



ALICANTO SICAV I

Société d'Investissement à Capital Variable

Annual Report including Audited Financial Statements
for the period from 04/07/16 (date of incorporation)
to 31/12/17

R.C.S. Luxembourg B 207600

ALICANTO SICAV I

Table of Contents

	Page
Organisation and Administration	3
Management Report	4
Report of the Réviseur d'Entreprises Agréé	6
ALICANTO SICAV I - Combined	10
Statement of net assets	11
Statement of Operations and Changes in Net Assets	12
ALICANTO SICAV I - Bond Euro (launched on December 1, 2016)	13
Statement of net assets	14
Changes in number of shares	14
Key figures	15
Securities portfolio	16
Geographical and Economical classification	18
Statement of Operations and Changes in Net Assets	19
ALICANTO SICAV I - Discovery Opportunities (launched on September 18, 2017)	20
Statement of net assets	21
Changes in number of shares	21
Key figures	21
Securities portfolio	22
Geographical and Economical classification	24
Statement of operations and changes in net assets	25
Notes to the financial statements - Schedule of derivative instruments	26
Other notes to the financial statements	29
Unaudited information	34

No subscription can be received on the basis of these financial reports. Subscriptions may only be accepted on the basis of the current prospectus, the Key Investor Information Documents (KIIDs) and the latest available annual report including audited financial statements and unaudited semi-annual report and unaudited financial statements of the Company if published thereafter.

Organisation and Administration

Registered Office:	5, Allée Scheffer L-2520 Luxembourg Grand-Duchy of Luxembourg
Board of Directors:	
Class A Director:	Angelo Rusconi Fiduciaria Orefici S.p.A. SIM General Director Via Agnello, 5 I-20121 Milano Italy
Class B Directors:	Stefano Giovannetti Independent Director Bonn Steichen & Partners 2, Rue Peternelchen L-2370 Howald Grand-Duchy of Luxembourg
	Antonello Senes (since October 28, 2017) Independent Director Attorney at law Just Lex 26, Côte d'Eisch L-1450 Luxembourg Grand-Duchy of Luxembourg
Management Company:	Mediobanca Management Company S.A. ** 2, Boulevard de la Foire L-1528, Luxembourg Grand-Duchy of Luxembourg
Depository and Principal Paying Agent, Domiciliary Agent, Transfer and Registrar Agent:	CACEIS Bank, Luxembourg Branch * 5, Allée Scheffer L-2520 Luxembourg Grand-Duchy of Luxembourg
Administrative Agent:	CACEIS Bank, Luxembourg Branch * 5, Allée Scheffer L-2520 Luxembourg Grand-Duchy of Luxembourg
Investment Manager	Fiduciaria Orefici S.p.A. SIM Via Agnello, 5 I-20121 Milano Italy
Cabinet de révision agréé:	Deloitte Audit <i>Société à responsabilité limitée</i> 560, rue de Neudorf L-2220 Luxembourg Grand-Duchy of Luxembourg

* CACEIS Bank Luxembourg changed its name on December 31, 2016 to CACEIS Bank, Luxembourg Branch.

** Duemme International Luxembourg S.A changed its name on December 1, 2017 to Mediobanca Management Company S.A.

Management Report

INVESTMENT AND ECONOMIC OVERVIEW

The cyclical upswing underway since mid of 2016 has continued to strengthen. The most number of the economies, accounting for three quarters of world GDP (Gross Domestic Product), have seen a pickup in growth in year-on-year terms in 2017, the broadest synchronized global growth upsurge since 2010. Among advanced economies, in the latest part of 2017 growth was higher than projected, notably in Germany, Japan, Korea, and the United States. Key emerging market and developing economies, including Brazil, China, and South Africa, also posted growth stronger than the forecasts. High-frequency hard data and sentiment indicators point to a continuation of strong momentum. World trade has grown strongly throughout the course of the year, supported by a pickup in investment, particularly among advanced economies, and increased manufacturing output in Asia. Purchasing managers' indices indicate firm manufacturing activity ahead, consistent with strong consumer confidence pointing to healthy final demand.

An improving global growth outlook, weather events in the United States, the extension of the OPEC (Organization of the Petroleum Exporting Countries) agreement to limit oil production, and geopolitical tensions in the Middle East have supported crude oil prices. These have risen by about 20 percent between mid-summer and mid-December 2017, to over \$60 per barrel. Markets expect prices to gradually decline over the next 4–5 years as of mid-December, medium-term price futures stood at about \$54 per barrel, modestly higher than in August. The increase in fuel prices raised headline inflation in advanced economies, but wage and core-price inflation remain weak. Among emerging market economies, headline and core inflation have ticked up slightly in recent months after declining earlier in 2017.

Market expectations of the path of U.S. Federal Reserve policy rates have shifted up in the second part of the 2017, reflecting the well-anticipated December rate hike, but they continue to price in a gradual increase over the coming quarters in 2018 and 2019. The Bank of England raised its policy rate for the first time since 2008 in view of diminishing slack in the economy and above-target inflation driven by the past sterling depreciation; the ECB (European Central Bank) announced that it will taper its net asset purchases starting in January. The ECB intends, however, to maintain policy rates at current historically low levels until after quantitative easing ends and, should inflation underperform, extend the asset purchase program in amount and duration. Bond market reaction to these shifts has been muted, with yield curves tending to flatten as short-term rates have risen more than longer-term rates (e.g., in the United States, United Kingdom, and Canada), consistent with still-subdued market expectations of sustained upside surprises on inflation. Equity prices in advanced economies continued to rally in the course of the 2017, buoyed by generally favorable sentiment regarding earnings prospects, expectations of a very gradual normalization path for monetary policy in a weak inflation environment, and low expected volatility in underlying fundamentals. Emerging market equity indices have risen further since August, lifted by the improved near-term outlook for commodity exporters. In some cases, long-term yields have inched up in recent months, but they generally remain low, and interest rate spreads remain compressed.

As of end of December 2017, the U.S. dollar and the euro remain close to the level reached in the mid summer of the 2017. The Japanese yen has depreciated by 5 percent on widening interest differentials, while the sterling has appreciated by close to 4 percent as the Bank of England raised interest rates in November and as expectations of a Brexit deal rose. Across emerging market currencies, the renminbi has appreciated by around 2 percent, the Malaysian ringgit has rebounded by about 7 percent on an improved growth outlook and stronger commodity prices, and the South African rand by close to 6 percent on perceptions of reduced political uncertainty. In contrast, the Mexican peso has depreciated significantly owing to renewed uncertainty associated with the ongoing NAFTA (North American Free Trade Agreement) negotiations and the Turkish lira by 4.5 percent on higher inflation readings. Capital flows to emerging economies have remained resilient through the third quarter of 2017, with continued strength in non-resident portfolio inflows.

PERSPECTIVE

The stronger momentum experienced in 2017 is expected to carry into 2018 and 2019. For the short term forecast horizon, the upward revisions to the global outlook result mainly from advanced economies, where consensus growth is expected to exceed 2 percent in 2018 and 2019. This perspective reflects the expectation that favorable global financial conditions and strong sentiment will help maintain the recent acceleration in demand, especially in investment, with a noticeable impact on growth in economies with large exports. In addition, the U.S. tax reform and associated fiscal stimulus are expected to temporarily raise U.S. growth, with favorable demand spillovers for U.S. trading partners especially Canada and Mexico during this period. The expected global macroeconomic effects account for around one-half of the cumulative upward revision to the global growth forecast for 2018 and 2019, with a range of uncertainty.

