

MAINFIRST



PEGASO CAPITAL SICAV

SUB-FUNDS:

PEGASO CAPITAL SICAV - STRATEGIC TREND
PEGASO CAPITAL SICAV - STRATEGIC BOND
PEGASO CAPITAL SICAV - MANAGED VOLATILITY

INVESTMENT COMPANY UNDER LUXEMBOURG LAW
R.C.S. LUXEMBOURG B-155.495

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Luxembourg Investment Company subject to Part I of the law of 17 December 2010 on Undertakings for Collective Investment, in its most recent version, in the legal form of a Société d'Investissement à Capital Variable (SICAV)

MAINFIRST AFFILIATED FUND MANAGERS S.A. *
R.C.S. LUXEMBOURG B-176.025

* With effect from 1 January 2024, the SICAV was migrated from MainFirst Affiliated Fund Managers S.A. to ETHENEA Independent Investors S.A.
With effect from 10 January 2024, the name of MainFirst Affiliated Fund Managers S.A. was changed to MainFirst (Luxembourg) S.à r.l.

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The Sales Prospectus including the Articles of Association, the Key Information Document and the statement detailing all purchases and sales made during the financial year as well as the annual and semi-annual reports are available free of charge by post or by e-mail at the registered office of the Management Company, the Depositary and from the institutions in accordance with the provisions of EU Directive 2019/1160 Art. 92 of the country of distribution and the Swiss Representative. Further information is available at any time available from the Management Company during normal business hours.

Shares subscriptions are valid only if they are made on the basis of the most recent version of the Sales Prospectus (including its appendices) in conjunction with the latest available financial statements and any subsequent semi-annual report.

PEGASO CAPITAL SICAV

FUND MANAGER REPORT

The fund manager reports on behalf of the Board of Directors of the SICAV:

Dear Shareholders,

As of December 31st, 2023, PEGASO CAPITAL SICAV's total net assets under management increased to EUR 70.8 mln with a notable +46% increase compared to EUR 48.5 mln as of beginning of the year. With this regard we must point out that on July 27th, 2023, a third sub-fund was launched, namely Pegaso Capital SICAV Managed Volatility ("Pegaso Managed Volatility"), collecting new asset under management for EUR 22.1 at the end of 2023 into a low volatility strategy based on a bulk of high quality fixed income portfolio combined with a put /call option spread strategy on rates, equities and currencies. Pegaso Capital SICAV Strategic Trend ("Pegaso Strategic Trend") sub-fund net assets remained fairly stable at EUR 26.2 mln (from EUR 26.4 mln), while Pegaso Capital SICAV Strategic Bond ("Pegaso Strategic Bond") net asset had a slight increase to EUR 22.4 mln (vs EUR 22.1 mln) or -1.4% year on year.

We would like to remind you that during the year, for efficiency purposes, we went orderly and successfully through a service provider migration process hence we appointed DZ PRIVATBANK S.A. - Luxembourg as new depositary bank and central administration agent (in place of BNP Paribas) and MainFirst Affiliated Fund Managers S.A. – Luxembourg as the new management company (replacing Waystone - Luxembourg).

The first half of 2023 was characterized by sharp interest rates increase that unusually did not have any negative impact on financial markets throughout the year. The second half of 2023 was broadly positive for financial assets worldwide. Looking at performance in absolute term, the year was a positive one for our sub-funds. Pegaso Strategic Trend registered a +1.36% and +1.01% respectively on the Institutional and Retail share class net of fees while Pegaso Strategic Bond ended with a +6.17% on the EUR share class net of fees and the USD Hedged share class posted a +7.93% net of fees. In relative terms, performances were quite disappointing on Pegaso Strategic Trend whereas we had excellent figures on Pegaso Strategic Bond still confirming itself in very high-top percentile on its peer group. Concerning the new sub-fund Pegaso Managed Volatility it ended the year with a -1.2% and -1.5% respectively on the Institutional and Retail share classes. We confirm that the Russian-Ukrainian conflict has not had any direct impact on our sub-funds' performance as none of them have any direct or indirect investment in connection with those Countries.

In relation to Regulation (EU) 2019/2088 of the European Parliament of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ("SFDR"), we inform you that our sub-funds do not have sustainable investment as their objective and do not consider principal adverse impacts on sustainability factors within their investment processes. According to SFDR both sub-funds classify under Art. 6. and as such their investments do not take into account the EU criteria for environmentally sustainable economic activities.

Concerning risk management process, we point out that our management company has a robust risk management process monitoring portfolio holding risks and their share on the overall portfolio risk profile, for all our managed portfolios at any time. In accordance with the Law of 17 December 2010 and applicable regulatory requirements of the Commission de Surveillance du Secteur Financier („CSSF“) the management company reports to the CSSF, on a regular basis, on the risk management process. The management company also verifies, based on appropriate and reasonable methods, that overall risk associated with derivatives never exceed the net asset value of each Sub-Fund throughout the reporting period. Except for Pegaso Managed Volatility whose risk methodology is based on the Value at Risk ("VaR") approach, MainFirst Affiliated Fund Managers S.A. – Luxembourg uses the "Commitment Approach" methodology thus financial derivatives are converted into their corresponding underlying equivalents by using the delta approach. At certain conditions, netting and hedging might be considered for financial derivatives and their underlying assets. The sum of these net equivalents must not exceed the net asset value of each Sub-Fund. As per MainFirst Affiliated Fund Managers S.A. – Luxembourg statement, during the reporting period 2023, the Commitment Approach as well as VaR limit were never exceeded.

Strassen, 10 February 2024

The fund manager on behalf of the Board of Directors of the SICAV

PEGASO CAPITAL SICAV

**Consolidated annual report
of the PEGASO CAPITAL SICAV with the sub-funds
PEGASO CAPITAL SICAV - Strategic Trend, PEGASO CAPITAL SICAV - Strategic Bond and
PEGASO CAPITAL SICAV - Managed Volatility**

Statement of fund net assets

as at 31 December 2023

	EUR
Investments in securities at market value (Cost of investments: EUR 65,833,909.13)	65,719,078.51
Options	836,449.40
Cash at bank ¹⁾	3,333,747.27
Unrealised gains from financial futures	159,133.95
Unrealised gains from forward exchange transactions	57,102.13
Interest receivable	781,315.88
Dividend receivable	43,043.22
Others Assets ²⁾	6,284.32
	70,936,154.68
Unrealised losses from forward exchange transactions	-35,477.46
Other liabilities ³⁾	-169,830.10
	-205,307.56
Total net assets	70,730,847.12

Statement of changes in fund net assets

for the reporting period from 1 January 2023 to 31 December 2023

	EUR
Total net assets at the beginning of the reporting period	48,523,699.08
Net income	960,085.52
Income equalisation	14,710.28
Cash inflows from subscriptions	23,523,854.44
Cash outflows from redemptions	-2,490,171.87
Realised gains	5,770,875.62
Realised losses	-9,124,973.94
Net change in unrealised gains	5,485,957.16
Net change in unrealised losses	-1,933,189.17
Total net assets at the end of the reporting period	70,730,847.12

¹⁾ See notes on the report.

²⁾ The position includes amortisation of formation expenses.

³⁾ This position consists primarily of management company fee payables and audit fee payables.

PEGASO CAPITAL SICAV

Statement of operations

for the reporting period from 1 January 2023 to 31 December 2023

EUR

Income	
Dividend income	261,015.37
Income from investment units	42,970.16
Interest on bonds	1,727,747.52
Bank interest	126,553.93
Other income	56,005.85
Income equalisation	-18,454.14
Total income	2,195,838.69
Expenses	
Interest expense	-5,027.28
Management Company and investment adviser fee	-771,303.97
Custodian fee	-31,360.92
Central Administration Agent fee	-50,137.22
Distribution fees	-22,278.27
Taxe d'abonnement	-20,352.99
Publishing and auditing expenses	-81,598.89
Setting, printing and shipping expenses for annual and semi-annual reports	-240.89
Transfer agent fee	-21,120.36
Government fees	-23,655.31
Formation expense	-675.68
Other expenses ¹⁾	-211,745.25
Income equalisation	3,743.86
Total expenses	-1,235,753.17
Net income	960,085.52

¹⁾ This position consists primarily of general administrative expenses and legal costs.

PEGASO CAPITAL SICAV - STRATEGIC TREND

Annual report
1 January 2023 - 31 December 2023

**The company is entitled to create share classes with different rights.
The following share classes currently exist with the following features:**

	CR EUR	CI EUR
Security No.:	A1JB8M	A1JB8L
ISIN:	LU0538498220	LU0538499541
Subscription fee:	up to 2.00 %	up to 2.00 %
Redemption fee:	none	none
Flat fee:	1.67 % p.a. plus 1,666.67 Euro fixed fee p.m. for the sub-fund	1.37 % p.a. plus 1,666.67 Euro fixed fee p.m. for the sub-fund
Minimum subsequent investment:	1,000.00 EUR	1,000.00 EUR
Use of income:	accumulative	accumulative
Currency:	EUR	EUR

Geographic classification ¹⁾

Italy	24.27 %
United States of America	12.11 %
France	10.66 %
United Kingdom	7.15 %
Switzerland	6.97 %
Ireland	5.78 %
Norway	4.96 %
Germany	4.86 %
Netherlands	3.15 %
Luxembourg	2.23 %
Mexico	2.09 %
Canada	2.06 %
Sweden	1.94 %
Finland	1.47 %
Austria	1.43 %
Belgium	1.18 %
Spain	1.15 %
Australia	1.08 %
Cayman Islands	0.68 %
Brazil	0.62 %
Investment in securities	95.84 %
Options	0.07 %
Futures	0.56 %
Cash at bank ²⁾	2.43 %
Balance of other receivables and liabilities	1.10 %
	100.00 %

¹⁾ Deviations in the totals are due to rounding differences.

²⁾ See notes on the report.

