
Quest Management, SICAV

Quest Management - Quest Cleantech Fund

R.C.S. Luxembourg B 76 341

Audited Annual Report
as at December 31, 2016

Investment Company (*société d'investissement à capital variable ("SICAV")*)
pursuant to Part I of the amended Luxembourg Law of
December 17, 2010 on Undertakings for Collective Investment



Quest Management, SICAV

Audited Annual Report as at December 31, 2016

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Subscriptions can be accepted only on the basis of the valid Sales Prospectus (with annexes) and the Key Investor Information Document together with the most recent Annual Report and, if the latter was published more than eight months ago, the most recent Semi-Annual Report.

Quest Management, SICAV

Management and Organisation

Company:

Quest Management, SICAV
26, avenue de la Liberté
L-1930 Luxembourg

Registration Number:

R.C.S. Luxembourg B 76 341
Luxembourg VAT number LU 23760362

Board of Directors:

Chairman:

Mr Patrick de BELLEFROID
Company Director
Rue de Bossut 10
B-1390 Nethen, Belgium

Members:

Dr Jos B. PEETERS
Managing Director, Capricorn Venture Partners NV
Lei 19/1
B-3000 Leuven, Belgium

Mr Romain MOEBUS
Member of the Management Committee,
VP Bank (Luxembourg) SA
26, avenue de la Liberté
L-1930 Luxembourg, Grand Duchy of Luxembourg

Mr Yves VANEERDEWEGH
Executive Director, Capricorn Venture Partners NV
Lei 19/1
B-3000 Leuven, Belgium

Management Company:

VP Fund Solutions (Luxembourg) SA
26, avenue de la Liberté
L-1930 Luxembourg, Grand Duchy of Luxembourg

Day-to-day Managers of the Management Company:

Mr Eduard von KYMMEL
CEO, VP Fund Solutions (Luxembourg) SA
26, avenue de la Liberté
L-1930 Luxembourg, Grand Duchy of Luxembourg

Mr Ralf FUNK
Executive Director, VP Fund Solutions (Luxembourg) SA
26, avenue de la Liberté
L-1930 Luxembourg, Grand Duchy of Luxembourg

(since 1 April 2016)
Mrs Anne GUIDI
Executive Director, VP Fund Solutions (Luxembourg) SA
26, avenue de la Liberté
L-1930 Luxembourg, Grand Duchy of Luxembourg

Administrative, Domiciliary, Registrar and Transfer Agent:

VP Fund Solutions (Luxembourg) SA
26, avenue de la Liberté
L-1930 Luxembourg, Grand Duchy of Luxembourg

Investment Manager:

Capricorn Venture Partners NV
Lei 19/1
B-3000 Leuven, Belgium

Depositary and Principal Paying Agent:

VP Bank (Luxembourg) SA
26, avenue de la Liberté
L-1930 Luxembourg, Grand Duchy of Luxembourg

Marketing Agent:

Capricorn Venture Partners NV
Lei 19/1
B-3000 Leuven, Belgium

Financial Agent (for Belgium):

CACEIS Bank
Avenue du Port 86 C B320
B-1000 Brussels, Belgium

Information Agent (for Germany):

CACEIS Bank Deutschland GmbH
Lilienthalallee 34-36
D-80939 Munich, Germany

Auditor of the fund:

KPMG Luxembourg, Société cooperative
39, avenue John F. Kennedy
L-1855 Luxembourg, Grand Duchy of Luxembourg

Legal Advisor:

Elvinger Hoss Prussen
Société anonyme
2, place Winston Churchill
L-1340 Luxembourg, Grand Duchy of Luxembourg

Registration Countries:

Belgium
(only for Quest Management - Quest Cleantech Fund Class A,
Class B and Class I Shares)
Germany
Netherlands
(only for Quest Management - Quest Cleantech Fund Class A,
Class B and Class C Shares)
Sweden
(restricted distribution only through the Swedish Pensions
Agency)

