CESKY FOND SICAV p.l.c.

Annual Report

For the Year Ended

30 April 2018

Company Registration Number: SV 310

Cesky Fond SICAV p.l.c.

Contents

Cesky Fond SICAV p.l.c.

Directors, officers and other information
For the Year Ended 30 April 2018

Directors	Mr Marek Smykal Mr Martin Burda – resigned 26 September 2017 Mr Mark Guillaumier Mr Petr Hanak
Registered office	TG Complex Suite 2, Level 3 Brewery Street Mriehel BKR3000 Malta
Investment committee	Mr Petr Hanak Mr Marek Smykal Mr Martin Burda Mr Ian Zammit
Administrator and Company Secretary	BOV Fund Services Limited 58, Zachary Street, Valletta, VLT 1130, Malta
Prime Brokers	UniCredit Bank Czech Republic and Slovakia, a.s. Želetavská 1525/1 140 92 Praha 4 Czech Republic
Independent Auditors	KPMG Portico Building, Marina Street, Pieta, PTA 9044, Malta
Legal Advisors	David Griscti & Associates 168, St.Christopher Street, Valletta, VLT 1467, Malta

The Directors present their report for Cesky Fond SICAV p.l.c. (the "Company") for the year ended 30 April 2018.

Principal activities

The Company, whose registered office is located at TG Complex, Suite 2, Level 3, Brewery Street, Mriehel BKR 3000, Malta, was registered in Malta on 2 May 2014 as a Professional Investor Fund licensed by the Malta Financial Services Authority ("MFSA") in terms of the Investment Services Act, 1994 (Chapter 370, Laws of Malta).

The Company targets qualifying investors, and is constituted as a Public Limited Company under the Companies Act, 1995 (Chapter 386, Laws of Malta). The Company is a collective investment scheme established as a multi-fund investment company with variable share capital.

Cesky Fond SICAV p.l.c. has constituted one Sub-Fund, Cesky Fond Pudy. The assets and liabilities of the Sub-Funds are treated under Maltese legislation as separate from the assets and liabilities of any other Sub-Funds which could be set up under the Company structure in the future.

Results for the year, business developments and financial position

Cesky Fond SICAV p.l.c. has successfully closed its fourth year of operations. The Company has grown its first Sub-Fund, Cesky Fond Pudy, to Net Asset Value ("NAV") of CZK 1,411 million as at 30 April 2018.

Cesky Fond Pudy, the first Sub-Fund, pursues a simple primary strategy: ownership of farmland as a productive asset. The Sub-Fund has not employed any leverage and has maintained a simple investment structure throughout the year under review.

The performance of Cesky Fond Pudy was good and we are pleased to report a return for Class B shares of 49% since the inception of the fund in 2014. During the year, Cesky Fond Pudy has acquired additional 735 hectares of land through FP majetková a.s. The underlying farmland investment consists of more than 15,000 landplots spread over an area more than 100 km wide. This diversification reduces the concentration risk on a particular land plot. Cesky Fond Pudy has a well invested portfolio and an adequate liquidity position allowing the subfund to redeem investor shares upon request and bid for medium size transactions.

During the period under review, FP majetková a.s. contributed 170 hectares of farmland into the capital of Zemědělská společnost Písková Lhota a.s. and thus became its majority shareholder. Zemědělská společnost Písková Lhota a.s. is a company that cultivates 1,400 hectares of rented farmland in the center of the Elbe valley in the Czech Republic. FP majetková also acquired Agro Hlucinska s.r.o., which is an SPV holding 93 hectares of farmland real estate in the Czech Republic.

Detailed results for the year are shown in the statement of comprehensive income on page 9.

Principal risks and uncertainties

Investment risks are managed by the Investment Committee. The ultimate responsibility for risk management rests with the directors.

Cesky Fond Pudy seeks to achieve return by exposing purposely the fund investments to the following risks:

- Exposure to European farmland prices: 90% of the NAV of the fund is currently directly exposed to Czech farmland prices.
- Exposure to European farmland rent rates: The fund is currently directly exposed namely to Czech rent rates.

Principal risks and uncertainties (continued)

- Indirect exposure to prices of agricultural commodities: The fund is indirectly exposed to prices of agricultural commodities through rents, farmland prices, financing of farming and investments in farming activities.
- Indirect exposure to European agricultural subsidy policy and European agricultural policy in general.
- Foreign currency risk: The underlying investments are currently primarily exposed to the CZK.

The investment strategy of Cesky Fond Pudy also entails the below risks:

- Liquidity risk – over 80% of the NAV of the fund is exposed to the liquidity of the agricultural real estate market. This risk is mitigated by diversification of the real estate portfolio and management of readily available short term investments.
- Credit risk – The Company and the subfund are directly exposed to the creditworthiness of financial institutions with respect to the bank balances and short term investments. Rental income of Cesky Fond Pudy is exposed to the creditworthiness of the tenants. The risk is mitigated by diversification of the counterparties.
- Legislative risks - the Company is subject to numerous laws and regulations covering a wide range of matters including tax affairs. The Company is exposed to EU legislation, the current portfolio being exposed namely to Maltese and Czech legislation. Failure to comply could have financial or reputational implications and could materially affect the Company's ability to operate. The Company has embedded operating policies and procedures to ensure compliance with existing legislation.
- Technology and business interruption - the Company relies on information technology in the management of its business. A failure in the operation of the key systems or infrastructure could cause a failure of service to its customers and increase operating costs. The Company reduces the risk by outsourcing services to reliable third-party providers.
- Significant judgements and estimates - note 4.5 to the financial statements provides details in connection with the inherent uncertainties that surround the preparation of the financial statements and which require significant estimates and judgements.
- Settlement risk – the subfund investments are made in unregulated markets. Settlement risk is the risk of loss due to the failure of an entity to honour its obligations to deliver cash, securities or other assets as contractually agreed. The Company actively manages its settlement risk.
- Operating risks – investments of the subfund are exposed to the common risks of farmland cultivation and farming risks including weather and climate change risks.
- Talent and skills - failure to engage and develop the Company employees or employees of the Company's principal investments or to attract and retain key employees could hamper the Company's ability to deliver in the future.

