

JAR Capital

**Annual Report
as of September 30, 2017**

Société d'Investissement à Capital Variable

R.C.S. Luxembourg
B 193.403

Administrative Agent:



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JAR Capital

Organisation

Company

JAR Capital

R.C.S. Lux B 193.403

15, rue de Flaxweiler, L - 6776 Grevenmacher

Board of Directors of the Company

Chairman of the Board of Directors

Peter Young

Group Head of Legal at JAR Group

Members of the Board

Marc-Oliver Scharwath

Managing Director of Universal-Investment-Luxembourg S.A.

Armin Clemens

Head of Portfolio Management of Universal-Investment-Luxembourg S.A.

Management Company, Domiciliary and Corporate Agent

Universal-Investment-Luxembourg S.A.

R.C.S. Lux B 75.014

15, rue de Flaxweiler, L - 6776 Grevenmacher

Depository Bank, Paying Agent, Registrar and Transfer Agent

State Street Bank Luxembourg S.C.A.

49, avenue John F. Kennedy, L - 1855 Luxembourg

Facilities Agent (since March 1, 2017)

ZEIDLER LEGAL SERVICES (UK) Limited

Aldgate Tower, 4th Floor, 2 Leman Street, London E1 8FA, United Kingdom

Distributor

JAR Capital Limited

50 Jermyn Street, London SW1Y 6LX, United Kingdom

Portfolio Manager

JAR Capital Limited

50 Jermyn Street, London SW1Y 6LX, United Kingdom

Réviseur d'Entreprises agréé

KPMG Luxembourg, Société coopérative

Cabinet de révision agréé

39, avenue John F. Kennedy, L - 1855 Luxembourg

JAR Capital

Report of the Board of Directors

Dear Shareholders,

With this report, we would like to give you an overview of the general economic environment and the performance of JAR Capital and its respective sub-fund JAR Capital Sustainable Income UI.

JAR Capital is organised in Luxembourg as a société d'investissement à capital variable ("SICAV") and qualifies as a collective investment undertaking under Part I of the Luxembourg law of December 17, 2010. The Company was established on December 9, 2014 for an indefinite duration.

JAR Capital has the structure of an umbrella fund. The reference currency of the Company is Euro (EUR).

The appropriation of earnings of the share class "I EUR" (ISIN: LU1231245611) was changed from accumulating to distributing and the appropriation of earnings of the share class "D EUR" (ISIN: LU1112873689) from distributing to accumulating with effect from December 29, 2016.

The Company's Board of Directors has decided to inactivate the share class "A GBP" (ISIN: LU1112873416) of the sub-fund JAR Capital Sustainable Income UI as per August 17, 2017.

The above-mentioned share class will be closed after 18 months, i.e. as per February 17, 2019, if no new subscriptions are received in the meantime, in which case the share class will be reactivated.

As at September 30, 2017, the net asset value and the performance of the share price of the sub-fund during the reporting period were as follows:

Share class	ISIN	Net asset value of the share class in currency	Performance of the share price in %
JAR Capital Sustainable Income UI - A GBP (October 1, 2016 until August 17, 2017)	LU1112873416	1,041,094.81	1.88
JAR Capital Sustainable Income UI - D EUR	LU1112873689	50,374,931.94	1.85 *)
JAR Capital Sustainable Income UI - D USD	LU1112873846	14,471,167.74	3.03 *)
JAR Capital Sustainable Income UI - R EUR	LU1231245298	4,437,880.27	1.44 *)
JAR Capital Sustainable Income UI - I EUR	LU1231245611	4,900,997.54	1.96

*) Performance was recalculated by considering the following distributions: ex-date January 27, 2017 and value date February 1, 2017

JAR Capital Sustainable Income UI - D EUR	EUR 3.15 per share
JAR Capital Sustainable Income UI - D USD	USD 3.18 per share
JAR Capital Sustainable Income UI - R EUR	EUR 3.05 per share

Derivative Exposure (unaudited)

The table below shows the derivative exposure as per September 30, 2017:

Sub-fund	Derivative exposure in %
JAR Capital Sustainable Income UI	42.12

JAR Capital

Risk Management (unaudited)

When determining the global risk exposure of the fund, the management company uses the value-at-risk calculation as its risk management procedure for the JAR Capital Sustainable Income UI in agreement with Article 16 of the articles of incorporation and in accordance with CSSF circulars (11/512). The relative value-at-risk method has been used for the fund.

During the period from October 1, 2016 until September 30, 2017 the relative VaR approach has been used for monitoring and measuring the global risk associated with derivatives. The derivative free reference portfolio is 50% Bloomberg EUR High Yield Corporate Bond Index and 50% Bloomberg EUR High Yield Corporate Bond Index 10+ Year. The VaR of the sub-fund is set in relation to the VaR of the reference portfolio and should not exceed 100% VaR limit utilization.

The VaR is calculated based on a historical simulation and the following parameterization 99% confidence level, 1-day holding period and 1-year observation period.

The following utilizations of VaR limits have been calculated during the reporting period:

Minimum:	44.09%
Maximum:	110.07%
Average:	77.76%

The leverage is calculated in accordance with the sum of notional approach and guidelines specified in CESR/10-788. Hedging and netting effects are not considered in the calculation. Therefore an unleveraged portfolio results in a leverage of 100%.

The average leverage during the reporting period was 141.64%.

Remuneration Policy of the Management Company (unaudited)

The fees of the employees are specified as follows (as of September 30, 2017):

Total of paid remuneration	4.20 Mio. EUR
thereof fixed fee	3.89 Mio. EUR
thereof variable fee	0.31 Mio. EUR
Number of employees	45.41 FTE
Amount of paid carried Interest	n/a
Total of paid fee to Risktaker	1.16 Mio. EUR
thereof Executive Managers	1.07 Mio. EUR
thereof other Risktaker	0.09 Mio. EUR

The remuneration policy is compliant with the requirements of the Management Company.