Management Report (continued)

The growth forecast for the United States has been revised up given stronger than expected activity in 2017, higher projected external demand, and the expected macroeconomic impact of the tax reform, in particular the reduction in corporate tax rates and the temporary allowance for full expensing of investment. The forecast assumes that the decline in tax revenues will not be offset by spending cuts in the near term, and therefore was anticipated to stimulate near-term activity in the United States. As a by-product, stronger domestic demand is projected to increase imports and widen the current account deficit. Overall, the policy changes are projected to add to growth through 2020, so that U.S. real GDP is 1.2 percent higher by 2020 than in a projection without the tax policy changes. The inflation response to higher domestic demand is expected to be muted given the low sensitivity of core price pressures to changes in slack in recent years and a somewhat faster projected pace of U.S. Federal Reserve policy rate hikes than in the fall, with a modest decompression of term premiums and no sizable U.S. dollar appreciation. According to the U.S. Congressional Joint Committee on Taxation, the tax code overhaul is projected to reduce the average tax rate on upper income U.S. households relative to those in the middle and lower segments, especially over the medium term.

Growth rates for many of the euro area economies have been marked up, especially for Germany, Italy, and the Netherlands, reflecting the stronger momentum in domestic demand and higher external demand. Growth in Spain, which has been well above potential, has been marked down slightly for 2018, reflecting the effects of increased political uncertainty on confidence and demand.

The growth perspectives for 2018 and 2019 has also been upgraded for other advanced economies, reflecting in particular stronger growth in advanced Asian economies, which are especially sensitive to the outlook for global trade and investment. The growth forecast for Japan has been revised up for 2018 and 2019, reflecting upward revisions to external demand, the supplementary budget for 2018, and carryover from stronger-than-expected recent activity.

Emerging and developing Asia will grow at around 6.5 percent over 2018–19, broadly the same pace as in 2017. The region continues to account for over half of world growth. Growth is expected to moderate gradually in China (though with a slight upward revision to the forecast for 2018 and 2019 relative to the fall forecasts, reflecting stronger external demand), pick up in India, and remain broadly stable in the ASEAN-5 region.

In emerging and developing Europe, where growth in 2017 is now estimated to have exceeded 5 percent, activity in 2018 and 2019 is projected to remain stronger than previously anticipated, lifted by a higher growth forecast for Poland and especially Turkey. These revisions reflect a favorable external environment, with easy financial conditions and stronger export demand from the euro area, and, for Turkey, an accommodative policy stance.

In Latin America, the recovery is expected to strengthen, with growth of 1.9 percent in 2018 (as projected in the fall) and 2.6 percent in 2019 (a 0.2 percentage point upward revision). This change primarily reflects an improved outlook for Mexico, benefiting from stronger U.S. demand, a firmer recovery in Brazil, and favorable effects of stronger commodity prices and easier financing conditions on some commodity-exporting countries. These upward revisions more than offset further downward revisions for Venezuela.

The global financial market continues to strengthen in response to extraordinary policy support, regulatory enhancements, and the cyclical upturn in growth. The health of banking sector in many advanced economies continues to improve, as progress has been made in resolving some weaker banks, while a majority of systemic institutions are adjusting business models and restoring profitability. The upswing in global economic activity, has boosted market confidence while reducing near-term threats to financial stability.

But beyond these recent improvements, the environment of continuing monetary accommodation—necessary to support activity and boost inflation is also leading to rising asset valuations and higher leverage. Financial risks are shifting in certain sense from the banking system toward nonbank and market sectors of the financial system.

Note: the figures stated in this report are historical and not necessarily indicative of future performance.

To the Shareholders of
ALICANTO SICAV I
Société d'Investissement à Capital Variable
5, Allée Scheffer
L-2520 Luxembourg
Grand Duchy of Luxembourg

REPORT OF THE REVISEUR D'ENTREPRISES AGREÉ

Report on the Audit of the Financial Statements

We have audited the financial statements of ALICANTO SICAV I (the “Company”) and of each of its sub-funds, which comprise the statement of net assets and the securities portfolio as at December 31, 2017 and the statement of operations and changes in net assets for the period from July 4, 2016 (date of incorporation) to December 31, 2017, 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 ALICANTO SICAV I and of each of its sub-funds as at December 31, 2017, and of the results of their operations and changes in their net assets for the period from July 4, 2016 (date of incorporation) to December 31, 2017 in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for Opinion

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

Other information

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we concluded that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regards.

Responsibilities of the Board of Directors of the Company

The Board of Directors of the Company 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 Company 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 Company is responsible for assessing the Company'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 Company either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the *Réviseur d'Entreprises Agréé* for the Audit of the Financial Statements

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

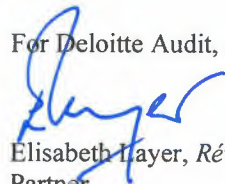
As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- 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 Company'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 Company.
- Conclude on the appropriateness of Board of Directors of the Company's 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 Company'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 Company 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.

Deloitte.

For Deloitte Audit, *Cabinet de Révision Agréé*



Elisabeth Hayer, *Réviseur d'Entreprises Agréé*
Partner

Luxembourg, April 16, 2018

ALICANTO SICAV I

Combined

ALICANTO SICAV I
Combined
Financial Statements as at 31/12/17

Statement of net assets as at 31/12/17

Expressed in EUR

Assets			62,938,274.89
	Securities portfolio at market value	Note 2	58,170,367.58
	<i>Cost price</i>		57,106,962.05
	<i>Unrealised profit on the securities portfolio</i>		1,063,405.53
	Cash at banks and liquidities	Note 7	3,884,408.50
	Interest receivable on bonds		365,783.13
	Formation expenses	Note 2	100,750.56
	Brokers receivable		164,066.06
	Subscriptions receivable		108,756.35
	Unrealised appreciation on financial futures	Note 2	74,200.00
	Other assets		69,942.71
Liabilities			386,563.62
	Bank overdrafts		157,333.39
	Performance fees payable	Note 3	73,175.50
	Management Company fees and Investment management fees payable	Note 3	104,627.74
	Taxes and other expenses payable		51,426.99
			<hr style="width: 100%;"/>
Net asset value			62,551,711.27

ALICANTO SICAV I Combined

Statement of Operations and Changes in Net Assets from 04/07/16 to 31/12/17

Expressed in EUR

Income				760,988.71
	Dividends received on equity swaps			13,263.13
	Net interest on bonds			726,531.34
	Bank interest on cash account			77.74
	Other income			115.87
	Interest received on equity swaps			21,000.63
Expenses				829,943.13
	Amortisation of formation expenses	Note 2		11,577.16
	Dividends paid on equity swaps			34,664.65
	Management Company fees and Investment management fees	Note 3		351,362.39
	Depositary fees			24,276.51
	Taxe d'abonnement	Note 5		9,032.81
	Administrative expenses			30,743.65
	Performance fees	Note 3		73,175.50
	Domiciliation fees			5,448.17
	Professional fees			18,778.00
	Bank interest on overdrafts			26,943.76
	Legal fees			19,468.56
	Transaction fees	Note 2		69,091.50
	Interest paid on equity swaps			56,439.21
	Other expenses			98,941.26
Net loss from investments				-68,954.42
	Net realised profit / (loss) on:			
	- sales of investment securities	Note 2		-299,297.24
	- financial futures	Note 2		-65,700.00
	- equity swaps	Note 2		115,884.78
	- foreign exchange	Note 2		-16,031.42
Net realised loss				-334,098.30
	Movement in net unrealised appreciation / (depreciation) on:			
	- investments			1,063,405.53
	- financial futures			74,200.00
Increase in net assets as a result of operations				803,507.23
	Subscription capitalisation shares			74,893,518.20
	Redemption capitalisation shares			-13,145,314.16
Increase in net assets				62,551,711.27
Net assets at the beginning of the period				0.00
Net assets at the end of the period				62,551,711.27