PEGASO CAPITAL SICAV - STRATEGIC TREND

Economic classification ¹⁾

Diversified financial services	18.21 %
Banks	15.75 %
Energy	8.98 %
Raw, auxiliary & operating materials	8.78 %
Capital Goods	8.17 %
Investment fund units	6.68 %
Automobile & components	3.56 %
Technology Hardware & Equipment	3.47 %
Semiconductors & Semiconductor Equipment	2.96 %
Government bonds	2.93 %
Software & Services	2.82 %
Transportation	2.54 %
Public utilities	2.25 %
Health services: Equipment & services	1.71 %
Pharmaceuticals, Biotechnology & Life Sciences	1.39 %
Insurance	1.18 %
Telecommunication Services	1.16 %
Consumer Durables & Apparel	0.94 %
Real Estate Management & Development	0.91 %
Media & Entertainment	0.87 %
Commercial & Professional Services	0.58 %
Investment in securities	95.84 %
Options	0.07 %
Futures	0.56 %
Cash at bank ²⁾	2.43 %
Balance of other receivables and liabilities	1.10 %
	100.00 %

Performance over the past 3 financial years

Trend CR EUR

Date	Total sub-fund net assets in millions EUR	Shares outstanding	Net cash inflow in thousands EUR	Sub-fund net asset value per share EUR
31.12.2021	5.30	48,358	-8,973.29	109.61
31.12.2022	5.30	50,741	270.26	104.42
31.12.2023	4.88	46,305	-454.26	105.48

CI EUR

Date	Total sub-fund net assets in Mio. EUR	Shares outstanding	Net cash inflow in thousands EUR	Sub-fund net asset value per share EUR
31.12.2021	22.05	190,683	2,538.42	115.63
31.12.2022	21.08	190,683	12.32	110.55
31.12.2023	21.37	190,683	0.00	112.05

¹⁾ Deviations in the totals are due to rounding differences.

²⁾ See notes on the report.

PEGASO CAPITAL SICAV - STRATEGIC TREND

Statement of net assets

as at 31 December 2023

	EUR
Investments in securities at market value (Cost of investments: EUR 24,514,914.30)	25,151,167.92
Options	18,107.74
Cash at bank ¹⁾	639,082.56
Unrealised gains from financial futures	147,347.75
Unrealised gains from forward exchange transactions	57,102.13
Interest receivable	248,810.70
Dividend receivable	43,043.22
	<u>26,304,662.02</u>
Other liabilities ²⁾	-54,965.21
	<u>-54,965.21</u>
Total sub-fund net assets	<u>26,249,696.81</u>

Assets by share class

CR EUR

Proportion of total net assets	4,884,271.02 EUR
Number of shares outstanding	46,305.073
Sub-fund net asset value per share	105.48 EUR

CI EUR

Proportion of total net assets	21,365,425.79 EUR
Number of shares outstanding	190,682.947
Sub-fund net asset value per share	112.05 EUR

¹⁾ See notes on the report.

²⁾ This position consists primarily of management company fee payables and audit fee payables.

PEGASO CAPITAL SICAV - STRATEGIC TREND

Statement of changes in fund net assets

for the reporting period from 1 January 2023 to 31 December 2023

	Total EUR	CR EUR EUR	CI EUR EUR
Sub-fund net assets at the beginning of the reporting period	26,378,634.23	5,298,527.28	21,080,106.95
Net income	395,729.40	62,946.63	332,782.77
Income equalisation	1,799.10	1,799.10	0.00
Cash inflows from subscriptions	50,000.03	50,000.03	0.00
Cash outflows from redemptions	-504,264.37	-504,264.37	0.00
Realised gains	2,677,195.66	534,091.44	2,143,104.22
Realised losses	-4,453,170.25	-883,523.66	-3,569,646.59
Net change in unrealised gains	4,247,242.19	846,903.17	3,400,339.02
Net change in unrealised losses	-2,543,469.18	-522,208.60	-2,021,260.58
Total sub-fund net assets at the end of the reporting period	26,249,696.81	4,884,271.02	21,365,425.79

Statement of changes in the number of shares

	CR EUR No. of shares	CI EUR No. of shares
Shares outstanding at the beginning of the reporting period	50,740.716	190,682.947
Shares subscribed	483.210	0.000
Shares redeemed	-4,918.853	0.000
Shares outstanding at the end of reporting period	46,305.073	190,682.947

PEGASO CAPITAL SICAV - STRATEGIC TREND

Statement of operations

for the reporting period from 1 January 2023 to 31 December 2023

	Total EUR	CR EUR EUR	CI EUR EUR
Income			
Dividend income	261,015.37	52,295.61	208,719.76
Income from investment units	13,151.94	2,600.47	10,551.47
Interest on bonds	649,850.43	128,729.47	521,120.96
Bank interest	49,408.87	9,838.59	39,570.28
Other income	47,527.26	9,148.90	38,378.36
Income equalisation	-4,992.26	-4,992.26	0.00
Total income	1,015,961.61	197,620.78	818,340.83
Expenses			
Interest expense	-939.88	-176.39	-763.49
Management Company and investment adviser fee	-389,584.36	-89,486.95	-300,097.41
Custodian fee	-17,214.56	-3,465.54	-13,749.02
Central Administration Agent fee	-24,547.61	-4,942.28	-19,605.33
Distribution fees	-11,901.44	-2,396.15	-9,505.29
Taxe d'abonnement	-4,632.02	-2,552.09	-2,079.93
Publishing and auditing expenses	-38,853.83	-7,759.40	-31,094.43
Setting, printing and shipping expenses for annual and semi-annual reports	-130.37	-26.25	-104.12
Transfer agent fee	-9,872.68	-1,985.62	-7,887.06
Government fees	-10,789.87	-2,159.52	-8,630.35
Other expenses ¹⁾	-114,958.75	-22,917.12	-92,041.63
Income equalisation	3,193.16	3,193.16	0.00
Total expenses	-620,232.21	-134,674.15	-485,558.06
Net income	395,729.40	62,946.63	332,782.77
Total transaction costs in the reporting period ²⁾	16,811.45		
Total expense ratio as a percentage ²⁾		2.67	2.32
Ongoing charges as a percentage ²⁾		2.69	2.34
Swiss Total Expense Ratio without Performance fee as a percentage ²⁾ (for the reporting period from 1 January 2023 to 31. December 2023)		2.67	2.32
Swiss Total Expense Ratio with Performance fee as a percentage ²⁾ (for the reporting period from 1 January 2023 to 31. December 2023)		2.67	2.32
Swiss Performance fee as a percentage ²⁾ (for the reporting period from 1 January 2023 to 31. December 2023)		-	-

¹⁾ This position consists primarily of general administrative expenses and legal costs.

²⁾ See notes on the report.

PEGASO CAPITAL SICAV - STRATEGIC TREND

Statement of investments as at 31 December 2023

ISIN	Securities		Quantity	Price	Market value EUR	% TNA ¹⁾
Shares, rights and participation certificates						
Transferable securities admitted to an official exchange listing						
Canada						
CA0679011084	Barrick Gold Corporation	USD	10,000	18.0900	163,784.52	0.62
CA3518581051	Franco-Nevada Corporation	USD	1,300	110.8100	130,423.72	0.50
CA9628791027	Wheaton Precious Metals Corporation	USD	5,500	49.3400	245,694.88	0.94
					539,903.12	2.06
Finland						
FI0009013296	Neste Oyj	EUR	12,000	32.2100	386,520.00	1.47
					386,520.00	1.47
France						
FR0000125338	Capgemini SE	EUR	2,000	188.7500	377,500.00	1.44
FR0014003TT8	Dassault Systemes SE	EUR	6,500	44.2350	287,527.50	1.10
FR0000121667	EssilorLuxottica S.A.	EUR	1,500	181.6000	272,400.00	1.04
FR0010259150	Ipsen S.A.	EUR	1,500	107.9000	161,850.00	0.62
FR0000124141	Veolia Environnement S.A.	EUR	15,000	28.5600	428,400.00	1.63
					1,527,677.50	5.83
Germany						
DE000A0Z2ZZ5	freenet AG	EUR	12,000	25.3400	304,080.00	1.16
DE000LEG1110	LEG Immobilien SE	EUR	3,000	79.3200	237,960.00	0.91
DE0007030009	Rheinmetall AG	EUR	2,300	287.0000	660,100.00	2.51
					1,202,140.00	4.58
Italy						
IT0003132476	ENI S.p.A.	EUR	20,000	15.3480	306,960.00	1.17
IT0000072170	Fincobank Banca Fineco S.p.A.	EUR	20,000	13.5850	271,700.00	1.04
IT0003856405	Leonardo S.p.A.	EUR	30,000	14.9350	448,050.00	1.71
IT0005438046	SECO S.p.A.	EUR	72,838	3.4380	250,417.04	0.95
					1,277,127.04	4.87
Netherlands						
NL0000235190	Airbus SE	EUR	2,100	139.7800	293,538.00	1.12
					293,538.00	1.12
Norway						
NO0011202772	VAR Energi ASA1	NOK	150,000	32.1600	430,061.51	1.64
					430,061.51	1.64
Spain						
ES0113900J37	Banco Santander S.A.	EUR	80,000	3.7795	302,360.00	1.15
					302,360.00	1.15

¹⁾ TNA = Total net assets. Deviations in the totals are due rounding differences.

The accompanying notes form an integral part of this annual report.

