

Scherrer Small Caps Europe

UCITS pursuant Liechtenstein law
in the legal form of a trust

Non-audited semiannual report as at June 29, 2018

Asset Manager:



Promoter:

**Scherrer Asset
Management AG**

Management Company:



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Management and governance

Management company	IFM Independent Fund Management AG Austrasse 9 FL-9490 Vaduz
Board of Directors	Heimo Quaderer H.I.R.H. Erzherzog Simeon von Habsburg Hugo Quaderer
Executive Board	Luis Ott Alexander Wymann Michael Oehry
Domicile and administration	IFM Independent Fund Management AG Austrasse 9 FL-9490 Vaduz
Asset Manager and distributor	Principal Vermögensverwaltung AG Austrasse 9 FL-9490 Vaduz
Promoter	Scherrer Asset Management AG Zegliweg 21 CH-8360 Eschlikon TG
Depository	Liechtensteinische Landesbank Aktiengesellschaft Städtle 44 FL-9490 Vaduz
Auditor	Ernst & Young AG Schanzenstrasse 4a CH-3008 Berne

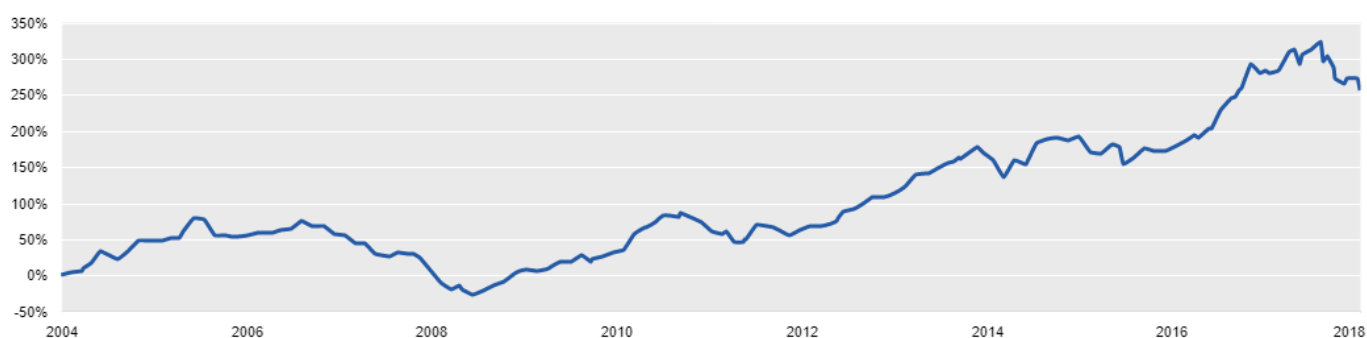
Activity report

Dear investor:

We take pleasure in submitting to you the semiannual report of the **Scherrer Small Caps Europe**.

Since December 31, 2017, the net asset value of the Scherrer Small Caps Europe decreased from EUR 411.87 to EUR 355.69 EUR a lost of 13.64%. As at June 29, 2018, the net assets of the fund amounted to EUR 50.6 million, with 142'254 units outstanding.

Performance Chart



Top 10

Company	Weightings
Cliq Digital	6.08 %
GK Software	6.07 %
Pferdewetten.de	5.98 %
Singulus Technologies	5.96 %
Software	4.92 %
Carlo Gavazzi Holding SA	4.78 %
Kapsch	4.33 %
Suess Microtec	3.46 %
Holland Colours NV	3.46 %
Dr. Hoenle AG	2.98 %
Total	48.00 %

Statement of assets

	June 29, 2018 EUR	December 31, 2017 EUR
Sight deposits	5'796'676.67	5'873'671.92
Time deposits	0.00	0.00
Securities and other investments	45'112'245.89	49'780'283.07
Derivate financial instruments	0.00	0.00
Other assets	740.27	33'131.25
Total fund assets	50'909'662.83	55'687'086.24
Liabilities	-311'883.15	-1'279'252.18
Net fund assets	50'597'779.68	54'407'834.06

Off-balance-sheet transactions

Derivative financial instruments that are outstanding at the end of the report period, if any, are listed in the asset inventory.

