

## **Maj Invest Funds**

### **Audited annual Report as at August 31, 2019**

*Fonds commun de placement in accordance with part I of the Luxembourg Law of 17 December 2010*

R.C.S. Lux K21

Management Company and Administrative Agent:



## Maj Invest Funds

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# Maj Invest Funds

## Organisation

### Management Company and Central Administrator

**Universal-Investment-Luxembourg S.A.**  
**R.C.S. Lux B 75.014**  
15, rue de Flaxweiler, L - 6776 Grevenmacher

### Board of Directors of the Management Company (until December 4, 2019)

**Bernd Vorbeck (until May 2, 2019)**  
Chairman of the Management Board of  
*Universal-Investment-Gesellschaft mbH,*  
*Frankfurt am Main*

**Stefan Rockel**  
Executive member of the Board of Directors  
*Managing Director of*  
*Universal-Investment-Luxembourg S.A.*  
Grevenmacher

**Marc-Oliver Scharwath (until September 30, 2018)**  
Executive member of the Board of Directors  
*Managing Director of*  
*Universal-Investment-Luxembourg S.A.*  
Grevenmacher

**Matthias Müller**  
Executive member of the Board of Directors  
*Managing Director of*  
*Universal-Investment-Luxembourg S.A.*  
Grevenmacher

**Markus Neubauer**  
Managing Director of  
*Universal-Investment-Gesellschaft mbH,*  
*Frankfurt am Main*

### Supervisory Board of the Management Company (from 5th December 2019)

**Michael Reinhard**  
Chairman of the Management Board of  
*Universal-Investment-Gesellschaft mbH,*  
*Frankfurt am Main*

**Frank Eggloff**  
*Universal-Investment-Gesellschaft mbH,*  
*Frankfurt am Main*

**Markus Neubauer**  
*Universal-Investment-Gesellschaft mbH,*  
*Frankfurt am Main*

### Management Board of the Management Company (from 5th December 2019)

**Sean O'Driscoll**  
Chairman of the executive Board  
*Managing Director of*  
*Universal-Investment-Luxembourg S.A., Grevenmacher*

**Stefan Rockel**  
*Managing Director of*  
*Universal-Investment-Luxembourg S.A., Grevenmacher*

**Matthias Müller**  
*Managing Director of*  
*Universal-Investment-Luxembourg S.A., Grevenmacher*

### Depository Bank, Registrar and Transfer Agent, Domiciliary and Corporate Agent

**Brown Brothers Harriman (Luxembourg) S.C.A.**  
80, Route d'Esch, L - 1470 Luxembourg

### Portfolio Manager and Distributor

**Fondsmæglerselskabet Maj Invest A/S**  
Gammeltorv 18, DK - 1457 Copenhagen

### Paying Agent

*Luxembourg*

**Brown Brothers Harriman (Luxembourg) S.C.A.**  
80, Route d'Esch, L - 1470 Luxembourg

### Facilities Agent

*United Kingdom*

**Zeidler Legal Services (UK) Limited**  
Aldgate Tower  
4th Floor, 2 Leman Street, UK - London E1 8FA

### Auditor

**PricewaterhouseCoopers, Société Coopérative**  
Cabinet de révision agréé  
2, Rue Gerhard Mercator, L - 2182 Luxembourg

## Maj Invest Funds

### Report of the Board of Directors of the Management Company

Dear Unitholders,

We hereby present to you the annual report of Maj Invest Funds with his sub-funds Maj Invest Funds - Maj Invest Global Value Equities.

Maj Invest Funds ("the Fund") is an undertaking for collective investment in securities ("UCITS") in the form of an investment fund (fonds commun de placement) in accordance with part I of the Luxembourg Law of 17 December 2010 on the undertakings for collective investment in line with the European Directives (Law of 2010) and in relation to Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities.

Maj Invest Funds has been launched as of November 28, 2014. The unit class Maj Invest Funds - Maj Invest Global Value Equities I GBP has been launched as of July 9, 2019.

In 2018, the Fund has changed its financial year-end from December 31 to August 31. The financial reporting period was hence from January 1st 2018 until August 31, 2018. Afterwards the financial year was from September 1, 2018 until August 31, 2019.

The currency of the Fund is the USD.

The Directors of the Management Company of the Fund, intended with effect from 1st September 2018 (the "Effective Date"), to migrate the Fund to a new Management Company named Universal-Investment-Luxembourg S.A., with registered office at 14, rue de Flaxweiler, L-6776 Grevenmacher, Grand Duchy of Luxembourg.

On the Effective Date, Europaen Fund Administration S.A. acting as Administration Agent was replaced by Universal-Investment-Luxembourg S.A., the function of the Depositary and Paying Agent as well as of the Registrar and Transfer Agent changed from respectively Skandinaviska Enskilda Banken S.A. and Europaen Fund Administration S.A. to Brown Brothers Harriman (Luxembourg) S.C.A.