Details with regard to the remuneration system of the Management Company are available on the website of Universal-Investment-Gesellschaft mbH (<http://www.universal-investment.com/de/permanent-seiten/profil/luxemburg/regulatorische-informationen/verguetungssystem-luxemburg>) and in the Prospectus.

There were no changes in the remuneration system during the reporting period compared to the prior period.

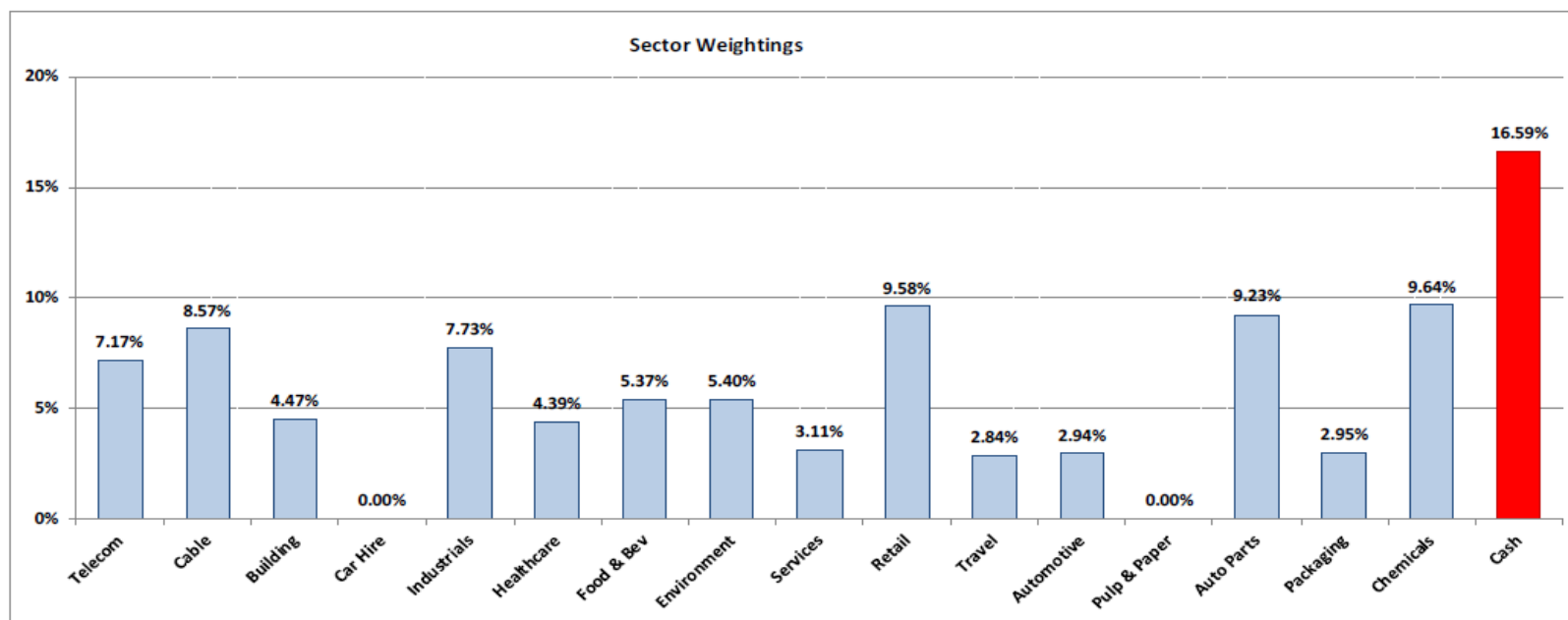
JAR Capital

Report of the Portfolio Manager as at September 30, 2017

Key Data

Share class	Volume	Performance since Inception (Net)	Performance Year to September 30, 2017 (Net)
JAR Capital Sustainable Income UI - A GBP (until August 17, 2017)	GBP 1,041,094.81	4.63%	1.88%
JAR Capital Sustainable Income UI - D EUR	EUR 50,374,931.94	7.01%	1.85%
JAR Capital Sustainable Income UI - D USD	USD 14,471,167.74	9.55%	3.03%
JAR Capital Sustainable Income UI - R EUR	EUR 4,437,880.27	3.34%	1.44%
JAR Capital Sustainable Income UI - I EUR	EUR 4,900,997.54	4.44%	1.96%