Securities lent on the closing date (**securities lending**), if any, are listed in the asset inventory.

No repayable loans were pending on the closing date.

Statement of income

	01.01.2018 - 29.06.2018	01.01.2017 - 30.06.2017
	EUR	EUR
Income		
Equities	302'083.46	257'903.43
Bonds, convertible bonds, warrants	4'817.25	0.00
Target funds	6'000.00	3'000.00
Income from bank deposits	0.00	-3'156.22
Securities Lending	0.00	2'692.22
Other income	0.00	7'069.70
Purchase of current income on issue of units	-28'093.39	0.00
Total income	284'807.32	267'509.13
Expenses		
Contractual remuneration of management company	532'537.41	486'202.06
Performance Fee	139'330.06	1'649'177.65
Contractual remuneration of depositary	38'284.04	35'505.41
Auditing expenses	3'907.51	4'269.77
Interest payable	2'113.04	0.00
Other expenses	33'971.62	17'286.94
Payments of current income on redemption of units	-47'912.94	-29'622.49
Total expenses	702'230.74	2'162'819.34
Net income	-417'423.42	-1'895'310.21
Realized capital gains and capital losses	-48'138.22	2'247'979.27
Realized proceeds	-465'561.64	352'669.06
Unrealized capital gains and capital losses	-7'664'477.76	10'830'902.70
Total proceeds	-8'130'039.40	11'183'571.76

Change of net fund assets

01.01.2018 - 29.06.2018
EUR

Net fund assets at beginning of period	62'106'921.02
Balance from unit transactions	-3'379'101.94
Total proceeds	-8'130'039.40
Net fund assets at end of period	50'597'779.68

Number of units outstanding

01.01.2018 - 29.06.2018

Number of units at beginning of period	150'794
Newly issued units	9'098
Redeemed units	-17'638
Number of units at end of period	142'254

Key data

Scherrer Small Caps Europe	29.06.2018	31.12.2017	31.12.2016
Net fund assets in EUR	50'597'779.68	62'106'921.02	42'980'568.16
Number of units outstanding	142'254	150'794	141'718
Net asset value per unit in EUR	355.69	411.87	303.28
Performance in %	-13.64	35.80	9.22
Performance in % since inception as at 11.10.2004	255.69	311.87	203.28
TER 1 in % (excl. performance fee)	2.21	2.14	2.18
Performance-related fee in %	1.02	0.04	0.01
TER 2 in % (incl. performance fee)	3.24	5.95	2.69
Transaction costs in EUR	18'791.27	43'587.63	40'987.72

Legal advisory

The historic performance of a unit is no guarantee of similar current and future performance. The value of a unit may rise or fall at any time. Additionally, the performance data does not account for commissions and costs associated with the issue and redemption of units.

TER

A synthetic TER is calculated if units of other funds (target funds) are acquired in volumes of at least 10% of the fund's assets. The TER of the fund reflects the costs directly incurred at the level of the fund and - in the case of a synthetic TER - the additional pro-rata TERs of the respective target funds weighted by their quotas on the closing date as well as the actually paid issue premiums and redemption charges of the target funds.