Quest Management, SICAV

Report of the Board of Directors

To the Shareholders of
QUEST MANAGEMENT, SICAV
26, Avenue de la Liberté
L-1930 Luxembourg

QUEST MANAGEMENT - QUEST CLEANTECH FUND

Objectives and Investment Policy

Quest Management - Quest Cleantech Fund (the “Sub-Fund”) is actively managed, mainly investing in stocks of cleantech companies listed in developed markets. Cleantech can be defined as products and services that provide cleaner or more efficient use of the earth's natural resources, such as energy, water, air and raw materials. The Fund focuses on cleantech companies in areas such as renewable energy, energy efficiency, water treatment, waste management, pollution control and advanced materials. In addition, the Fund may invest in stocks of cleantech companies listed in emerging markets as well as in convertible bonds issued by cleantech companies.

Market environment

European equities underwent a volatile year. The Stoxx Europe 600 index fell slightly (-1.2%) but, when dividends are factored in, there was a small positive return (+1.7%). Small caps did a little worse than the broad market, with the Stoxx Europe Small 200 index falling by 1.6%. The best-performing sectors in Europe were materials and oil and gas. The health care sector proved one of the weakest, with a fall of around 10%. Markets in other regions of the world generally performed better than in Europe. In the US, the S&P 500 index climbed by 9.5% (+13.1% when converted to euros).

The Cleantech Total Return index in euro increased by 17.4%. This means that cleantech stocks performed better than the overall market for the second year in a row.

Performance

In 2016, the Sub-Fund recorded moderate positive results, realizing a return of 2.9% for the A-shares, 4.4% for the B-shares and 5.1% for the C-shares, 4.4% for the R-shares and 5.1% for the I-shares.

The fund's long term performances remain strong: +7.8% on 3 years, +13.4% on 5 years and +7.7% since launch (all annualised) for the A-shares. For the B-shares the annualised long term performances are +10.1% (3 years), +16.0% (5 years) and +9.4% (since launch). For the C-shares the annualized long term performances are +10.9% (3 years), +16.8% (5 years) and +10.2% (since launch on March 31, 2008).

The annualised performance of the R-shares since launch (March 31, 2015) is 1.9% and the annualised performance of the I-shares since launch (March 31, 2015) is 2.5%.

Portfolio

In the first quarter of 2016, Init was removed from the portfolio. Three stocks were introduced: Corbion is a Dutch company producing biobased food ingredients, biochemicals and bioplastics. The French company Environnement SA develops environmental pollution analysis systems. Nordex, a German wind turbine maker, was the third introduction into the fund this year.

In June, the German connection technology and water management specialist Norma Group was added to the portfolio. In July, a small position in Kuka was bought.

Following the bid of Total on Saft Groupe, the latter one exited the portfolio in July. Also during the third quarter, the decision was taken to fully sell Sunpower, Kendrion and Schaltbau. Sunpower was sold with a loss. On the latter two, a capital gain was realised.

In November, Faiveley was fully sold at EUR 100 per share, equivalent to the price of the bid from Wabtec on the company. The shares were bought at an average price of EUR 95.6 per share.

Top holdings at the end of 2016 are Jensen-Group (6.8% of the total net asset value), Hexcel (6.6%), Mayr-Melnhof (5.9%), Andritz (5.6%) and Aalberts (5.4%).

The Sub-Fund's total assets increased to almost EUR 60 mln during 2016.

Quest Management, SICAV

Prospects

The economic outlook remains mixed. In Europe, equity valuations remain at a moderate level, with a price/earnings ratio of about 15 for the Stoxx Europe 600 index. Quality growth stocks like those in the Sub-Fund's portfolio are generally somewhat more expensive, however. The falling trend in the interest rate ended but this appears, in the first instance, to be playing in the equity markets' favour owing to the rotation from bonds to shares.

Lastly, we stick to our view that cleantech should continue to benefit from strong long term growth drivers and remains an attractive investment area for many years to come.

The information in this report represents historical data and is not an indication of future results.

