

# Manager Select

Société d'investissement à capital variable de droit luxembourgeois (open-ended investment company under Luxembourg law)

Annual report, including audited financial statements,  
as at December 31, 2022



# Manager Select

Société d'investissement à capital variable de droit luxembourgeois (open-ended investment company under Luxembourg law)

Annual report, including audited financial statements,  
as at December 31, 2022

# Manager Select

Annual report, including audited financial statements,  
as at December 31, 2022

---

No subscription can be received on the basis of these financial statements. Subscriptions are only valid if made on the basis of the current prospectus accompanied by the Key Investor Information Documents ("KIIDs"), the Key Information Documents ("KIDs"), the latest annual report, including audited financial statements, and the most recent unaudited semi-annual report, if published thereafter.

# Manager Select

## Table of contents

Organisation of the SICAV	4
General information	6
Distribution abroad	7
Management report	8
Report of the Réviseur d'Entreprises Agréé / Auditor's report	10
Financial statements	
Statement of net assets	13
Statement of operations and changes in net assets	14
Number of Shares Outstanding and Net Asset Value per Share	15
Sub-fund : Manager Select - Pictet Asset Management - Normalised Risk Multi Asset (NORMA)	
- Statement of investments and other net assets	16
- Geographical and industrial classification of investments	17
Notes to the financial statements	18
Total Expense Ratio ("TER") (unaudited appendix)	26
Performance (unaudited appendix)	27
Other information to Shareholders (unaudited appendix)	28

# Manager Select

## Organisation of the SICAV

Registered office	15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg
Board of Directors of the SICAV	
Chairman	Mr Jérôme MAGNIER, Banque Pictet & Cie SA, Switzerland (until December 31, 2022)
Directors	Mr Frédéric FASEL, Independent Director, Grand Duchy of Luxembourg  Mr Alexandre RIS, Independent Director, Thailand  Mr Yvan LEVOY, Pictet & Cie (Europe) S.A., Grand Duchy of Luxembourg (until December 31, 2022)  Mrs Michèle BERGER, Independent Director, Grand Duchy of Luxembourg  Mr Aurélien MAUGUIN, Banque Pictet & Cie SA, Switzerland (since April 29, 2022)  Mr Philippe DUBEY, Banque Pictet & Cie SA, Switzerland (from April 29, 2022 to December 31, 2022)
Management Company	FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg
Board of Directors of the Management Company	
Chairman	Mr Marc BRIOL, Chief Executive Officer Pictet Asset Services, Banque Pictet & Cie SA, 60, route des Acacias, CH 1211 Geneva 73, Switzerland
Members	Mr Dorian JACOB, Managing Director, Chief Executive Officer, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg  Mr Geoffroy LINARD DE GUERTECHIN, Independent Director, 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg
Conducting Officers of the Management Committee	Mr Dorian JACOB, Chief Executive Officer, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg  Mr Abdellali KHOKHA, Conducting Officer in charge of Risk Management, Conducting Officer in charge of Compliance, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg  Mr Pierre BERTRAND, Conducting Officer in charge of Fund Administration of Mainstream Funds and Valuation, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

# Manager Select

## Organisation of the SICAV (continued)

Mr Frédéric BOCK, Conducting Officer in charge of Fund Administration of Alternative Funds, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

Investment Manager	Pictet Asset Management (Europe) S.A., Italian branch, Via della Moscova 3, 20121 Milan, Italy
Depositary Bank	Pictet & Cie (Europe) S.A., 15A, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg
Central Administration Agent	FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg
Cabinet de révision agréé/Auditor	Deloitte Audit, <i>Société à responsabilité limitée</i> , 20, boulevard de Kockelscheuer, L-1821 Luxembourg, Grand Duchy of Luxembourg
Counterparty on Forward Foreign Exchange Contracts ("FET") (note 9)	UBS AG London
Counterparty on Credit Default Swaps ("CDS") (note 10)	JP Morgan Securities LLC New York

# Manager Select

## General information

The financial year of Manager Select (the "SICAV") begins on January 1, and ends on December 31. Manager Select (the "SICAV") will publish audited annual reports within four months of the end of the financial year and un-audited semi-annual reports within two months of the end of the reference period. Those financial reports provide for information on the assets of the sub-fund and are made available to the shareholders free of charge at the registered office of the SICAV and of the Administrative Agent.

The annual report includes the financial statements for the SICAV and its sub-fund.

These reports will be made available to shareholders at the SICAV's and the Management Company's registered office and from the Depositary Bank and other institutions that it designates.

The net asset value per share of the sub-fund and the issue and redemption price are available from the Depositary Bank.

Any amendment to the articles of association will be published in the *Recueil Electronique des Sociétés et Associations* of the Grand Duchy of Luxembourg.

A detailed schedule of changes in the investments for the year ended December 31, 2022 for the sub-fund is available free of charge upon request at the registered office of the SICAV or from representative in the countries in which the SICAV is marketed.



# Manager Select

## Distribution abroad

### Offer in Switzerland

The SICAV has been authorised by the Swiss Financial Market Supervisory Authority FINMA as a foreign investment collective fund pursuant to article 119 of the Federal Law of June 23, 2006 on Capital Investment Schemes Ordinance.