Sector breakdown as at September 30, 2017



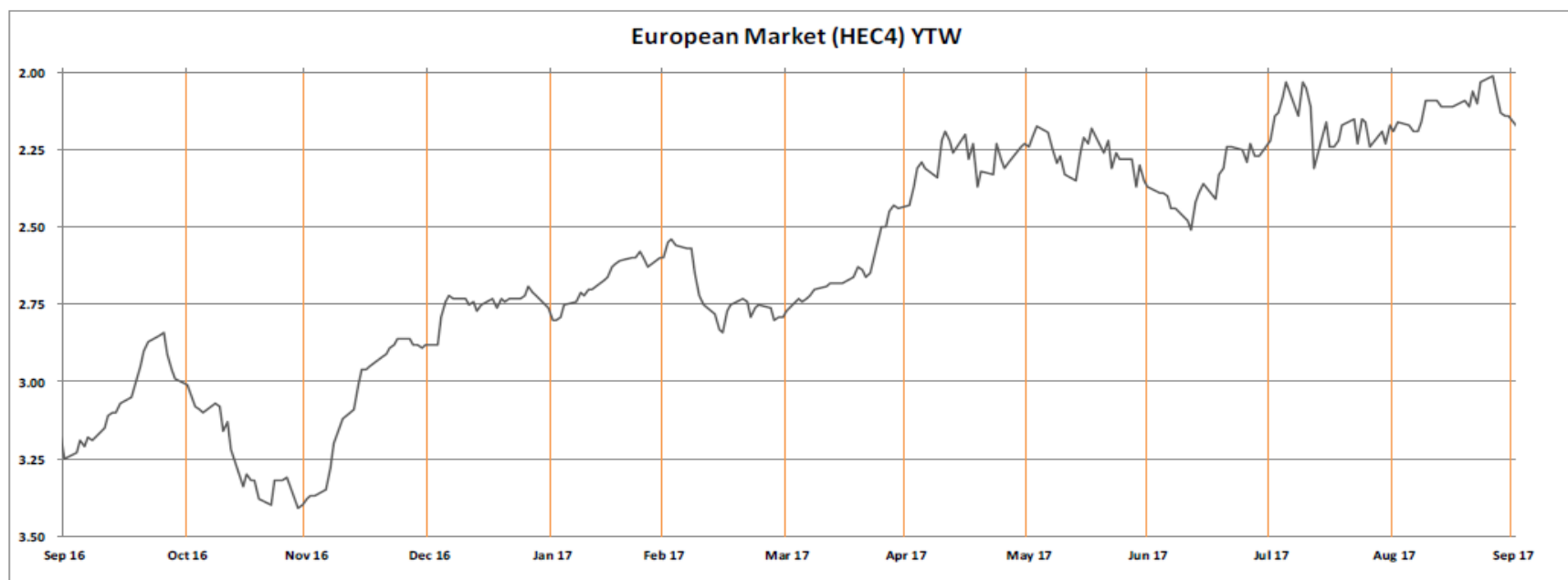
JAR Capital

Report of the Portfolio Manager as at September 30, 2017

Reporting period from October 1, 2016 until September 30, 2017

The financial year to September 2017 saw a complete decoupling of market volatility from geopolitical events. Many external geo-political threats emerged around the globe but the market showed an unprecedented tendency to ignore potential problems and demonstrated the lowest volatility seen for ten years. The financial year began with a favourable outlook as Europe showed signs of following the USA into a slow but sustainable growth path. The main event was the US Presidential election which produced a surprise result but no market response. The following quarters were uneventful and the market drifted stronger despite fears of President Trump's impact, the rise of the right leading up to the French Presidential election, North Korean nuclear fears and the beginning of Brexit negotiations.

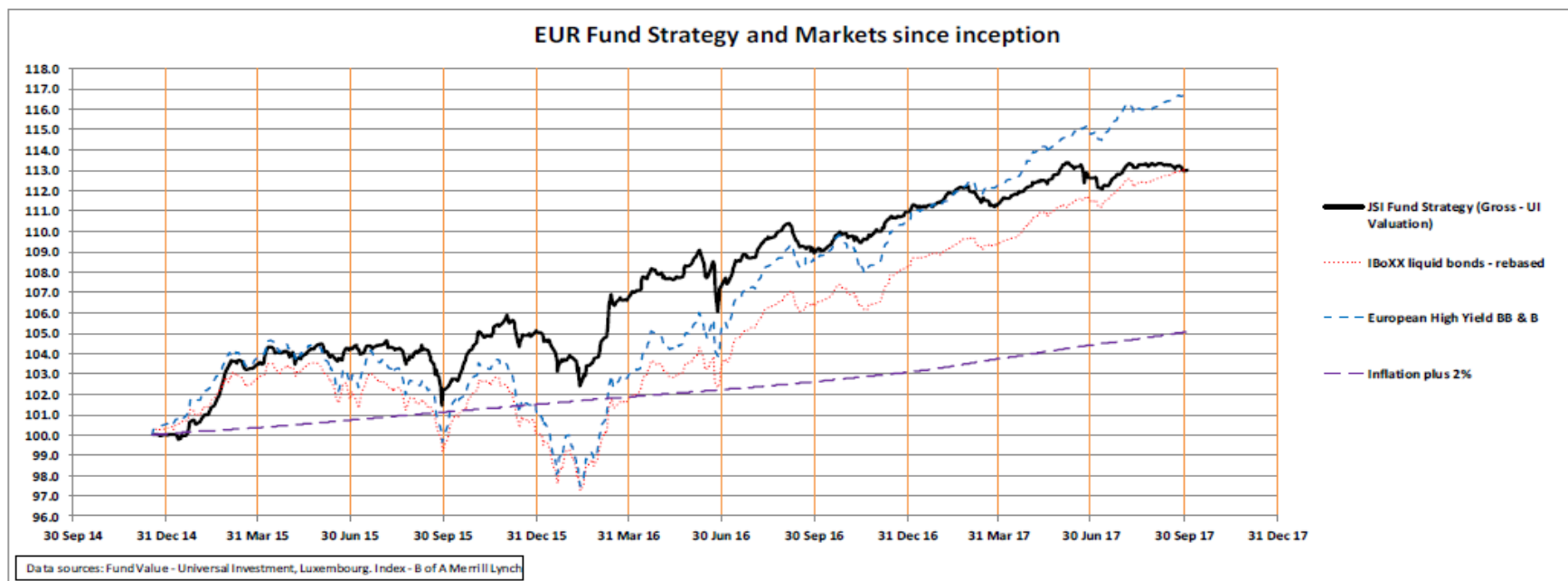
In general, on the micro level, companies continued to report slowly improving profit margins and reducing leverage. There were some defaults in the broader market but nothing that affected the portfolio. A number of positive credit events occurred with several of our holdings being called and refinanced during the period. The M&A activity in Europe remained strong. Chinese buyers were especially evident, still looking for valuable assets in Europe.