More detail on the business risks involved is available under Note 4 to the financial statements, in the Offering Memorandum and the fund particular supplement.

Distributions

During the current year, the directors declared a dividend of CZK 26 per share to the holders of Class A redeemable shares in Cesky Fond Pudy and a dividend of CZK 6.21 per share to the Founder Shareholders as at 30 April 2017. After the year end, the directors declared a dividend of CZK 22 per share to the holders of Class A redeemable shares in Cesky Fond Pudy and a dividend of CZK 7.88 per share to Founder Shareholders as at 30 April 2018.

Directors' Report (continued)
For the Year Ended 30 April 2018

Directors and Directors' Interests

Directors who held the office during the financial year are listed in the page 1. Two of the current directors hold investor shares in the Sub-Fund, Cesky Fond Pudy.

Subsequent Events

After the end of the reporting period, Cesky Fond Pudy has acquired Agro Hlucinska s.r.o. from its subsidiary FP majetková a.s. Subsequently, the directors decided to merge Agro Hlucinska s.r.o. into FP majetková a.s., both entities being fully owned subsidiaries of Cesky Fond Pudy.

Except for the declaration of dividends after year-end, there were no other material subsequent events which necessitated a revision of the amounts included in the financial statements or disclosures therein.

Future Developments

The investor interest in Cesky Fond Pudy remains good, and the directors expect that the Sub-Fund will continue to grow and invest in farmland at best achievable prices. The directors also expect that Cesky Fond Pudy will further develop its complementary investment strategy and further invest in farming activities.

Standard License Conditions

During the year under review, there were no breaches of standard license conditions and no breaches of regulatory requirements which were subject to an administrative penalty or regulatory sanction.

Approved by the Board of Directors on 20 September 2018 and signed on its behalf by:

Mr Marek Smykal
Director

Mr Mark Guillaumier
Director

Cesky Fond SICAV p.l.c.

Statement of Financial Position
As at 30 April 2018

	Note	Cesky Fond SICAV p.l.c. 2018 CZK	Cesky Fond SICAV p.l.c. 2017 CZK
ASSETS			
Accrued income	7	**21,680,384**	21,577,202
Bank balances	8	**7,301,804**	4,279,430
Total assets		**28,982,188**	25,856,632
EQUITY			
Share capital	12	**32,758**	32,758
Retained earnings		**28,949,430**	22,815,335
Total equity		**28,982,188**	22,848,093
LIABILITIES			
Accrued expenses		**-**	3,008,539
Total liabilities		**-**	3,008,539
Total equity and liabilities		**28,982,188**	25,856,632

Cesky Fond SICAV p.l.c.

Statement of Financial Position (continued)

As at 30 April 2018

	Note	**Cesky Fond Pudy 2018 CZK**	Cesky Fond Pudy 2017 CZK
ASSETS			
Financial assets at fair value through profit or loss	5	**603,999,000**	467,911,369
Loans and receivables	6	**759,000,000**	645,000,000
Accrued income	7	**496,028**	159,116
Other debtors and prepayments		**43,013**	-
Bank balances	8	**71,273,429**	131,647,923
Total assets		**1,434,811,470**	1,244,718,408
LIABILITIES			
Accrued expenses and other creditors	9	**(23,084,407)**	(23,098,250)
Net assets attributable to holders of redeemable shares		**1,411,727,063**	1,221,620,158

	Note	
Shares in issue as at 30 April 2018		
Class A shares	12	**186,635.4068**
Class B shares	12	**772,321.4897**
Shares in issue as at 30 April 2017		
Class A shares		180,470.7825
Class B shares		692,542.9707
Shares in issue as at 30 April 2016		
Class A shares		171,226.0949
Class B shares		342,936.1439
Net asset value of the sub-fund as at 30 April 2018 (in CZK)	14	**1,411,727,063**
Net asset value of the sub-fund as at 30 April 2017 (in CZK)		1,221,620,158
Net asset value of the sub-fund as at 30 April 2016 (in CZK)		683,083,859

Net asset value per share of the sub-fund as at 30 April 2018 (in CZK) used in the calculation of the dealing net asset value

	Note	
Class A shares	14	**1,386.9573**
Class B shares	14	**1,493.0369**

Net asset value per share of the sub-fund as at 30 April 2017 (in CZK) used in the calculation of the dealing net asset value

Class A shares	1,340.6856
Class B shares	1,415.2376

Net asset value per share of the sub-fund as at 30 April 2016 (in CZK) used in the calculation of the dealing net asset value

Class A shares	1,316.2133
Class B shares	1,336.6241

The Euro reference exchange rate issued by the European Central Bank between the Euro and the Czech Koruna as at 30 April 2018 was 25.542.

The accompanying notes are an integral part of these financial statements. The financial statements set out on page 5 to 24 were approved and authorised for issue by the Board on 20 September 2018 and signed on its behalf by:

Mr Marek Smykal
Director

Mr Mark Guillaumier
Director

Cesky Fond SICAV p.l.c.

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Statement of Changes in Equity

For the year ended 30 April 2018

	Share Capital CZK	Cesky Fond SICAV p.l.c. Retained Earnings CZK	Total CZK
Balance as at 1 May 2017	**32,758**	**22,815,335**	**22,848,093**
Comprehensive income			
Net profit for the year	**-**	**28,949,430**	**28,949,430**
Contributions and distributions			
Distributions to founder shareholders	**-**	**(22,815,335)**	**(22,815,335)**
Balance as at 30 April 2018	**32,758**	**28,949,430**	**28,982,188**

	Share Capital CZK	Cesky Fond SICAV p.l.c. Retained Earnings CZK	Total CZK
Balance as at 1 May 2016	32,758	31,647,608	31,680,366
Comprehensive income			
Net profit for the year	-	22,815,335	22,815,335
Contributions and distributions			
Distributions to founder shareholders	-	(31,647,608)	(31,647,608)
Balance as at 30 April 2017	32,758	22,815,335	22,848,093

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

Cesky Fond SICAV p.l.c.