Luxembourg, March 31, 2017



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Internet: www.kpmg.lu

To the Shareholders of
Quest Management, SICAV
26, Avenue de la Liberté
L-1930 Luxembourg

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Following our appointment by the annual general meeting of the shareholders, we have audited the accompanying financial statements of Quest Management, SICAV and its sub-fund, which comprise the statement of net assets and the composition of portfolio as at December 31, 2016 and the statement of operations and the statement of changes in net assets for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Directors of the SICAV responsibility for the financial statements

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

Responsibility of the Réviseur d'Entreprises agréé

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the judgment of the Réviseur d'Entreprises agréé, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the Réviseur d'Entreprises agréé considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors of the SICAV, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Quest Management, SICAV and its sub-fund as of December 31, 2016, 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 of the financial statements.

Other information

The Board of Directors of the SICAV 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.

Luxembourg, April 3, 2017

KPMG Luxembourg, Société coopérative
Cabinet de révision agréé



Nic Müller

Quest Management, SICAV

Quest Management - Quest Cleantech Fund Statement of Net Assets as at December 31, 2016

	Note	EUR
ASSETS		
Investment portfolio at market value		54,708,832.80
<i>Cost</i>		46,484,854.67
Cash held with custodian bank		4,928,371.33
TOTAL ASSETS		59,637,204.13
LIABILITIES		
Other liabilities		-88,930.02
TOTAL LIABILITIES		-88,930.02
Total net assets		59,548,274.11
Net assets per share		
Class A EUR		190.94
Class B EUR		219.29
Class C EUR		233.65
Class I EUR		104.51
Class R EUR		103.38
Number of shares		
Class A EUR		34,053,6380
Class B EUR		39,305,0647
Class C EUR		159,581,3666
Class I EUR		26,467,6019
Class R EUR		42,311,7089

Statement of changes in net assets for the year from January 1, 2016 to December 31, 2016

	Note	EUR
Net assets at the beginning of the year		52,023,077.37
Subscriptions		
Class A EUR		697,078.23
Class B EUR		3,421,643.29
Class C EUR		10,996,569.88
Class I EUR		1,636,082.50
Class R EUR		3,986,838.23
Redemptions		
Class A EUR		-1,503,435.48
Class B EUR		-7,674,726.63
Class C EUR		-6,140,131.16
Class I EUR		-876,790.50
Class R EUR		-48,711.28
Result for the year		3,030,779.66
NET ASSETS AT THE END OF THE YEAR		59,548,274.11

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

Quest Management, SICAV

Quest Management - Quest Cleantech Fund

Changes in the number of shares in issue

Class A EUR

Shares in issue at the beginning of the year	38,981.9429
Number of shares subscribed	3,854.8798
Number of shares redeemed	-8,783.1847
Shares in issue at the end of the year	34,053.6380

Class B EUR

Shares in issue at the beginning of the year	59,253.6725
Number of shares subscribed	17,740.8295
Number of shares redeemed	-37,689.4373
Shares in issue at the end of the year	39,305.0647

Class C EUR

Shares in issue at the beginning of the year	135,730.0381
Number of shares subscribed	51,483.9170
Number of shares redeemed	-27,632.5885
Shares in issue at the end of the year	159,581.3666

Class I EUR

Shares in issue at the beginning of the year	18,967.6019
Number of shares subscribed	16,450.0000
Number of shares redeemed	-8,950.0000
Shares in issue at the end of the year	26,467.6019

Class R EUR

Shares in issue at the beginning of the year	2,861.0000
Number of shares subscribed	39,955.3489
Number of shares redeemed	-504.6400
Shares in issue at the end of the year	42,311.7089

