

COELI SICAV II  
Société d'Investissement à Capital Variable

Audited Annual Report  
For the year ended 31 December 2016

R.C.S. Luxembourg B 185579

## Coeli SICAV II

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## Coeli SICAV II

### Management and Administration

#### Registered Office

11-13, boulevard de la Foire  
L-1528 Luxembourg  
Grand Duchy of Luxembourg

#### Directors

##### Chairman:

Mr. Paul Guillaume  
Independent Director  
Altra Partners S.A.  
370, route de Longwy  
L-1940 Luxembourg  
Grand Duchy of Luxembourg

##### Members:

Mr. Stefan Renno  
Independent Director  
Quadra s.a.r.l  
12, rue Roger Frisch  
L-4956 Hautcharage  
Grand Duchy of Luxembourg

Ms. Kristin Sterner  
Senior Operations Manager  
Coeli Asset Management AB  
Sveavögen, 24-26  
11157 Stockholm  
Sweden

Mr. Lukas Lindkvist  
Chief Executive Officer  
Coeli Asset Management AB  
Sveavögen, 24-26  
11157 Stockholm  
Sweden

#### Alternative Investment Fund Manager

MDO Management Company S.A.  
19, rue de Bitbourg  
L-1273 Luxembourg  
Grand Duchy of Luxembourg

#### Directors of the Alternative Investment Fund Manager

##### Chairman:

Géry Daeninck  
Independent Management Consultant

##### Members:

Martin Peter Vogel  
Chief Executive Officer  
MDO Management Company S.A.

John Li How Cheong  
Independent Management Consultant

Garvan Rory Pieters  
Independent Management Consultant

Yves Wagner  
Independent Management Consultant

## Coeli SICAV II

### Management and Administration (continued)

#### **Depositary and Principal Paying Agent**

RBC Investor Services Bank S.A.  
14, Porte de France  
L-4360 Esch-sur-Alzette  
Grand Duchy of Luxembourg

#### **Central Administration, Domiciliary Agent and Registrar and Transfer Agent**

RBC Investor Services Bank S.A.  
14, Porte de France  
L-4360 Esch-sur-Alzette  
Grand Duchy of Luxembourg

#### **AUDITOR**

PricewaterhouseCoopers, Société coopérative  
2, rue Gerhard Mercator  
L-2182 Luxembourg  
Grand Duchy of Luxembourg

#### **LEGAL ADVISER**

Elvinger, Hoss & Prussen  
2, place Winston Churchill  
L-1340 Luxembourg  
Grand Duchy of Luxembourg

#### **INVESTMENT MANAGER**

Coeli Asset Management AB  
Sveavägen 24-26  
11157 Stockholm, Sweden

# Coeli SICAV II

## General Information

### 1. FINANCIAL YEAR

The financial year of the Fund starts each year on 1 January and ends on the last day of December of each year. The first financial year began on the date of the incorporation of the Fund and ended on 31 December 2014.

### 2. MEETINGS

The annual general meeting of shareholders of the Fund is held at the registered office on the last Wednesday of the month of April each year at 2.00 p.m. (Luxembourg time) or, if such day is not a Business Day, on the next following Business Day.

### 3. PERIODIC REPORTS

The Fund publishes annually a detailed audited report on its activities and on the management of its assets; such report shall include, inter alia, the combined accounts relating to all the Sub-Funds, a detailed description of the assets of each Sub-Fund and a report from the Auditor. The Fund shall further publish semi-annual unaudited reports, including, inter alia, a description of the investments underlying the portfolio of each Sub-Fund and the number of Shares issued and redeemed since the last publication.

The aforementioned documents may be obtained free of charge by any person at the registered office of the Fund.

### 4. PORTFOLIO MOVEMENTS

A detailed schedule of portfolio movements for each Sub-Fund is available free of charge upon request at the registered office of the Fund.

### Report on Activities

In 2016 the Fund had two sub-funds. The following sub-funds are open for investments: Strategy Defensive and Prognosis Machines. We aim to launch a third sub-fund, a global macro fund, within the Fund during 2017. We stick to our philosophy of actively managed funds and believe that this will attract investors. We also continue discussing with new investment management teams that share our philosophy, to launch new sub-funds and raise capital in the Fund.

Although 2016 began with a major fall on the global stock markets (MSCI World), overall the year ended in positive territory. Over the year 2016 the global equity index (MSCI World) and Sweden (SIX PRX) increased plus 15.54 percent and 9.65 percent respectively, in Swedish kronor. The emerging markets index (MSCI Emerging Markets) also showed a good performance during the same period, plus 19.49 percent.

The sharp downwards trend of the markets in the first months of the year was as a combination of events that broke the camel's back. Doubts increased regarding the growth outlook in the Chinese economy, the sustainability of the earnings of American companies, the slowing US industrial production and the impact of a strong dollar's on the emerging market economies were some of the underlying factors of the correction in the stock prices. The expectations of lower global growth, speculative positions and increased supply caused oil prices to fall below \$ 30 per barrel. Strong monetary policy measures by the People's Bank of China (PBoC) helped stabilize the Chinese economy. Increasing positive economic news on the US economy reduced fears that the US economy would face a recession. In March the ECB cut interest rate down to zero and the deposit rate down to minus 0.4 percent, while they at the same time increased the monthly bond purchases program. This spurred a recovery and gave further support to the global stock markets. At the end of the year, oil prices stabilized at higher levels than at the beginning of the year, which mainly was driven by the supply side as OPEC reached an agreement on the reduction of the oil production. The latter part of the first half of the year was completely dominated by the EU referendum (BREXIT) held in Britain on June 23rd. Although opinion polls before the election indicated a relatively even count, the election result came as a surprise to many. The market participants had underestimated the likelihood of a Brexit, which resulted in stock markets falling sharply when the result was announced. It was especially in the currency markets that large price movements occurred, the pound was harshly punished, falling by some twenty percent towards the USD and the EURO. The fall in global stock markets, however, was short-lived and by the end of June, the markets had nearly recovered to the levels seen before the election. The economic impact of Brexit was perceived to be relatively limited to the UK, even though the political uncertainty in the EU had substantially increased. The global interest rates fell and the ten-year German government bonds were recorded at negative levels. Expectations of increased financial stimulus from central banks, lower interest rates and a more restrained Fed contributed to the rapid recovery of the stock exchanges and led to a continued positive trend for equities and risky assets.