PEGASO CAPITAL SICAV - STRATEGIC TREND

Statement of investments as at 31 December 2023

ISIN	Securities		Quantity	Price	Market value EUR	% TNA ¹⁾
Switzerland						
CH0319416936	Flughafen Zürich AG	CHF	1,800	175.6000	340,090.38	1.30
CH0012255151	The Swatch Group AG	CHF	1,000	228.6000	245,965.14	0.94
					586,055.52	2.24
United States of America						
US0079031078	Advanced Micro Devices Inc.	USD	3,000	147.4100	400,389.32	1.53
US02079K3059	Alphabet Inc.	USD	1,800	139.6900	227,652.33	0.87
US35671D8570	Freeport-McMoRan Inc.	USD	6,750	42.5700	260,160.71	0.99
US75513E1010	RTX Corporation	USD	2,500	84.1400	190,448.17	0.73
					1,078,650.53	4.12
Transferable securities admitted to an official exchange listing					7,624,033.22	29.08
Securities listed or included on organised markets						
Germany						
DE000A0LR9G9	EXASOL AG	EUR	23,737	3.1450	74,652.87	0.28
					74,652.87	0.28
Securities listed or included on organised markets					74,652.87	0.28
Shares, rights and participation certificates					7,698,686.09	29.36
Bonds						
Transferable securities admitted to an official exchange listing						
CHF						
CH0353945394	3.000%	gategroup Fin Reg.S. v.17(2027)	200,000	68.8100	148,074.03	0.56
					148,074.03	0.56
EUR						
XS2411537033	3.875%	Banca Popolare di Sondrio S.p.A. EMTN Reg.S. Fix-to-Float v.21(2032)	600,000	93.4700	560,820.00	2.14
XS2577572188	4.875%	Banco BPM S.p.A. EMTN Reg.S. Green Bond v.23(2027)	200,000	103.3680	206,736.00	0.79
XS2334857138	2.750%	ENI S.p.A. Reg.S. Fix-to-Float Perp.	300,000	85.7500	257,250.00	0.98
FR0013461274	5.875%	Eramet S.A. Reg.S. v.19(2025)	300,000	101.3130	303,939.00	1.16
XS2397352662	4.750%	ICCREA Banca - Istituto Centrale del Credito Cooperativo S.p.A. EMTN Reg.S. Fix-to-Float v.21(2032)	200,000	96.4750	192,950.00	0.74
XS2407593222	2.125%	ICCREA Banca - Istituto Centrale del Credito Cooperativo S.p.A. Reg.S. Fix-to-Float v.21(2027)	400,000	95.5000	382,000.00	1.46
XS2397781944	5.625%	Iliad Holding S.A.S. Reg.S. v.21(2028)	300,000	100.0000	300,000.00	1.14
XS2361258317	4.375%	Illimity Bank S.p.A. EMTN Reg.S. Fix-to-Float v.21(2031)	400,000	81.0000	324,000.00	1.23
IT0005410912	1.400%	Italien Reg.S. ILB v.20(2025)	300,000	98.2400	294,720.00	1.12
IT0005517195	1.600%	Italien Reg.S. ILB v.22(2028)	200,000	96.3070	192,444.50	0.73
FR0014006W65	2.500%	Renault S.A. EMTN Reg.S. v.21(2027)	300,000	95.4830	286,449.00	1.09
CH1168499791	1.000%	UBS Group AG EMTN Reg.S. Fix-to-Float v.22(2025)	300,000	99.2760	297,828.00	1.13
CH1142231682	0.250%	UBS Group AG Reg.S. Fix-to-Float v.21(2026)	800,000	93.7760	750,208.00	2.86
CH1174335732	2.125%	UBS Group AG Reg.S. Fix-to-Float v.22(2026)	200,000	97.1530	194,306.00	0.74
XS2599156192	5.500%	VAR Energi ASA1 EMTN Reg.S. v.23(2029)	400,000	106.9980	427,992.00	1.63
XS2102392276	3.625%	Webuild S.p.A. Reg.S. v.20(2027)	314,000	93.8970	294,836.58	1.12
					5,266,479.08	20.06

¹⁾ TNA = Total net assets. Deviations in the totals are due rounding differences.

The accompanying notes form an integral part of this annual report.

PEGASO CAPITAL SICAV - STRATEGIC TREND

Statement of investments as at 31 December 2023

ISIN	Securities	Quantity	Price	Market value EUR	% TNA ¹⁾
NOK					
NO0010805310	1.850% DNB Boligkreditt A.S. Pfe. v.17(2024)	5,000,000	99.4100	443,122.05	1.69
XS2560421930	6.000% Scania CV AB EMTN Reg.S. FRN v.22(2024)	4,000,000	100.3098	357,706.20	1.36
				800,828.25	3.05
USD					
USN84413CL06	4.892% Syngenta Finance NV Reg.S. v.18(2025)	600,000	98.0900	532,856.50	2.03
XS2196325331	5.459% UniCredit S.p.A. Reg.S. Fix-to-Float v.20(2035)	600,000	93.8350	509,741.96	1.94
				1,042,598.46	3.97
Transferable securities admitted to an official exchange listing				7,257,979.82	27.64
Securities listed or included on organised markets					
AUD					
AU0000106411	0.500% Australien Reg.S. v.20(2026)	500,000	92.0300	284,341.59	1.08
				284,341.59	1.08
EUR					
XS2212625656	5.000% doValue S.p.A. Reg.S. v.20(2025)	100,000	97.4410	97,441.00	0.37
XS2052216111	3.000% Intrum AB Reg.S. v.19(2027)	200,000	76.0000	152,000.00	0.58
XS2364593579	4.500% Jaguar Land Rover Automotive Plc. Reg.S. v.21(2028)	300,000	97.5000	292,500.00	1.11
XS2066721965	7.827% Rossini S.à r.l. EO-FLR Notes 2019(19/25) Reg.S	200,000	100.5310	201,062.00	0.77
XS2352739184	8.500% Vallourec S.A. Reg.S. v.21(2026)	200,000	100.6650	201,330.00	0.77
XS2271356201	5.875% Webuild S.p.A. Reg.S. v.20(2025)	100,000	102.1360	102,136.00	0.39
XS2681940297	7.000% Webuild S.p.A. Reg.S. v.23(2028)	150,000	104.0000	156,000.00	0.59
				1,202,469.00	4.58
USD					
US037833CG39	3.000% Apple Inc. v.17(2024)	400,000	99.7370	361,202.35	1.38
USP22835AB13	4.625% Centrais Elétricas Brasileiras S.A. Reg.S. v.20(2030)	200,000	89.7500	162,516.98	0.62
USP7S08VBZ31	6.875% Petróleos Mexicanos Reg.S. v.20(2025)	400,000	98.6790	357,370.76	1.36
US71654QDD16	7.690% Petróleos Mexicanos v.19(2050)	300,000	70.9920	192,825.71	0.73
USG8200VAB11	4.750% Skymiles IP Ltd./ Delta Air Lines Inc. Reg.S. v.20(2028)	200,000	98.4674	178,302.22	0.68
US38141GXD14	6.811% The Goldman Sachs Group Inc. FRN v.18(2026)	1,400,000	100.2500	1,270,710.73	4.84
US912909AU28	6.875% United States Steel Corporation v.21(2029)	500,000	102.3850	463,490.27	1.77
				2,986,419.02	11.38
Securities listed or included on organised markets				4,473,229.61	17.04
Bonds				11,731,209.43	44.68
Convertible Bonds					
Transferable securities admitted to an official exchange listing					
EUR					
BE6317598850	3.875% Ageas SA/NV Reg.S. Fix-to-Float Perp.	400,000	77.3180	309,272.00	1.18
XS1548475968	7.750% Intesa Sanpaolo S.p.A. Reg.S. Fix-to-Float Perp.	600,000	102.5570	615,342.00	2.34
				924,614.00	3.52
Transferable securities admitted to an official exchange listing				924,614.00	3.52

¹⁾ TNA = Total net assets. Deviations in the totals are due rounding differences.

PEGASO CAPITAL SICAV - STRATEGIC TREND

Statement of investments as at 31 December 2023

ISIN	Securities	Quantity	Price	Market value EUR	% TNA ¹⁾	
Securities listed or included on organised markets						
EUR						
DE000A19W2L5	0.000% ams-OSRAM AG/ams-OSRAM AG Reg.S. CV v.18(2025)	400,000	93.9460	375,784.00	1.43	
XS2404266848	5.875% BFF Bank S.p.A. Reg.S. Fix-to-Float Perp.	300,000	87.5230	262,569.00	1.00	
FR0013489739	0.000% Clariane SE/Clariane SE Reg.S. CV v.20(2027)	4,500	38.8180	174,681.00	0.67	
XS2029623191	5.875% Fincobank Banca Fineco S.p.A. Reg.S. Fix-to-Float Perp.	650,000	99.1480	644,462.00	2.46	
				1,457,496.00	5.56	
Securities listed or included on organised markets						
				1,457,496.00	5.56	
Convertible Bonds						
				2,382,110.00	9.08	
Investment fund units ²⁾						
Ireland						
IE00B5M4WH52	iShares III Plc. - iShares Emerging Markets Local Government Bond UCITS ETF	EUR	9,700	41.9120	406,546.40	1.55
IE00B0M63516	iShares Plc. - iShares MSCI Brazil UCITS ETF [Dist]	EUR	10,000	24.9750	249,750.00	0.95
IE00B6R52036	iShares V Plc. - S&P Gold Producers UCITS ETF	EUR	23,000	12.5800	289,340.00	1.10
IE00BQQP9F84	VanEck Gold Miners UCITS ETF	EUR	10,000	31.3450	313,450.00	1.19
IE00BQQP9G91	VanEck Junior Gold Miners UCITS ETF	EUR	8,500	30.4400	258,740.00	0.99
				1,517,826.40	5.78	
Luxembourg						
LU0489337690	Xtrackers FTSE Developed Europe Real Estate UCITS ETF	EUR	10,000	23.5900	235,900.00	0.90
				235,900.00	0.90	
Investment fund units ²⁾						
				1,753,726.40	6.68	
Certificates						
Transferable securities admitted to an official exchange listing						
United Kingdom						
GB00B00FHZ82	Gold Bullion Securities Ltd./Gold Unze 999 Zert. v.04(2199)	EUR	9,200	172.3300	1,585,436.00	6.04
				1,585,436.00	6.04	
Transferable securities admitted to an official exchange listing						
				1,585,436.00	6.04	
Certificates						
				1,585,436.00	6.04	
Investment in securities						
				25,151,167.92	95.84	
Options						
Long positions						
USD						
Call on Advanced Micro Devices Inc. Januar 2024/145.00			50		18,107.74	0.07
				18,107.74	0.07	
Long positions						
				18,107.74	0.07	
Options						
				18,107.74	0.07	

¹⁾ TNA = Total net assets. Deviations in the totals are due rounding differences.