Statement of operations for the year from January 1, 2016 to December 31, 2016

	Note	EUR
INCOME		
Dividends		779,697.00
Other income		9,278.91
TOTAL INCOME		788,975.91
CHARGES		
Bank interest		-7,106.99
Investment management fee	(4)	-376,906.03
Performance fee	(7)	-113,967.16
Depository Bank and Management Company fees	(5)	-198,700.83
Tax d'abonnement	(6)	-28,467.28
Trading fees on securities		-2,379.49
Professional fees		-12,671.10
Other charges		-31,689.55
TOTAL CHARGES		-771,888.43
Net income		17,087.48
Realised profit on investment		1,376,530.64
Realised loss on foreign exchange		-4,531.09
Net Realised Result		1,389,087.03
Unrealised profit on securities		1,641,692.63
Result for the year		3,030,779.66

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

Quest Management, SICAV

Quest Management - Quest Cleantech Fund

Composition of Portfolio as at December 31, 2016

Security Description	Quantity / Face value	Ccy	Cost in EUR	Valuation in EUR	%-NAV
SECURITIES					
Exchange-traded securities					
Equities					
Austria					
ANDRITZ AG AT0000730007	62,000	EUR	2,719,469.71	2,957,090.00	5.0
Mayr Melnhof Karton AG AT0000938204	33,500	EUR	3,234,778.67	3,373,450.00	5.7
Total Austria			5,954,248.38	6,330,540.00	10.6
Belgium					
Cie d'Entreprises CFE BE0003883031	24,202	EUR	2,196,690.78	2,503,696.90	4.2
Jensen-Group NV BE0003858751	119,689	EUR	2,119,998.87	4,140,042.51	7.0
Melexis NV BE0165385973	26,000	EUR	966,353.11	1,654,900.00	2.8
Umicore SA BE0003884047	42,500	EUR	1,583,452.28	2,301,375.00	3.9
Total Belgium			6,866,495.04	10,600,014.41	17.8
France					
Bureau Veritas SA FR0006174348	81,000	EUR	1,647,157.31	1,491,210.00	2.5
Environnement SA FR0010278762	32,370	EUR	1,517,629.04	1,966,477.50	3.3
Total France			3,164,786.35	3,457,687.50	5.8
Germany					
Bertrandt AG DE0005232805	22,500	EUR	2,374,125.26	2,175,300.00	3.7
CENIT AG DE0005407100	97,921	EUR	1,417,526.31	1,955,482.37	3.3
KUKA AG DE000A2BPXK1	5,000	EUR	539,707.50	574,250.00	1.0
Nordex SE DE000A0D6554	80,000	EUR	2,013,684.25	1,631,200.00	2.7
Norma Group SE DE000A1H8BV3	65,700	EUR	2,930,733.12	2,664,135.00	4.5
Total Germany			9,275,776.44	9,000,367.37	15.1
Ireland					
Kerry Group PLC IE0004906560	33,500	EUR	2,425,657.16	2,274,650.00	3.8
Kingspan Group PLC IE0004927939	105,000	EUR	2,333,924.86	2,709,000.00	4.5
Total Ireland			4,759,582.02	4,983,650.00	8.4
Netherlands					
Aalberts Industries NV NL0000852564	103,000	EUR	2,708,272.73	3,174,460.00	5.3

Quest Management, SICAV

Quest Management - Quest Cleantech Fund

Composition of Portfolio (continued)

as at December 31, 2016

Security Description	Quantity / Face value	Ccy	Cost in EUR	Valuation in EUR	%-NAV
Accell Group NL0009767532	116,098	EUR	2,251,412.74	2,543,707.18	4.3
Corbion NV NL0010583399	108,000	EUR	2,223,555.86	2,746,440.00	4.6
Total Netherlands			7,183,241.33	8,464,607.18	14.2
Norway					
Tomra Systems ASA NO0005668905	217,279	NOK	1,624,684.36	2,165,856.11	3.6
Total Norway			1,624,684.36	2,165,856.11	3.6
Sweden					
Nibe Industrier AB SE0008321293	270,000	SEK	1,487,216.63	2,023,160.63	3.4
Total Sweden			1,487,216.63	2,023,160.63	3.4
United States					
Hexcel Corp US4282911084	74,000	USD	2,692,579.02	3,609,129.77	6.1
PerkinElmer Inc US7140461093	41,000	USD	1,670,604.72	2,027,253.17	3.4
Wabtec Corp/DE US9297401088	26,000	USD	1,805,640.38	2,046,566.66	3.4
Total United States			6,168,824.12	7,682,949.60	12.9
Total Equities			46,484,854.67	54,708,832.80	91.9
Total Exchange-traded securities			46,484,854.67	54,708,832.80	91.9
TOTAL SECURITIES			46,484,854.67	54,708,832.80	91.9
TOTAL INVESTMENT PORTFOLIO			46,484,854.67	54,708,832.80	91.9

Minor rounding differences may occur due to the rounding of percentages.