The US presidential election came to play a key role in the development of the global equity and fixed income markets during the latter part of the year. Opinion polls were showing a large and easy win of the Democrat candidate so that the election result came as a big surprise to the market participants. However the large fall in the stock markets were even more short-lived as for the Brexit, Trump's speeches promoting investments in infrastructure and tax cuts for businesses and households influenced the markets positively. After the US presidential election, the global stock markets came to reflect a positive market sentiment in general. The "strength" can however not solely be attributed to the "Trump effect". Even before the elections, GDP figures had started to improve both in the US and Europe, albeit at low levels. The US labor market has continued to improve, the Chinese economy seems to have stabilized, and furthermore the ECB is expected to continue its expansive monetary policy. These have also been the major contributing factors for the emerging markets (MSCI Emerging Markets) outperforming the developed markets (MSCI World). At the end of the year another important trend shift was recorded when the long trend of interest rate cuts and expanded stimulus package, mainly seemed to be coming to an end. The Fed started to raise the interest rate and the ECB decided to reduce the amount of the monthly bond purchases, even if the term of the action was extended. Expectations of higher inflation and higher interest rates also came to favor the banking sector as their interest margins were expected to increase.

Similar to 2015, 2016 was a year when the central banks and the political agenda set the tone for the market sentiment and was key for the performance of the global stock markets. 2016 was perhaps above all, a year of political surprises for the investor community, which misjudged the outcome of both the referendum in the UK and the US presidential elections. Notable was also how quickly each time the stock markets recovered from their initial losses. The recovery took only a few days for Brexit and only a few hours after the election of Mr. Trump as the new President of the United States had been announced. Large fluctuations in the currency and interest rate markets, rapidly changing market conditions and large sector rotations were also something investors had to take into account. As a conclusion, 2016 happened to be a positive year for the global equity markets. However, the year was characterized by periods of high volatility which translated in large price movements but at the end of the year the risk appetite among investors was back and the US stock market (S&P 500) was approaching historically high levels. The outlook for corporate earnings growth in the US and in the Euro zone pointed in a positive direction for the fourth quarter, but questions about sales growth still remained.

#### Performance of the sub-funds

The Strategy Defensive Sub-Fund (Class W Shares (SEK)) had a positive performance of 1.65% during 2016. The Prognosis Machines Sub-Fund (Class I Shares (SEK)) had a negative performance of -8.28%. Neither of the sub-funds have a benchmark.

1 March 2017

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



## Audit Report

To the Shareholders of  
**COELI SICAV II**

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We have audited the accompanying financial statements of COELI SICAV II and of each of its Sub-Funds, which comprise the Statement of Net Assets and the Statement of Investments as at 31 December 2016 and the Statement of Operations and Changes in Net Assets for the year then ended, and a summary of significant accounting policies and other explanatory notes to the financial statements.

### *Responsibility of the Board of Directors of the SICAV for the financial statements*

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

### *Responsibility of the "Réviseur d'entreprises agréé"*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier". Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the judgment of the "Réviseur d'entreprises agréé", including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the "Réviseur d'entreprises agréé" considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors of the SICAV, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements give a true and fair view of the financial position of COELI SICAV II and of each of its Sub-Funds as of 31 December 2016, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements.

### **Other information**

The Board of Directors of the SICAV 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 audit report thereon.

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

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T: +352 494848 1, F:+352 494848 2900, [www.pwc.lu](http://www.pwc.lu)

Cabinet de révision agréé. Expert-comptable (autorisation gouvernementale n°10028256)  
R.C.S. Luxembourg B 65 477 - TVA LU25482518



## Audit Report (continued)

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

PricewaterhouseCoopers, Société coopérative  
Represented by

Luxembourg, 25 April 2017

A handwritten signature in black ink, appearing to read 'Thierry Blondeau', with a long, sweeping horizontal stroke extending to the right.

Thierry Blondeau



## Coeli SICAV II

### Statement of Net Assets as at 31 December 2016

|   | Note    | Prognosis<br>Machines<br>USD | Strategy<br>Defensive<br>SEK | Consolidated<br>EUR |
|---|---------|------------------------------|------------------------------|---------------------|
| <b>ASSETS</b>   |         |                              |                              |                     |
| Investments in securities at market value               | (2)     | -                            | 109,473,132                  | 11,455,975          |
| Cash at bank  | (11)    | 12,774,430                   | 8,063,589                    | 12,952,290          |
| Amounts receivable on subscriptions                     |         | 5,398                        | -                            | 5,117               |
| Interest receivable                                     |         | 358                          | -                            | 339                 |
| Formation expenses                                      | (2i)    | 8,833                        | 273,713                      | 37,016              |
| Prepaid expenses  |         | -                            | 30,329                       | 3,174               |
| Unrealised profit on forward foreign exchange contracts | (2),(9) | 1,503,927                    | -                            | 1,425,523           |
| <b>TOTAL ASSETS</b>                                     |         | <b>14,292,946</b>            | <b>117,840,763</b>           | <b>25,879,434</b>   |
| <b>LIABILITIES</b>                                      |         |                              |                              |                     |
| Bank overdraft  |         | 1,755,532                    | -                            | 1,664,011           |
| Amounts payable on redemptions                          |         | 12,345                       | 352,629                      | 48,603              |
| Unrealised loss on futures                              | (10)    | 160,302                      | -                            | 151,945             |
| Management company fees payable                         | (5)     | 2,257                        | 21,683                       | 4,408               |
| Investment management fees payable                      | (4)     | 18,716                       | 114,387                      | 29,710              |
| Taxes and expenses payable                              | (3)     | 25,814                       | 324,697                      | 58,447              |
| <b>TOTAL LIABILITIES</b>                                |         | <b>1,974,966</b>             | <b>813,396</b>               | <b>1,957,124</b>    |
| <b>TOTAL NET ASSETS</b>                                 |         | <b>12,317,980</b>            | <b>117,027,367</b>           | <b>23,922,310</b>   |
| <b>Net asset value per share</b>                        |         |                              |                              |                     |
| Class I Shares (SEK)                                    |         | 92.69                        | -                            |                     |
| Class I Shares (USD)                                    |         | 89.48                        | -                            |                     |
| Class R Shares (SEK)                                    |         | 91.92                        | 102.12                       |                     |
| Class W Shares (SEK)                                    |         | -                            | 101.52                       |                     |
| <b>Number of shares outstanding</b>                     |         |                              |                              |                     |
| Class I Shares (SEK)                                    |         | 239,603.53                   | -                            |                     |
| Class I Shares (USD)                                    |         | 8,684.56                     | -                            |                     |
| Class R Shares (SEK)                                    |         | 899,034.57                   | 963,157.54                   |                     |
| Class W Shares (SEK)                                    |         | -                            | 183,933.22                   |                     |