Asset inventory / purchases and sales

CCY	Portfolio designation	Purchase ¹⁾	Sale ¹⁾	Inventory as of 29.06.2018	Price	Market value in EUR	% of NAV
INSTRUMENTS AND OTHER ASSETS							
LISTED INSTRUMENTS							
Equities							
Germany							
EUR	B+S Bankssysteme	70'000	0	70'000	4.90	342'650	0.68%
EUR	Bijou Brigitte AG	0	0	18'000	43.50	783'000	1.55%
EUR	Cliq Digital	0	0	592'521	4.47	2'648'569	5.23%
EUR	DATRON AG	0	0	78'962	12.90	1'018'610	2.01%
EUR	DocCheck	0	0	31'680	9.08	287'496	0.57%
EUR	Dr. Hoenle AG	20'000	2'000	18'000	84.40	1'519'200	3.00%
EUR	ELMOS Semiconductor	0	0	65'000	22.60	1'469'000	2.90%
EUR	GK Software	0	9'000	27'843	114.00	3'174'102	6.27%
EUR	Holiday Check Group	0	40'000	360'000	3.15	1'132'200	2.24%
EUR	IBU-tec advanced materials	0	0	40'000	17.08	683'000	1.35%
EUR	InVision	0	0	50'078	24.70	1'236'927	2.44%
EUR	Leoni AG	0	0	20'000	43.50	870'000	1.72%
EUR	LS Telcom AG	0	0	141'394	5.65	798'876	1.58%
EUR	mybet Holding	703'084	0	703'084	1.23	864'793	1.71%
EUR	Nordwest Handel	0	23'500	39'462	21.60	852'379	1.68%
EUR	Pferdewetten.de	0	0	300'000	9.01	2'703'000	5.34%
EUR	Singulus Technologies	0	55'000	235'000	12.50	2'937'500	5.81%
EUR	Software	0	0	60'000	39.91	2'394'600	4.73%
EUR	STO AG Vorz. Akt. ohne Stimmrecht	0	1'400	5'303	110.20	584'391	1.15%
EUR	Suess Microtec	0	0	135'475	12.86	1'742'209	3.44%
EUR	TUI AG	0	0	40'000	18.79	751'400	1.49%
EUR	UMT United Mobility Technology	0	0	620'000	1.14	706'800	1.40%
EUR	windeln.de	1'040'000	520'000	520'000	1.26	656'500	1.30%
						30'157'201	59.60%
Netherlands							
EUR	Holland Colours NV	0	0	20'000	89.00	1'780'000	3.52%
						1'780'000	3.52%

Asset inventory / purchases and sales

CCY	Portfolio designation	Purchase ¹⁾	Sale ¹⁾	Inventory as of 29.06.2018	Price	Market value in EUR	% of NAV
Austria							
EUR	Kapsch	0	0	56'600	38.60	2'184'760	4.32%
EUR	Petro Welt Technologies	0	0	180'000	6.05	1'089'000	2.15%
						3'273'760	6.47%
Switzerland							
CHF	Bellevue Group AG	0	0	67'000	23.20	1'340'754	2.65%
CHF	Carlo Gavazzi Holding SA	0	0	9'170	332.00	2'625'994	5.19%
CHF	Crealogix Holding AG	0	0	5'000	150.00	646'916	1.28%
CHF	Implenia AG	0	0	5'000	75.60	326'045	0.64%
CHF	Schaffner Holding AG	4'000	0	4'000	326.00	1'124'771	2.22%
CHF	U-blox Holding AG	4'554	0	4'754	196.90	807'405	1.60%
EUR	EDAG Engineering Group	0	0	65'000	16.58	1'077'700	2.13%
						7'949'585	15.71%
Equity fund							
Liechtenstein							
EUR	Value-Holdings Europa Fund	0	0	50'000	15.61	780'500	1.54%
						780'500	1.54%
Convertible bond							
Germany							
EUR	6.250% mybet Holding 12.12.2020	45'000	0	255'000	64.00	163'200	0.32%
						163'200	0.32%
TOTAL LISTED INSTRUMENTS						44'104'246	87.17%

Asset inventory / purchases and sales

CCY	Portfolio designation	Purchase ¹⁾	Sale ¹⁾	Inventory as of 29.06.2018	Price	Market value in EUR	% of NAV
INSTUMENTS TRADED AT ANOTHER MARKET ACCESSIBLE TO THE PUBLIC							
Equities							
Austria							
EUR	PORR	0	0	35'000	28.80	1'008'000	1.99%
						1'008'000	1.99%
TOTAL INSTURMENTS TRADED AT ANOTHER MARKET ACCESSIBLE TO THE PUBLIC						1'008'000	1.99%
TOTAL INSTUMENTS AND OTHER ASSETS						45'112'246	89.16%
EUR	Sight deposits					5'796'677	11.46%
EUR	Derivative financial instruments					0	0.00%
EUR	Other assets					740	0.00%
TOTAL FUND ASSETS						50'909'663	100.62%
less:							
EUR	Liabilities					-311'883	-0.62%
NET FUND ASSETS						50'597'780	100.00%

Due to rounding in the calculation slight rounding differences may have arisen.

