

HANSAINVEST – SERVICE-KVG

# Annual Report as of December 31, 2019

C-QUADRAT ARTS Total Return Flexible



C-Quadrat  
Asset  
Management

**HANSAINVEST**

# Dear investor,

this annual report documents the performance of the UCITS fund

C-QUADRAT ARTS Total Return Flexible

during the period from January 1, 2019 to December 31, 2019.

Hamburg, April 2020

Yours sincerely,

HANSAINVEST Hanseatische Investment-GmbH

Dr. Jörg W. Stotz

Nicholas Brinckmann

Andreas Hausladen

Ludger Wibbeke

## To keep the **overview:**

Report on activities for the financial year 2019 .....	4
Overview of assets as of December 31, 2019.....	7
Statement of assets as of December 31, 2019 .....	8
Appendix pursuant to § 7 No. 9 KARBV .....	15
Reproduction of independent auditor's report .....	19
Management company, depositary and committees.....	21

# Report on activities for the financial year 2019

## Investment goal and investment policy

The investment goal of **C-QUADRAT ARTS Total Return Flexible** is to realize an appropriate level of income and to achieve optimum long-term growth independently of a benchmark.

The investment policy of **C-QUADRAT ARTS Total Return Flexible** is based on a total return approach. The fund's management utilizes a technical trading program developed by ARTS Asset Management which has a trend-following orientation. The goal is to achieve absolute growth in all market phases. The fund's assets may be fully invested in the equities asset class, via funds, ETFs, derivatives or individual equities. The fund's equity holdings may be reduced to zero during negative stock market periods. In such a scenario its resources will mainly be invested in more defensive asset classes such as the bond market and the money market. The fund may also hedge its risks by means of derivatives or by increase of its level of investment beyond 100%.

The fund **C-QUADRAT ARTS Total Return Flexible** represents a highly active management style. The fund's management may utilize all instruments currently permitted by law in order to realize the investment goal.

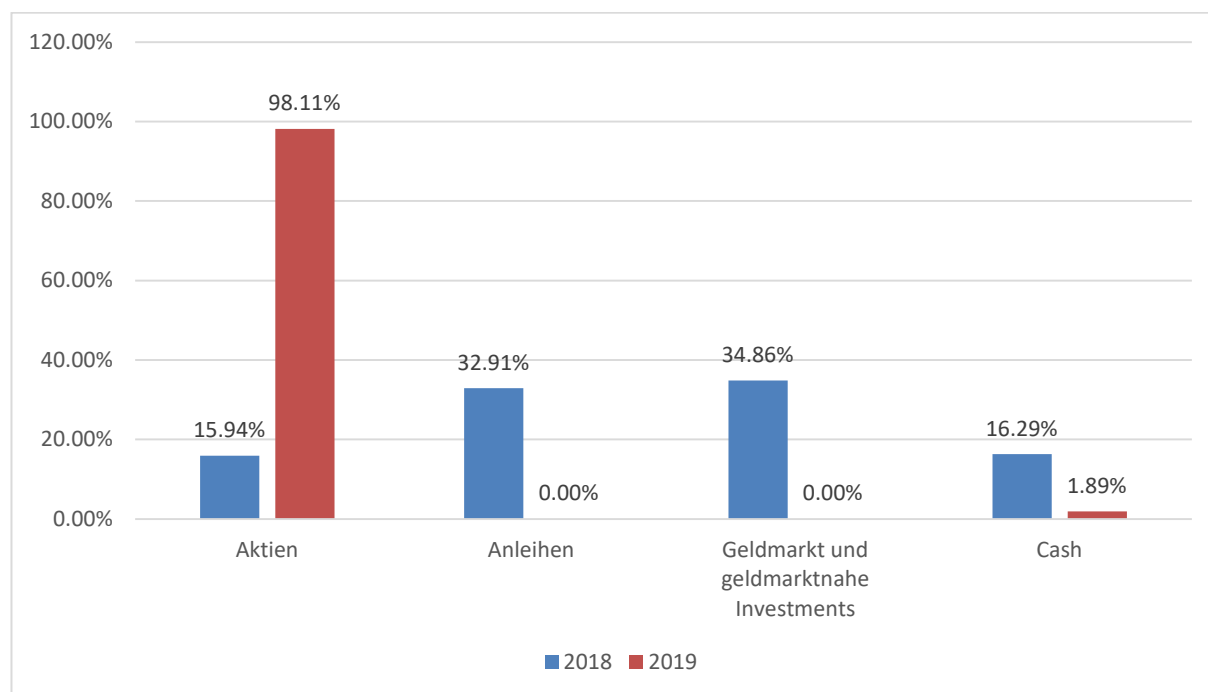
The fund may purchase equities and equity-equivalent securities, interest-bearing securities, bank balances, money market instruments, units in other investment funds, derivatives for investment and hedging purposes as well as other investment instruments.

## Portfolio structure

The portfolio's composition continuously changes due to its active management style and its high trading volume, both in relation to the structure of its asset classes and the positions held.

At the start of the period under review the equity holdings of **C-QUADRAT ARTS Total Return Flexible** amounted to almost 2%. During the 1<sup>st</sup> quarter of the reporting period the ARTS trading system increased the equity holdings to approx. 75%. For the remainder of the reporting period, the equity ratio was close to the maximum, with the exception of the reporting months of May and August when it was reduced to around 75%. At the end of the reporting period, the equity ratio was close to maximum.

## Asset class distribution as of end of Dec. 2018 and Dec. 2019



### Explanation

German Wording:

Aktien

Anleihen

Geldmarkt und geldmarktnahe Investments

Cash

English Translation:

Equities

Bonds

Money market and near-money market investments

Cash

## Income from disposal of assets

The unit classes of C-QUADRAT ARTS Total Return Flexible realized the following income from disposal transactions in the period under review:

		C-QUADRAT ARTS TRF A (EUR)	C-QUADRAT ARTS TRF T (EUR)	C-QUADRAT ARTS TRF T (PLN)	C-QUADRAT ARTS TRF T (USD)	C-QUADRAT ARTS TRF H (EUR)
<b>IV. Disposal Transactions</b>						
<b>1. Profits realised</b>	EUR	956,473.81	4,331,274.46	2,163,566.54	42,800.38	248.51
<b>2. Losses realised</b>	EUR	-553,394.86	-2,530,954.75	-1,288,604.67	-21,849.13	-103.92
<b>Profit of disposal transactions</b>	EUR	403,078.95	1,800,319.71	874,961.87	20,951.25	144.59

The realised profits for unit classes A (EUR), H (EUR) and T (EUR) mainly result from the sale of investment units and spot exchange transactions. The realised losses are mainly due to the sale of investment units.

Realised gains for unit classes T (PLN) and T (USD) primarily result from the sale of investment units, spot exchange transactions and forward exchange transactions. The realised losses are mainly due to the sale of investment units and forward exchange transactions.

## Risk analysis

Volatility in the reporting period amounted to:

T- share class (EUR):	6.42%
A - share class (EUR):	6.43%
T- share class(PLN hedged):	6.43%
T- share class(USD hedged):	6.39%
H- share class (EUR):	6.40%

### Counterparty risks:

The fund exclusively purchased equity, bond and money market funds complying with Directive 85/611/EEC in the period under review. Their portfolios have the status of separate funds. Accordingly, counterparty risks only arise indirectly through the investments held in the target funds. Risks also result from cash held as part of the fund's assets.

### Market price risks/interest-rate fluctuation risks:

The fund's central market price risk relates to the development of the international stock markets. Risks are managed through diversification of the fund's investments across a variety of regions and sectors. The fund indirectly entered into interest-rate risks through investments in bond and money market funds.