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

## Coeli SICAV II

### Statement of Operations and Changes in Net Assets for the year ended 31 December 2016

|  | Note      | Prognosis<br>Machines<br>USD | Strategy<br>Defensive<br>SEK | Consolidated<br>EUR |
|--|-----------|------------------------------|------------------------------|---------------------|
| <b>NET ASSETS AT THE BEGINNING OF THE YEAR</b>                           |           | <b>13,462,753</b>            | <b>175,291,173</b>           | <b>31,490,274</b>   |
| <b>INCOME</b>  |           |                              |                              |                     |
| Dividends  |           | -                            | 13,910                       | 1,456               |
| Bank interest  | (2)       | 4,890                        | -                            | 4,635               |
| Other income   |           | -                            | 148,657                      | 15,556              |
| <b>TOTAL INCOME</b>  |           | <b>4,890</b>                 | <b>162,567</b>               | <b>21,647</b>       |
| <b>EXPENSES</b>  |           |                              |                              |                     |
| Investment management fees   | (4)       | 256,413                      | 1,658,211                    | 416,571             |
| Management company fees  | (5)       | 7,352                        | 103,423                      | 17,792              |
| Performance fees   | (7)       | 250,888                      | -                            | 237,809             |
| Depositary bank commission   | (6)       | 11,344                       | 410,726                      | 53,734              |
| Domiciliation, administration and transfer agent fees                    | (6)       | 8,999                        | 289,603                      | 38,836              |
| Audit fees, printing and publishing expenses                             |           | 9,430                        | 171,054                      | 26,839              |
| Taxe d'abonnement  | (3)       | 5,669                        | 32,599                       | 8,785               |
| Bank charges   | (8)       | 139,360                      | 322,398                      | 165,833             |
| Bank interest  |           | 19,059                       | 52,356                       | 23,544              |
| Amortisation of formation expenses                                       | (2i)      | 2,064                        | 104,943                      | 12,938              |
| Other charges  |           | 53,925                       | 531,895                      | 106,774             |
| <b>TOTAL EXPENSES</b>  |           | <b>764,503</b>               | <b>3,677,208</b>             | <b>1,109,455</b>    |
| <b>NET LOSS FROM INVESTMENTS</b>   |           | <b>(759,613)</b>             | <b>(3,514,641)</b>           | <b>(1,087,808)</b>  |
| Net realised (loss) on sale of investments                               | (2),(11)  | -                            | (277,183)                    | (29,006)            |
| Net realised (loss) on forward foreign exchange contracts                | (11)      | (1,609,596)                  | -                            | (1,525,683)         |
| Net realised (loss) on futures   | (11)      | (1,385,082)                  | -                            | (1,312,874)         |
| Net realised gain / (loss) on foreign exchange                           | (2)       | (26,316)                     | 11,831                       | (23,706)            |
| <b>NET REALISED LOSS</b>   |           | <b>(3,780,607)</b>           | <b>(3,779,993)</b>           | <b>(3,979,077)</b>  |
| Change in net unrealised appreciation/(depreciation) on investments      |           | -                            | 5,323,086                    | 557,042             |
| forward foreign exchange contracts                                       | (9),(11)  | 1,396,442                    | -                            | 1,323,642           |
| futures  | (10),(11) | (129,802)                    | -                            | (123,035)           |
| <b>NET INCREASE / (DECREASE) IN NET ASSETS AS A RESULT OF OPERATIONS</b> |           | <b>(2,513,967)</b>           | <b>1,543,093</b>             | <b>(2,221,428)</b>  |
| <b>EVOLUTION OF THE CAPITAL</b>  |           |                              |                              |                     |
| Issue of shares  |           | 11,308,639                   | 11,830,562                   | 11,957,115          |
| Redemption of shares   |           | (9,939,445)                  | (71,637,461)                 | (16,917,881)        |
| Currency translation   |           | -                            | -                            | (385,770)           |
| <b>NET ASSETS AT THE END OF THE YEAR</b>                                 |           | <b>12,317,980</b>            | <b>117,027,367</b>           | <b>23,922,310</b>   |

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

## Coeli SICAV II

### Statement of Changes in the Number of Shares for the year ended 31 December 2016

|   | Prognosis<br>Machines | Strategy<br>Defensive |
|---|-----------------------|-----------------------|
| <b>Class I Shares (SEK)</b>                               |                       |                       |
| Number of shares outstanding at the beginning of the year | 619,050.20            | -                     |
| Number of shares issued                                   | 13,277.53             | -                     |
| Number of shares redeemed                                 | (392,724.20)          | -                     |
| Number of shares outstanding at the end of the year       | 239,603.53            | -                     |
| <b>Class I Shares (USD)</b>                               |                       |                       |
| Number of shares outstanding at the beginning of the year | -                     | -                     |
| Number of shares issued                                   | 8,684.56              | -                     |
| Number of shares redeemed                                 | -                     | -                     |
| Number of shares outstanding at the end of the year       | 8,684.56              | -                     |
| <b>Class R Shares (SEK)</b>                               |                       |                       |
| Number of shares outstanding at the beginning of the year | 504,544.79            | 1,355,535.08          |
| Number of shares issued                                   | 849,324.97            | 116,688.01            |
| Number of shares redeemed                                 | (454,835.19)          | (509,065.55)          |
| Number of shares outstanding at the end of the year       | 899,034.57            | 963,157.54            |
| <b>Class W Shares (SEK)</b>                               |                       |                       |
| Number of shares outstanding at the beginning of the year | -                     | 384,866.68            |
| Number of shares issued                                   | -                     | -                     |
| Number of shares redeemed                                 | -                     | (200,933.46)          |
| Number of shares outstanding at the end of the year       | -                     | 183,933.22            |

### Statistical Information

|   | Prognosis<br>Machines<br>USD | Strategy<br>Defensive<br>SEK |
|---|------------------------------|------------------------------|
| <b>Total Net Asset Value</b>                |                              |                              |
| 31 December 2016                            | 12,317,980                   | 117,027,367                  |
| 31 December 2015                            | 13,462,753                   | 175,291,173                  |
| 31 December 2014                            | -                            | 61,714,845                   |
| <b>NAV per share at the end of the year</b> |                              |                              |
| <b>31 December 2016</b>                     |                              |                              |
| Class I Shares (SEK)                        | 92.69                        | -                            |
| Class I Shares (USD)                        | 89.48                        | -                            |
| Class R Shares (SEK)                        | 91.92                        | 102.12                       |
| Class W Shares (SEK)                        | -                            | 101.52                       |
| <b>31 December 2015</b>                     |                              |                              |
| Class I Shares (SEK)                        | 101.06                       | -                            |
| Class R Shares (SEK)                        | 100.96                       | 100.96                       |
| Class W Shares (SEK)                        | -                            | 99.87                        |
| <b>31 December 2014</b>                     |                              |                              |
| Class R Shares (SEK)                        | -                            | 101.20                       |
| Class W Shares (SEK)                        | -                            | 99.61                        |