Statement of Changes in Net Assets Attributable to Holders of Redeemable Shares
For the year ended 30 April 2018

	Cesky Fond Pudy 2018	Cesky Fond Pudy 2017
	CZK	CZK
Net assets at beginning of year attributable to holders of redeemable shares	**1,221,620,158**	683,083,859
Issue of redeemable shares	**177,621,533**	483,499,558
Redemption of redeemable shares	**(54,132,880)**	-
Transactions with holders of redeemable shares	**123,488,653**	483,499,558
Increase in net assets attributable to holders of redeemable shares	**66,618,252**	55,036,741
Net assets at end of year attributable to holders of redeemable shares	**1,411,727,063**	1,221,620,158

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

Cesky Fond SICAV p.l.c.

Statement of Comprehensive Income

For the year ended 30 April 2018

	Note	**Cesky Fond SICAV p.l.c. 01.05.2017 to 30.04.2018 CZK**	Cesky Fond SICAV p.l.c. 01.05.2016 to 30.04.2017 CZK	**Cesky Fond Pudy 01.05.2017 to 30.04.2018 CZK**	Cesky Fond Pudy 01.05.2016 to 30.04.2017 CZK	**Combined 01.05.2017 to 30.04.2018 CZK**	Combined 01.05.2016 to 30.04.2017 CZK
Income							
Interest income		**-**	-	**48,722,635**	37,054,999	**48,722,635**	37,054,999
Bank interest		**6,387**	26,956	**55,892**	177,095	**62,279**	204,051
Exit fees on redemptions		**1,042,039**	-	**521,020**	-	**1,563,059**	-
Performance and management fee income		**31,476,268**	26,991,487	**-**	-	**31,476,268**	26,991,487
Net fair value movement on financial assets designated at fair value through profit and loss	4	**-**	-	**56,077,483**	55,720,715	**56,077,483**	55,720,715
Total income		**32,524,694**	27,018,443	**105,377,030**	92,952,809	**137,901,724**	119,971,252
Expenses							
Management fees	10	**-**	-	**(13,702,282)**	(11,145,897)	**(13,702,282)**	(11,145,897)
Performance fees	10	**-**	-	**(17,773,986)**	(15,845,590)	**(17,773,986)**	(15,845,590)
Administration fees	10	**-**	-	**(1,045,555)**	(1,158,461)	**(1,045,555)**	(1,158,461)
Prime brokers fees	10	**-**	-	**(289,774)**	(301,203)	**(289,774)**	(301,203)
Legal and professional fees		**(3,815,569)**	(2,746,325)	**(289,316)**	(344,466)	**(4,104,885)**	(3,090,791)
Directors' remuneration		**-**	-	**(134,049)**	(161,602)	**(134,049)**	(161,602)
Investment committee fees		**-**	-	**(123,877)**	(121,201)	**(123,877)**	(121,201)
Restructuring costs		**-**	-	**-**	500,000	**-**	500,000
Research fees reversal / (expense)		**242,043**	(1,452,260)	**-**	-	**242,043**	(1,452,260)
Other costs	10	**(780)**	(480)	**(701,657)**	(749,781)	**(702,437)**	(750,261)
Total operating expenses		**(3,574,306)**	(4,199,065)	**(34,060,496)**	(29,328,201)	**(37,634,802)**	(33,527,266)
Operating profit before finance costs and taxation		**28,950,388**	22,819,378	**71,316,534**	63,624,608	**100,266,922**	86,443,986
Distributions to investor shareholders	12	**-**	-	**(4,692,240)**	(8,561,303)	**(4,692,240)**	(8,561,303)
Taxation	11	**(958)**	(4,043)	**(6,042)**	(26,564)	**(7,000)**	(30,607)
Net profit/increase in net assets attributable to holders of redeemable shares		**28,949,430**	22,815,335	**66,618,252**	55,036,741	**95,567,682**	77,852,076

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

Statement of Cash Flows

For the year ended 30 April 2018

	Cesky Fond SICAV p.l.c. 01.05.2017 to 30.04.2018 CZK	Cesky Fond SICAV p.l.c. 01.05.2016 to 30.04.2017 CZK	**Cesky Fond Pudy 01.05.2017 to 30.04.2018 CZK**	Cesky Fond Pudy 01.05.2016 to 30.04.2017 CZK	**Combined 01.05.2017 to 30.04.2018 CZK**	Combined 01.05.2016 to 30.04.2017 CZK
Cash flows from operating activities						
Interest received on loans and receivables	**-**	-	**48,385,722**	37,521,707	**48,385,722**	37,521,707
Net bank interest received	**5,429**	22,913	**49,850**	150,531	**55,279**	173,444
Operating expenses paid	**(6,582,845)**	(4,476,682)	**(33,606,479)**	(43,425,524)	**(40,189,324)**	(47,902,206)
Management fees, performance fees and other income received	**32,415,125**	40,348,310	**-**	-	**32,415,125**	40,348,310
Amounts paid out as loans	**-**	-	**(114,000,000)**	(300,225,600)	**(114,000,000)**	(300,225,600)
Purchase of investments	**-**	-	**(80,000,000)**	(74,643,540)	**(80,000,000)**	(74,643,540)
Net cash generated from/(used in) operating activities	**25,837,709**	35,894,541	**(179,170,907)**	(380,622,426)	**(153,333,198)**	(344,727,885)
Cash flows from financing activities						
Amounts received on creation of shares	**-**	-	**177,621,533**	483,499,558	**177,621,533**	483,499,558
Amounts paid on redemption of shares	**-**	-	**(54,132,880)**	-	**(54,132,880)**	-
Distributions to shareholders	**(22,815,335)**	(31,647,608)	**(4,692,240)**	(8,561,303)	**(27,507,575)**	(40,208,911)
Net cash (used in)/ generated from financing activities	**(22,815,335)**	(31,647,608)	**118,796,413**	474,938,255	**95,981,078**	443,290,647
Net increase/(decrease) in cash and cash equivalents	**3,022,374**	4,246,933	**(60,374,494)**	94,315,829	**(57,352,120)**	98,562,762
Cash and cash equivalents at beginning of year	**4,279,430**	32,497	**131,647,923**	37,332,094	**135,927,353**	37,364,591
Cash and cash equivalents at end of year (note 8)	**7,301,804**	4,279,430	**71,273,429**	131,647,923	**78,575,233**	135,927,353

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

1. GENERAL

Cesky Fond SICAV p.l.c. (“the Company”) is a multi-fund investment company incorporated as a public company with limited liability in Malta on 2 May 2014. As of 30 April 2018, the Company consisted of one sub-fund, the Cesky Fond Pudy which is licensed by the Malta Financial Services Authority as a Professional Investor Fund under the Investment Services Act, 1994. The sub-fund commenced its operations on 23 May 2014.

