-Fund.

#### k) Transaction fees

Transaction costs disclosed under the caption "Transaction fees" in the expenses of the statement of operations and other changes in net assets are mainly composed of broker fees incurred by the Company and of fees relating to liquidation of transactions paid to the depositary as well as of transaction fees on financial instruments and derivatives and of fees relating to term deposits.

### Note 2 - Management and performance fees

LIMESTONE PLATFORM AS. is appointed as Management Company by the Board of Directors of the Company.

The Management Company, LIMESTONE PLATFORM AS. is entitled to a fee of 0.05% p.a. of the average of the net assets of the Sub-Fund during the relevant quarter with an annual minimum of EUR 25,000 for the Sub-Fund.

The Management Company can receive too:

- up to 500 trades, a minimum fee amounting to EUR 15,000.00 for the sub-fund per year,
- above 500 trades, every next 100 trades fixed fee extra amounting to EUR 5,000.00 for the sub-fund per year,
- and a variable fee for the sub-fund per year as follows:

Up to EUR 100 mio	0.05%
From EUR 100 mio to EUR 125 mio	0.03%
Above EUR 125 mio	0.01%

The investment management fee to be earned by the Management Company is calculated on the monthly average net asset value of the Sub-Fund and accrued daily at the following effective rates:

## LS FUND

### Notes to the financial statements (continued)

as at 31st December 2017

#### LS FUND - NORTHERN STAR Global Dynamic Opportunities 10+

Share Class	Investment Management fee	Performance fee
A-Class EUR	1.50%	Yes
I-Class EUR	1.00%	Yes
R-Class EUR	2.50%	Yes

The Management Company fees and the Investment Management fees are included in the caption "Management fees" in the statement of operations and other changes in net assets.

For the LS FUND - NORTHERN STAR Global Dynamic Opportunities 10+ the Investment Manager is entitled to a performance fee in the amount of 15% in excess of the performance of 8% annually as Hurdle Rate.

The period for which such performance fee is calculated is based on the Financial Year of the Sub-Fund. The performance fee is payable on the outstanding Shares of the Sub-Fund at the end of the relevant Financial Year. For the purpose of calculating the performance fee, the Sub-Fund's NAV per Share is calculated by the Administrative Agent on the relevant day by determining the NAV of the Sub-Fund, divided by the number of outstanding Shares on that day.

In case of subscription, the performance fee calculation is adjusted to avoid that this subscription impacts the amount of performance fee accruals. To perform this adjustment, the performance of the NAV per Share against the reference NAV until the subscription date is not taken into account in the performance fee calculation. This adjustment amount is equal to the product of the number of subscribed Shares by the positive difference between the subscription price and the reference NAV adjusted by the Hurdle Rate at the date of the subscription. This cumulated adjustment amount is used in the performance fee calculation until the end of the relevant period and is adjusted in case of subsequent redemptions during the period.

If any Shares are redeemed or converted to Shares of another Sub-Fund during the calculation period, the cumulative performance fee accrued during the calculation period in respect of those Shares shall be crystallized and become payable to the Investment Manager even if no accrual for performance fees is done at the date of the payment.

At the date of the financial statements, no performance fee was disclosed for the Sub-Fund.

#### Note 3 - Management fee retrocession

Management fee retrocessions received by the Company and related to its investments in UCITS or other UCIs are disclosed under the "Other commissions received" in the statement of operations and other changes in net assets.

#### Note 4 - Central administration costs

The caption "Central administration costs" disclosed in the statement of operations and other changes in net assets is composed of administrative agent fees.

#### Note 5 - Subscription duty ("Taxe d'abonnement")

The Company is governed by Luxembourg law.

Pursuant to the legislation and regulations in force, the Company is subject to an annual "taxe

## LS FUND

### Notes to the financial statements (continued)

as at 31st December 2017

*d'abonnement*" of 0.05% which is payable quarterly and calculated on the basis of the net assets of each Sub-Fund on the last day of each quarter. The Company obtains the reduced tax rate of 0.01% in respect of Institutional shares. Institutional shares are reserved for investments made by investors which qualify as institutional investors within the meaning of, and as provided for, in article 174 of the amended law of 17th December 2010.

Pursuant to Article 175 (a) of the amended law of 17th December 2010 the net assets invested in undertakings for collective investment already subject to the *"taxe d'abonnement"* are exempt from this tax.

#### Note 6 - Futures contracts

As at 31st december 2017, the following Sub-Fund had entered into the following futures contracts with SAXO BANK A/S:

##### LS FUND - NORTHERN STAR Global Dynamic Opportunities 10+

	Number of contracts	Denomination	Currency	Exposure (in EUR)	Unrealised result (in EUR)
Purchase	27	Euro Stoxx 50 EUR (Price) Index FUT 03/18 EUX	EUR	943,110.00	-16,470.00
Purchase	8	IBEX 35 Index FUT 01/18 MEFF	EUR	801,664.00	-11,864.00
Purchase	10	Nikkei 225 Index FUT 03/18 OSE	JPY	1,681,824.70	43,616.55
Sale	17	EUR FUT 03/18 CME	USD	-2,136,856.19	-28,932.63
Purchase	25	MSCI Emerging Markets Index FUT 03/18 NYL	USD	1,211,329.47	38,997.38
Purchase	16	RUSSELL 2000 FUT 03/18 CME	USD	1,023,608.28	4,737.98
Purchase	15	S&P 500 Index FUT 03/18 CME	USD	1,671,316.15	3,435.07
					<u>33,520.35</u>

#### Note 7 - Total Expense Ratio ("TER")

The TER disclosed under "Statistical information" of this financial statements is calculated in accordance with the "Guidelines on the calculation and disclosure of the TER of collective investment schemes" issued by the Swiss Funds & Asset Management Association "SFAMA" on 16th May 2008 as modified on 20th April 2015.

The TER is calculated for the last 12 months preceding the date of this financial statements.

Transaction fees are not taken into account in the calculation of the TER.

If a fund invests at least 10% of its assets in other funds which publish a TER, a synthetic TER of the fund of funds is calculated as of the closing date of the financial year or the end of the first half of the financial year. This corresponds to the sum of the prorated TER of the individual target fund, weighted on the basis of their proportion in the net fund assets of the fund as the closing date, the issue and redemption commissions of the target funds actually paid and the TER of the fund of funds minus the retrocessions received from the target funds during the reporting period. The synthetic TER is calculated with the information available at the time of the establishment of this document.

## **LS FUND**

### **Notes to the financial statements (continued)**

as at 31st December 2017

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#### **Note 8 - Changes in investments**

The statement of changes in investments for the period in reference to the financial statements is available on simple request free of charge at the registered office of the Company, at any Paying Agent, any Distributor and at the representative agent in Switzerland (ACOLIN FUND SERVICES AG).

#### **Note 9 - Equalisation**

It is normal practice, for the Funds in which the Company invests, to apply an "Equalisation factor", whereby the Company may be required to pay an amount in excess of the net asset value representing its part of the performance fee accrual within the net asset value. The "Equalisation factor" ensures that the performance fee is charged only to those shares which have increased in value and that all shareholders have the same amount per share at risk.

## LS FUND

**Additional information**  
as at 31st December 2017

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### **1 - Information concerning the transparency of securities financing transactions and of reuse of cash collateral (regulation EU 2015/2365, hereafter "SFTR")**

At the date of the financial statements, the Company is not in the scope of the publication requirements of SFTR. No transactions were carried out during the reporting period.