Representative	The representative in Switzerland is FundPartner Solutions (Suisse) SA with registered office at 60, route des Acacias, CH-1211 Geneva 73, Switzerland.
Paying Agent	Banque Pictet & Cie SA, with registered office at 60, route des Acacias, CH-1211 Geneva 73, Switzerland, assumes the role of Paying Agent in Switzerland.
Place of Distribution of Reference Documents	The prospectus, the key investor information documents, the articles of association, the annual and semi-annual reports of the SICAV, and a breakdown of the purchases and sales of the SICAV can be obtained free of charge from the registered office of the Representative in Switzerland.

# Manager Select

## Management report

### **Pictet Asset Management - Normalised Risk Multi Asset (NORMA)**

2022 will go down in financial history books as the worst year since the 1930's, one where an extraordinary complicated economic cycle, driven by the consequences of the Covid pandemic shock and further disrupted by a military invasion on the borders of Europe threw financial markets in total disarray. Having abandoned the temporary inflation narrative, Global Central Banks in the attempt to counter close to double digit inflation embarked in an increasingly aggressive tightening cycle as the year wore on, the short end of fixed income markets bearing the brunt of the hit with 2 year UST rising 365 basis points ("bps") and 2 year Germany 325 bps over the year in a very volatile market environment. Equity markets equally suffered sharp losses ranging from -20% for S&P and China to -12% for Europe. To complicate things, the negative correlation pattern enjoyed over most of the last decade between risky assets and government bonds was subject to multiple protracted shocks during the year removing the diversification benefit for multi-asset portfolios. The USD proved to be the only consistent safe haven over the first 9 month of 2022 - during which the trade weighed Dollar (DXY) rallied almost 20% - giving back 50% of those gains during the last quarter of the year as risk sentiment and financial markets recovered somewhat into the end of the year. In a nutshell, in 2022 a sharp re-pricing of financial markets occurred across all asset classes and regions leaving little or no place to hide for investors over the year.

Norma (A share class) performed, net of fees, - 517 bps.

The main contributors on the negative side:

- Equity net of hedging strategies : (- 24 bps)
- Bonds: -428 bps mainly due to Euro Short term Corporate IG (-133 bps) and Short term EM Corp (-110 bps) with additional negative contribution from European ST HY (-84 bps) and Absolute Return FI (-53 bps)
- Pictet Multi Asset Global Opportunity exposure detracted 83.9 bps

The main contributors on the positive side:

- Credit Default Saps ("CDS") with +54.7 bps contribution
- FX had a positive contribution for +28.5 bps

# Manager Select

## Management report (continued)

As 2022 turns to an end and the focus shifts to 2023, market themes are now centered on the chances of a better outcome than feared for the US economy - and perhaps for only a shallow technical recession in Europe - despite Central Banks focused on fighting the inflation scare. Some optimism can be taken by the recent CPI data even though the uncertainty is still elevated as Jay Powell clearly explained in his presentation at the Brookings Institution in Washington last November. The job market rebalancing could require the Federal Reserve Bank ("FED") to keep hiking rates beyond what markets are currently pricing, absent an increase of the participation rate in the US job market. Rate cuts priced in the US into the second half of the year appear, at this stage, inconsistent with FED official communication. On the other side of the Atlantic, the European Central Bank ("ECB") has made clear their inflation fighting credentials but an extraordinary mild winter has removed the pressure stemming from the risk of gas shortage and a more resilient than expected Eurozone economy could cushion the blow of higher for longer interest rates in the region. China re-opening and the willingness expressed by the "Politburo" to implement in 2023 target monetary stimulus with the objective of a 5% GDP growth is also a positive news not to be underestimated. In conclusion we favour the soft landing scenario for the US and only a mild recession scenario, if any, for Europe. Rate volatility, especially on the short-end, can be expected to normalize further as Central Banks approach the end - or at least a pause - in their respective tightening cycles. Despite the positive start of the year and a noticeable positive shift in sentiment and risk appetite we still keep a prudent stance on the equity side; yields, on the other side, despite the recent rally, still offer strong carry for the sub-fund and an expected return of close to 5% over the 1 year timeframe

January 2023

Approved by the Board of Directors of the SICAV

## Report of the Réviseur d'Entreprises Agréé / Auditor's report

To the Shareholders of  
MANAGER SELECT  
15, avenue J.F. Kennedy  
L-1855 Luxembourg

### Opinion

We have audited the financial statements of MANAGER SELECT (the "SICAV"), which comprise the statement of net assets and the statement of investments and other net assets as at 31 December 2022 and the statement of operations and changes in net assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the SICAV as at 31 December 2022, and of the results of its operations and changes in its net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

### Basis for Opinion

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

### Other information

The Board of Directors of the SICAV is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our report of the *réviseur d'entreprises agréé* thereon.

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

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

## Report of the Réviseur d'Entreprises Agréé / Auditor's report (continued)

### **Responsibilities of the Board of Directors of the SICAV for the Financial Statements**

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the SICAV's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the SICAV.