### Currency risks:

**C-QUADRAT ARTS Total Return Flexible** is a globally diversified portfolio. This gives rise to currency risks in various foreign currencies.

For unit class T (PLN), the fund's currency is the Polish zloty. This currency is hedged against the euro exchange rate.

For unit class T (USD), the fund's currency is the US-dollar. This currency is hedged against the euro exchange rate.

### Operational risks:

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. With regard to operational risk, the company differentiates between technical risks, personnel risks, product risks and legal risks as well as risks arising from customer and business relationships and has taken the following precautions, among others, to counter these risks: Ex ante

and ex post controls are part of the order process. Legal and personnel risks are minimized by providing legal advice and training for employees.

In addition, transactions in financial instruments are concluded exclusively via competent and experienced counterparties. Financial instruments are held in safe custody by an established depositary with a good credit rating.

The appropriateness of the activities and processes relevant to the investment fund is regularly monitored by the internal audit department.

***Liquidity risks:***

No specific liquidity risks arose in the period under review.

***Other risks***

The spread of the respiratory disease COVID-19 has currently led to massive cuts in public life worldwide, with considerable consequences for, among others, economy and companies that cannot be assessed yet. Against this background, the risks associated with the investments of this fund cannot be conclusively predicted at present. There is a possibility that the existing risks could intensify and accumulate and have a negative impact on the fund's earnings.

**Further information**

The management company which manages the fund is HANSAINVEST Hanseatische Investment-GmbH, Hamburg.

Portfolio management for **C-QUADRAT ARTS Total Return Flexible** has been outsourced to ARTS Asset Management GmbH in Austria.

No further events have occurred which are of significance for the investor.

# Overview of assets as of December 31, 2019

Fund assets:	EUR 105,791,995.03	(108,549,830.74)
Units in circulation:	Class A (EUR)	143,901 (159,485)
	Class H (EUR)	61 (10)
	Class T (EUR)	586,377 (680,665)
	Class T (PLN)	650,000 (637,000)
	Class T (USD)	4,110 (4,110)

Overview of assets TEUR/%			
	Market value in fund currency	% of fund assets	% of fund assets on December, 31, 2018
<b>I. Fund assets</b>			
1. Other securities	104,537	98.81	(73.90)
2. Derivatives	131	0.12	(0.00)
3. Assets liquidable at short notice	0	0.00	(17.00)
4. Bank deposits	1,312	1.25	(9.28)
<b>II. Liabilities</b>			
	-190	-0.18	(-1.18)
<b>III. Fund Assets</b>			
	<b>105,792</b>	<b>100.00</b>	

# Statement of assets as of December 31, 2019

Asset class	ISIN	Market currency in thou.	Items/ units/ 31/12/2019	Volume	Purchases/ additions in period under review	Sales/ disposals in period under review	Price	Market value in EUR	% of fund assets
<b>Investment units</b>									
<b>Non-Group investment units 2)</b>									
AIS-Amundi MSCI Switzerland Namens-Anteile C Cap. EUR o.N.	LU1681044720		UNITS	31,000	31,000	0	EUR 336.200000	10,422,200.00	9.85
BGF - Japan Flexible Equity Fd Act. Nom. Clas. D2 EUR o.N.	LU0827883447		UNITS	99,000	99,000	0	EUR 14.080000	1,393,920.00	1.32
BGF - Japan Small & Mid Cap Opp. Class D2 EUR	LU0252965594		UNITS	74,000	74,000	0	EUR 70.760000	5,236,240.00	4.95
BNYM GF-BNY M.Long-Te.Gl.Eq.Fd Registered Shares C EUR Dis. o.N	IE00B29M2K49		UNITS	680,000	680,000	0	EUR 3.240600	2,203,608.00	2.08
CSIF(L)Equity World M.Volatil. Namens-Ant. QB EUR (INE) o.N.	LU1248309152		UNITS	840	840	0	EUR 1,419.490000	1,192,371.60	1.13
DNB Fd-DNB Technology Namens-Anteile IA Cap. EUR o.N.	LU1047850778		UNITS	6,800	16,100	9,300	EUR 308.143800	2,095,377.84	1.98
Fidelity Fds-Asian Aggress.Fd. Reg. Shares Y Acc. EUR o.N.	LU0345362361		UNITS	166,000	166,000	0	EUR 26.360000	4,375,760.00	4.14
Jan Hend. Hor. -J.H.H.Gl.Pr.Eq. Actions Nom. I3 EUR o.N	LU0572951639		UNITS	49,700	49,700	0	EUR 165.220000	8,211,434.00	7.76
L. I. Fd - L. ST.E. S. D. 30 Act. Nom. EUR Dis. o.N	LU1812092168		UNITS	246,000	246,000	0	EUR 17.528000	4,311,888.00	4.08
Lyxor ETF World Water Actions au Port. D-EUR o.N.	FR0010527275		UNITS	223,000	223,000	0	EUR 43.820000	9,771,860.00	9.24
M&G(L)IF1-M&G(L)Gl.Lstd Infra. Act.Nom. EUR C Acc.(INE) o.N.	LU1665237969		UNITS	85,000	85,000	0	EUR 13.902200	1,181,687.00	1.12
Swiss Life Fds(L)-E.G.Min.Vol. Actions Nom. I EUR Dis. o.N.	LU1531540588		UNITS	344	690	346	EUR 12,927.820000	4,447,170.08	4.20
UBS-ETF-UBS MSCI Pa. So. Re. U.E. Namens-Anteile (USD) A-dis o.N	LU0629460832		UNITS	75,000	75,000	0	EUR 67.330000	5,049,750.00	4.77
WisdomTree Gl Qual Div. Gr. U.E. Bearer Shs USD A.(Dt. Zert.)o.N	DE000A2AHL75		UNITS	285,000	285,000	0	EUR 23.160000	6,600,600.00	6.24
Xtr.(IE)-MSCI World Minim.Vol. Registered Shares 1C USD o.N.	IE00BL25JN58		UNITS	162,000	322,000	201,000	EUR 31.425000	5,090,850.00	4.81
G.S.Fds-Japan Eq.Partners Ptf. Registered Acc. Shs I JPY o.N.	LU1217871059		UNITS	25,000	25,000	0	JPY 14,112.310000	2,882,416.26	2.72
Fidelity-Global Equity Income Reg. Shares Y-ACC-USD o.N.	LU1084165213		UNITS	232,000	232,000	0	USD 14.710000	3,057,171.01	2.89
iShs VI-E.MSCI Wld Min. Vo. U.E. Registered Shares USD o.N.	IE00B8FHGS14		UNITS	214,000	214,000	0	USD 52.560000	10,076,001.07	9.52
Schroder ISF-Gbl Cities Re. Es. C Acc	LU0224508670		UNITS	2,700	5,500	2,800	USD 208.668800	504,708.20	0.48
Schroder ISF-Taiwanese Equity Namensanteile C Acc. USD o.N.	LU0270819320		UNITS	226,000	226,000	0	USD 26.489000	5,362,818.24	5.07
SPDR MSCI World Heal. Care UETF Registered Shares o.N.	IE00BYTRRB94		UNITS	242,000	242,000	0	USD 44.145000	9,570,088.69	9.05
SPDR MSCI Wld Utilities UETF Registered Shares o.N.	IE00BYTRRH56		UNITS	40,000	208,000	168,000	USD 41.855000	1,499,776.05	1.41
<b>Total investment units</b>							<b>EUR</b>	<b>104,537,696.04</b>	<b>98.81</b>
<b>Total securities portfolio</b>							<b>EUR</b>	<b>104,537,696.04</b>	<b>98.81</b>
<b>Derivatives (holdings marked with a minus sign are sold positions)</b>									
<b>Foreign exchange derivatives receivables/liabilities</b>									
<b>Foreign exchange futures contracts (purchase)</b>									
<b>Open positions</b>									
PLNEUR 87.57 Mio.		OTC						131,249.11	0.12
USDIEUR 0.40 Mio.		OTC						-494.26	0.00
<b>Total foreign exchange derivatives</b>								<b>130,754.85</b>	<b>0.12</b>
<b>Bank deposits</b>									
<b>EUR deposits at:</b>									
Depository: Hauck & Aufhäuser Privatbankiers AG		EUR		894,029.15				894,029.15	0.85
<b>Deposits non-EU/EEA currencies:</b>									
Depository: Hauck & Aufhäuser Privatbankiers AG		PLN		1,787,084.00				419,611.64	0.40
<b>Total bank deposits</b>							<b>EUR</b>	<b>1,313,640.79</b>	<b>1.25</b>
<b>Other liabilities 1)</b>		EUR		-190,096.65			<b>EUR</b>	<b>-190,096.65</b>	<b>-0.18</b>
<b>Fund assets</b>							<b>EUR</b>	<b>105,791,995.03</b>	<b>100.2)</b>
<b>C-QUADRAT ARTS TRF A (EUR)</b>									
<b>Unit value</b>							<b>EUR</b>	<b>117.390</b>	
<b>Units in circulation</b>							<b>ITEMS</b>	<b>143.901</b>	
<b>C-QUADRAT ARTS TRF H (EUR)</b>									
<b>Unit value</b>							<b>EUR</b>	<b>101.200</b>	
<b>Units in circulation</b>							<b>ITEMS</b>	<b>61</b>	
<b>C-QUADRAT ARTS TRF T (EUR)</b>									
<b>Unit value</b>							<b>EUR</b>	<b>114.725</b>	
<b>Units in circulation</b>							<b>ITEMS</b>	<b>586.377</b>	
<b>C-QUADRAT ARTS TRF T (PLN)</b>									
<b>Unit value</b>							<b>PLN</b>	<b>139,261</b>	
<b>Units in circulation</b>							<b>ITEMS</b>	<b>650.000</b>	
<b>C-QUADRAT ARTS TRF T (USD)</b>									
<b>Unit value</b>							<b>USD</b>	<b>99,658</b>	
<b>Units in circulation</b>							<b>ITEMS</b>	<b>4.110</b>	

