

AQA UCITS Funds SICAV p.l.c.

**Interim Report
and
Unaudited Financial Statements**

**For the period from 1 January 2016 to
30 June 2016**

AQA UCITS Funds SICAV p.l.c.

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AQA UCITS Funds SICAV p.l.c.

Directors, officer and other information

| | |
|--|---|
| Directors: | Raffaele Rossetti Alexander Vella Nicholas Calamatta |
| Secretary: | Calamatta Cuschieri Fund Services Limited |
| Registered office: | Third Floor, Valletta Buildings, South Street, Valletta VLT 1000, Malta. |
| Country of incorporation: | Malta |
| Company registration number: | SV 359 |
| Administrator and transfer agent: | Calamatta Cuschieri Fund Services Limited Third Floor, Valletta Buildings, South Street, Valletta VLT1000, Malta. |
| Investment manager: | AQA Capital Limited 171, Old Bakery Street, Valletta VLT1455, Malta. |
| Custodian and banker: | Bank of Valletta p.l.c 58, Zachary Street, Valletta VLT1130, Malta. |
| Global Custodian: | RBC Investor Services Trust, London Branch Riverbank House – 2 Swan Lane, London, UK EC4R 3AF, United Kingdom. |
| Legal advisers: | GANADO Advocates 171, Old Bakery Street, Valletta VLT1455, Malta. |
| Auditor: | Deloitte Audit Limited Deloitte Place, Mriehel Bypass, Mriehel BKR3000, Malta. |

AQA UCITS Funds SICAV p.l.c.

Report of the investment manager

Period ended 30 June 2016

Market Commentary

January 2016 to June 2016

As we are marking the eight anniversary of the financial crisis, growth remains mostly sluggish in most regions of the world as governments attempt to work off their debts and political uncertainty. These are confusing times in both the United States and Europe. According to polls, the forthcoming U.S. presidential election has two unpopular candidates running against each other. One is viewed as untrustworthy and the other as dangerously extreme. In the U.K. the “Leave” risk was heavily underestimated. Britain is the second largest economy in the Union, and its departure has created concerns about whether others will follow.

In the first six-months of 2016, government bond yields have continued to decline due to sustained aggressively loose monetary policies of the ECB and BOJ both of which continue to engage in Quantitative Easing (QE). The slowdown in China, which triggered the sell-off in the first two months of 2016 has gradually faded away thanks to commitment of the Chinese authorities to underpin growth with combined monetary and fiscal stimulus.

In the first half of the year, UK equities generated a positive return to investors due to the weak pound, acting as a natural hedge against recent events. US equities have acted as a resilient vis-à-vis market volatility, despite being expensive. US companies are taking advantage of the low interest environment to raise debt and accordingly buy back shares. In Europe, markets suffered the most. This is mostly because the financial sector has struggled with the negative rate environment. Emerging markets have benefited from a reversal in the dollar and a rebound in commodity markets. Government and corporate debt markets have also provided positive returns.

AQA UCITS Funds SICAV p.l.c.

Unaudited statement of financial position

As at 30 June 2016

| | | 30 June 2016 | | | | | | |
|--|-------|--------------------|--|---------------------------------------|-----------------------------------|--|---------------------------|--|
| | Notes | Combined EUR | AQA Inter- Active Allocation Fund EUR | AQA High Yield Bond Fund EUR | AQA Hybrid Bond Fund EUR | AQA Credit Strategies Fund EUR | AQA U3S Fund EUR | AQA Selective Income Fund EUR |
| Assets | | | | | | | | |
| Financial assets at fair value through profit or loss | 8 | 86,378,809 | 5,625,757 | 12,490,271 | 9,108,055 | 5,176,766 | - | 53,977,960 |
| Prepayments and accrued income | | 1,207,651 | 73,809 | 223,719 | 154,940 | 13,957 | - | 741,226 |
| Cash and cash equivalents | 7 | 16,823,916 | 1,886,432 | 362,068 | 1,282,964 | 291,042 | 28,237 | 12,973,173 |
| Total assets | | 104,410,376 | 7,585,998 | 13,076,058 | 10,545,959 | 5,481,765 | 28,237 | 67,692,359 |
| Liabilities | | | | | | | | |
| Financial liabilities at fair value through profit or loss | 8 | (515,558) | (84,536) | (32,160) | (259,200) | - | - | (139,662) |
| Settlements payable | | (10,592,699) | - | - | - | - | - | (10,592,699) |
| Accrued expenses and other payables | | (415,861) | (56,211) | (80,921) | (108,511) | (42,688) | (28,237) | (99,293) |
| Net assets attributable to holders of redeemable shares | | 92,886,258 | 7,445,251 | 12,962,977 | 10,178,248 | 5,439,077 | - | 56,860,705 |

| | | 31 December 2015 | | | | | | |
|--|-------|-------------------|--|---------------------------------------|-----------------------------------|--|---------------------------|--|
| | Notes | Combined EUR | AQA Inter- Active Allocation Fund EUR | AQA High Yield Bond Fund EUR | AQA Hybrid Bond Fund EUR | AQA Credit Strategies Fund EUR | AQA U3S Fund EUR | AQA Selective Income Fund EUR |
| Assets | | | | | | | | |
| Financial assets at fair value through profit or loss | 8 | 16,633,417 | 6,082,704 | 10,550,713 | - | - | - | - |
| Prepayments and accrued income | | 310,602 | 73,278 | 237,324 | - | - | - | - |
| Cash and cash equivalents | 7 | 2,862,146 | 1,025,380 | 1,836,766 | - | - | - | - |
| Total assets | | 19,806,165 | 7,181,362 | 12,624,803 | - | - | - | - |
| Liabilities | | | | | | | | |
| Financial liabilities at fair value through profit or loss | 8 | (33,173) | (33,173) | - | - | - | - | - |
| Accrued expenses and other payables | | (137,967) | (58,218) | (79,749) | - | - | - | - |
| Net assets attributable to holders of redeemable shares | | 19,635,025 | 7,089,971 | 12,545,054 | - | - | - | - |

The notes on pages 10 to 50 are an integral part of these interim financial statements.

AQA UCITS Funds SICAV p.l.c.

Unaudited statement of changes in net assets attributable to holders of redeemable shares

For the period ended 30 June 2016

| | 1 January 2016 to 30 June 2016 | | | | | | |
|--|--------------------------------|----------------------------------|--------------------------|----------------------|----------------------------|------------------|---------------------------|
| | Combined | AQA Inter-Active Allocation Fund | AQA High Yield Bond Fund | AQA Hybrid Bond Fund | AQA Credit Strategies Fund | AQA U3S Fund | AQA Selective Income Fund |
| | Notes | EUR | EUR | EUR | EUR | EUR | EUR |
| Net assets attributable to holders of redeemable shares at the beginning of the period | | 1,9635,025 | 7,089,971 | 12,545,054 | - | - | - |
| Amounts received on subscription of redeemable shares | | 81,383,209 | 418,000 | 550,000 | 10,810,800 | 5,405,000 | 9,044,390 |
| Amounts paid on redemption of redeemable shares | | (9,379,982) | - | (57,841) | (863,449) | - | (8,457,243) |
| Increase/(decrease) in net assets attributable to holders of redeemable shares | | 1,248,006 | (62,720) | (74,236) | 230,897 | 34,077 | (587,147) |
| Net assets attributable to holders of redeemable shares as at the end of the period | | 92,886,258 | 7,445,251 | 12,962,977 | 10,178,248 | 5,439,077 | - |

| | 20 April 2015 to 31 December 2015 | | | | | | |
|--|-----------------------------------|----------------------------------|--------------------------|----------------------|----------------------------|--------------|---------------------------|
| | Combined | AQA Inter-Active Allocation Fund | AQA High Yield Bond Fund | AQA Hybrid Bond Fund | AQA Credit Strategies Fund | AQA U3S Fund | AQA Selective Income Fund |
| | Notes | EUR | EUR | EUR | EUR | EUR | EUR |
| Amounts received on subscription of redeemable shares | | 21,095,000 | 7,410,000 | 13,685,000 | - | - | - |
| Amounts paid on redemption of redeemable shares | | (689,540) | (148,901) | (540,639) | - | - | - |
| Decrease in net assets attributable to holders of redeemable shares | | (770,435) | (171,128) | (599,307) | - | - | - |
| Net assets attributable to holders of redeemable shares as at the end of the period | | 19,635,025 | 7,089,971 | 12,545,054 | - | - | - |

The notes on pages 10 to 50 are an integral part of these interim financial statements.

AQA UCITS Funds SICAV p.l.c.

Unaudited statement of profit or loss and other comprehensive income

For the period ended 30 June 2016.

| | Notes | Combined 1 January 2016 to 30 June 2016 EUR | AQA Inter-Active Allocation Fund 1 January 2016 to 30 June 2016 EUR | AQA High Yield Bond Fund 1 January 2016 to 30 June 2016 EUR | AQA Hybrid Bond Fund 25 March 2016 to 30 June 2016 EUR | AQA Credit Strategies Fund 5 March 2016 to 30 June 2016 EUR | AQA U3S Fund 1 January 2016 to 30 June 2016 EUR | AQA Selective Income Fund 27 February 2016 to 30 June 2016 EUR |
|---|-------|--|---|---|--|---|--|--|
| Operating income | | | | | | | | |
| Interest income on cash and cash equivalents | | 1,139,859 | 84,213 | 339,031 | 139,888 | 2,831 | 13,923 | 559,973 |
| Dividend income | | 41,371 | - | - | - | 8,730 | 32,641 | - |
| Other net changes in fair value on financial assets and liabilities at fair value through profit and loss | | 38,300 | (57,239) | (270,481) | 228,123 | 94,049 | (528,820) | 572,668 |
| Other income | | 2,658 | - | - | - | - | 658 | 2,000 |
| Net investment (loss)/profit | | 1,222,188 | 26,974 | 68,550 | 368,011 | 105,610 | (481,598) | 1,134,641 |
| Expenses | | | | | | | | |
| Management fees | 5b | (335,264) | (52,921) | (88,678) | (51,309) | (20,751) | (46,626) | (74,979) |
| Administration fees | 5d | (54,696) | (11,250) | (11,250) | (3,347) | (7,254) | (9,098) | (12,497) |
| Custody fees | 5c | (38,233) | (8,205) | (8,204) | (4,016) | (4,836) | (6,672) | (6,300) |
| Transaction costs | | (70,435) | (3,879) | (14,215) | (14,866) | (6,402) | (16,867) | (14,206) |
| Performance fees | 5a | (45,501) | - | - | (37,582) | (7,919) | - | - |
| Directors' fees | | (16,879) | (3,922) | (3,922) | (1,622) | (1,994) | (3,290) | (2,129) |
| Professional fees | | (1,089) | (210) | (210) | (160) | (168) | (173) | (168) |
| Other fees and charges | | (131,995) | (7,828) | (15,175) | (24,212) | (21,902) | (22,823) | (40,055) |
| Total operating expenses | | (694,092) | (88,215) | (141,654) | (137,114) | (71,226) | (105,549) | (150,334) |
| Operating (loss)/profit | | 528,096 | (61,241) | (73,104) | 230,897 | 34,384 | (587,147) | 984,307 |
| Withholding taxes | | (2,918) | (1,479) | (1,132) | - | (307) | - | - |
| Increase/ (decrease) in net assets attributable to holders of redeemable shares from operations | | 525,178 | (62,720) | (74,236) | 230,897 | 34,077 | (587,147) | 984,307 |
| Other comprehensive income | | | | | | | | |
| Items that may be classified subsequently to profit or loss: | | | | | | | | |
| Exchange rate differences arising on translation | | 722,828 | - | - | - | - | - | 722,828 |
| Total comprehensive (loss)/income for the period | | 1,248,006 | (62,720) | (74,236) | 230,897 | 34,077 | (587,147) | 1,707,135 |

AQA UCITS Funds SICAV p.l.c.

Unaudited statement of profit or loss and other comprehensive income (continued)

For the period ended 31 December 2015

| 20 April 2015 to 31 December 2015 | | | | |
|--|-------|-----------|--|-----------------------------|
| | | Combined | AQA Inter-Active Allocation Fund | AQA High Yield Bond Fund |
| | Notes | EUR | EUR | EUR |
| Income | | | | |
| Interest income | | 263,631 | 22,737 | 240,894 |
| Net losses on financial assets at fair value through profit and loss | | (728,059) | (76,206) | (651,853) |
| Net investment loss | | (464,428) | (53,469) | (410,959) |
| Expenses | | | | |
| Management fees | 5b | (128,435) | (44,274) | (84,161) |
| Administration fees | 5d | (22,560) | (9,431) | (13,129) |
| Custody fees | 5c | (18,051) | (7,546) | (10,505) |
| Legal fees | | (5,900) | (2,119) | (3,781) |
| Audit fees | | (7,080) | (3,540) | (3,540) |
| Directors' fees | | (19,843) | (7,127) | (12,716) |
| Transaction costs | | (20,492) | (6,211) | (14,281) |
| Other fees and charges | | (80,879) | (35,436) | (45,443) |
| Total operating expenses | | (303,240) | (115,684) | (187,556) |
| Operating loss | | (767,668) | (169,153) | (598,515) |
| Withholding taxes | | (2,767) | (1,975) | (792) |
| Decrease in net assets attributable to holders of redeemable shares | | (770,435) | (171,128) | (599,307) |

The notes on pages 10 to 50 are an integral part of these interim financial statements.

AQA UCITS Funds SICAV p.lc.