ALICANTO SICAV I
- Bond Euro (launched on 01/12/2016)

ALICANTO SICAV I - Bond Euro (launched on 01/12/2016)

Financial Statements as at 31/12/17

Statement of net assets as at 31/12/17

Expressed in EUR

Assets			44,227,865.90
Securities portfolio at market value	Note 2		42,497,801.96
<i>Cost price</i>			42,002,403.24
<i>Unrealised profit on the securities portfolio</i>			495,398.72
Cash at banks and liquidities	Note 7		1,256,190.38
Interest receivable on bonds			298,846.85
Formation expenses	Note 2		100,750.56
Unrealised appreciation on financial futures	Note 2		74,200.00
Other assets			76.15
Liabilities			124,135.95
Performance fees payable	Note 3		22,770.24
Management Company fees and Investment management fees payable	Note 3		68,616.38
Taxes and other expenses payable			32,749.33
Net asset value			44,103,729.95

Changes in number of shares outstanding from 01/12/16 to 31/12/17

	Shares outstanding as at 01/12/16	Shares issued	Shares redeemed	Shares outstanding as at 31/12/17
C Class Capitalisation shares	0.000	9,100.000	0.000	9,100.000
I Class Capitalisation shares	0.000	448,226.000	129,782.000	318,444.000
P Class Capitalisation shares	0.000	110,000.000	0.000	110,000.000

ALICANTO SICAV I - Bond Euro (launched on 01/12/2016)

Key figures

Period ended as at: **31/12/17**

Total Net Assets	EUR	44,103,729.95
C Class		
		EUR
Capitalisation shares		
Number of shares		9,100.000
Net asset value per share		99.916
I Class		
		EUR
Capitalisation shares		
Number of shares		318,444.000
Net asset value per share		101.076
P Class		
		EUR
Capitalisation shares		
Number of shares		110,000.000
Net asset value per share		100.068

ALICANTO SICAV I - Bond Euro (launched on 01/12/2016)

Securities portfolio as at 31/12/17

Expressed in EUR

Quantity	Denomination	Quotation currency	Market value	% of net assets
Transferable securities admitted to an official stock exchange listing and/or dealt in on another regulated market			41,498,916.96	94.09
Bonds			25,467,435.00	57.74
<i>Belgium</i>				
1,000,000.00	KBC GROUP NV 0.75 17-22 01/03M	EUR	1,012,050.00	2.29
<i>Cayman Islands</i>				
1,000,000.00	IPIC GMTN REG 2.375 12-18 30/05A	EUR	1,010,290.00	2.29
<i>China</i>				
1,000,000.00	CHINA DEV BANK 0.875 15-18 09/10A	EUR	1,006,730.00	2.28
<i>Finland</i>				
1,000,000.00	SAMPO OYJ 1.25 17-25 30/05A	EUR	1,019,700.00	2.31
<i>France</i>				
1,000,000.00	ACCOR SA 1.25 17-24 25/01A	EUR	1,010,660.00	2.29
1,000,000.00	BNP PARIBAS 1.125 17-23 10/10A	EUR	1,025,350.00	2.32
1,000,000.00	BPCE SA 1.125 17-23 18/01A	EUR	1,025,830.00	2.33
1,000,000.00	EDF 4.50 10-40 12/11A	EUR	1,318,870.00	3.00
500,000.00	RCI BANQUE SA 0.75 17-22 12/01A	EUR	504,700.00	1.14
<i>Guernsey</i>				
1,000,000.00	CREDIT SUISSE GR FDG 1.25 15-22 14/04A	EUR	1,032,600.00	2.34
<i>Italy</i>				
250,000.00	BANCO POPOLARE SC 6.375 11-21 31/05A	EUR	7,241,425.00	16.43
500,000.00	CDP RETI SRL 1.875 15-22 29/05A	EUR	270,500.00	0.61
1,000,000.00	INTESA SAN PAOLO SPA 4.375 12-19 15/10A	EUR	520,980.00	1.18
500,000.00	ITALY BOT 2.00 15-25 01/12S	EUR	1,078,710.00	2.45
500,000.00	ITALY BOT 2.00 15-25 01/12S	EUR	512,155.00	1.16
2,000,000.00	ITALY BTP 1.35 15-22 15/04S	EUR	2,060,640.00	4.68
1,000,000.00	ITALY BTP 5.00 09-40 01/09S	EUR	1,305,940.00	2.96
1,000,000.00	MEDIOBANCA 2.25 14-19 18/03A	EUR	1,027,090.00	2.33
500,000.00	SALINI IMPREGILO 1.75 17-24 26/10A	EUR	465,410.00	1.06
<i>Spain</i>				
1,000,000.00	BANCO SANTANDER 1.375 17-22 09/02A	EUR	3,674,480.00	8.33
1,000,000.00	CAIXABANK SA 1.125 17-23 12/01A	EUR	1,031,800.00	2.34
500,000.00	SANTANDER ISSUANCES 3.125 17-27 19/01A	EUR	998,060.00	2.26
1,000,000.00	SPANISH 4.00 10-20 30/04A	EUR	546,730.00	1.24
1,000,000.00	SPANISH 4.00 10-20 30/04A	EUR	1,097,890.00	2.49
<i>The Netherlands Antilles</i>				
1,000,000.00	TEVA PHARMA 0.375 16-20 25/07A	EUR	953,710.00	2.16
1,000,000.00	TEVA PHARMA 0.375 16-20 25/07A	EUR	953,710.00	2.16
<i>Turkey</i>				
500,000.00	TURK GAR BANK REGS 3.375 14-19 08/07A	EUR	518,990.00	1.18
500,000.00	TURK GAR BANK REGS 3.375 14-19 08/07A	EUR	518,990.00	1.18
<i>United Kingdom</i>				
1,000,000.00	BAT HOLDINGS BV EMTN 2.375 12-23 19/01A	EUR	1,086,790.00	2.46
1,000,000.00	BAT HOLDINGS BV EMTN 2.375 12-23 19/01A	EUR	1,086,790.00	2.46
<i>United States of America</i>				
1,000,000.00	CITIGROUP 0.75 16-23 26/10A	EUR	2,025,260.00	4.59
1,000,000.00	CITIGROUP 0.75 16-23 26/10A	EUR	1,003,190.00	2.27
1,000,000.00	GOLDMAN SACHS GROUP 1.375 17-24 15/05A	EUR	1,022,070.00	2.32
Floating rate bonds			16,031,481.96	36.35
<i>Austria</i>				
1,000,000.00	RAIFFEISEN BANK SUB FL.R 17-XX 15/12S	EUR	1,084,270.00	2.46
1,000,000.00	RAIFFEISEN BANK SUB FL.R 17-XX 15/12S	EUR	1,084,270.00	2.46
<i>France</i>				
1,000,000.00	BNP PARIBAS SA FL.R 17-22 22/09Q	EUR	2,051,140.00	4.65
1,000,000.00	BNP PARIBAS SA FL.R 17-22 22/09Q	EUR	1,026,000.00	2.33
1,000,000.00	SOCIETE GENERALE FL.R 17-24 22/05Q	EUR	1,025,140.00	2.32
<i>Germany</i>				
1,000,000.00	DEUTSCHE BANK EMTN FL.R 14-21 10/09Q	EUR	1,010,010.00	2.29
1,000,000.00	DEUTSCHE BANK EMTN FL.R 14-21 10/09Q	EUR	1,010,010.00	2.29
<i>Italy</i>				
500,000.00	BPER BANCA FL.R 17-27 31/05A	EUR	4,170,801.96	9.46
500,000.00	BPER BANCA FL.R 17-27 31/05A	EUR	515,025.00	1.17
500,000.00	CCTS EU FL.R 16-24 15/02S	EUR	503,465.00	1.14
500,000.00	INTESA SANPAOLO SP FL.R 16-21 28/02Q	EUR	511,500.00	1.16
1,000,000.00	SNAM SPA FL.R 17-22 21/02Q	EUR	1,014,190.00	2.30
386,000.00	UBI BANCA FL.R 12-19 08/10Q	EUR	401,748.80	0.91
1,000,000.00	UNICREDIT FL.R 15-25 03/05Q	EUR	1,016,250.00	2.31
199,200.00	UNICREDIT SPA FL.R 11-19 31/01A	EUR	208,623.16	0.47
<i>Spain</i>				
1,000,000.00	BANCO SANT REGS SUB FL.R 14-XX 11/09Q	EUR	1,623,880.00	3.68
1,000,000.00	BANCO SANT REGS SUB FL.R 14-XX 11/09Q	EUR	1,098,210.00	2.49
500,000.00	BANKIA SA FL.R 17-27 15/03A	EUR	525,670.00	1.19
<i>United Kingdom</i>				
1,000,000.00	CREDIT AGRICOLE SA FL.R 17-22 20/04Q	EUR	2,045,220.00	4.64
1,000,000.00	CREDIT AGRICOLE SA FL.R 17-22 20/04Q	EUR	1,021,600.00	2.32