## Report of the Réviseur d'Entreprises Agréé / Auditor's report (continued)

- Conclude on the appropriateness of the Board of Directors of the SICAV use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the SICAV's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "*réviseur d'entreprises agréé*" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "*réviseur d'entreprises agréé*". However, future events or conditions may cause the SICAV to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

For Deloitte Audit, *Cabinet de Révision Agréé*

Nicolas Hennebert, *Réviseur d'Entreprises Agréé*

Partner

April 26, 2023

# Manager Select

## Statement of net assets as at December 31, 2022

	COMBINED	Manager Select - Pictet Asset Management - Normalised Risk Multi Asset (NORMA)
	EUR	EUR
<b>ASSETS</b>		
Investments in securities at acquisition cost (note 2.f)	129,401,343.69	129,401,343.69
Net unrealised loss on investments	-5,179,340.66	-5,179,340.66
Investments in securities at market value (note 2.c)	124,222,003.03	124,222,003.03
Options at market value (notes 2.c, 11)	78,285.29	78,285.29
Cash at banks (note 2.c)	5,818,186.45	5,818,186.45
Formation expenses (note 2.m)	38,328.73	38,328.73
Net unrealised gain on forward exchange contracts (notes 2.c, 9)	132,926.74	132,926.74
	130,289,730.24	130,289,730.24
<b>LIABILITIES</b>		
Investment management and advisory fee payable (note 4)	105,685.67	105,685.67
Interest payable on Credit Default Swaps (notes 2.j, 10)	1,222.22	1,222.22
"Taxe d'abonnement" payable (note 3)	16,389.51	16,389.51
Net unrealised loss on Credit Default Swaps (notes 2.j, 10)	25,760.00	25,760.00
Other fees payable (note 6)	53,136.60	53,136.60
	202,194.00	202,194.00
<b>TOTAL NET ASSETS AS AT DECEMBER 31, 2022</b>	<b>130,087,536.24</b>	<b>130,087,536.24</b>
<b>TOTAL NET ASSETS AS AT DECEMBER 31, 2021</b>	<b>198,693,673.19</b>	<b>198,693,673.19</b>
<b>TOTAL NET ASSETS AS AT DECEMBER 31, 2020</b>	<b>214,591,787.93*</b>	<b>125,321,593.76</b>

\* includes the Net Asset Value of the liquidated sub-funds.

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

# Manager Select

## Statement of operations and changes in net assets for the year ended December 31, 2022

	COMBINED	Manager Select - Pictet Asset Management - Normalised Risk Multi Asset (NORMA)
	EUR	EUR
<b>NET ASSETS AT THE BEGINNING OF THE YEAR</b>	<b>198,693,673.19</b>	<b>198,693,673.19</b>
<b>INCOME</b>		
Interest on bonds, net (note 2.k)	76,199.32	76,199.32
Interest on swaps	19,027.77	19,027.77
Interest on Credit Default Swaps	20,189.91	20,189.91
Bank interest	4,589.54	4,589.54
Other income	16,859.11	16,859.11
	<b>136,865.65</b>	<b>136,865.65</b>
<b>EXPENSES</b>		
Amortisation of formation expenses (note 2.m)	13,934.25	13,934.25
Investment management fees (note 4)	504,208.12	504,208.12
Depository fees, interest and bank charges (note 5)	128,857.43	128,857.43
Professional fees, audit fees and other expenses	245,040.33	245,040.33
Administration and service fees (note 5)	112,496.14	112,496.14
"Taxe d'abonnement" (note 3)	17,904.56	17,904.56
Transaction fees (note 2.l)	24,121.40	24,121.40
Interest paid on swaps	417,543.66	417,543.66
	<b>1,464,105.89</b>	<b>1,464,105.89</b>
<b>NET INVESTMENT LOSS</b>	<b>-1,327,240.24</b>	<b>-1,327,240.24</b>
Net realised loss on sales of investments (note 2.e)	-2,441,953.55	-2,441,953.55
Net realised gain on foreign exchange	612,616.58	612,616.58
Net realised loss on options	-282,758.42	-282,758.42
Net realised loss on forward foreign exchange contracts (note 2.g)	-547,791.33	-547,791.33
Net realised gain on futures contracts (note 2.i)	418,074.73	418,074.73
Net realised loss on swaps	-247,604.58	-247,604.58
<b>NET REALISED LOSS</b>	<b>-3,816,656.81</b>	<b>-3,816,656.81</b>
<b>Change in net unrealised appreciation/depreciation:</b>		
- on investments	-7,127,110.24	-7,127,110.24
- on options contracts	33,252.70	33,252.70
- on forward exchange contracts	131,402.77	131,402.77
- on Credit Default Swaps	1,630,083.64	1,630,083.64
<b>DECREASE IN NET ASSETS AS A RESULT OF OPERATIONS</b>	<b>-9,149,027.94</b>	<b>-9,149,027.94</b>
Proceeds from subscriptions of shares	27,093,453.61	27,093,453.61
Cost of shares redeemed	-86,550,562.62	-86,550,562.62
<b>NET ASSETS AT THE END OF THE YEAR</b>	<b>130,087,536.24</b>	<b>130,087,536.24</b>