Footnotes:

1) Incl. Split, free shares and allotments from rights

2) Fully or partially lent securities

Asset inventory / purchases and sales

Transactions

Instruments that no longer appear in the statement of assets

CCY	Portfolio designation	Purchase	Sale
LISTED INSTRUMENTS			
Equities			
Germany			
EUR	artec technologies	0	21'649
EUR	Bastei Luebbe	0	151'669
EUR	Equitystory AG	1'399	1'399
EUR	Hugo Boss	0	5'000
EUR	IVU Traffic Technologies AG	0	100'952
EUR	LPKF Laser & Electronics AG	0	90'000
EUR	mybet Holding	0	2'288'339
EUR	Pa Power Automation	0	250'000
EUR	Viveon	0	49'242
EUR	windeln.de Em 2018	520'000	520'000
France			
EUR	Lectra	0	46'800
Switzerland			
CHF	Autoneum Holding AG	0	150
CHF	Rieter Holding AG	0	100

Asset inventory / purchases and sales

Futures

Exposure-increasing derivatives transacted during the report period:

Underlying	Maturity	Purchase	Sale	Closing inventory
DAX Deutscher Aktien Index	19.03.2018	20	20	0
DAX Deutscher Aktien Index	18.06.2018	20	20	0
DAX Deutscher Aktien Index	24.09.2018	0	10	-10

Supplementary information

Basis informations

	Scherrer Small Caps Europe
ISIN-number	LI0018448063
Payment	11. October 2004
Accounting currency of the Umbrella	Euro (EUR)
Financial year	from January 1 to December 31
First financial year	from July 6, 2004 to December 31, 2004
Use of proceeds	Reinvested
Max. Issue premium	3%
Redemption charge creditet to the fund's assets	0.25%
Max. charge for investment decisions, risk management and distribution	1.70% p.a.
Performance fee	15%
Hurdle Rate	5% für Performance-Fee
High Watermark	yes
Max. Administration fee	0.20% p.a. or min. CHF 25'000 p.a.
Max. Depositary fee	0.15% p.a. plus service fee of CHF 420 per quarter
Supervisory fee	
Single fund	CHF 2'000.-- p.a.
Umbrella-fund first sub-fund	CHF 2'000.-- p.a.
each other sub-fund	CHF 1'000.-- p.a.
Additional fee	0.0015% p.a. of the single or umbrella-fund's net assets
Other assets	Incorporation costs were subject to linear depreciation over a period of 3 years
Price information	
Bloomberg	SWFINRE LE
Telekurs	4.240.116
Reuters	4240116X.CHE
Internet	www.ifm.li www.lafv.li www.fundinfo.com

Supplementary information

Publication of the fonds	The prospectus, the Key Investor Information Document (KIID), the trust agreement and Annex A "The UCITS at a glance" as well as the latest annual and semi-annual reports if already published, are available free of charge on a durable data medium from the management company, the depositary, the paying agents, and all domestic and foreign distributors as well as on the website of the LAFV Liechtenstein Investment Fund Association at www.lafv.li .
TER calculation	The TER has been calculated as illustrated in CESR guideline 09-949 and defined in CESR guideline 09-1028 (ongoing charges).
Transaction costs	The transaction costs include all costs incurred, separately disclosed or booked by the fund in the financial year, which are directly related to the purchase or sale of fund assets.
Valuation principles	<p>The respective net compartment assets are valued according to the following principles:</p> <ol style="list-style-type: none"> 1. Securities that are officially traded on a stock exchange are valued at the last available price. If a security is officially traded at several exchanges, the last available price shall be the price at the exchange that represents the main market for that security. 2. Securities that are not officially listed on an exchange but are traded on a market accessible to the public are valued at the last available price. If a security is traded on various markets accessible to the public, the last available price on the market with the highest liquidity shall be chosen. 3. Securities or money market instruments with a residual duration of less than 397 days can be valued by linear depreciation or appreciation with the difference between the cost (purchase) price and the repurchase price (price on maturity). The valuation at the current market price can be omitted if the repurchase price is known and fixed. Credit-rating changes, if any, shall be accounted for additionally. 4. Investments whose price is not in conformity with the market, and assets that do not fall under nos. 1, 2, and 3 above, are calculated at the price that would have most likely been attained if the investment had been sold with due diligence at the time of valuation and is determined in good faith by the executive board of the management company or under their direction or supervision by authorized agents. 5. OTC derivatives shall be valued on a day to day basis with the then probably attainable sales price using a verifiable valuation model specified in good faith by the management company which is in line with generally recognized valuation models that can be validated by auditors. 6. UCITS or undertakings for collective investment (UCI) shall be valued at the last noted and available net asset value. If the repurchase of units is suspended or if the UCI is closed and no redemption right exists or if no repurchase prices are specified, these units shall be valued, as all other assets, at their then applicable market value as determined by the management company in good faith and in accordance with generally recognized valuation models that can be validated by auditors. 7. If no trading price is available for the respective assets, they shall be valued, as is the case with the other legally permissible assets, at their then applicable market value as determined by the management company in good faith and in accordance with generally recognized valuation models that can be validated by auditors. 8. Cash and cash equivalents shall be valued at the par value plus accrued interest.