As at August 31, 2019, the net assets and the performance of the unit price of the Fund during the reporting period were as follows:

Unit class	ISIN	Net asset value of the unit class in currency	Performance of the unit price in %
Maj Invest Funds - Maj Invest Global Value Equities A USD	LU0976026038	80,506,990.46	-3.33
Maj Invest Funds - Maj Invest Global Value Equities I USD	LU0976026111	142,625,729.50	-2.66
Maj Invest Funds - Maj Invest Global Value Equities Z USD	LU0976026202	70,193,683.47	-2.33
Maj Invest Funds - Maj Invest Global Value Equities A EUR	LU1321539493	962,839.20	1.31
Maj Invest Funds - Maj Invest Global Value Equities I EUR	LU1321539576	56,500,725.76	-1.40
Maj Invest Funds - Maj Invest Global Value Equities C EUR	LU1650063990	10,121,901.16	2.60
Maj Invest Funds - Maj Invest Global Value Equities I GBP (since July 9, 2019)	LU1321540079	37,531,735.69	2.98

### Derivative Exposure (unaudited)

The table below shows the derivative exposure as per August 31, 2019:

Fund	Derivative Exposure in %
Maj Invest Funds - Maj Invest Global Value Equities	0.00

## Maj Invest Funds

### Risk Management (unaudited)

#### Commitment approach

The global risk on derivatives has been determined according to the commitment approach during the reporting period. The sum of these underlying equivalents must not exceed the net asset value of the sub-fund.

Fund	Reporting period
Maj Invest Funds	September 1, 2018 until August 31, 2019

### Remuneration Policy of the Management Company (unaudited)

The fees of the employees are specified as follows (as of September 30, 2019):

Total of paid remuneration	10.40 Mio. EUR
- thereof fixed fee	8.98 Mio. EUR
- thereof variable fee	1.42 Mio. EUR
Number of employees	103.2 FTE
Amount of paid carried Interest	n/a
Total of paid fee to Risktaker	1.38 Mio. EUR
- thereof Executive Managers	1.38 Mio. EUR
- thereof other Risktaker	0 Mio. EUR

The remuneration policy is compliant with the requirements of the Management Company.

Details with regard to the remuneration system of the Management Company are available on the website of Universal-Investment-Gesellschaft mbH (<http://www.universal-investment.com/en/Remuneration-system-Luxemburg>) and in the prospectus.

### Remuneration Policy of the Portfolio Manager (unaudited)

The Portfolio Manager did not publish any information and no data could be provided.

## Maj Invest Funds

### Report of the Portfolio Manager as at August 31, 2019

## Maj Invest Funds

Over the 12 months from September 2018 to August 2019 Maj Invest Fund - Maj Invest Global Value Equities returned -2.7% (measured for I unit class in USD) compared to the portfolio's benchmark (MSCI World Index NDR in USD) return of +0.3%.

The first 6 months the portfolio returned -2.4% (measured for I unit class in USD) which was slightly better than the return of the benchmark (-3.3%). This however covers a very volatile market in which we first witnessed a strong correction followed by a strong rebound. At the worst time in December the portfolio and the benchmark was down around 15% measured from the beginning of September. The last 6 months the portfolio returned close to zero (-0.2% measured for I unit class in USD) while the benchmark returned +3.7% and the volatility was considerably lower compared to the first 6 months.

An explanation of the slightly lower performance for the portfolio compared to the benchmark is the better performance for growth stocks compared to value stocks. This has created headwinds for our portfolio strategy as a dedicated value investor focused on selecting undervalued companies.

The stock that contributed the most to the return of the portfolio was MTU Aero Engines AG. After performing poorly the last four months of 2018 it has performed very well the first eight months of 2019. The performance in 2019 has been fairly consistent and lately can be attributed to a robust order intake.

The second best contributor was O'Reilly Automotive Inc. but compared to MTU Aero Engines AG the performance has been quite volatile. In the end it returned 16% from September 2018 to August 2019.

The stock that subtracted the most from the return of the portfolio was CVS Health Corp. In the end the position was sold due to disappointment with the operating side of the business and we lost our confidence in the longevity of the business, given the current trends at the legacy pharma retail business.

The second worst contributor was Kohl's Corp. primarily due to some disappointing Q1 2018 numbers released in May 2018. Since these figures were released Kohl's Corp. has rolled out its partnership with Amazon in the US enabling clients to return Amazon packages at their local Kohl department store.

For the rest of 2019, there will probably be continued focus on further trade tensions between US and China, but also potentially between US and Europe as there has been some indications that there might be a new front opening in the global trade war. Also, the increased tension with Iran has become an issue, which is unlikely to fade away any time soon.

On an absolute basis the global stock markets have delivered close to 15% in the first eight months of 2019 (measured by MSCI World Index NDR in USD) and we believe that remainder of 2019 and 2020 could be somewhat challenging for all investors. Value equities has, over a wide range, had a difficult time during the last 5 years in general, and the last 3 years in particular, with more and more investors questioning the validity of this investment approach and philosophy. We do not believe value investing to be obsolete or inferior, but that this debate will continue to rage on as long as growth stocks are performing so well.

We still do not expect growth stocks to continue to outperform massively over a long period of time, especially because it is in large part based on higher and higher expectations and not underlying actual operating performance. This growth cycle has been especially long and protracted, but we view the current speed and level of performance by this subclass of equities to be unsustainable over the long term.