²⁾ Information about selling fees, redemption fees and the maximum amount of the management fee for target fund units can be obtained on application free of charge from the registered office of the management company, from the custodian bank and the paying agents. No management fee or a reduced one is calculated for units held of a target fund, which are managed directly or on the basis of a transfer from the same management company or from a company with to the management company is related by means of joint management or domination or significant direct or indirect interests.

PEGASO CAPITAL SICAV - STRATEGIC TREND

Statement of investments as at 31 December 2023

ISIN	Securities	Quantity	Price	Market value EUR	% TNA ¹⁾
Futures					
Long positions					
CHF					
	Swiss Market Index Future März 2024	5		-6,993.76	-0.03
				-6,993.76	-0.03
USD					
	Dow Jones Industrial Average Index Future März 2024	10		54,549.57	0.21
	EUR/USD Future März 2024	30		87,935.72	0.33
	MSCI Emerging Markets Index (NYSE) Future März 2024	30		51,602.54	0.20
				194,087.83	0.74
Long positions				187,094.07	0.71
Short positions					
EUR					
	Euro Stoxx 50 Price Index Future März 2024	-20		5,300.00	0.02
	EUX 10YR Euro-BTP Future März 2024	-7		-16,730.00	-0.06
	STOXX 600 Index Future März 2024	-80		-18,640.00	-0.07
				-30,070.00	-0.11
USD					
	CBT 10YR US T-Bond Future März 2024	-4		-9,676.32	-0.04
				-9,676.32	-0.04
Short positions				-39,746.32	-0.15
Futures				147,347.75	0.56
Cash at bank - current accounts ²⁾				639,082.56	2.43
Balance of other receivables and liabilities				293,990.84	1.10
Total sub-fund net assets in EUR				26,249,696.81	100.00

Forward exchange contracts

As at 31 December 2023 the following open forward exchange contracts were outstanding:

Currency	Counterparty		Principal amount	Market value EUR	% TNA ¹⁾
NOK/EUR	DZ PRIVATBANK S.A.	Currency purchases	20,000,000.00	1,782,459.71	6.79

¹⁾ TNA = Total net assets. Deviations in the totals are due rounding differences.

²⁾ See notes on the report.

PEGASO CAPITAL SICAV - STRATEGIC TREND

Futures	Quantity	Commitment EUR	% TNA ¹⁾
Long positions			
CHF			
Swiss Market Index Future März 2024	5	596,137.29	2.27
		596,137.29	2.27
USD			
Dow Jones Industrial Average Index Future März 2024	10	1,720,778.63	6.56
EUR/USD Future März 2024	30	3,761,713.44	14.33
MSCI Emerging Markets Index (NYSE) Future März 2024	30	1,403,847.89	5.35
		6,886,339.96	26.24
Long positions		7,482,477.25	28.51
Short positions			
EUR			
Euro Stoxx 50 Price Index Future März 2024	-20	-908,600.00	-3.46
EUX 10YR Euro-BTP Future März 2024	-7	-834,050.00	-3.18
STOXX 600 Index Future März 2024	-80	-1,919,200.00	-7.31
		-3,661,850.00	-13.95
USD			
CBT 10YR US T-Bond Future März 2024	-4	-408,838.84	-1.56
		-408,838.84	-1.56
Short positions		-4,070,688.84	-15.51
Futures		3,411,788.41	13.00

¹⁾ TNA = Total net assets. Deviations in the totals are due rounding differences.

PEGASO CAPITAL SICAV - STRATEGIC TREND

Performance in percent*

as at 31 December 2023

Fund	ISIN-Code Security Ident. No.	Share class currency	6 months	1 year	3 years	10 years
PEGASO CAPITAL SICAV - Strategic Trend CR since 04.10.2010	LU0538498220 A1JB8M	EUR	4.26%	1.02%	2.50%	3.44%
PEGASO CAPITAL SICAV - Strategic Trend CI since 04.10.2010	LU0538499541 A1JB8L	EUR	4.45%	1.36%	3.64%	7.84%

* Based on the published net asset value (BVI method), the result corresponds to the AMAS guideline on the "Calculation and publication of the performance of collective investment funds" dated 16 May 2008.

Past performance is not an indicator of current or future performance. The performance data does not take into consideration the fees and costs imposed on the issue and redemption of the shares.

PEGASO CAPITAL SICAV - STRATEGIC TREND

Exchange rates

For the valuation of assets in foreign currencies, conversions into Euro were performed using the following exchange rates as at 31 December 2023. *

Australian Dollar	AUD	1	1.6183
British Pound	GBP	1	0.8663
Canadian Dollar	CAD	1	1.4562
Danish Crown	DKK	1	7.4544
Norwegian Crown	NOK	1	11.2170
Swedish Crown	SEK	1	11.1312
Swiss Franc	CHF	1	0.9294
US Dollar	USD	1	1.1045

* As the last valuation date in the 2023 financial year was 29 December 2023, the exchange rates on 29 December 2023 were used to translate the assets into foreign currency.

PEGASO CAPITAL SICAV - STRATEGIC BOND

Annual report
1 January 2023 - 31 December 2023

The company is entitled to create share classes with different rights.
The following share classes currently exist with the following features:

	C EUR	C USD (Hedged)
Security No.:	A3EGMW	A3EGMV
ISIN:	LU0683647100	LU0683647282
Subscription fee:	up to 2.00 %	up to 2.00 %
Redemption fee:	none	none
Flat fee:	0.97 % p.a. plus 1,666.67 Euro fixed fee p.m. for the sub-fund	0.97 % p.a. plus 1,666.67 Euro fixed fee p.m. for the sub-fund
Minimum subsequent investment:	none	none
Use of income:	accumulative	accumulative
Currency:	EUR	USD

Geographic classification ¹⁾

Italy	38.69 %
United States of America	10.91 %
France	6.59 %
Netherlands	5.06 %
Norway	4.84 %
Luxembourg	4.51 %
Germany	4.22 %
Spain	3.36 %
Belgium	2.99 %
Mexico	2.73 %
Sweden	2.67 %
Cayman Islands	2.30 %
Ireland	2.28 %
Switzerland	2.20 %
Austria	1.68 %
Iceland	0.94 %
United Kingdom	0.87 %
Brazil	0.73 %
Investment in securities	97.57 %
Futures	0.05 %
Cash at bank ²⁾	1.25 %
Balance of other receivables and liabilities	1.13 %
	100.00 %

¹⁾ Deviations in the totals are due to rounding differences.

²⁾ See notes on the report.

PEGASO CAPITAL SICAV - STRATEGIC BOND

Economic classification ¹⁾

Banks	27.95 %
Automobile & components	11.48 %
Energy	9.51 %
Diversified financial services	9.13 %
Raw, auxiliary & operating materials	7.18 %
Capital Goods	5.07 %
Other	4.77 %
Investment fund units	4.11 %
Insurance	3.38 %
Telecommunication Services	3.36 %
Transportation	2.92 %
Pharmaceuticals, Biotechnology & Life Sciences	2.63 %
Technology Hardware & Equipment	1.78 %
Semiconductors & Semiconductor Equipment	1.68 %
Health services: Equipment & services	0.78 %
Public utilities	0.73 %
Commercial & Professional Services	0.68 %
Consumer Services	0.43 %
Investment in securities	97.57 %
Futures	0.05 %
Cash at bank ²⁾	1.25 %
Balance of other receivables and liabilities	1.13 %
	100.00 %

Performance over the past 3 financial years

C EUR

Date	Total sub-fund net assets in millions EUR	Shares outstanding	Net cash inflow in thousands EUR	Sub-fund net asset value per share EUR
31.12.2021	9.16	80,409	-1,472.93	113.93
31.12.2022	9.78	93,058	1,330.41	105.04
31.12.2023	9.89	88,644	-471.57	111.52

C USD (Hedged)

Date	Total sub-fund net assets in millions EUR	Shares outstanding	Net cash inflow in thousands EUR	Sub-fund net asset value per share EUR	Sub-fund net asset value per share USD
31.12.2021	15.25	118.392	2,973.08	113.27	128.79 ³⁾
31.12.2022	13.24	109.203	-1,034.51	113.27	121.26 ⁴⁾
31.12.2023	12.53	105,732	-415.41	118.48	130.86 ⁵⁾

¹⁾ Deviations in the totals are due to rounding differences.

²⁾ See notes on the report.

³⁾ conversion into Euro as at 31 December 2021: 1 EUR = 1.1370 USD

⁴⁾ conversion into Euro as at 31 December 2022: 1 EUR = 1.0705 USD

⁵⁾ conversion into Euro as at 31 December 2023: 1 EUR = 1.1045 USD

PEGASO CAPITAL SICAV - STRATEGIC BOND

Statement of net assets

as at 31 December 2023

	EUR
Investments in securities at market value (Cost of investments: EUR 22,791,667.12)	21,873,203.22
Cash at bank ¹⁾	281,222.95
Unrealised gains from financial futures	11,786.20
Interest receivable	355,630.37
	<u>22,521,842.74</u>
Unrealised losses from forward exchange transactions	-35,477.46
Other liabilities ²⁾	-73,194.29
	<u>-108,671.75</u>
Total sub-fund net assets	<u>22,413,170.99</u>

Assets by share class

C EUR

Proportion of total net assets	9,885,795.78 EUR
Number of shares outstanding	88,644.036
Sub-fund net asset value per share	111.52 EUR

C USD (Hedged)

Proportion of total net assets	12,527,375.21 EUR
Number of shares outstanding	105,731.807
Sub-fund net asset value per share	118.48 EUR
Sub-fund net asset value per share	130.86 USD ³⁾

¹⁾ See notes on the report.