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



# Manager Select

## Number of Shares Outstanding and Net Asset Value per Share

Sub-fund Class	Currency	Number of shares outstanding	Net asset value per share	Net asset value per share	Net asset value per share
		31.12.2022	31.12.2022	31.12.2021	31.12.2020
Manager Select - Pictet Asset Management - Normalised Risk Multi Asset (NORMA)					
A EUR Acc	EUR	1,248,602.77	95.79	101.01	101.07
B EUR Acc	EUR	109,488.88	95.71	100.94	101.06

# Manager Select - Pictet Asset Management - Normalised Risk Multi Asset (NORMA)

## Statement of investments and other net assets as at December 31, 2022 (expressed in EUR)

Description	Currency	Quantity/Nominal	Market value (note 2)	% of net assets
<b>I. MONEY MARKET INSTRUMENTS</b>				
<i>ITALY</i>				
TBI ITALY 14/08/23 -SR-S	EUR	4,000,000.00	3,936,581.60	3.03
TBI ITALY 14/11/23 -SR-S	EUR	4,000,000.00	3,901,893.60	3.00
			7,838,475.20	6.03
<b>TOTAL I.</b>			<b>7,838,475.20</b>	<b>6.03</b>
<b>II. UNITS OF INVESTMENT FUNDS</b>				
<i>LUXEMBOURG</i>				
PICTET - EUR SHORT TERM CORPORATE BONDS Z	EUR	244,100.00	24,968,989.00	19.19
PICTET - EUR SHORT TERM HIGH YIELD Z EUR	EUR	186,190.00	25,012,764.60	19.23
PICTET - GLOBAL EMERGING DEBT Z USD	USD	3,212.00	1,327,265.11	1.02
PICTET - MULTI ASSET GLOBAL OPPORTUNITIES ZX EUR	EUR	80,980.00	10,250,448.40	7.88
PICTET - SHORT TERM EMERGING CORPORATE BONDS HZ EUR	EUR	319,325.00	25,213,902.00	19.38
PICTET - SHORT-TERM MONEY MARKET EUR Z	EUR	155,000.00	21,502,700.50	16.53
PICTET - STRATEGIC CREDIT Z USD	USD	70,000.00	6,299,178.22	4.84
PICTET - USA INDEX HZ EUR	EUR	6,000.00	1,808,280.00	1.39
			116,383,527.83	89.46
<b>TOTAL II.</b>			<b>116,383,527.83</b>	<b>89.46</b>
<b>TOTAL INVESTMENTS</b>			<b>124,222,003.03</b>	<b>95.49</b>
CASH AT BANKS			5,818,186.45	4.47
OTHER NET ASSETS			47,346.76	0.04
<b>TOTAL NET ASSETS</b>			<b>130,087,536.24</b>	<b>100.00</b>

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

# Manager Select - Pictet Asset Management - Normalised Risk Multi Asset (NORMA)

## Geographical and industrial classification of investments as at December 31, 2022

### Geographical classification

(in % of net assets)

Luxembourg	89.46
Italy	6.03
	<b>95.49</b>

### Industrial classification

(in % of net assets)

Units of investment funds	89.46
Money market instruments	6.03
	<b>95.49</b>

# Manager Select

## Notes to the financial statements as at December 31, 2022

### NOTE 1

#### GENERAL

Manager Select (the "SICAV") is an open-ended investment company (SICAV) under Luxembourg law, in accordance with the provisions of Part I of the Law of December 17, 2010 on undertakings for collective investment ("UCI"), as amended (the "2010 Law").

The SICAV was incorporated for an indefinite period on July 16, 2020 and its articles of association (the "Articles") were published in the *Recueil Electronique des Sociétés et Associations* ("RESA") on July 23, 2020.

The SICAV is registered in the Luxembourg Trade and Companies Register under No. B245655.

At all times, the SICAV's capital will be equal to the net asset value and will not fall below the minimum capital of EUR 1,250,000 required by the 2010 Law.

FundPartner Solutions (Europe) S.A. with registered office at 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg was appointed Management Company of the SICAV as of July 26, 2020. It is a management company within the meaning of chapter 15 of the 2010 Law.

#### a) Sub-fund in activity

As at December 31, 2022, the SICAV includes the following sub-fund:

- Manager Select - Pictet Asset Management - Normalised Risk Multi Asset (NORMA)

#### b) Significant event

In February 2022, a number of countries (including the US, UK and EU) imposed sanctions against certain entities and individuals in Russia as a result of the official recognition of the Donetsk People Republic and Lugansk People Republic by the Russian Federation. Announcements of potential additional sanctions have been made following military operations initiated by Russia against the Ukraine on February 24, 2022.

The situation, together with growing turmoil from fluctuations in commodity prices and foreign exchange rates, and the potential to adversely impact global economies, has driven a sharp increase in volatility across markets.

At the date of this report, the Board of Directors of the SICAV continues to monitor the evolving situation and its impact on the financial position of the SICAV.

A new Prospectus came into force in July 2022 and in October 2022.

#### c) Share classes

The annex to the current prospectus of the SICAV lists the different categories of shares in the above-mentioned sub-fund.

## Notes to the financial statements as at December 31, 2022 (continued)

### NOTE 2

#### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### a) Preparation and presentation of financial statements

The financial statements are prepared in accordance with generally accepted accounting principles and presented in accordance with the legal reporting requirements applicable in Luxembourg relating to UCIs.

The reference currency of the SICAV is the Euro ("EUR").