Unaudited statement of cash flows

For the period ended 30 June 2016

| | | 1 January 2016 to 30 June 2016 | | | | | |
|---|---------------------|--|--------------------------------|----------------------------|----------------------------------|-----------------|---------------------------------|
| | Combined | AQA Inter-Active Allocation Fund | AQA High Yield Bond Fund | AQA Hybrid Bond Fund | AQA Credit Strategies Fund | AQA U3S Fund | AQA Selective Income Fund |
| Note | EUR | EUR | EUR | EUR | EUR | EUR | EUR |
| Cash flows used in operating activities | | | | | | | |
| Operating (loss)/profit | 1,250,924 | (61,241) | (73,104) | 230,897 | 34,384 | (587,147) | 1,707,135 |
| <i>Adjustments for:</i> | | | | | | | |
| Net (losses)/gains on financial assets at fair value through profit or loss | (38,300) | 57,239 | 270,481 | (228,123) | (94,049) | 528,820 | (572,668) |
| Withholding tax | (2,918) | (1,479) | (1,132) | - | (307) | - | - |
| Operating (loss)/profit before working capital movements | 1,209,706 | (5,481) | 196,245 | 2,774 | (59,972) | (58,327) | 1,134,467 |
| Movement in receivables | (897,049) | (531) | 13,605 | (154,940) | (13,957) | - | (741,226) |
| Movement in accrued expenses and other payables | 11,010,254 | (2,007) | 1,171 | 108,511 | 42,688 | 28,237 | 10,831,654 |
| Net cash flows (used in)/generated from operating activities | 11,322,911 | (8,019) | 211,021 | (43,655) | (31,241) | (30,090) | 1,122,4895 |
| Cash flows used in investing activities | | | | | | | |
| Purchase of financial assets at fair value through profit or loss | (86,394,973) | (988,671) | (5,774,864) | (10,050,532) | (5,180,105) | (10,025,501) | (54,375,300) |
| Proceeds from sale of financial assets at fair value through profit or loss | 18,000,634 | 1,347,611 | 3,599,155 | 1,429,800 | 90,682 | 10,021,541 | 1,511,845 |
| Net cash flows (used in)/generated from investing activities | (68,394,339) | 358,940 | (2,175,709) | (8,620,732) | (5,089,423) | (3,960) | (52,863,455) |

AQA UCITS Funds SICAV p.lc.

Unaudited statement of cash flows

For the period ended 30 June 2016

| | | 1 January 2016 to 30 June 2016 | | | | | | |
|--|------|--------------------------------|--|--------------------------------|-------------------------|-------------------------------|-----------------|------------------------------|
| | Note | Combined | AQA Inter-Active Allocation Fund | AQA High Yield Bond Fund | AQA Hybrid Bond Fund | AQA Credit Strategies Fund | AQA U3S Fund | AQA Selective Income Fund |
| | | EUR | EUR | EUR | EUR | EUR | EUR | EUR |
| Cash flows from financing activities | | | | | | | | |
| Proceeds from creation of units | | 81,383,209 | 418,000 | 550,000 | 10,810,800 | 5,405,000 | 9,044,390 | 55,155,019 |
| Outflows from redemption of units | | (9,379,982) | - | (57,841) | (863,449) | - | (8,457,243) | (1,449) |
| Cash flows from financing activities | | 72,003,227 | 418,000 | 492,159 | 9,947,351 | 5,405,000 | 587,147 | 55,153,570 |
| Net movements in cash and cash equivalents | | 14,931,799 | 768,921 | (1,472,529) | 1,282,964 | 284,336 | 553,097 | 13,515,010 |
| Cash and cash equivalents at the beginning of the period | | 2,862,146 | 1,025,380 | 1,836,766 | - | - | - | - |
| Effect of foreign exchange rate fluctuations and translation on cash and financial instruments | | (970,030) | 92,131 | (2,169) | - | 6,706 | (524,860) | (541,837) |
| Cash and cash equivalents at the end of the period | | 16,823,916 | 1,886,432 | 362,068 | 1,282,964 | 291,042 | 28,237 | 12,973,173 |

AQA UCITS Funds SICAV p.lc.

Unaudited statement of cash flows

For the period ended 31 December 2015

| 20 April 2015 to 31 December 2015 | | | |
|---|--------------|--|--------------------------------|
| | Combined | AQA Inter-Active Allocation Fund | AQA High Yield Bond Fund |
| Note | EUR | EUR | EUR |
| Cash flows used in operating activities | | | |
| Operating loss | (767,668) | (169,153) | (598,515) |
| <i>Adjustments for:</i> | | | |
| Net losses on financial assets at fair value through profit or loss | 728,059 | 76,206 | 651,853 |
| Operating (loss)/profit before working capital movements | (39,609) | (92,947) | 53,338 |
| Movement in receivables | (310,602) | (73,278) | (237,324) |
| Movement in accrued expenses and other payables | 137,967 | 58,218 | 79,749 |
| Cash flows used in operations | (212,244) | (108,007) | (104,237) |
| Tax paid | (2,767) | (1,975) | (792) |
| Net cash flows used in operating activities | (215,011) | (109,982) | (105,029) |
| Cash flows used in investing activities | | | |
| Purchase of financial assets at fair value through profit or loss | (20,430,603) | (6,125,154) | (14,305,449) |
| Proceeds from sale of financial assets at fair value through profit or loss | 3,101,774 | - | 3,101,774 |
| Net cash flows used in investing activities | (17,328,829) | (6,125,154) | (11,203,675) |
| Cash flows from financing activities | | | |
| Proceeds from creation of units | 21,095,000 | 7,410,000 | 13,685,000 |
| Outflows from redemption of units | (689,540) | (148,901) | (540,639) |
| Cash flows from financing activities | 20,405,460 | 7,261,099 | 13,144,361 |
| Net movements in cash and cash equivalents | 2,861,620 | 1,025,963 | 1,835,657 |
| Cash and cash equivalents at the beginning of the period | - | - | - |
| Effect of foreign exchange rate fluctuations on cash held | 526 | (583) | 1,109 |
| Cash and cash equivalents at the end of the period | 2,862,146 | 1,025,380 | 1,836,766 |

The notes on pages 10 to 50 are an integral part of these interim financial statements.

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements

For the period ended 30 June 2016

1 Reporting Entity

AQA UCITS Funds SICAV p.l.c. (the “Company”) is an open-ended collective investment scheme organised as a multi-fund public limited liability company with variable share capital (SICAV) incorporated in terms of the Companies Act, 1995 (Cap. 386) on 20 April 2015 with registration number SV 359. The company qualifies as a ‘Maltese UCITS’ in terms of the Investment Services Act (Marketing of UCITS) Regulations, 2011 (S.L. 370.18).

These financial statements comprise the financial statements of the Company which include the following licensed sub-funds at 30 June 2016:

- AQA Inter-Active Allocation Fund
- AQA High Yield Bond Fund
- AQA Credit Strategies Fund (launched on the 5 March 2016)
- AQA Hybrid Bond Fund (launched on the 25 March 2016)
- AQA Selective Income Fund (launched on the 27 February 2016)
- AQA U3S Fund (liquidated on the 27 May 2016)

2 Basis of preparation and significant accounting policies

2.1 Statement of compliance

The financial statements have been prepared and presented in accordance with International Financial Reporting Standards as adopted by the EU (“the applicable framework”). All references in these financial statements to IAS, IFRS or SIC/IFRIC interpretations refer to those adopted by the EU. These financial statements have also been prepared and presented in accordance with the provisions of the Companies Act, 1995 (Cap. 386).

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except for financial instruments which are stated at their fair values.

2.3 Functional and presentation currency

The financial statements are presented in Euro (EUR), which is the presentation currency of the AQA UCITS Funds SICAV p.l.c., rounded to the nearest unit. The Euro is also the functional currency of the AQA Inter-Active Allocation Fund, AQA High Yield Bond Fund, AQA Hybrid Bond Fund and the AQA Credit Strategies Fund, except for the AQA Selective Income Fund whose functional currency is USD.

2.4 Use of estimates and judgements

The preparation of financial statements in conformity with the applicable framework requires the Directors to make judgements, estimates and assumptions that affect both the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

2 Basis of preparation and significant accounting policies (continued)

2.4 Use of estimates and judgements (continued)

In the opinion of the directors, the accounting estimates and judgements made in the course of preparing these financial statements are not difficult, subjective or complex to a degree which would warrant their descriptions as significant and critical in terms of the requirements of IAS 1 (revised).

3 Significant accounting policies

The accounting policies set out below have been applied consistently during the period.

3.1 Foreign currency translations

Transactions in foreign currencies are translated to the functional currency at the spot exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the spot exchange rate at that date. The foreign currency gains or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period.

3.2 Financial assets and financial liabilities

3.2.1 Recognition

The Company recognises financial assets on the date it commits to purchase the assets, using trade date accounting. From this date any gains and losses arising from changes in fair value of the financial assets are recorded in the period in which they arise.

Where applicable, interest income on financial assets at fair value through profit or loss is disclosed within the line item 'interest income'. Fair value gains or losses are recognised within 'Net losses on financial assets at fair value through profit or loss'.

Financial liabilities are recognised when the entity becomes party to the contractual provisions of the instrument.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when the Company has a legally enforceable right to set off the recognised amounts and intends to settle on a net basis or to realise the asset and settle the liability simultaneously.

3.2.2 Classification

The company classifies financial assets and financial liabilities at fair value through profit or loss in accordance with IAS 39: "Financial Instruments: Recognition and Measurement". The Company's financial assets and financial liabilities at fair value through profit or loss includes held for trading derivative financial instruments.

A financial asset or financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing in the near term or if on initial recognition is part of a portfolio of identifiable financial investments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking.

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued) For the period ended 30 June 2016

3.2 Financial assets and financial liabilities (continued)

3.2.2 Classification (continued)

Derivative financial assets and derivative financial liabilities are classified as held for trading unless they are designated as effective hedging instruments. During the period under review, the Company did not designate any of its derivative financial instruments in a hedging relationship for accounting purposes.

3.2.3 Measurement

A financial asset or financial liability is measured initially at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue.

Subsequent to initial recognition, all instruments classified at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the statement of comprehensive income.

3.2.4 Fair value measurement principles

The fair value of quoted financial instruments is based on their quoted market prices at the reporting date without any deduction for estimated future selling costs and adjusted for any tax effect on the maturity of such instruments. Financial assets and financial liabilities are priced at current mid-market or the last traded price where this falls within the bid-ask yield.

3.2.5 Identification and measurement of impairment

The carrying amount of financial assets other than those at fair value through profit or loss are reviewed at each reporting date to determine whether there is any indication or objective evidence of impairment. If any such indication or objective evidence exists, the recoverable amount of the asset is estimated.

Objective evidence that financial assets are impaired can include significant financial difficulty of the issuer (or counterparty), a breach of contract, indications that the borrower will enter bankruptcy or other financial reorganisation, the disappearance of an active market for that financial asset because of financial difficulties and observable data indicating that there is a measurable decrease in the estimated future cash flows since the initial recognition of those assets. If any such indication exists, an impairment loss is recognised in the statement of comprehensive income as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rates.

If, in a subsequent year, the amount of an impairment loss recognised on a financial asset other than a financial asset at fair value through profit and loss decreases and the reduction in value can be linked objectively to an event occurring after the write-down, this is reversed through the statement of comprehensive income. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

3.2.6 Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the financial asset. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Company is recognised as a separate asset or liability in the statement

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

3 Significant accounting policies (continued)

3.2 Financial assets and financial liabilities (continued)

3.2.6 Derecognition (continued)

of financial position. On derecognition of a financial asset, the difference between the carrying amount of the asset (and the carrying amount allocated to the portion of the asset derecognised), and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of comprehensive income. The Company enters into transactions whereby it transfers assets recognised on its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. If all or substantially all risks and rewards are retained, then the transferred assets are not derecognised. Transfers of assets with retention of all or substantially all risks and rewards would include, for example, securities lending and repurchase transactions. The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

3.3 Payables

Payables are stated at their nominal value unless the effect of discounting is material, in which case trade payables are measured at amortised cost using the effective interest method.

3.4 Redeemable shares

The Company classifies financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of instruments.

The redeemable shares provide investors with the right to require redemption for cash at a value proportionate to the investor's share in the sub-funds' net assets at the redemption date and also in the event of the sub-funds' liquidation.

The redeemable shares are classified as financial liabilities and are measured at the present value of the redemption amounts.

3.5 Cash and cash equivalents

Cash comprises current deposits with banks with original maturities of less than three months. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

The liability to participating shareholder is presented in the statement of financial position as "Net assets attributable to holders of redeemable shares" and is determined based on the residual assets of the Company after deducting all other liabilities.

3.6 Interest income

Interest income is recognised in the statement of comprehensive income as it accrues using the effective interest method and, where applicable, gross of withholding tax.

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

3 Significant accounting policies (continued)

3.7 Net losses from financial instruments at fair value through profit and loss

Net gain/loss from financial instruments at fair value through profit or loss includes all realised and unrealised fair value changes and foreign exchange differences but excludes interest and dividend income. Net realised gain from financial instruments at fair value through profit or loss is calculated using the average cost method.

3.8 Expenses

All expenses, including management fees, administration fees and custodian fees, are recognised in the statement of comprehensive income on an accrual basis and are accordingly expensed as incurred. Formation expenses are recognised as an expense when incurred.

Transaction costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisers, brokers and dealers. Transaction costs, when incurred, are immediately recognised in profit or loss and other comprehensive income as an expense.

3.9 Taxation

Under the current system of taxation in Malta the Company is exempt from paying taxes on income, profits or capital gains. Dividend and interest income received by the Company may be subject to withholding tax imposed in the country of origin.