Report of the Portfolio Manager as at September 30, 2017

Fund Summary

The fund development since inception is shown below. The early part of the Financial Year was marked by close tracking of an Index of comparable investments and from March 2017 it was unable to track such an index as external events dictated the need for a hedge which dampened performance. The underperformance since March 2017 is also due to the stronger performance of elements of the index that the fund is not able to acquire on sustainability reasons, especially energy and gaming investments.



Fund Outlook

Strategy for the next period will continue to reflect the aims of the fund being to continue to acquire bonds at good entry levels. The hedging strategy will reflect the severity or diminution of the risks posed by various geopolitical risks such as the progressing process of the UK leaving the EU, China in so far as our companies may be exposed to that market, and the US Federal Reserve's actions on rates.

Given our belief that Europe will benefit from loose monetary policy for some time, we expect to be able to achieve our investment objective of a stable, high yield.

JAR Capital Sustainable Income UI

As the fund JAR Capital consists of just one sub-fund, the JAR Capital Sustainable Income UI, the statement of net assets, the statement of operations and the statement of changes in net assets of the JAR Capital Sustainable Income UI are simultaneously the consolidated above named schedules of the fund JAR Capital.

Fund structure as at 30/09/2017

Investment Focus	Market Value in EUR	% of fund assets *)
I. Assets	72,262,103.34	100.41
1. Bonds	59,678,197.62	82.94
2. Derivatives	-3,201,687.29	-4.45
3. Bank balances	15,014,032.59	20.87
4. Other Assets	771,560.42	1.07
II. Liabilities	-306,378.58	-0.41
III. Fund Assets	71,955,724.76	100.00

*) There might be small differences due to rounding.

JAR Capital Sustainable Income UI

Statement of Net Assets as at 30/09/2017

Description	ISIN	Shares / % in 1,000	Holdings 30/09/2017	Currency	Price	Market Value in EUR	% of the Fund- assets *)
Portfolio holdings				EUR		59,678,197.62	82.94
Securities admitted to or included in organised markets				EUR		59,678,197.62	82.94
Interest-bearing securities				EUR		59,678,197.62	82.94
3,3750 % Belden Inc. EO-Notes 2017(22/27) Reg.S	XS1640668940	%	3,000	EUR	100.700	3,021,000.00	4.20
5,8750 % BiSoho S.A.S. EO-Notes 2016(16/23) Reg.S	XS1405782316	%	2,500	EUR	108.955	2,451,487.50	3.41
4,5000 % eircom Finance Ltd. EO-Notes 2016(16/22) Reg.S	XS1432395785	%	2,000	EUR	104.272	2,085,440.00	2.90
5,0000 % Federal-Mogul LLC/FDML F.Corp. EO-Notes 2017(17/24) Reg.S	XS1639490918	%	2,000	EUR	99.224	1,984,480.00	2.76
3,2500 % Grupo Antolin Irausa S.A. EO-Notes 2017(20/24) Reg.S	XS1598243142	%	2,000	EUR	103.063	2,061,260.00	2.86
4,1250 % HP Pelzer Holding GmbH Notes v.17(20/24) Reg.S	XS1533914591	%	2,500	EUR	103.442	2,586,050.00	3.59
5,3750 % Ineos Group Holdings S.A. EO-Notes 2016(16/24) Reg.S	XS1405769990	%	3,000	EUR	107.214	3,216,420.00	4.47
6,2500 % Inovyn Finance PLC EO-Notes 2016(16/21) Reg.S	XS1405784288	%	2,000	EUR	104.014	1,664,224.00	2.31
3,7500 % Kronos International Inc. EO-Notes 2017(20/25) Reg.S	XS1680281133	%	2,000	EUR	101.445	2,028,900.00	2.82
4,0000 % La Financiere Atalian S.A. EO-Bonds 2017(20/24) Reg.S	XS1605600532	%	1,000	EUR	104.722	1,047,220.00	1.46
3,7500 % Limacorporate S.p.a. EO-FLR Nts 2017(17/23) Reg.S	XS1662516217	%	1,000	EUR	101.973	1,019,730.00	1.42
4,2500 % Loxam S.A.S. EO-Notes 2017(17/24) Reg.S	XS1590066624	%	3,000	EUR	107.372	3,221,160.00	4.48
7,7500 % LSF9 Balta Issuer S.A. EO-Notes 2015(15/22) Reg.S	XS1265917481	%	1,000	EUR	109.077	883,523.70	1.23
5,5000 % Mobilux Finance S.A.S. EO-Notes 2016(16/24) Reg.S	XS1512670412	%	2,000	EUR	106.423	2,128,460.00	2.96
7,0000 % N&W Global Vending S.p.A. EO-Notes 2016(16/23) Reg.S	XS1504057008	%	2,000	EUR	106.598	2,131,960.00	2.96
4,5000 % Norican A/S EO-Bonds 2017(17/23)	XS1577963058	%	2,500	EUR	101.109	2,527,725.00	3.51
3,5000 % Nuovo Trasporto Viaggiator.Spa EO-FLR Nts 2017(17/23) Reg.S	XS1634447988	%	2,000	EUR	102.369	2,047,380.00	2.85
5,2500 % Paprec Holding S.A. EO-Notes 2015(15/22) Reg.S	XS1207101418	%	1,750	EUR	105.030	1,838,025.00	2.55
3,8750 % Servion Holding GmbH Notes v.17(17/22)Reg.S	XS1608040090	%	2,000	EUR	101.662	2,033,240.00	2.83
5,6250 % SFR Group S.A. EO-Notes 2014(14/24) Reg.S	XS1028956149	%	1,000	EUR	108.317	1,083,170.00	1.51
6,2500 % Synlab Bondco PLC EO-Notes 2015(15/22) Reg.S	XS1117292984	%	2,000	EUR	106.776	2,135,520.00	2.97
3,7500 % Unitymedia GmbH Notes v.15(21/27) Reg.S	XS1199438174	%	2,000	EUR	101.284	2,025,680.00	2.82
3,6250 % UPCB Finance VII Ltd. EO-Notes 2017(17/29) Reg.S	XS1634252628	%	2,000	EUR	99.329	1,986,580.00	2.76
5,1250 % Verallia Packaging S.A.S. EO-Notes 2015(15/22) Reg.S	XS1265903937	%	2,000	EUR	106.164	2,123,280.00	2.95
4,5000 % Virgin Media Finance PLC EO-Notes 2015(15/25) Reg.S	XS1169920193	%	1,000	EUR	104.868	1,048,680.00	1.46
4,0000 % Wind Acquisition Finance S.A. EO-Notes 2014(14/20) Reg.S	XS1082636876	%	2,000	EUR	101.141	2,022,820.00	2.81
4,6250 % Ziggo Bond Finance B.V. EO-Notes 2015(15/25) Reg.S	XS1170079443	%	1,000	EUR	106.137	1,061,370.00	1.48
5,7500 % Aston Martin Capital Ltd. LS-Notes 2017(17/22) Reg.S	XS1533915564	%	1,750	GBP	106.668	2,119,071.40	2.94
5,2500 % Debenhams PLC LS-Notes 2014(14/21) Reg.S	XS1081972850	%	1,000	GBP	102.760	1,166,534.23	1.62
6,1250 % Iron Mountain Europe PLC LS-Notes 2014(14/22) Reg.S	XS1028945704	%	1,000	GBP	104.660	1,188,103.08	1.65
6,5000 % Premier Foods Finance PLC LS-Notes 2014(14/21) Reg.S	XS1043621090	%	1,500	GBP	102.167	1,739,703.71	2.42
Total securities				EUR		59,678,197.62	82.94
Derivatives				EUR		-3,201,687.29	-4.45