## Coeli SICAV II

### Strategy Defensive

#### Statement of Investments as at 31 December 2016

(expressed in SEK)

| Description  | Quantity | Currency | Cost               | Market Value       | % net assets |
|--|----------|----------|--------------------|--------------------|--------------|
| <b>Investment Funds</b>                                |          |          |                    |                    |              |
| <b>Ireland</b>   |          |          |                    |                    |              |
| Fundlo Ipm Smu -B- Sek /Cap                            | 959      | SEK      | 10,034,942         | 10,365,693         | 8.86         |
| Fundlo Ipm Smu -I- Sek /Cap                            | 19       | SEK      | 200,288            | 197,505            | 0.17         |
| Jo Hambro /Eur. Sel. Val -Ins-                         | 24,029   | EUR      | 777,006            | 794,032            | 0.68         |
| Lm Brw Gl Fi Ar -P- Sek Cap                            | 46,073   | SEK      | 4,600,535          | 4,371,893          | 3.73         |
| Lm Oppor Usd -Prm- Ac Accum                            | 1,430    | USD      | 2,202,010          | 2,317,164          | 1.98         |
| Lm W Ass Macro Opp P Sekh Cap                          | 90,818   | SEK      | 9,069,923          | 9,376,021          | 8.01         |
|  |          |          | <b>26,884,704</b>  | <b>27,422,308</b>  | <b>23.43</b> |
| <b>Luxembourg</b>                                      |          |          |                    |                    |              |
| Coeli SICAV I Frontier Markets Fund - I SEK - Cap      | 19,378   | SEK      | 2,219,541          | 2,590,635          | 2.21         |
| Coeli SICAV I Global Select Fund - I SEK - Cap         | 42,477   | SEK      | 5,011,737          | 5,799,413          | 4.96         |
| Coeli SICAV I Nordic Corporate Bond Fund - I SEK - Cap | 81,615   | SEK      | 8,169,967          | 8,752,419          | 7.48         |
| Coeli SICAV I Sweden Fund - I SEK - Cap                | 70,399   | SEK      | 7,800,707          | 8,630,977          | 7.37         |
| Coeli SICAV I US Equity - I SEK - Cap                  | 15,046   | SEK      | 1,904,396          | 2,499,062          | 2.14         |
| Coeli SICAV II Prognosis Machines - I SEK - Cap        | 51,964   | SEK      | 5,186,755          | 4,841,965          | 4.14         |
| Dnb Fund Tmt Ar Ac Unit -A /Cap                        | 8,326    | SEK      | 9,486,463          | 10,487,238         | 8.96         |
| Jpmf Em Mkt Sm Ic -I- Usd Cap                          | 2,740    | USD      | 3,009,775          | 2,814,461          | 2.40         |
| Macq Asia New Stars -C- Sek /Cap                       | 17,794   | SEK      | 3,187,588          | 2,904,971          | 2.48         |
| Norron Alpha -Sc- Sek/Cap                              | 49,224   | SEK      | 5,019,855          | 5,081,384          | 4.34         |
| Rat As Mgt Eq L/S -Rc (Sek) -Cap                       | 49,977   | SEK      | 5,068,555          | 5,145,498          | 4.40         |
|  |          |          | <b>56,065,339</b>  | <b>59,548,023</b>  | <b>50.88</b> |
| <b>Sweden</b>  |          |          |                    |                    |              |
| Ekvator Likviditetsstrategi                            | 552,756  | SEK      | 5,976,711          | 6,133,985          | 5.24         |
| Lynx Dynamic — Units                                   | 46,763   | SEK      | 6,345,388          | 5,592,155          | 4.78         |
| Norrsken   | 890,560  | SEK      | 10,344,708         | 10,776,661         | 9.21         |
|  |          |          | <b>22,666,807</b>  | <b>22,502,801</b>  | <b>19.23</b> |
| <b>Total Investment Portfolio</b>                      |          |          | <b>105,616,850</b> | <b>109,473,132</b> | <b>93.54</b> |

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

## Coeli SICAV II

### Strategy Defensive

#### Geographical and Economic Portfolio Breakdowns as at 31 December 2016

(expressed in percentage of net assets)

| <b>Geographical breakdown</b> | <b>% of net assets</b> |
|-------------------------------|------------------------|
| Luxembourg                    | 50.88                  |
| Ireland                       | 23.43                  |
| Sweden                        | 19.23                  |
|                               | <b>93.54</b>           |

| <b>Economic breakdown</b> | <b>% of net assets</b> |
|---------------------------|------------------------|
| Investment Funds          | 93.54                  |
|                           | <b>93.54</b>           |

## Coeli SICAV II

### Notes to the Financial Statements as at 31 December 2016

#### NOTE 1 – ORGANISATION OF THE FUND

The Fund is an open-ended investment Fund with variable capital incorporated under the laws of the Grand Duchy of Luxembourg as a Société d'Investissement à Capital Variable ("SICAV").

The Fund is registered under the part II of the Luxembourg law of 17/12/2010. The Fund is an AIF.

The Fund has been incorporated on 6 March 2014 for an unlimited period. The Articles have been published on 3 April 2014 in the Mémorial C, Recueil des Sociétés et Associations (the "Mémorial C").

The Fund is an umbrella Fund and as such provides investors with the choice of investment in a range of several separate Sub-Funds each of which relates to a separate portfolio of liquid assets and other securities and assets permitted by law with specific investment objectives, as described in Part B of the Prospectus.

The reference currency of the Fund is expressed in Euro.

At 31 December 2016, the Fund is comprised of the following Sub-Funds:

- Coeli SICAV II – Prognosis Machines (in USD)
- Coeli SICAV II – Strategy Defensive (in SEK)

Within the Sub-Fund Prognosis Machines, shares are available in the form of Class I Shares and R Shares. Shares of Class R and I are capitalization shares. Class R Shares and Class I Shares are issued in the following currencies: SEK, EUR and USD. Shares of Class R are issued to all types of investors. Shares of Class I are issued to institutional investors.

Within the Sub-Fund Strategy Defensive, shares are available in the form of Class R Shares and Class W Shares. Shares of Class R and Class W shares are capitalization shares. Class R Shares and Class W Shares are issued in the following currency: SEK. Shares of Class R are issued to all types of investors. Shares of Class W are issued to Wealth Management Clients.

The Net Asset Value per Share of each Class and the issue and redemption prices per Share of each Class within the relevant Sub-Fund may be obtained during business hours at the registered office of the Fund.

The Board of Directors has appointed MDO Management Company S.A. as the Fund's external alternative investment Fund manager within the meaning of article 88-2 (2) a) of the Law.

#### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are prepared in accordance with Luxembourg legal and regulatory requirements relating to Investment Funds.

The Net Asset Value per Share of each Class within the relevant Sub-Fund is expressed in the unit currency of such Class or in the Reference Currency of the Sub-Fund and is determined as of any Valuation Day by dividing the net assets of the Fund attributable to the relevant Class within the relevant Sub-Fund, being the value of the portion of assets less the portion of liabilities attributable to such Class within such Sub-Fund, as of any such Valuation Day, by the number of Shares then outstanding, in accordance with the valuation rules set forth below. The Net Asset Value per Share may be rounded up or down to the nearest tenth of a unit of the relevant currency as the Fund shall determine. If since the time of determination of the Net Asset Value there has been a material change in the quotations in the markets on which a substantial portion of the investments attributable to the relevant Sub-Fund are dealt in or quoted, the Fund may, in order to safeguard the interests of the shareholders and the Fund, cancel the first valuation and carry out a second valuation for all applications received on the relevant Valuation Day.

The value of such assets shall be determined as follows:

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

## Coeli SICAV II

### Notes to the Financial Statements (continued) as at 31 December 2016

#### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

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

Credit default swaps will be valued at their present value of future cash flows by reference to standard market conventions, where the cash flows are adjusted for default probability. Interest rate swaps will be valued at their market value established by reference to the applicable interest rates' curve. Other swaps will be valued at fair market value as determined in good faith pursuant to the procedures established by the board of directors and recognised by the auditor of the Fund.

f) Units or shares of open-ended underlying Funds will be valued at their last determined and available net asset value or, if such price is not representative of the fair market value of such assets, then the price shall be determined by the Board of Directors on a fair and equitable basis and in good faith.

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

h) Money market instruments held by the Fund with a remaining maturity of ninety days or less will be valued by the amortized cost method which approximates market value.

The value of all assets and liabilities not expressed in the Reference Currency of a Sub-Fund will be converted into the Reference Currency of such Sub-Fund at rates last quoted by any major bank. If such quotations are not available, the rate of exchange will be determined in good faith by or under procedures established by the Board of Directors.

The Board of Directors, in its discretion, may permit some other method of valuation to be used if it considers that such valuation better reflects the fair value of any asset of the Fund.

The investments made by certain Sub-Funds of the SICAV in other Sub-Funds of the SICAV have not been eliminated from the combined statement of net assets as of 31 December 2016. As of 31 December 2016, the total of intra-SICAV investments amounted to EUR 506,694. Therefore the combined net assets at the closing date would amount to EUR 23,415,616 if these intra-SICAV investments were deducted from the combined figures.

| <b>Sub-Fund</b>    | <b>Intra-SICAV investments</b>                | <b>Amount (SEK)</b> |
|--------------------|---|---------------------|
| Strategy Defensive | Coeli SICAV II Prognosis Machines -I Sek -Cap | 4,841,965           |

The combined accounts of the Fund are maintained in Euro.

## Coeli SICAV II

### Notes to the Financial Statements (continued) as at 31 December 2016

#### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Exchange rates used at 31 December 2016 are the following:

|         |               |     |         |           |     |
|---------|---------------|-----|---------|-----------|-----|
| 1 EUR = | 1.459097      | AUD | 1 EUR = | 9.083943  | NOK |
| 1 EUR = | 1.416549      | CAD | 1 EUR = | 1.516894  | NZD |
| 1 EUR = | 1.072565      | CHF | 1 EUR = | 3.541112  | PEN |
| 1 EUR = | 27.021491     | CZK | 1 EUR = | 52.300219 | PHP |
| 1 EUR = | 0.852043      | GBP | 1 EUR = | 4.408047  | PLN |
| 1 EUR = | 309.062413    | HUF | 1 EUR = | 64.423545 | RUB |
| 1 EUR = | 14,212.582510 | IDR | 1 EUR = | 9.555986  | SEK |
| 1 EUR = | 4.050137      | ILS | 1 EUR = | 1.523789  | SGD |
| 1 EUR = | 71.622538     | INR | 1 EUR = | 37.747321 | THB |
| 1 EUR = | 123.176577    | JPY | 1 EUR = | 3.714449  | TRY |
| 1 EUR = | 1,269.554750  | KRW | 1 EUR = | 34.182222 | TWD |
| 1 EUR = | 21.759306     | MXN | 1 EUR = | 1.055000  | USD |

i) Expenses incurred in connection with the incorporation of the Fund and the creation of the first Sub-Fund, including those incurred in the preparation and publication of the first Prospectus, the taxes, duties and any other publication expenses are estimated at EUR 76,000. At 31 December 2016, the net book value of formation expenses for the Sub-Fund Prognosis Machines is 8,833 USD and for the Sub-Fund Strategy Defensive is 273,713 SEK. These expenses are borne by the Fund and are amortized over a period of five years. The amortisation started when the invoices are received.

j) Dividends are recorded as income on ex-dividend date. Interest is accrued on a daily basis.

#### NOTE 3 – TAXATION

The Fund is currently not liable to any Luxembourg tax on profits or income, nor are distributions paid by the Fund liable to any Luxembourg withholding tax. The Fund is, however, liable in Luxembourg to a tax ("taxe d'abonnement") 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-Funds at the end of the relevant calendar quarter. However such rate may be decreased to 0.01% per annum of their Net Asset Value for specific Classes of Shares reserved to institutional investors in a Sub-Fund as specified in Part B of the Prospectus. In case some Sub-Funds are invested in other Luxembourg investment Funds, which in turn are subject to the subscription tax provided for by the amended Law of 17 December 2010 relating to undertakings for collective investment, no subscription tax is due from the Fund on the portion of assets invested therein. No stamp duty or other tax is payable in Luxembourg on the issue of Shares. No Luxembourg tax is payable on the realised capital appreciation of the assets of the Fund.

#### NOTE 4 – INVESTMENT MANAGEMENT FEES

Coeli Asset Management AB the "Investment Manager" receives from the Sub-Funds an investment management fee of:

Coeli SICAV II - Prognosis Machines

Class I Shares up to 1.20% p.a.  
Class R Shares up to 2.00% p.a.

Coeli SICAV II - Strategy Defensive

Class R Shares up to 1.25% p.a.  
Class W Shares up to 0.75% p.a.  
of the Sub-Fund's net assets calculated as of each Valuation Day, paid out monthly in arrears.

#### NOTE 5 – MANAGEMENT COMPANY FEES

MDO Management Company S.A. Alternative Investment Fund Manager, the "AIFM" receives from the Sub-Fund a management fee of up to 0.07% p.a. for each shares classes (Class I Shares, Class R Shares and Class W Shares).

This fee will be calculated quarterly as the average of the month-end Net Asset Value of the previous quarter and shall be paid quarterly in arrears.