## Footnotes:

- 1) Auditing costs, publication costs, depositary remuneration and management remuneration not yet paid
- 2) Minor discrepancies may arise through rounding-off of percentages during the calculation.

Transactions executed through affiliates. The proportion of transactions executed in the reporting period through affiliated brokers for account of the fund was 0.00 %. This amounted to a total of EUR 0.00 for these transactions.



## Security prices/market rates

The fund's assets have been valued on the basis of the following prices/market rates.

Exchange rates (indirect quotation)			as of Dec. 30, 2019
Polish zloty	PLN	4.258900	= 1 euro (EUR)
US dollar	USD	1.116300	= 1 euro (EUR)

### Market key

c) OTC Over-the-counter

**Transactions executed during the period under review which are not listed in the statement of assets: purchases and sales of securities, investment units and borrowers' note loans (market allocation as of the reporting date)**

Asset class	ISIN	Items/ units/ currency in thou.	Purchases/ additions	Sales/ disposals	Volume in thou.
<b>Investment units</b>					
<b>Non-Group investment units</b>					
AIS-Amundi MSCI Eu. Quality F. Namens-Anteile C.Cap. EUR o.N.	LU1681041890	UNITS	56,000	56,000	
BL - Sustainable Horizon Inhaber-Anteile Bl o.N.	LU0495657552	UNITS	10,200	10,200	
Parvest-Eq. World Low Volatil. Act. au Port. I Cap o.N.	LU0823418115	UNITS	-	7,690	
Parvest - Human Development Act. au Port. Cap. (classic) o.N.	LU1165136174	UNITS	-	43,500	
NEWTON ASIAN INCOME FUND INST. ACC. EUR	GB00B7F0DH13	UNITS	2,970,000	2,970,000	
Comgest Monde SICAV Actions au Porteur I o.N.	FR0011007251	UNITS	2,110	2,110	
Dirk Müller Premium Aktien Inhaber-Anteile	DE000A111ZF1	UNITS	-	36,500	
Deka Dt.B. EURDGF. Ger. 10+ U.ETF	DE000ETF219	UNITS	-	30,000	
DPAMINVEST B Equit. World Div. Actions Nom. F Cap. o.N.	BE6228802441	UNITS	-	5,600	
DWS Institutional - Money Plus	LU0099730524	UNITS	700	1,650	
DWS Osteuropa	LU0062756647	UNITS	8,600	8,600	
Fidelity Fds-Asean Fund Registered Shs Y Acc. USD o.N.	LU03463390510	UNITS	320,000	320,000	
Fidelity Fds-Gl Health Care Fd Reg. Shares Y Acc. EUR o.N.	LU0346388969	UNITS	-	6,400	
I.M.-I.MSCI Saudi Arabia UETF Registered Shares Acc o.N.	IE00BFWMQ331	UNITS	451,000	451,000	
I.M.-I-Preferred Shares UETF Registered Shs Acc o.N.	IE00BDVJF675	UNITS	214,000	214,000	
iS.II-EO Gov. Bd. 15-30yr UC.ETF Registered Shares o.N.	IE00B1FZS913	UNITS	-	33,500	
iS.II-Asia Prop. Yield UC. ETF Registered Shares o.N.	IE00B1FZS244	UNITS	405,000	405,000	
iS.II-\$ Treas. Bd 7-10yr UC.ETF	IE00B1FZS798	UNITS	18,800	115,300	
iShsII-EM Infrastructure U.ETF Registered Shares o.N.	IE00B2NPL135	UNITS	531,000	531,000	
iS.II-S.Gl Infrastr. UCITS ETF Registered Shares USD o.N.	IE00B1FZS467	UNITS	-	380,000	
iShares III-Gl. Gov. Bd UCIT.ETF Registered Shares o.N.	IE00B3F81K85	UNITS	206,000	206,000	
iShsV-EM Dividend UCITS ETF Registered Shares USD o.N.	IE00B652H904	UNITS	510,000	510,000	
Jan. Hend.-J.H.Latin American Actions Nom. R EUR Acc. o.N.	LU0200080918	UNITS	410,000	410,000	
Jan. Hend. Hor.-J.H.H.As. Pa. P.E. Actions Nom. I2(Acc.)EUR o.N.	LU0572943370	UNITS	162,000	162,000	
Jan. Hend. Hor.-J.H.H.As. Pa. P.E. Actions Nom. I2(Acc.)EUR o.N.	LU0572943370	UNITS	162,000	162,000	
Jan. Hend. Hor.-J.H.H.As. Div. In. Actions Nom. I2 USD o.N.	LU0264606467	UNITS	140,000	140,000	
JPMorgan-Emer. Middle East Equ. Actions Nom. I (acc.) USD o.N.	LU0248057191	UNITS	45,000	45,000	
L. I. Fd - L. PRI. UCITS ETF Act. Nom. EUR Dis. o.N.	LU1812091947	UNITS	460,000	460,000	
Magna Umbrella Fd.-MENA FUND Reg. Shares G Acc. EUR o.N.	IE00BFTW8Y10	UNITS	202,000	202,000	
MUL-LYX EuroMTS 15+Y Inv. Gr. Inhaber-Anteile Acc o.N.	LU1287023268	UNITS	38,000	38,000	
LYXOR ETF MSCI World Telecommunication Services	LU0533034129	UNITS	71,500	71,500	
SAM SUST. HEALTHY LIV FD EUR C	LU0280770842	UNITS	-	3,950	
ING (L)-Invest Health Care Actions au Porteur P Cap. o.N.	LU0119209004	UNITS	-	1,390	
Quantex Fds-Quan. Global Val. Fd Inhaber-Anteile I EUR o.N.	LU0399611685	UNITS	12,900	12,900	
Raiffeisen-Global-Aktien Inh.-Ant. II T o.N.	AT0000A133M6	UNITS	15,800	15,800	
Robeco Gl Consumer Trends Equ. Actions Nom. I Cap. EUR o.N.	LU0717821077	UNITS	14,300	14,300	
SPDR S&P 500 Low Volatil.ETF Registered Shares USD o.N.	IE00B802KR88	UNITS	186,000	186,000	
Threadneedle L-Global Focus Namens-Anteile IE o.N.	LU1491344765	UNITS	395,000	395,000	
UBS-ETF-MSCI Hong Kong UCITS Namens-Ant. HKD A Dis. o.N.	LU1169827224	UNITS	395,000	395,000	
Vontobel-Euro Short Term Bond Actions Nom. I-EUR o.N.	LU0278091037	UNITS	27,500	27,500	
Xtrackers II EUR Overnight Rate Swap UCITS ETF	LU0290358497	UNITS	30,700	127,200	
db x-tr. MSCI Paci. ex Japan TRN 1C	LU0322252338	UNITS	60,000	60,000	
db x - Trackers S&P Global Infrastructure ETF 1C	LU0322253229	UNITS	244,000	244,000	
db x-tra. STOXX 600 FOOD & BEVERAGE ETF 1C	LU0292105359	UNITS	31,000	31,000	
<b>Derivatives (option premiums realized in opening transactions/volume of option contracts; in case of warrants, purchases and sales)</b>					
<b>Futures contracts</b>					
<b>Foreign exchange futures contracts (purchase)</b>					
Forward exchange purchases:					
USD/EUR		EUR			4,119.79
PLN/EUR		EUR			233,389.02