##### b) Foreign exchange translation

Cash at banks, other net assets as well as the market value of the investment portfolio in currencies other than the base currency of a sub-fund are converted into the base currency of the sub-fund at the exchange rate prevailing at the closing date.

Income and expenses in currencies other than the base currency of the sub-fund are converted into the base currency of the sub-fund at the exchange rate prevailing at the transaction date.

Resulting net realised gain/loss on foreign exchange is recorded in the statement of operations and changes in net assets.

##### c) Valuation of assets

The assets of the SICAV are valued in accordance with the following principles:

- 1) The value of cash in hand or at bank, notes and bills payable at sight and accounts receivable, prepaid expenses, dividends and interest declared or due but not yet received, consists of the nominal value of these assets, unless it appears unlikely that this value will be received; in the latter case, the value is determined by deducting an amount the SICAV deems appropriate to reflect the fair value of those assets;
- 2) Securities and other assets listed or traded on a regulated market, a stock exchange of an other state or any other regulated market are valued according to their last known price on the Valuation Day, otherwise in the absence of any transaction, according to the last known price at that time on the market which is normally the principal market for these assets;
- 3) Assets not listed or traded on a regulated market, a stock exchange of an other state or any other regulated market, or assets so listed or dealt in for which the last available price is not representative of a fair market value, are valued based on their probable realisation value estimated prudently and in good faith by the Board of Directors of the SICAV;
- 4) The units/shares of open-ended undertakings for collective investment are valued on the basis of the last known Net Asset Value ("NAV") or, if the price so determined is not representative of their fair market value, are valued as the Board of Directors of the SICAV may deem fair and reasonable. Units/shares of closed-ended undertakings for collective investment are valued on the basis of their last available market value;

## Notes to the financial statements as at December 31, 2022 (continued)

5) Money market instruments which are not listed or dealt in on a stock exchange or another regulated market with remaining maturity of less than or equal to twelve months will be valued at their nominal value plus any accrued interest are valued at their nominal value increased by any interest accrued thereon, if any, such global value being amortised pursuant to the amortised costs method and marked to market on a regular basis;

6) Forward foreign exchange contracts and option contracts not traded on a regulated market, a stock exchange of an other state or any other regulated market are valued at their liquidation value determined in accordance with the rules established in good faith by the Board of Directors of the SICAV and according to uniform criteria set out for each type of agreement. Forward foreign exchange contracts and option contracts traded on a regulated market, a stock exchange of an other state or any other regulated market are valued based on the closing or settlement prices published by the regulated market, stock exchange of an other state or other regulated market on which the relevant agreements are principally traded. If a forward foreign exchange contracts and option contracts cannot be liquidated on the Valuation Day of the relevant net assets, the criteria for determining the liquidation value of the forward foreign exchange contracts and option contracts are set by the Board of Directors of the SICAV in a fair and equitable manner;

7) The amounts paid out and received under swap agreements are discounted at the Valuation Day at the zero-coupon swap rate for the flows at maturity. The value of the swaps results from the difference between these two discounted flows;

8) All other assets are valued based on their probable realisation value estimated prudently and in good faith by the Board of Directors of the SICAV.

### d) Combined financial statements

The combined financial statements of the SICAV are expressed in Euro ("EUR") and are equal to the sum of the corresponding items in the financial statements of the different sub-funds, converted into EUR at the exchange rate prevailing at the closing date.

### e) Net realised gain/loss on sales of investments

The net realised gain or loss on sales of investments is calculated on the basis of the weighted average cost of the investments sold.

### f) Cost of investment securities

Cost of investment securities in currencies other than the base currency of the sub-fund is converted into the currency of the sub-fund at the exchange rate applicable at purchase date.

### g) Valuation of forward foreign exchange contracts

The net unrealised gains or losses resulting from outstanding forward foreign exchange contracts, if any, are determined on the basis of the forward rates applicable at the closing date and are recorded in the statement of net assets. Net realised gain/loss and changes in net unrealised appreciation/depreciation on forward foreign contracts are recorded in the statement of operations and changes in the net assets.

# Manager Select

## Notes to the financial statements as at December 31, 2022 (continued)

### h) Valuation of futures contracts

Open futures contracts are valued at the last settlement or close price on the stock exchanges or regulated markets.

### i) Accounting of futures contracts

Change in net unrealised appreciation/depreciation on futures contracts, and net realised gains or losses on futures contracts are disclosed in the statement of operations and changes in net assets. Unrealised gains and/or losses already settled through the receipt/payment of a cash amount are kept as change in net unrealised appreciation/depreciation on futures contracts in the statement of operations and other changes in net assets until the termination of the futures contract.

### j) Valuation of Credit Default Swaps ("CDS")

CDS are revalued on the basis of replacement spreads provided by Bloomberg Valuation Services.

### k) Income

Dividends are recorded at ex-date. Interest is recorded on an accrual basis.

### l) Transaction fees

The transaction fees represent the costs incurred by the SICAV in connection with purchases and sales of investments. They include brokerage fees as well as bank commissions, tax, depositary fees and other transaction fees, and are included in the statement of operations and change in net assets.

### m) Formation expenses

Formation expenses are amortised on a straight-line basis over a period of 5 years.