ALICANTO SICAV I - Bond Euro (launched on 01/12/2016)

Securities portfolio as at 31/12/17

Expressed in EUR

Quantity	Denomination	Quotation currency	Market value	% of net assets
1,000,000.00	LLOYDS BANK GRP FL.R 17-24 21/06Q <i>United States of America</i>	EUR	1,023,620.00	2.32
			<i>4,046,160.00</i>	<i>9.17</i>
1,000,000.00	BANK OF AMERICA FL.R 17-22 07/02Q	EUR	1,015,500.00	2.30
1,000,000.00	GENERAL MOTORS FIN FL.R 17-21 10/05Q	EUR	1,010,360.00	2.29
1,000,000.00	MORGAN STANLEY FL.R 16-22 27/01Q	EUR	1,011,850.00	2.29
1,000,000.00	WELLS FARGO & COMP FL.R 17-22 31/01Q	EUR	1,008,450.00	2.29
Other transferable securities			998,885.00	2.26
Floating rate bonds			998,885.00	2.26
<i>Italy</i>			<i>998,885.00</i>	<i>2.26</i>
1,000,000.00	BANCO BPM SPA FL.R 13-18 30/09Q	EUR	998,885.00	2.26
Total securities portfolio			42,497,801.96	96.36

Geographical classification

Breakdown per country	% of portfolio
Italy	29.20
France	16.32
United States of America	14.29
Spain	12.47
United Kingdom	7.37
Austria	2.55
Guernsey	2.43
Finland	2.40
Cayman Islands	2.38
Germany	2.38
Belgium	2.38
China	2.37
The Netherlands Antilles	2.24
Turkey	1.22
	100.00

Economical classification

Breakdown per sector	% of portfolio
Banks and credit institutions	60.15
Holding and finance companies	15.59
Countries and central government	12.89
Utilities	5.49
Insurance	2.40
Hotels and restaurants	2.38
Building materials and trade	1.10
	100.00

ALICANTO SICAV I - Bond Euro (launched on 01/12/2016)

Statement of Operations and Changes in Net Assets from 01/12/16 to 31/12/17

Expressed in EUR

Income		673,455.44
Net interest on bonds		673,379.29
Other income		76.15
Expenses		573,811.62
Amortisation of formation expenses	Note 2	10,958.57
Management Company fees and Investment management fees	Note 3	311,349.89
Depositary fees		22,194.44
Taxe d'abonnement	Note 5	5,747.25
Administrative expenses		28,014.27
Performance fees	Note 3	22,770.24
Domiciliation fees		3,996.12
Professional fees		13,688.50
Bank interest on overdrafts		24,156.67
Legal fees		17,716.73
Transaction fees	Note 2	36,546.92
Other expenses		76,672.02
Net income from investments		99,643.82
Net realised profit / (loss) on:		
- sales of investment securities	Note 2	-153,138.50
- financial futures	Note 2	-65,700.00
- foreign exchange	Note 2	1.01
Net realised loss		-119,193.67
Movement in net unrealised appreciation / (depreciation) on:		
- investments		495,398.72
- financial futures		74,200.00
Increase in net assets as a result of operations		450,405.05
Subscription capitalisation shares		56,743,368.22
Redemption capitalisation shares		-13,090,043.32
Increase in net assets		44,103,729.95
Net assets at the beginning of the period		0.00
Net assets at the end of the period		44,103,729.95

ALICANTO SICAV I

- Discovery Opportunities (launched on 18/09/2017)

ALICANTO SICAV I - Discovery Opportunities (launched on 18/09/2017)

Financial Statements as at 31/12/17

Statement of net assets as at 31/12/17

Expressed in EUR

Assets		18,710,408.99
Securities portfolio at market value	Note 2	15,672,565.62
<i>Cost price</i>		15,104,558.81
<i>Unrealised profit on the securities portfolio</i>		568,006.81
Cash at banks and liquidities	Note 7	2,628,218.12
Interest receivable on bonds		66,936.28
Brokers receivable		164,066.06
Subscriptions receivable		108,756.35
Other assets		69,866.56
Liabilities		262,427.67
Bank overdrafts		157,333.39
Performance fees payable	Note 3	50,405.26
Management Company fees and Investment management fees payable	Note 3	36,011.36
Taxes and other expenses payable		18,677.66
Net asset value		18,447,981.32

Changes in number of shares outstanding from 18/09/17 to 31/12/17

	Shares outstanding as at 18/09/17	Shares issued	Shares redeemed	Shares outstanding as at 31/12/17
I Class Capitalisation shares	0.000	40,100.000	470.000	39,630.000
P Class Capitalisation shares	0.000	140,896.028	70.000	140,826.028

Key figures

Period ended as at: **31/12/17**

Total Net Assets	EUR	18,447,981.32
I Class	EUR	
Capitalisation shares		
Number of shares		39,630.000
Net asset value per share		102.108
P Class	EUR	
Capitalisation shares		
Number of shares		140,826.028
Net asset value per share		102.264

ALICANTO SICAV I - Discovery Opportunities (launched on 18/09/2017)