## Income statement (incl. income adjustment)

for the period from January 01, 2019 to December 31, 2019					
		C-QUADRAT ARTS TRF A (EUR)	C-QUADRAT ARTS TRF H (EUR)	C-QUADRAT ARTS TRF T (EUR)	
<b>I. Income</b>					
1. Interest from domestic investments in liquid assets	EUR	-5,057.81 *)	-1.77 *)	-20,826.83 *)	
2. Income from investment units	EUR	85,193.10	30.01	351,035.24	
3. Other income	EUR	7,276.37	2.44	30,510.83	
<b>Total income</b>	<b>EUR</b>	<b>87,411.66</b>	<b>30.68</b>	<b>360,719.24</b>	
<b>II. Expenses</b>					
1. Interest on loans	EUR	-31.29	0.00	-127.36	
2. Management remuneration	EUR	-341,396.38	-11.71	-1,395,494.82	
3. Depository remuneration	EUR	-5,049.41	-0.04	-20,611.79	
4. Auditing and publication costs	EUR	-3,217.83	-0.09	-8,053.88	
5. Other expenses	EUR	-2,796.71	-0.15	-11,427.55	
6. Adjustment	EUR	12,541.44	-67.73	37,028.10	
<b>Total expenses</b>	<b>EUR</b>	<b>-339,950.18</b>	<b>-79.72</b>	<b>-1,398,687.30</b>	
<b>III. Ordinary net income</b>	<b>EUR</b>	<b>-252,538.52</b>	<b>-49.04</b>	<b>-1,037,968.06</b>	
<b>IV. Disposal transactions</b>					
1. Profits realized	EUR	956,473.81	248.51	4,331,274.46	
2. Losses realized	EUR	-553,394.86	-103.92	-2,530,954.75	
<b>Profit on disposal transactions</b>	<b>EUR</b>	<b>403,078.95</b>	<b>144.59</b>	<b>1,800,319.71</b>	
<b>V. Realized result for financial year</b>	<b>EUR</b>	<b>150,540.43</b>	<b>95.55</b>	<b>762,351.65</b>	
1. Net changes of unrealized profits	EUR	874,096.37	72.54	3,613,237.54	
2. Net changes of unrealized losses	EUR	317,246.77	17.04	1,323,271.49	
<b>VI. Unrealized result for financial year</b>	<b>EUR</b>	<b>1,191,343.14</b>	<b>89.58</b>	<b>4,936,509.03</b>	
<b>VII. Profit for financial year</b>	<b>EUR</b>	<b>1,341,883.57</b>	<b>185.13</b>	<b>5,698,860.68</b>	
<b>C-QUADRAT ARTS TRF T (PLN)</b>					
<b>C-QUADRAT ARTS TRF T (USD)</b>					
<b>I. Income</b>					
1. Interest from domestic investments in liquid assets	EUR	-6,148.80 *)	-103.08 *)		
2. Income from investment units	EUR	101,616.45	1,688.07		
3. Other income 1)	EUR	8,430.24	136.92		
<b>Total income</b>	<b>EUR</b>	<b>103,897.89</b>	<b>1,721.91</b>		
<b>II. Expenses</b>					
1. Interest on loans	EUR	-35.94	-0.64		
2. Management remuneration	EUR	-394,535.99	-7,015.26		
3. Custodian bank remuneration	EUR	-5,821.33	-102.73		
4. Auditing and publication costs	EUR	-2,782.98	-762.99		
5. Other expenses	EUR	-3,153.95	-55.31		
6. Adjustment	EUR	-8,114.83	60.57		
<b>Total expenses</b>	<b>EUR</b>	<b>-414,445.02</b>	<b>-7,876.36</b>		
<b>III. Ordinary net income</b>	<b>EUR</b>	<b>-310,547.13</b>	<b>-6,154.45</b>		
<b>IV. Disposal transactions</b>					
1. Profits realized	EUR	2,163,566.54	42,800.38		
2. Losses realized	EUR	-1,288,604.67	-21,849.13		
<b>Profit on disposal transactions</b>	<b>EUR</b>	<b>874,961.87</b>	<b>20,951.25</b>		
<b>V. Realized result for financial year</b>	<b>EUR</b>	<b>564,414.74</b>	<b>14,796.80</b>		
1. Net changes of unrealized profits	EUR	1,149,367.10	17,598.90		
2. Net changes of unrealized losses	EUR	344,754.31	6,890.10		
<b>VI. Unrealized result for financial year</b>	<b>EUR</b>	<b>1,494,121.41</b>	<b>24,489.00</b>		
<b>VII. Profit for financial year</b>	<b>EUR</b>	<b>2,058,536.15</b>	<b>39,285.80</b>		

\*) Including negative interest on deposits in the amount of EUR 5,057.81 in class A, EUR 1.77 in class H, EUR 20,826.83 in class T, EUR 8,430.24 in class T (PLN) and EUR 103.08 in class T (USD)