Supplementary information

	<p>9. The market value of securities and other investments denominated in a currency other than the currency of the respective fund compartment shall be converted into the currency of the compartment at the last known median exchange rate.</p> <p>The valuation process is handled by the external management company.</p> <p>The investment company or, on its behalf the management company, shall be entitled to use other reasonable valuation principles to value the assets of the compartment if, as a result of extraordinary circumstances, valuation on the basis of the criteria described above should become impossible or impracticable. In the case of very large numbers of redemption requests, the investment company may value the units of the respective fund compartment on the basis of the prices at which the necessary securities will likely have to be sold. In this case, the same calculation method shall be used for simultaneously submitted subscription and redemption requests.</p>																										
Applied exchange rates	<table><tr><td>EUR</td><td>1</td><td>=</td><td>CHF</td><td>1.1593</td><td>CHF</td><td>1</td><td>=</td><td>EUR</td><td>0.8626</td></tr><tr><td>EUR</td><td>1</td><td>=</td><td>GBP</td><td>0.8844</td><td>GBP</td><td>1</td><td>=</td><td>EUR</td><td>1.1307</td></tr></table>							EUR	1	=	CHF	1.1593	CHF	1	=	EUR	0.8626	EUR	1	=	GBP	0.8844	GBP	1	=	EUR	1.1307
EUR	1	=	CHF	1.1593	CHF	1	=	EUR	0.8626																		
EUR	1	=	GBP	0.8844	GBP	1	=	EUR	1.1307																		
Custodians	Deutsche Bank AG, Frankfurt on the Main SIX SIS AG, Zurich Liechtensteinische Landesbank AG, Vaduz UBS AG, Zurich UBS																										
Distribution	AT	CH	DE	FL	FR	GB	SE																				
Private investors	✓	✓	✓	✓																							
Professional investors	✓		✓	✓																							
Qualified investors		✓																									
Risk Management																											
Method for global exposure calculation	Commitment-Approach																										

Specific information for individual countries of distribution

Information for investors in Switzerland

1. Representative

LLB Swiss Investment AG, Claridenstrasse 20, 8002 Zurich, is the representative in Switzerland.

2. Distributor

In deviation from the trust agreement including fund-specific annexes and the prospectus, the distribution of units of the UCITS in Switzerland is delegated to the representative or the distributor appointed by the representative.

3. Paying agent

Bank Linth LLB AG, Zürcherstrasse 3, 8730 Uznach, is the paying agent in Switzerland.

4. Availability of applicable documents

The prospectus, the trust agreement, the Key Investor Information Document (KIID), as well as the respective annual and semi-annual reports can be obtained free of charge from the representative and the paying agent in Switzerland.

5. Publications

5.1 In Switzerland, publications related to the foreign collective investment pool are posted on the Internet at www.fundinfo.com.

5.2 The issue and redemption prices and the net asset value of the units with the remark "excluding commissions" are published daily at www.fundinfo.com.