3.10 International Financial Reporting Standards in issue but not yet effective

At the date of authorisation of these financial statements the following standards, revisions and interpretations were in issue but not yet effective:

IFRS 9 – Financial instruments the final version of IFRS 9 brings together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. The Standard supersedes all previous versions of IFRS 9.

IFRS 9 introduces a logical approach for the classification of financial assets, which is driven by cash flow characteristics and the business model in which an asset is held. This single, principle-based approach replaces existing rule based requirements that are generally considered to be overly complex and difficult to apply.

The new model also results in a single, forward-looking 'expected loss' impairment model that will require more timely recognition of expected credit losses. IFRS 9 introduces a substantially-reformed model for hedge accounting, with enhanced disclosures about risk management activity. The new model represents a significant overhaul of hedge accounting that aligns the accounting treatment with risk management activities, enabling entities to better reflect these activities in their financial statements.

IFRS 9 also removes the volatility in profit or loss that was caused by changes in the credit risk of liabilities elected to be measured at fair value. This change in accounting means that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognised in profit or loss. This standard is applicable for annual periods beginning on or after 1 January 2018 and is not yet endorsed.

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

3 Significant accounting policies (continued)

3.10 International Financial Reporting Standards in issue but not yet effective (continued)

The directors anticipate that the adoption of International Financial Reporting Standards that were in issue at the date of authorisation of these financial statements but not yet effective, will have no material impact on the financial statements of the company in the period of initial application.

4 Share capital

The Company's capital is represented by the redeemable shares outstanding. The number of shares at the end of the period is analysed below:

| | AQA Inter- Active Allocation Fund | AQA High Yield Bond Fund | AQA Hybrid Bond Fund | AQA Credit Strategies Fund | AQA U3S Fund | AQA Selective Income Fund |
|--|---|--------------------------------|-------------------------------|-------------------------------------|--------------------|------------------------------------|
| | No. of shares | No. of shares | No. of shares | No. of shares | No. of shares | No. of shares |
| 30 June 2016 | | | | | | |
| Units in issue at the beginning of the period | 72,619 | 131,961 | - | - | - | - |
| Subscription of units during the period | | | | | | |
| Class A - EUR | 4,351 | 5,820 | 108,946 | 54,043 | 28,400 | 192,866 |
| Class B - EUR | - | - | - | - | 67,200 | - |
| Class C - USD | - | - | - | - | - | 403,211 |
| Redemption of units during the period | | | | | | |
| Class A - EUR | - | (607) | (8,560) | - | (28,400) | - |
| Class B - EUR | - | - | - | - | (67,200) | - |
| Class C - USD | - | - | - | - | - | (16) |
| Units in issue at the end of the period | 76,970 | 137,174 | 100,386 | 54,043 | - | 596,061 |

| | AQA Inter-Active Allocation Fund | AQA High Yield Bond Fund |
|--|-------------------------------------|-----------------------------|
| | No. of shares | No. of shares |
| 31 December 2015 | | |
| Units in issue at the beginning of the period | - | - |
| Subscription of units during the period | | |
| Class A - EUR | 74,119 | 125,115 |
| Class B - EUR | - | 12,362 |
| Redemption of units during the period | | |
| Class A - EUR | (1,500) | (5,516) |
| Class B - EUR | - | - |
| Units in issue at the end of the period | 72,619 | 131,961 |

The authorised share capital of the Company amounting to 10,000,001,000 shares has not been assigned any nominal value. The paid-up share capital of the Company shall at all times be equal to the net asset value of the sub-funds. The Company was incorporated by the issue of 1,000 founder shares with no nominal value. The effect of the proceeds from the issue of the founder shares is reflected in the combined amounts in these interim financial statements.

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

5 Management fees and other expenses

(a) *Performance fees*

Inter-Active Allocation Fund

The Investment Manager receives a performance fee of 5% on the appreciation in the Net Asset Value of the Sub-Fund over the previous High Watermark (“HWM”), as defined in offering supplement, multiplied by the number of Investor Shares in issue for each class of investor share.

As at reporting date performance fees amounted to nil (2015: Nil).

AQA High Yield Bond Fund

The Investment Manager receives a performance fee of 5% on the appreciation in the Net Asset Value of the Sub-Fund over the previous High Watermark (“HWM”), as defined in offering supplement, multiplied by the number of Investor Shares in issue for each class of investor share.

As at reporting date performance fees amounted to nil (2015: Nil).

AQA Hybrid Bond Fund

The Investment Manager receives a performance fee of 20% on the appreciation in the Net Asset Value of the Sub-Fund over the previous High Watermark (“HWM”), as defined in offering supplement, multiplied by the number of Investor Shares in issue for each class of investor share.

As at reporting date performance fees amounted to EUR37,582.

AQA Credit Strategies Fund

The Investment Manager receives a performance fee of 15% on the appreciation in the Net Asset Value of the Sub-Fund over the previous High Watermark (“HWM”), as defined in offering supplement, multiplied by the number of Investor Shares in issue for each class of investor share.

As at reporting date performance fees amounted to EUR7,919.

AQA U3S Fund

The Investment Manager receives a performance fee of 20% on the appreciation in the Net Asset Value of the Sub-Fund over the previous High Watermark (“HWM”), as defined in offering supplement, multiplied by the number of Investor Shares in issue for each class of investor share.

As at reporting date performance fees amounted to nil.

AQA Selective Income Fund

The Investment Manager receives no performance fee on the *AQA Selective Income Fund*.

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

5 Management fees and other expenses (continued)

(b) *Management fees*

AQA Inter-Active Allocation Fund

The Investment Manager receives a fee of 1.5% per annum of the net asset value of the sub-fund in respect of Class A and 0.8% per annum of the net asset value of the sub-fund in respect of Class B as well as reimbursement of out-of-pocket expenses.

For the period ended 30 June 2016 investment manager fees for AQA Inter-Active Allocation Fund amounted to EUR52,921 (2015: EUR44,274), of which EUR 27,428 (2015: EUR27,504) was due as at June 2016.

AQA High Yield Bond Fund

The Investment Manager receives a fee of 1.5% per annum of the net asset value of the sub-fund in respect of Class A and 0.8% per annum of the net asset value of the sub-fund in respect of Class B as well as reimbursement of out-of-pocket expenses.

For the period ended 30 June 2016 investment manager fees for AQA High Yield Bond Fund amounted to EUR88,678 (2015: EUR84,161), of which EUR 45,889 (2015: EUR39,394) was due as at June 2016.

AQA Hybrid Bond Fund

The Investment Manager receives a fee of 2% per annum of the net asset value of the sub-fund as well as reimbursement of out-of-pocket expenses.

For the period ended 30 June 2016 investment manager fees for AQA Hybrid Bond Fund amounted to EUR51,309 of which EUR 51,309 was due as at June 2016.

AQA Credit Strategies Fund

The Investment Manager receives a fee of 1.25% per annum of the net asset value of the sub-fund in respect of Class A and 0.75% per annum of the net asset value of the sub-fund in respect of Class B as well as reimbursement of out-of-pocket expenses.

For the period ended 30 June 2016 investment manager fees for AQA Credit Strategies Fund amounted to EUR20,751 of which EUR 16,544 was due as at June 2016.

AQA U3S Fund

The Investment Manager receives a fee of 1.45% per annum of the net asset value of the sub-fund as well as reimbursement of out-of-pocket expenses.

For the period ended 30 June 2016 investment manager fees for AQA U3S Fund amounted to EUR46,626 of which EUR 15,268 was due as at June 2016.

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

5 Management fees and other expenses (continued)

(b) *Management fees (continued)*

AQA Selective Income Fund

The Investment Manager receives a fee of 0.6% per annum of the net asset value of the sub-fund in respect of Class A and Class B, as well as reimbursement of out-of-pocket expenses.

For the period ended 30 June 2016 investment manager fees for AQA Selective Income Fund amounted to EUR74,979, of which EUR 59,589 was due as at June 2016.

(c) *Custodian's fees*

AQA Inter-Active Allocation Fund

The Custodian receives a fee of 0.05% of the net asset value of the sub-fund as per the Custodian Agreement. The Custody fee is subject to a minimum fee of EUR20,000 per annum reduced to EUR16,500 up to 31 December 2016.

For the period ended 30 June 2016 custodian fees for Inter-Active Allocation Fund amounted to EUR8,205 (2015: EUR7,546) of which EUR8,205 (2015:EUR7,546) was due as at June 2016.

AQA High Yield Bond Fund

The Custodian receives a fee of 0.05% of the net asset value of the sub-fund as per the Custodian Agreement. The Custody fee is subject to a minimum fee of EUR20,000 per annum reduced to EUR16,500 up to 31 December 2016.

For the period ended 30 June 2016 custodian fees for AQA High Yield Bond Fund amounted to EUR 8,204 (2015: EUR10,505) of which EUR 8,156 (2015: EUR10,505) was due as at June 2016.

AQA Hybrid Bond Fund

The Custodian receives a fee of 0.05% of the net asset value of the sub-fund as per the Custodian Agreement. The Custody fee is subject to a minimum fee of EUR20,000 per annum reduced to EUR15,000 for the first two years.

For the period ended 30 June 2016 custodian fees for AQA Hybrid Bond Fund amounted to EUR 4,016 of which EUR 4,016 was due as at June 2016.

AQA Credit Strategies Fund

The Custodian receives a fee of 0.05% of the net asset value of the sub-fund as per the Custodian Agreement. The Custody fee is subject to a minimum fee of EUR20,000 per annum reduced to EUR15,000 for the first two years.

For the period ended 30 June 2016 custodian fees for AQA Credit Strategies Fund amounted to EUR 4,836 of which EUR 4,836 was due as at June 2016.

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

5 Management fees and other expenses (continued)

(c) Custodian's fees (continued)

AQA U3S Fund

The Custodian receives a fee of 0.05% of the net asset value of the sub-fund as per the Custodian Agreement. The Custody fee is subject to a minimum fee of EUR20,000 per annum reduced to EUR16,500 up to 31 December 2016.

For the period ended 30 June 2016 custodian fees for AQA U3S Fund amounted to EUR 6,672 of which EUR nil was due as at June 2016.

AQA Selective Income Fund

The Custodian receives a fee of 0.05% of the net asset value of the sub-fund as per the Custodian Agreement. The Custody fee is subject to a minimum fee of EUR20,000 per annum reduced to EUR15,000 for the first two years.

For the period ended 30 June 2016 custodian fees for AQA Selective Income Fund amounted to EUR 6,300 of which EUR 6,381 was due as at June 2016.

(d) Administration fees

AQA Inter-Active Allocation Fund

The Administrator receives a fee of 0.08% of the net asset value of the sub-fund subject to a minimum fee of EUR22,500 per annum. The Administrator is also entitled to receive agreed upon fixed fees for the preparation of unaudited financial statements for the sub-fund, investor transactions and maintenance of investor accounts The Administrator is also entitled to recover out-of-pocket expenses.

For the period ended 30 June 2016 administration fees for Inter-Active Allocation Fund amounted to EUR11,250 (2015: EUR9,431) of which EUR5,717 (2015: EUR5,671) was due as at June 2016.

AQA High Yield Bond Fund

The Administrator receives a fee of 0.08% of the net asset value of the sub-fund subject to a minimum fee of EUR22,500 per annum. The Administrator is also entitled to receive agreed upon fixed fees for the preparation of unaudited financial statements for the sub-fund, investor transactions and maintenance of investor accounts The Administrator is also entitled to recover out-of-pocket expenses.

For the period ended 30 June 2016 administration fees for AQA High Yield Bond Fund amounted to EUR11,250 (2015: EUR 13,129) of which EUR5,717 (2015: EUR5,671) was due as at June 2016.

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

5 Management fees and other expenses (continued)

(e) Administration fees (continued)

AQA Hybrid Bond Fund

The Administrator receives a fee of 0.1% of the net asset value of the sub-fund subject to a minimum fee of EUR12,500 per annum. The Administrator is also entitled to receive agreed upon fixed fees for the preparation of unaudited financial statements for the sub-fund, investor transactions and maintenance of investor accounts. The Administrator is also entitled to recover out-of-pocket expenses.

For the period ended 30 June 2016 administration fees for AQA Hybrid Bond Fund amounted to EUR3,347 of which EUR3,347 was due as at June 2016.

AQA Credit Strategies Fund

The Administrator receives a fee of 0.08% of the net asset value of the sub-fund subject to a minimum fee of EUR22,500 per annum. The Administrator is also entitled to receive agreed upon fixed fees for the preparation of unaudited financial statements for the sub-fund, investor transactions and maintenance of investor accounts. The Administrator is also entitled to recover out-of-pocket expenses.

For the period ended 30 June 2016 administration fees for AQA Credit Strategies Fund amounted to EUR 7,254 of which EUR5,656 was due as at June 2016.

AQA U3S Fund

The Administrator receives a fee of 0.08% of the net asset value of the sub-fund subject to a minimum fee of EUR22,500 per annum. The Administrator is also entitled to receive agreed upon fixed fees for the preparation of unaudited financial statements for the sub-fund, investor transactions and maintenance of investor accounts. The Administrator is also entitled to recover out-of-pocket expenses.

For the period ended 30 June 2016 administration fees for AQA U3S Fund amounted to EUR 9,098 of which EUR3,565 was due as at June 2016.

AQA Selective Income Fund

The Administrator receives a fee of 0.10% of the net asset value of the sub-fund subject to a minimum fee of EUR18,000 per annum. The Administrator is also entitled to receive agreed upon fixed fees for the preparation of unaudited financial statements for the sub-fund, investor transactions and maintenance of investor accounts. The Administrator is also entitled to recover out-of-pocket expenses.

For the period ended 30 June 2016 administration fees for AQA Selective Income Fund amounted to EUR 12,497 of which EUR9,931 was due as at June 2016.