## Development of fund assets in 2019

				C-QUADRAT ARTS TRF A (EUR)		C-QUADRAT ARTS TRF H (EUR)	
<b>I. Value of the fund at start of financial year</b>				EUR	17,295,301.48	EUR	928.29
1. Cash inflow/outflow (net)				EUR	-1,748,812.35	EUR	5,118.62
a) Cash inflow from sales of unit certificates:				EUR	1,578,726.08	EUR	5,118.62
b) Cash outflow from redemptions of unit certificates:				EUR	-3,327,538.43	EUR	0.00
2. Income/expense adjustment				EUR	4,225.17	EUR	-58.85
3. Result in financial year				EUR	1,341,883.57	EUR	185.13
of which unrealised profits				EUR	874,096.37	EUR	72.54
of which unrealised losses				EUR	317,246.77	EUR	17.04
<b>II. Value of the fund at end of financial year</b>				EUR	<b>16,892,597.87</b>	EUR	<b>6,173.19</b>
				C-QUADRAT ARTS TRF T (EUR)		C-QUADRAT ARTS TRF T (PLN)	
<b>I. Value of the fund at start of financial year</b>				EUR	72,140,147.73	EUR	18,789,017.23
1. Cash inflow/outflow (net)				EUR	-10,406,352.46	EUR	416,579.41
a) Cash inflow from sales of unit certificates:				EUR	4,904,038.57	EUR	416,579.41
b) Cash outflow from redemptions of unit certificates:				EUR	-15,310,391.03	EUR	0.00
2. Income/expense adjustment				EUR	-160,659.88	EUR	-9,826.55
3. Result in financial year				EUR	5,698,860.68	EUR	2,058,536.15
of which unrealised profits				EUR	3,613,237.54	EUR	1,149,367.10
of which unrealised losses				EUR	1,323,271.49	EUR	344,754.31
<b>II. Value of the fund at end of financial year</b>				EUR	<b>67,271,996.07</b>	EUR	<b>21,254,306.24</b>
				C-QUADRAT ARTS TRF T (USD)			
<b>I. Value of the fund at start of financial year</b>					324,435.42		
1. Cash inflow/outflow (net)					0.00		
a) Cash inflow from sales of unit certificates:				EUR	0.00		
b) Cash outflow from redemptions of unit certificates:				EUR	0.00		
2. Income/expense adjustment					3,200.44		
3. Result in financial year					39,285.80		
of which unrealised profits					17,598.90		
of which unrealised losses					6,890.10		
<b>II. Value of the fund at end of financial year</b>				EUR	<b>366,921.66</b>		

## Application of income of the fund

Distribution calculation		Total	Per Unit
<b>C-QUADRAT ARTS TRF A (EUR)</b>			
<b>I. Income available for diatribution</b>			
1. Amount brought forward from previous year	EUR	1,116,755.50	7.76
2. Realised results of the financial year	EUR	150,540.43	1.05
3. Allocation from the fund 3)	EUR	553,394.86	3.85
<b>II. Not used for distribution</b>			
1. Used for reinvestment	EUR	-468.44	0.00
2. Balance carried forward onto new account	EUR	-1,312,251.83	-9.12
<b>III. Total distribution</b>			
	EUR	<b>507,970.53</b>	<b>3.53</b>
1. Final distribution			
a) Cash distribution		507,970.53	3.53
3) The allocation from the fund results from accounting realised losses (an allocation in the amount of EUR 0.00 would be necessary for the distribution)			

## Application of income of the fund

Reinvested income calculation		Total	Per Unit
<b>C-QUADRAT ARTS TRF H (EUR)</b>			
<b>I. Income available for reinvestment</b>			
1. Profit for financial year	EUR	95.55	1.57
2. Allocation from the fund 3)	EUR	103.92	1.70
<b>II. Reinvested income</b>			
	EUR	<b>199.47</b>	<b>3.27</b>
<b>C-QUADRAT ARTS TRF T (EUR)</b>			
<b>I. Income available for reinvestment</b>			
1. Profit for financial year	EUR	762,351.65	1.30
2. Allocation from the fund 3)	EUR	2,530,954.75	4.32
<b>II. Reinvested income</b>			
	EUR	<b>3,293,306.40</b>	<b>5.62</b>
<b>C-QUADRAT ARTS TRF T (PLN)</b>			
<b>I. Income available for reinvestment</b>			
1. Profit for financial year	EUR	564,414.74	0.87
2. Allocation from the fund 3)	EUR	1,288,604.67	1.98
<b>II. Reinvested income</b>			
	EUR	<b>1,853,019.41</b>	<b>2.85</b>
<b>C-QUADRAT ARTS TRF T (USD)</b>			
<b>I. Income available for reinvestment</b>			
1. Profit for short financial year	EUR	14,796.80	3.60
2. Allocation from the fund 3)	EUR	21,849.13	5.32
<b>II. Reinvested income</b>			
	EUR	<b>36,645.93</b>	<b>8.92</b>
3) The allocation from the fund results from accounting realised losses			

## Comparative overview over the last three financial years

Financial year		Fund assets at end of the financial year		Unit value
<b>C-QUADRAT ARTS TRF A (EUR)</b>				
	2016	EUR	18,868,103.79	EUR 110.075
	2017	EUR	20,688,261.52	EUR 121.382
	2018	EUR	17,295,301.48	EUR 108.445
	2019	EUR	16,892,597.87	EUR 117.390
<b>C-QUADRAT ARTS TRF H (EUR)</b>				
	Launched 02.07.2018	EUR	1,000.00	EUR 100.00
	2018	EUR	928.29	EUR 92.829
	2019	EUR	6,173.19	EUR 101.200
<b>C-QUADRAT ARTS TRF T (EUR)</b>				
	2016	EUR	90,351,227.63	EUR 107.564
	2017	EUR	98,226,588.41	EUR 118.633
	2018	EUR	72,140,147.73	EUR 105.985
	2019	EUR	67,271,996.07	EUR 114.725
<b>C-QUADRAT ARTS TRF T (PLN)</b>				
	2016	PLN	67,256,793.84	PLN 124.550
	2017	PLN	83,653,391.73	PLN 138.959
	2018	PLN	80,649,038.11	PLN 126.608
	2019	PLN	90,519,964.85	PLN 139.261
<b>C-QUADRAT ARTS TRF T (USD)</b>				
	2016	USD	369,693.66	USD 87.007
	2017	USD	424,920.92	USD 97.058
	2018	USD	369,840.16	USD 89.985
	2019	USD	409,594.65	USD 99.658

# Appendix pursuant to § 7 No. 9 KARBV

Information pursuant to the German Derivatives Ordinance					
<b>Derivative exposure</b>				EUR	20,903,825.87
This amount includes netting and hedging effects of the underlying derivatives in the fund					
<b>Counterparty for derivative transactions</b>	Hauck & Aufhäuser Privatbankiers AG				
Securities as % of fund assets					98.81
Derivatives as % of fund assets					0.12
<b>The upper limit for this fund's market risk potential was calculated under the German Derivatives Ordinance by means of the qualified method, in relation to reference assets.</b>					
<b>Information based on the qualified method:</b>					
<b>Potential amount at risk for market risk pursuant to § 37 (4) of the German Derivatives Ordinance</b>					
Minimum potential amount at risk					0.32 %
Maximum potential amount at risk					1.58 %
Average potential amount at risk					1.07 %
<b>Risk model used pursuant to § 10 of the German Derivatives Ordinance:</b>					
Full-Monte-Carlo					
<b>Parameters used pursuant to § 11 of the German Derivatives Ordinance:</b>					
99% confidence level, 1-day holding period with an effective historical monitoring period of one year					
<b>Average leverage realized through derivatives transactions in the financial year</b>					
Average value					1.13
<b>Makeup of reference assets § 37 (5) of the German Derivatives Ordinance</b>					
MSCI - World Index					100.00 %
<b>Other Information</b>					
C-QUADRAT ARTS TRF A (EUR)					
Unit value	EUR		117.390		
Units in circulation	ITEMS		143.901		
C-QUADRAT ARTS TRF H (EUR)					
Unit value	EUR		101.200		
Units in circulation	ITEMS		61		
C-QUADRAT ARTS TRF T (EUR)					
Unit value	EUR		114.725		
Units in circulation	ITEMS		586.377		
C-QUADRAT ARTS TRF T (PLN)					
Unit value	PLN		139.261		
Units in circulation	ITEMS		650.000		
C-QUADRAT ARTS TRF T (USD)					
Unit value	USD		99.658		
Units in circulation	ITEMS		4.110		