6. Payment of trailer fees and discounts

6.1 The management company and its agents as well as the depositary may pay trailer fees to cover fund unit distribution and referral activities in Switzerland or from Switzerland. In particular, distribution and referral activities are activities intended to promote the distribution or referral of fund units, such as the organization of road shows, participation at events and trade shows, the production of advertising materials, training for distribution personnel, etc.

6.2 Trailer fees are not considered discounts even if ultimately, they are fully or partially credited to the investors.

6.3 The recipients of trailer fees pledge transparent disclosure and will voluntarily inform investors, free of charge, about the amounts of remuneration they may receive for distribution activities.

6.4 On request, the recipients of trailer fees will disclose the amounts actually received for the distribution of the collective capital investments of these investors.

6.5 The management company and its agents as well as the depositary do not pay any discounts arising from distribution in or from Switzerland to reduce the charges and costs imposed on the fund that would be borne by the investors.

7. Place of fulfillment and legal venue

For units distributed in and from Switzerland, the place of fulfillment and legal venue is the domicile of the representative.

Specific information for individual countries of distribution

Notes for investors in Germany

The management company has indicated its intention to distribute units of the UCITS in the Federal Republic of Germany and has been authorized to do so since the completion of the notification process.

1. Information agent in the Federal Republic of Germany

The function of the German information agent has been assumed by

Hauck & Aufhäuser Privatbankiers AG
Kaiserstrasse 24
D-60311 Frankfurt am Main

In Germany, the Key Investor Information Document, the prospectus, the trust agreement, the annual/semiannual reports as well as other information can be obtained free of charge on paper from the information agent.

The information agent also provides all further information to which investors in the Principality of Liechtenstein are entitled. The issue and redemption prices are available free from the information agent as well.

2. Repurchase of units and payments to investors in Germany

The repurchase of units and payments to investors in Germany (redemption proceeds, distributions, if any, and other payments) are handled by the investors' portfolio administrators. No individual printed certificates are issued.

3. Publications

The issue and redemption prices as well as other information to investors are published on the fund information platform (www.fundinfo.com).

In the cases mentioned below, investors are also informed with a durable medium pursuant to § 167 KAGB:

- a) suspension of redemption of units or shares representing investment assets,
- b) termination of the management of investment assets or liquidation,
- c) amendments of investment provisions that are not compatible with existing investment principles, that affect essential investor rights, or relate to remuneration and reimbursement of expenditures that can be debited from the invested assets, including reasons of the changes and the rights of investors in an intelligible manner; the announcement must also specify where and how further relevant information can be obtained,
- d) the merger of investment assets in the form of merger information to be prepared in accordance with Art. 43 of Directive 2009/65/EC, and
- e) the conversion of investment assets into a feeder fund or changes to a master fund in the form of information to be compiled pursuant to Art. 64 of Directive 2009/65/EC.

Specific information for individual countries of distribution

Information for investors in Austria

Supplementary information for Austrian investors

The following information is provided for potential buyers of the **Scherrer Small Caps Europe** fund in the Republic of Austria; it adds details to the prospectus and the trust agreement with regard to distribution in Austria:

1. Paying and information agent as well as representatives in Austria

The paying and information agent as well as the representative in Austria is Erste Bank der oesterreichischen Sparkassen AG, Am Belvedere 1, A-1100 Vienna (Telephone 0043 (0) 50100 12139, Fax 0043 (0) 50100 9 12139)

The above institute is a credit institute pursuant to § 141 of the Federal Law on Capital Investment Funds (InvFG 2011) and has confirmed that it complies with the provisions of § 41 para. 1 InvFG 2011.

Units can be purchased from and returned to the paying agent. The prospectus, the trust agreement, the Key Investor Information Document (KIID), and the most recent annual and, if subsequently published, the most recent semi-annual report are available free of charge from the above-mentioned institute.