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

6 Taxation

The Company

In terms of current Maltese fiscal legislation, collective investment schemes are classified as either 'prescribed' or 'non-prescribed' funds.

A collective investment scheme which declares that the value of its assets situated in Malta allocated thereto for the purpose of its operations does not exceed eightyfive per cent of the value of its total assets is treated as a non-prescribed fund.

On this basis, the AQA Inter-Active Allocation Fund, AQA High Yield Bond Fund, AQA Hybrid Bond Fund, AQA Credit Strategies Fund, AQA U3S Fund and AQA Selective Income Fund qualify as non-prescribed funds for Maltese income tax purposes.

Accordingly, the sub-funds within the Company are exempt from Maltese income tax except in respect of any income from immovable property situated in Malta.

Capital gains, dividends, interest and any other income from foreign investments held by the sub-funds within the Company may nonetheless be subject to tax imposed by the country of origin concerned and any such taxes are not recoverable by the sub-funds within Company or by the members.

Members not resident in Malta

Capital gains accruing to members not resident in Malta upon a redemption or transfer of shares or upon a distribution on a winding-up of the Company are not subject to tax in Malta.

However, the redemption or transfer of shares and any distribution on a winding-up of the Company may result in a tax liability for the members according to the tax regime applicable in their respective countries of incorporation, establishment, residence, citizenship, nationality or domicile, or other relevant jurisdiction.

Withholding tax expense

Certain interest income received by the Company is subject to withholding tax imposed in the country of origin.

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

7 Cash and cash equivalents

| | Combined | AQA Inter-Active Allocation Fund | AQA High Yield Bond Fund | AQA Hybrid Bond Fund | AQA Credit Strategies Fund | AQA U3S Fund | AQA Selective Income Fund |
|--------------------------|------------|----------------------------------|--------------------------|----------------------|----------------------------|--------------|---------------------------|
| | EUR | EUR | EUR | EUR | EUR | EUR | EUR |
| 30 June 2016 | | | | | | | |
| Cash at bank and on hand | 16,823,916 | 1,886,432 | 362,068 | 1,282,964 | 291,042 | 28,237 | 12,973,173 |
| | | | | | | | |
| | | | | | | | |
| 31 December 2015 | | | | | | | |
| Cash at bank and on hand | 2,862,146 | 1,025,380 | 1,836,766 | - | - | - | - |

8 Financial assets and financial liabilities at fair value through profit or loss

8.1 Summary of the composition of the portfolio of investments

| | Combined | AQA Inter-Active Allocation Fund | AQA High Yield Bond Fund | AQA Hybrid Bond Fund | AQA Credit Strategies Fund | AQA Selective Income Fund |
|--|------------|----------------------------------|--------------------------|----------------------|----------------------------|---------------------------|
| | EUR | EUR | EUR | EUR | EUR | EUR |
| 30 June 2016 | | | | | | |
| <i>Financial assets designated as at fair value through profit or loss</i> | | | | | | |
| Debt instruments | 81,150,558 | 5,608,496 | 12,445,051 | 9,108,055 | 210,683 | 53,778,273 |
| Exchange Traded Fund | 1,246,439 | - | - | - | 1,246,439 | - |
| Collective Investment Schemes | 3,719,644 | - | - | - | 3,719,644 | - |
| Derivatives – Forwards | 209,687 | - | 10,000 | - | - | 199,687 |
| Derivatives – Options | 52,481 | 17,261 | 35,220 | - | - | - |
| | 86,378,809 | 5,625,757 | 12,490,271 | 9,108,055 | 5,176,766 | 53,977,960 |

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

8 Financial assets and financial liabilities at fair value through profit or loss (continued)

8.1 Summary of the composition of the portfolio of investments (continued)

| | Combined | AQA Inter-Active Allocation Fund | AQA High Yield Bond Fund |
|--|------------|-------------------------------------|-----------------------------|
| 31 December 2015 | EUR | EUR | EUR |
| <i>Financial assets designated as at fair value through profit or loss</i> | | | |
| Debt instruments | 16,593,416 | 6,042,703 | 10,550,713 |
| Derivatives | 40,001 | 40,001 | - |
| | 16,633,417 | 6,082,704 | 10,550,713 |

| | Combined | AQA Inter-Active Allocation Fund | AQA High Yield Bond Fund | AQA Hybrid Bond Fund | AQA Credit Strategies Fund | AQA Selective Income Fund |
|---|----------|---|-----------------------------------|-------------------------------|-------------------------------------|------------------------------------|
| 30 June 2016 | EUR | EUR | EUR | EUR | EUR | EUR |
| <i>Financial liabilities designated as at fair value through profit or loss</i> | | | | | | |
| Debt instruments | - | - | - | - | - | - |
| Derivatives – Forwards | 139,662 | - | - | - | - | 139,662 |
| Derivatives – Options | 375,896 | 84,536 | 32,160 | 259,200 | - | - |
| | 515,558 | 84,536 | 32,160 | 259,200 | - | 139,662 |

| | Combined | AQA Inter-Active Allocation Fund | AQA High Yield Bond Fund |
|---|----------|-------------------------------------|-----------------------------|
| 31 December 2015 | | | |
| <i>Financial liabilities designated as at fair value through profit or loss</i> | | | |
| Derivatives | (33,173) | (33,173) | - |
| | (33,173) | (33,173) | - |

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

8 Financial assets and financial liabilities at fair value through profit or loss (continued)

8.1 Summary of the composition of the portfolio of investments (continued)

AQA Inter-Active Allocation Fund

The table below sets the composition of the portfolio of the Fund as at 30 June 2016:

| 30 June 2016 | Total EUR | Percentage of portfolio % | Percentage of net assets % |
|---|------------------|---------------------------------|----------------------------------|
| Debt instruments traded on a regulated market | | | |
| Corporate bonds | 4,242,528 | 76.56 | 61.19 |
| Sovereign bonds | 1,365,968 | 24.65 | 19.70 |
| | 5,608,496 | 101.21 | 80.89 |
| Derivatives | | | |
| Options | 17,261 | 0.31 | 0.25 |
| | 5,625,757 | 101.52 | 81.14 |
| | EUR | Percentage of portfolio % | Percentage of net assets % |
| Options | (84,536) | (1.53) | (1.22) |
| | (84,536) | (1.53) | (1.22) |

The table below sets the composition of the portfolio of the Fund as at 31 December 2015:

| 31 December 2015 | Total EUR | Percentage of portfolio % | Percentage of net assets % |
|---|--------------|---------------------------------|----------------------------------|
| Debt instruments traded on a regulated market | | | |
| Corporate bonds | 4,066,218 | 82.74 | 70.99 |
| Sovereign bonds | 1,976,485 | 16.60 | 14.24 |
| | 6,042,703 | 99.34 | 85.23 |
| Derivatives | | | |
| Options | 40,001 | 0.66 | 0.56 |
| | 6,082,704 | 100.00 | 85.79 |

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

8 Financial assets and financial liabilities at fair value through profit or loss (continued)

8.1 Summary of the composition of the portfolio of investments (continued)

AQA Inter-Active Allocation Fund (continued)

| 2015 | EUR | Percentage of total liabilities % | Percentage of net assets % |
|---|----------|-----------------------------------|----------------------------|
| Financial liabilities at fair value through profit or loss | | | |
| Held for trading | | | |
| Fair value of open option contracts | (28,489) | (31.18) | (0.40) |
| Fair value of open futures contracts | (4,683) | (5.12) | (0.06) |
| | (33,172) | (36.30) | (0.47) |

Issuers of the above debt instruments are categorised as follows:

| 30 June 2016 | Total EUR | Percentage of portfolio % | Percentage of net assets % |
|-----------------|-----------|---------------------------|----------------------------|
| Eurozone | 4,673,618 | 84.34 | 67.40 |
| EU non-Eurozone | 226,350 | 4.08 | 3.26 |
| United States | 416,926 | 7.52 | 6.01 |
| Other | 224,327 | 4.05 | 3.24 |
| | 5,541,221 | 100.00 | 79.92 |

Issuers of the above debt instruments are categorised as follows:

| 31 December 2015 | Total EUR | Percentage of portfolio % | Percentage of net assets % |
|------------------|-----------|---------------------------|----------------------------|
| Eurozone | 5,145,075 | 84.58 | 72.57 |
| EU non-Eurozone | 246,970 | 4.06 | 3.48 |
| United States | 409,132 | 6.73 | 5.77 |
| Other | 241,526 | 3.97 | 3.41 |
| | 6,042,703 | 99.34 | 85.23 |

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

8 Financial assets and financial liabilities at fair value through profit or loss (continued)

8.1 Summary of the composition of the portfolio of investments (continued)

Investment in open options

| | |
|--|------------------|
| | 2016 |
| Financial assets at fair value through profit or loss | EUR |
| Held for trading | |
| Notional amount | 1,107,076 |

None of the financial assets at fair value through profit or loss as at 30 June 2016 were pledged.

Investment in open future contracts

| | |
|--|-------------|
| | 2015 |
| Financial assets at fair value through profit or loss | EUR |
| Held for trading | |
| Notional amount | 865,640 |

Investment in open options

| | |
|--|-------------|
| | 2015 |
| Financial assets at fair value through profit or loss | EUR |
| Held for trading | |
| Notional amount | 70,473 |

None of the financial assets at fair value through profit or loss as at 31 December 2015 were pledged.

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

8 Financial assets and financial liabilities at fair value through profit or loss (continued)

8.1 Summary of the composition of the portfolio of investments (continued)

AQA High Yield Bond Fund

The table below sets the composition of the portfolio of the Fund as at 30 June 2016:

| 30 June 2016 | Total EUR | Percentage of portfolio % | Percentage of portfolio % |
|---|----------------------|--|--|
| Debt instruments traded on a regulated market | | | |
| Corporate bonds | 12,445,051 | 99.90 | 99.86 |
| Derivatives - Options | 35,220 | 0.28 | 0.02 |
| | 12,480,271 | 100.18 | 99.88 |

| | Total EUR | Percentage of portfolio % | Percentage of portfolio % |
|---|----------------------|--|--|
| Financial liabilities at fair value through profit or loss | | | |
| Derivatives | | | |
| Options | (32,160) | (0.26) | (0.26) |
| | (32,160) | (0.26) | (0.26) |

The table below sets the composition of the portfolio of the Fund as at 31 December 2015:

| 31 December 2015 | Total EUR | Percentage of portfolio % | Percentage of net assets % |
|---|----------------------|--|---|
| Debt instruments traded on a regulated market | | | |
| Corporate bonds | 10,444,588 | 98.99 | 83.25 |
| Sovereign bonds | 106,125 | 1.01 | 0.85 |
| | 10,550,713 | 100.00 | 84.10 |

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

8 Financial assets and financial liabilities at fair value through profit or loss (continued)

8.1 Summary of the composition of the portfolio of investments (continued)

AQA High Yield Bond Fund (continued)

Issuers of the above financial assets are categorised as follows:

| | Total | Percentage | Percentage |
|---------------------|-------------------|---------------------|----------------------|
| | | of portfolio | of net assets |
| 30 June 2016 | EUR | % | % |
| Eurozone | 10,558,629 | 84.85 | 84.72 |
| EU non-Eurozone | 879,743 | 7.07 | 7.06 |
| United States | 1,006,679 | 8.09 | 8.08 |
| | 12,445,051 | 100.00 | 99.86 |

None of the financial assets at fair value through profit or loss as at 30 June 2016 were pledged.

| | Total | Percentage | Percentage |
|-------------------------|-------------------|---------------------|----------------------|
| | | of portfolio | of net assets |
| 31 December 2015 | EUR | % | % |
| Eurozone | 8,222,012 | 77.93 | 65.54 |
| EU non-Eurozone | 710,330 | 6.73 | 5.66 |
| United States | 1,069,846 | 10.14 | 8.53 |
| Other | 548,525 | 5.20 | 4.36 |
| | 10,550,713 | 100.00 | 84.10 |

None of the financial assets at fair value through profit or loss as at 31 December 2015 were pledged.

Investment in open options

| | |
|--|----------------|
| | 2016 |
| Financial assets at fair value through profit or loss | EUR |
| Held for trading | |
| Notional amount | 217,365 |

None of the financial assets at fair value through profit or loss as at 30 June 2016 were pledged.

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

8 Financial assets and financial liabilities at fair value through profit or loss (continued)

8.1 Summary of the composition of the portfolio of investments (continued)

AQA Hybrid Bond Fund

The table below sets the composition of the portfolio of the Fund as at 30 June 2016:

| | Total | Percentage of portfolio | Percentage of net assets |
|---|------------|----------------------------|-----------------------------|
| 30 June 2016 | EUR | % | % |
| Debt instruments traded on a regulated market | | | |
| Corporate bonds | 9,108,055 | 102.93 | 97.73 |
| Financial liabilities at fair value through profit or loss | EUR | % | % |
| Derivatives | | | |
| Options | (259,200) | (2.93) | (2.78) |

Issuers of the above financial assets are categorised as follows:

| | Total | Percentage of portfolio | Percentage of net assets |
|-----------------|-----------|----------------------------|-----------------------------|
| 30 June 2016 | EUR | % | % |
| Eurozone | 8,396,155 | 94.88 | 90.10 |
| EU non-Eurozone | 452,700 | 5.12 | 4.90 |
| | 8,848,855 | 100.00 | 99.86 |

None of the financial assets at fair value through profit or loss as at 30 June 2016 were pledged

AQA Selective Income Fund

The table below sets the composition of the portfolio of the Fund as at 30 June 2016:

| | Total | Percentage of portfolio | Percentage of net assets |
|---|------------|----------------------------|-----------------------------|
| 30 June 2016 | EUR | % | % |
| Debt instruments traded on a regulated market | | | |
| Corporate bonds | 53,778,273 | 99.89 | 94.57 |
| Derivatives - Forwards | 60,025 | 0.11 | 0.11 |
| | 53,838,298 | 100.00 | 94.68 |

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

8 Financial assets and financial liabilities at fair value through profit or loss (continued)

8.1 Summary of the composition of the portfolio of investments (continued)

AQA Selective Income Fund (continued)

Summary of the composition of the portfolio of investments (continued)

Issuers of the above financial assets are categorised as follows:

| | Total | Percentage | Percentage |
|-------------------------|-------------------|---------------------|----------------------|
| | EUR | of portfolio | of net assets |
| 31 December 2015 | | % | % |
| Eurozone | 1,519,720 | 2.82 | 2.67 |
| EU non-Eurozone | 1,287,788 | 2.39 | 2.26 |
| United States | 51,030,790 | 94.79 | 89.75 |
| | <u>53,838,298</u> | <u>100.00</u> | <u>94.68</u> |

None of the financial assets at fair value through profit or loss as at 30 June 2016 were pledged.

