# Primo UCITS Platform ICAV

# Miller Opportunity Fund

(A sub-fund of Primo UCITS Platform ICAV an Irish collective asset management vehicle with variable capital constituted as an umbrella fund with segregated liability between sub-funds pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended))

## Annual Report and Audited Financial Statements
## For the financial period from 3 February 2017 (date of establishment) to 31 December 2017

**Registration Number C149331**

# Miller Opportunity Fund

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# Miller Opportunity Fund

## Directors and Other Information

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|---|---|
| **Registered Office** | 2nd Floor<br>Block E Iveagh Court<br>Harcourt Road<br>Dublin 2<br>Ireland |
| **Manager** | Carne Global Fund Managers (Ireland) Limited<br>2nd Floor<br>Block E Iveagh Court<br>Harcourt Road<br>Dublin 2<br>Ireland |
| **Investment Manager** | Miller Value Partners, LLC<br>1 South Street,<br>Suite 2550<br>Baltimore, MD 21202<br>United States |
| **Directors** | Michael McInerney (Chairman)*<br>Syl O'Byrne (resigned on 11 December 2017)<br>Sarah Murphy<br>Elizabeth Beazley<br>Dennis Murray (appointed on 29 January 2018) |
| **Administrator, Registrar and Transfer Agent** | BNP Paribas Fund Administration Services (Ireland) Limited<br>Trinity Point<br>10-11 Leinster Street South<br>Dublin 2<br>Ireland |
| **Depositary** | BNP Paribas Securities Services, Dublin Branch<br>Trinity Point<br>10-11 Leinster Street South<br>Dublin 2<br>Ireland |
| **Auditors** | Deloitte<br>Chartered Accountants and Statutory Audit Firm<br>Deloitte & Touche House<br>Earlsfort Terrace<br>Dublin 2<br>Ireland |
| **Legal Advisers as to matters of Irish law** | Walkers<br>The Anchorage<br>17-19 Sir John Rogerson's Quay<br>Dublin 2<br>Ireland |
| **Company Secretary** | Carne Global Financial Services Limited<br>2nd Floor<br>Block E Iveagh Court<br>Harcourt Road<br>Dublin 2<br>Ireland |

* Independent
All Directors are non - executive Directors

# Miller Opportunity Fund

**Investment Manager's Report**

The year 2017 ended up being a strong one for the Fund, which the Premier Class US Accumulating advanced 23.63%, beating the S&P 500 by 180 basis points. A fund's performance always depends on a mixture of skill and luck (or lack thereof). Our strong performance is partially attributable to a bounce back after a poor first half of 2016, when many of our stocks fell to nonsensical levels relative to fundamentals. We like to think that we also did a good job picking stocks.

I was talking to an old friend who's covered our team on the sell-side for decades. I was lamenting that despite our strong performance, we still get consistent outflows. He commented that it makes sense for people to want to take profits after being up so much and realizing how much they could lose in 2008. I contended that this way of thinking has actually cost people a lot of money in this bull market. In fact, the Wall Street Journal noted recently that $1 trillion has been pulled out of equity mutual funds since 2012 (albeit some went back into ETFs), during which time the market has risen 116%! To quantify this, you'd be better off staying in for the rise and then suffering a 50% decline than pulling out before the gain.

My friend was quite surprised when I told him that Bill has said that in his 30+ year career, it's easier than it has ever been to construct a portfolio you have confidence may do well over five years, but more difficult to do the same over a 6-month horizon. The market is hyper-efficient in the short term but less so in the long term, especially when you focus on fundamentals.

OneMain Financial (OMF), one of our top ten holdings, illustrates this well. Early this year, OMF closed up 29% in one day because it announced that Apollo was buying Fortress's 41% stake in the company in line with the prior night's closing price. The announcement didn't change OneMain's fundamentals one bit. It is expected to earn $4.30 this year, and well over $5.00 next year, while it generates significant capital and deleverages. So at the beginning of the year, people could have paid $26 for a share of OneMain (as Apollo, who has a great track record, did) or 6x what it will earn this year. They preferred to pay much higher prices. The one-day 29% return would take a decade to earn in Treasury bonds!

Why would people sacrifice so much return? There was concern about an overhang from Fortress selling, which it had been doing because it needed to exit the holding in its limited-life private equity funds, which had held OMF for nearly a decade and were in distribution mode. Though Fortress's sales had pressured the price somewhat, they would clearly end at some point (though it could have taken 6-12 months). Obviously, you were paid handsomely to own it before there was resolution to the overhang. In order to do so, one had to focus on long-term fundamentals. Few did.

This is exactly what we attempt to do. The conditions that have allowed us to do well still exist and give us confidence about the future. Does that mean we won't have underperforming periods? Of course not. We are guaranteed to underperform at times. We did in 2011, and in early 2016. Both of those periods were followed by stronger outperformance than usual making them great entry points. I think this shows that a path to generating superior long-term results is to buy the dips, not sell the strength.

While it would be great to sell right before a big market decline, ample evidence exists showing that people cost themselves a lot of money trying to time the market. Dalbar's well-known study on investor behavior shows that investors' returns seriously lag those of the funds they invest in due to poor timing of purchases and sales (i.e., buying high and selling low). So while there's a lot of handwringing about passive versus active, what you invest in matters a lot less than just staying invested.

Empirical Research does some of the best quantitative work around. A few months ago, they looked at passive (ETF) investing. They concluded the poor timing decisions can be magnified with these investments. Many of the benefits of ETFs (cheap, liquid, commission-free) exacerbate investors' counter-productive tendency to chart-chase. The best performing ETFs tend to get flows, then underperform. They also noted the worst performing ETFs continue to underperform as well.

# Miller Opportunity Fund

**Investment Manager's Report (continued)**

Dalbar recently issued a study concluding that investors in passive funds do worse than those in active funds, mainly because they have shorter holding periods and sell when the funds are down. Investors spend gobs of time and money trying to pick the best investment. In reality, when it comes to diversified funds, the single most important determinant of long-term returns is not what you own, but how you own it. Trying to time the market costs most people dearly. It's quite ironic that it takes the least effort to sit tight and hang on to your investments, yet most people struggle mightily to do it. I guess it should come as no surprise since it takes less physical energy to pass on that donut, but doing so is extremely challenging! At the end of the day, investors should buy things they will have confidence to hold through the ugly times.

We achieve our conviction through a deep and rigorous understanding of our companies' fundamentals. When Delta Airlines (DAL) fell to $32 in 2016 on fears of a recession we didn't believe was imminent, it was helpful to remind ourselves that Delta could earn roughly $2.50-$3.00 in a recession, so you owned it at 10-12x trough earnings (and only 6x what it would ultimately earn one year out).

Today, we are excited about the prospects for the portfolio and continue to find good bargains. In fact, our biggest challenge has not been finding new investments, but rather figuring out which names to sell to fund the new ideas.

Two of the three names we added in the fourth quarter fit more in the "value" category than the "growth" one. We focus on where we see the greatest gaps between prices and our estimates of intrinsic value. We think that growth is an important input into the value equation. Some of our top contributors in 2017 (RH (RH), Wayfair (W), Amazon (AMZN)) fit more in the traditional "growth" camp, which allowed us to outperform in a year where value strategies struggled. We always try to have a mix of secularly mispriced securities (i.e., long-term durable growth) and cyclically mispriced ones (i.e., classic value names). We think this diversification serves us well in different market environments. Currently, the market is serving up more bargains in the latter bucket, although we still think many secular growers, like Amazon and Facebook, are quite attractive here.

As at the beginning of the 2018, the portfolio trades at 12x earnings to the market's 17x multiple, a significant discount, while still having significant long-term growth potential. We are excited about the future prospects for the portfolio and appreciate all our investors' support.

Samantha McLemore, CFA
April 2018

# Miller Opportunity Fund

## DEPOSITARY REPORT TO THE SHAREHOLDERS OF MILLER OPPORTUNITY FUND, A SUB-FUND OF PRIMO UCITS PLATFORM ICAV FOR THE FINANCIAL PERIOD FROM 3 FEBRUARY 2017 (DATE OF ESTABLISHMENT) TO 31 DECEMBER 2017

In our opinion, the Fund has been managed during the financial period, in all material respects:

(i) In accordance with the limitations imposed on the investment and borrowing powers of the scheme by the memorandum and articles of association and by the Central Bank of Ireland under the powers granted to the Central Bank of Ireland as an Irish Collective Asset-Management Vehicle pursuant to the Irish Collective Asset-Management Vehicles Act 2015.

(ii) Otherwise in accordance with the provisions of the instrument of incorporation and comprising the ICAV Act 2015.

Stephen Naylor.

BNP Paribas Securities Services, Dublin Branch
Trinity Point
10-11 Leinster Street South
Dublin D02 EF85
Ireland

23 April 2018

# Miller Opportunity Fund

**Directors' Report**
**For the financial period from 3 February 2017 (date of establishment) to 31 December 2017**

The Directors of Miller Opportunity Fund (the "Fund") submit their annual report together with the audited financial statements for the financial period from 3 February 2017 (date of establishment) to 31 December 2017. The Fund was established with the Central Bank of Ireland (the "Central Bank") on 3 February 2017 and commenced operation on 26 June 2017.

**Principal activities**

The Primo UCITS Platform ICAV (the "ICAV") has been authorised by the Central Bank as an Irish collective asset-management vehicle pursuant to the Irish Collective Asset-management Vehicles Act 2015 (the "ICAV Act 2015"). The ICAV has been authorised by the Central Bank and incorporated on 15 January 2016.