## NOTE 3

### "TAXE D'ABONNEMENT"

In accordance with Luxembourg legislation currently in force (which, is therefore, subject to any future changes), the SICAV is not subject to any tax on income, capital gains tax or wealth tax.

The SICAV's net assets are subject to a subscription tax of 0.05% per annum payable at the end of each calendar quarter and calculated on the basis of the SICAV's total net assets at the end of the relevant quarter; such tax is reduced to 0.01% per annum in respect of Share Classes comprising institutional investors only (as per article 174 of the 2010 Law), as well as in respect of liquidity funds. This tax is not applicable for the portion of the assets of a sub-fund invested in other Luxembourg undertakings for collective investment already subject to the "*taxe d'abonnement*".

# Manager Select

## Notes to the financial statements as at December 31, 2022 (continued)

### NOTE 4

#### INVESTMENT MANAGEMENT FEES

The maximum annual rates applicable for the year ended December 31, 2022, are as follows:

Sub-fund	Share Class	Investment management fee (in % of NAV)
Manager Select - Pictet Asset Management - Normalised Risk Multi Asset (NORMA)		
	A	max 1.25% p.a.
	B	max 1.50% p.a.

When a compartment invests a significant portion of its assets in units or shares of other UCITS and/or other UCIs that are linked to the SICAV within the framework of common management or control or by a significant direct or indirect holding, or is managed by a management company linked to the Manager, the management fees (if applicable, excluding the performance fee) levied within each compartment and each of the relevant UCITS and/or other UCIs must not in total exceed 2.5% of the relevant net assets under management.

Due to the fact that Manager Select - Pictet Asset Management - Normalised Risk Multi Asset (NORMA) may invest a substantial part of its assets in other UCIs, the shareholders may be exposed to a duplication of fees and charges. However, the maximum percentage of the fixed management fee at the level of the target UCITS and/or other UCIs will be 1%.

### NOTE 5

#### DEPOSITARY FEES, ADMINISTRATION FEES AND MANAGEMENT COMPANY FEES

The Depositary Bank and the Central Administration Agent are remunerated in accordance with customary practice in the Luxembourg financial market. Their remuneration is based on the total net asset value of the SICAV. It is payable quarterly and may not exceed in aggregate 1.5% p.a. of the net assets of the SICAV.

Annual Management Company fees are calculated based on the average net asset value of the sub-fund and are paid to the Management Company of the SICAV on a quarterly basis at a maximum annual rate of 0.25% p.a.. They are included in the statement of operation and change in net asset under the caption "Professional fees, audit fees and other expenses".

### NOTE 6

#### OTHER FEES PAYABLE

As at December 31, 2022, the other fees payable include mainly administration, depositary and Management Company fees.

### NOTE 7

#### SUBSCRIPTION AND REDEMPTION COMMISSION

The issue price for shares in each compartment is equal to the net asset value of one share in the relevant compartment, calculated on the first Valuation Day following the subscription date. The placement fee that any professional intermediaries can charge their clients subscribing shares of the SICAV may not exceed 5% of the net asset value of the share, as further detailed in Annex I of the current prospectus.

This issue price is increased to cover any duties, taxes and stamp duties due.



## Notes to the financial statements as at December 31, 2022 (continued)

The redemption price for shares in each compartment is equal to the net asset value of the relevant share in that compartment, calculated as of the Valuation Day for which the redemption request has been received.

Unless otherwise specified in Annex I of the current prospectus, a redemption fee paid to the relevant compartment may be deducted from this amount, representing up to 5% of the net asset value per share.

The redemption price will also be reduced to cover any duties, taxes and stamp duties to be paid.

The redemption price may be higher or lower than the subscription price, depending on changes in the net asset value.

### NOTE 8

#### DILUTION LEVY

Under certain circumstances (for example, large volumes of deals) investment and/or disinvestments costs may have an adverse effect on the shareholders' interest in the SICAV. In order to prevent this effect, called "dilution", a "dilution levy" may be charged on the issue, redemption and/or conversion of shares. If charged, the dilution levy is paid into the relevant compartment and becomes part of the relevant compartment; it is further applied to all related transactions processed as of that net asset value.

The dilution levy for each compartment is calculated by reference to the costs of dealing in the underlying investments of that compartment, including any dealing spreads, commission and transfer taxes.

The need to charge a dilution levy depends on the volume of issues, redemptions or conversions. A discretionary dilution levy may be charged on the issue, redemption and/or conversion of shares the existing shareholders (for issues) or remaining shareholders (for redemptions) might otherwise be adversely affected. In particular, the dilution levy may be charged in the following circumstances:

- Where a compartment is in constant decline (large volume of redemption requests);
- On a compartment experiencing substantial issues in relation to its size;
- In the case of "large volumes" of redemptions, subscriptions and/or conversions where "large volumes" refers to net redemptions or subscriptions exceeding 5% of the compartment's entire assets;
- In all other cases where the Management Company considers the interests of shareholders require the imposition of a dilution levy.

In any case the dilution levy shall not exceed 1% of the net asset value per share.

During the year ended December 31, 2022, the sub-fund did not use a dilution levy mechanism.