Details of changes in investments for the period concerned are available, free of charge, at the Company's head office as well as at all Paying Agents.

Quest Management, SICAV

Notes to the Audited Annual Report for the period from January 1, 2016 to December 31, 2016

1. General Information

Quest Management, SICAV (the “Fund”) incorporated on June 16, 2000 as a “Société Anonyme” qualifying as a “Société d’Investissement à Capital Variable” with multiple sub-funds and is governed by Part I of the amended Luxembourg law of December 17, 2010 on undertakings for collective investment (the “2010 Law”). It is established for an undetermined duration from the date of incorporation.

The Fund presently contains one sub-fund (the “Sub-Fund”):

- Quest Management - Quest Cleantech Fund
Class A, B, C, I and R Shares, each available in EUR

The sub-fund’s statements of assets represent at the same time the SICAV’s consolidated figures.

The Board of Directors of the Fund has designated VP Fund Solutions (Luxembourg) SA to act as Management Company for the Fund under the terms of the Management Company Services Agreement dated April 1, 2013, as it may be amended from time to time.

The Management Company is a public limited company (“Société Anonyme”). Its articles of incorporation have been amended on June 20, 2006 in order to allow it to act as a Management Company for undertakings for collective investment, currently in accordance with Chapter 15 of the 2010 Law; they have been amended on August 1, 2014 in order to allow it to act as alternative investment fund manager in accordance with the law of July 12, 2013. It exists for an unlimited period of time. As such, the Management Company will perform and render without limitation: (i) investment management services, (ii) administrative agency, corporate and domiciliary agency, registrar and transfer agency services, and (iii) marketing, principal distribution and sales services.

VP Fund Solutions (Luxembourg) SA also acts as Management Company for other undertakings for collective investments. The names of the other undertakings for collective investments are available upon request from the Management Company.

2. Summary of significant accounting policies

The financial statements of the Fund are prepared in accordance with generally accepted accounting policies and Luxembourg regulations relating to undertakings for collective investments. The combined financial statements are expressed in Euro (EUR) and are presented for information purposes only.

The Board of Directors of the Fund has decided to amend the presentation of these financial statements compared to previous year in order to benefit from a standardized financial statements preparation process implemented by the Administrative Agent of the Fund.

a) Foreign currency translation

Investments as well as other assets and liabilities stated in foreign currencies are translated at the exchange rates prevailing as at the date of the report (please refer to Note 9). The costs of investments are at historical exchange rates. Transactions in foreign currency during the year are translated at the rates prevailing at the date of transaction. Realised and net change in unrealised exchange gains and losses, if any, are recorded in the statement of operations.

b) Investments

Securities or money market instruments admitted to official listing on a stock exchange or which are traded on another regulated market which operates regularly and is recognised and open to the public in Europe (including the EU countries) or North or South America, Asia, Australia, New Zealand or Africa are valued on the basis of the last known price. If the same security or instrument is quoted on different markets, the quotation of the main market for this security or instrument will be used. If there is no relevant quotation or if the quotations are not representative of the fair value, the evaluation will be done in good faith by the Board of Directors of the Fund or its delegate with a view to establishing the probable sales price for such securities or instruments.

The cost of investments sold is determined on the basis of the weighted average price method.

c) Income recognition

Interest income is accounted for on an accrual basis.