The ICAV is an umbrella fund with segregated liability, which is comprised of different Funds, each with one or more classes of shares. Different classes of shares may be issued from time to time with the prior notification and clearance of the Central Bank. Each class represents interests in a Fund. Miller Opportunity Fund commenced operations on 26 June 2017.

The investment objective of the Fund is to achieve long-term capital appreciation.

**Connected Person Transaction**

The Undertakings for Collective Investments in Transferrable Securities Regulations (the "UCITS Regulations") require that any transaction carried out with the Fund by a promoter, manager, trustee, investment advisor and/or associated of these ("connected persons") are carried out as if negotiated at arm's length and are in the best interests of the shareholders.

The Board of Directors of the Fund are satisfied that there are arrangements in place, evidenced by written procedures, to ensure that this requirement is applied to all transactions with connected persons, and that all transactions with connected persons during the financial year complied with this requirement.

**Statement of Directors' responsibilities**

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with Irish law, comprising the ICAV Act 2015.

Irish law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with International Financial Reporting Standards ("IFRS"). Under Irish law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Fund as at the financial period end date and profit or loss of the Fund for the financial period and otherwise comply with the ICAV Act 2015.

In preparing these financial statements, the Directors are required to:
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with IFRS and ensure that they contain the additional information required by the ICAV Act 2015; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Fund will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to:
- correctly record and explain the transactions of the Fund;
- enable, at any time, the assets, liabilities, financial position and profit or loss to be determined with reasonable accuracy; and
- enable the Directors to ensure that the financial statements comply with the ICAV Act 2015 and enable those financial statements to be audited.

**Directors' Report (continued)**
**For the financial period from 3 February 2017 (date of establishment) to 31 December 2017**

**Statement of Directors' responsibilities (continued)**

The Directors are also responsible for safeguarding the assets of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors have entrusted the assets of the Fund to the Depositary for safekeeping. The address at which this business is contacted is as follows, BNP Paribas Securities Services, Dublin Branch, Trinity Point, 10 – 11 Leinster Street South, Dublin 2.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

**Accounting records**

The measures taken by the Directors to secure compliance with the Fund's obligation to keep adequate accounting records are the use of appropriate systems and procedures and employment of competent persons. The accounting records are kept at BNP Paribas Fund Administration Services (Ireland) Limited, Trinity Point, 10-11 Leinster Street South, Dublin 2, Ireland.

**Review of the business and future developments**

The activities of the Fund and its future developments are set out in the Investment Manager's report.

**Results and dividends**

The results for the financial period are set out in the Statement of Comprehensive Income. During the financial period no dividends were approved or paid.

**Risk management objectives and policies**

The investment objective of the Fund is to achieve long-term capital appreciation.

Investment in the Fund carries with it a degree of risk including, but not limited to, the risks referred to in Note 14 to the financial statements.

**Corporate Governance**

The Directors voluntarily adopted the 'Corporate Governance Code for Collective Investment Schemes and Management Companies' as published by Irish Funds (formerly Irish Funds Industry Association) in December 2011 (the "IF Code"), as the Fund's corporate governance code. In respect of the financial period ended 31 December 2017, the Directors confirm compliance with the provisions of the IF Code.

# Miller Opportunity Fund

**Directors' Report (continued)**
**For the financial period from 3 February 2017 (date of establishment) to 31 December 2017**

**Directors**

The Directors of the Fund during the financial period ended 31 December 2017 were:

Michael McInerney (Chairman)
Syl O'Byrne (resigned on 11 December 2017)
Sarah Murphy
Elizabeth Beazley

**Directors' and secretary's interests**

The Directors, secretary and their families had no interests in the shares of the Fund at 31 December 2017.

**Events during the financial period**

A Prospectus and supplement was issued dated 3 February 2017 and a revised supplement on 11 October 2017.

The Fund was launched on 26 June 2017.

Syl O'Byrne resigned as a Director on 11 December 2017.

**Events since the financial period end**

The NAV error detailed in note 18 was rectified subsequent to year end.

Dennis Murray was appointed as a Director effective 29 January 2018. Other than this there were no events up to the date of approval of the financial statements that require amendments to or disclosure in the financial statements.

Signed for and on behalf of the board of Directors by

| | |
|---|---|
| Elizabeth Beazley | Sarah Murphy |
| Director | Director |
| Elizabeth Beazley | |

23 April 2018

Deloitte.

Deloitte
Chartered Accountants &
Statutory Audit Firm

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF PRIMO UCITS PLATFORM ICAV MILLER OPPORTUNITY FUND**

**Report on the audit of the annual accounts**

**Opinion on the annual accounts of PRIMO UCITS Platform ICAV – Miller Opportunity Fund (the 'Fund')**

In our opinion the annual accounts:
- give a true and fair view of the assets, liabilities and financial position of the Fund as at 31 December 2017 and of the profit for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and the applicable Regulations.

The annual accounts we have audited comprise:

- the Statement of Financial Position;
- the Statement of Comprehensive Income;
- the Statement of Changes in Net Assets attributable to holders of Redeemable Shares;
- the Statement of Cash Flows;
- the Schedule of Investments; and
- the related notes 1 to 21, including a summary of significant accounting policies as set out in note 2.

The relevant financial reporting framework that has been applied in their preparation is the Irish Collective Asset-management Vehicles Act 2015 ("the ICAV Act") and International Financial Reporting Standards (IFRS) as adopted by the European Union ("the relevant financial reporting framework").

The applicable regulations that have been applied in their preparation is the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 and Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations, 2015 (as amended) ("the applicable Regulations").

**Basis for opinion**
We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the "*Auditor's responsibilities for the audit of the annual accounts*" section of our report.

We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the annual accounts in Ireland, including the Ethical Standard issued by the Irish Accounting and Auditing Supervisory Authority, 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.

**Conclusions relating to going concern**
We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in preparation of the annual accounts is not appropriate; or
- the directors have not disclosed in the annual accounts any identified material uncertainties that may cast significant doubt about the Fund's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the annual accounts are authorised for issue.

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**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF PRIMO UCITS PLATFORM ICAV MILLER OPPORTUNITY FUND**

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report and Audited Financial Statements, other than the annual accounts and our auditor's report thereon. Our opinion on the annual accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the annual accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the annual accounts or a material misstatement of the other information. 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 directors**

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of annual accounts that give a true and fair view and have been properly prepared in accordance with the ICAV Act, and for such internal control as the directors determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the directors are responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the annual accounts**

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 (Ireland) 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 annual accounts.

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

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

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

- 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 Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity (or where relevant, the group) 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.

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**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF PRIMO UCITS PLATFORM ICAV MILLER OPPORTUNITY FUND**

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

This report is made solely to the Fund's shareholders, as a body, in accordance with Section 120(1)(b) of the ICAV Act 2015. Our audit work has been undertaken so that we might state to the Fund's shareholders those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund and the Fund's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

**Report on other legal and regulatory requirements**

**Matters on which we are required to report by the ICAV Act**

In our opinion, the information given in the directors' report is consistent with the annual accounts.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the provisions in the ICAV Act which require us to report to you if, in our opinion, the disclosures of directors' remuneration specified by the ICAV Act are not made.

**Opinion on other matters prescribed by the applicable Regulations**

Based solely on the work undertaken in the course of the audit, we report that:

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Fund were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.

Michael Hartwell
For and on behalf of Deloitte
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House, Earlsfort Terrace, Dublin 2

23 April 2018

# Miller Opportunity Fund

**Statement of Financial Position**
**As at 31 December 2017**

| | Notes | 2017 USD |
|---|---|---|
| **Assets** | | |
| Cash and cash equivalents | 8 | 4,258,653 |
| Financial assets at fair value through profit or loss | 4 | 288,058,763 |
| Other receivables | 10 | 104,444 |
| Subscription receivable | | 25,419 |
| **Total assets** | | **292,447,279** |
| **Liabilities** | | |
| Financial liabilities at fair value through profit or loss | 4 | 239,708 |
| Amount due to broker | 2.6, 9 | 45,711 |
| Investment management fee payable | 5 | 81,585 |
| Management fee payable | 5 | 136,573 |
| Other payables | 11 | 655,226 |
| **Total Liabilities (excluding net assets attributable to holders of redeemable shares)** | | **1,158,803** |
| **Net Assets Attributable to Holders of Redeemable Shares** | | **291,288,476** |

Signed on behalf of the Board of Directors:

**Elizabeth Beazley**
**Director:** Elizabeth Beazley
**Date: 23 April 2018**

**Sarah Murphy**
**Director:**

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

# Miller Opportunity Fund

**Statement of Comprehensive Income**
**For the financial period from 3 February 2017 (date of establishment) to 31 December 2017**

| | Notes | 2017 USD |
|---|---|---|
| **Income** | | |
| Interest income | | 15,465 |
| Dividend income | | 956,803 |
| Net realised and unrealised gain on financial assets and liabilities at fair value through profit or loss | 3 | 16,673,337 |
| **Total investment income** | | **17,645,605** |
| **Expenses** | | |
| Investment management fees | 5 | 829,281 |
| Management fees | 5 | 154,068 |
| Administration fees | 5 | 122,582 |
| Depositary fees | 5 | 48,818 |
| Directors' fee | 5 | 2,071 |
| Audit fees | 6 | 10,748 |
| Equity swaps interest expense | 2 | 341,447 |
| Professional fees | | 14,500 |
| Other expenses | 12 | 268,283 |
| **Total operating expenses** | | **1,791,798** |
| **Increase in net assets attributable to holders of redeemable shares before tax** | | **15,853,807** |
| Withholding tax | | (279,461) |
| **Increase in net assets attributable to holders of redeemable shares** | | **15,574,346** |

The Fund commenced operations on 26 June 2017.