The AIFM will receive a minimum fee of 10,000 EUR per annum per Sub-Fund.



## Coeli SICAV II

### Notes to the Financial Statements (continued) as at 31 December 2016

#### NOTE 6 – FEES OF THE DEPOSITARY, CENTRAL ADMINISTRATION AGENT AND REGISTRAR AND TRANSFER AGENT

The Fund pays to the Depositary, Central Administration Agent and Registrar and Transfer Agent an annual average global fee of maximum 0.30% based on the total net assets of the Fund. The above remuneration is payable monthly and does not include the transaction fees and the costs of the appointed sub-custodians. Nevertheless, as the total net assets of the Fund and the volume of transactions cannot be predicted, the overall fee may be slightly higher or slightly lower than the rate indicated. The Depositary, Central Administration Agent and Registrar and Transfer Agent are also entitled to be reimbursed of reasonable out of pocket expenses which are not included in the above mentioned rate.

#### Note 7 – PERFORMANCE FEES

Coeli SICAV II - Prognosis Machines

The Investment Manager will receive from the Sub-Fund, payable out of the assets attributable to the relevant Class of Shares, a performance fee calculated as follows:

The performance fee is calculated and fixed on each Valuation Day and paid by the respective Sub-Fund to the Investment Manager at the end of each month. Any eventual performance fee is payable only if the respective Sub-Fund's performance exceeds the previous highest Net Asset Value, adjusted for movements in the respective benchmark (index-adjusted high watermark). There will be no periodic reset of the index-adjusted high watermark.

When calculating the eventual performance fee, the respective Sub-Fund's performance will be determined on the basis of the change in Net Asset Value per Share, after the deduction of the fixed management fee. The performance fee, if any, will be calculated and fixed based on the number of Shares in issue on that Valuation Day. A performance fee could occur even if the Net Asset Value per Share in the respective Sub-Fund has decreased, as long as the Net Asset Value is above the index-adjusted high watermark.

The benchmark is set for each currency and covers all Share Classes in the currency. The following benchmarks will be used. SEK – OMRX Treasury Bill Index, USD -1 month USD LIBOR and for EUR- 1 month EURIBOR.

The performance fee shall be subject to an "Index-adjusted High Watermark"-principle and shall amount to 20%.

#### NOTE 8 – TRANSACTIONS COSTS

For the year ended 31 December 2016, the Fund incurred transaction costs, which are included in the Statement of Operations and Changes in Net Assets under the heading "Net realised gain/ (loss) on sales of investments", related to the purchase or sale of transferable securities, money market instruments or assets, as follows:

Coeli SICAV II – Strategy Defensive: 17 SEK

Transactions on derivative instruments incurred brokers' charges, which are included in the Statement of Operations and Changes in Net Assets under the heading "Bank charges" as follows:

Coeli SICAV II – Prognosis Machines: 85,647 USD

For the year ended 31 December 2016, the Company incurred the following transaction fees linked to custody which are included in the Statement of Operations and Changes in Net Assets under the heading "Bank charges" as follows:

#### Sub-Fund

|                                      |            |
|--------------------------------------|------------|
| Coeli SICAV II – Strategy Defensive: | 99,098 SEK |
| Coeli SICAV II – Prognosis Machines: | 17,219 USD |

## Notes to the Financial Statements (continued) as at 31 December 2016

### NOTE 9 – FORWARD FOREIGN EXCHANGE CONTRACTS

As at 31 December 2016, the Fund has the following forward foreign exchange contracts outstanding:

The counterparties linked to the forward foreign exchange contracts are:

RBC IS Bank Luxembourg  
Skandinaviska Enskilda Bank, Stockholm ("SEB")

Prognosis Machines

| Purchase       | Currency | Sales          | Currency | Maturity Date | Unrealised Gain/(Loss)<br>(in USD) |
|----------------|----------|----------------|----------|---------------|------------------------------------|
| 903            | SEK      | 98             | USD      | 03/01/2017    | 1                                  |
| 108,086,538    | SEK      | 11,742,930     | USD      | 31/01/2017    | 180,421                            |
| 288,978        | USD      | 2,622,029      | SEK      | 31/01/2017    | (265)                              |
| 3,000,000      | AUD      | 2,296,098      | USD      | 15/03/2017    | (127,749)                          |
| 3,357,528      | CAD      | 2,500,000      | USD      | 15/03/2017    | 5,924                              |
| 16,959,600     | CZK      | 630,000        | EUR      | 15/03/2017    | (2,364)                            |
| 2,400,000      | EUR      | 2,707,128      | USD      | 15/03/2017    | (165,972)                          |
| 2,300,000      | GBP      | 2,846,319      | USD      | 15/03/2017    | 1,076                              |
| 14,806,000,000 | IDR      | 1,100,000      | USD      | 15/03/2017    | (14,424)                           |
| 61,263,000     | INR      | 900,000        | USD      | 15/03/2017    | (5,193)                            |
| 7,646,653      | MXN      | 400,000        | USD      | 15/03/2017    | (32,578)                           |
| 15,476,018     | NOK      | 1,900,000      | USD      | 15/03/2017    | (101,176)                          |
| 1,600,000      | NZD      | 1,134,549      | USD      | 15/03/2017    | (21,488)                           |
| 14,520,241     | SEK      | 1,600,000      | USD      | 15/03/2017    | 5,416                              |
| 2,807,699      | TRY      | 800,000        | USD      | 15/03/2017    | (14,619)                           |
| 1,200,000      | USD      | 3,703,200      | TRY      | 15/03/2017    | 166,802                            |
| 1,600,000      | USD      | 22,344,000,000 | IDR      | 15/03/2017    | (38,737)                           |
| 2,950,000      | USD      | 11,205,454     | ILS      | 15/03/2017    | 32,211                             |
| 5,571,536      | USD      | 7,400,000      | AUD      | 15/03/2017    | 223,348                            |
| 4,863,992      | USD      | 4,400,000      | EUR      | 15/03/2017    | 204,418                            |
| 3,400,000      | USD      | 4,468,450      | CAD      | 15/03/2017    | 64,869                             |
| 4,977,431      | USD      | 3,800,000      | GBP      | 15/03/2017    | 272,521                            |
| 400,000        | USD      | 7,945,320      | MXN      | 15/03/2017    | 18,413                             |
| 3,200,000      | USD      | 26,615,343     | NOK      | 15/03/2017    | 106,366                            |
| 400,000        | USD      | 27,060,800     | RUB      | 15/03/2017    | (36,910)                           |
| 2,900,000      | USD      | 2,815,388      | CHF      | 15/03/2017    | 116,154                            |
| 3,650,000      | USD      | 250,561,000    | INR      | 15/03/2017    | (9,779)                            |
| 700,000        | USD      | 784,210,000    | KRW      | 15/03/2017    | 48,987                             |
| 700,000        | USD      | 22,323,000     | TWD      | 15/03/2017    | 10,193                             |
| 1,500,000      | USD      | 162,430,350    | JPY      | 15/03/2017    | 101,660                            |
| 800,000        | USD      | 2,774,800      | PEN      | 15/03/2017    | (19,962)                           |
| 900,000        | USD      | 44,010,000     | PHP      | 15/03/2017    | 21,184                             |
| 4,400,000      | USD      | 37,415,062     | SEK      | 15/03/2017    | 262,079                            |
| 900,000        | USD      | 1,255,856      | SGD      | 15/03/2017    | 31,050                             |
| 2,750,000      | USD      | 96,951,810     | THB      | 15/03/2017    | 43,606                             |
| 4,349,745      | USD      | 6,000,000      | NZD      | 15/03/2017    | 176,181                            |
| 3,000,000      | EUR      | 927,750,000    | HUF      | 16/03/2017    | 2,263                              |
|                |          |                |          |               | <u>1,503,927</u>                   |