## Maj Invest Funds - Maj Invest Global Value Equities

As Maj Invest Funds is consisting of just one sub-fund, the Maj Invest Funds - Maj Invest Global Value Equities, the statement of net assets, the statement of operations and the statement of changes in net assets of the Maj Invest Funds - Maj invest Global Value Equities are simultaneously the consolidated above named statements of Maj Invest Funds.

### Fund structure as at 31/08/2019

Investment Focus	Market Value in USD	% of fund assets *)
<b>I. Assets</b>	<b>414,018,070.32</b>	<b>100.11</b>
1. Equities	411,376,418.04	99.49
2. Bank balances	1,908,470.04	0.46
3. Other Assets	733,182.24	0.17
<b>II. Liabilities</b>	<b>-553,436.09</b>	<b>-0.11</b>
<b>III. Fund Assets</b>	<b>413,464,634.23</b>	<b>100.00</b>

\*) There might be small differences due to rounding.

## Maj Invest Funds - Maj Invest Global Value Equities

### Statement of Net Assets as at 31/08/2019

Description	ISIN	Shares / % in 1,000	Holdings 31/08/2019	Currency	Price	Market Value in USD	% of the Fund- assets *)
<b>Portfolio holdings</b>				<b>USD</b>		<b>411,376,418.04</b>	<b>99.49</b>
<b>Exchange-traded securities</b>				<b>USD</b>		<b>411,376,418.04</b>	<b>99.49</b>
<b>Equities</b>				<b>USD</b>		<b>411,376,418.04</b>	<b>99.49</b>
Canadian National Railway Co. Registered Shares o.N.	CA1363751027	shares	176,191	CAD	122.600	16,258,718.56	3.93
Pandora A/S Navne-Aktier DK 1	DK0060252690	shares	53,914	DKK	289.000	2,301,019.29	0.56
Koninklijke Vopak N.V. Aandelen aan toonder EO -,50	NL0009432491	shares	58,768	EUR	43.360	2,805,801.53	0.68
MTU Aero Engines AG Namens-Aktien o.N.	DE000A0D9PT0	shares	52,331	EUR	248.300	14,307,459.20	3.46
Meggitt PLC Registered Shares LS -,05	GB0005758098	shares	1,000,424	GBP	6.190	7,543,642.99	1.82
NEXT PLC Registered Shares LS 0,10	GB0032089863	shares	247,244	GBP	59.360	17,878,292.14	4.32
WH Smith PLC Registered Shares LS-,220895	GB00B2PDGW16	shares	105,570	GBP	19.580	2,518,022.38	0.61
Asahi Group Holdings Ltd. Registered Shares o.N.	JP3116000005	shares	343,981	JPY	4,956.000	16,063,040.26	3.88
Central Japan Railway Co. Registered Shares o.N.	JP3566800003	shares	40,404	JPY	21,015.000	8,000,474.63	1.93
Daito Trust Constr. Co. Ltd. Registered Shares o.N.	JP3486800000	shares	139,192	JPY	13,680.000	17,941,649.49	4.34
Nippon Tel. and Tel. Corp. Registered Shares o.N.	JP3735400008	shares	367,311	JPY	5,096.000	17,637,025.77	4.27
AFLAC Inc. Registered Shares DL -,10	US0010551028	shares	444,062	USD	50.180	22,283,031.16	5.39
Aptiv PLC Registered Shares DL -,01	JE00B783TY65	shares	109,309	USD	83.170	9,091,229.53	2.20
AT & T Inc. Registered Shares DL 1	US00206R1023	shares	415,779	USD	35.260	14,660,367.54	3.55
AutoZone Inc. Registered Shares DL -,01	US0533321024	shares	9,037	USD	1,101.690	9,955,972.53	2.41
C.H. Robinson Worldwide Inc. Registered Shs (new) DL -,10	US12541W2098	shares	135,401	USD	84.490	11,440,030.49	2.77
Cigna Corp. Registered Shares DL 1	US1256231003	shares	74,468	USD	153.970	11,465,837.96	2.77
General Motors Co. Registered Shares DL -,01	US37045V1008	shares	461,623	USD	37.090	17,121,597.07	4.14
Gentex Corp. Registered Shares DL -,06	US3719011096	shares	501,849	USD	26.600	13,349,183.40	3.23
Goldman Sachs Group Inc., The Registered Shares DL -,01	US38141G1040	shares	104,129	USD	203.910	21,232,944.39	5.14
Intel Corp. Registered Shares DL -,001	US4581401001	shares	394,624	USD	47.410	18,709,123.84	4.52
Kohl's Corp. Registered Shares DL -,01	US5002551043	shares	314,559	USD	47.260	14,866,058.34	3.60
O'Reilly Automotive Inc.[New] Registered Shares DL -,01	US67103H1077	shares	34,009	USD	383.760	13,051,293.84	3.16
Packaging Corp. of America Registered Shares DL -,01	US6951561090	shares	179,780	USD	100.580	18,082,272.40	4.37
Parker-Hannifin Corp. Registered Shares DL-,50	US7010941042	shares	130,047	USD	165.770	21,557,891.19	5.21
Samsung Electronics Co. Ltd. R.Sh(sp.GDRs144A/95) 25/SW 100	US7960508882	shares	19,793	USD	914.000	18,090,802.00	4.38
Southwest Airlines Co. Registered Shares DL 1	US8447411088	shares	409,730	USD	52.320	21,437,073.60	5.18
Union Pacific Corp. Registered Shares DL 2,50	US9078181081	shares	95,037	USD	161.960	15,392,192.52	3.72
UnitedHealth Group Inc. Registered Shares DL -,01	US91324P1021	shares	69,805	USD	234.000	16,334,370.00	3.95
<b>Total securities</b>				<b>USD</b>		<b>411,376,418.04</b>	<b>99.49</b>