Securities portfolio as at 31/12/17

Expressed in EUR

Quantity	Denomination	Quotation currency	Market value	% of net assets
Transferable securities admitted to an official stock exchange listing and/or dealt in on another regulated market			15,123,042.62	81.98
Shares			10,339,158.62	56.04
<i>Belgium</i>				
3,994.00	BARCO NV	EUR	477,128.90	2.59
77,848.00	KEYWARE TECHNOLOGIES SA	EUR	356,464.50	1.94
<i>Denmark</i>				
3,931.00	DSV	DKK	120,664.40	0.65
<i>Finland</i>				
5,739.00	FERRATUM	EUR	257,969.57	1.40
<i>France</i>				
2,881.00	ATOS	EUR	257,969.57	1.40
12,400.00	BIGBEN INTERACTIVE	EUR	174,953.42	0.95
3,031.00	INGENICO GROUP	EUR	174,953.42	0.95
680.00	KERING	EUR	2,106,179.76	11.41
5,800.00	PUBLICIS GROUPE	EUR	349,609.35	1.90
3,021.00	TELEPERFORMANCE SA	EUR	170,996.00	0.93
14,405.00	ZODIAC AEROSPACE SA	EUR	269,789.31	1.46
<i>Germany</i>				
7,500.00	FINTECH GROUP AG REG	EUR	267,240.00	1.45
4,295.00	STROEER OUT-OF-HOME MEDIA A	EUR	328,570.00	1.78
3,061.00	WIRECARD AG	EUR	360,858.45	1.95
<i>Italy</i>				
22,000.00	ALKEMY SPA	EUR	359,116.65	1.94
15,000.00	AQUAFIL	EUR	779,296.77	4.22
4,111.00	BIESSE	EUR	229,837.50	1.25
16,073.00	BUZZI UNICEM SPA	EUR	264,572.00	1.43
34,362.00	CERVED INFORMATION SOLUTIONS S.P.A	EUR	284,887.27	1.54
38,934.00	ENAV SPA	EUR	4,460,239.69	24.17
20,785.00	FINECOBANK	EUR	273,240.00	1.48
29,250.00	GIGLIO GROUP	EUR	189,000.00	1.02
40,000.00	IDEAMI SPA	EUR	173,895.30	0.94
87,176.00	INTESA SANPAOLO SPA	EUR	361,642.50	1.96
105,040.00	IREN S.P.A.	EUR	364,237.20	1.97
41,300.00	MONDO TV	EUR	364,237.20	1.97
23,599.00	OPENJOBMETIS AZ	EUR	175,592.34	0.95
93,190.00	PIAGGIO AND C SPA	EUR	177,399.98	0.96
7,227.00	SAES GETTERS	EUR	202,117.50	1.10
49,715.00	SAIPEM - REGISTERED	EUR	389,200.00	2.11
32,600.00	SPACTIV SPA	EUR	241,477.52	1.31
30,401.00	TECNOINVESTIMENTI SPA	EUR	262,600.00	1.42
<i>Spain</i>				
11,692.00	CIE AUTOMOTIVE SA	EUR	263,494.00	1.43
15,000.00	EUROPAC PAPELES Y CARTONES DE EUROPA SA	EUR	303,955.12	1.65
824,687.00	LIBERBANK	EUR	214,337.00	1.16
4,400.00	VIDRALA SA	EUR	172,363.95	0.93
<i>Sweden</i>				
30,777.00	SCANDIC HOTELS GROUP AB	SEK	189,215.29	1.03
<i>Switzerland</i>				
461.00	PARTNERS GROUP HLDG NAMEN AKT	CHF	324,370.00	1.76
<i>The Netherlands</i>				
1,804.00	ASML HLDG	EUR	182,101.99	0.99
Bonds			2,862,756.00	15.52
<i>Italy</i>				
1,000,000.00	ITALY 0.35 17-20 15/06S	EUR	1,189,759.97	6.45
<i>Portugal</i>				
1,300,000.00	PORTUGUESE OT'S 4.80 10-20 15/06A	EUR	283,063.32	1.53
<i>United Kingdom</i>				
350,000.00	BAT INTERNATIONAL FIN 4.875 09-21 24/02A	EUR	169,725.00	0.92
Floating rate bonds			1,910,728.00	10.36
<i>Austria</i>				
400,000.00	ERSTE GROUP BANK AG FL.R 16-XX 15/10S	EUR	364,511.65	1.98
<i>Belgium</i>				
300,000.00	KBC GROEP SUB FL.R 14-XX 19/03Q	EUR	372,460.00	2.02

XX = Perpetual

The accompanying notes form an integral part of these financial statements

ALICANTO SICAV I - Discovery Opportunities (launched on 18/09/2017)

Securities portfolio as at 31/12/17

Expressed in EUR

Quantity	Denomination	Quotation currency	Market value	% of net assets
	<i>Denmark</i>		325,590.00	1.76
300,000.00	DANSKE BANK A/S FL.R 14-XX 06/04S	EUR	325,590.00	1.76
	<i>France</i>		347,151.00	1.88
300,000.00	BNP PARIBAS SUB FL.R 15-XX 17/06S	EUR	347,151.00	1.88
	<i>Spain</i>		434,472.00	2.36
400,000.00	BBVA S5 REGS FL.R 17-XX 24/08Q	EUR	434,472.00	2.36
	Warrants, Rights		10,400.00	0.06
	<i>Italy</i>		10,400.00	0.06
8,000.00	IDEAMI SPA 17-XX	EUR	10,400.00	0.06
	Other transferable securities		549,523.00	2.98
	Floating rate bonds		544,243.00	2.95
	<i>Italy</i>		544,243.00	2.95
200,000.00	INTESA SAN PAOLO FL.R 17-XX 16/05S	EUR	217,798.00	1.18
300,000.00	UNICREDIT SPA FL.R 17-49 03/12S	EUR	326,445.00	1.77
	Warrants, Rights		5,280.00	0.03
	<i>Italy</i>		5,280.00	0.03
4,000.00	SPACTIV SPA 30.12.18 WAR	EUR	5,280.00	0.03
	Total securities portfolio		15,672,565.62	84.96

XX = Perpetual

The accompanying notes form an integral part of these financial statements

Geographical classification

Breakdown per country	% of portfolio
Italy	38.47
France	15.65
Spain	10.36
Portugal	9.28
Belgium	5.04
Germany	4.97
Denmark	3.72
Austria	3.13
United Kingdom	2.56
Sweden	2.35
Switzerland	1.68
The Netherlands	1.67
Finland	1.12
	100.00

Economical classification

Breakdown per sector	% of portfolio
Banks and credit institutions	21.77
Countries and central government	15.70
Holding and finance companies	15.05
Electronics and semiconductors	5.67
Graphic art and publishing	5.07
Internet and Internet services	4.05
Communications	3.98
Miscellaneous services	3.68
Retail trade, department stores	2.80
Transportation	2.77
Machine and apparatus construction	2.48
Packaging industries	2.38
Hotels and restaurants	2.35
Building materials and trade	2.31
Aerospace industry	2.29
Road vehicles	1.81
Utilities	1.68
Petroleum	1.21
Electrical engineering and electronics	1.10
Paper and forest products	1.08
Office supplies and computing	0.77
	100.00

ALICANTO SICAV I - Discovery Opportunities (launched on 18/09/2017)