²⁾ This position consists primarily of performance fee payables and management company fee payables.

³⁾ conversion into Euro as at 31 December 2023: 1 EUR = 1.1045 USD

PEGASO CAPITAL SICAV - STRATEGIC BOND

Statement of changes in fund net assets

for the reporting period from 1 January 2023 to 31 December 2023

	Total EUR	C EUR EUR	C USD (Hedged) EUR
Sub-fund net assets at the beginning of the reporting period	22,145,064.85	9,775,069.08	12,369,995.77
Net income	580,921.24	255,098.39	325,822.85
Income equalisation	10,084.70	4,495.88	5,588.82
Cash inflows from subscriptions	972,878.75	743,243.40	229,635.35
Cash outflows from redemptions	-1,859,861.14	-1,214,811.43	-645,049.71
Realised gains	1,005,370.21	208,326.95	797,043.26
Realised losses	-1,822,701.51	-516,051.58	-1,306,649.93
Net change in unrealised gains	428,312.12	224,894.10	203,418.02
Net change in unrealised losses	953,101.77	405,530.99	547,570.78
Total sub-fund net assets at the end of the reporting period	22,413,170.99	9,885,795.78	12,527,375.21

Statement of changes in the number of shares

	C EUR No. of shares	C USD (Hedged) No. of shares
Shares outstanding at the beginning of the reporting period	93,057.942	109,203.358
Shares subscribed	6,990.243	2,008.485
Shares redeemed	-11,404.149	-5,480.036
Shares outstanding at the end of reporting period	88,644.036	105,731.807

PEGASO CAPITAL SICAV - STRATEGIC BOND

Statement of operations

for the reporting period from 1 January 2023 to 31 December 2023

	Total EUR	C EUR EUR	C USD (Hedged) EUR
Income			
Income from investment units	29,818.22	13,327.46	16,490.76
Interest on bonds	946,317.28	415,959.41	530,357.87
Bank interest	30,304.68	13,369.67	16,935.01
Other income	8,478.59	3,597.90	4,880.69
Income equalisation	-15,974.68	-7,011.64	-8,963.04
Total income	998,944.09	439,242.80	559,701.29
Expenses			
Interest expense	-1,815.86	-792.74	-1,023.12
Management Company and investment adviser fee	-235,805.82	-103,924.05	-131,881.77
Custodian fee	-14,146.36	-6,259.96	-7,886.40
Central Administration Agent fee	-25,589.61	-11,321.29	-14,268.32
Distribution fees	-10,376.83	-4,591.03	-5,785.80
Taxe d'abonnement	-11,187.70	-4,935.22	-6,252.48
Publishing and auditing expenses	-33,448.13	-14,750.85	-18,697.28
Setting, printing and shipping expenses for annual and semi-annual reports	-110.52	-48.89	-61.63
Transfer agent fee	-10,622.68	-4,687.81	-5,934.87
Government fees	-10,447.43	-4,589.29	-5,858.14
Other expenses ¹⁾	-70,361.89	-30,759.04	-39,602.85
Income equalisation	5,889.98	2,515.76	3,374.22
Total expenses	-418,022.85	-184,144.41	-233,878.44
Net income	580,921.24	255,098.39	325,822.85
Total transaction costs in the reporting period ²⁾	2,972.99		
Total expense ratio as a percentage ²⁾		1.87	1.88
Ongoing charges as a percentage ²⁾		1.88	1.88
Swiss Total Expense Ratio without Performance fee as a percentage ²⁾ (for the reporting period from 1 January 2023 to 31. December 2023)		1.87	1.88
Swiss Total Expense Ratio with Performance fee as a percentage ²⁾ (for the reporting period from 1 January 2023 to 31. December 2023)		1.87	1.88
Swiss Performance fee as a percentage ²⁾ (for the reporting period from 1 January 2023 to 31. December 2023)		-	-

¹⁾ This position consists primarily of general administrative expenses and legal costs.

²⁾ See notes on the report.

PEGASO CAPITAL SICAV - STRATEGIC BOND

Statement of investments as at 31 December 2023

ISIN	Securities	Quantity	Price	Market value EUR	% TNA ¹⁾
Bonds					
Transferable securities admitted to an official exchange listing					
CHF					
CH0353945394	3.000% gategroup Fin Reg.S. v.17(2027)	270,000	68.8100	199,899.94	0.89
				199,899.94	0.89
EUR					
XS2569287795	5.875% Banca IFIS S.p.A. EMTN Reg.S. v.22(2026)	200,000	101.2838	202,567.62	0.90
XS2034847637	6.250% Banca Popolare di Sondrio S.p.A. EMTN Reg.S. Fix-to-Float v.19(2029)	200,000	99.9250	199,850.00	0.89
XS2411537033	3.875% Banca Popolare di Sondrio S.p.A. EMTN Reg.S. Fix-to-Float v.21(2032)	600,000	93.4700	560,820.00	2.50
XS2577572188	4.875% Banco BPM S.p.A. EMTN Reg.S. Green Bond v.23(2027)	300,000	103.3680	310,104.00	1.38
XS2264034260	3.625% BPER Banca S.p.A. EMTN Reg.S. Fix-to-Float v.20(2030)	200,000	98.4260	196,852.00	0.88
XS2385393405	1.000% Cellnex Finance Company S.A. EMTN Reg.S. v.21(2027)	400,000	91.4980	365,992.00	1.63
XS2465792294	2.250% Cellnex Finance Company S.A. EMTN Reg.S. v.22(2026)	400,000	96.8320	387,328.00	1.73
BE0002872530	5.375% Crelan S.A. EMTN Reg.S. v.22(2025)	200,000	102.6880	205,376.00	0.92
XS2306601746	1.875% easyJet FinCo BV EMTN Reg.S. v.21(2028)	200,000	93.6490	187,298.00	0.84
XS2334857138	2.750% ENI S.p.A. Reg.S. Fix-to-Float Perp.	600,000	85.7500	514,500.00	2.30
FR0013461274	5.875% Eramet S.A. Reg.S. v.19(2025)	200,000	101.3130	202,626.00	0.90
XS2590759986	4.625% Finecobank Banca Fineco S.p.A. EMTN Reg.S. Fix-to-Float v.23(2029)	100,000	102.2110	102,211.00	0.46
XS1959498160	3.021% Ford Motor Credit Co. LLC EMTN v.19(2024)	500,000	99.5880	497,940.00	2.22
XS2116728895	1.744% Ford Motor Credit Co. LLC EMTN v.20(2024)	300,000	98.3160	294,948.00	1.32
XS2397352662	4.750% ICCREA Banca - Istituto Centrale del Credito Cooperativo S.p.A. EMTN Reg.S. Fix-to-Float v.21(2032)	200,000	96.4750	192,950.00	0.86
XS2407593222	2.125% ICCREA Banca - Istituto Centrale del Credito Cooperativo S.p.A. Reg.S. Fix-to-Float v.21(2027)	200,000	95.5000	191,000.00	0.85
XS2397781944	5.625% Iliad Holding S.A.S. Reg.S. v.21(2028)	400,000	100.0000	400,000.00	1.78
XS2361258317	4.375% Illimity Bank S.p.A. EMTN Reg.S. Fix-to-Float v.21(2031)	350,000	81.0000	283,500.00	1.26
XS2564398753	6.625% Illimity Bank S.p.A. EMTN Reg.S. v.22(2025)	200,000	102.3310	204,662.00	0.91
XS2553604690	7.375% Islandsbanki hf. EMTN Reg.S. v.23(2026)	200,000	104.8620	209,724.00	0.94
IT0005410912	1.400% Italien Reg.S. ILB v.20(2025)	500,000	98.2400	491,200.00	2.19
IT0005517195	1.600% Italien Reg.S. ILB v.22(2028)	600,000	96.3070	577,333.50	2.58
XS2563002653	4.625% Mediobanca - Banca di Credito Finanziario S.p.A. EMTN Reg.S. Fix-to-Float Sustainability Bond v.22(2029)	100,000	103.9470	103,947.00	0.46
FR001400B1L7	4.750% RCI Banque S.A. EMTN Reg.S. Green Bond v.22(2027)	200,000	104.3020	208,604.00	0.93
FR0014006W65	2.500% Renault S.A. EMTN Reg.S. v.21(2027)	200,000	95.4830	190,966.00	0.85
CH1168499791	1.000% UBS Group AG EMTN Reg.S. Fix-to-Float v.22(2025)	300,000	99.2760	297,828.00	1.33

¹⁾ TNA = Total net assets. Deviations in the totals are due rounding differences.