	C-QUADRAT ARTS TRF A (EUR)	C-QUADRAT ARTS TRF H (EUR)	C-QUADRAT ARTS TRF T (EUR)	C-QUADRAT ARTS TRF T (PLN)	C-QUADRAT ARTS TRF T (USD)
<b>Currency</b>	EUR	EUR	EUR	PLN	USD
<b>Management Remuneration</b>	2.00% p.a.	1.20% p.a.	2.00% p.a.	2.00% p.a.	2.00% p.a.
<b>Subscription Fee</b>	5%	0%	5%	5%	5%
<b>Appropriation of Income</b>	distribution	reinvestment	reinvestment	reinvestment	reinvestment
<b>Minimum Investment</b>	EUR 100	EUR 100	EUR 100	PLN 100	USD 100

<b>Information about the valuation methods for the fund's assets</b>			
The unit value is determined by HANSAINVEST Hanseatische Investment- GmbH. Assets which are admitted to trading on a stock exchange or are traded on another organized market are valued on the basis of the traded exchange closing prices on the previous day of stock trading pursuant to § 27 of the German Capital Investment Accounting and Valuation Ordinance (Kapitalanlage-Rechnungslegungs- und Bewertungsverordnung, KARBV). Investment units are reported at their most recently published redemption prices.			
Assets which are not admitted to trading on a stock exchange or traded on an organized market or for which no traded price is available are valued at prices provided by recognized data feed providers. In the event that these prices are not reliable, the current market value determined by means of suitable valuation models will be used (§ 28 KARBV).			
The prices obtained are checked daily for completeness and plausibility by the investment management company.			
Bank deposits and time deposits are valued at their nominal amount and liabilities at the repayment amount. Other assets are valued at their market or nominal amount.			
<b>Information about transparency and total expense ratio</b>			
Total expense ratio			
C-QUADRAT ARTS TRF A (EUR)			2.68 %
C-QUADRAT ARTS TRF H (EUR)			1.78 %
C-QUADRAT ARTS TRF T (EUR)			2.68 %
C-QUADRAT ARTS TRF T (PLN)			2.68 %
C-QUADRAT ARTS TRF T (USD)			2.90 %
The total expense ratio indicates the total costs and payments arising for the fund over the course of the year (excluding transaction costs) in relation to the fund's average net asset value			
Transaction costs	EUR	155,863.11	
Transaction costs: total incidental purchase costs (incidental acquisition costs) and costs for disposal of the assets			
Performance-related fee in % of the average net asset value			
C-QUADRAT ARTS TRF A (EUR)			0.00 %
C-QUADRAT ARTS TRF H (EUR)			0.00 %
C-QUADRAT ARTS TRF T (EUR)			0.00 %
C-QUADRAT ARTS TRF T (PLN)			0.00 %
C-QUADRAT ARTS TRF T (USD)			0.00 %
<b>Lump-sum payments to the investment management company or third parties</b>			
No lump-sum payments were made to the investment management company or to third parties in the preceding financial year.			
The investment management company is not reimbursed for remuneration and expenses paid to the depositary and third parties out of the fund's assets			
For class EUR A the investment management company pays so-called "trail fees" to brokers in significant amounts on the basis of the remuneration paid to her out of the fund's assets.			
For class EUR H the investment management company does not pay so-called "trail fees" to brokers in significant amounts on the basis of the remuneration paid to her out of the fund's assets.			
For class EUR T the investment management company pays so-called "trail fees" to brokers in significant amounts on the basis of the remuneration paid to her out of the fund's assets.			
For class PLN T the investment management company pays so-called "trail fees" to brokers in significant amounts on the basis of the remuneration paid to her out of the fund's assets.			
For class USD T the investment management company pays so-called "trail fees" to brokers in significant amounts on the basis of the remuneration paid to her out of the fund's assets.			
<b>Management remuneration rates for investment units held by the fund</b>			
The management remuneration for non-Group investment units is as follows:			
AIS-Amundi MSCI Switzerland Namens-Anteile C Cap. EUR o.N.			0.1000 %
BGF - Japan Flexible Equity Fd Act. Nom. Clas.D2 EUR o.N.			0.7500 %
BGF - Japan Small & Mid Cap Opp. Class D 2 EUR			0.7500 %
BNYMGF-BNY M.Long-Te.Gl.Eq.Fd Registered Shares C EUR Dis. oN			0.6000 %
CSIF(L)Equity World M.Volatil. Namens-Ant. QB EUR (INE) o.N.			0.2300 %
DNB Fd-DNB Technology Namens-Anteile IA Cap. EUR o.N.			0.7500 %
Fidelity Fds-Asian Aggress.Fd. Reg. Shares Y Acc. EUR o.N.			0.7500 %
Jan Hend.Hor.-J.H.H.Gl.Pr.Eq. Actions Nom. I3 EUR oN			1.0000 %
L. I. Fd - L. ST E. S. D.30 Act. Nom. EUR Dis. oN			0.3000 %
Lyxor ETF World Water Actions au Port.D-EUR o.N.			0.6000 %
M&G(L)IF1-M&G(L)GL Lstd Infra. Act.Nom. EUR C Acc.(INE) o.N.			0.7500 %
Swiss Life Fds(L)-E.G.Min.Vol. Actions Nom. I EUR Dis. o.N.			1.5000 %
UBS-ETF-UBS MSCI Pa.Sa.Re.U.E. Namens-Anteile (USD) A-dis oN			0.4000 %
WisdomTree Gl.Qual.Div.Gr.U.E. Bearer Shs USD A.(Dt. Zert.)oN			0.3800 %
Xtr.(IE)-MSCI World Minim.Vol. Registered Shares 1C USD o.N.			0.1500 %
G.S.Fds-Japan Eq.Partners Ptf. Registered Acc.Shs JJPY o.N.			0.7500 %
Fidelity-Global Equity Income Reg. Shares Y-ACC-USD o.N.			0.8000 %
iShs VI-E.MSCI Wld Min.Vo.U.E. Registered Shares USD o.N.			0.3000 %
Schroder ISF-Gbl Cities Re.Es. C Acc			1.0000 %
Schroder ISF-Taiwanese Equity Namensanteile C Acc. USD o.N.			0.4000 %
SPDR MSCI World Heal. Care UETF Registered Shares o.N.			0.3000 %