As at 31 December 2016, the collateral held at SEB for the Sub-Fund Prognosis Machine amounts to USD 1,497,523.

## Coeli SICAV II

### Notes to the Financial Statements (continued) as at 31 December 2016

#### NOTE 10 – FUTURES

As at 31 December 2016, the Fund has the following futures outstanding:

The counterparty linked to the futures is: SEB London

Prognosis Machines

| Number of Contracts | Description                               | Maturity Date | Currency | Commitment (in USD) | Unrealised Gain/(Loss) (in USD) |
|---------------------|---|---------------|----------|---------------------|---------------------------------|
| (61)                | 10 YEARS CANADIAN BONDS                   | 22/03/2017    | CAD      | (6,255,789)         | 66,672                          |
| (2)                 | 10Y TREASURY NOTES USA                    | 22/03/2017    | USD      | (248,563)           | 1,672                           |
| (5)                 | AEX                                       | 20/01/2017    | EUR      | (509,550)           | (12,868)                        |
|                     | ALUMINIUM 1 TON                           |               |          |                     |                                 |
| 13                  | HIGHGRADE USD                             | 13/03/2017    | USD      | 550,144             | (14,056)                        |
| 32                  | CAC 40                                    | 20/01/2017    | EUR      | 1,641,360           | 34,258                          |
| 32                  | COMM SOYBEAN OIL                          | 14/03/2017    | USD      | 665,472             | (44,160)                        |
| (32)                | COMMODITIES COCOA                         | 16/03/2017    | USD      | (680,320)           | 77,240                          |
| (19)                | COMMODITIES COTTON                        | 09/03/2017    | USD      | (671,175)           | (9,120)                         |
| 17                  | COMMODITIES SOYBEANS                      | 14/03/2017    | USD      | 853,400             | (31,450)                        |
| (12)                | COMMODITIES SUGAR NO.11                   | 28/02/2017    | USD      | (262,214)           | (10,830)                        |
| (5)                 | COMMODITIES WHEAT                         | 14/03/2017    | USD      | (102,000)           | 4,000                           |
|                     | COMMODITIES ZINC                          |               |          |                     |                                 |
| 1                   | HIGHGRADE USD                             | 13/03/2017    | USD      | 64,350              | (3,825)                         |
| 4                   | DAX-INDEX                                 | 17/03/2017    | EUR      | 1,209,271           | 31,115                          |
| 96                  | EURIBOR 360 /3 MONATE                     | 18/12/2017    | EUR      | 25,381,082          | (17,575)                        |
| 10                  | EURO BOBL                                 | 08/03/2017    | EUR      | 1,409,462           | 9,282                           |
| (20)                | EURO BUND                                 | 08/03/2017    | EUR      | (3,462,744)         | (41,346)                        |
| 21                  | EURO SCHATZ                               | 08/03/2017    | EUR      | 2,487,195           | 2,215                           |
| 10                  | EURO STOXX 50 PR                          | 17/03/2017    | EUR      | 345,642             | 9,176                           |
| (12)                | FTSE MIB INDEX                            | 17/03/2017    | EUR      | (1,215,388)         | (48,097)                        |
| (2)                 | GOLD USD OZ                               | 24/02/2017    | USD      | (230,340)           | 13,120                          |
|                     | IBEX-35 INDICES BOLSA                     |               |          |                     |                                 |
| (24)                | ESPANOL.                                  | 20/01/2017    | EUR      | (2,357,594)         | (50,982)                        |
|                     | JAPANESE GOV. BDS FUTURE                  |               |          |                     |                                 |
| (5)                 | 10Y                                       | 13/03/2017    | JPY      | (6,440,609)         | 2,658                           |
| 10                  | KOREA KOSPI 200 INDEX                     | 09/03/2017    | KRW      | 1,076,607           | 36,432                          |
| 5                   | LME COPPER FUTURE                         | 13/03/2017    | USD      | 691,844             | (26,031)                        |
| 4                   | LME LEAD FUTURE                           | 13/03/2017    | USD      | 201,200             | (32,600)                        |
| (41)                | LONG GILT STERLING FUTURES                | 29/03/2017    | GBP      | (6,374,755)         | (113,321)                       |
| 49                  | NORWAY OBX STOCK INDEX                    | 19/01/2017    | NOK      | 351,864             | (3,146)                         |
| 6                   | S&P / ASX 200 INDEX                       | 16/03/2017    | AUD      | 611,611             | 12,708                          |
| (25)                | S&P 500 EMINI INDEX                       | 17/03/2017    | USD      | (2,795,313)         | 23,063                          |
| (27)                | S&P INDICES S&P/TSX 60 INDEX              | 16/03/2017    | CAD      | (3,611,541)         | 644                             |
| (1)                 | SILVER FIXINGS - SILBER 1 UZ              | 29/03/2017    | USD      | (79,945)            | 4,230                           |
| 17                  | SIMSCI MSCI SINGAPORE FREE SMI INDEX/OHNE | 27/01/2017    | SGD      | 376,313             | (6,413)                         |
| 17                  | DIVIDENDENKORR.                           | 17/03/2017    | CHF      | 1,367,059           | 31,948                          |
|                     | SOYBEAN MEAL                              |               |          |                     |                                 |
| 76                  | COMMODITIES                               | 14/03/2017    | USD      | 2,406,160           | (32,900)                        |
|                     | SWED OPTI OMX STOCKHOLM                   |               |          |                     |                                 |
| (5)                 | 30 IDX                                    | 20/01/2017    | SEK      | (83,603)            | 784                             |
| 13                  | TAMSCI MSCI TAIWAN IDX FUT                | 23/01/2017    | USD      | 446,940             | (523)                           |
| 84                  | THAI SET 50 INDEX (SET50)                 | 30/03/2017    | THB      | 451,031             | 10,467                          |
| (22)                | UKX FTSE 100 INDEX                        | 17/03/2017    | GBP      | (1,916,493)         | (43,495)                        |
|                     | WIG 20 WARSAW STOCK EXCH                  |               |          |                     |                                 |
| 44                  | INDEX                                     | 17/03/2017    | PLN      | 409,822             | 10,752                          |
|                     |   |               |          |                     | <u>(160,302)</u>                |

As at 31 December 2016, the collateral held at broker is composed of margin deposits for futures and amounts to USD 2,218,549.