AQA Credit Strategies Fund

The table below sets the composition of the portfolio of the Fund as at 30 June 2016:

| | Total | Percentage | Percentage |
|---|------------------|---------------------|----------------------|
| | EUR | of portfolio | of net assets |
| 30 June 2016 | | % | % |
| Debt instruments traded on a regulated market | | | |
| Supranational | 210,683 | 4.07 | 3.85 |
| ETF | 1,246,439 | 24.08 | 22.80 |
| Collective Investment Scheme | 3,719,644 | 71.85 | 68.02 |
| | <u>5,176,766</u> | <u>100.00</u> | <u>94.67</u> |

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

9 Transactions with related parties

(a) Directors

During the reporting period, Directors' fees amounted to EUR16,879 as disclosed separately on statement of comprehensive income. Directors are entitled to a maximum of EUR60,000 per annum. There were no other payments to key management personnel as defined in IAS 24 *Related Party Disclosures*.

(b) Founder shares

999 Founder Shares are held by AQA Capital Holding Limited, and 1 Founder share is held by AQA Capital Limited.

(c) Fees

Management performance and compensation fees for the period are disclosed in note 5.

10 Financial instruments and associated risks

The Company is established as an investment company with variable share capital (SICAV) which implies that financial instruments are extensively used in the course of its routine business. The sub-funds may invest in securities, deposits with credit institutions, investments in units of other Collective Investment Schemes, financial derivative instruments or OTC financial derivative instruments for the purposes of efficient portfolio management only and ancillary liquid assets.

Tactical allocation of sub-funds' assets is determined by the Investment Manager, setting the risk management limits in line with the investment strategy of each sub-fund at the prevailing market circumstances.

The nature and extent of the financial instruments outstanding at the reporting date and the risk management policies employed by the sub-funds are discussed below.

10.1 Market risk

Market risk encapsulates the potential for gains and losses in the valuation of the underlying securities, including gains and losses arising from currency risk, interest rate risk and price risk.

The strategy of each sub-fund relating to the management of investment risk is derived from the sub-fund's investment objective, which is clearly outlined in the prospectus of the SICAV. The Investment Manager monitors the sub-funds market exposures within the pre-determined Investment Restrictions on a daily basis whilst the overall market exposures are also monitored on a quarterly basis by the Board of Directors.

Details of the nature of the sub-funds' investment portfolio as at the reporting date are disclosed in note 8.

10.1.1 Currency risk

The sub-funds may hold foreign cash balances, as well as invest in financial instruments and enter into transactions denominated in currencies other than the respective functional currency. Consequently, the sub-funds are exposed to risks that the exchange rate of the functional currencies relative to other foreign currencies may change in a manner that have adverse effect on the value of that portion of the sub-funds' assets denominated in currencies other than the functional currency.

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

10 Financial instruments and associated risks (continued)

10.1 Market risk (continued)

10.1.1 Currency risk (continued)

The sub-funds currency risk is managed on a daily basis by the Investment Manager in accordance with policies and procedures in place.

As at the reporting date the sub-funds had the following open currency exposures.

AQA Inter-Active Allocation Fund

| 30 June 2016 | EUR | % of total assets |
|---------------------|----------------|--------------------------|
| Currency | | |
| US Dollars | 676,788 | 12.14 |

| 31 December 2015 | EUR | % of total assets |
|-------------------------|------------|--------------------------|
| Currency | | |
| US Dollars | 662,691 | 9.23 |

AQA High Yield Bond Fund

| 30 June 2016 | EUR | % of total assets |
|---------------------|---------------------|--------------------------|
| Currency | | |
| US Dollars | 1,184,787.48 | 9.51 |
| British Pound | 233,474.00 | 1.87 |

| 31 December 2015 | EUR | % of total assets |
|-------------------------|------------|--------------------------|
| Currency | | |
| US Dollars | 1,256,234 | 9.95 |
| British Pound | 130,590 | 1.00 |

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

10 Financial instruments and associated risks (continued)

10.1 Market risk (continued)

10.1.1 Currency risk (continued)

AQA Credit Strategies Fund

| 30 June 2016 | EUR | % of total assets |
|---------------------|----------------|--------------------------|
| Currency | | |
| US Dollars | 803,273 | 15.52 |
| Brazilian Real | 55,973 | 1.08 |
| Turkish Lira | 94,422 | 1.82 |
| South African Rand | 60,288 | 1.16 |

AQA Selective Income Fund

| 30 June 2016 | EUR | % of total assets |
|---------------------|------------------|--------------------------|
| Currency | | |
| Euro | 689,077 | 1.33 |
| British Pound | 1,287,788 | 2.67 |

Sensitivity Analysis

As at 30 June 2016, had the functional currency of the Fund strengthened by 5% in relation to the other currencies with all other variables held constant, net assets attributable to holders of redeemable shares would have decreased by the amounts shown below.

AQA Inter-Active Allocation Fund

| | |
|-------------------------|---------------|
| 30 June 2016 | EUR |
| Currency | |
| US Dollars | 33,839 |
| | |
| 31 December 2015 | EUR |
| Currency | |
| US Dollars | 33,135 |

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

10 Financial instruments and associated risks (continued)

10.1 Market risk (continued)

10.1.1 Currency risk (continued)

AQA High Yield Bond Fund

| | |
|-------------------------|---------------|
| 30 June 2016 | EUR |
| Currency | |
| US Dollars | 59,239 |
| British Pound | 11,674 |
| 31 December 2015 | EUR |
| Currency | |
| Euro | 34,454 |
| British Pound | 64,389 |

AQA Credit Strategies Fund

| | |
|---------------------|---------------|
| 30 June 2016 | EUR |
| Currency | |
| US Dollars | 40,164 |
| Brazilian Real | 2,799 |
| Turkish Lira | 4,721 |
| South African Rand | 3,014 |

AQA Selective Income Fund

| | |
|---------------------|---------------|
| 30 June 2016 | EUR |
| Currency | |
| US Dollars | 59,239 |
| British Pound | 11,674 |

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

10 Financial instruments and associated risks (continued)

10.1 Market risk (continued)

10.1.2 Interest rate risk

A substantial amount of the sub-fund's financial assets are interest-bearing securities and are hence exposed to fair value interest rate risk arising from fluctuations in the prevailing levels of market interest rates.

Sensitivity Analysis

The interest rate risk is managed on a daily basis by the Investment Manager in line with the pre-determined policies and procedures in place. The overall interest rate risk is monitored on a quarterly basis by the Board of Directors.

The table below sets out the impact on the relative net assets of each sub-fund as at 30 June 2016 in the event that worldwide yield curves experience a parallel 25bps/50bps shift upwards or downwards.

| AQA Inter-Active Allocation Fund | 30 June 2016 |
|---|---------------------|
| | EUR |
| +25bps | 14,021 |
| -25bps | (14,021) |
| +50bps | 28,042 |
| -50bps | (28,042) |

| AQA Inter-Active Allocation Fund | 31 December 2015 |
|---|-------------------------|
| | EUR |
| +25bps | 15,107 |
| -25bps | (15,107) |
| +50bps | 30,214 |
| -50bps | (30,214) |

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

10 Financial instruments and associated risks (continued)

10.1 Market risk (continued)

10.1.2 Interest rate risk (continued)

| | |
|----------------------------------|---------------------|
| AQA High Yield Bond Fund | 30 June 2016 |
| | EUR |
| +25bps | 31,112 |
| -25bps | (31,112) |
| +50bps | 62,225 |
| -50bps | (62,225) |
| AQA High Yield Bond Fund | 30 June 2016 |
| | EUR |
| +25bps | 26,377 |
| -25bps | (26,377) |
| +50bps | 52,574 |
| -50bps | (52,574) |
| AQA Hybrid Bond Fund | 30 June 2016 |
| | EUR |
| +25bps | 22,770 |
| -25bps | (22,770) |
| +50bps | 45,540 |
| -50bps | (45,540) |
| Credit Strategies Fund | 30 June 2016 |
| | EUR |
| +25bps | 527 |
| -25bps | (527) |
| +50bps | 1,053 |
| -50bps | (1,053) |
| AQA Selective Income Fund | 30 June 2016 |
| | EUR |
| +25bps | 134,446 |
| -25bps | (134,446) |
| +50bps | 268,891 |
| -50bps | (268,891) |

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

10 Financial instruments and associated risks (continued)

10.1.3 Price risk

Price risk is the risk that the value of the underlying assets will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk). These can arise from factors specific to an individual investment or its issuer, better known as idiosyncratic risk, or from factors affecting total market sentiment, better known as systemic risk.

Idiosyncratic price risk is managed through the construction of a well-diversified portfolio of investments traded on various markets. Systemic risk cannot be eliminated completely by diversification and hence investors in the respective sub-funds forming part of this SICAV are subject to the sub-funds relative systemic market risk.

As the majority of the sub-funds financial instruments are carried at fair value with fair value changes recognised in the statement of comprehensive income, all changes in market conditions will directly affect the sub-funds financial statements.

AQA Credit Strategies

| | As at June 2016 |
|-------------------------------|------------------------------|
| Exchange Traded Fund | 1,246,439 |
| Collective Investment Schemes | 3,719,644 |
| | <hr/> 4,966,083 <hr/> |

As at 31 December 2015 there is no material price risk on any of the sub-funds as the mainly comprise of debt instruments.

10.2 Credit and settlement risk

Credit risk is the risk that counterparty to a financial instrument will fail to honour an obligation or commitment that it has entered into with the respective Fund.

Settlement risk is the risk of loss due to failure of counterparty to honour its obligations to deliver cash, securities and/or other assets as contractually agreed. Risk relating to unsettled transactions is considered to be minimal due to the short settlement period involved and the high credit quality of the brokers used. Furthermore, the Investment Manager monitors the financial positions of the brokers used to further mitigate this risk.

All of the assets of the sub-funds are held by Bank of Valetta, p.l.c. (rated BBB+ by international rating agency Fitch) as a custodian. Bankruptcy or insolvency of the Custodian may cause the sub-funds rights with respect to securities held by the Custodian to be delayed or limited.

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

10 Financial instruments and associated risks (continued)

10.2 Credit and settlement risk (continued)

AQA Inter-Active Allocation Fund

| | Total |
|-------------------------|------------------|
| | EUR |
| 30 June 2016 | |
| Debt securities | 5,608,496 |
| Cash at bank | 1,392,587 |
| | <u>7,001,083</u> |
| | Total |
| | EUR |
| 31 December 2015 | |
| Debt securities | 6,042,703 |
| Cash at bank | 718,315 |
| Derivatives | 6,828 |
| Cash at bank | 307,065 |
| | <u>7,074,911</u> |

AQA High Yield Bond Fund

| | Total |
|-------------------------|-------------------|
| | EUR |
| 30 June 2016 | |
| Debt securities | 12,445,051 |
| Cash at bank | 125,097 |
| Derivatives | 10,000 |
| | <u>12,580,148</u> |
| | Total |
| | EUR |
| 31 December 2015 | |
| Debt securities | 10,550,713 |
| Cash at bank | 1,836,766 |
| | <u>12,387,479</u> |

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

10 Financial instruments and associated risks (continued)

10.2 Credit and settlement risk (continued)

AQA Hybrid Bond Fund

| | Total |
|---------------------|------------------|
| 30 June 2016 | EUR |
| Debt securities | 9,108,055 |
| Cash at bank | 470,480 |
| | <hr/> |
| | 9,578,535 |

AQA Credit Strategies Fund

| | Total |
|---------------------|----------------|
| 30 June 2016 | EUR |
| Debt securities | 210,683 |
| Cash at bank | 291,042 |
| | <hr/> |
| | 501,725 |

AQA Selective Income Fund

| | Total |
|---------------------|-------------------|
| 30 June 2016 | EUR |
| Debt securities | 53,778,276 |
| Cash at bank | 12,972,035 |
| Derivatives | 60,025 |
| | <hr/> |
| | 66,750,311 |

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

10 Financial instruments and associated risks (continued)

10.2 Credit and settlement risk (continued)

AQA Inter-Active Allocation Fund

The credit quality of these investments as at 30 June 2016 is summarised below:

| Credit Rating | 30 June 2016 % Exposure of total net assets |
|---------------|---|
| A | 8.03 |
| AA | 8.05 |
| AA- | 8.92 |
| BBB+ | 32.78 |
| BBB | 9.43 |
| BBB- | 10.21 |
| BB+ | 12.47 |
| BB | 4.59 |
| BB- | 3.92 |
| B | 1.60 |