As at 30 April 2018, despite the sub-Fund holding only one investment, as further detailed in Note 4.5, the Directors concluded that the sub-Fund is nevertheless an investment entity. In reaching their conclusion, the Directors have assessed whether the sub-fund meets the definition of an investment entity and the typical characteristics for an entity to qualify as an investment entity in accordance with the requirements of IFRS10. The Board has determined that the sub-Fund is committed to its investors that the business purpose is to invest solely for returns from capital appreciation, investment income, or both. In this regard, the sub-Fund does not plan to hold its investments indefinitely. The sub-Fund currently invests only in F.P. majetkova a.s., which is incorporated in the Czech Republic. The Board ensures that the risk is diversified and returns are maximised via the several properties owned by the underlying entity.

2. BASIS OF PREPARATION

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 drawn up in accordance with the provisions of the Companies Act, 1995 (Chapter 386, Laws of Malta).

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except for financial instruments at fair value through profit or loss, which are measured at fair value.

2.3 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.

In the opinion of the Directors, the accounting estimates and judgements made in the course of preparing these financial statements, with the exception of the valuation of the investments as detailed in note 4.5, are not difficult to reach, subjective or complex to a degree which would warrant their description as critical in terms of the requirements of IAS 1 *Presentation of Financial Statements*.

2.4 Functional and Presentation Currency

The financial statements for the Company are presented in Czech Krona (CZK), being the functional and presentation currency.

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3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Foreign currency transactions

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. Non-monetary assets and liabilities denominated in foreign currency that are measured at fair value are retranslated to the functional currency at the spot exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in the Statement of comprehensive income.

3.2 Financial assets and financial liabilities

3.2.1 Recognition

The Company recognises financial assets at fair value through profit or loss 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.

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

Financial assets and financial liabilities at fair value through profit or loss are recognised initially at fair value, with transaction costs recognised in profit or loss. Financial assets or financial liabilities not at fair value through profit or loss are recognised initially at fair value and adjusted with transaction costs that are directly attributable to their acquisition or issue.

3.2.2 Classification

The category financial assets and financial liabilities at fair value through profit or loss comprises financial instruments designated at fair value through profit or loss upon initial recognition.

These include financial assets that are not held for trading purposes and which may be sold. Bank balances includes cash and cash equivalents and balances held with UniCredit Bank. Financial liabilities that are not at fair value through profit or loss include accrued expenses.

A financial asset and a financial liability are offset and the net amount reported when, and only when, an entity has currently a legally enforceable right to set off the amounts, and intends either to settle on a net basis or realise the asset and settle the liability simultaneously.

3.2.3 Measurement

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. Settlement and other receivables are stated at their nominal value. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired.

3.2.4 Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the sub-fund has access at that date. The fair value of a liability reflects its non-performance risk.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.2 Financial assets and financial liabilities (continued)

3.2.4 Fair value measurement (continued)

The fair values of unquoted investments are established by using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each year end. Valuation techniques used for non-standardised financial instruments include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and other valuation techniques.

3.2.5 Identification and measurement of impairment

In the case financial assets are stated at amortised cost, these 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 or issuer 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 and reflected in an allowance account against loans and receivables 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 period, the amount of an impairment loss recognised on a financial asset carried at amortised cost 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 periods.

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 of financial position. On derecognition of a financial asset, the difference between the carrying amount of the asset (or 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 include, for example, securities lending and repurchase transactions.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.2 Financial assets and financial liabilities (continued)

3.2.6 Derecognition (continued)

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

3.3 Cash and cash equivalents

Cash and cash equivalents 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.

3.4 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.

3.5 Dividend income

Dividend income relating to exchange-traded equities is recognised in the Statement of comprehensive income when the right to receive the income is established, which is usually on the ex-dividend date.

3.6 Finance costs

Interest expense is included in the Statement of comprehensive income as it accrues using the effective interest method.

3.7 Expenses

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

3.8 Net gains/losses from financial instrument at fair value through profit or loss

Net gains/losses 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.

3.9 Redeemable shares

The Company classifies financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the 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 Company’s net assets at the redemption date and also in the event of the Company’s liquidation.

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.10 Taxation

Under the current system of taxation in Malta, the Company is exempt from Maltese income tax except in respect of any income derived from immovable property situated in Malta. Dividend and interest income received by the Company may be subject to withholding tax imposed in the country of origin. Income that is subject to such tax is recognised gross of tax and the corresponding withholding tax is recognised as tax expense.

3.11 Standards, interpretations and amendments to published standards effective 1 May 2017

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 May 2017 that had a material impact on the Company.

New standards, interpretations and amendments effective after 1 May 2017 and have not been early adopted

A number of new standards, amendments to standards and interpretations are not yet effective for annual periods beginning after 1 May 2017. Earlier application is permitted; however the Company has not early applied the following new or amended standards in preparing these financial statements.

IFRS 9 *Financial Instruments*: IFRS 9, published in July 2014, replaces the existing guidance in IAS 39 *Financial Instruments: Recognition and Measurement*. It includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.

IFRS 15 *Revenue from Contracts with customers*: IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including IAS 18 *Revenue*, IAS 11 *Construction Contracts* and IFRIC 13 *Customer Loyalty Programmes.*

IFRS 9 and IFRS 15 are effective for annual reporting periods beginning on or after 1 January 2018. Both standards have been endorsed by the EU. The Company is still assessing the precise impact on its financial statements resulting from the application of IFRS 9 and IFRS 15.

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4. FINANCIAL RISK MANAGEMENT

4.1 Risk management framework

The sub-Fund maintains a position in equity securities in accordance with the investment management strategy outlined in the sub-Fund's Offering Supplement. The sub-Fund's activities expose it to a variety of financial risks: market risk (including foreign currency risk, fair value interest rate risk, cash flow interest rate risk and other market risk), credit risk, liquidity risk and operational risk.