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

# Miller Opportunity Fund

**Statement of Changes in Net Assets Attributable to Holders of Redeemable Shares**
**For the financial period from 3 February 2017 (date of establishment) to 31 December 2017**

| | Notes | 2017 USD |
|---|---|---|
| **Net Assets Attributable to Holders of Redeemable Shares at beginning of financial period** | | - |
| Issues of redeemable shares during the financial period | 13 | 307,284,680 |
| Redemption of redeemable shares during the financial period | 13 | (31,570,550) |
| **Net increase from share transactions** | | **275,714,130** |
| **Increase in net assets attributable to holders of redeemable shares** | | 15,574,346 |
| **Net Assets Attributable to Holders of Redeemable Shares at end of financial period** | | **291,288,476** |

The Fund commenced operations on 26 June 2017.

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

# Miller Opportunity Fund

**Statement of Cash Flows**
**For the financial period from 3 February 2017 (date of establishment) to 31 December 2017**

| | 2017 USD |
|---|---|
| **Cash flows from operations** | |
| Increase in net assets attributable to holders of redeemable shares from operations | 15,574,346 |
| | |
| **Adjustments to reconcile increase in net assets attributable to holders of redeemable shares from operations to net cash outflow from operating activities** | |
| Net increase in financial assets and liabilities at fair value through profit or loss | (287,819,055) |
| Net increase in other receivables | (74,710) |
| Net increase in receivable from BNP Paribas | (29,734) |
| Net increase in amount due to broker | 45,711 |
| Net increase in investment management fee payable | 81,585 |
| Net increase in management fee payable | 280,856 |
| Net increase in other payables | 121,589 |
| **Net cash outflow from operating activities** | **(271,819,412)** |
| | |
| **Cash flows from financing activities** | |
| Proceeds from issue of shares | 307,259,261 |
| Payments on redemption of shares | (31,181,196) |
| **Net cash inflow from financing activities** | **276,078,065** |
| | |
| Net increase in cash and cash equivalents | 4,258,653 |
| | |
| Cash and cash equivalents at beginning of financial period | - |
| | |
| **Cash and cash equivalents at end of financial period** | **4,258,653** |

The Fund commenced operations on 26 June 2017.

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

# Miller Opportunity Fund

**Notes to the Financial Statements for the financial period from 3 February 2017 (date of establishment) to 31 December 2017**

## 1 General information

Primo UCITS Platform ICAV (the "ICAV") is an Irish collective asset-management vehicle with variable capital constituted as an umbrella fund with segregated liability between sub-funds pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2016, (as amended) (the "Regulations"). The ICAV was incorporated on 15 January 2016.

The ICAV is an umbrella fund with segregated liability, which is comprised of different funds, each with one or more classes of shares. Different classes of shares may be issued from time to time with the prior notification and clearance of the Central Bank. Each class represents interests in a Fund. Miller Opportunity Fund commenced operation on 26 June 2017.

The investment objective of the Fund is to achieve long-term capital appreciation.

The investment activities of the Fund is delegated to the Investment Manager, Miller Value Partners, LLC.

## 2 Statement accounting policies

### 2.1 Statement of compliance

The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU and Irish Collective Asset-Management Vehicle Act, 2015 (the "ICAV Act 2015") and the European Communities (Undertaking for Collective Investment in Transferable Securities) Regulations, 2011 (as amended) (the "UCITS Regulations") and The Central Bank of Ireland (the "Central Bank") (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations, 2016. The requirements of IFRS 1: *First Time Adoption of International Financial Reporting Standards* have been applied.

### 2.2 Basis of preparation

The financial statements have been prepared on a historical cost basis, except for financial assets and financial liabilities held at fair value through profit or loss, that have been measured at fair value.

The preparation of financial statements in conformity with IFRS requires the Fund to make estimates and assumptions that affect the amounts reported in the financial statements. The Directors' believe that the estimates utilised in preparing its financial statements are reasonable and prudent. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. The financial statements cover the period 3 February 2017 (date of establishment) to 31 December 2017.

**Going Concern**

The Fund's Directors have made an assessment of the Fund's ability to continue as a going concern and is satisfied that the Fund has the resources to continue in business for the foreseeable future. Furthermore, the Directors are not aware of any material uncertainties that may cast significant doubt upon the Fund's ability to continue as a going concern. Therefore, the financial statements are prepared on the going concern basis.

**2 Statement accounting policies – (continued)**

**2.3 Adoption of new and revised Standards**

**Upcoming standards and interpretations that have not been adopted early**

**IFRS 9, "Financial instruments"**, is effective for year beginning on or after 1 January 2018, specifies how an entity should classify and measure financial assets and liabilities, including some hybrid contracts. The standard improves consistency and reduces complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRS. The standard improves and simplifies the approach for classification and measurement of financial assets compared with the requirements of IAS 39. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged. The standard applies a consistent approach to classifying financial assets and replaces the numerous categories of financial assets in IAS 39, each of which had its own classification criteria. The standard is not expected to have a significant impact on the Fund's financial position or performance, as it is expected that the Fund will continue to classify its financial assets and financial liabilities as being at fair value through profit or loss.

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the Fund.

**2.4 Financial assets and liabilities at fair value through profit or loss**

**(i) Classification**
The Fund classifies financial assets and financial liabilities into the following categories:

Financial assets at Fair Value Through Profit or Loss (FVTPL):

- *Held for trading*: derivative financial instruments.
- *Designated as at FVTPL*: common stock equities.

Financial assets at amortised cost:

- *Loans and receivables*: cash and cash equivalents, subscription receivable and other receivables.

Financial liabilities at FVTPL:

- *Held for trading*: securities sold short and derivative financial instruments.

Financial liabilities at amortised cost:

- *Other liabilities:* dividends payable and accrued expenses.

A financial instrument is classified as held for trading if:

- it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
- on initial recognition, it is part of a portfolio that is managed together and for which there is evidence of a recent pattern of short-term profit taking; or
- it is a derivative, other than a designated and effective hedging instrument.

The Fund designates all debt and equity investments at FVTPL on initial recognition because it manages these securities on a fair value basis in accordance with its documented investment strategy. Internal reporting and performance measurement of these securities are on a fair value basis.

**(ii) Initial and subsequent measurement**
Financial assets and financial liabilities at fair value through profit or loss are initially recognised on the trade date, which is the date on which the Fund becomes a party to the contractual provisions of the instrument. Other financial assets and financial liabilities are recognised on the date on which they are originated.

**2 Statement accounting policies – (continued)**

**2.4 Financial assets and liabilities at fair value through profit or loss – (continued)**

**(iii) Recognition**
Financial instruments categorised at fair value through profit or losses are measured initially at fair value, with transaction costs for such instruments being recognised directly in the statement of comprehensive income. Financial assets and financial liabilities are recognised on the statement of financial position when the Fund becomes party to the contractual provisions of the instrument. A regular purchase of financial assets is recognised using trade date accounting. From this date any gains or losses arising from changes in fair value of the financial assets or financial liabilities are recorded in the statement of comprehensive income. Sales of financial instruments are accounted for on the trade date.

Realised gains and losses on disposals of financial instruments are calculated using the First In, First Out ("FIFO") method.

**(iv) 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 Fund has access at that date.

When available, the Fund measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an on-going basis. The Fund measures instruments quoted in an active market at the last traded price.

If there is no quoted price in an active market, then the Fund uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Fund recognises transfers between levels of the fair value hierarchy as at the end of the reporting financial year during which the change has occurred.

**(v) Impairment**
A financial asset not classified at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence of impairment. A financial asset or a group of financial assets is 'impaired' if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset(s) and that loss event(s) had an impact on the estimated future cash flows of that asset(s) that can be estimated reliably.

Objective evidence that financial assets are impaired includes significant financial difficulty of the borrower or issuer, default or delinquency by a borrower, restructuring of the amount due on terms that the Fund would not otherwise consider, indications that a borrower or issuer will enter bankruptcy, or adverse changes in the payment status of the borrower.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised, if an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, then the decrease in impairment loss is reversed through profit or loss.

**2 Statement accounting policies – (continued)**

**2.4 Financial assets and liabilities at fair value through profit or loss – (continued)**

**(vi) Derecognition**
The Fund derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Fund neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

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 that is derecognised and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss. Any interest in such transferred financial assets that is created or retained by the Fund is recognised as a separate asset or liability.

The Fund 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. If all or substantially all of the risks and rewards of the transferred assets are retained, then transferred assets are not derecognised. Transfer of assets usually includes sale and repurchase agreements where all or substantially all of the risks and rewards are retained.

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

Purchases and sales of financial instruments are accounted for on the trade date. Realised gains and losses on disposals of financial instruments are calculated using the First In, First Out ("FIFO") method.

**(vii) Offsetting financial Instruments**
Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when and only when, the Fund has a legal right to offset the amounts and it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis for gains and losses from financial instruments at fair value through profit or loss and foreign exchange gains and losses.