## Maj Invest Funds - Maj Invest Global Value Equities

### Statement of Net Assets as at 31/08/2019

Description	Holdings 31/08/2019	Currency	Market Value in USD	% of the Fund- assets *)
<b>Bank balances, non-securitised money market instruments and money market funds</b>		<b>USD</b>	<b>1,908,470.04</b>	<b>0.46</b>
<b>Bank balances</b>		<b>USD</b>	<b>1,908,470.04</b>	<b>0.46</b>
Balances with Skandinaviska Enskilda Banken AB Stockholm deposits callable prior to maturity	64,629.77 195,083.18	CAD GBP	48,645.73 237,643.64	0.01 0.06
Balances with Brown Brothers Harriman (Luxembourg) S.C.A. Balances in other EU/EEA currencies	195,221.93	EUR	214,958.87	0.05
Balances with Brown Brothers Harriman Trust Co. [Cayman] Ltd. deposits callable prior to maturity	6,666.54 18,226.11 429,496.00	DKK EUR JPY	984.51 20,068.77 4,046.89	0.00 0.00 0.00
Balances with Santander DE deposits callable prior to maturity	1,382,121.63	USD	1,382,121.63	0.33
<b>Other Assets</b>		<b>USD</b>	<b>733,182.24</b>	<b>0.17</b>
Dividend receivables	716,772.47	USD	716,772.47	0.17
Withholding tax claims	13,569.68	USD	13,569.68	0.00
Activated Incorporation cost	2,840.09	USD	2,840.09	0.00
<b>Bank overdraft</b>		<b>USD</b>	<b>-19,212.82</b>	<b>0.00</b>
Bank overdraft with Brown Brothers Harriman (Luxembourg) S.C.A. USD - Bank overdraft	-17,670.49	USD	-17,670.49	0.00
Loans in other EU/EEA currencies	-10,443.75	DKK	-1,542.33	0.00

## Maj Invest Funds - Maj Invest Global Value Equities

### Statement of Net Assets as at 31/08/2019

Description	Holdings 31/08/2019	Currency	Market Value in USD	% of the Fund- assets *)
<b>Liabilities</b>		<b>USD</b>	<b>-534,223.27</b>	<b>-0.11</b>
Management fee payable	-140,784.78	USD	-140,784.78	-0.03
Depository Bank fee payable	-14,533.11	USD	-14,533.11	0.00
Portfolio Manager fee payable	-347,824.60	USD	-347,824.60	-0.08
Audit fee payable	-13,197.25	USD	-13,197.25	0.00
Taxe d'Abonnement	-12,150.74	USD	-12,150.74	0.00
Other payables	-5,732.79	USD	-5,732.79	0.00
<b>Total net assets</b>		<b>USD</b>	<b>413,464,634.23</b>	<b>100.00</b>
<b>Maj Invest Funds - Maj Invest Global Value Equities A USD</b>				
Net Asset Value per unit		USD	132.53	
Subscription price		USD	135.18	
Redemption price		USD	131.20	
Number of units in circulation		units	607,441.281	
<b>Maj Invest Funds - Maj Invest Global Value Equities I USD</b>				
Net Asset Value per unit		USD	136.69	
Subscription price		USD	139.42	
Redemption price		USD	135.32	
Number of units in circulation		units	1,043,431.361	
<b>Maj Invest Funds - Maj Invest Global Value Equities Z USD</b>				
Net Asset Value per unit		USD	138.86	
Subscription price		USD	141.64	
Redemption price		USD	137.47	
Number of units in circulation		units	505,498.461	

## Maj Invest Funds - Maj Invest Global Value Equities

### Statement of Net Assets as at 31/08/2019

Description	Holdings 31/08/2019	Currency	Market Value in USD	% of the Fund- assets *)
<b>Maj Invest Funds - Maj Invest Global Value Equities A EUR</b>				
Net Asset Value per unit		EUR	108.60	
Subscription price		EUR	110.77	
Redemption price		EUR	107.51	
Number of units in circulation		units	8,866,166	
<b>Maj Invest Funds - Maj Invest Global Value Equities I EUR</b>				
Net Asset Value per unit		EUR	107.13	
Subscription price		EUR	109.27	
Redemption price		EUR	106.06	
Number of units in circulation		units	527,399,286	
<b>Maj Invest Funds - Maj Invest Global Value Equities C EUR</b>				
Net Asset Value per unit		EUR	103.25	
Subscription price		EUR	105.32	
Redemption price		EUR	102.22	
Number of units in circulation		units	98,033,763	
<b>Maj Invest Funds - Maj Invest Global Value Equities I GBP</b>				
Net Asset Value per unit		GBP	102.98	
Subscription price		GBP	105.04	
Redemption price		GBP	101.95	
Number of units in circulation		units	364,457,773	

\*) There might be small differences due to rounding.