The sub-Fund's overall risk management programme seeks to maximise the returns derived for the level of risk to which the sub-Fund is exposed and seeks to minimise potential adverse effects on the sub-Fund's financial performance. During the financial period, the sub-Fund did not use any derivative financial instruments.

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

4.1 Risk management framework (continued)

All securities' investments present a risk of loss of capital. The maximum loss of capital on long equity securities is limited to the fair value of these securities.

The management of these risks is carried out by the Investment Committee members under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, the use of derivative financial instruments and non-derivative financial instruments and the investment of excess liquidity.

The sub-Fund uses different methods to measure and manage the various types of risk to which it is exposed; these methods are explained below.

4.2 Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and credit spreads (not relating to the obligor's/issuer's credit standing) will affect the sub-Fund's income or the fair value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The sub-Fund's relative strategy on the management of investment risk is driven by the sub-Fund's investment objective, which is clearly outlined in the sub-Fund's Particulars Supplement. The sub-Fund's market exposures within their relative investment restrictions are monitored on a daily basis by the Investment Committee members. The sub-Fund's overall market exposures are also monitored on a quarterly basis by the Board of Directors.

Foreign currency risk

The sub-Fund enters into transactions that are denominated in currencies other than its functional currency, primarily in Euro (EUR). Consequently, the sub-Fund is exposed to risk that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the fair value or future cash flows of that portion of the sub-Fund's financial assets or liabilities denominated in currencies other than CZK. The Directors are of the opinion that any adverse effect from movements in the Euro or other foreign currencies will be insignificant to the Company since its exposure in Euro or other foreign currencies is low.

Cash flow and fair value interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cash flows. The sub-Fund's holdings of variable rate instruments, which are cash and cash equivalents, expose the sub-Fund to cash flow interest rate risk. The sub-Fund's holdings of fixed rate instruments, which are loans receivable, expose the sub-Fund to fair value interest rate risk. Given that loans receivable are measured at amortised cost, the sub-fund is not exposed to fair value interest rate risk. A summary of the sub-Fund's interest rate gap position is as follows:

	Assets held at Fixed rate	Assets held at Fixed rate	**Assets held at variable rate**	Assets held at variable rate
	2018	2017	**2018**	2017
	% of NAV	% of NAV	% of NAV	% of NAV
Exposure to interest rate	**53.76**	52.80	**5.05**	10.78

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

4.2 Market risk (continued)

Other market price risk

Other market price risk is the risk that the fair value of the financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer or factors affecting market sentiment.

The sub-Fund's exposure to counterparties and industries arising from the equity securities portfolio as at 30 April 2018 is summarized in the following tables:

	Market Value in CZK 2018	Market Value in CZK 2017	**% of equity securities 2018**	% of equity securities 2017
Counterparty				
FP majetkova a.s.	**603,999,000**	467,911,369	**100.00%**	100.00%
	603,999,000	467,911,369	**100.00%**	100.00%

4.3 Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the sub-Fund, resulting in a financial loss to the sub-Fund. It arises principally from loans receivable, cash at bank and other receivables. All loans receivable are unrated. Bank balances are held with UniCredit Bank Czech Republic and Slovakia, a.s. which was rated BBB (stable) by Standard & Poor's.

4.3.1 Exposure to credit risk

The sub-Fund's maximum exposure to credit risk at the reporting date is represented by the respective carrying amounts of the relevant financial assets in the Statement of Financial Position.

	Carrying amount 2018 CZK	Carrying amount 2017 CZK
Loans and receivables	**759,000,000**	645,000,000
Other receivables	**496,028**	159,116
Bank balances	**71,273,429**	131,647,923
	830,769,457	776,807,039

The sub-Fund holds financial assets that are classified as fully performing assets having no history of past default and does not hold any impaired assets at the reporting date.

The sub-Fund's policy over credit risk is to minimise its exposure to counterparties with perceived higher risk of default. The sub-Fund's financial assets are placed with quality issuers or counterparties. In accordance with the sub-Fund's policy, the Investment Committee members monitor the sub-Fund's credit position on a daily basis, and the Board of Directors reviews it on a quarterly basis.

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

4.3 Credit risk (continued)

4.3.2 Cash and cash equivalents

The Company and the sub-Fund holds bank balances with UniCredit Bank rated BBB by Standard and Poors. The Investment Committee monitors the financial position of the bank on a regular basis.

4.3.3 Settlement risk

The sub-Fund's activities may give rise to risk at the time of settlement of transactions. Settlement risk is the risk of loss due to the failure of an entity to honour its obligations to deliver cash, securities or other assets as contractually agreed. The risk of default is considered minimal as payment is made on a purchase of securities concurrent with the transfer of legal title of the securities to the sub-Fund in agreement with the other party. The trade will fail if either party fails to meet its obligation.

The sub-Fund is indirectly exposed through FP majetkova a.s. to a settlement risk under farmland acquisition contracts. This risk is monitored by the Board of Directors. As of 30 April 2018, the settlement risk exposure was CZK 3.3 million (2017: CZK 12.5 million). By the date of the publication of this report, all contracts that were pending for settlement as of 30 April 2018 have been settled.

4.4 Liquidity risk

The sub-Fund may not be able to liquidate quickly the investments held in unlisted equity securities at an amount close to fair value to meet any liquidity requirement. With regards to redemptions, the Board of Directors reserve the right to limit the aggregate amount of redemptions on any one dealing day to no more than 20% of the sub-fund's NAV, if the Board believes this action is necessary to protect the general interests of Investors. All other liabilities are due within less than one year. The directors monitor the Fund's liquidity on a regular basis.

4.5 Fair values of financial instruments

The following table presents the Fund's assets that are measured at fair value at 30 April 2018 by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

30 April 2018	**Level 1**	**Level 2**	**Level 3**	**Total**
	CZK	**CZK**	**CZK**	**CZK**
Assets				
Equity securities	**-**	**-**	**603,999,000**	**603,999,000**

30 April 2017	Level 1	Level 2	Level 3	Total
	CZK	CZK	CZK	CZK
Assets				
Equity securities	-	-	467,911,369	467,911,369

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

4.5 Fair values of financial instruments (continued)

As at 30 April 2018, the sub-Fund held an investment in FP majetkova a.s., an unquoted equity, which has been classified within Level 3, as observable prices are not available. As at the reporting date, the value of this investment is based on an expert's opinion report and is therefore classified within level 3.