# Manager Select

## Notes to the financial statements as at December 31, 2022 (continued)

### NOTE 9

#### FORWARD FOREIGN EXCHANGE CONTRACTS

Forward foreign exchange contracts on identical currency pairs listed below are aggregated. Only the longest maturity date is shown.

The SICAV had the following forward foreign exchange contracts outstanding as at December 31, 2022:

Manager Select - Pictet Asset Management - Normalised Risk Multi Asset (NORMA)

Currency	Purchase	Currency	Sale	Maturity date
EUR	8,524,608.54	USD	9,066,806.00	23/01/2023
GBP	1,000,000.00	USD	1,214,832.30	05/01/2023
JPY	150,000,000.00	EUR	1,029,528.60	20/01/2023
USD	2,720,322.00	GBP	2,200,000.00	19/01/2023

The net unrealised gain on these contracts as at December 31, 2022 was EUR 132,926.74 and is included in the statement of net assets.

### NOTE 10

#### CREDIT DEFAULT SWAPS ("CDS")

A CDS is a bilateral financial agreement whereby a counterparty (the protection buyer) pays a premium for the commitment of the protection seller to pay a certain amount if the reference issuer experiences a credit event as provided for by the agreement.

The protection buyer acquires the right to sell a specific bond issued by the reference issuer at its nominal value (or at another reference value or execution price) when a credit risk arises.

Credit event generally includes bankruptcy, insolvency, judicial settlement/compulsory liquidation, deferral or non-payment of outstanding debts.

The SICAV had the following CDS outstanding as at December 31, 2022:

Manager Select - Pictet Asset Management - Normalised Risk Multi Asset (NORMA)

Protection	Underlying	Currency	Nominal value	Rate payable	Rate receivable	Maturity date
Buyer	iTraxx Europe S37 5Y	EUR	4,000,000	1.00%	-	20/06/2027

The net unrealised loss on this contract as at December 31, 2022, was EUR 25,760.00 and is included in the statement of net assets.

# Manager Select

## Notes to the financial statements as at December 31, 2022 (continued)

### NOTE 11

#### OPTIONS CONTRACTS

The SICAV had the following options contracts outstanding as at December 31, 2022:

Manager Select - Pictet Asset Management - Normalised Risk Multi Asset (NORMA)

Name	Quantity	Strike	Maturity date	Currency	Commitment in EUR	Market value in EUR
CALL S&P 500 Index	-10	4200	17/02/2023	USD	-370,228.89	-11,524.94
PUT S&P 500 Index	10	3800	17/02/2023	USD	-1,467,176.47	89,810.23

The market value on these contracts as at December 31, 2022, was EUR 78,285.29 and is included in the assets part of the statement of net assets.

### NOTE 12

#### OPTIONS ON FUTURES CONTRACTS

The SICAV had the following options on future contracts outstanding as at December 31, 2022:

Manager Select - Pictet Asset Management - Normalised Risk Multi Asset (NORMA)

	Maturity date	Currency	Commitment in EUR
Sale of 500.00 VSTOXX Index PUT 22	15/02/2023	EUR	448,829.98

### NOTE 13

#### SUBSEQUENT EVENT

On January 16, 2023, the Board of Directors of the SICAV have decided to change the net asset value frequency of the sub-fund Manager Select - Pictet Asset Management - Normalised Risk Multi Asset (NORMA) from bi-weekly to daily.

# Manager Select

## Total Expense Ratio ("TER") (unaudited appendix)

Pursuant to the "Guidelines on the calculation and disclosure of the total expense ratio (TER) of collective investment schemes" of May 16, 2008 (version of August 5, 2021) of the Asset Management Association Switzerland ("AMAS"), the SICAV is obliged to publish a TER for the latest 12-month period.

The TER is defined as the ratio between the total operating expenses (operating charges primarily consist of management and investment management fees, depositary fees, bank charges and interest, service fees, performance fees, taxes and duties) and the relevant sub-fund's / share class' average NAV (calculated on the basis of the daily average of the total net assets for the relevant year) expressed in its reference currency.

In case the sub-fund invests more than 10% of its assets in other investment funds, a synthetic TER is calculated :

- by adding to the TER the sum of the TER of underlying funds weighted according to their share in the net assets of the related sub-fund at the reference date. If one of the target funds does not publish any TER, no synthetic TER will be calculated for this fraction of investment.
- by subtracting the impact of the retrocession received calculated by dividing the amount of retrocessions by the average assets.

For the period from January 1, 2022 to December 31, 2022, the TER were the following:

Class	Currency	Annualised TER including performance fees	Annualised TER excluding performance fees	Synthetic TER
MANAGER SELECT - Pictet Asset Management - Normalised Risk Multi Asset (NORMA)				
A EUR ACC	EUR	0.61%	0.61%	0.69%
B EUR ACC	EUR	0.63%	0.63%	0.71%

# Manager Select

## Performance (unaudited appendix)

The performance per share class was calculated by comparing the net asset value per share as at December 31, 2022 with the net asset value per share as at December 31, 2021.

The performance was calculated at the end of each financial year according to the "Guidelines on the calculation and publication of the performance data of collective investment schemes" of May 16, 2008 (version of August 5, 2021) of the Asset Management Association Switzerland ("AMAS").