## Maj Invest Funds - Maj Invest Global Value Equities

### Statement of Operations (including income equalisation) for the period from 01.09.2018 to 31.08.2019

		Total
<b>I. Income</b>		
- Dividends	USD	8,499,441.93
- Interest on liquidity investments	USD	41,067.26
- Other income	USD	705,091.19
<b>Total income</b>	<b>USD</b>	<b>9,245,600.38</b>
<b>II. Expenses</b>		
- Interest on bank overdraft	USD	-818.41
- Management Company fee	USD	-359,238.70
- Portfolio Management fee	USD	-2,627,713.80
- Depositary Bank fee	USD	-47,170.88
- Custody service expenses	USD	-28,938.44
- Auditing and publication expenses	USD	-27,600.02
- Subscription tax ("Taxe d'abonnement")	USD	-73,271.11
- Registrar and Transfer Agent fee	USD	-43,481.31
- Legal fee	USD	-13,289.77
- Foreign withholding taxes	USD	-26,439.13
- Incorporation expenses	USD	-160.67
- Equalisation of ordinary expenses *)	USD	-2,400,321.06
- Other expenses	USD	-63,726.27
<b>Total expenses</b>	<b>USD</b>	<b>-5,712,169.57</b>
<b>III. Ordinary net result</b>	<b>USD</b>	<b>3,533,430.81</b>

\*) For more information, please see page 23.

## Maj Invest Funds - Maj Invest Global Value Equities

### Statement of Operations (including income equalisation) for the period from 01.09.2018 to 31.08.2019

				Total
<b>IV. Realised profit/loss on</b>				
1. Realised profit on			USD	25,625,681.91
- Securities	USD	25,576,449.91		
- Foreign exchange transactions	USD	49,232.00		
2. Realised loss on			USD	-13,716,548.57
- Securities	USD	-13,579,744.54		
- Foreign exchange transactions	USD	-136,804.03		
<b>Total realised profit/loss</b>			<b>USD</b>	<b>11,909,133.34</b>
<b>V. Net change in unrealised profit/loss</b>				
- Net change in unrealised profit	USD	-11,637,933.96		
- Net change in unrealised loss	USD	-14,792,757.40		
<b>Total net change in unrealised profit/loss</b>			<b>USD</b>	<b>-26,430,691.36</b>
<b>VI. Result of operations for the year</b>			<b>USD</b>	<b>-10,988,127.21</b>

## Maj Invest Funds - Maj Invest Global Value Equities

Statement of Changes in Net Assets				2018/2019	
I. Net assets at the beginning of the year			USD		347,217,368.69
1. Distribution for the previous year			USD		0.00
2. Interim distributions			USD		0.00
3. Net cash flow			USD		75,410,470.23
a) Proceeds from units issued	USD	213,915,854.25			
b) Proceeds from units redeemed	USD	-138,505,384.02			
4. Income/expense equalisation			USD		1,824,922.52
5. Result of operations for the year			USD		-10,988,127.21
II. Net assets at the end of the year			USD		413,464,634.23

## Maj Invest Funds - Maj Invest Global Value Equities

### Maj Invest Funds - Maj Invest Global Value Equities A USD Statistical information

Financial year	Number of units outstanding at the end of the financial year		Total net assets at the end of the financial year		Net Asset Value per unit at the end of the financial year	
31/12/2017	Units	952,626.089	USD	129,067,152.85	USD	135.49
31/08/2018	Units	965,797.843	USD	132,408,489.20	USD	137.10
31/08/2019	Units	607,441.281	USD	80,506,990.46	USD	132.53

#### Changes in the number of units outstanding

	Units
Number of units outstanding at the beginning of the year	965,797.843
Number of units issued	95,111.910
Number of units redeemed	-453,468.472
<b>Number of units outstanding at the end of the year</b>	<b>607,441.281</b>

## Maj Invest Funds - Maj Invest Global Value Equities

### Maj Invest Funds - Maj Invest Global Value Equities I USD Statistical information

Financial year	Number of units outstanding at the end of the financial year		Total net assets at the end of the financial year		Net Asset Value per unit at the end of the financial year	
31/12/2017	Units	760,951.259	USD	104,939,594.27	USD	137.91
31/08/2018	Units	850,195.571	USD	119,386,965.12	USD	140.42
31/08/2019	Units	1,043,431.361	USD	142,625,729.50	USD	136.69

#### Changes in the number of units outstanding

	Units
Number of units outstanding at the beginning of the year	850,195.571
Number of units issued	600,740.297
Number of units redeemed	-407,504.507
<b>Number of units outstanding at the end of the year</b>	<b>1,043,431.361</b>



## Maj Invest Funds - Maj Invest Global Value Equities

### Maj Invest Funds - Maj Invest Global Value Equities Z USD Statistical information

Financial year	Number of units outstanding at the end of the financial year		Total net assets at the end of the financial year		Net Asset Value per unit at the end of the financial year	
31/12/2017	Units	592,013.572	USD	82,466,806.77	USD	139.30
31/08/2018	Units	584,119.240	USD	83,045,532.47	USD	142.17
31/08/2019	Units	505,498.461	USD	70,193,683.47	USD	138.86