The credit quality of these investments as at 31 December 2015 is summarised below:

| Credit Rating | 31 December 2015 % Exposure of total net assets |
|---------------|---|
| AA+ | 6.38 |
| AA | 7.05 |
| A | 6.35 |
| A- | 6.92 |
| BBB+ | 27.88 |
| BBB | 11.79 |
| BBB- | 4.81 |
| BB+ | 6.8 |
| BB | 3.41 |
| B+ | 3.84 |

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

10 Financial instruments and associated risks (continued)

10.2 Credit and settlement risk (continued)

AQA High Yield Fund

The credit quality of these investments as at 30 June 2016 is summarised below:

| Credit Rating | 30 June 2016 % Exposure of total net assets |
|----------------------|--|
| BBB+ | 0.41 |
| BBB | 3.79 |
| BBB- | 26.55 |
| BB+ | 20.91 |
| BB | 11.20 |
| BB- | 14.4 |
| B+ | 4.02 |
| B | 5.35 |
| B- | 3.29 |
| CCC+ | 3.88 |
| NR | 6.17 |

The AQA High Yield Bond Fund's exposure to debt securities stood at 84.10% of its total net assets. The credit quality of these investments as at 31 December 2015 is summarised below:

| Credit Rating | 31 December 2015 % Exposure of total net assets |
|----------------------|--|
| BBB+ | 0.47 |
| BBB | 10.04 |
| BBB- | 17.99 |
| BB+ | 16.85 |
| BB | 12.47 |
| BB- | 4.61 |
| B+ | 9.00 |
| B | 4.54 |
| B- | 2.38 |
| CCC | 1.58 |
| NR | 4.18 |

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

10 Financial instruments and associated risks (continued)

10.2 Credit and settlement risk (continued)

AQA Hybrid Bond Fund

The credit quality of these investments as at 30 June 2016 is summarised below:

| Credit Rating | 30 June 2016 % Exposure of total net assets |
|---------------|---|
| BBB+ | 1.67 |
| BBB- | 21.17 |
| BB+ | 7.32 |
| BB | 35.03 |
| BB- | 12.90 |
| B+ | 2.15 |
| B | 2.06 |
| B- | 5.62 |
| NR | 12.08 |

AQA Credit Strategies Fund

The credit quality of these investments as at 30 June 2016 is summarised below:

| Credit Rating | 30 June 2016 % Exposure of total net assets |
|---------------|---|
| AAA | 3.85 |

AQA Selective Income

The credit quality of these investments as at 30 June 2016 is summarised below:

| Credit Rating | 30 June 2016 % Exposure of total net assets |
|---------------|---|
| A | 2.40 |
| BBB | 9.81 |
| BBB- | 17.44 |
| BB+ | 21.65 |
| BB | 12.19 |
| BB- | 11.46 |
| B+ | 16.71 |
| B | 6.23 |
| B- | 1.29 |
| CCC | 0.81 |

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

10 Financial instruments and associated risks (continued)

10.3 Liquidity risk

The sub-funds' constitution provides for the weekly creation and cancellation of units and these are therefore exposed to the liquidity risk of meeting unit-holders' redemptions at any time. The major part of these sub-funds' underlying securities is considered to be readily realisable since they are all listed on major European and US Stock Exchanges.

The sub-funds' liquidity risk is managed on an on-going basis by the Investment Manager in accordance with policies and procedures in place. The sub-funds' overall liquidity risks are monitored and reviewed on a quarterly basis by the Board of Directors.

10.4 Custody risk

The Company is also exposed to operational risks such as custody risk. Custody risk is the risk of a loss being incurred on securities in custody as a result of a custodian's insolvency, negligence, misuse of assets, fraud, poor administration or inadequate record-keeping. Although an appropriate legal framework is in place that reduces the risk of loss of value of the securities held by the custodian in the event of its failure, the ability of the company to transfer the securities might be temporarily impaired.

10.5 Offsetting financial assets and financial liabilities

AQA Selective Income and AQA High Yield Fund has entered into a master netting agreement with its over-the-counter derivative counterparty. Where legally enforceable, this agreement gives the Sub-Fund, in the event of default by the counterparty, the right to liquidate cash and securities held as collateral and to offset receivables and payables with the same counterparty.

| Type of financial assets | Gross amounts of recognised financial assets/(liabilities) | Gross amounts of recognised financial assets/(liabilities) set off in the statement of financial position | Net amounts of financial assets/(liabilities) presented in the statement of financial position | Financial instruments | Financial collateral received or pledged | Net Amount EUR June 16 |
|------------------------------|--|---|--|-----------------------|--|------------------------|
| Financial assets | | | | | | |
| Derivatives | 204,107 | - | 64,445 | - | - | - |
| Total | 204,107 | - | 64,445 | - | - | - |
| Financial liabilities | | | | | | |
| Derivatives | (139,662) | - | - | - | - | - |
| Total | (139,662) | - | - | - | - | - |

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

10 Financial instruments and associated risks (continued)

10.5 Offsetting financial assets and financial liabilities (continued)

The following tables present the potential effect of offsetting assets and liabilities as of December 31, 2015:

| | Gross amounts of recognised financial assets/(liabilit ies) | Gross amounts of recognised financial assets/(liabilities) set off in the statement of financial position | Net amounts of financial assets/(liabilit ies) presented in the statement of financial position | Financial instruments | Financial collateral received or pledged | Net amount EUR 2015 |
|---------------------------------|---|--|--|--------------------------|---|---------------------------|
| Type of financial assets | | | | | | |
| Financial assets | | | | | | |
| Derivatives | 40,001 | - | 40,001 | (33,173) | - | 6,828 |
| Total | 40,001 | - | 40,001 | (33,173) | - | 6,828 |
| Financial liabilities | | | | | | |
| Derivatives | (33,173) | - | (33,173) | 33,173 | - | - |
| Total | (33,173) | - | (33,173) | 33,173 | - | - |

10.6 Capital risk management

The capital of the Company is represented by the net assets attributable to holders of redeemable shares. The amount of net assets attributable to holders of redeemable shares can change significantly on a weekly basis, as the sub-fund is subject to weekly subscriptions and redemptions at the discretion of shareholders. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders, provide benefits for other stakeholders and maintain a strong capital base to support the development of the investment activities of the Company.

In order to maintain or adjust the capital structure, the Company's policy is to monitor the level of weekly subscriptions and redemptions relative to the assets it expects to be able to liquidate within 7 days and adjust the amount of distributions the Company pays to redeemable shareholders.

The Board of Directors and Investment Manager monitor capital on the basis of the value of net assets attributable to redeemable shareholders.

At 30 June 2016, the fair value of listed investments is based on quoted prices in an active market at the end of the reporting period. Pursuant to the adoption of IFRS 13 "Fair value measurement", the quoted market price used for financial assets and liabilities held by the Company is the price within the bid-ask spread that is most representative of the fair value in the circumstances to be used to measure fair value. The fair values of derivative contracts are valued by reference to the price at which a new contract of the same size and maturity could be undertaken at valuation date.

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

10 Financial instruments and associated risks (continued)

10.6 Capital risk management (continued)

At 30 June 2016 the carrying amounts of other financial assets and financial liabilities classified with assets and liabilities respectively approximated their fair values due to short-term maturities of these assets and liabilities. The company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from inputs that are not based on observable market data (unobservable inputs)

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

Financial assets and financial liabilities at fair value as at 30 June 2016

The following table analyses within the fair value hierarchy the Fund's financial assets measured at fair value for 30 June 2016:

AQA Inter-Active Allocation Fund

| | Total | Level 1 | Level 2 | Level 3 |
|--|------------------|------------------|----------------|----------------|
| | EUR | EUR | EUR | EUR |
| <i>Financial assets held for trading</i> | | | | |
| Debt instruments | 5,608,496 | 5,608,496 | - | - |
| Derivative financial instruments- | | | | |
| - Options | 17,261 | 17,261 | - | - |
| Total | 5,625,757 | 5,625,757 | - | - |

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

10 Financial instruments and associated risks (continued)

10.6 Capital risk management (continued)

AQA Inter-Active Allocation Fund (continued)

| | Total | Level 1 | Level 2 | Level 3 |
|---|---------------|----------------|----------------|----------------|
| | EUR | EUR | EUR | EUR |
| <i>Financial liabilities held for trading</i> | | | | |
| Derivative financial instruments- | | | | |
| - Options | 84,536 | 84,536 | - | - |
| Total | 84,536 | 84,536 | - | - |

AQA High Yield Bond Fund

| | Total | Level 1 | Level 2 | Level 3 |
|---|-------------------|-------------------|----------------|----------------|
| | EUR | EUR | EUR | EUR |
| <i>Financial assets held for trading</i> | | | | |
| Debt instruments | 12,445,051 | 12,445,051 | - | - |
| Derivative financial instruments- | | | | |
| Options | 35,220 | 35,220 | - | - |
| Forwards | 10,000 | - | 10,000 | - |
| Total | 12,490,270 | 12,480,270 | 10,000 | - |
| | Total | Level 1 | Level 2 | Level 3 |
| | EUR | EUR | EUR | EUR |
| <i>Financial liabilities held for trading</i> | | | | |
| Derivative financial instruments- | | | | |
| - Options | 32,160 | 32,160 | - | - |
| Total | 32,160 | 32,160 | - | - |

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

10 Financial instruments and associated risks (continued)

10.6 Capital risk management (continued)

AQA Hybrid Bond Fund

| | Total | Level 1 | Level 2 | Level 3 |
|--|------------------|------------------|----------|----------|
| | EUR | EUR | EUR | EUR |
| <i>Financial assets held for trading</i> | | | | |
| Debt instruments | 9,108,055 | 9,108,055 | - | - |
| Total | 9,108,055 | 9,108,055 | - | - |

| | Total | Level 1 | Level 2 | Level 3 |
|---|----------------|----------------|----------|----------|
| | EUR | EUR | EUR | EUR |
| <i>Financial liabilities held for trading</i> | | | | |
| Derivative financial instruments- | | | | |
| - Options | 259,200 | 259,200 | - | - |
| Total | 259,200 | 259,200 | - | - |

AQA Credit Strategies Fund

| | Total | Level 1 | Level 2 | Level 3 |
|--|------------------|------------------|------------------|----------|
| | EUR | EUR | EUR | EUR |
| <i>Financial assets held for trading</i> | | | | |
| Debt instruments | 210,683 | 210,683 | - | - |
| Exchange Traded Funds | 1,246,439 | 1,246,439 | - | - |
| Collective Investment Schemes | 3,719,644 | - | 3,719,644 | - |
| Total | 5,176,766 | 1,457,122 | 3,719,644 | - |

AQA Selective Income Fund

| | Total | Level 1 | Level 2 | Level 3 |
|--|-------------------|-------------------|---------------|----------|
| | EUR | EUR | EUR | EUR |
| <i>Financial assets held for trading</i> | | | | |
| Debt instruments | 53,778,276 | 53,778,276 | - | - |
| Derivative financial instruments- | | | | |
| Forwards | 66,663 | - | 66,663 | - |
| Total | 53,844,939 | 53,778,276 | 66,663 | - |

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

10 Financial instruments and associated risks (continued)

10.6 Capital risk management (continued)

Financial assets and financial liabilities at fair value as at 31 December 2015

The following table analyses within the fair value hierarchy the Fund's financial assets measured at fair value for 31 December 2015:

AQA Inter-Active Allocation Fund

| | Total EUR | Level 1 EUR | Level 2 EUR | Level 3 EUR |
|--|----------------------|------------------------|------------------------|------------------------|
| <i>Financial assets held for trading</i> | | | | |
| Debt instruments | 6,042,703 | 6,042,703 | - | - |
| Derivative financial instruments- | | | | |
| - Options | 40,001 | 40,001 | - | - |
| Total | 6,082,704 | 6,082,704 | - | - |

| | Total EUR | Level 1 EUR | Level 2 EUR | Level 3 EUR |
|---|----------------------|------------------------|------------------------|------------------------|
| <i>Financial liabilities held for trading</i> | | | | |
| Derivative financial instruments- | | | | |
| - Options | 28,489 | 28,489 | - | - |
| - Futures | 4,684 | 4,684 | - | - |
| Total | 33,173 | 33,173 | - | - |

AQA High Yield Bond Fund

| | Total EUR | Level 1 EUR | Level 2 EUR | Level 3 EUR |
|--|----------------------|------------------------|------------------------|------------------------|
| <i>Financial assets held for trading</i> | | | | |
| Debt instruments | 10,550,713 | 10,550,713 | - | - |

The puttable value of redeemable shares is calculated based on the net difference between total assets and all other liabilities of the Fund in accordance with their offering document. These shares are not traded in an active market. A demand feature is attached to these shares, as they are redeemable at the holders' option and can be put back to the Sub-fund at any dealing date for cash equal to a proportionate share of the Sub-fund's net asset value attributable to the share class. The fair value is based on the amount payable on demand, discounted from the first date that the amount could be required to be paid. The impact of discounting in this instance is not material. On the basis of these considerations, Level 2 is deemed to be the most appropriate categorisation for net assets attributable to holders of redeemable shares.

There have been no transfers between Level 1, 2 or 3 fair value classification categories during the period.

Cash and cash equivalents include deposits held with banks.

Payables represent the contractual amounts and obligations due by the Company for the settlement of expenses. The fair values are not materially different from their carrying amounts due to short-term nature.