JAR Capital Sustainable Income UI

Statement of Net Assets as at 30/09/2017

Description	ISIN	Shares / % in 1,000	Holdings 30/09/2017	Currency	Price	Market Value in EUR	% of the Fund- assets *)
Bank balances, non-securitised money market instruments and money market funds				EUR		15,014,032.59	20.87
Bank balances				EUR		15,014,032.59	20.87
Balances with State Street Bank Luxembourg S.C.A.							
Balances in the Fund currency			11,359,084.30	EUR		11,359,084.30	15.79
Balances in other EU/EEA currencies			79,375.00	GBP		90,106.71	0.13
Balances in non-EU/EEA currencies			502,205.23	USD		424,841.58	0.59
Balances with State Street Bank International GmbH							
Balances in the Fund currency			3,140,000.00	EUR		3,140,000.00	4.36
Other Assets				EUR		771,560.42	1.07
Interest receivables			763,789.67	EUR		763,789.67	1.06
Incorporation cost, net			7,770.75	EUR		7,770.75	0.01
Liabilities				EUR		-306,378.58	-0.41
Interest payable			-37,851.97	EUR		-37,851.97	-0.05
Management fee payable			-81,859.74	EUR		-81,859.74	-0.11
Depository Bank fee payable			-5,933.33	EUR		-5,933.33	-0.01
Custody service expenses			-1,785.88	EUR		-1,785.88	0.00
Performance fee payable			-127,189.26	EUR		-127,189.26	-0.18
Audit fee payable			-24,451.91	EUR		-24,451.91	-0.03
Taxe d'Abonnement			-2,706.25	EUR		-2,706.25	0.00
Other payables			-24,600.24	EUR		-24,600.24	-0.03
Total net assets				EUR		71,955,724.76	100.00

*) There might be small differences due to rounding.

JAR Capital Sustainable Income UI

Statement of Net Assets as at 30/09/2017

JAR Capital Sustainable Income UI - D EUR

Net Asset Value per share	EUR	103.85
Subscription price	EUR	104.37
Redemption price	EUR	103.33
Number of shares in circulation	Shares	485,079.521

JAR Capital Sustainable Income UI - D USD

Net Asset Value per share	USD	106.33
Subscription price	USD	106.86
Redemption price	USD	105.80
Number of shares in circulation	Shares	136,098.964

JAR Capital Sustainable Income UI - R EUR

Net Asset Value per share	EUR	100.29
Subscription price	EUR	100.29
Redemption price	EUR	100.29
Number of shares in circulation	Shares	44,248.629

JAR Capital Sustainable Income UI - I EUR

Net Asset Value per share	EUR	104.44
Subscription price	EUR	104.44
Redemption price	EUR	104.44
Number of shares in circulation	Shares	46,926.770

JAR Capital Sustainable Income UI

Derivatives as of September 30, 2017

Forward Transactions as at September 30, 2017

Transaction	Ccy	Amount	Transaction	Ccy	Amount	Commitment in EUR	Maturity	Unrealised Result in EUR	Counterparty
Sell	GBP	-5,250,000.00	Buy	EUR	5,852,842.81	5,959,813.83	13/12/2017	-95,748.48	State Street Bank & Trust Company London
Buy	USD	13,862,200.00	Sell	EUR	-11,660,950.68	11,726,757.47	06/11/2017	42,219.60	JP Morgan Securities plc (OTC)London
Buy	USD	620,000.00	Sell	EUR	-523,808.36	524,490.31	06/11/2017	-373.01	State Street Bank & Trust Company London
Total Forward Transactions								-53,901.89	