#### Changes in the number of units outstanding

	Units
Number of units outstanding at the beginning of the year	584,119.240
Number of units issued	74,000.000
Number of units redeemed	-152,620.779
<b>Number of units outstanding at the end of the year</b>	<b>505,498.461</b>

## Maj Invest Funds - Maj Invest Global Value Equities

### Maj Invest Funds - Maj Invest Global Value Equities A EUR Statistical information

Financial period/year	Number of units outstanding at the end of the financial period/year		Total net assets at the end of the financial period/year		Net Asset Value per unit at the end of the financial period/year	
31/08/2018 *)	Units	5,646.614	EUR	605,242.86	EUR	107.19
31/08/2019	Units	8,866.166	EUR	962,839.20	EUR	108.60

\*) Inception: 21/02/2018

#### Changes in the number of units outstanding

Number of units outstanding at the beginning of the period/year  
Number of units issued  
Number of units redeemed

#### Units

5,646.614  
14,074.051  
-10,854.499

Number of units outstanding at the end of the period/year

**8,866.166**

## Maj Invest Funds - Maj Invest Global Value Equities

### Maj Invest Funds - Maj Invest Global Value Equities I EUR Statistical information

Financial period/year	Number of units outstanding at the end of the financial period/year		Total net assets at the end of the financial period/year		Net Asset Value per unit at the end of the financial period/year	
31/12/2017	Units	63,700.000	EUR	6,389,110.00	EUR	100.30
31/08/2018 *)	Units	500.000	EUR	54,328.00	EUR	108.66
31/08/2019	Units	527,399.286	EUR	56,500,725.76	EUR	107.13

\*) Inception: 05/12/2017

#### Changes in the number of units outstanding

	Units
Number of units outstanding at the beginning of the period/year	500.000
Number of units issued	528,399.286
Number of units redeemed	-1,500.000
<b>Number of units outstanding at the end of the period/year</b>	<b>527,399.286</b>

## Maj Invest Funds - Maj Invest Global Value Equities

### Maj Invest Funds - Maj Invest Global Value Equities C EUR Statistical information

Financial period/year	Number of units outstanding at the end of the financial period/year		Total net assets at the end of the financial period/year		Net Asset Value per unit at the end of the financial period/year	
31/08/2018 *)	Units	99,157.000	EUR	9,978,543.25	EUR	100.63
31/08/2019	Units	98,033.763	EUR	10,121,901.16	EUR	103.25

\*) Inception: 20/06/2018

#### Changes in the number of units outstanding

	Units
Number of units outstanding at the beginning of the period/year	99,157.000
Number of units issued	25,730.296
Number of units redeemed	-26,853.533
<b>Number of units outstanding at the end of the period/year</b>	<b>98,033.763</b>

## Maj Invest Funds - Maj Invest Global Value Equities

### Maj Invest Funds - Maj Invest Global Value Equities I GBP

#### Statistical information

Financial period/year	Number of units outstanding at the end of the financial period/year		Total net assets at the end of the financial period/year		Net Asset Value per unit at the end of the financial period/year	
31/08/2019 *)	Units	364,457.773	GBP	37,531,735.69	GBP	102.98

\*) Inception: 09/07/2019

#### Changes in the number of units outstanding

	Units
Number of units outstanding at the beginning of the period/year	0.000
Number of units issued	364,457.773
Number of units redeemed	0.000
<b>Number of units outstanding at the end of the period/year</b>	<b>364,457.773</b>

## Maj Invest Funds

### Notes to the Financial Statements

#### General

Maj Invest "the fund" is an undertaking for collective investment in securities ("UCITS") in the form of an investment fund (fonds commun de placement) in accordance with part I of the Luxembourg Law of 17 December 2010 on the undertakings for collective investment in line with the European Directives (Law of 2010) and in relation to Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities.

The Fund offers investors one or more sub-funds within one and the same investment fund (umbrella structure).

Each sub-fund is deemed to be an independent investment fund as regards the relationship among the unitholders. The rights and obligations of the unitholders of a sub-fund are separate from those of the unitholders of the other sub-funds. The assets of each sub-fund are solely liable for the sub-fund's own liabilities.

The Fund is made up of all the sub-funds. Each investor holds a stake in the Fund through investing in a sub-fund.

The calculation of unit value is made in accordance with the rules set in Article 5 of the Management Regulations.

#### Significant Accounting Policies

##### Computation of the net asset value

It is calculated by the Management Company each valuation day under the supervision of the Depositary. The valuation days are defined differently for each sub-fund. The calculation is done by dividing the net fund assets of the fund by the number of units of the fund circulating on the valuation day. To counteract the practices of late trading and market timing, the calculation is made after the end of this time limit for the acceptance of subscription and/or conversion applications, as defined in the annex in the Sales Prospectus. The net fund assets (hereinafter also referred to as "net asset value") are calculated based on the following principles:

- a. Securities and money market instruments listed on a stock exchange shall be valued at the latest prices paid at the time of calculating the net asset value.
- b. Securities and money market instruments not listed on an exchange but traded on another regulated market which operates regularly and is recognised and open to the public shall be valued at a price that cannot be less than the bid price or more than the offer price at the time of valuation and which the Management Company deems to be the best possible price at which the securities and/or money market instruments can be sold.
- c. Securities and money market instruments which are neither listed on the stock market nor traded on another regulated market shall be valued at the market value at the time of calculating the net asset value fixed by the Management Company in good faith abiding by generally recognised valuation rules that are verifiable by auditors.
- d. Units in UCITS and/or UCIs shall be valued at their net asset value last determined and available at the time of the calculation of the net asset value, applying a redemption fee, if necessary.
- e. The liquid funds shall be valued at their nominal value (plus interest) at the time of calculating the net asset value. Fixed-term deposits with an original maturity of more than 30 days may be valued at the relevant yield value.
- f. All assets not denominated in the currency of the fund shall be converted to the currency of the fund at the most recent rate of exchange available at the time of the valuation.
- g. Derivatives (e.g. options) shall be, in principle, valued at their most recent market or brokerage prices available at the time of valuation. If a valuation day coincides with the settlement day for a position, the valuation of the corresponding position shall be made at its settlement price. Options on indices without an average calculation shall be valued using the Black & Scholes model, and options with an average calculation (Asian style options) shall be valued with the Levy approximation. The valuation of swaps including credit default swaps shall take place in a regular and reproducible form. It should be noted that swap contracts are entered into under normal market conditions exclusively in the interests of the Fund.
- h. The pro rata interest applicable to securities and/or money market instruments shall be included, if not expressed in the market value.

If different unit classes are established for the sub-fund in accordance with Article 1(4) of the Management Regulations, the following special features apply to the calculation of unit value: The unit value is calculated separately for each unit class according to the criteria stated in this Article.

The inflow of funds based on the issue of units increases the percentage share of the respective unit class in the total value of the net assets of the sub-fund. The outflow of funds based on the redemption of units reduces the percentage share of the respective unit class in the total value of the net assets of the sub-fund.

In the event of a distribution, the unit value of units in a corresponding unit class that carry entitlement to a dividend reduces by the amount of the distribution. At the same time the percentage share made up of the unit class carrying entitlement to a distribution in the total net assets of the sub-fund is reduced, whilst the percentage share of the unit class which does not carry entitlement to a distribution in the total net assets of the sub-fund is increased.

### Notes to the Financial Statements

An income equalisation procedure is calculated on the Fund's income. This means that the income accruing during the financial year which the purchaser of units has to pay as part of the issue price and which the seller of unit certificates will receive as part of the redemption price is continuously netted. The expenses incurred are taken into account correspondingly. When calculating the income equalisation, the method is used which corresponds to the applicable rules given in the German Investment Act. The Statement of Operation shows the net equalisation amount either as an income or expense.

If unusual circumstances arise which render a valuation in accordance with the above criteria impossible or inappropriate, the Management Company has the right to apply other valuation rules, in good faith, which are generally recognised and may be verified by auditors in order to obtain a proper valuation of the fund assets.

The Management Company is not obliged to redeem more than 10% of the units currently in circulation at this point on a valuation day. If the company receives redemption requests on a valuation day for more than the stated number of units the Management Company is entitled to postpone the redemption of units exceeding more than 10% of the units in issue at this point until the fourth valuation day afterwards. These redemption requests should be given preferential treatment over applications received later. Redemption requests submitted on the same valuation day are treated equally.

The financial statements are presented on the basis of the latest NAV calculation during the financial year (i.e. 30.08.2019). In accordance with the prospectus, the NAV was calculated with the prospectus, the NAV was calculated using the latest market values and exchange rates available at the time of calculation.

#### Net realised gain/loss on disposals of securities

The realised gains or losses on disposals of securities are determined on basis of the average acquisition cost.

#### Foreign exchange conversion

As of August 31, 2019, positions denominated in foreign currencies were valued at the following exchange rates:

USD - CAD	1.3286
USD - DKK	6.7714
USD - EUR	0.9082
USD - GBP	0.8209
USD - JPY	106.1300

#### Transactions on investments in securities

Transactions on investments in securities are booked on a trade date basis.

#### Management fee

The Management Company receives remuneration in the amount of up to 0.12% p.a. with a minimum of EUR 45,000.00 p.a. per sub-fund with one unit class. For each additional unit class the minimum fee is increased by EUR 7,500.00 p.a. The remuneration of the Management Company shall be calculated on each valuation day and paid to the management company monthly.

## Maj Invest Funds

### Notes to the Financial Statements

#### Depository Bank fee

Global Custody Charges: up to 0.07% p.a., minimum USD 2,000 monthly.

Depository Oversight Fee: up to 0.02% p.a. minimum USD 550 monthly plus TVA.

Excluding any other ancillary cost applicable as per the prevailing Depository Bank Fees.

The above fees are indicative and investors may be charged additional amounts in connection with the duties and services of the service providers in accordance with the customary bank practice.

#### Portfolio Manager fee

The Portfolio Manager receives remuneration in the amount of up to 0.80% p.a. (C EUR and C GBP), up to 0.60% p.a. (I USD, Z USD, I EUR and I GBP) and up to 1.50% p.a. (A USD, A EUR, A GBP and AD GBP) of the net asset value of the fund.

The amount of this remuneration of the Portfolio Manager is calculated on each valuation day and paid to the Portfolio Manager on a monthly basis.