**(viii) Valuation of financial instruments**
The Fund measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

- Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.
- Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments, quoted prices for identical or similar instruments in markets that are considered less than active or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs that are not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

**2.5 Cash and cash equivalents**
Cash comprises cash at banks and bank overdrafts. Cash equivalents are short term (up to three months), highly liquid investments, that are readily convertible to known amounts of cash and which are subject to insignificant changes in value. They are held for the purpose of meeting short-term cash commitments rather than for investments or other purposes. The carrying amount of these assets is approximately equal to their fair value.

**2.6 Amounts due from/to brokers**
Amounts due from/to brokers, includes amounts receivable/payable for investment transactions that have not settled at the date of the financial statements and the amount of cash required by brokers to be held as margin or collateral for trading. This includes the collateral for short sale positions as well as margin accounts maintained for trading derivatives contracts (see note 9).

# Miller Opportunity Fund

**Notes to the Financial Statements for the financial period from 3 February 2017 (date of establishment) to 31 December 2017**

**2 Statement accounting policies – (continued)**

**2.7 Foreign currency translation**

**(i) Functional and presentational currency**
The financial statements are presented in US Dollar, which is the Fund's functional and presentational currency.

**(ii) Transactions and balances**
Monetary assets and liabilities denominated in foreign currencies are translated into US Dollar at the spot exchange rates in effect at the statement of financial position date. The cost of investments, and income and expenses are translated into US Dollar based on the spot exchange rates on the date of the transaction. Realised and unrealised gains and losses on foreign currency transactions are charged or credited to the statement of comprehensive income as foreign currency gains and losses except where they relate to investments where such amounts are included within net gains/losses on financial assets and liabilities at fair value through profit or loss.

**2.8 Interest income and interest expense**
Interest income and interest expense are recognised on a time proportionate basis using the accruals method.

**2.9 Expenses**
All expenses recognised in the statement of comprehensive income are on an accruals basis.

**2.10 Dividend income and expense**
Dividends are credited/debited to the statement of comprehensive income on the dates on which the relevant securities are listed as "ex-dividend". Income is shown gross of any non-recoverable withholding taxes, which are disclosed separately in the statement of comprehensive income.

**2.11 Segment information**
For management purposes, the Fund is organised into one main operating segment. All of the Fund's activities are interrelated, and each activity is dependent on the others. Accordingly, all significant operating decisions are based upon analysis of the Fund as one segment. The financial results from this segment are equivalent to the financial statements of the Fund as a whole.

**2.12 Distribution Policy**
It is the current intention of the Directors to declare dividends annually in respect of the distributing share classes. Dividends, at the sole discretion of the Directors, may be paid out of net investment income, if any on the dividend date and with respect to the period from the prior dividend date.

**2.13 Taxation**
The Fund is an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997. The Fund will not be liable to Irish tax in respect of its income and gains, other than on the occurrence of a chargeable event. Generally a chargeable event arises on any distribution, redemption, repurchase, cancellation, transfer of shares or on the ending of a "Relevant Period". A "Relevant Period" being an eight year period beginning with the acquisition of the shares by the shareholder and each subsequent period of eight years beginning immediately after the preceding Relevant Period.

A gain on a chargeable event does not arise in respect of:

(i) a shareholder who is not Irish resident and not ordinarily resident in Ireland at the time of the chargeable event, provided the necessary signed statutory declarations are held by the Fund; or

(ii) certain exempted Irish resident investors who have provided the Fund with the necessary signed statutory declarations; or

(iii) any transactions in relation to shares held in a recognised clearing system as designated by order of the Revenue Commissioners of Ireland; or

(iv) an exchange of shares representing one sub-fund for another sub-fund of the Fund; or

(v) an exchange of shares arising on a qualifying amalgamation or reconstruction of the Fund with another Fund; or

(vi) certain exchanges of shares between spouses and former spouses.

**2.13 Taxation (continued)**

In the absence of an appropriate declaration, the Fund will be liable to Irish tax on the occurrence of a chargeable event.

There were no chargeable events during the financial period under review.

Capital gains, dividends and interest received may be subject to withholding taxes imposed by the country of origin and such taxes may not be recoverable by the Fund or its shareholders.

**2.14 Equity Swaps**

An equity swap is an agreement between counterparties to exchange a set of payments, determined by a stock or index return, with another set of payments, usually an interest bearing fixed or floating rate instrument. The difference in interest is shown in the Statement of Comprehensive Income.

**3 Net change in fair value on financial assets and liabilities at fair value through profit or loss**

| | 2017 USD |
|---|---|
| **Designated as at fair value through profit or loss** | |
| - Realised gain on equities | 3,867,640 |
| - Unrealised gain on equities | 1,608,971 |
| | 5,476,611 |

| | 2017 USD |
|---|---|
| **Held for trading** | |
| - Realised gain on options | 2,960,516 |
| - Realised gain on equity swaps | 4,167,190 |
| - Realised gain on rights/warrants | 513,209 |
| - Unrealised gain on equity swaps | 3,541,399 |
| - Net gain on foreign currency transactions | 14,412 |
| | 11,196,726 |

| | 2017 USD |
|---|---|
| Net realised gain on financial assets and liabilities at fair value through profit or loss | 11,508,555 |
| Net unrealised gain on financial assets and liabilities at fair value through profit or loss | 5,150,370 |
| Net gain on foreign currency transactions | 14,412 |
| Net realized/unrealised gain on financial assets and liabilities at fair value through profit or loss | 16,673,337 |

**4 Fair value of financial instruments**

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

- Quoted prices in active markets for identical assets or liabilities (Level 1);
- Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

For this purpose, the significance of an input is assessed against the fair value measurement in its entirety.

**Notes to the Financial Statements for the financial period from 3 February 2017 (date of establishment) to 31 December 2017**

**4 Fair value of financial instruments (continued)**

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

| **At 31 December 2017** | **Level 1 USD** | **Level 2 USD** | **Level 3 USD** | **Total USD** |
|---|---|---|---|---|
| **Financial assets at fair value through profit or loss** | | | | |
| **Designated as at fair value through profit or loss** | | | | |
| - Equities | 269,447,220 | - | - | 269,447,220 |
| Total | 269,447,220 | - | - | 269,447,220 |
| **Held for trading** | | | | |
| - Options | 5,690,250 | - | - | 5,690,250 |
| - Equity swaps | - | 13,944 | - | 13,944 |
| - Warrants | 12,907,349 | - | - | 12,907,349 |
| Total | 18,597,599 | 13,944 | - | 18,611,543 |
| **Financial assets at fair value through profit or loss** | 288,044,819 | 13,944 | - | 288,058,763 |
| **Financial liabilities at fair value through profit or loss** | | | | |
| **Held for trading** | | | | |
| - Equity swaps | - | (239,708) | - | (239,708) |
| Total | - | (239,708) | - | (239,708) |
| **Financial liabilities at fair value through profit or loss** | - | (239,708) | - | (239,708) |

The fair values of financial assets and liabilities traded in active markets are based on quoted market prices at the close of trading on the period end date. The quoted market price used for financial assets held by the Fund is the last traded market price for both financial assets and financial liabilities.

**Notes to the Financial Statements for the financial period from 3 February 2017 (date of establishment) to 31 December 2017**

## 4 Fair value of financial instruments – (continued)

**Financial assets and liabilities not carried at fair value but for which fair value is disclosed**

The following table analyses within the fair value hierarchy the Fund's assets and liabilities not measured at fair value but for which fair value is disclosed.

| At 31 December 2017 | Level 1 USD | Level 2 USD | Level 3 USD | Total USD |
|---|---|---|---|---|
| **Assets** | | | | |
| - Cash and cash equivalents | 4,258,653 | - | - | 4,258,653 |
| - Other receivables | - | 74,710 | - | 74,710 |
| - Receivable from BNP Paribas | - | 29,734 | - | 29,734 |
| - Subscription receivable | - | 25,419 | - | 25,419 |
| Total | 4,258,653 | 129,863 | - | 4,388,516 |
| **Liabilities** | | | | |
| - Investment management fee payable | - | (81,585) | - | (81,585) |
| - Management fee payable | - | (136,573) | - | (136,573) |
| - Amount due to broker | - | (45,711) | - | (45,711) |
| - Other payables | - | (655,226) | - | (655,226) |
| - Net assets attributable to holders of redeemable shares | - | (291,288,476) | - | (291,288,476) |
| Total | - | (292,207,571) | - | (292,207,571) |

The assets and liabilities included in the above table are carried at amortised cost; their carrying values are a reasonable approximation of fair value.

## 5 Management and Investment Management fee

**Total Expense Ratio**
The Fund operates a total expense ratio such that the general fees and expenses paid out of the assets of the Fund will be capped such that the Fees and Expenses of the:

(i) Class A shares are limited to 1.80% per annum of the Net Asset Value of the Class A shares;

(ii) Class X shares are limited to 1.14% per annum of the Net Asset Value of the Class X shares; and

(iii) Premier Class shares are limited to 0.80% per annum of the Net Asset Value of the Premier Class shares.

To achieve this, the Investment Manager will absorb, either directly by waiving a portion of its fees or by reimbursement to the account of the relevant share class, all other fees and expenses over this total expense ratio which may arise.

**Management fee**
The Manager is entitled to an annual maximum management fee calculated and accruing at each Valuation Point and payable monthly in arrears at a maximum rate of 0.20% subject to a monthly minimum of €29,167 (exclusive of VAT) of the Net Asset Value for the Shares payable out of the assets of the Fund. As further explained in note 7, the Manager shall procure the payment of certain fees out of the assets of the Fund with the amount payable to the Manager by the Fund reduced accordingly.

The Manager will also be reimbursed out of the assets of the Fund for reasonable out of pocket expenses incurred by the Manager in respect of the Fund.