The sub-Fund will continue to monitor the unquoted investments on a yearly basis in order to review the fair value of the security.

The valuation of these investments is carried out in accordance with the International Valuation Standards. The property held by this entity contributes the largest share to the total value of this investment and is measured using the market value approach. Should the price of the property increase/decrease by 5%, the fair value of the investment held by the sub-fund would increase/decrease by CZK 59,959,550 (2017: CZK 49,770,100).

The following table presents the movement in level 3 instruments for the year ended 30 April 2018 by class of financial instrument:

Unquoted equity security in the sub-fund

	2018	2017
	CZK	CZK
Opening Balance	**467,911,369**	359,561,113
Additions during the year	**10,148**	2,629,541
Capital contribution	**80,000,000**	50,000,000
Fair value movements	**56,077,483**	55,720,715
Closing Balance	**603,999,000**	467,911,369

The fair value of financial assets and liabilities that are measured at amortised cost approximates the carrying amount at the reporting date. In the case of the loans receivable, which have a maturity of more than 12 months, the rates of interest reflect market interest rates and therefore the carrying amounts reflects their respective fair values. The directors believe that the entity's credit risk has not changed in a way that would impact significantly the fair value of these financial instruments. All other financial assets and liabilities are short-term in nature and their carrying amounts approximate their respective fair value.

5. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2018	2017
	CZK	CZK
Investments in unquoted equity securities	**603,999,000**	467,911,369

As at 30 April 2018, the financial assets at fair value through profit and loss consisted of one unlisted equity security, being FP majetkova a.s. registered in the Czech Republic, which invests in farmland in this country.

6. LOANS AND RECEIVABLES

	Carrying amount	Carrying amount	**% of Net Assets**	% of Net Assets
	2018	2017	**2018**	2017
	CZK	CZK		
Loans to related parties	**759,000,000**	645,000,000	**53.76**	52.80

During the year ended 30 April 2018, Cesky Fond Pudy entered into new loan agreements with FP majetkova a.s. These loans are unsecured, bear interest at 6.5% per annum and mature between 2022 and 2023. Loans receivable from subsidiary amount to a total of CZK 696,000,000 as at 30 April 2018 (2017: CZK 595,000,000).

During the year ended 30 April 2016, Cesky Fond Pudy acquired loans and bonds amounting to CZK 11,000,000 and CZK 33,000,000 respectively, receivable from FP pozemky a.s. Both loans and bonds bear interest at 4% per annum and mature in 2020. During the year ended 30 April 2017, these loans were increased by CZK 1,000,000. Moreover, following the merger of FP pozemky a.s. with FP majetkova a.s., the loans and bonds were also transferred to FP majetkova a.s. These loans and bonds were repaid to Cesky Fond Pudy during the year ended 30 April 2018.

During the year ended 30 April 2017, Cesky Fond Pudy placed a short-term investment with Sirius Investments Limited amounting to CZK 50,000,000, bearing an interest rate of 2.5% per annum with a maturity of 3 months from a written notice.

During the year ended 30 April 2018, Cesky Fond Pudy entered into loan agreements with Zemedelska Spolecnost Piskova Lhota, a.s. amounting to CZK 13,000,000, bearing an interest rate of 3% per annum and maturing within 12 months from draw down.

7. ACCRUED INCOME

The accrued income in Cesky Fond SICAV p.l.c. (the "SICAV") relates to management and performance fees charged by the SICAV to the sub-Fund, whilst the accrued income in the sub-Fund relates to interest receivable on loans to related parties.

8. CASH AND CASH EQUIVALENTS

For the purpose of the statement of Cash Flows, the year-end cash and cash equivalents comprise bank balances held at call as follows:

	Cesky Fond SICAV p.l.c.	Cesky Fond SICAV p.l.c.	**Cesky Fond Pudy**	Cesky Fond Pudy	% of net assets	% of net assets
	2018	2017	**2018**	2017	**2018**	2017
	CZK	CZK	**CZK**	CZK		
Bank balances	**7,301,804**	4,279,430	**71,273,429**	131,647,923	**5.05**	10.78

As at 30 April 2018, an amount of CZK 39,561,738 was received by the sub-Fund relating to subscriptions with dealing date 1 May 2018. This amount is held by the bank in a special account, which is in the name of the Company, however it belongs to the investors until the subscriptions will be effected on 1 May 2018. Accordingly, this bank account was not recognised in the statement of financial position as at 30 April 2018.

9. ACCRUED EXPENSES AND OTHER CREDITORS

Cesky Fond Pudy	2018	2017
	CZK	CZK
Accrued expenses		
Management fees	**13,702,282**	11,145,897
Performance fees	**7,978,102**	10,431,305
Administration fees	**85,675**	76,884
Other expenses	**1,308,200**	1,444,164
	23,074,259	23,098,250
Other creditors		
Purchases for settlement	**10,148**	-
Total accrued expenses and other creditors	**23,084,407**	23,098,250

10. FEES

a) *Management fees*
The sub-Fund is subject to an Investment Management Fee of 1% per annum of the NAV of the sub-Fund. Management fees are charged by the SICAV to the sub-fund and are distributable by way of dividends to the holders of founder shares.

b) *Administration fees*
The sub-Fund is subject to an administration fee of €14,000 per annum. In the event that the NAV exceeds Eur 10 million, a fee of 0.06% per annum on the excess over Eur 10 million will apply.

c) *Safekeeping, Oversight and Monitoring fees*
The sub-Fund shall pay Conseq Investment Management a.s. a fee of up to CZK 500,000 annually for its safekeeping, oversight and monitoring function.

d) *Performance fees*
The Performance fee is calculated on the outperformance of the NAV, if any, per share of the sub-fund and that of its High Watermark. The High Watermark is the greater of (a) the highest previous net asset value per share of the share class concerned on which a performance fee is paid and (b) the original issue price of the class of shares (CZK 1,000 or the equivalent in Euro). Should the NAV per share of the share class outperform the High Watermark, the Company shall be entitled to a fee of 20% of the amount by which the NAV per share of all shares in each class exceeds the High Watermark. Performance fees are charged by the SICAV to the sub-fund and are distributable by way of dividends to the holders of founder shares.

e) *Auditor's remuneration*
Fees charged (excluding VAT) by the auditor for services rendered to the Company during the year ended 30 April 2018 relate to:

	2018	2017
	CZK	CZK
Annual statutory audit	**183,902**	121,709
Tax compliance and advisory services	**165,640**	105,063
	349,542	226,772

11. TAX EXPENSE

11.1 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 eighty five per cent of the value of its total assets so allocated is treated as a non-prescribed Fund. On this basis, the Fund qualifies as a non-prescribed Fund for Maltese income tax purposes.