Statement of Operations and Changes in Net Assets from 18/09/17 to 31/12/17

Expressed in EUR

Income		87,533.27
Dividends received on equity swaps		13,263.13
Net interest on bonds		53,152.05
Bank interest on cash account		77.74
Other income		39.72
Interest received on equity swaps		21,000.63
Expenses		256,131.51
Amortisation of formation expenses	Note 2	618.59
Dividends paid on equity swaps		34,664.65
Management Company fees and Investment management fees	Note 3	40,012.50
Depositary fees		2,082.07
Taxe d'abonnement	Note 5	3,285.56
Administrative expenses		2,729.38
Performance fees	Note 3	50,405.26
Domiciliation fees		1,452.05
Professional fees		5,089.50
Bank interest on overdrafts		2,787.09
Legal fees		1,751.83
Transaction fees	Note 2	32,544.58
Interest paid on equity swaps		56,439.21
Other expenses		22,269.24
Net loss from investments		-168,598.24
Net realised profit / (loss) on:		
- sales of investment securities	Note 2	-146,158.74
- equity swaps	Note 2	115,884.78
- foreign exchange	Note 2	-16,032.43
Net realised loss		-214,904.63
Movement in net unrealised appreciation / (depreciation) on:		
- investments		568,006.81
Increase in net assets as a result of operations		353,102.18
Subscription capitalisation shares		18,150,149.98
Redemption capitalisation shares		-55,270.84
Increase in net assets		18,447,981.32
Net assets at the beginning of the period		0.00
Net assets at the end of the period		18,447,981.32

ALICANTO SICAV I

**Notes to the financial statements - Schedule of derivative
instruments**

ALICANTO SICAV I

EQUITY SWAPS

The sub-fund ALICANTO SICAV I - Discovery Opportunities concluded equity swaps in which one party pays to the other the difference between the current value of an asset and its value at the contract time.

(Please refer to the Note 7 for detailed collateral information).

As at 31/12/17, outstanding equity swaps were as follows:

Currency	Quantity	Long/ Short	Denomination	Notional	Unrealised appreciation/ (depreciation) (EUR)
EUR	35,700	Short	AMPLIFON	464,358.09	0.00
GBP	64,414	Long	ARROW GLOBAL GROUP PLC	241,069.40	0.00
EUR	1,655	Short	BET AT HOME COM AG	169,602.08	0.00
EUR	5,742	Short	BIC	551,247.21	0.00
GBP	142,973	Long	BOOHOO.COM PLC	260,925.73	0.00
DKK	3,415	Short	CARLSBERG B	2,528,807.50	0.00
GBP	123,000	Long	CHARTER COURT FINANCIAL S	298,258.20	0.00
EUR	18,265	Short	CIA DE DISTRIBUCION INTEGRAL	367,091.55	0.00
GBP	255,553	Short	COBHAM PLC	322,754.92	0.00
DKK	5,500	Short	COLOPLAST B	2,701,097.30	0.00
EUR	54,923	Short	DAVIDE CAMPARI	359,196.42	0.00
GBP	6,775	Long	DECHRA PHARMACEUTICALS PLC	149,456.50	0.00
EUR	3,765	Short	EURO STOXX	1,458,151.00	0.00
GBP	159	Short	FTSE 100 INDEX	1,164,940.53	0.00
EUR	63,000	Short	GEOX	178,220.70	0.00
GBP	93,489	Long	HASTINGS GROUP HOLDINGS LTD	293,461.97	0.00
EUR	1,797	Short	ILIAD	353,776.23	0.00
GBP	39,818	Long	JUST EAT PLC	317,946.73	0.00
EUR	10,780	Short	KONE OYJ	466,127.20	0.00
EUR	7,096	Short	LUXOTTICA	346,639.60	0.00
NOK	26,035	Short	MARINE HARVEST	3,753,330.19	0.00
EUR	17,948	Short	MARR	389,651.08	0.00
GBP	40,250	Long	NEX GROUP PLC	238,663.95	0.00
CHF	2,833	Short	PANALPINA WELT	409,368.50	0.00
GBP	62,790	Long	PARAGON BANKING GROUP PLC	303,778.02	0.00
GBP	835,000	Short	PENDRAGON PLC	234,658.09	0.00
GBP	92,038	Short	PETS AT HOME GROUP PLC	160,330.20	0.00
HKD	70,778	Short	PRADA	1,902,021.94	0.00
GBP	98,900	Long	PREMIER ASSET MANAGEMENT GRO	216,567.52	0.00
EUR	7,600	Short	SALVATORE FERRAGAMO SPA	174,496.00	0.00
EUR	4,500	Short	SARTORIUS	356,247.45	0.00
EUR	27,316	Short	SES SA	384,747.73	0.00
EUR	9,350	Short	SIXT LEASING SE	179,046.89	0.00
SEK	20,780	Short	SKANSKA B	3,567,607.85	0.00
EUR	133,397	Short	SNAM SPA	557,250.93	0.00
EUR	45,000	Short	SOGEFI SPA	177,754.50	0.00
EUR	3,000	Short	TOD S	184,046.40	0.00
GBP	49,655	Long	WOOD GROUP (JOHN) PLC	334,288.08	0.00
EUR	8,241	Short	ZALANDO SE	355,179.77	0.00

As a consequence of the equity swaps reset at the end of each month, there is no unrealised appreciation or depreciation as at 31/12/17.

The counterparty of the contracts is MORGAN STANLEY AND CO INTERN PLC.

ALICANTO SICAV I

FINANCIAL FUTURES

As at 31/12/17, the following financial futures were outstanding :

ALICANTO SICAV I - Bond Euro (launched on 01/12/2016)

Quantity (purchase/(sale))	Denomination	Currency	Commitment (in EUR) (in absolute value)	Unrealised (in EUR)	Broker
Futures on interest rates					
-5	EURO BUXL FUTURE 03/18	EUR	819,300.00	15,800.00	Morgan Stanley London
				15,800.00	
Futures on bonds					
-40	EURO BUND FUTURE 03/18	EUR	6,467,200.00	58,400.00	Morgan Stanley London
				58,400.00	

ALICANTO SICAV I

Other notes to the financial statements

ALICANTO SICAV I

Other notes to the financial statements

Note 1 - General information

ALICANTO SICAV I (the “Company”) is an investment company organised under the laws of the Grand Duchy of Luxembourg as a “Société d’Investissement à Capital Variable” (SICAV) and qualifies as an undertaking for collective investment pursuant to Part I of the Luxembourg law of December 17, 2010, as amended, relating to undertakings for collective investment in transferable securities (the “Law of 2010”).

The Company was incorporated for an unlimited period of time on July 4, 2016 and is governed by the law of August 10, 1915 on commercial companies, as amended, and by the Law of 2010. The registered office of the Company is established at 5, Allée Scheffer, 2520 Luxembourg.

The Company is registered with the *Registre de Commerce et des Sociétés* of Luxembourg under number B 207600. The Articles of incorporation were published in the *Recueil Electronique des Sociétés et Associations* on July 19, 2016.

The Company has appointed Mediobanca Management Company S.A (Duemme International Luxembourg S.A changed its name on December 1, 2017 to Mediobanca Management Company S.A) authorised under chapter 15 of the Law of 2010, to serve as its designated Management Company in accordance with the Law pursuant to a management company agreement dated as at July 4, 2016 (the “Management Company Agreement”).

As at December 31, 2017, the following sub-funds are active:

	Currency
ALICANTO SICAV I - Bond Euro (launched on December 1, 2016).	EUR
ALICANTO SICAV I - Discovery Opportunities (launched on September 18, 2017)	EUR

The Company may offer the following Classes of Shares :

- Classic Class (Class C) : offered to individuals or corporate entities or professional asset managers or institutional investors;
- Institutional Class (Class I) : reserved for professional asset managers or institutional investors holding the shares as part of their own asset or acting on behalf of individual or corporate entities;
- Dedicated Class (Class P) : offered to individuals or corporate entities who are shareholders, affiliates or who work within the group of the investment manager, or to any other investor as may be decided by the Board of Directors.