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 30 June 2016

11 Salient statistics and other information

| | AQA Inter-Active Allocation Fund | AQA High Yield Bond Fund | | AQA Hybrid Bond Fund | AQA Credit Strategies Fund | AQA U3S Fund | | AQA Selective Income Fund | |
|--|----------------------------------|--------------------------|----------------|----------------------|----------------------------|----------------|----------------|---------------------------|-----------------|
| Denominated in: | Class A EUR | Class A EUR | Class B EUR | Class A EUR | Class A EUR | Class A EUR | Class B EUR | Class A USD | Class C USD |
| Net Asset Value per unit as at: | | | | | | | | | |
| 30 June 2016 | 96.7293 | 94.4350 | 95.1589 | 101.3911 | 100.6435 | - | - | 112.8439 | 102.6445 |
| | EUR | EUR | EUR | EUR | EUR | EUR | EUR | EUR | EUR |
| Net assets attributable to holders of redeemable shares calculated in accordance with the Company's offering memorandum | 7,451,207 | 11,791,986 | 1,176,879 | 10,188,924 | 5,449,672 | - | - | 19,599,971 | 37,271,167 |
| Adjustment for formation expenses capitalised and amortised according to the Company's offering memorandum but recognised under International Financial Reporting Standards (IFRS) as expenses when incurred | (5,956) | (5,358) | (530) | (10,676) | (10,595) | - | - | (3,587) | (6,846) |
| Net assets attributable to holders of redeemable share as per statement of financial position as at 30 June 2016 | 7,445,251 | 11,786,628 | 1,176,349 | 10,178,248 | 5,439,077 | - | - | 19,596,384 | 37,264,321 |

AQA UCITS Funds SICAV p.l.c.

Unaudited notes to the financial statements (continued)

For the period ended 31 December 2015

11 Salient statistics and other information (continued)

| | AQA Inter-Active Allocation Fund EUR | | AQA High Yield Bond Fund EUR | |
|--|--|--|------------------------------------|----------------|
| | Class A EUR | | Class A EUR | Class B EUR |
| Denominated in: | | | | |
| Net Asset Value per unit as at: | | | | |
| 31 December 2015 | 97.8975 | | 95.1744 | 95.5720 |
| Net assets attributable to holders of redeemable shares calculated in accordance with the Company's offering memorandum | 7,109,224 | | 11,382,770 | 1,181,462 |
| Adjustment for formation expenses capitalised and amortised according to the Company's offering memorandum but recognised under International Financial Reporting Standards (IFRS) as expenses when incurred | (19,253) | | (17,375) | (1,803) |
| Net assets attributable to holders of redeemable share as per statement of financial position as at 31 December 2015 | 7,089,971 | | 11,365,395 | 1,179,659 |

AQA UCITS Funds SICAV p.l.c.

Portfolio of Net Assets 30 June 2016

AQA Inter-Active Allocation Fund

| | Denominated in: | Fair Value EUR | Percentage of total net assets % |
|---|-----------------|-------------------|--|
| Debt Instruments | | | |
| 0.158% AEGON NV 29/07/2049 | EUR | 121,848 | 1.64 |
| 4.875% BNP PARIBAS 29/10/2049 | EUR | 251,313 | 3.38 |
| 5.25% HSBC HOLDINGS PLC 29/12/2049 | EUR | 226,350 | 3.04 |
| 7.125% UBS GROUP AG 29/12/2049 | USD | 224,327 | 3.01 |
| 3.745% BANCA POP DI VICENZA 21/03/2019 | EUR | 89,563 | 1.20 |
| 2.5% VOLKSWAGEN INTL FIN NV 29/12/2049 | EUR | 95,133 | 1.28 |
| 8.625% ANHEUSER-BUSCH INBEV NV 30/01/2017 | EUR | 472,631 | 6.35 |
| 4.95% BANK OF NY MELLON CORP 29/12/2049 | USD | 407,216 | 5.47 |
| 2.15% BUONI POLIENNALI DEL TES 12/11/2017 | EUR | 515,156 | 6.92 |
| 0% BUONI ORDINARI DEL TES 14/10/2016 | EUR | 400,204 | 5.38 |
| 1.331% CASINO GUICHARD PERRACH 29/01/2049 | EUR | 219,704 | 2.95 |
| 6.5% UNICREDIT SPA 31/10/2018 | EUR | 257,366 | 3.46 |
| 0% CERT DI CREDITO DEL TES 27/02/2017 | EUR | 450,608 | 6.05 |
| 0.75% NESTLE FINANCE INTL LTD 17/10/2016 | EUR | 451,260 | 6.06 |
| 5.25% RHEINMETALL AG 22/09/2017 | EUR | 475,034 | 6.38 |
| 0% SANOFI 10/09/2018 | EUR | 500,535 | 6.72 |
| 0.018% SAP SE 01/04/2020 | EUR | 450,248 | 6.05 |
| | | 5,608,496 | 75.33 |
| Total debt Instruments | | | |
| Derivatives | | | |
| Options | | | |
| SX5E 08/19/16 C3100 Index | EUR | 1,510 | 0.02 |
| DAX 12/16/16 C10600 Index | EUR | 4,650 | 0.06 |
| S&P500 EMINI OPTN SEP16C 2050 | USD | 11,101 | 0.15 |
| DAX 12/16/16 P7800 Index | EUR | (6,565) | (0.09) |
| S&P500 EMINI OPTN SEP16P 1600 | USD | (392) | (0.01) |
| SX5E 09/16/16 P2825 Index | EUR | (11,300) | (0.15) |
| SX5E 12/16/16 P2300 Index | EUR | (64,800) | (0.86) |
| DAX 12/16/16 C11800 Index | EUR | (480) | (0.01) |
| S&P500 EMINI OPTN SEP16C 2200 | USD | (999) | (0.01) |
| | | (67,275) | (0.89) |
| Total derivatives | | | |
| | | 5,541,221 | 74.43 |
| Total portfolio of investments | | | |
| Bank balances | | 1,886,432 | 25.34 |
| Other assets net of liabilities | | 17,598 | 0.24 |
| | | 7,445,251 | 100.00 |
| Net Assets | | | |

AQA UCITS Funds SICAV p.l.c.

Portfolio of Net Assets 30 June 2016

AQA High Yield Bond Fund

| | Denominated in: | Fair Value EUR | Percentage of total net assets % |
|---|-----------------|-------------------|--|
| Debt Instruments | | | |
| 7.875% FINNAIR OYJ 29/12/2049 | EUR | 108,688 | 0.84 |
| 4.5% REPSOL INTL FINANCE 25/03/2075 | EUR | 170,500 | 1.32 |
| 6.756% BANCO POPOLARE SCARL 29/06/2049 | EUR | 192,646 | 1.49 |
| 6% L'ISOLANTE K-FLEX SpA 01/07/2020 | EUR | 205,876 | 1.59 |
| 5.05% LA MONDIALE 29/12/2049 | EUR | 292,407 | 2.26 |
| 5.875% TELEFONICA EUROPE BV 31/03/2049 | EUR | 307,135 | 2.37 |
| 4.596% GENERALI FINANCE BV 30/11/2049 | EUR | 373,904 | 2.88 |
| 5.185% AEGON NV 29/10/2049 | EUR | 50,708 | 0.39 |
| 1.76% BPCE SA 29/07/2049 | USD | 53,074 | 0.41 |
| 2.625% BANCO ESPIRITO SANTO SA 08/05/2017 | EUR | 78,189 | 0.60 |
| 5.2% AMERICAN EXPRESS CO 29/05/2049 | USD | 87,856 | 0.68 |
| 3.745% BANCA POP DI VICENZA 21/03/2019 | EUR | 89,563 | 0.69 |
| 5.95% CITIGROUP INC 29/07/2049 | USD | 89,808 | 0.69 |
| 6.5% CREDIT AGRICOLE SA 29/04/2049 | EUR | 94,500 | 0.73 |
| 6.875% STOREBRAND LIVSFORSIKRIN 04/04/2043 | EUR | 111,876 | 0.86 |
| 7.7% INTESA SANPAOLO SPA 29/12/2049 | USD | 157,236 | 1.21 |
| 5.625% HSBC HOLDINGS PLC 29/12/2049 | USD | 173,328 | 1.34 |
| 6.375% GROUPAMA SA 29/05/2049 | EUR | 177,376 | 1.37 |
| 5.56975% WACHOVIA CAP TRUST III 29/03/2049 | USD | 179,851 | 1.39 |
| 5.25% HSBC HOLDINGS PLC 29/12/2049 | EUR | 181,080 | 1.40 |
| 6.75% BPCE SA 29/01/2049 | USD | 181,561 | 1.40 |
| 4.87% CASINO GUICHARD PERRACHO 31/01/2049 | EUR | 185,376 | 1.43 |
| 6.298% GROUPAMA SA 29/10/2049 | EUR | 192,750 | 1.49 |
| 6.25% OMV AG 29/12/2049 | EUR | 210,802 | 1.63 |
| 7.375% SANTANDER UK GROUP HLDGS 29/12/2049 | GBP | 223,835 | 1.73 |
| 5% JPMORGAN CHASE & CO 29/12/2049 | USD | 257,293 | 1.98 |
| 4% VENETO BANCA SPA 20/05/2019 | EUR | 280,875 | 2.17 |
| 6.375% LLOYDS BANKING GROUP PLC 27/06/2049 | EUR | 281,625 | 2.17 |
| 5.625% KBC GROEP NV 29/03/2049 | EUR | 284,814 | 2.20 |
| 6.156% BANCO POPOLARE SCARL 29/06/2049 | EUR | 289,659 | 2.23 |
| 6.25% AIR FRANCE-KLM 29/12/2049 | EUR | 290,439 | 2.24 |
| 4.75% INTESA SANPAOLO VITA SPA 29/12/2049 | EUR | 290,922 | 2.24 |
| 4% VENETO BANCA SPA 20/01/2017 | EUR | 294,375 | 2.27 |
| 4.375% UNICREDIT SPA 03/01/2027 | EUR | 294,564 | 2.27 |
| 3.5% BANCA POP DI VICENZA 20/01/2017 | EUR | 294,939 | 2.28 |
| 4.85% VOLVO TREASURY AB 10/03/2078 | EUR | 301,500 | 2.33 |
| 5% ORANGE SA 29/10/2049 | EUR | 312,981 | 2.41 |
| 5.75% UNIPOLSAI SPA 30/06/2049 | EUR | 369,500 | 2.85 |
| 5.5% COOPERATIEVE RABOBANK UA 22/01/2049 | EUR | 382,612 | 2.95 |
| 5.875% DANSKE BANK A/S 29/10/2049 | EUR | 395,000 | 3.05 |
| 6.25% NYKREDIT REALKREDIT AS 29/12/2049 | EUR | 397,252 | 3.06 |
| 4.875% BNP PARIBAS 29/10/2049 | EUR | 402,000 | 3.10 |
| 0.875% MEDIOBANCA SPA 14/11/2017 | EUR | 402,704 | 3.11 |
| 5% TELEFONICA EUROPE BV 31/03/2049 | EUR | 404,500 | 3.12 |
| 3.75% VOLKSWAGEN INTL FIN NV 29/03/2049 | EUR | 407,688 | 3.15 |
| 9% BANCA POPOLARE DI MILANO 29/06/2049 | EUR | 409,752 | 3.16 |
| 6.75% UNICREDIT SPA 29/12/2049 | EUR | 485,628 | 3.75 |
| 7% INTESA SANPAOLO SPA 29/12/2049 | EUR | 744,505 | 5.74 |
| Total debt instruments | | 12,445,052 | 96.00 |
| Derivatives | | | |
| Options | | | |
| SX5E 08/19/16 C3000 Index | EUR | 35,220 | 0.27 |
| SX5E 08/19/16 C2800 Index | EUR | (32,160) | (0.25) |
| Total Options | | 3,060 | 0.02 |
| Forward Exchange Contracts | | | |
| Forward Exchange Contract EUR/USD - Bank of Valletta 02/09/2016 | USD | 4,780 | 0.04 |
| Forward Exchange Contract EUR/GBP - Bank of Valletta 12/28/2016 | GBP | 5,219 | 0.04 |
| Total Forward Exchange Contracts | | 9,999 | 0.08 |
| Total portfolio of investments | | 12,458,111 | 96.11 |
| Bank balances | | 362,068 | 2.79 |
| Other assets net of liabilities | | 142,798 | 1.10 |
| Net Assets | | 12,962,977 | 100.00 |

AQA UCITS Funds SICAV p.l.c.