Accordingly, the Company is exempt from Maltese income tax except in respect of any income derived from immovable property situated in Malta.

11.2 Members not resident in Malta

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

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, domicile, or other relevant jurisdiction.

11.3 Withholding tax expense

Certain dividend and interest income received by the sub-Fund of the Company are subject to withholding tax imposed in the country of origin.

In case of the Company’s foreign investments, any capital gains, dividends, interest and other gains or profits may be subject to tax imposed by the country of origin concerned and such taxes may not be recoverable by the Company or by its shareholders under the Maltese domestic tax.

12. REDEEMABLE SHARES

The share capital of the Company is divided into Founder Shares and Investor Shares. The initial issued share capital of the Company is CZK 3,675,000 divided into 3,675,000 Founder shares with no nominal value. The maximum number of shares that may be allotted shall not exceed five billion (5,000,000,000) shares. The Founder Shares carry voting rights and a right to a Founders' Return but do not carry a right to participate in the assets of the Company or its sub-Funds on winding up (except repayment of paid up capital following settlement of any and all amounts due to the Investor Shares).

The Founder Shares were subscribed by MW Invest s.r.o., ZPH Invest s.r.o. and Mr. Martin Burda. Subsequently, during the year ended 30 April 2018, Mr. Martin Burda transferred his founder shares to to MW Invest s.r.o. and ZPH Invest s.r.o.

The sub-Fund's capital is represented by the redeemable shares of the unit holders with no par value and no voting rights. The sub-Fund has four share classes, of which only two have been subscribed into by the reporting date. All shares may be issued and redeemed at prices based on the value of the sub-Fund's net assets in accordance with its Offering Memorandum.

All shares in issue are fully paid. The movement in shares is summarized in the following table:

	30.04.18	30.04.17
	Shares	Shares
Class A shares in issue at beginning of year	**180,470.7825**	171,226.0949
Class B shares in issue at beginning of year	**692,542.9707**	342,936.1439
Creation of Class A shares	**7,662.7743**	9,244.6876
Creation of Class B shares	**116,593.5190**	349,606.8268
Redemption of Class A shares	**(1,498.1500)**	-
Redemption of Class B shares	**(36,815.0000)**	-
Class A shares in issue at end of year	**186,635.4068**	180,470.7825
Class B shares in issue at end of year	**772,321.4897**	692,542.9707

In the case of Class A and Class C shares, the Company may pay dividends as it deems fit from time to time, and when part or all income attributable to shareholders is not distributed, such income will be accumulated within the price of the shares of the sub-Fund. Class B and Class D shares within Cesky Fond Pudy are accumulator classes of shares and do not make any distributions. Instead, all income is accumulated within the price of their shares. In this case, no equalisation is required.

During the current year, the directors declared a dividend of CZK 26 per share to the holders of Class A redeemable shares in Cesky Fond Pudy and a dividend of CZK 6.21 per share to the Founder Shareholders as at 30 April 2017. After the year end, the directors declared a dividend of CZK 22 per share to the holders of Class A redeemable shares in Cesky Fond Pudy and a dividend of CZK 7.88 per share to Founder Shareholders as at 30 April 2018.

13. RELATED PARTIES

The Company has a related party relationship with its founder shareholders, its directors and with FP majetkova a.s. During the year ended 30 April 2018, the latter transferred farmland worth CZK 41 million into Zemědělská společnost Písková Lhota a.s. and gained majority ownership of this entity.

Management fees, Performance fees, Investment Committee fees, directors' fees and distributions to investor shareholders are disclosed on the Statement of Comprehensive Income. Distributions to founder shareholders are disclosed in the Statement of Changes in Equity. Outstanding fees as at 30 April 2018 and 2017 are disclosed in Note 9, while the carrying amounts of the financial assets in F.P. majetkova a.s. are disclosed in Note 4.2 to these financial statements. Loans to related parties are disclosed in Note 6 whilst interest income receivable on these loans is disclosed in the Statement of comprehensive income.

14. RECONCILIATION OF IFRS NET ASSET VALUE TO THE DEALING NET ASSET VALUE

The sub-Fund's net asset value used in the calculation of the dealing net asset value does not comply with IAS 38 in respect to set-up costs as the sub-Fund is amortising such costs over five years. This is not permitted under IFRS for the purposes of the preparation of financial statements and accordingly have been expensed in the period when they were incurred.

	Cesky Fond Pudy Class A CZK	Cesky Fond Pudy Class B CZK	Cesky Fond Pudy Total CZK
Net asset value used in the calculation of the dealing net asset value	**258,855,348**	**1,153,104,523**	**1,411,959,871**
IAS 38 adjustment: set-up costs	**(42,681)**	**(190,127)**	**(232,808)**
Net asset value as per financial statements	**258,812,667**	**1,152,914,396**	**1,411,727,063**

	CZK	CZK
Net asset value per participating share used in the calculation of the dealing net asset value	**1,386.9573**	**1,493.0369**
IAS 38 adjustment per participating share	**(0.2286)**	**(0.2461)**
Net asset value per participating share as per financial statements	**1,386.7287**	**1,492.7908**

15. Events after the year-end.

After the end of the reporting period, Cesky Fond Pudy has acquired Agro Hlucinska s.r.o. from its subsidiary FP majetková a.s. Subsequently, the Directors decided to merge Agro Hlucinska s.r.o. into FP majetková a.s., both entities being fully owned subsidiaries of Cesky Fond Pudy.