Note 2 - Principal accounting methods

Presentation of the financial statements

The financial statements of the Company are prepared in accordance with the Luxembourg regulations relating to undertakings for collective investment in transferable securities and generally accepted accounting principles.

Valuation of securities

Securities and/or money market instrument listed on an official stock exchange or on any other regulated market are valued at the last known closing price. If these securities or money market instruments are traded on several markets, the valuation is made on the basis of the last known closing price on the main market on which the securities or money market instruments are listed.

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, the price as determined pursuant to above-mentioned paragraph is not representative of the fair market value of the relevant assets, the value of such assets will be based on the reasonably foreseeable sales prices determined prudently and in good faith by the Board of Directors of the Company.

Shares or units in open-ended investment funds are valued at their last available calculated net asset value per share/unit.

Equity swaps are valued at their fair value based on the underlying securities.

Combined financial statements

The combined financial statements of the Company are expressed in EUR.

The various positions of the combined financial statements of the Company are equal to the sum of the various corresponding positions in the financial statements of each sub-fund and are expressed in EUR.

Other notes to the financial statements (continued)**Note 2 - Principal accounting methods (continued)**Conversion of items expressed in foreign currencies

The Company's financial statements are expressed in EUR.

Transaction and acquisition costs denominated in foreign currencies are converted into the accounting currency of the sub-funds based on the exchange rate in force on the date of the transaction or acquisition. Assets and liabilities denominated in foreign currencies are converted into the accounting currency of the sub-funds based on the exchange rates in force at the end of the financial period. Any resulting gains or losses are recognised in the statement of operations and changes in net assets.

As at December 31, 2017, the exchange rates used were the following:

1 EUR =	1.17015	CHF
	7.4454	DKK
	0.88765	GPB
	9.38705	HKD
	9.82175	NOK
	9.83150	SEK
	1.20080	USD

Income recognition

Dividends are taken into account on the date upon which the relevant investments are first listed as ex-dividend. Interest income is accrued on a daily basis. Income is recorded net of withholding tax, if any.

Net realised profit/(loss) on sales of investment securities

The net realised profit/(loss) on sales of investment securities are determined on the basis of the average cost of the securities sold and are recorded in the statement of operations and other changes in net assets.

Financial futures

Open financial futures are valued at their last known price on the valuation date or on the closing date. The unrealised appreciation or depreciation on financial futures is disclosed in the statement of net assets.

The net realised profit/(loss) and movement in net unrealised appreciation/(depreciation) on financial futures are presented in the statement of operations and changes in net assets.

For the details of outstanding financial futures, please refer to section "Schedule of derivative instruments".

Valuation of equity swaps

An equity swap is a bilateral contract essentially between the Company (the "buyer") and his counterparty (the "seller"), whereby the buyer will receive or pay the difference between the current value of a determined underlying asset and its value at the entry in the agreement, according if its value is positive or negative.

Equity swaps are marked to market at each net asset value calculation date and the valuation follows the valuation of the underlying asset of each contract.

The unrealised appreciation or depreciation and the receivable or payable amount from realised are disclosed in the statement of net assets under "Unrealised appreciation/(depreciation) on equity swaps" and "Receivable/Payable on equity swaps". Net realised profits/(losses) and movement in net unrealised appreciation/(depreciation) as a result thereof are included in the statement of operations and changes in net assets respectively under "Net realised profit/(loss) on equity swaps" and "Movement in net unrealised appreciation/(depreciation) on equity swaps".

For the details of outstanding equity swaps, please refer to section "Schedule of derivative instruments".

Formation expenses

Expenses in connection with the incorporation of the Company are amortised on a straight line basis over a five years period.

Transaction fees

The transaction fees, i.e. fees charged by the brokers for securities transactions and similar transactions, are recorded separately in the statement of operations and other changes in net assets under the caption "Transaction fees".

ALICANTO SICAV I

Other notes to the financial statements (continued)

Note 3 - Management Company fees, Investment management fees and performance fees

The Management Company is entitled to receive a management fee of up to 0.09% per annum of the net assets of the sub-funds. The fee is calculated on the quarterly average of the total assets under management of the previous quarter. The fees is payable quarterly in arrears.

An investment management fee is payable to the Management Company in compensation for its investment management services. Such fee is payable quarterly and calculated on the average of the net assets of the sub-funds for the relevant quarter. The Management Company pays the Investment Manager an investment management fee for its investment activity out of its investment management fee.

The investment management fee applied are as follows:

ALICANTO SICAV I - Bond Euro		ALICANTO SICAV I - Discovery Opportunities	
Classes of shares	Investment Management fee	Classes of shares	Investment Management fee
C Class	0.80% per annum	I Class	1.00% per annum
I Class	0.50% per annum	P Class	0.65% per annum
P Class	0.45% per annum		

For its risk management activities, the Management Company is entitled to receive from the Company a fee of 0.025% per annum, payable quarterly and calculated on the average quarterly net asset value of the sub-funds.

The fees paid to the Management Company are subject to a global minimum of 75,000 EUR per annum (prorata for all sub-funds in proportion to their net assets).

For the sub-fund ALICANTO SICAV I - Bond Euro, the Management Company is entitled to receive a financial yearly performance fee equal to 10% (C Class) and 5% (I and P Classes) of the difference between the yearly performance of the sub-fund and that of the index, i.e. BofA Merrill Lynch 1-3 Year Euro Broad Market Index (the "Benchmark"), both calculated at the end of each financial year. The performance fee is only applicable if the sub-fund performs positively and higher than the Benchmark during the reference period.

For the sub-fund ALICANTO SICAV I - Discovery Opportunities, the Management Company is entitled to receive a financial yearly performance fee equal to 10% (P Class) and 15% (I Class) of the difference between the gross unit price of the Share of the last day of the financial year and the gross unit price of the Share of the last day of the preceding financial year above the High Water Mark (the "High Water Mark"). The High Water Mark is the highest historical Net Asset Value per Share at which a performance fee was paid.

Redemptions trigger a "crystallisation" of the performance fee, and any performance fee accrued for the relevant sub-fund at the date of redemption became payable to the Management Company, in proportion to the Shares redeemed.

Note 4 - Depositary and administration fees

As remuneration for services rendered to the Company in its respective capacities, the Depositary will receive from the Company, in accordance with market practice in Luxembourg, a variable fee, payable monthly in arrears, of maximum 0.030% per annum and calculated on the average net assets of each sub-fund. The Depositary will also charge transaction fees related to the purchase and sale of assets.

A variable fee, payable monthly in arrears, of maximum 0.050% per annum and calculated on the average net assets of each sub-fund will be charged to the Company for accounting services and NAV calculation provided to the Company, with a minimum of 30,000 EUR per Sub-Fund (the minimum will be waived for 12 months following the launch of each sub-fund. For the sub-fund ALICANTO SICAV I - Bond Euro, this waiver will be valid until December 31, 2017). The Administrative Agent will also charge transaction fees related to the subscription and redemption of shares.

Other notes to the financial statements (continued)**Note 5 - Subscription tax ("taxe d'abonnement")**

The Company is not liable to any tax in the Grand-Duchy of Luxembourg on profits or income, nor are distributions paid by the Company liable to any withholding tax in the Grand-Duchy of Luxembourg. The Company is, however, liable in the Grand-Duchy of Luxembourg to a subscription tax of 0.05% per annum of its net asset value, such tax being payable quarterly on the basis of the value of the aggregate net assets of the sub-fund at the end of the relevant calendar quarter.