SPDR MSCI World Utilities U.ETF Registered Shares o.N.					0.3000	%		
AIS-Amundi MSCI Eu.Quality F. Namens-Anteile C Cap.EUR o.N.					0.1300	%		
BL - Sustainable Horizon Inhaber-Anteile BI o.N.					0.6000	%		
Parvest-Eq.World LOV Volatil. Act.au Port. I Cap o.N.					0.7500	%		
Parvest - Human Development Act.au Port. Cap.(classic)o.N.					1.5000	%		
NEWTON ASIAN INCOME FUND INST. ACC. EUR					1.0000	%		
Comgest Monde SICAV Actions au Porteur I o.N.					1.0000	%		
Dirk Müller Premium Aktien Inhaber-Anteile					1.6000	%		
Deka Dt.B.EUROG.Ger.10+ U.ETF					0.1500	%		
DPAMINVEST B Equit.World Div. Actions Nom. F Cap. o.N.					0.7500	%		
DWS Institutional - Money Plus					0.1500	%		
DWS Osteuropa					1.5000	%		
Fidelity Fds-Asean Fund Registered Shs Y Acc. USD o.N.					0.7500	%		
Fidelity Fds-GI Health Care Fd Reg. Shares Y Acc. EUR o.N.					0.8000	%		
I.M.-I.MSCI Saudi Arabia UETF Registered Shares Acc o.N.					0.2500	%		
I.M.II-I.Preferred Shares UETF Registered Shs Acc o.N.					0.5000	%		
iS.II-EO Gov.Bd.15-30yr UC.ETF Registered Shares o.N.					0.2000	%		
iS.II-Asia Prop. Yield UC. ETF Registered Shares o.N.					0.5300	%		
iS.II-\$ Treas.Bd 7-10yr UC.ETF					0.2000	%		
iShsII-EM Infrastructure U.ETF Registered Shares o.N.					0.7400	%		
iS.II-iS.GI Infrastr.UCITS ETF Registered Shares USD o.N.					0.6500	%		
iShares III-GI.Gov.Bd UCIT.ETF Registered Shares o.N.					1.0000	%		
iShsV-EM Dividend UCITS ETF Registered Shares USD o.N.					0.6500	%		
Jan.Hend.-J.H.Latin American Actions Nom. R EUR Acc. o.N.					1.5000	%		
Jan.Hend.Hor.-J.H.H.As.Pa.P.E. Actions Nom. I2(Acc.)EUR o.N.					0.3000	%		
Jan.Hend.Hor.-J.H.H.As.Div.In. Actions Nom. I2 USD o.N.					0.1900	%		
JPMorgan-Emer.Middle East Equ. Actions Nom. I (acc.) USD o.N.					0.8500	%		
L. I. Fd - L. PRI. UCITS ETF Act. Nom. EUR Dis. oN					0.7000	%		
Magna Umbrella Fd.-MENA FUND Reg. Shares G Acc. EUR o.N.					0.1100	%		
MUL-LYX.EuroMTS 15+Y Inv.Gr. Inhaber-Anteile Acc o.N.					0.1700	%		
LYXOR ETF MSCI World Telecommunication Services					0.4000	%		
SAM SUST. HEALTHY LIV FD EUR C					0.8000	%		
ING (L)-Invest Health Care Actions au Porteur P Cap. o.N.					1.5000	%		
Quantex Fds-Quan.Global Val.Fd Inhaber-Anteile I EUR o.N.					1.2500	%		
Raiffeisen-Global-Aktien Inh.-Ant. (I) T o.N.					0.7500	%		
Robeco GI Consumer Trends Equ. Actions Nom.I Cap. EUR o.N.					0.8000	%		
SPDR S&P 500 Low Volatil.ETF Registered Shares USD o.N.					0.3500	%		
Threadneedle L-Global Focus Namens-Anteile IE o.N.					0.7500	%		
UBS-ETF-MSCI Hong Kong UCITS Namens-Ant. HKD A Dis. o.N.					0.4500	%		
Vontobel-Euro Short Term Bond Actions Nom. I-EUR o.N.					0.2750	%		
Xtrackers II EUR Overnight Rate Swap UCITS ETF					0.1500	%		
db x-tr.MSCI Paci.ex Japan TRN 1C					0.4500	%		
db x - Trackers S&P Global Infrastructure ETF 1C					0.4000	%		
db x-tra.STOXX 600 FOOD & BEVERAGE ETF 1C					0.1500	%		
No subscription or redemption fees have been charged.								
<b>Other significant income and expenses</b>								
Other significant income:								
C-QUADRAT ARTS TRF A (EUR): EUR 7,276.37 kick back payments								
C-QUADRAT ARTS TRF H (EUR): EUR 2.44 kick back payments								
C-QUADRAT ARTS TRF T (EUR): EUR 30,510.83 for kick back payments								
C-QUADRAT ARTS TRF T (PLN): EUR 8,430.24 for kick back payments								
C-QUADRAT ARTS TRF T (USD): EUR 136.92 for kick back payments								
Other significant expenses:								
C-QUADRAT ARTS TRF A (EUR): EUR 2,632.13 for deposit fees								
C-QUADRAT ARTS TRF H (EUR): 0.16 for deposit fees								
C-QUADRAT ARTS TRF T (EUR): 11,015.82 for deposit fees								
C-QUADRAT ARTS TRF T (PLN): EUR 3,022.11 for deposit fees								
C-QUADRAT ARTS TRF T (USD): EUR 52.95 for deposit fees								

<b>Other Information</b>	
The calculation of the net changes of unrealised profits and losses is made by comparing the valuation rates of the assets included the unit price in each financial year with the respective historical amortized costs, by including the amount of the positive balances into the total of the unrealised profits, by including the amount negative balances into the total unrealised losses and based on the comparison of the totals at the end of the financial year with the totals at the beginning of the financial year the net changes are calculated.	
<b>Information about employee compensation for the financial year 2018</b>	
Total compensation paid in the preceeding financial year of the investment management company to employees (including managers):	EUR 11,037,624.19
thereof fixed:	EUR 9,098,129.21
thereof variable:	EUR 1,939,494.98
Number of employees of the investment management company:	144
Total compensation paid in the preceeding financial year 2018 of the investment management company to managing directors (risktaker)	EUR 910,000.16
The information on employee compensation covers the period from January 1 to December 31, 2018 and relates exclusively to the employees employed by the company during this period.	
<b>Description of how the remuneration and any other benefits were calculated</b>	
HANSAINVEST Hanseatische Investment-GmbH is subject to the regulatory requirements applicable to capital management companies with regard to the structure of their compensation system. The structure of the compensation system was regulated by the company in an internal guideline on remuneration policy and compensation practice. The aim is to ensure a remuneration system that prevents disincentives to take on excessive risks. The remuneration system of HANSAINVEST is reviewed at least once a year with regard to its appropriateness and compliance with legal requirements, with the involvement of risk management and compliance officers. A discussion of the compensation system with the Supervisory Board also takes place annually.	
The remuneration of the employees is generally based on the general collective agreement for the insurance industry. Depending on the activity and responsibility, the remuneration will be paid according to the relevant wage group. The structure and levels of remuneration of the wage groups are negotiated between employers and employees organizations or the parent company and the works councils; HANSAINVEST has no influence on this. Only a few employees, including senior executives, have agreed on financial incentive systems for variable remuneration and bonuses. The proportion of variable remuneration may not exceed 30% of the total remuneration. An incentive to incur a disproportionate risk to the company does not result from the variable remuneration.	
The remuneration for the managing directors of HANSAINVEST is made on an individual contract basis. It consists of a monthly fixed remuneration and an annual bonus. The amount of the bonus is discussed and determined by the entire Supervisory Board and is not based on the success of the individual funds.	
At present, only the management are classified as risk carriers of the company. The company reviews the remuneration systems annually. The remuneration policy of HANSAINVEST complies with the requirements of § 37 KAGB as well as the guidelines for sound remuneration policies taking into account the AIFMD (ESMA/2013/232).	
<b>Results of the annual review of the remuneration policy</b>	
As part of the internal annual review of compliance with the remuneration policy, there were no indications that the arrangement of fixed and / or variable remuneration is not based on the provisions of the guideline on remuneration policy and compensation practice.	
<b>Information on significant changes to the defined remuneration policy</b>	
No change during the reporting period.	
<b>Information on employee compensation in the event of outsourcing for the 2018 financial year (portfolio management ARTS Asset Management GmbH)</b>	
The investment management company does not pay direct remuneration to employees of the outsourcing company.	
The outsourcing company has not published any information.	