Quest Management, SICAV

2. Summary of significant accounting policies (continued)

Dividends are accrued on the date upon which the relevant security becomes ex-dividend, to the extent information thereon is reasonably available to the Sub-Fund. These are accounted for net of any applicable withholding taxes in the relevant country.

3. Net asset value

a) Computation

The net asset value per share is expressed in the currency of the relevant Sub-Fund and is determined on each Luxembourg banking business day, by dividing the net assets of the relevant Sub-Fund by the number of shares issued and outstanding in the relevant Sub-Fund.

b) Redemption of shares

Each shareholder of a Sub-Fund has the right to request at any time the redemption of his/her shares at an amount equal to the net asset value of the relevant Sub-Fund as described in the preceding paragraph.

For its Sub-Fund, the Fund may temporarily suspend the calculation of the net asset value per share, the redemption and the conversion of shares under certain well-defined circumstances as disclosed in the Prospectus of the Fund.

4. Investment management fee

The Fund pays to the Investment Manager a fixed management fee, payable quarterly in arrears and determined in the Investment Management Agreement dated April 1, 2013, as follows:

Quest Management - Quest Cleantech Fund:

- Class A Shares none (performance fee only);
- Class B Shares 1.25% p.a. of the respective Sub-Fund's class of share's average net asset value during the relevant month;
- Class C Shares 0.625% p.a. of the respective Sub-Fund's class of share's average net asset value during the relevant month;
- Class R Shares 1.25% p.a. of the respective Sub-Fund's class of share's average net asset value during the relevant month;
- Class I Shares 0.625% p.a. of the respective Sub-Fund's class of share's average net asset value during the relevant month.

5. Depositary Bank and Management Company fees

The commissions and fees for the Depositary Bank and the Management Company are calculated on the daily average net asset value of each month as defined in the Depositary Bank and Paying Agent Agreement with VP Bank (Luxembourg) SA dated January 1, 2012, as amended and as defined in the Management Company Services Agreement with VP Fund Solutions (Luxembourg) SA dated April 1, 2013 and are debited at the end of each month for the past month.

The Management Company is entitled to receive, out of the assets of the Company, an all-in fee up to 0.38% p.a. of the respective Sub-Fund's average Net Asset Value during the relevant month subject to a minimum fee of EU 37,000.00 p.a. per Sub-Fund outlined in the Management Company Services Agreement. The all-in fee is calculated on the daily average Net Asset Value of each month and is debited at the end of each month for the past month. The all-in fee includes the fees for the central administration and domiciliary and corporate services as well as for the registrar and transfer agency services, custody and paying agency services. Brokerage costs are charged separately.

6. Taxes

In accordance with current Luxembourg law, the Fund is not subject to any tax on income, capital gains tax or wealth tax. Moreover, no dividends distributed by the Fund, if any, are subject to withholding tax.

Interest/dividend income may be subject to non-recoverable withholding tax in the country of origin. However, income collected by the Fund on securities in its portfolios may be subject to withholding tax which, in normal circumstances, cannot be reclaimed.

The Fund is only subject to the Luxembourg subscription tax ("taxe d'abonnement"), which is payable quarterly at the annual rate of 0.05%. The tax is calculated on the basis of the total net assets on the last day of each quarter. However no tax is levied on the asset value represented by shares held in other undertakings for collective investment falling under Luxembourg law.

Quest Management, SICAV

7. Performance fee

In consideration for its services, the Investment Manager is entitled to receive from the Fund, when appropriate, a performance fee payable quarterly in arrears. The performance fee is accrued daily in the calculation of the net asset value per share, according to the performance fee structure set forth below.

For the Class A Shares of the Sub-Fund, the Fund pays the Investment Manager a performance fee consisting of:

- 20% of the net realised and unrealised appreciation, if any, in the net asset value of the Sub-Fund's shares which is in excess of the benchmark short interest rate, since beginning of current quarter, applied to the fully existing shares since the beginning of the quarter;
- 20% of the net realised and unrealised appreciation, if any, in the net asset value of the Sub-Fund's newly subscribed shares during the quarter which is in excess of the benchmark short interest rate since related subscription dates;
- the realised performance fee related to redemptions accrued before a quarter end will remain in the Sub-Fund.