Appendix I

INFORMATION ABOUT THE SCHEME

1. AUTHORISATION

The Company has one sub-Fund and is authorised by the Malta Financial Services Authority as a Collective Investment Scheme pursuant to Section 6 of the Investment Services Act, 1994.

2. INCOME

In the case of Class A and Class C shares, the Company may pay dividends as it deems fit from time to time, and when part or all income attributable to shareholders is not distributed, such income will be accumulated within the price of the shares of the Fund. Class B and Class D shares within Cesky Fond Pudy are accumulator classes of shares and do not make any distributions. Instead, all income is accumulated within the price of their shares. In this case, no equalisation is required.

3. CHARGES AND OTHER FEES

Details on the Management, Performance, Administration and Prime Brokers fees can be found in note 10 'Fees' of this report.

4. RISK WARNINGS

General

Investments in the Fund should be regarded as long-term investments. There is no assurance that the investment objective of the Fund will be achieved. The Fund's investments are subject to normal market fluctuations and the risks inherent in all investments and there are no assurances that appreciation will occur.

The price of shares and the income derived from them (if any) can, from time to time, go down as well as up and investors may not realise their initial investment.

Past performance is no guarantee of future performance.

The value of the Fund may fall as well as rise.

The Fund is also subject to other risk factors, being General Trading Risks, Fixed Income Securities, Volatility and Correlation Risks, Exchange Rate Fluctuations, Leverage Risks, Credit/Trading Lines, Uncovered Positions, Concentration of Investments and Limited Diversification, Portfolio Turnover. Repurchase Agreements, Options, Short Selling, Custody Risk, Changes in Trading Method, Statutory Regulation, Growth in Assets Under Management, Reliance on the Investment Manager, Charges to the Funds, Potential Conflicts of Interest, Tax and Legal Risks, Restriction or Suspension of Redemption Rights and Mandatory Redemptions. Further details of such risks can be found in the Cesky Fond SICAV p.l.c. Offering Memorandum dated 28 February 2018.

5. SCHEME PARTICULARS

The above details are extracted from the Offering Memorandum of the Cesky Fond SICAV p.l.c. dated 28 February 2018, which is the current Offering Memorandum at the date of publishing this Annual Report. Persons wishing to invest in Cesky Fond Pudy should do so on the basis of the full information contained in the Offering Memorandum which is available upon request from the Manager.

6. MANAGER'S STATEMENT

In the opinion of the Manager, this Annual Report contains all the information required to enable the investors to make an informed judgement of the results and activities of the Company for the year ended 30 April 2018 and does not omit any matter or development of significance.

KPMG
Portico Building
Marina Street
Pieta' PTA 9044
Malta
(+356) 2563 1000

Independent Auditors' Report

To the Shareholders of Cesky Fond SICAV p.l.c.

1 Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Cesky Fond SICAV p.l.c. (the "Company"), which comprise the statement of financial position as at 30 April 2018, the statements of comprehensive income, changes in equity, changes in net assets attributable to holders of redeemable shares and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements:

(a) give a true and fair view of the financial position of the Company as at 30 April 2018, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU; and

(b) have been properly prepared in accordance with the Companies Act, 1995 (Chapter 386, Laws of Malta) (the "Act").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants*, together with the ethical requirements that are relevant to our audit of the financial statements in accordance with the *Accountancy Profession (Code of Ethics for Warrant Holders) Directive* issued in terms of the Accountancy Profession Act (Chapter 281, Laws of Malta) ("APA"), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KPMG
Portico Building
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Malta
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Independent Auditors' Report (continued)

To the Shareholders of Cesky Fond SICAV p.l.c.

Other Information

The directors are responsible for the other information. The other information comprises the directors, officers and other information, the directors' report and the information about the scheme, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and, other than in the case of the directors' report, 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 that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation of financial statements that (a) give a true and fair view in accordance with IFRS as adopted by the EU, and (b) are properly prepared in accordance with the provisions of the Act, and for such internal control as the directors determine 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 directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Company's financial reporting process.

KPMG
Portico Building
Marina Street
Pieta' PTA 9044
Malta
(+356) 2563 1000

Independent Auditors' Report (continued)

To the Shareholders of Cesky Fond SICAV p.l.c.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. 'Reasonable assurance' is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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Independent Auditors' Report (continued)

To the Shareholders of Cesky Fond SICAV p.l.c.

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

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Independent Auditors' Report (continued)

To the Shareholders of Cesky Fond SIVAV p.l.c.

2 Report on Other Legal and Regulatory Requirements

Opinion on the Directors' Report

The directors of the Company are responsible for preparing a directors' report in accordance with the provisions of article 177 of the Act.

We are required to consider whether the information given in the directors' report for the accounting period for which the financial statements are prepared is consistent with those financial statements; and, if we are of the opinion that it is not, we shall state that fact in our report. We have nothing to report in this regard.

In accordance with article 179(3) of the Act, we are also required to:

(a) express an opinion on whether the directors' report has been prepared in accordance with the applicable legal requirements; and

(b) state whether, in the light of the knowledge and understanding of the Company and its environment obtained in the course of our audit of the financial statements, we have identified material misstatements in the directors' report, giving an indication of the nature of any such misstatements.

In such regards:

- in our opinion, the directors' report has been prepared in accordance with the applicable legal requirements; and
- we have not identified material misstatements in the directors' report.

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Independent Auditors' Report (continued)

To the Shareholders of Cesky Fond SICAV p.l.c.

Matters on which we are required to report by exception by the Act

We have nothing to report in respect of the following matters where articles 179(10) and (11) of the Act requires us to report to you if, in our opinion:

(a) proper accounting records have not been kept by the Company ; or

(b) the Company's financial statements are not in agreement with the accounting records ; or

(c) we have not obtained all the information and explanations which, to the best of our knowledge and belief, we require for the purpose of our audit.

The Principal authorised to sign on behalf of KPMG on the audit resulting in this independent auditors' report is Claude Ellul.

KPMG
Registered Auditors

20 September 2018