The management fee earned for the financial period amounted to USD154,068 and the management fee payable at the financial period ending 31 December 2017 was USD136,573.

**5 Management and Investment Management fee(continued)**

**Investment Management fee**
The Investment Manager is entitled to an investment management fee payable from the assets of the Fund accruing at each Valuation Point and calculated by the Administrator in relation to each of the Share Classes as set out below:

(i) in relation to the Class A Shares, an investment management fee at a monthly rate not to exceed 1.7% per annum of the Net Asset Value of the Fund which shall be payable monthly in arrears;

(ii) in relation to the Class X Shares, an investment management fee at a monthly rate not to exceed 0.85% per annum of the Net Asset Value of the Fund which shall be payable monthly in arrears; and

(iii) in relation to the Premier Class Shares, an investment management fee at a monthly rate not to exceed 0.675% per annum of the Net Asset Value of the Fund which shall be payable monthly in arrears.

The Investment Management fee earned for the financial period amounted to USD829,281 and the management fee payable at the financial period ending 31 December 2017 was USD81,585. The amount paid and payable have been adjusted for the fee cap adjustment of USD 234,091 and USD 98,495 respectively.

**6 Directors' and Auditors' fees**

Each Director may be entitled to a fee for their services to the Fund at a rate to be determined from time to time by the Directors, but so that the aggregate amount of Directors' fees in respect of this Fund in any one year shall not exceed USD50,000 which is paid by the Fund. Directors who are employees of the Manager or its affiliates will not receive any such fee. The Directors and any alternate Directors may also be paid all travelling, hotel and other expenses by the Manager properly incurred by them in attending and returning from meetings of the Directors or any other meetings in connection with the business of the Fund.

Directors' fees charged during the period were USD2,071 with USD2,071 payable at the period ending 31 December 2017.

Audit fees charged during the period were USD8,984 with USD8,984 payable (exclusive of VAT) at the period ending 31 December 2017. Audit fees relate to the statutory audit of the Fund. There are no fees paid to the auditors in respect of other assurance services, tax advisory services or other non-audit services.

**7 Administration and Depositary fees**

The Manager shall procure the payment of the Administrator's fees, including transfer agency, NAV calculation, CRS and FATCA reporting fees. This excludes all reasonable vouched out-of-pocket costs and expenses incurred by the Administrator and any transaction fees not paid by the Manager on behalf of (or attributable to) the Fund which will be payable out of the assets of the Fund.

The fees and expenses of the Administrator will accrue at each Valuation Point and are payable monthly in arrears. The Administrator has agreed to repay any fees not earned if the Administration Agreement is terminated early.

Administration fees charged during the period were USD122,582 and the fee payable at the period ending 31 December 2017 was US115,715.

The Manager will procure the payment of the Depositary's fees (including sub-custodial fees which shall be payable at normal commercial rates). This excludes all reasonable vouched out-of-pocket expenses incurred by the Depositary and any transaction fees not paid by the Manager which will be payable out of the assets of the Fund.

The fees and expenses of the Depositary shall accrue daily and be calculated monthly based on the Net Asset Value of the Fund on the last Dealing Day of each calendar month and shall be payable monthly in arrears.

Depositary fees charged during the period were U48,818 and the fee payable at the period ending 31 December 2017 was US48,818.

## 8 Cash and cash equivalents

| | 31 December 2017 USD |
|---|---|
| **Cash** | |
| BNP Paribas Securities Services, Dublin Branch | 4,258,653 |
| | 4,258,653 |
| | |
| **Total cash and cash equivalents** | 4,258,653 |

## 9 Amounts due from/to brokers

| | 31 December 2017 USD |
|---|---|
| Amounts due to brokers | |
| Payables for securities purchased but not yet settled | 45,711 |
| | 45,711 |

## 10 Other receivables

| | 31 December 2017 USD |
|---|---|
| - Interest receivable | 1,380 |
| - Dividend receivable | 27,787 |
| - Receivable from BNP Paribas | 29,734 |
| - Other receivables | 45,543 |
| | 104,444 |

## 11 Other payables

| | 31 December 2017 USD |
|---|---|
| Administration fee payable | 115,715 |
| Depositary fees | 48,818 |
| Audit fee payable | 10,748 |
| Legal fee payable | 14,136 |
| Distribution fee payable | 37,617 |
| Due to shareholders | 389,354 |
| Directors' fees | 2,071 |
| Sundry expenses payable | 36,767 |
| | 655,226 |

# Miller Opportunity Fund

**Notes to the Financial Statements for the financial period from 3 February 2017 (date of establishment) to 31 December 2017**

**12 Other expenses**

| | 31 December 2017 USD |
|---|---|
| Distributions fees expenses | 37,617 |
| Agents fees | 10,358 |
| Transactions fees | 165,785 |
| Sundry fees | 54,523 |
| | 268,283 |

**13 Share capital and net assets attributable to holders of redeemable shares**

The authorised share capital of the ICAV is two redeemable non-participating Shares of €1 each and 500,000,000,000 redeemable shares of no par value. Non-participating Shares do not entitle the holders thereof to any dividend and on a winding up entitle the holders thereof to receive the consideration paid but do not otherwise entitle them to participate in the assets of the ICAV. The minimum subscription from Class A EUR - Institutional is €1,000, Class A SEK – Institutional is SEK1,000, Class A USD - Institutional is US$1,000, Class A USD – Distributing Institutional is US$1,000, Premier Class PLN – Institutional is PLN30,000,000, Premier Class USD – Institutional is US$30,000,000, Premier Class GBP – Institutional is €30,000,000 and Class X GBP – Institutional is €3,000,000.

Movements in the number of Redeemable Shares in the financial period to 31 December 2017

| | At 3 February 2017 (date of establishment) | Issued | Redeemed | At 31 December 2017 |
|---|---|---|---|---|
| Class A EUR - Institutional | - | 601.94 | (290.13) | 311.81 |
| Class A SEK - Institutional | - | 7,297.72 | (5,087.18) | 2,210.54 |
| Class A USD - Institutional | - | 63,333.33 | (11,514.54) | 51,818.79 |
| Class A USD - Distributing Institutional | - | 12,625.85 | (4,932.76) | 7,693.09 |
| Premier Class PLN - Institutional | - | 13,111.99 | (2,973.84) | 10,138.15 |
| Premier Class USD - Institutional | - | 1,242,843.32 | (78,756.52) | 1,164,086.80 |
| Premier Class GBP - Institutional | - | 38,716.64 | (13,424.99) | 25,291.65 |
| Class X GBP - Institutional | - | 48,624.62 | (16,447.44) | 32,177.18 |

# Miller Opportunity Fund

Notes to the Financial Statements for the financial period from 3 February 2017 (date of establishment) to 31 December 2017

**13 Share capital and net assets attributable to holders of redeemable shares (continued)**

**Redeemable Shares**

**During the financial period ended 31 December 2017**

| | At 3 February 2017 (date of establishment) | Issued | Redeemed | Net assets from operations attributable to holders of redeemable shares | At 31 December 2017 | At 31 December 2017 Net asset value per share |
|---|---|---|---|---|---|---|
| | USD | USD | USD | USD | USD | USD |
| Class A EUR - Institutional | - | 77,577 | (37,912) | 2,065 | 41,730 | 133.83 |
| Class A SEK - Institutional | - | 122,456 | (82,061) | (1,870) | 38,525 | 17.43 |
| Class A USD - Institutional | - | 12,878,868 | (2,350,065) | 416,851 | 10,945,654 | 211.23 |
| Class A USD - Distributing Institutional | - | 4,905,856 | (1,905,149) | 103,408 | 3,104,115 | 403.49 |
| Premier Class PLN - Institutional | - | 399,040 | (90,565) | 5,905 | 314,380 | 31.01 |
| Premier Class USD - Institutional | - | 259,912,644 | (17,172,360) | 14,240,208 | 256,980,492 | 218.01 |
| Premier Class GBP - Institutional | - | 15,318,512 | (5,293,750) | 413,728 | 10,438,490 | 412.72 |
| Class X GBP - Institutional | - | 13,669,727 | (4,638,688) | 394,051 | 9,425,090 | 292.91 |
| Total | - | 307,284,680 | (31,570,550) | 15,574,346 | 291,288,476 | |

The net asset value per redeemable share of each Share class is determined by dividing the net asset of the Fund attributable to the shares of each class by the number of redeemable share in issue of that class.

**14 Risks associated with financial instruments**

The Investment Manager's responsibility is to manage the assets of the Fund in accordance with the Fund's stated investment objective, investment policies and restrictions. Day-to-day risk management of the financial instruments (including financial derivative instruments) held by the Fund is the responsibility of the Investment Manager.

The Fund seeks to achieve its investment objectives through investing in different kinds of financial instruments and is therefore exposed to a variety of financial risks. Materials risks include market risk, credit risk, liquidity risk and capital risk.

In respect of the use of financial derivative instruments, the risks are counterparty risk, credit risk, increased leverage, increased risk of margin calls and unlimited risk of loss. Further details of these and other risks are set out below and in the Prospectus and Supplement under ''Investment Risks.''.

**(a) FDI and Leverage**

The Fund uses financial derivative instruments (''FDI''). The Investment Manager monitors and manages the risks attached to FDI positions on a daily basis by employing the commitment approach. The commitment approach measures global exposure and leverage by calculating the market value of the underlying exposures of derivatives relative to the Fund's Net Asset Value.