However, in respect of the classes of sub-fund which are only held by institutional investors the Company is liable to the above mentioned subscription tax at a rate of 0.01% per annum of the net asset value of such class, as defined by article 174(2) of the Law of 2010.

Notes 6 - Changes in the composition of the securities portfolio

Any changes in the composition of the securities portfolio of the sub-funds during the year are available upon request at the registered office of the Company.

Note 7 - Collateral

As at December 31, 2017, the collateral received or paid which is composed of margin deposits for financial futures and collateral held or paid in order to reduce exposure on OTC derivatives is detailed as follows:

Name of sub-funds	Sub-fund currency	Counterparty	Type of collateral	Collateral amount received in EUR	Collateral amount paid in EUR	Cleared / OTC
ALICANTO SICAV I - Bond Euro	EUR	Morgan Stanley	Cash	-	880,870.82	OTC
ALICANTO SICAV I - Discovery Opportunities	EUR	Morgan Stanley	Cash	52,959.09	735,037.21	OTC

The cash accounts with collateral are combined in the Statement of net assets as those are not only collateral but excess of cash too.

Note 8 - Related party

During the year 2017 the sub-fund Alicanto SICAV I - Bond Euro invested its assets in a bond, Mediobanca 2.25 14-19 18/03A., and Mediobanca Management Company S.A. is Management Company of Alicanto SICAV I.

The Directors for their services to the Company, received EUR 32,760.00 for the period ended.

Note 9 - Subsequent events

The sub-funds ALICANTO SICAV I - Equity Alpha and ALICANTO SICAV I - Absolute return have been launched respectively on February 12, 2018 and on January 30, 2018.

ALICANTO SICAV I

Unaudited information

Securities Financing Transactions and of Reuse Regulation (“SFTR”)

ALICANTO SICAV I shall comply with disclosure requirements EU Regulation 2015/2365 on transparency of securities financing transactions and of reuse Regulation (“SFTR”) of November 2015. The Company entered into equity swap and signed an ISDA Master Agreement dated September 5, 2017 between Morgan Stanley and ALICANTO SICAV I.

EQUITY SWAPS	ALICANTO SICAV I - Discovery Opportunities
Assets used	<i>In EUR</i>
In absolute terms ¹	0.00
As a % of total net asset value	0.00%
Transactions classified according to residual maturities	<i>In EUR</i>
Less than 1 day	-
From 1 day to 1 week	-
From 1 week to 1 month	-
From 1 month to 3 months	-
From 3 months to 1 year	-
Above 1 year	-
Open maturity	-
The 10 largest counterparties	<i>In EUR</i>
First name	Morgan Stanley
Gross volumes for open trades	-
First country of domicile	-
Collateral received	<i>In EUR</i>
Type	-
Quality	-
Currency	-
Classification according to residual maturities:	
Less than 1 day	-
From 1 day to 1 week	-
From 1 week to 1 month	-
From 1 month to 3 months	-
From 3 months to 1 year	-
Above 1 year	-
Open maturity	52,959.09
The 10 largest issuers of collateral received	<i>In EUR</i>
First name	Morgan Stanley
Amount	52,959.09
Revenue and expenditure components	<i>In EUR</i>
<i>Revenue component of the fund:</i>	
In absolute amount	150,148.54
In % of gross revenue	100%
<i>Expenditure component of the fund</i>	91,103.86

¹ As a consequence of the equity swaps prices reset at the end of each month, there is no unrealised appreciation or depreciation as at December 31, 2017.

Unaudited information (continued)**Global exposure calculation method**

As required by Circular CSSF 11/512, the Board of Directors needs to determine the global risk exposure of the Company either by applying the commitment approach or the Value-at-Risk approach (VaR).

The global exposure of the sub-fund ALICANTO SICAV I - Bond Euro is calculated based on the commitment approach in accordance with the methodology described in the ESMA's guidelines 10-788.

The sub-fund ALICANTO SICAV I - Discovery Opportunities uses the absolute (VaR) approach in order to monitor and measure the global exposure and is limited to a maximum of 20% of net asset value.

The internal limit is set at 6.75 % (the regulatory limit is 20 %).

The utilization of the VaR limits during the financial year 2017 was as follows:

	Internal threshold (6.75 %)	Regulatory limit (20 %)
Lowest utilization	23.93 %	8.08 %
Highest utilization	45.74 %	15.44 %
Average utilisation	36.21 %	12.22 %

The VaR figures calculated are based on the following data:

- Model used: Historical VaR
- Confidence level: 99 %
- Holding period: 20 days
- Length of data history: 252 days

UCITS V: Remuneration disclosure

ALICANTO SICAV I adopts the Remuneration Policy of the Mediobanca Management Company S.A. (the "Management Company"). The Remuneration Policy is aimed at ensuring that any relevant conflicts of interest can be managed appropriately at all times and sets out practices for those categories of staff, including senior management, risk takers, control functions, and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profile of the sub-funds, that are consistent with and promote sound and effective risk management and do not encourage risk-taking which is inconsistent with the risk profiles, rules or instruments of incorporation of those sub-funds.

This Remuneration Policy is in line with the business strategy, objectives, values and interests of the Management Company, the Funds under management and the investors in those Funds and includes measures to avoid conflicts of interest. In addition, the remuneration policy adopted applies the principles laid out under the UCITS Directive.

Identified staff

The UCITS Directive requires the Management Company to identify the categories of staff whose professional activities have a material impact on the risk profiles of the Sub-funds.

As of December 31, 2017 the identified staff for the purpose of this Remuneration Policy is composed by Mr. Fabio Gabriele and Mr. Fabio Ventola as Conducting Officers of Mediobanca Management Company S.A., Mr. Stefano Biondi as Board Member of Mediobanca Management Company S.A., Mr. Georges Gudenburg and Mr. Giovanni Lainati as Independent Members of the Board of Mediobanca Management Company S.A., and Mrs. Elena Gabriele as in charge of the Internal Audit but employed by the Parent Company (Mediobanca S.p.A.).

Unaudited information (continued)

Structure of remuneration

1. Fixed remuneration
2. Variable remuneration

The Management Company dedicates itself to collective asset management by managing a fund portfolio. Therefore, the variable component is predominantly established on a quantitative basis according to the actual profitability of the Management Company, taking into account any risk alignments.

The amount of individual bonuses may vary at the discretion of the management, according to assessments made regarding compliance with the business model, the attainment of targets and the absence of any critical situations or other prejudicial factors (i.e. in relation to Risks, Compliance and Anti-Money Laundering and Human Resources).

To measure performance, this discretion will be accompanied by a performance measurement system introduced at the start of each financial year in line with the allocated budget. The system will be quantitative and qualitative in nature and will consider corrective elements linked to the areas of compliance referred to above. The guidelines for the incentive scheme are determined in accordance with the policies of Mediobanca Group.

For the Management Company fiscal semi-annual period ending December 31, 2017, the aggregate total remuneration paid by the Management Company to all its staff amounted to EUR 11,083.60 , of which EUR 1,926.66 represented by variable remuneration.

The Management Company employed an average of 6 staff (full time equivalent) during this period.

The aggregate total remuneration paid by the Management Company to the identified staff amounted to EUR 5,568.15.

Please further note that this remuneration was calculated in proportion of the net assets of the fund out of the assets of all the funds under the governance of Mediobanca Management Company SA.

The details about the remuneration policy are available free of charge upon request to the Management Company of the Fund.