Portfolio of Net Assets 30 June 2016

AQA Hybrid Bond Fund

| | Denominated in: | Fair Value EUR | Percentage of total net assets % |
|--|-----------------|-------------------|--|
| Debt Instruments | | | |
| 4.5% REPSOL INTL FINANCE 25/03/2075 | EUR | 341,000 | 3.35 |
| 6.5% CREDIT AGRICOLE SA 29/04/2049 | EUR | 378,000 | 3.71 |
| 5.185% AEGON NV 29/10/2049 | EUR | 152,124 | 1.49 |
| 8.875% BANCO BILBAO VIZCAYA ARG 29/12/2049 | EUR | 395,500 | 3.89 |
| 6.298% GROUPAMA SA 29/10/2049 | EUR | 385,500 | 3.79 |
| 5.25% HSBC HOLDINGS PLC 29/12/2049 | EUR | 452,700 | 4.45 |
| 7% INTESA SANPAOLO SPA 29/12/2049 | EUR | 930,630 | 9.14 |
| 5.625% KBC GROEP NV 29/03/2049 | EUR | 379,752 | 3.73 |
| 6.375% LLOYDS BANKING GROUP PLC 27/06/2049 | USD | 469,375 | 4.61 |
| 2.8% BANCA MONTE DEI PASCHI S 02/12/2016 | EUR | 149,157 | 1.47 |
| 6.25% NYKREDIT REALKREDIT AS 29/12/2049 | USD | 496,565 | 4.88 |
| 5% ORANGE SA 29/10/2049 | EUR | 521,635 | 5.12 |
| 9% BANCA POPOLARE DI MILANO 29/06/2049 | USD | 512,190 | 5.03 |
| 5.5% COOPERATIEVE RABOBANK UA 22/01/2049 | EUR | 478,265 | 4.70 |
| 5% RALLYE SA 15/10/2018 | EUR | 303,375 | 2.98 |
| 6.25% BANCO SANTANDER SA 11/09/2049 | USD | 169,750 | 1.67 |
| 6.75% SOCIETE GENERALE 07/04/2049 | USD | 379,252 | 3.73 |
| 6.75% UNICREDIT SPA 29/12/2049 | EUR | 647,504 | 6.36 |
| 5.75% UNIPOLSAI SPA 30/06/2049 | USD | 461,875 | 4.54 |
| 4% VENETO BANCA SPA 20/01/2017 | EUR | 196,250 | 1.93 |
| 3.745% BANCA POP DI VICENZA 21/03/2019 | USD | 89,563 | 0.88 |
| 3.5% BANCA POP DI VICENZA 20/01/2017 | EUR | 98,313 | 0.97 |
| 2.5% VOLKSWAGEN INTL FIN NV 29/12/2049 | EUR | 475,665 | 4.67 |
| 1.331% CASINO GUICHARD PERRACH 29/01/2049 | EUR | 244,115 | 2.40 |
| Total debt instruments | | 9,108,055 | 89.49 |
| Derivatives | | | |
| SX5E 12/16/16 P2300 Index | EUR | (259,200) | (2.55) |
| | | (259,200) | (2.55) |
| Total portfolio of investments | | 8,848,855 | 86.94 |
| Bank balances | | 1,282,964 | 12.60 |
| Other assets net of liabilities | | 46,429 | 0.46 |
| Net Assets | | 10,178,248 | 100.00 |

AQA UCITS Funds SICAV p.l.c.

Portfolio of Net Assets 30 June 2016

AQA Credit Strategies Fund

| | Denominated in: | Fair Value EUR | Percentage of total net assets % |
|--|-----------------|-------------------|--|
| Debt Instruments | | | |
| 9.25% EUROPEAN INVESTMENT BANK 20/07/2018 | TRL | 94,422 | 1.74 |
| 7.5% EUROPEAN INVESTMENT BANK 30/01/2019 | ZAR | 60,288 | 1.11 |
| 10% EUROPEAN INVESTMENT BANK 19/06/2018 | BRL | 55,973 | 1.03 |
| Total debt Instruments | | 210,683 | 3.87 |
| Exchange Traded Funds | | | |
| LYX ETF EURO CORPORATE BOND | EUR | 406,980 | 7.48 |
| ISHARES GLOBAL INFLATION-LINKED GOVERNMENT BOND UCITS ETF | EUR | 272,366 | 5.01 |
| ISHARES EURO HIGH YIELD CORPORATE BOND UCITS ETF | USD | 312,420 | 5.74 |
| ISHARES USD CORPORATE BOND UCITS ETF | EUR | 254,673 | 4.68 |
| Total Exchange Traded Funds | | 1,246,439 | 22.92 |
| Collective Investment Schemes | | | |
| HI NUMEN CREDIT FUND | EUR | 446,122 | 8.20 |
| CANDRIAM BONDS -CREDIT OPPORTUNITIES | EUR | 301,766 | 5.55 |
| GAM STAR CREDIT OPPORTUNITIES EUR | EUR | 304,533 | 5.60 |
| HEDGE INVEST INTERNATIONAL FUNDS - HI SIBILLA MACRO FUND | EUR | 302,624 | 5.56 |
| H2O ADAGIO | EUR | 298,595 | 5.49 |
| H2O MULTIBONDS-IEC | EUR | 244,274 | 4.49 |
| PICTET - EUR BONDS | EUR | 310,023 | 5.70 |
| PLURIMA APUANO FLEXIBLE BOND FUND | EUR | 310,463 | 5.71 |
| PETERCAM L- BONDS EMERGING MARKETS SUSTAINABLE | EUR | 315,050 | 5.79 |
| SCHRODER INTERNATIONAL SELECTION FUND - ASIAN CONVERTIBLE BOND | EUR | 302,020 | 5.55 |
| UBAM GLOBAL HIGH YIELD SOLUTION | EUR | 307,940 | 5.66 |
| U ACCESS IRELAND UCITS PLC - TREND MACRO | EUR | 276,234 | 5.08 |
| Total Collective Investment Schemes | | 3,719,644 | 68.39 |
| Total portfolio of investments | | 5,176,766 | 95.18 |
| Bank balances | | 291,042 | 5.35 |
| Other liabilities net of assets | | (28,731) | (0.53) |
| Net Assets | | 5,439,077 | 100.00 |

AQA UCITS Funds SICAV p.l.c.

Portfolio of Net Assets 30 June 2016

AQA Selective Income Fund

| | Denominated in: | Fair Value EUR | Percentage of total net assets % |
|--|-----------------|-------------------|--|
| Debt Instruments | | | |
| 6.125% AMERICAN AIRLINES GROUP 01/06/2018 | USD | 748,244 | 1.32 |
| 5.75% ADVANCE AUTO PARTS INC 01/05/2020 | USD | 251,099 | 0.44 |
| 3.125% AUTODESK INC 15/06/2020 | USD | 555,716 | 0.98 |
| 6.25% ADT CORP 15/10/2021 | USD | 862,545 | 1.52 |
| 5.5% ALLEGIANT TRAVEL CO 15/07/2019 | USD | 976,162 | 1.72 |
| 6.75% ADVANCED MICRO DEVICES 01/03/2019 | USD | 433,887 | 0.76 |
| 7.125% ASTALDI SPA 01/12/2020 | EUR | 689,077 | 1.21 |
| 4.625% BRUNSWICK CORP 15/05/2021 | USD | 464,153 | 0.82 |
| 5.25% SOTHEBY'S 01/10/2022 | USD | 871,151 | 1.53 |
| 4.625% BROCADE COMMUNICATIONS 15/01/2023 | USD | 1,307,577 | 2.30 |
| 2.7% BROADCOM CORP 01/11/2018 | USD | 1,057,536 | 1.86 |
| 5.7% CHOICE HOTELS INTL INC 28/08/2020 | USD | 439,121 | 0.77 |
| 5.625% CENTENE CORP 15/02/2021 | USD | 1,174,062 | 2.06 |
| 4.875% CNH INDUSTRIAL CAPITAL L 01/04/2021 | USD | 826,580 | 1.45 |
| 5.25% WILLIAM CARTER 15/08/2021 | USD | 234,250 | 0.41 |
| 5.875% DELL INC 15/06/2019 | USD | 574,354 | 1.01 |
| 6.5% DEAN FOODS CO 15/03/2023 | USD | 931,929 | 1.64 |
| 5.875% DISH DBS CORP 15/07/2022 | USD | 613,354 | 1.08 |
| 2.65% EMC CORP 01/06/2020 | USD | 1,289,651 | 2.27 |
| 9.375% FORD HOLDINGS LLC 01/03/2020 | USD | 775,080 | 1.36 |
| 4.5% FIAT CHRYSLER AUTOMOBILE 15/04/2020 | USD | 864,487 | 1.52 |
| 6.25% MECCANICA HOLDINGS USA 15/07/2019 | USD | 878,880 | 1.55 |
| 7.25% GRAHAM HOLDINGS CO 01/02/2019 | USD | 436,844 | 0.77 |
| 3.7% GENERAL MOTORS FINL CO 24/11/2020 | USD | 417,091 | 0.73 |
| 5.5% GAMESTOP CORP 01/10/2019 | USD | 1,075,095 | 1.89 |
| 4.75% GRAPHIC PACKAGING INTL 15/04/2021 | USD | 425,194 | 0.75 |
| 5.95% GAP INC/THE 12/04/2021 | USD | 1,795,317 | 3.16 |
| 5.375% HYATT HOTELS CORP 15/08/2021 | USD | 609,622 | 1.07 |
| 5.875% HCA INC 01/05/2023 | USD | 1,009,848 | 1.78 |
| 5.25% HOLOGIC INC 15/07/2022 | USD | 939,807 | 1.65 |
| 4.9% HP ENTERPRISE CO 15/10/2025 | USD | 847,391 | 1.49 |
| 5.75% HILL-ROM HOLDINGS INC 01/09/2023 | USD | 464,276 | 0.82 |
| 4.875% IAC/INTERACTIVECORP 30/11/2018 | USD | 389,445 | 0.68 |
| 5% INGRAM MICRO INC 10/08/2022 | USD | 910,283 | 1.60 |
| 4.75% LENNAR CORP 01/04/2021 | USD | 842,285 | 1.48 |
| 2.65% KENNAMETAL INC 01/11/2019 | USD | 629,622 | 1.11 |
| 4% KOHL'S CORPORATION 01/11/2021 | USD | 849,814 | 1.49 |
| 6.625% L BRANDS INC 01/04/2021 | USD | 811,273 | 1.43 |
| 5.375% LEAR CORP 15/03/2024 | USD | 1,614,893 | 2.84 |
| 4.95% L-3 COMMUNICATIONS CORP 15/02/2021 | USD | 1,276,636 | 2.25 |
| 5.125% LEXMARK INTL INC 15/03/2020 | USD | 1,226,584 | 2.16 |
| 3.45% MACYS RETAIL HLDGS INC 15/01/2021 | USD | 416,321 | 0.73 |
| 4.75% MILLICOM INTL CELLULAR 22/05/2020 | USD | 770,618 | 1.36 |
| 3.5% MALLINCKRODT INTL FIN 15/04/2018 | USD | 1,055,516 | 1.86 |
| 5.375% NUANCE COMMUNICATIONS 15/08/2020 | USD | 734,291 | 1.29 |
| 5.75% BANQUE PSA FINANCE 04/04/2021 | USD | 399,982 | 0.70 |
| 5.5% PLANTRONICS INC 31/05/2023 | USD | 447,114 | 0.79 |
| 5.75% REGAL ENTERTAINMENT GRP 15/03/2022 | USD | 694,726 | 1.22 |
| 6.5% RR DONNELLEY & SONS CO 15/11/2023 | USD | 1,217,473 | 2.14 |
| 7.25% RR DONNELLEY & SONS CO 15/05/2018 | USD | 670,471 | 1.18 |
| 2.8% SCRIPPS NETWORKS INTERAC 15/06/2020 | USD | 823,687 | 1.45 |
| 4.2% SYMANTEC CORP 15/09/2020 | USD | 1,551,307 | 2.73 |
| 6.5% TEREX CORP 01/04/2020 | USD | 953,708 | 1.68 |
| 5.75% TIME INC 15/04/2022 | USD | 892,255 | 1.57 |
| 6% T-MOBILE USA INC 01/03/2023 | USD | 1,212,970 | 2.13 |
| 5.875% TRIBUNE MEDIA CO 15/07/2022 | USD | 940,122 | 1.65 |
| 5% TIME WARNER CABLE INC 01/02/2020 | USD | 440,945 | 0.78 |
| 6.625% TEXTRON INC 07/04/2020 | GBP | 679,104 | 1.19 |
| 6.375% UNITED CONTINENTAL HLDGS 01/06/2018 | USD | 567,936 | 1.00 |
| 4.75% UNIVERSAL HEALTH SVCS 01/08/2022 | USD | 917,864 | 1.61 |
| 4.25% VIACOM INC 01/09/2023 | USD | 702,715 | 1.24 |
| 5.25% VERISIGN INC 01/04/2025 | USD | 701,854 | 1.23 |
| 10.5% WESTERN DIGITAL CORP 01/04/2024 | USD | 1,446,850 | 2.54 |
| 4.25% WILLIAM HILL PLC 05/06/2020 | GBP | 608,684 | 1.07 |
| 3.8% XEROX CORPORATION 15/05/2024 | USD | 828,417 | 1.46 |
| 3.75% YUM! BRANDS INC 01/11/2021 | USD | 713,128 | 1.25 |
| Total debt Instruments | | 53,778,273 | 94.58 |

AQA UCITS Funds SICAV p.l.c.

Portfolio of Net Assets 30 June 2016

AQA Selective Income Fund (continued)

Derivatives

Forward Exchange Contracts

| | | | |
|---|-----|-------------------|---------------|
| Forward Exchange Contract USD/EUR - Bank of Valletta 30/09/2016 | EUR | -29821 | -0.05 |
| Forward Exchange Contract USD/EUR - Bank of Valletta 30/09/2016 | EUR | -63630 | -0.11 |
| Forward Exchange Contract USD/EUR - Bank of Valletta 30/09/2016 | EUR | -13338 | -0.02 |
| Forward Exchange Contract USD/EUR - Bank of Valletta 30/09/2016 | EUR | -6241 | -0.01 |
| Forward Exchange Contract USD/EUR - Bank of Valletta 30/09/2016 | EUR | -19336 | -0.03 |
| Forward Exchange Contract USD/EUR - Bank of Valletta 30/09/2016 | EUR | -1891 | 0.00 |
| Forward Exchange Contract USD/EUR - Bank of Valletta 30/09/2016 | EUR | -5405 | -0.01 |
| Forward Exchange Contract USD/EUR - Bank of Valletta 30/09/2016 | EUR | 122090 | 0.21 |
| Forward Exchange Contract USD/GBP - Bank of Valletta 15/07/2016 | GBP | 77597 | 0.14 |
| Total derivatives | | 60,025 | 0.11 |
| Total portfolio of investments | | 53,838,298 | 94.68 |
| Bank balances | | 12,973,173 | 22.82 |
| Other liabilities net of assets | | (9,950,766) | (17.50) |
| Net Assets | | 56,860,705 | 100.00 |