The following table details the leverage limit as well as the leverage calculated under the Commitment approach.

**31 December 2017**

| Fund | Max Commitment Approach % | Commitment % NAV |
|---|---|---|
| Primo UCITS ICAV – Miller Opportunity Fund | 100% | 22.89% |

# Miller Opportunity Fund

**Notes to the Financial Statements for the financial period from 3 February 2017 (date of establishment) to 31 December 2017**

**14 Risks associated with financial instruments**

**(b) Market risk**

Market risk includes market price risk, interest rate risk and currency risk.

**(i) Market price risk**

Market price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The maximum price risk resulting from the ownership of financial instruments is determined by the fair value of financial instruments. The Investment Manager may consider the asset allocation of the portfolios in order to minimise the risk associated with particular countries, industry sectors or securities while continuing to pursue the Fund's investment objective.

Risk is managed by the Investment Manager through careful selection of securities and other financial instruments within specified limits and investment mandates. Details of the Fund's investment policies are included in the Prospectus and Supplement. Details of the Fund's financial assets and financial liabilities are presented on the Statement of Financial Position.

If the current market prices had increased or decreased by 0.1% with all other variables held constant, this would have increased or reduced the net assets attributable to holders of redeemable shares of the Fund by approximately USD28,781,906

**(ii) Interest rate risk**

Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rate. The Fund generally does not invest in any interest bearing securities other than cash balances held with the Depositary. As a result, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates on its financial assets and financial liabilities. Option prices are highly volatile, price movements of options and other derivatives, amongst other things, are influenced by interest rates.

The table below summarises the Fund's exposure to interest rate risk categorised by the earlier of contractual re-pricing or maturity dates.

| | Up to 1 year USD | More than 1 year USD | Non interest bearing USD | Total USD |
|---|---|---|---|---|
| **At 31 December 2017** | | | | |
| Cash and cash equivalents | 4,258,653 | - | - | 4,258,653 |
| Financial assets at fair value through profit or loss | - | - | 288,058,763 | 288,058,763 |
| Other receivables | - | - | 74,710 | 74,710 |
| Receivable from BNP Paribas | - | - | 29,734 | 29,734 |
| Subscription receivable | - | - | 25,419 | 25,419 |
| **Total assets** | 4,258,653 | - | 288,188,626 | 292,447,279 |
| | | | | |
| Financial liabilities at fair value through profit or loss | - | - | (239,708) | (239,708) |
| Amount due to broker | - | - | (45,711) | (45,711) |
| Investment management fee | - | - | (81,585) | (81,585) |
| Management fee payable | - | - | (136,573) | (136,573) |
| Other payables | - | - | (655,226) | (655,226) |
| **Total liabilities** | - | - | (1,158,803) | (1,158,803) |
| | | | | |
| **Total interest sensitivity gap** | **4,258,653** | **-** | **287,029,823** | **291,288,476** |

**14 Risks associated with financial instruments**

**(ii) Interest rate risk (continued)**
At 31 December 2017, should interest rates have increased/decreased by 10 basis points with all other variable remaining constant, the increase/decrease in net assets attributable to holders of redeemable participating shares for the year would have amounted to approximately €425,865.

**(iii) Currency risk**
Currency is the risk that the value of a financial instrument will fluctuate because of changes in the rate of exchange between the currency in which the financial asset or financial liability is denominated and the functional currency of the Fund, the US Dollar. The value of the investments of the Fund denominated in a currency other than the US Dollar may rise and fall due to exchange rate fluctuations by the relevant currencies. There is a risk that large exchange rate fluctuations may have a significant impact on the performance of the Fund. The Investment Manager does not hedge against currency fluctuations in non-US Dollar denominated portfolio investments. The below table includes analysis of 5% movemet in foreign exchange rates.

| | Monetary net assets USD | Non-Monetary net assets USD | Total net assets USD | Currency Hedging USD | Currency Un-Hedged USD | 5% Sensitivity |
|---|---|---|---|---|---|---|
| **As at 31 December 2017** | | | | | | |
| EUR | (6) | (291,604) | (291,610) | - | (291,610) | (14,580) |
| GBP | (41) | - | (41) | - | (41) | (2) |
| CHF | (2) | - | (2) | - | (2) | - |
| PLN | (1) | - | (1) | - | (1) | - |
| | (50) | (291,604) | (291,654) | - | (191,654) | (14,582) |

**(c) Credit and counterparty risk**
Credit and counterparty risk is the risk that an issuer or counterparty will be unable or unwilling to pay amounts in full when due. The Fund is exposed to counterparty risk on transactions it enters into with brokers, banks, providers, customers, and other third parties.

The Fund's financial assets which are potentially subject to concentrations of credit risk consist principally of bank deposits. The tables below summarise the credit ratings of the two main swap counterparties cash accounts.

**At 31 December 2017**

| Counterparties | Credit rating | Source of credit rating |
|---|---|---|
| BNP Paribas Corporate & Institutional Bank, London | A | Standard & Poor's |
| Credit Suisse | BBB+ | Standard & Poor's |

All transactions in listed securities are settled/paid for upon delivery using approved and reputable brokers. The risk of default is considered minimal as delivery of securities sold is only made when the broker has received payment. Payment is made on a purchase when the securities have been received by the broker. The trade will fail if either party does not meet its obligation.

The Fund limits its exposure to credit risk by transacting the majority of its securities and contractual commitment activities with broker-dealers, banks and regulated exchanges with high credit ratings that it considers to be well established. Securities held as collateral with BNP Paribas, Securities Services at year end amounted to USD 3,381,000 in respect of Delta Airlines holding. There is no cash collateral held.

**Notes to the Financial Statements for the financial period from 3 February 2017 (date of establishment) to 31 December 2017**

**14 Risks associated with financial instruments**

**(c) Credit and counterparty risk (continued)**

The maximum exposure to credit risk as at 31 December 2017 was the carrying amount of the financial assets as shown in the statement of financial position. No financial assets were overdue or impaired as at 31 December 2017 and the overall credit risk exposures for derivatives were as follows:

| **31 December 2017** | **Derivative assets Fair Value USD** | **Derivative liabilities Fair Value USD** |
|---|---|---|
| Equity swaps | 13,944 | 239,708 |

**Offsetting and amounts subject to master netting arrangements**

As at 31 December 2017 the Fund was subject to netting arrangements with its derivative counterparties. All of the derivative assets and liabilities of the Fund are held with these counterparties and the margin balances maintained by the Fund are for the purpose of providing collateral on derivative positions.

The following tables present the Fund's financial assets and liabilities subject to offsetting, enforceable master netting arrangements and similar agreements. The tables are presented by financial instrument type.

Financial assets that are subject to offsetting, enforceable master netting arrangements and similar agreements:

| | Gross amounts of recognised financial assets | Gross amounts of recognised financial liabilities set-off in the statement of financial position | Net amounts of financial assets presented in the statement of financial position | Related amounts not set-off in the statement of financial position | | Net amount |
|---|---|---|---|---|---|---|
| | | | | Financial instruments | Cash collateral received | |
| | USD | USD | USD | USD | USD | USD |
| Description | | | | | | |
| **31 December 2017:** | | | | | | |
| Equity swaps (Credit Suisse) | 13,944 | - | 13,944 | 13,944 | - | - |

Financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements:

| | Gross amounts of recognised financial assets and liabilities | Gross amounts of recognised financial assets set-off in the statement of financial position | Net amounts of financial presented in the statement of financial position | Related amounts not set-off in the statement of financial position | | Net amount |
|---|---|---|---|---|---|---|
| | | | | Financial instruments | Cash collateral pledged | |
| | USD | USD | USD | USD | USD | USD |
| Description | | | | | | |
| **31 December 2017:** | | | | | | |
| Equity swaps (Credit Suisse) | 239,708 | - | 239,708 | 239,708 | - | - |

**14 Risks associated with financial instruments**

**(c) Credit and counterparty risk (continued)**

The Fund and its counterparty have elected to settle all transactions on a gross basis. However, each party has the option to settle all open contracts on a net basis in the event of default of the other party. Per the terms of the master netting agreement, an event of default includes the following:

- failure by a party to make payment when due;
- failure by a party to perform any obligation required by the agreement (other than payment) if such failure is not remedied within 30 days after notice of such failure is given to the party;
- bankruptcy.

**(d) Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in settling a liability, including a redemption request. The Fund is exposed to daily redemptions and it aims to provide daily liquidity to the Investor based on its Net Asset Value.

The tables below separates the Fund's financial liabilities by the number of days from the period end date to the contractual maturity date. The amounts constitute the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

| **At 31 December 2017** | **Less than 1 Month USD** | **1-3 Months USD** | **More than 3 Months USD** |
|---|---|---|---|
| Financial liabilities at fair value through profit or loss | (239,708) | - | - |
| Amount due to broker | (45,711) | - | - |
| Investment management fee payable | (81,585) | - | - |
| Management fee payable | (136,573) | - | - |
| Other payables | (655,226) | - | - |
| Net assets attributable to holders of redeemable shares | (291,288,476) | - | - |
| **Total liabilities** | (292,447,279) | - | - |

All equity swaps reset on a monthly basis, so the liabilities on the short equity swaps are not greater than 1 month.