The performance given is based on historical data, which is no guide to current or future performance. Commissions and fees levied for the issue or redemption of shares, as applicable, have not been taken into account in this performance calculation.

As at December 31, 2022, performances were the following:

Class	Currency	Performance for the financial year ending December 31, 2022	Performance for the financial year ending December 31, 2021	Performance for the financial year ending December 31, 2020
MANAGER SELECT - Pictet Asset Management - Normalised Risk Multi Asset (NORMA)				
A EUR ACC	EUR	-5.17%	-0.06%	1.07% *
B EUR ACC	EUR	-5.18%	-0.12%	1.06% *

*\* The performance of share classes launched during the year/period was calculated by comparing the net assets per share as at the launch date of the share class with the net assets per share as at the end of the year/period.*

# Manager Select

## Other information to Shareholders (unaudited appendix)

### 1. Remuneration of the members of the Management Company

The Management Company has adopted a Remuneration Policy which is in accordance with the principles established by the law of 10 May 2016, amending the law of 17 December 2010 ("the Law").

The financial year of the Management Company ends on 31 December of each year.

The table below shows the total amount of the remuneration for the financial year ended as at December 31, 2022, split into fixed and variable remuneration, paid by the Management Company to its staff.

The table has been prepared taking into consideration point 162 of section 14.1 of the ESMA remuneration guidelines relating to the confidentiality and data protection in presenting the remuneration information.

	Number of Beneficiaries	Total remuneration (EUR)	Fixed remuneration (EUR)	Variable remuneration (target or discretionary bonuses, parts remuneration) (EUR)
Total remuneration paid by the Management Company during 2022	23	10,445	7,067	3,378

#### *Additional explanation*

The beneficiaries reported are composed of the risk takers (including the 4 Conducting Officers) and the staff of the Management Company dedicated to Management Company activities for all the Funds under management, remunerated by the Management Company. In addition, the Management Company did not remunerate directly the staff of the Investment Manager, but rather ensured that the Investment Manager complies with the Remuneration Policy requirements itself.

The benefits have been attributed according to criteria such as level of seniority, hierarchic level, or other eligibility criteria, not taking into account performance criteria, and are thus excluded from the fixed or variable remuneration figures provided above.

Total fixed and variable remuneration disclosed is based on apportionment of Asset Under Management represented by the SICAV.

The 2022 annual review outcome showed no exception.

There have been no changes to the adopted remuneration policy since its implementation.

## Other information to Shareholders (unaudited appendix) (continued)

### **2. Securities Financing Transactions and Regulation**

As at December 31, 2022, the SICAV is in the scope of the requirements of the Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse. Nevertheless, no corresponding transactions were carried out during the year referring to the financial statements.

### **3. Sustainable Finance Disclosure Regulation ("SFDR")**

Within the meaning of SFDR regulation (regulation EU 2019/2088 of November 27, 2019 on sustainability-related disclosures in the financial services sector), the sub-fund does not promote environmental and/or social characteristics nor has a sustainable investment as its objective.

For the purpose of the "taxonomy" regulation (regulation EU 2020/852 of June 18, 2020 on the establishment of a framework to facilitate sustainable investment, and amending the EU regulation 2019/2088), the investments underlying the sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

### **4. Information on risk measurement**

The sub-fund Pictet Asset Management - Normalised Risk Multi Asset (NORMA) uses the Absolute VaR approach to monitor the Global Risk Exposure.

The following table provides the information required as per CSSF circular 11/512 for the sub-fund:

## Manager Select

Other information to Shareholders (unaudited appendix) (continued)

*Table 1.1 - Summary risk disclosures*

Sub funds	Average leverage	Leverage Computation approach	GRE monitoring approach	VaR optional Regime	VaR Limit Ratio			Sub fund Average VaR	Benchmark Average VaR	Benchmark	Legal limit	VaR Models and Inputs
					Average	Minimum	Maximum					
Manager Select - Pictet Asset Management - Normalised Risk Multi Asset (NORMA)	20.84%	notionals of the derivatives	VaR	Absolute	2.89%	2.43%	3.50%	2.89%	n/a	n/a	20%	1 month holding period, 99% CI, Monte Carlo, observation period 3.5 years



# Manager Select

## Other information to Shareholders (unaudited appendix) (continued)

### General comments

All VaR figures are calculated by taking into consideration the following parameters

- 1 month holding horizon;
- 99% confidence interval (this means that there is a 1% probability that the value of the portfolio could have a monthly decline larger than the percentage displayed);
- Monte Carlo simulations;
- 3.5 years of data history to determine the risk factors.

The treatment and presentation of VaR figures is slightly different depending on the VaR option used (relative or absolute).

### Absolute VaR option

For sub funds using the Absolute VaR option, we present the figures (average, min and max) in absolute terms. In other words they are not measured against any benchmark nor limit. We consider that way of presenting the figures as more relevant and easier to understand.

The leverage level is included as well. It has been calculated as the sum of the notionals of the derivatives used (CESR/10-788 box25). The presented figure is based on daily observations covering the period under review.

### Sub-funds using the Commitment approach

For the sub-fund using the Commitment approach to monitor the global risk exposure, financial derivatives instruments are converted into their equivalent positions in the underlying assets.

The global risk exposure shall not exceed the sub-fund's net asset value.