Swaps as at September 30, 2017

Description	Maturity	Nominal	Ccy	Interest Rate	Commitment in EUR	Unrealised Result in EUR	Counterparty
Credit Default Swaps							
iTraxx Europe Crossover Ser.26 Index (5 Years)	20.12.2021	25,000,000.00	EUR	5.0000	25,000,000.00	-3,147,785.40	Credit Suisse International London
Total Swaps						-3,147,785.40	
Total Derivatives						-3,201,687.29	

JAR Capital Sustainable Income UI

Statement of Operations (including income equalisation) for the period from 01/10/2016 to 30/09/2017

		Total
I. Income		
- Interest on securities	EUR	3,293,547.82
- Interest on liquidity investments *)	EUR	-73,981.67
- Other income	EUR	82,942.60
Total income	EUR	3,302,508.75
II. Expenses		
- Interest on bank overdraft	EUR	-5,010.60
- Management Company fee	EUR	-1,053,784.76
- Depositary Bank fee	EUR	-46,447.51
- Custody service expenses	EUR	-13,775.13
- Performance fee	EUR	-91,400.89
- Auditing and publication expenses	EUR	-73,795.28
- Subscription tax ("Taxe d'abonnement")	EUR	-11,561.98
- Registrar and Transfer Agent fee	EUR	-32,539.11
- Foreign withholding taxes	EUR	-1.44
- Incorporation expenses	EUR	-3,458.53
- Equalisation of ordinary expenses	EUR	10,152.63
- Other expenses	EUR	-77,883.90
Total expenses	EUR	-1,399,506.49
III. Ordinary net result	EUR	1,903,002.26

*) The position 'interest on liquidity investments' includes negative interest of 73,160.94 EUR.

JAR Capital Sustainable Income UI

Statement of Operations (including income equalisation) for the period from 01/10/2016 to 30/09/2017

				Total
IV. Realised profit/loss on				
1. Realised profit on			EUR	2,819,761.61
- Securities	EUR	1,612,502.42		
- Forward exchange transactions	EUR	1,187,864.22		
- Foreign exchange transactions	EUR	19,394.97		
2. Realised loss on			EUR	-3,482,933.33
- Securities	EUR	-638,041.81		
- Forward exchange transactions	EUR	-1,605,641.82		
- Swap transactions	EUR	-1,238,232.30		
- Foreign exchange transactions	EUR	-1,017.39		
Total realised profit/loss			EUR	-663,171.72
V. Net change in unrealised profit/loss				
- Net change in unrealised profit	EUR	990,584.66		
- Net change in unrealised loss	EUR	-1,453,964.09		
Total net change in unrealised profit/loss			EUR	-463,379.43
VI. Result of operations for the period			EUR	776,451.11

JAR Capital Sustainable Income UI

Statement of Changes in Net Assets				2016/2017	
I. Net assets at the beginning of the period				EUR	75,958,237.58
1. Distribution for the previous year				EUR	-2,154,637.62
2. Interim distributions				EUR	0.00
3. Net cash flow				EUR	-2,652,239.16
a) Proceeds from shares issued	EUR	10,122,510.07			
b) Proceeds from shares redeemed *)	EUR	-12,774,749.23			
4. Income/expense equalisation				EUR	27,912.84
5. Result of operations for the period				EUR	776,451.11
II. Net assets at the end of the period				EUR	71,955,724.76

*) The Position 'Proceeds from shares redeemed' includes the net asset value of the inactivated share class 'JAR Capital Sustainable Income UI - A GBP' of GBP 1,041,094.81 per last NAV-Date 17/08/2017.

JAR Capital Sustainable Income UI

JAR Capital Sustainable Income UI - A GBP Statistical Information

Financial year	Number of shares outstanding at end of the financial year		Net asset value at end of the financial year		Net asset value per share at end of the financial year	
2015 *)	Shares	10,406.00	GBP	1,022,947.45	GBP	98.30
2015/2016	Shares	10,406.00	GBP	1,068,720.63	GBP	102.70
17/08/2017	Shares	9,950.00	GBP	1,041,094.81	GBP	104.63

*) Inception: 22/04/2015

Changes in the number of shares outstanding

	Shares
Number of shares outstanding at the beginning of the period	10,406.00
Number of shares issued	0.00
Number of shares redeemed	-456.00
Number of shares outstanding at the end of the period	9,950.00

JAR Capital Sustainable Income UI

JAR Capital Sustainable Income UI - D EUR Statistical Information

Financial year	Number of shares outstanding at end of the financial year		Net asset value at end of the financial year		Net asset value per share at end of the financial year	
2014/2015 *)	Shares	586,590.000	EUR	59,160,797.80	EUR	100.86
2015/2016	Shares	517,533.478	EUR	54,377,006.21	EUR	105.07
2016/2017	Shares	485,079.521	EUR	50,374,931.94	EUR	103.85

*) Inception: 17/12/2014

Changes in the number of shares outstanding

	Shares
Number of shares outstanding at the beginning of the period	517,533.478
Number of shares issued	52,546.043
Number of shares redeemed	-85,000.000
Number of shares outstanding at the end of the period	485,079.521