PEGASO CAPITAL SICAV - STRATEGIC BOND

Statement of investments as at 31 December 2023

ISIN	Securities	Quantity	Price	Market value EUR	% TNA ¹⁾
EUR (Continued)					
CH1174335732	2.125% UBS Group AG Reg.S. Fix-to-Float v.22(2026)	200,000	97.1530	194,306.00	0.87
XS2555420103	5.850% UniCredit S.p.A. EMTN Reg.S. Fix-to-Float Green Bond v.22(2027)	300,000	105.7940	317,382.00	1.42
XS2599156192	5.500% VAR Energi ASA1 EMTN Reg.S. v.23(2029)	600,000	106.9980	641,988.00	2.86
XS1799939027	4.625% Volkswagen International Finance NV- Reg.S. Fix-to-Float Perp.	500,000	97.1190	485,595.00	2.17
XS2102392276	3.625% Webuild S.p.A. Reg.S. v.20(2027)	209,000	93.8970	196,244.73	0.88
				9,415,642.85	42.01
NOK					
NO0010805310	1.850% DNB Boligkreditt A.S. Pfe. v.17(2024)	5,000,000	99.4100	443,122.05	1.98
XS1967658243	1.625% Kreditanstalt für Wiederaufbau EMTN Reg.S. v.19(2024)	3,500,000	99.3790	310,088.70	1.38
XS2560421930	6.000% Scania CV AB EMTN Reg.S. FRN v.22(2024)	5,000,000	100.3098	447,132.74	1.99
				1,200,343.49	5.35
USD					
USN84413CL06	4.892% Syngenta Finance NV Reg.S. v.18(2025)	200,000	98.0900	177,618.83	0.79
XS2196325331	5.459% UniCredit S.p.A. Reg.S. Fix-to-Float v.20(2035)	400,000	93.8350	339,827.98	1.52
US91911TAQ67	3.750% Vale Overseas Ltd. v.20(2030)	300,000	91.9360	249,712.99	1.11
				767,159.80	3.42
Transferable securities admitted to an official exchange listing				11,583,046.08	51.67
Securities listed or included on organised markets					
EUR					
XS2331921390	1.500% Anima Holding S.p.A. Reg.S. v.21(2028)	300,000	89.8780	269,634.00	1.20
XS2367103780	3.375% doValue S.p.A. Reg.S. v.21(2026)	200,000	89.7260	179,452.00	0.80
XS2398807383	0.500% Finecobank Banca Fineco S.p.A. Reg.S. Fix-to-Float v.21(2027)	700,000	90.9340	636,538.00	2.84
XS2439248472	6.750% Inter Media And Communication S.p.A. Reg.S. v.22(2027)	100,000	96.1460	96,146.00	0.43
XS2052216111	3.000% Intrum AB Reg.S. v.19(2027)	200,000	76.0000	152,000.00	0.68
XS2364593579	4.500% Jaguar Land Rover Automotive Plc. Reg.S. v.21(2028)	200,000	97.5000	195,000.00	0.87
XS1172951508	2.750% Petróleos Mexicanos EMTN Reg.S. v.15(2027)	500,000	83.9900	419,950.00	1.87
XS2066721965	7.827% Rossini S.à r.l. EO-FLR Notes 2019(19/25) Reg.S	400,000	100.5310	402,124.00	1.79
XS2325696628	3.125% Saipem Finance International BV EMTN Reg.S. v.21(2028)	100,000	93.6250	93,625.00	0.42
XS2406607171	4.375% Teva Pharmaceutical Finance Netherlands II B.V. v.21(2030)	200,000	94.1450	188,290.00	0.84
XS2352739184	8.500% Vallourec S.A. Reg.S. v.21(2026)	300,000	100.6650	301,995.00	1.35
XS2271356201	5.875% Webuild S.p.A. Reg.S. v.20(2025)	100,000	102.1360	102,136.00	0.46
XS2437324333	3.875% Webuild S.p.A. Reg.S. v.22(2026)	400,000	97.5000	390,000.00	1.74
XS2681940297	7.000% Webuild S.p.A. Reg.S. v.23(2028)	100,000	104.0000	104,000.00	0.46
				3,530,890.00	15.75

¹⁾ TNA = Total net assets. Deviations in the totals are due rounding differences.

The accompanying notes form an integral part of this annual report.

PEGASO CAPITAL SICAV - STRATEGIC BOND

Statement of investments as at 31 December 2023

ISIN	Securities	Quantity	Price	Market value EUR	% TNA ¹⁾
USD					
USP22835AB13	4.625% Centrais Elébricas Brasileiras S.A. Reg.S. v.20(2030)	200,000	89.7500	162,516.98	0.73
XS1762729538	4.650% Citigroup Global Markets Holdings Inc. Reg.S. Stufenzinsanleihe v.18(2024)	200,000	99.1150	179,474.88	0.80
USU37818AX65	2.500% Glencore Funding LLC Reg.S. v.20(2030)	400,000	85.3380	309,055.68	1.38
US44891CAK99	2.750% Hyundai Capital America Reg.S. v.16(2026)	300,000	93.5390	254,067.00	1.13
USU60025AA89	3.900% Midwest Connector Capital Company LLC Reg.S. v.19(2024)	300,000	99.4261	270,057.34	1.20
US71654QDD16	7.690% Petróleos Mexicanos v.19(2050)	300,000	70.9920	192,825.71	0.86
USG8200VAB11	4.750% Skymiles IP Ltd./ Delta Air Lines Inc. Reg.S. v.20(2028)	300,000	98.4674	267,453.33	1.19
US38141GXD14	6.811% The Goldman Sachs Group Inc. FRN v.18(2026)	300,000	100.2500	272,295.16	1.21
US912909AU28	6.875% United States Steel Corporation v.21(2029)	400,000	102.3850	370,792.21	1.65
				2,278,538.29	10.15
Securities listed or included on organised markets				5,809,428.29	25.90
Bonds				17,392,474.37	77.57
Convertible Bonds					
Transferable securities admitted to an official exchange listing					
EUR					
BE6317598850	3.875% Ageas SA/NV Reg.S. Fix-to-Float Perp.	600,000	77.3180	463,908.00	2.07
XS2223761813	5.875% Intesa Sanpaolo S.p.A. EMTN Reg.S. Fix-to-Float Perp.	400,000	90.0900	360,360.00	1.61
XS1548475968	7.750% Intesa Sanpaolo S.p.A. Reg.S. Fix-to-Float Perp.	200,000	102.5570	205,114.00	0.92
				1,029,382.00	4.60
Transferable securities admitted to an official exchange listing				1,029,382.00	4.60
Securities listed or included on organised markets					
EUR					
DE000A3E5TR0	2.600% Allianz SE Reg.S. Fix-to-Float Perp.	200,000	71.7000	143,400.00	0.64
DE000A289FK7	2.625% Allianz SE Reg.S. Fix-to-Float Perp.	200,000	75.1970	150,394.00	0.67
DE000A19W2L5	0.000% ams-OSRAM AG/ams-OSRAM AG Reg.S. CV v.18(2025)	400,000	93.9460	375,784.00	1.68
XS2404266848	5.875% BFF Bank S.p.A. Reg.S. Fix-to-Float Perp.	400,000	87.5230	350,092.00	1.56
FR0013489739	0.000% Clariane SE/Clariane SE Reg.S. CV v.20(2027)	4,500	38.8180	174,681.00	0.78
XS2029623191	5.875% Finacobank Banca Fineco S.p.A. Reg.S. Fix-to-Float Perp.	800,000	99.1480	793,184.00	3.54
XS2105110329	5.875% Intesa Sanpaolo S.p.A. EMTN Reg.S. Fix-to-Float Perp.	200,000	99.3240	198,648.00	0.89
DE000A30V8T1	2.250% Rheinmetall AG/Rheinmetall AG Reg.S. CV v.23(2030)	300,000	114.3020	342,906.00	1.53
				2,529,089.00	11.29
Securities listed or included on organised markets				2,529,089.00	11.29
Convertible Bonds				3,558,471.00	15.89

¹⁾ TNA = Total net assets. Deviations in the totals are due rounding differences.

The accompanying notes form an integral part of this annual report.

PEGASO CAPITAL SICAV - STRATEGIC BOND

Statement of investments as at 31 December 2023

ISIN	Securities	Quantity	Price	Market value EUR	% TNA ¹⁾
Investment fund units ²⁾					
Ireland					
IE00B5M4WH52	iShares III Plc. - iShares Emerging Markets Local Government Bond UCITS ETF	12,200	41.9120	511,326.40	2.28
				511,326.40	2.28
Luxembourg					
LU0321462870	Xtrackers II iTraxx Crossover Short Daily Swap UCITS ETF	13,050	31.4890	410,931.45	1.83
				410,931.45	1.83
Investment fund units ²⁾				922,257.85	4.11
Investment in securities				21,873,203.22	97.57
Futures					
Long positions					
USD					
	EUR/USD Future März 2024	18		52,272.52	0.23
				52,272.52	0.23
Long positions				52,272.52	0.23
Short positions					
EUR					
	EUX 10YR Euro-BTP Future März 2024	-13		-30,810.00	-0.14
				-30,810.00	-0.14
USD					
	CBT 10YR US T-Bond Future März 2024	-4		-9,676.32	-0.04
				-9,676.32	-0.04
Short positions				-40,486.32	-0.18
Futures				11,786.20	0.05
Cash at bank - current accounts ³⁾				281,222.95	1.25
Balance of other receivables and liabilities				246,958.62	1.13
Total sub-fund net assets in EUR				22,413,170.99	100.00

¹⁾ TNA = Total net assets. Deviations in the totals are due rounding differences.

²⁾ Information about selling fees, redemption fees and the maximum amount of the management fee for target fund units can be obtained on application free of charge from the registered office of the management company, from the custodian bank and the paying agents. No management fee or a reduced one is calculated for units held of a target fund, which are managed directly or on the basis of a transfer from the same management company or from a company with to the management company is related by means of joint management or domination or significant direct or indirect interests.

³⁾ See notes on the report.

PEGASO CAPITAL SICAV - STRATEGIC BOND

Forward exchange contracts

As at 31 December 2023 the following open forward exchange contracts were outstanding:

Currency	Counterparty		Principal amount	Market value EUR	% TNA ¹⁾
NOK/EUR	DZ PRIVATBANK S.A.	Currency purchases	18,000,000.00	1,604,213.73	7.16
USD/EUR	DZ PRIVATBANK S.A.	Currency purchases	13,900,000.00	12,554,088.70	56.01
EUR/USD	DZ PRIVATBANK S.A.	Currency sales	250,000.00	225,792.96	1.01

Futures

	Quantity	Commitment EUR	% TNA ¹⁾
Long positions			
USD			
EUR/USD Future März 2024	18	2,257,028.07	10.07
		2,257,028.07	10.07
Long positions			
		2,257,028.07	10.07
Short positions			
EUR			
EUX 10YR Euro-BTP Future März 2024	-13	-1,548,950.00	-6.91
		-1,548,950.00	-6.91
USD			
CBT 10YR US T-Bond Future März 2024	-4	-408,838.84	-1.82
		-408,838.84	-1.82
Short positions			
		-1,957,788.84	-8.73
Futures			
		299,239.23	1.34

¹⁾ TNA = Total net assets. Deviations in the totals are due rounding differences.