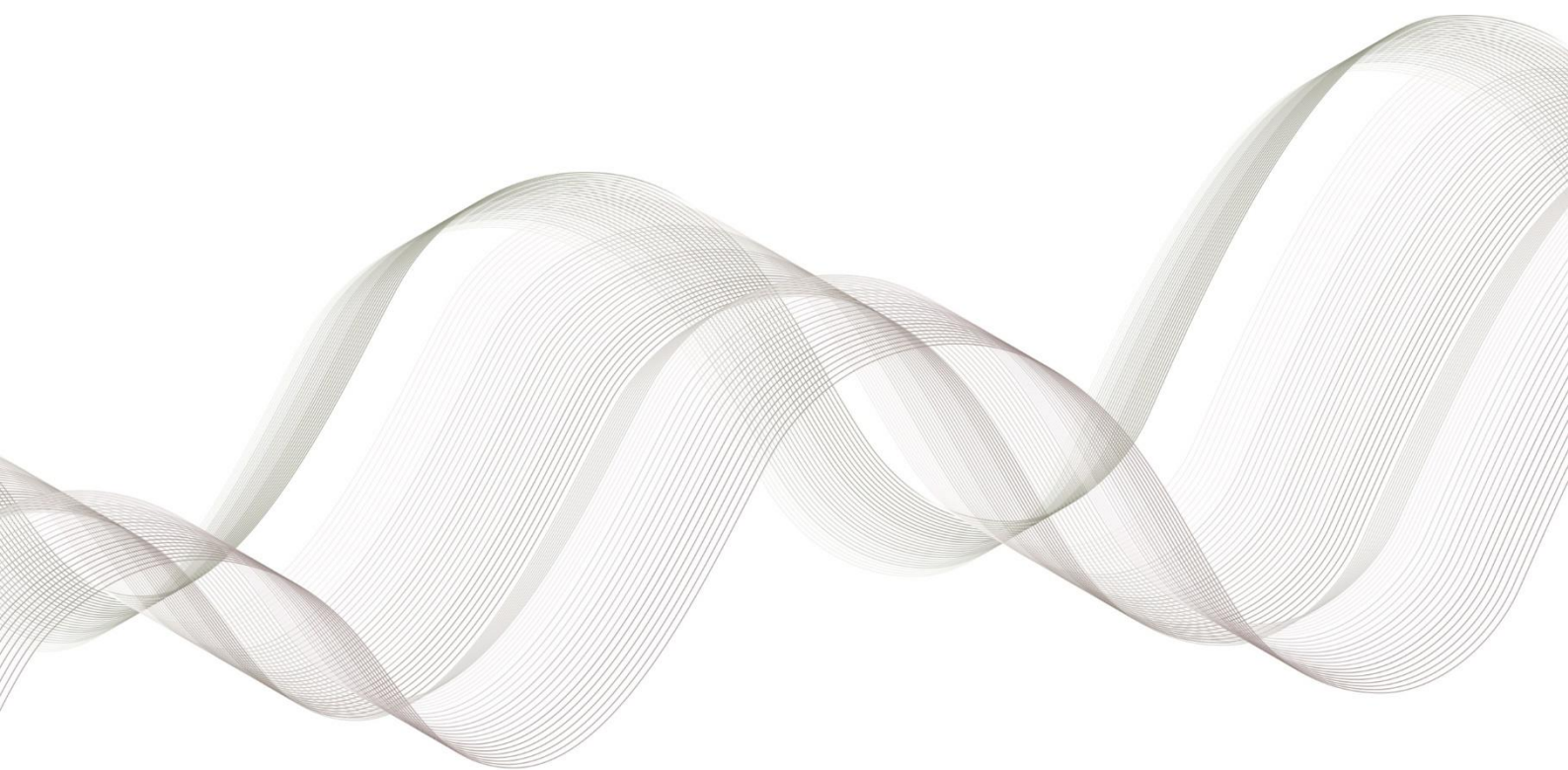
2. Publications

Unitholders ("investors") can obtain the prescribed information pursuant to § 141 InvFG 2011 from the paying and information agent at the following address:

Erste Bank der oesterreichischen Sparkassen AG
Am Belvedere 1, A-1100 Vienna
Telephone 0043 (0) 50100 12139
Fax 0043 (0) 50100 9 12139

All issue and redemption prices of the UCITS as well all other announcements are published on the website of the management company at www.ifm.li and on the website of the Liechtenstein Investment Funds Association at www.lafv.li.

The German versions of the prospectus, the trust agreement, the Key Investor Information Document (KIID) and of all other documents and announcements are binding.



IFM Independent Fund Management AG

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