JAR Capital Sustainable Income UI

JAR Capital Sustainable Income UI - D USD Statistical Information

Financial year	Number of shares outstanding at end of the financial year		Net asset value at end of the financial year		Net asset value per share at end of the financial year	
2015 *)	Shares	113,034.342	USD	11,458,491.36	USD	101.37
2015/2016	Shares	130,923.364	USD	13,919,734.59	USD	106.32
2016/2017	Shares	136,098.964	USD	14,471,167.74	USD	106.33

*) Inception: 12/02/2015

Changes in the number of shares outstanding

	Shares
Number of shares outstanding at the beginning of the period	130,923.364
Number of shares issued	16,065.600
Number of shares redeemed	-10,890.000
Number of shares outstanding at the end of the period	136,098.964

JAR Capital Sustainable Income UI

JAR Capital Sustainable Income UI - R EUR Statistical Information

Financial year	Number of shares outstanding at end of the financial year		Net asset value at end of the financial year		Net asset value per share at end of the financial year	
2015 *)	Shares	9,976.770	EUR	973,874.28	EUR	97.61
2015/2016	Shares	47,076.770	EUR	4,795,571.12	EUR	101.87
2016/2017	Shares	44,248.629	EUR	4,437,880.27	EUR	100.29

*) Inception: 09/07/2015

Changes in the number of shares outstanding

	Shares
Number of shares outstanding at the beginning of the period	47,076.770
Number of shares issued	8,649.859
Number of shares redeemed	-11,478.000
Number of shares outstanding at the end of the period	44,248.629

JAR Capital Sustainable Income UI

JAR Capital Sustainable Income UI - I EUR Statistical Information

Financial year	Number of shares outstanding at end of the financial year		Net asset value at end of the financial year		Net asset value per share at end of the financial year	
2015 *)	Shares	20,375.770	EUR	1,991,093.62	EUR	97.72
2015/2016	Shares	30,875.770	EUR	3,162,590.47	EUR	102.43
2016/2017	Shares	46,926.770	EUR	4,900,997.54	EUR	104.44

*) Inception: 09/07/2015

Changes in the number of shares outstanding

	Shares
Number of shares outstanding at the beginning of the period	30,875.770
Number of shares issued	22,281.000
Number of shares redeemed	-6,230.000
Number of shares outstanding at the end of the period	46,926.770

JAR Capital

Notes to the Financial Statements

General

JAR Capital (the "Company") is organised in Luxembourg as a *société d'investissement à capital variable* ("SICAV") and qualifies as a collective investment undertaking under Part I of the Luxembourg law of 17 December 2010. The Company qualifies as an undertaking for collective investment in transferable securities under article 1(2) of the Directive 2009/65/EC and is presently structured as an umbrella fund. The Company has been established for an indefinite term.

Significant accounting policies

The reference currency of the Company is Euro (EUR).

The net asset value per sub-fund, net asset value per share, net asset value per class, the redemption price of shares and the issue price of shares shall be determined on each valuation date, at least twice a month. The valuation dates for each sub-fund are indicated in the relevant appendix.

The net asset value of each sub-fund and the net asset value of the relevant class shall be expressed in the currency of each sub-fund as described in the relevant appendix. Whilst the reporting currency of the Company is the Euro, the net asset value is made available in the currency of each sub-fund as described in the relevant appendix. The net asset value shall be determined on each valuation date separately for each Share of each sub-fund and for each class dividing the total net asset value of the relevant sub-fund and of the relevant class by the number of outstanding shares of such sub-fund and of the relevant class.

The net asset value shall be determined by subtracting the total liabilities of the sub-fund or class from the total assets of such sub-fund or class in accordance with the principles laid down in the Company's articles of incorporation and in such further valuation regulations as may be adopted from time to time by the Board of Directors.

Investments shall be valued as follows:

- (1) The value of any cash in hand or on deposit, discount notes, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such provision as the Company may consider appropriate in such case to reflect the true value thereof.
- (2) The value of all securities which are listed on an official stock exchange is determined on the basis of the last available prices. If there is more than one stock exchange on which the securities are listed, the Board of Directors may in its discretion select the stock exchange which shall be the principal stock exchange for such purposes.
- (3) Securities traded on a regulated market are valued in the same manner as listed securities.
- (4) Securities which are not listed on an official stock exchange or traded on a regulated market shall be valued by the Company in accordance with valuation principles decided by the Board of Directors, at a price no lower than the bid price and no higher than the ask price on the relevant Valuation Date.
- (5) Derivatives and repurchase agreements which are not listed on an official stock exchange or traded on a regulated market shall be valued by the Company in accordance with valuation principles decided by the Directors on the basis of their marked-to-market price.
- (6) Term deposits shall be valued at their present value.
- (7) Traded options and futures contracts to which the Company is a party which are traded on a stock, financial futures or other exchange shall be valued by reference to the profit or loss which would arise on closing out the relevant contract at or immediately before the close of the relevant market.

All securities or other assets for which the valuation in accordance with the above sub-paragraphs would not be possible or practicable, or would not be representative of their fair realisation value, will be valued at their fair realisation value, as determined in good faith and prudently pursuant to the procedures established by the Board of Directors.

Amounts determined in accordance with such valuation principles shall be translated into the currency of the sub-fund's accounts at the respective exchange rates, using the relevant rates quoted by a bank or another first class financial institution.

Notes to the Financial Statements

Foreign exchange rate

As of September 30, 2017, positions denominated in foreign currencies were valued at the following exchange rates:

EUR - GBP	0.8809
EUR - USD	1.1821

Management Company fee

The Management Company receives remuneration in the amount of up to 1.70% p.a. of the net asset value of the sub-fund, minimum up to EUR 70,000.00 p.a., currently not subject to Luxembourg VAT.

The Management Company can accept a lower fee or waive the fee.