Hamburg, April 8, 2020

HANSAINVEST  
Hanseatische Investment-GmbH  
Management board

(Nicolas Brinckmann)

(Dr. Jörg W. Stotz)

(Ludger Wibbeke)

# Reproduction of independent auditor's report

For HANSAINVEST Hanseatische Investment-Gesellschaft mit beschränkter Haftung, Hamburg

## Audit opinion

We have audited the annual report of the C-QUADRAT ARTS Total Return Flexible Investment Fund, comprising of the report on activities for the financial year from 1 January 2019 to 31 December 2019, the overview and the statement of assets as at 31 December 2019, the income statement, the statement of expenditure, the statement of changes in equity, the statement of changes in equity for the financial year from 1 January 2019 to 31 December 2019, as well as the comparative overview of the last three financial years, the list of transactions concluded during the reporting period to the extent that they are no longer included in the statement of assets, and the notes.

In our opinion, based on the findings of our audit, the attached annual report complies in all material respects with the provisions of the German Investment Act (KAGB) and the relevant European regulations and, taking into account these provisions, provides a comprehensive picture of the actual circumstances and developments of the fund.

## Basis of the audit opinion

We have conducted our audit of the annual report in accordance with § 102 KAGB and the generally accepted German standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibility under these rules and principles is further described in the section "Responsibility of the auditor for the audit of the annual report" in our note. We are independent of HANSAINVEST Hanseatische Investment-GmbH in accordance with German commercial and professional law and have fulfilled our German professional duties in accordance with these requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the annual report.

## Responsibility of the legal representatives for the annual report

The legal representatives of HANSAINVEST Hanseatische Investment-GmbH are responsible for the preparation of the annual report, which complies with the regulations of the German KAGB and the relevant European regulations in all material respects, and for ensuring that the annual report, in compliance with these regulations, provides a comprehensive picture of the fund's actual circumstances and developments. Furthermore, the legal representatives are responsible for the internal controls that they have determined, in accordance with these regulations, to be necessary to enable the preparation of the annual report that is free from material misstatements, whether due to fraud or error.

In preparing the annual report, the legal representatives are responsible for including in their reporting events, decisions and factors which may have a significant influence on the further development of the fund. This means, among other things, that the legal representatives must assess the continuation of the fund by HANSAINVEST Hanseatische Investment-GmbH when preparing the annual report and are responsible for disclosing facts relating to the continuation of the fund, if relevant.

## Responsibility of the auditor for the audit of the annual report

Our objective is to obtain reasonable assurance about whether the annual report as a whole is free from material misstatement, whether due to fraud or error, and to express a conclusion on whether the annual report is consistent with our audit opinion.

A reasonable assurance is a high degree of certainty, but does not guarantee that an audit conducted in accordance with § 102 KAGB and the generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect material misstatements. Misrepresentations may result from violations or inaccuracies and are considered material if it could reasonably be expected that they would individually or collectively influence the economic decisions of addressees made on the basis of this annual report.

During the audit, we exercise due discretion and maintain a critical basic attitude. Beyond that in the course of the audit we are using our best judgment and a critical approach. Apart from that

- we identify and assess the risks of material misstatement of the annual report, whether due to fraud or error, plan and perform the audit procedures to respond to these risks and obtain audit evidence sufficient and appropriate to provide a basis for our audit opinion. The risk that material misstatements will not be detected is higher for non-compliance than for inaccuracies, because non-compliance may involve fraudulent collusion, falsification, intentional omissions, misrepresentations, or the invalidation of internal controls.
- we obtain an understanding of the internal control system relevant to the audit of the annual report in order to plan audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the system of HANSAINVEST Hanseatische Investment-GmbH.
- we believe that the accounting policies used by the legal representatives of HANSAINVEST Hanseatische Investment-GmbH in preparing the annual report are appropriate to the circumstances, and that the estimates and related disclosures made by the legal representatives are reasonable.-

- we draw conclusions on the basis of audit evidence obtained, whether a material uncertainty exists in connection with events or circumstances that could cast significant doubt upon the continued existence of the investment fund by HANSAINVEST Hanseatische Investment-GmbH. If we come to the conclusion that a material uncertainty exists, we are obliged to draw attention to the relevant information in the annual report in the note or, if such information is inappropriate, to modify our audit opinion. We draw our conclusions on the basis of the audit evidence obtained up to the date of our note. However, future events or circumstances may result in the Fund being discontinued by HANSAINVEST Hanseatische Investment-GmbH.
- We assess the overall presentation, structure and content of the annual report, including the disclosures and whether the annual report presents the underlying transactions and events in such a way that the annual report provides a comprehensive picture of the actual circumstances and developments of the investment fund in accordance with the provisions of the German KAGB and the relevant European regulations.

We discuss with those responsible for monitoring, among other things, the planned scope and timing of the audit and significant audit findings, including any deficiencies in the internal control system that we discover during our audit.

Hamburg, April 9, 2020

KPMG AG  
Wirtschaftsprüfungsgesellschaft

Werner	Lüning
Auditor	Auditor

# Management company, depositary and committees

## Management company:

HANSAINVEST  
Hanseatische Investment Gesellschaft mit beschränkter Haftung  
Postfach 60 09 45  
22209 Hamburg  
Office address:  
Kapstadtring 8  
22297 Hamburg

Customer service center:  
Telephone: (040) 3 00 57 - 62 96  
Fax: (040) 3 00 57 – 60 70  
Internet: [www.hansainvest.com](http://www.hansainvest.com)  
Email: [service@hansainvest.de](mailto:service@hansainvest.de)

Subscribed capital:  
€ 10,500,000.00  
Equity capital:  
€ 20,059,012.13  
(As of: December 31, 2019)

## Shareholders:

SIGNAL IDUNA Allgemeine Versicherung AG, Dortmund  
SIGNAL IDUNA Lebensversicherung a.G., Hamburg

## Depositary:

Hauck & Aufhäuser Privatbankiers AG  
Subscribed and paid in capital:  
€ 18,445,196.00  
Liable equity capital (regulatory capitalisation as per Art. 72 CRR):  
€ 202,020,403.81  
(As of: December 31, 2018)

## Incoming payments:

UniCredit Bank AG, Munich  
(previously Bayerische Hypo- und Vereinsbank)  
BIC: HYVEDEMM300  
IBAN: DE1520030000000791178

## Supervisory board:

Martin Berger (chairman),  
Member of the management board of SIGNAL IDUNA Group, Hamburg  
(also chairman of the supervisory board of SIGNAL IDUNA Asset Management GmbH)

Dr. Karl-Josef Bierth (deputy chairman),  
Member of the management board of SIGNAL IDUNA Group, Hamburg

Markus Barth,  
Chairman of the management board of Aramea Asset Management AG, Hamburg

Dr. Thomas A. Lange,  
Chairman of the management board of National-Bank AG, Essen

Prof. Dr. Harald Stützer,  
Managing partner of STUETZER Real Estate Consulting GmbH, Gerolsbach

Prof. Dr. Stephan Schüller,  
Businessman

**Auditor:**

KPMG AG Wirtschaftsprüfungsgesellschaft, Hamburg

**Management board:**

Dr. Jörg W. Stotz

(Spokesman, also chairman of the supervisory board of HANSAINVEST LUX S.A., member of the management boards of SIGNAL IDUNA Asset Management GmbH and of HANSAINVEST Real Assets GmbH)

Nicholas Brinckmann

(also spokesman of the management board of HANSAINVEST Real Assets GmbH)

Andreas Hausladen (from April 1, 2020)

Ludger Wibbeke

(deputy chairman of the supervisory board of HANSAINVEST LUX S.A.)

**HANSAINVEST**  
**Hanseatische Investment-GmbH**  
**A SIGNAL IDUNA Group company**

Kapstadtring 8  
22297 Hamburg  
Telephone: (040) 3 00 57 - 62 96  
Fax: (040) 3 00 57 - 60 70

[service@hansainvest.de](mailto:service@hansainvest.de)  
[www.hansainvest.de](http://www.hansainvest.de)