## Coeli SICAV II

### Notes to the Financial Statements (continued) as at 31 December 2016

#### NOTE 11 – DETAIL OF THE CASH AT BANK OF THE SUB-FUND PROGNOSIS MACHINES

##### Detail of the Cash at bank of the sub-fund Prognosis Machines

|                              |     |             | USD               |
|------------------------------|-----|-------------|-------------------|
| SEB London                   | AUD | 37,800      | 27,371            |
| SEB London                   | CAD | 442,411     | 329,899           |
| RBC IS Bank Luxembourg       | EUR | 14,424      | 15,214            |
| SEB London                   | EUR | 810,382     | 854,750           |
| SEB London                   | GBP | 303,312     | 374,787           |
| SEB London                   | HKD | 1,651,181   | 212,969           |
| SEB London                   | JPY | 3,600,000   | 30,866            |
| SEB London                   | KRW | 115,115,000 | 95,315            |
| SEB London                   | NOK | 346,027     | 40,200            |
| SEB London                   | PLN | 161,788     | 38,758            |
| RBC IS Bank Luxembourg       | SEK | 12,237      | 1,347             |
| SEB London                   | SEK | 64,480      | 7,098             |
| Pay. On currencies sold      | SEK | (2,504)     | (276)             |
| Rec. On currencies purchased | SEK | 64,711      | 7,123             |
| SEB London                   | SGD | 27,965      | 19,357            |
| SEB London                   | THB | 663,180     | 18,519            |
| RBC IS Bank Luxembourg       | USD | 8,622,644   | 8,622,644         |
| SEB London                   | USD | 2,085,305   | 2,085,305         |
| Pay. On Currencies sold      | USD | (7,101)     | (7,101)           |
| Rec. On currencies purchased | USD | 276         | 276               |
| RBC IS Bank Luxembourg       | ZAR | 124         | 9                 |
| <b>Total</b>                 |     |             | <b>12,774,430</b> |

#### Note 12 – SUBSEQUENT EVENT

Carlo Montagna will replace Garry Pieters as Member of the MDO Board with effect 1 January 2017.

## Coeli SICAV II

### Unaudited Information for Shareholders

#### Determination of the Global Exposure:

For all Sub-Funds, the methodology used in order to calculate the Global Exposure resulting from the use of financial derivatives instruments is the commitment approach in accordance with the CSSF Circular 11/512.

#### Remuneration of the members of the AIFM

The management company has adopted a remuneration policy pursuant to applicable laws and regulations with the objective to ensure that its remuneration structure is in line with its interests and those of the collective investment schemes it manages and to prevent risk-taking which is inconsistent with the risk profiles, rules or articles of incorporation or management regulations of the collective investment schemes it manages.

Details of the remuneration policy of the management company, including the persons in charge of determining the fixed and variable remunerations of staffs, a description of the key remuneration elements and an overview of how remuneration is determined, is available at <http://www.mdo-manco.com/about-us/legal-documents>.

With respect to the financial year ended 31 December 2016 (as of that date, the management company had a headcount of 54 employees), the total fixed and variable remuneration paid by the management company to its employees amounted to EUR 3,769,251 and to EUR 801,240 respectively. The total remuneration paid by the management company to senior management and members of its staff whose actions have a material impact on the risk profile of the collective investment schemes managed amounted to EUR 2,387,993.

#### Leverage

Total amount of leverage employed by the Fund at 31 December 2016:

| <b>Sub-Fund Name</b> | <b>Total Amount of Leverage Gross Method*</b> | <b>Total Amount of Leverage Commitment Method*</b> |
|----------------------|---|--|
| Prognosis Machines   | 1,922.16%                                     | 1,598.53%  |
| Strategy Defensive   | 93.58%  | 101.78%  |

\* The leverage of each Sub-Fund is calculated in accordance with the gross method as defined in Article 7 of the AIFM Regulation and in accordance with the commitment method as defined in Article 8 of the AIFM Regulation. The figures reported in the table always refer to the exposure of each sub-fund.

#### AIFMD disclosure

Referring to the AIFMD disclosures, please find here below the breakdown between the realised profit and loss on sale of investments as well as between the change in unrealised appreciation and depreciation on investments:

| <b>Sub-Fund</b>    | <b>Currency</b> | <b>Realised gain on sale of investments</b> | <b>Realised loss on sale of investments</b> | <b>Change in unrealised appreciation on investments</b> | <b>Change in unrealised depreciation on investments</b> |
|--------------------|-----------------|---|---|---|---|
| Strategy Defensive | SEK             | 4,741,902                                   | (5,019,085)                                 | 6,303,000   | (979,914)   |

Referring to the new AIFMD disclosures, please find here below the breakdown between the realised profit and loss on futures as well as between the change in net unrealised appreciation and depreciation on futures:

| <b>Sub-Fund</b>    | <b>Currency</b> | <b>Realised gain on sale of futures</b> | <b>Realised loss on sale of futures</b> | <b>Change in unrealised appreciation on futures</b> | <b>Change in unrealised depreciation on futures</b> |
|--------------------|-----------------|---|---|---|---|
| Prognosis Machines | USD             | 8,664,518                               | (10,049,600)                            | -   | (129,802)   |

## Coeli SICAV II

### Unaudited Information for Shareholders (continued)

Referring to the new AIFMD disclosures, please find here below the breakdown between the realised profit and loss on forward foreign exchange as well as between the change in net unrealised appreciation and depreciation on forward foreign exchange contracts:

| <b>Sub-Fund</b>    | <b>Currency</b> | <b>Realised gain on forward foreign exchange contracts</b> | <b>Realised loss on forward foreign exchange contracts</b> | <b>Change in unrealised appreciation on forward foreign exchange contracts</b> | <b>Change in unrealised depreciation on forward foreign exchange contracts</b> |
|--------------------|-----------------|--|--|--|--|
| Prognosis Machines | USD             | 5,194,614  | (6,804,210)  | 1,396,442  | -  |