Portfolio Manager fee

The Portfolio Manager receives for all "A" and "D" share classes as well as for the share class "R EUR" remuneration in the amount of up to 1.25% p.a.; for the share class "I EUR" 0.80% p.a. of the net asset value of the sub-fund, currently not subject to Luxembourg VAT.

The Portfolio Manager fee will be paid out of the Management Company fee.

The Portfolio Manager can accept a lower fee or waive the fee.

Performance fee

In addition to the Portfolio Manager fee, the Portfolio Manager is entitled to receive a performance fee of 20.00% which is calculated daily on the basis of the net asset value per share of the relevant share class multiplied by the average net asset value of the share class in the respective calculation period. The performance fee may only be levied and set aside when both of the following criteria are fulfilled:

For the share classes "A" and "D"

- (i) The performance of the net asset value per share class used in the calculation of the performance fee is greater than 1.25% p.a. (the "Hurdle Rate"). At the time of launch, the reference figure compared to which the Hurdle Rate will be calculated for the first time is equal to the issue price of the respective share class.

For the share classes "I and "R"

- (i) The performance of the net asset value per share class used in the calculation of the performance fee is greater than Euribor 3m + 2.00% p.a. (the "Hurdle Rate"). At the time of launch, the reference figure compared to which the Hurdle Rate will be calculated for the first time is equal to the issue price of the respective share class.
- (ii) The net asset value per share class used in the calculation of the performance fee is greater than previous net asset values per share class, where a performance fee has been paid out (the "High Watermark"). Each preceding decline in the net asset value per share of the relevant share class must be offset by a further increase.

The performance fee is charged to fund assets and paid out at the end of each financial year. Any applicable performance fee is calculated and accrued on every valuation day.

JAR Capital

Notes to the Financial Statements

Domiciliary and corporate agency services fee

The fee occurred during the corresponding period amounts to EUR 3,600 p.a. for core domiciliation services and EUR 7,500.00 p.a. for core corporate agency services. Any additional services, including collection of data elements and compilation into board packs, will be subject to negotiation; in addition, like the aforementioned, any further external costs will be charged on top (and be borne by the fund).

Depository Bank fee

The Depository Bank receives a custodian fee per sub-fund amounting to a minimum of EUR 24,000.00 p.a.

The Depository oversight fee amounts up to 0.02% p.a. (0.01% p.a. until December 28, 2016) of the net asset value of the sub-fund; the minimum fee is EUR 3.600,00 p.a.

Subscription tax ("taxe d'abonnement")

The Company is subject to an annual tax of 0.05% p.a. for the retail share classes "A", "I" and "R" and 0.01% p.a. for the institutional share class "D" of the net asset value as valued at the end of each quarter, and which is payable quarterly. To the extent that parts of the company's assets are invested in other Luxembourg UCITS which are subject to the tax, such parts are not taxed.

Transaction cost

For the sub-fund no transaction cost occurred for the reporting period from October 1, 2016 until September 30, 2017.

Portfolio Turnover Ratio/PTR

The PTR was calculated using the following formula:

$$\text{Turnover} = \frac{[\text{Total 1} - \text{Total 2}]}{M} * 100$$

Total 1 = Total purchases + Total sales of securities

Total 2 = Total subscription + Total redemption

M = Average Assets (daily)

Sub-fund	Reporting period	PTR in %
JAR Capital Sustainable Income UI	October 1, 2016 until September 30, 2017	104.18

JAR Capital

Notes to the Financial Statements

Ongoing Charges *)

Ongoing Charges - the ongoing charges figure shall include all types of cost borne by the UCITS, whether they represent expenses necessarily incurred in its operation, or the remuneration of any party connected with it or providing services to it.

Share class	Reporting period	Ongoing Charges in % (including performance fee)	Ongoing Charges in % (excluding performance fee)
JAR Capital Sustainable Income UI - A GBP	October 1, 2016 until August 17, 2017	3.05	2.93
JAR Capital Sustainable Income UI - D EUR	October 1, 2016 until September 30, 2017	1.81	1.72
JAR Capital Sustainable Income UI - D USD	October 1, 2016 until September 30, 2017	2.21	1.87
JAR Capital Sustainable Income UI - R EUR	October 1, 2016 until September 30, 2017	2.07	2.07
JAR Capital Sustainable Income UI - I EUR	October 1, 2016 until September 30, 2017	1.51	1.45

*) In the event of a short or extended financial year, the Ongoing Charges will be annualised.

Disclosures according to Regulation (EU) 2015/2365 of the European Parliament and of the Council of November 25, 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 - Disclosure as per Section A

During the reporting period no securities financing transactions and total return swaps as defined in the above mentioned regulation occurred.



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To the Shareholders of JAR Capital

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Opinion

We have audited the accompanying financial statements of JAR Capital and each of its sub-funds ("the Fund"), which comprise the statement of the net assets, and the statement of investments and other net assets as at September 30, 2017 and the statement of operations and the statement of changes in net assets for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of JAR Capital and each of its sub-funds as at September 30, 2017, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for opinion

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

Other information

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our report of Réviseur d'Entreprises agréé thereon.

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

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



Responsibilities of Board of Directors of the Fund for the financial statements

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

In preparing the financial statements, the Board of Directors of the Fund is 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 Board of Directors of the Fund either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the Réviseur d'Entreprises agréé for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund.
- Conclude on the appropriateness of Board of Directors of the Fund's 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 report of "Réviseur d'Entreprises agréé" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of "Réviseur d'Entreprises agréé". However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Luxembourg, December 5, 2017

KPMG Luxembourg, Société coopérative
Cabinet de révision agréé

S. Kraiker