PEGASO CAPITAL SICAV - STRATEGIC BOND

Performance in percent*

as at 31 December 2023

Fund	ISIN-Code Security Ident. No.	Share class currency	6 months	1 year	3 years	10 years
PEGASO CAPITAL SICAV - Strategic Bond C EUR since 12.10.2011	LU0683647100 A3EGMW	EUR	5.61%	6.17%	0.12%	4.73%
PEGASO CAPITAL SICAV - Strategic Bond C USD (Hedged) since 12.10.2011	LU0683647282 A3EGMV	USD	6.22%	7.92%	4.72%	22.69%

* Based on the published net asset value (BVI method), the result corresponds to the AMAS guideline on the "Calculation and publication of the performance of collective investment funds" dated 16 May 2008.

Past performance is not an indicator of current or future performance. The performance data does not take into consideration the fees and costs imposed on the issue and redemption of the shares.

PEGASO CAPITAL SICAV - STRATEGIC BOND

Exchange rates

For the valuation of assets in foreign currencies, conversions into Euro were performed using the following exchange rates as at 31 December 2023. *

Australian Dollar	AUD	1	1.6183
Canadian Dollar	CAD	1	1.4562
Norwegian Crown	NOK	1	11.2170
Swedish Crown	SEK	1	11.1312
Swiss Franc	CHF	1	0.9294
US Dollar	USD	1	1.1045

* As the last valuation date in the 2023 financial year was 29 December 2023, the exchange rates on 29 December 2023 were used to translate the assets into foreign currency.

PEGASO CAPITAL SICAV - MANAGED VOLATILITY

Annual report
27 July 2023 * - 31 December 2023

**The company is entitled to create share classes with different rights.
The following share classes currently exist with the following features:**

	CR EUR	CI EUR
Security No.:	A3EH2F	A3EH2G
ISIN:	LU2623261109	LU2623261281
Subscription fee:	up to 2.00 %	up to 2.00 %
Redemption fee:	none	none
Flat fee:	1.62 % p.a. plus 1,666.67 Euro fixed fee p.m. for the sub-fund	0.87 % p.a. plus 1,666.67 Euro fixed fee p.m. for the sub-fund
Minimum subsequent investment:	none	none
Use of income:	accumulative	accumulative
Currency:	EUR	EUR

Geographic classification ¹⁾

United States of America	33.13 %
Germany	12.49 %
European Community	12.33 %
Austria	8.15 %
International Agencies	4.86 %
Luxembourg	4.74 %
Singapore	4.58 %
United Arab Emirates	4.44 %
Investment in securities	84.72 %
Options	3.72 %
Cash at bank ²⁾	10.94 %
Balance of other receivables and liabilities	0.62 %
	100.00 %

Economic classification ¹⁾

Government bonds	53.57 %
Other	13.01 %
Banks	4.74 %
Diversified financial services	4.58 %
Telecommunication Services	4.44 %
Software & Services	4.38 %
Investment in securities	84.72 %
Options	3.72 %
Cash at bank ²⁾	10.94 %
Balance of other receivables and liabilities	0.62 %
	100.00 %

¹⁾ Deviations in the totals are due to rounding differences.

²⁾ See notes on the report.

* Date of first NAV calculation.

PEGASO CAPITAL SICAV - MANAGED VOLATILITY

Performance since launch

CR EUR

Date	Total sub-fund net assets in millions EUR	Shares outstanding	Net cash inflow in thousands EUR	Sub-fund net asset value per share EUR
27.07.2023 *	Launch	-	-	100.00
31.12.2023	17.29	175,525	17,536.27	98.48

CI EUR

Date	Total sub-fund net assets in Mio. EUR	Shares outstanding	Net cash inflow in thousands EUR	Sub-fund net asset value per share EUR
27.07.2023 *	Launch	-	-	100.00
31.12.2023	4.78	48,387	4,838.66	98.82

Statement of net assets

as at 31 December 2023

	EUR
Investments in securities at market value (Cost of investments: EUR 18,527,327.71)	18,694,707.37
Options	818,341.66
Cash at bank ¹⁾	2,413,441.76
Interest receivable	176,874.81
Other assets ²⁾	6,284.32
	22,109,649.92
Other liabilities ³⁾	-41,670.60
	-41,670.60
Total sub-fund net assets	22,067,979.32

Assets by share class

CR EUR

Proportion of total net assets	17,286,531.60 EUR
Number of shares outstanding	175,525.251
Sub-fund net asset value per share	98.48 EUR

CI EUR

Proportion of total net assets	4,781,447.72 EUR
Number of shares outstanding	48,386.583
Sub-fund net asset value per share	98.82 EUR

¹⁾ See notes on the report.

²⁾ The position includes amortisation of formation expenses.

³⁾ This position consists primarily of management company fee payables and audit fee payables.

* Date of first NAV calculation.

PEGASO CAPITAL SICAV - MANAGED VOLATILITY

Statement of changes in fund net assets

for the reporting period from 27 July 2023 to 31 December 2023

	Total EUR	CR EUR EUR	CI EUR EUR
Sub-fund net assets at the beginning of the reporting period	0.00	0.00	0.00
Net income	-16,565.12	-25,707.18	9,142.06
Income equalisation	2,826.48	2,783.05	43.43
Cash inflows from subscriptions	22,500,975.66	17,536,274.16	4,964,701.50
Cash outflows from redemptions	-126,046.36	0.00	-126,046.36
Realised gains	2,088,309.75	1,635,568.61	452,741.14
Realised losses	-2,849,102.18	-2,228,489.01	-620,613.17
Net change in unrealised gains	810,402.85	631,565.65	178,837.20
Net change in unrealised losses	-342,821.76	-265,463.68	-77,358.08
Total sub-fund net assets at the end of the reporting period	22,067,979.32	17,286,531.60	4,781,447.72

Statement of changes in the number of shares

	CR EUR No. of shares	CI EUR No. of shares
Shares outstanding at the beginning of the reporting period	0.000	0.000
Shares subscribed	175,525.251	49,652.583
Shares redeemed	0.000	-1,266.000
Shares outstanding at the end of reporting period	175,525.251	48,386.583

PEGASO CAPITAL SICAV - MANAGED VOLATILITY

Statement of operations

for the reporting period from 27 July 2023 to 31 December 2023

	Total EUR	CR EUR EUR	CI EUR EUR
Income			
Interest on bonds	131,579.81	102,997.43	28,582.38
Bank interest	46,840.38	36,624.28	10,216.10
Income equalisation	2,512.80	2,158.76	354.04
Total income	180,932.99	141,780.47	39,152.52
Expenses			
Interest expense	-2,271.54	-1,782.85	-488.69
Management Company and investment adviser fee	-145,913.79	-125,664.14	-20,249.65
Taxe d'abonnement	-4,533.27	-4,293.97	-239.30
Publishing and auditing expenses	-9,296.93	-7,224.70	-2,072.23
Transfer agent fee	-625.00	-491.93	-133.07
Government fees	-2,418.01	-1,896.49	-521.52
Formation expense	-675.68	-526.36	-149.32
Other expenses ¹⁾	-26,424.61	-20,665.40	-5,759.21
Income equalisation	-5,339.28	-4,941.81	-397.47
Total expenses	-197,498.11	-167,487.65	-30,010.46
Ordinary net income	-16,565.12	-25,707.18	9,142.06
Total transaction costs in the reporting period ²⁾	50,727.89		
Total expense ratio as a percentage ²⁾		0.95	0.61
Ongoing charges as a percentage ²⁾		-	-
Swiss Total Expense Ratio without Performance fee as a percentage ²⁾ (extrapolated for the reporting period from 1 January 2023 to 31 December 2023)		2.33	1.42
Swiss Total Expense Ratio with Performance fee as a percentage ²⁾ (extrapolated for the reporting period from 1 January 2023 to 31 December 2023)		2.33	1.42
Swiss Performance fee as a percentage ²⁾ (extrapolated for the reporting period from 1 January 2023 to 31 December 2023)		-	-

¹⁾ This position consists primarily of general administrative expenses and paying agent fees.

²⁾ See notes on the report.

PEGASO CAPITAL SICAV - MANAGED VOLATILITY

Statement of investments as at 31 December 2023

ISIN	Securities	Quantity	Price	Market value EUR	% TNA ¹⁾
Bonds					
Transferable securities admitted to an official exchange listing					
EUR					
DE0001102366	1.000% Bundesrepublik Deutschland Reg.S. v.14(2024)	2,800,000	98.4780	2,757,384.00	12.49
XS2296027217	0.250% Corporación Andina de Fomento Reg.S. v.21(2026)	1,150,000	93.3390	1,073,398.50	4.86
XS1077882394	2.750% Emirates Telecommunications Group Co. PJSC (Etisalat) Reg.S. v.14(2026)	1,000,000	97.8750	978,750.00	4.44
BE6334365713	1.125% Euroclear Investments S.A. Reg.S. v.16(2026)	1,100,000	95.0620	1,045,682.00	4.74
EU000A19VVY6	0.500% Europäische Union EMTN Reg.S. v.18(2025)	2,800,000	97.1780	2,720,984.00	12.33
XS2586779782	3.250% Temasek Financial [I] Ltd. Reg.S. v.23(2027)	1,000,000	100.9790	1,009,790.00	4.58
XS2479941499	1.500% VISA Inc. v.22(2026)	1,000,000	96.5930	965,930.00	4.38
				10,551,918.50	47.82
USD					
XS2578939105	4.500% Opec Fund for International Development Reg.S. v.23(2026)	2,000,000	99.3320	1,798,678.13	8.15
US912828YH74	1.500% Vereinigte Staaten von Amerika v.19(2024)	2,100,000	97.4023	1,851,923.24	8.39
US91282CCT62	0.375% Vereinigte Staaten von Amerika v.21(2024)	2,500,000	97.0625	2,196,978.27	9.96
US91282CHY03	4.625% Vereinigte Staaten von Amerika v.23(2026)	2,500,000	101.4023	2,295,209.23	10.40
				8,142,788.87	36.90
Transferable securities admitted to an official exchange listing				18,694,707.37	84.72
Bonds				18,694,707.37	84.72
Investment in securities				18,694,707.37	84.72
Options					
Long positions					
EUR					
Call on EUX 10YR Euro-Bund Future Mai 2024/139.00		48		9,600.00	0.04
Put on EUX 10YR Euro-Bund Future Mai 2024/134.00		48		-10,560.00	-0.05
				-960.00	-0.01
USD					
Call on CBT 10YR US T-Bond Future Mai 2024/111.50		100		301,324.13	1.37
Call on EUR/USD Future Dezember 2024/1.08		92		517,473.97	2.34
Call on S&P 500 Index Juni 2025/4,600.00		19		1,061,729.29	4.81
Put on CBT 10YR US T-Bond Future Mai 2024/110.00		100		72,148.03	0.33
				1,952,675.42	8.85
Long positions				1,951,715.42	8.84
Short positions					
EUR					
Call on EUX 10YR Euro-Bund Future Januar 2024/139.50		-48		0.00	0.00
Put on EUX 10YR Euro-Bund Future Januar 2024/134.50		-48		11,040.00	0.05
				11,040.00	0.05

¹⁾ TNA = Total net assets. Deviations in the totals are due rounding differences.