# Miller Opportunity Fund

**Notes to the Financial Statements for the financial period from 3 February 2017 (date of establishment) to 31 December 2017**

**14 Risks associated with financial instruments – (continued)**

**(d) Liquidity risk (continued)**

The Fund manages its liquidity risk by making investments that it expects to be able to liquidate in less than 10 days. The following table illustrates the expected liquidity of assets held:

| At 31 December 2017 | Less than 1 month USD | 1-3 Months USD | More than 3 Months USD |
|---|---|---|---|
| Cash and cash equivalents | 4,258,653 | - | - |
| Financial assets at fair value through profit or loss | 288,058,763 | - | - |
| Other receivables | 74,710 | - | - |
| Receivable from BNP Paribas | 29,734 | - | - |
| Subscription receivable | 25,419 | - | - |
| **Total assets** | 292,447,279 | - | - |

**(e) Capital risk management**

The capital of the Fund is represented by the Redeemable Shares, and shown as net assets attributable to holders of Redeemable Shares in the statement of financial position. The Fund's objective when managing capital is to safeguard its ability to continue as a going concern in order to provide returns for holders of Redeemable Shares as well as benefits for other stakeholders.

In order to maintain or adjust the capital structure, the Fund's policy is to perform the following:

- monitor the level of monthly subscriptions and redemptions relative to the liquid assets; and
- redeem and issue shares in accordance with the offering documents.

The Directors and the Manager monitor capital on the basis of the value of net assets attributable to holders of Redeemable Shares.

**15 Exchange rates**

The exchange rates used at 31 December 2017 against USD were as follows:

| | | | |
|---|---|---|---|
| CHF | 0.9744 | SEK | 9.8313 |
| EUR | 0.8335 | | |
| GBP | 0.7406 | | |
| PLN | 3.4811 | | |

**16 Related Parties**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. The listing of the members of the Board of Directors is shown on page 2 of this report. Carne Global Fund Managers (Ireland) Limited (the "Manager") are a related party and receive a management fee details of which are disclosed in note 5.

Elizabeth Beazley, Sarah Murphy and Dennis Murray (appointed 29 January 2018), are employees of Carne Global Financial Services Limited which is the parent company to the Manager. The Manager is a related party and receives a management fee, details of which are disclosed in note 5. Elizabeth Beazley is also a director of the Manager. Michael McInerney received fees of USD2,071.

**17 Efficient Portfolio Management**

The Investment Manager of the Fund may employ techniques and instruments relating to Transferable Securities, Money Market Instruments and/or other financial instruments (including Financial Derivative Instruments "FDIs") in which it invests for efficient portfolio management purposes. Such techniques and instruments may include futures, options, equity swaps, forwards and repurchase and reverse repurchase agreements.

**17 Efficient Portfolio Management (continued)**

Use of such techniques and instruments should be in line with the best interests of Shareholders and will generally be made for one or more of the following reasons:

(a) the reduction of risk;

(b) the reduction of cost; or

(c) the generation of additional capital or income for the Fund with an appropriate level of risk, taking into account the risk profile of the Fund and the risk diversification rules set out in the Central Bank Notices.

In addition, the use of such techniques and instruments must be realised in a cost-effective way and must not result in a change to the investment objective of the Fund or add substantial supplementary risks not covered by the Fund's Prospectus and Supplement. It is therefore the intention of the Fund, in employing such Efficient Portfolio Management (EPM) techniques and instruments that their impact on the performance of the Fund will be positive.

**18 Reconciliation of Net Asset Value**

| | 31 December 2017<br>USD |
|---|---|
| Net asset value as per dealing NAV | 288,089,831 |
| NAV adjustment | 3,198,645 |
| Net asset value as per financial statements | 291,288,476 |

During this financial reporting period a material NAV error occurred. This error resulted in a maximum 153 basis point impact at class level. On three separate occasions on the following dates; 3rd November 2017, 9th November 2017 and 16th November 2017, shares in an underlying security (Delta Airlines) which the fund held on its portfolio, were transferred at zero value in error from the custody account to a separate pledged collateral account. Each movement of the security was for 20,000 shares with a cumulative value of €3,198,645. This error impacted all subsequent valuations until 17 February 2018

The NAV was corrected on 17 February 2018 and both the Fund and investors were made whole on 13 March 2018. This required a payment of €29,734 from BNP Paribas, to reimburse the affected investors of the Fund for any subscriptions during the period while affected investors who redeemed received additional cash or units.

**19 Material changes to the prospectus**

A Prospectus and supplement was issued dated 3 February 2017 and a new supplement in 11 October 2017.

**20 Soft commission arrangements**

During the period ended 31 December 2017, the Investment Manager entered into soft commission arrangements with brokers in respect of which certain goods and services used to support the investment decision process were received. The Investment Manager does not make direct payments for these services but it may transact business with the brokers on behalf of the Fund and commissions are paid on these transactions. Under these agreements, each broker has agreed to provide best execution. These services assist the Investment Manager in carrying out its investment decision-making responsibilities in respect of the Fund.

**21 Significant events during the period**

Syl O'Byrne resigned as a Director on 11 December 2017.

There were no other significant events during the financial year requiring disclosure in the financial statements.

## 22 Subsequent events

Dennis Murray was appointed as a Director effective 29 January 2018.

The NAV error detailed in note 18 was rectified subsequent to year end.

Other than this there were no events up to the date of approval of the financial statements that require amendments to or disclosure in the financial statements.

## 23 Approval of the financial statements

The financial statements were approved and authorised for issue by the Board of Directors on 23 April 2018.

# Miller Opportunity Fund

## Schedule of Investments

**Miller Opportunity Fund**

| Domicile | Shares | Description | As at 31 December 2017 Fair Value USD | As at 31 December 2017 % of Net Assets |
|---|---|---|---|---|
| **EQUITIES** | | | | |
| **Canada** | | | | |
| | 941,700 | Valeant Pharmaceuticals International | **19,568,526** | **6.72** |
| **Ireland** | | | | |
| | 24,200 | Allergan Plc | 3,958,636 | 1.36 |
| | 1,063,600 | Endo International Plc | 8,242,900 | 2.83 |
| | | | **12,201,536** | **4.19** |
| **United Kingdom** | | | | |
| | 166,000 | Mallinckrodt Plc | **3,744,960** | **1.29** |
| **United States** | | | | |
| | 67,400 | Alexion Pharmaceuticals Inc | 8,060,366 | 2.77 |
| | 15,220 | Amazon.com Inc | 17,799,333 | 6.11 |
| | 253,300 | American Airlines Group Inc | 13,179,199 | 4.52 |
| | 26,750 | Athenahealth Inc | 3,558,820 | 1.22 |
| | 98,900 | Bank of America Corporation | 2,919,528 | 1.00 |
| | 328,600 | Centurylink Inc | 5,481,048 | 1.88 |
| | 22,500 | Citigroup Inc | 1,674,225 | 0.57 |
| | 253,100 | Delta Air Lines Inc | 14,173,685 | 4.87 |
| | 236,200 | Discovery Communications-Class A | 5,286,156 | 1.81 |
| | 1,032,900 | Endurance International Group | 8,676,360 | 2.98 |
| | 35,250 | Facebook Inc-Class A | 6,220,215 | 2.13 |
| | 369,600 | Flexion Therapeutics Inc | 9,254,784 | 3.18 |
| | 198,000 | Foot Locker Inc | 9,282,240 | 3.19 |
| | 7,100 | Gamestop Corporation-Class A | 127,445 | 0.04 |
| | 2,549,600 | Genworth Financial Inc-Class A | 7,929,256 | 2.72 |
| | 323,400 | GTY Technology Holdings Inc | 3,331,020 | 1.14 |
| | 621,800 | Intrexon Corporation | 7,163,136 | 2.46 |
| | 215,900 | Lennar Corporation –Class A | 13,653,516 | 4.69 |
| | 641,200 | MGIC Investment Corporation | 9,047,332 | 3.11 |
| | 512,100 | OneMain Holdings Shares | 13,309,479 | 4.57 |
| | 874,800 | Pandora Media Inc | 4,216,536 | 1.45 |
| | 989,900 | Platform Specialty Products | 9,819,808 | 3.37 |
| | 131,500 | Pulte Group Inc | 4,372,375 | 1.50 |
| | 886,841 | Quotient Technology Inc | 10,420,382 | 3.58 |
| | 174,900 | RH | 15,078,129 | 5.18 |
| | 214,715 | Stitch Fix Inc-Class A | 5,546,089 | 1.90 |
| | 160,380 | United Continental Holdings | 10,809,612 | 3.71 |
| | 123,800 | Wayfair Inc-Class A | 9,937,426 | 3.41 |
| | 870,700 | Ziopharm Oncology Inc | 3,604,698 | 1.24 |
| | | | **233,932,198** | **80.30** |
| **Total Equities** | | | **269,447,220** | **92.50** |