The short interest rate is defined as EUR 3 months LIBOR.

For the Class A Shares of the Sub-Fund, the Fund does not pay the Investment Manager a quarterly fee unless the Fund's return is higher than the benchmark interest rate for that particular quarter. A quarterly performance fee is only calculated when the performance of the net asset value per share calculated on the basis of a rolling year is positive. Furthermore, the quarterly performance fee calculated per share may not exceed the performance of the net asset value per share calculated on the basis of a rolling year.

The performance fee is charged to the Fund on a quarterly basis and paid out of the assets of the Sub-Fund. The transfer will be executed by the Management Company.

In the case of the Class A Shares of the Sub-Fund, the Investment Manager may choose to waive all of its fee or any portion thereof at its absolute discretion for an indefinite period, in order to reduce the impact such fee may have on the performance of the Sub-Fund in instances where the Sub-Fund's net assets are of insufficient size.

There is no performance fee charged in relation to Class B, Class C, Class I and Class R Shares of the Sub-Fund.

For the year ended December 31, 2016, the performance fees related to Class A Shares amounted to EUR 113,967.16.

8. Transaction costs

The transaction costs represent broker transaction fees in relation to the purchases and sales of securities and financial derivative instruments during the business year. For the year ended December 31, 2016, the transaction costs amounted to EUR 69,988.09.

9. Exchange rates

Exchange rates used as of December 31, 2016:

1 EUR	=	CHF	1.072000
1 EUR	=	NOK	9.078973
1 EUR	=	SEK	9.582037
1 EUR	=	USD	1.054703

10. Related party transactions

All transactions with related parties were entered into the ordinary course of business and under normal commercial terms. The related parties to the Fund are the Management Company, the Investment Manager and Marketing Agent. The fees for the related parties are described in Notes 4 and 7.

11. Transparency of Securities Financing Transactions and their Reuse

During the financial year of the fund no securities financing transactions and total return swaps in the sense of Regulation (EU) 2015/2365 of the European Parliament and the Council of November 25, 2015 on transparency of securities financing transactions and of reuse and amending Regulation 648/2012 have taken place. As a consequence, no information according to article 13 of the afore mentioned Regulation need to be disclosed to the fund's investors.

Quest Management, SICAV

12. Remuneration Policy

Content, Purpose and Scope

VP Fund Solutions (Luxembourg) SA (hereinafter referred to as “VPFLU”) has established, implemented and maintains a Remuneration Policy. The purpose of this policy is to set out the position and principles of VPFLU in respect of the remuneration of its Staff Members. The Policy reflects VPFLU’s objectives for good corporate governance as well as sustained and long-term value creation. It ensures that VPFLU is able to attract, develop and retain high-performing and motivated employees in a competitive labour market by acting in the best interests of the funds’ investors.

Remuneration components

The amounts of fixed and variable compensation reflect both the complexity and size of our management company. To determine the amount of the variable compensation pool, VPFLU is guided by a sustainable and risk-adjusted approach. VPFLU is committed to address the conservative risk culture in the payment system and offers its employees an attractive but relatively moderate variable compensation. In view of the overall package VPFLU pays a fixed income and fringe benefits in line with Luxembourg market practices. It is a declared goal to define the remuneration packages of VPFLU’s Staff Members in such a way that the fixed component is sufficient to allow them a decent life even without variable remuneration.

The Board will monitor compliance with the remuneration policy on an annual basis. This will include alignment with the business strategy, objectives, values and interest of VPFLU and the Funds it manages as well as measures to avoid conflicts of interest. There were no determination, which required any adjustments.

Indication of the remuneration

Remuneration of the Management Company during the financial year from January 1, 2016 until December 31, 2016:

Total remuneration paid by the Management Company	CHF	3.48 million
Thereof fixed remuneration	CHF	3.16 million
Thereof variable remuneration	CHF	0.32 million
Number of Beneficiaries		29
Thereof Senior management and risk takers		11
Carried interest paid by the Management Company		n/a
Total remuneration paid to Senior management and risk takers	CHF	1.10 million

Declaration of essential modifications of the defined remuneration policy

There were no essential modifications of the defined remuneration policy during the financial year.