#### Formation expenses

Expenses incurred in connection with the establishment of the Fund and the creation of the Sub-Fund are amortised over a period of five years.

#### Registrar and Transfer Agent fee

The Registrar and Transfer Agent receive an annual registrar fee USD 5,000 p.a. including two active unit classes plus USD 2,500 p.a. per active unit class plus account opening fee, maintenance fee and transaction fees – minimum USD 3,000 per month. Plus additional costs in relation with Global Automatic Exchange of Taxpayer Information Services (Foreign Account Tax Compliance Act (FATCA) & Common reporting Standard (CRS)). The Sub-Fund pays further professional fees and reasonable out of pocket expenses to the service providers on a commercial basis.

#### Subscription Tax ("taxe d'abonnement")

According to article 174 of the 2010 Law, the Fund is subject to a subscription tax i) at a standard rate of 0.05% or ii) at a reduced rate of 0.01% in case of sub-funds or unit classes which are exclusively reserved for "institutional investors". The subscription tax is payable pro rata quarterly; its taxable basis in general shall be the aggregate net assets of the fund valued on the last day of each quarter.

#### Transaction Costs

For reporting period from September 1, 2018 until August 31, 2019:

Fund	Transaction costs in USD
Maj Invest Funds - Maj Invest Global Value Equities	318,280.49



## Maj Invest Funds

### Notes to the Financial Statements

#### Portfolio Turnover Ratio/PTR

For reporting period from September 1, 2018 until August 31, 2019:

Fund	PTR in %
Maj Invest Funds - Maj Invest Global Value Equities	53.54

The PTR was calculated using the following formula:

$$\text{Turnover} = \frac{[\text{Total 1} - \text{Total 2}]}{M} \times 100$$

Total 1 = Total purchases + Total sales of securities

Total 2 = Total subscription + Total redemption

M = Average assets (daily)

#### Ongoing Charges \*)

Ongoing Charges - the ongoing charges figure shall include all types of cost borne by the UCITS, whether they represent expenses necessarily incurred in its operation, or the remuneration of any party connected with it or providing services to it.

Fund	Reporting period	Ongoing Charges in %
Maj Invest Funds - Maj Invest Global Value Equities A USD	September 1, 2018 until August 31, 2019	1.49
Maj Invest Funds - Maj Invest Global Value Equities I USD	September 1, 2018 until August 31, 2019	0.74
Maj Invest Funds - Maj Invest Global Value Equities Z USD	September 1, 2018 until August 31, 2019	0.41
Maj Invest Funds - Maj Invest Global Value Equities A EUR	September 1, 2018 until August 31, 2019	2.05
Maj Invest Funds - Maj Invest Global Value Equities I EUR	September 1, 2018 until August 31, 2019	0.78
Maj Invest Funds - Maj Invest Global Value Equities C EUR	September 1, 2018 until August 31, 2019	0.99
Maj Invest Funds - Maj Invest Global Value Equities I GBP	July 9, 2019 until August 31, 2019	0.86

\*) In the event of a short financial period, the Ongoing Charges will be annualised.

#### Changes in portfolio composition

Details of purchases and sales of investments are available free of charge from the registered office of the fund.

#### Disclosures according to Regulation (EU) 2015/2365 of the European Parliament and of the Council of November 25, 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 - Disclosure as per Section A

During the reporting period no securities financing transactions and total return swaps as defined in the above mentioned regulation occurred.

## Maj Invest Funds

### Notes to the Financial Statements

#### Subsequent Events

The Management Company would like to inform the unitholders of Maj Invest Funds (the "Fund") of the following changes which will become effective on 30 December 2019.

1. The accounting year of the Fund will be changed from currently 1 September to 31 August to 1 January to 31 December.

Thus, from 1 September 2019 to 31 December 2019 the financial year will be a short financial year and financial statements will be prepared both per 31 August 2019 and per 31 December 2019. The additional costs for financial statement prepared per 31 December 2019 will not be borne by the fund.

2. The name of the sub-fund will be changed from "Maj Invest Funds - Maj Invest Global Value Equities" to "Maj Invest Funds - M. I. Global Value Equities".

On the 5th of December the Management Company changed its corporate governance structure. The board of directors was replaced by a management board and a supervisory board. At the same time a change of the management as described in the organisation page took place.



To the Unitholders of **Maj Invest Funds**

## Audit report

### Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Maj Invest Funds (the "Fund") as at 31 August 2019, and of the results of its operations and changes in its net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

#### *What we have audited*

The Fund's financial statements comprise:

- the statement of net assets as at 31 August 2019;
- the statement of operations for the year then ended;
- the statement of changes in net assets for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

### Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the financial statements" section of our report.

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

We are independent of the Fund 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. We have fulfilled our other ethical responsibilities under those ethical requirements.

### Other information

The Board of Directors of the Management Company is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our 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.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above 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 that fact. We have nothing to report in this regard.



## **Responsibilities of the Board of Directors of the Management Company for the financial statements**

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

## **Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the financial statements**

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report 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 Fund's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Management Company;
- conclude on the appropriateness of the Board of Directors of the Management 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 Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report 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 audit report. However, future events or conditions may cause the Fund to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

PricewaterhouseCoopers, Société coopérative  
Represented by

Luxembourg, 20 January 2020



Philippe Sergiel