# Miller Opportunity Fund

Schedule of Investments

Miller Opportunity Fund (continued)

| LISTED TRADED OPTIONS | | | | As at 31 December 2017 Fair Value USD | As at 31 December 2017 % of Net Assets |
|---|---|---|---|---|---|
| **Call/Put** | **Strike Price** | **Expiry Date** | **Quantity** | | |
| Call Apple Inc | 100.00 | January 2019 | 810 | 5,690,250 | 1.95 |
| **Total Options** | | | | **5,690,250** | **1.95** |

| LISTED WARRANTS | Expiry Date | Shares | Fair Value USD | % of Net Asset |
|---|---|---|---|---|
| JP Morgan Chase & Co | October 2018 | 194,300 | 12,907,349 | 4.43 |
| **Total Warrants** | | | **12,907,349** | **4.43** |

| EQUITY SWAPS | Counterparty | Number of Contracts | Unrealised Gain/Loss | % of Net Asset |
|---|---|---|---|---|
| Bank of America Corporation | Credit Suisse | 348,600 | 13,944 | 0.01 |
| **Unrealised Gain on Equity Swaps** | | | **13,944** | **0.01** |
| Citigroup Inc | Credit Suisse | 111,900 | (27,975) | (0.01) |
| Gamestop Corp-Class A | Credit Suisse | 193,400 | (58,020) | (0.01) |
| Mallinckrodt Plc | Credit Suisse | 94,700 | (72,919) | (0.03) |
| Pulte Group Inc | Credit Suisse | 278,600 | (80,794) | (0.03) |
| **Unrealised Loss on Equity Swaps** | | | **(239,708)** | **(0.08)** |

| | | |
|---|---|---|
| **Financial assets at fair value through profit or loss** | **288,058,763** | **98.89** |
| **Financial liabilities at fair value through profit or loss** | **(239,708)** | **(0.08)** |
| **Net current assets** | **3,469,421** | **1.19** |
| **Net Assets Attributable to Holders of Redeemable Participating Shares** | **291,288,476** | **100.00** |

| Analysis of Total Assets | USD | % of Total Assets |
|---|---|---|
| Transferable securities and money market instruments admitted to official stock exchange listing or traded on a regulated market | 269,447,220 | 92.14 |
| Financial derivative instruments | 18,611,543 | 6.36 |
| Other Assets | **4,388,516** | **1.50** |
| **Total assets** | **292,447,279** | **100.00** |

# Miller Opportunity Fund

**Portfolio Changes (Unaudited)**

**Portfolio Changes for the financial period from 3 February 2017 (date of establishment) to 31 December 2017 (unaudited)**

**Miller Opportunity Fund**

| Purchases* | Shares/ Par Value | Cost USD |
|---|---|---|
| RH | 357,800 | 21,271,210 |
| Valeant Pharmaceuticals International | 1,052,600 | 16,631,080 |
| Amazon.com Inc | 16,045 | 16,105,008 |
| Wayfair Inc- Class A | 198,400 | 15,272,832 |
| Intrexon Corporation | 643,400 | 15,179,213 |
| Delta Air Lines Inc | 265,000 | 14,023,800 |
| Platform Specialty Products | 1,095,500 | 13,793,556 |
| United Continental Holdings | 171,780 | 13,160,402 |
| American Airlines Group Inc | 270,200 | 13,139,826 |
| OneMain Holdings Inc | 545,300 | 12,978,140 |
| Lennar Corporation-A | 242,000 | 12,613,040 |
| Endo International Plc | 1,100,600 | 12,419,454 |
| Quotient Technology Inc | 1,031,000 | 12,268,900 |
| MGIC Investment Corporation | 1,063,150 | 11,612,837 |
| Endurance International Group | 1,301,400 | 11,257,110 |
| Genworth Financial Inc-Class A | 2,638,300 | 9,637,734 |
| Alexion Pharmaceuticals Inc | 69,700 | 8,794,056 |
| Flexion Therapeutics Inc | 369,600 | 8,401,793 |
| Foot Locker Inc | 204,900 | 7,851,987 |
| Pandora Media Inc | 905,200 | 7,495,056 |
| Allergan Plc | 26,350 | 6,494,221 |
| Facebook Inc-Class A | 37,400 | 5,897,329 |
| Ziopharm Oncology Inc | 870,700 | 5,389,404 |
| Centurylink Inc | 328,600 | 5,367,982 |
| Mallinckrodt Plc | 171,800 | 4,924,796 |
| Discovery Communications-Class A | 236,200 | 4,769,985 |
| Athenahealth Inc | 32,100 | 4,671,834 |
| Pulte Group Inc | 154,400 | 3,761,222 |
| Stitch Fix Inc-Class A | 222,215 | 3,733,725 |
| GTY Technology Holdings Inc | 334,700 | 3,497,615 |

| Sales* | Shares/ Par Value | Cost USD |
|---|---|---|
| RH | 182,900 | 13,215,173 |
| MGIC Investment Corp | 421,950 | 6,032,680 |
| Wayfair Inc- Class A | 74,600 | 5,565,974 |
| JP Morgan Chase & Co CW28/10/18 | 49,300 | 2,757,345 |
| Endurance International Group | 268,500 | 2,280,912 |
| American Eagle Outfitters | 163,900 | 2,176,711 |
| Quotient Technology Inc | 144,159 | 2,117,295 |
| Valeant Pharmaceuticals International | 110,900 | 2,041,048 |
| Halozyme Therapeutics Inc | 119,250 | 1,832,541 |
| Lennar Corp-Class A | 26,100 | 1,434,930 |
| Platform Specialty Products | 105,600 | 1,198,724 |
| Amazon.com Inc | 825 | 911,729 |
| OneMain Holdings Inc | 33,200 | 872,930 |
| American Airlines Group Inc | 16,900 | 850,877 |
| Redfin Corp | 36,900 | 841,460 |
| United Continental Holdings | 11,400 | 782,039 |
| Athenahealth Inc | 5,350 | 730,089 |
| Delta Air Lines Inc | 11,900 | 645,003 |
| Pulte Group Inc | 22,900 | 620,682 |
| Genworth Financial Inc-Class A | 88,700 | 298,369 |

*Purchase and sales are disclosed above 1% of total purchase and sales.

# Miller Opportunity Fund

**Additional Disclosures (Unaudited)**

**UCITS V Remuneration Disclosure**

The European Union Directive 2014/91/EU as implemented in Ireland by S.I. No. 143/2016 - European Union (Undertakings for Collective Investment in Transferable Securities) (Amendment) Regulations 2011, requires management companies to establish and apply remuneration policies and practices that promote sound and effective risk management, and do not encourage risk taking which is inconsistent with the risk profile of the Fund.

To that effect, Carne Global Fund Managers (Ireland) Limited ("the Manager"), has implemented a remuneration policy that applies to all Fund for which the Manager acts as manager (the "Remuneration Policy") and covers all staff whose professional activities have a material impact on the risk profile of the Manager or the Fund it manages ("Identified Staff"). The Remuneration Policy also applies to all alternative investment funds for which the Manager acts as alternative investment fund manager. In accordance with the Remuneration Policy, all remuneration paid to Identified Staff can be divided into:

- Fixed remuneration (payments or benefits without consideration of any performance criteria); and
- Variable remuneration (additional payments or benefits depending on performance or, in certain cases, other contractual criteria) which is not based on the performance of the Fund.

The Manager has designated the following persons as Identified Staff:

1. The Designated Persons;
2. Each of the Directors;
3. Compliance Officer;
4. Risk Officer; and
5. Chief Operating Officer.

The Manager has a business model, policies and procedures which by their nature do not promote excessive risk taking and take account of the nature, scale and complexity of the Manager and the Fund. The Remuneration Policy is designed to discourage risk taking that is inconsistent with the risk profile of the Fund and the Manager is not incentivised or rewarded for taking excessive risk.

The Manager has established a remuneration committee to oversee the implementation of the remuneration arrangements and to exercise competent and independent judgment on remuneration policies and practices and the incentives created for managing risk (the "Remuneration Committee"). The Remuneration Committee consists of at least two directors, the compliance officer, internal legal counsel and such other individuals as the Board may appoint from time to time.

The Manager's parent company is Carne Global Financial Services Limited ("Carne"). Carne operates through a shared services organisational model which provides that Carne employs all staff and enters into inter-group agreements with other Carne Group entities within the group to ensure such entities are resourced appropriately. Each of the Identified Staff, other than one non-executive independent director, are employed and paid directly by Carne and remunerated based on their contribution to the Carne Group as a whole. In return for the services of each of the Carne Identified Staff, the Manager pays an annual staff recharge to Carne (the "Staff Recharge").

The non-executive independent director is paid a fixed remuneration and each other Identified Staff member's remuneration is linked to their overall individual contribution to the Carne Group, with reference to both financial and non-financial criteria and not directly linked to the performance of specific business units or targets reached or the performance of the Fund.

The aggregate of the total Staff Recharge and the remuneration of the independent non-executive director is €986,500 paid to 12 individuals for the period ended 2017. The Manager has also determined that, on the basis of number of sub-funds / net asset value of the UCITS relative to the number of sub-funds / assets under management, the portion of this figure attributable to the Fund is €10,312.

There have been no material changes made to the Remuneration Policy or the Manager's remuneration practices and procedures during the financial period.

# Miller Opportunity Fund

**Additional Disclosures (Unaudited) (continued)**

**Securities Financing Transaction Regulations (SFTR)**

A Securities Financing Transaction (SFT) is defined as per Article 3(11) of the SFTR as:

- a repurchase transaction;
- securities or commodities lending and securities or commodities borrowing;
- a buy-sell back transaction or sell-buy back transaction; or
- a margin lending transaction.

For the period ended 31 December 2017, the Fund has not entered into any repos, total return swaps, securities borrowing and margin lending transactions.

# Miller Opportunity Fund

**(TER) Disclosure (Unaudited)**

**Share Class Total Expense Ratio**

| Share class | TER |
|---|---|
| Class A EUR - Institutional | 1.80% |
| Class A SEK - Institutional | 1.80% |
| Class A USD - Institutional | 1.80% |
| Class A USD - DIS Institutional | 1.80% |
| Premier Class PLN - Institutional | 0.80% |
| Premier Class USD - Institutional | 0.80% |
| Premier Class GBP - Institutional | 0.80% |
| Class X GBP - Institutional | 1.03% |