Statement of changes in net assets

		Net assets		Net assets per share		Net assets per share		Net assets per share	
		Class A EUR	Class B EUR	Class A EUR	Class B EUR	Class C EUR	Class C EUR	Class C EUR	Class C EUR
Quest Management, SICAV - Quest Cleantech Fund									
December 31, 2014	EUR	24,165,951.09	EUR	162.29	EUR	176.38	EUR	185.64	
December 31, 2015	EUR	52,023,077.37	EUR	185.57	EUR	209.97	EUR	222.34	
December 31, 2016	EUR	59,548,274.11	EUR	190.94	EUR	219.29	EUR	233.65	
Quest Management, SICAV - Quest Cleantech Fund									
December 31, 2014	EUR	-	EUR	-					
December 31, 2015	EUR	99.46	EUR	99.00					
December 31, 2016	EUR	104.51	EUR	103.38					

Quest Management, SICAV

Shareholder Information

The articles of incorporation, the full prospectus, the key investor information documents, the statement of changes in the composition of the portfolio, the semi-annual report and unaudited financial statements, the annual report and audited financial statements are available free of charge at the registered office of Quest Management, SICAV, 26, avenue de la Liberté, L-1930 Luxembourg, as well as at the Management Company, Central Administration Agent, Corporate and Domiciliary Agent, Registrar and Transfer Agent and from the Custodian Bank and Paying Agent of the Fund mentioned under chapter “Management and Administration”.

The semi-annual report and unaudited financial statements, the annual report and audited financial statements contain general information about the Fund as well as data showing the Fund’s as well as its Sub-Fund development and its total net assets.

The business year of the Fund begins on January 1 and ends on December 31.

Quest Management, SICAV

Unaudited Supplementary Information as at December 31, 2016

Total Expense Ratio

For the year/period ended December 31, 2016:

Quest Management, SICAV - Quest Cleantech Fund

Total Expense Ratio (TER) – Class A EUR	0.50%	including performance fees.	2.34%
Total Expense Ratio (TER) – Class B EUR	1.81%	including performance fees.	1.81%
Total Expense Ratio (TER) – Class C EUR	1.12%	including performance fees.	1.12%
Total Expense Ratio (TER) – Class I EUR	1.13%	including performance fees.	1.13%
Total Expense Ratio (TER) – Class R EUR	1.77%	including performance fees.	1.77%

The calculation of the “Total Expense Ratio” is based on the stipulated fees and commissions paid by the Sub-Funds on the respective average net assets during the business year (annualized).

Portfolio Turnover Rate

For the year/period ended December 31, 2016:

Quest Management, SICAV - Quest Cleantech Fund

Portfolio Turnover Rate (PTR)	-4.73%
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Portfolio turnover rate (PTR)

The “Portfolio Turnover Rate” indicates the turnover rate of the holdings of the Sub-Fund and is computed using the formula described in the CSSF Circular 03/122 issued on December 19, 2013 on the last 12 months:

$$\text{PTR} = [(\text{Total 1} - \text{Total 2}) / M] * 100$$

with:

Total 1 = Total of securities transactions during the relevant period = X + Y
where X = purchases of securities and Y = sales of securities

Total 2 = Total of transactions in shares during the relevant period = S + T
where S = subscriptions of shares and T = redemptions of shares

M = Average net assets of the Sub-Fund

Risk Management Process

The global exposure of the Sub-Funds is calculated using the commitment approach as detailed in applicable laws and regulations including but not limited to the CSSF Circular 11/512.

Corporate Governance Statement

The Board of Directors of the Fund confirms its adherence with the principles contained in the ALFI (*Association Luxembourgeoise des Fonds d'Investissements*) Code of Conduct for Luxembourg Investment Funds.