PEGASO CAPITAL SICAV - MANAGED VOLATILITY

Statement of investments as at 31 December 2023

ISIN	Securities	Quantity	Price	Market value EUR	% TNA ¹⁾
USD					
	Call on CBT 10YR US T-Bond Future Januar 2024/110.50	-100		-232,005.43	-1.05
	Call on EUR/USD Future April 2024/1.09	-92		-259,257.58	-1.17
	Call on S&P 500 Index März 2024/4,525.00	-19		-574,386.60	-2.60
	Put on CBT 10YR US T-Bond Future Januar 2024/111.00	-100		-22,634.68	-0.10
	Put on EUR/USD Future Februar 2024/1.09	-92		-55,183.34	-0.25
	Put on S&P 500 Index Januar 2024/4,485.00	-19		-946.13	0.00
				-1,144,413.76	-5.17
Short positions ³⁾				-1,133,373.76	-5.12
Options				818,341.66	3.72
Cash at bank - current accounts ²⁾				2,413,441.76	10.94
Balance of other receivables and liabilities				141,488.53	0.62
Total sub-fund net assets in EUR				22,067,979.32	100.00

¹⁾ TNA = Total net assets. Deviations in the totals are due rounding differences.

²⁾ See notes on the report.

³⁾ The total amount of obligations written as of the reporting date Options, valued at the strike price, are EUR 1.053.964,91.

PEGASO CAPITAL SICAV - MANAGED VOLATILITY

Performance in percent*

as at 31 December 2023

Fund	ISIN-Code Security Ident. No.	Share class currency	6 months	1 year	3 years	10 years
PEGASO CAPITAL SICAV - Managed Volatility CI EUR since 27.07.2023	LU2623261281 A3EH2G	EUR	-1,18% ¹⁾	---	---	---
PEGASO CAPITAL SICAV - Managed Volatility CR EUR since 27.07.2023	LU2623261109 A3EH2F	EUR	-1,52% ¹⁾	---	---	---

* Based on the published net asset value (BVI method), the result corresponds to the AMAS guideline on the "Calculation and publication of the performance of collective investment funds" dated 16 May 2008. (Version from 5th August 2021)).

Past performance is not an indicator of current or future performance. The performance data does not take into consideration the fees and costs imposed on the issue and redemption of the shares.

¹⁾ since launch

PEGASO CAPITAL SICAV - MANAGED VOLATILITY

Exchange rates

For the valuation of assets in foreign currencies, conversions into Euro were performed using the following exchange rates as at 31 December 2023. *

US Dollar	USD	1	1.1045
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* As the last valuation date in the 2023 financial year was 29 December 2023, the exchange rates on 29 December 2023 were used to translate the assets into foreign currency.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023

1.) GENERAL

The Investment Company PEGASO CAPITAL SICAV is a public limited company with variable capital (société d'investissement à capital variable in the form of a société anonyme) under the law of the Grand Duchy of Luxembourg, with its registered office at 4, rue Thomas Edison, L-1445 Strassen, Luxembourg, Luxembourg. It was founded on 13 September 2010 for an indefinite period in the form of an umbrella fund. Its Articles of Association were published on 27 September 2010 in the Mémorial, Recueil des Sociétés et Associations, the official journal of the Grand Duchy of Luxembourg ("Mémorial"). On 1 June 2016, the Mémorial was replaced by the Recueil Électronique des Sociétés et Associations ("RESA"), the new information platform of the Luxembourg Trade and Companies Register. The most recent amendment to the Articles of Association was made on 1 July 2023 and was published in the RESA. The Investment Company is entered in the Luxembourg Trade and Companies Register under registration number R.C.S. Luxembourg B 155495. The Investment Company's financial year ends on 31 December of each year.

The Management Company of the fund is MainFirst Affiliated Fund Managers S.A. ("Management Company"), a public limited liability company incorporated under the law of the Grand Duchy of Luxembourg with its registered office at 16, rue Gabriel Lippmann, L-5365 Munsbach. The Management Company was established on 12 March 2013 for an indefinite period. Its Articles of Association were published in the Mémorial on 9 April 2013. The most recent amendment to the Articles of Association entered into force on 26 June 2018 and was published in the RESA on 6 July 2018. The Management Company is registered in the Register of Trade and Commerce in Luxembourg under registration number R.C.S. Luxembourg B 176.025.

2.) SIGNIFICANT ACCOUNTING AND VALUATION PRINCIPLES; CALCULATION OF THE SHAREVALUE

These financial statements are being prepared under the responsibility of the Board of Directors of the Investment Company in accordance with the statutory provisions and regulations on the preparation and presentation of annual accounts applicable in Luxembourg.

1. The company assets of the Investment Company are denominated in euro (EUR) ("reference currency").
2. The value of a share ("net asset value per share") is denominated in the currency laid down in the Annex to the Sales Prospectus ("sub-fund currency"), insofar as no other currency is stipulated for this or any other share classes in the respective Annex to the Sales Prospectus ("share class currency").
3. The net asset value per share is calculated by the Management Company or a third party commissioned for this purpose by the Management Company, under the supervision of the Depositary, on each day specified in the Annex with the exception of 24 and 31 December of each year ("valuation day") and rounded off to two decimal places and it must be taken into account that the net asset value per share must be calculated at least twice a month.

In the event of a non-daily calculation, the Board of Directors of the Investment Company may decide at any time to carry out a further net asset value per share calculation on a banking day in addition to the day specified in the relevant Annex.

The Management Company may, however, also decide to determine the net asset value per share on 24 and 31 December of any given year for reporting purposes without these determinations of value being considered calculations of the net asset value per share on a valuation day within the meaning of the previous sentence. Consequently, shareholders may not demand the issue, redemption and/or the exchange of shares on the basis of a net asset value per share that is determined as of 24 December and/or 31 December of any given year.

PEGASO CAPITAL SICAV

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023

4. In order to calculate the net asset value per share, the value of the assets of each sub-fund less the liabilities of each sub-fund is determined on each valuation day ("net sub-fund assets"), and this figure is divided by the number of shares of the respective sub-fund in circulation on the valuation day. In the case of a sub-fund with several share classes, the calculated pro rata net share class assets shall be determined from the net sub-fund assets and divided by the number of shares of the share class in circulation on the valuation day.

In the case of a share class with a share class currency that differs from the sub-fund currency, the calculated pro rata net share class assets in the sub-fund currency shall be converted with the exchange rate based on the calculation of the net sub-fund assets and divided by the number of shares of the share class in circulation on the valuation day.

In the case of distributing share classes, the net share class assets are reduced by the amount of the distributions of the share class.

5. If applicable legal regulations or the provisions of these Articles of Association require the situation of the net company assets to be described in the annual or semi-annual reports and other financial statistics, the assets of the relevant sub-fund will be converted into the reference currency. Net subfund assets are calculated according to the following principles:

- a. Transferable securities, money market instruments, derivative financial instruments (derivatives) and other assets officially listed on a securities exchange are valued at the latest available trade price which provides a reliable valuation on the trading day preceding the valuation day.

The Management Company may stipulate for individual sub-funds that transferable securities, money market instruments, derivative financial instruments (derivatives) and other assets officially listed on a securities exchange are valued at the latest available closing price which provides a reliable valuation. Details on this can be found in the Annexes of the sales prospectus to the relevant sub-funds.

If transferable securities, money market instruments, derivative financial instruments (derivatives) and other assets are officially listed on several stock exchanges, the one with the highest liquidity shall be applicable.

- b. Transferable securities, money market instruments, derivative financial instruments (derivatives) and other investments which are not officially listed on a securities exchange (or whose stock exchange price is not deemed representative, e.g. due to lack of liquidity) but which are traded on another regulated market, shall be valued at a price no less than the bid price and no more than the offer price of the trading day preceding the valuation day, and which the Management Company considers in good faith to be the best possible price at which the transferable securities, money market instruments, derivative financial instruments (derivatives) and other investments can be sold.

For individual sub-funds, the Management Company may stipulate that transferable securities, money market instruments, derivative financial instruments (derivatives) and other assets which are not officially listed on a securities exchange (or whose stock exchange rates are not deemed representative, e.g. due to lack of liquidity) but which are traded on another regulated market be valued at the latest available price which the Management Company considers in good faith to be the best possible price at which the transferable securities, money market instruments, derivative financial instruments (derivatives) and other assets can be sold. Details on this can be found in the Annexes to the relevant sub-funds.

- c. OTC derivatives are valued on a daily basis by means of a valuation to be determined and able to be checked by the Management Company.
- d. Units in UCI/UCITS are determined at the last redemption price set before a valuation day or are valued at the latest available price which provides a reliable valuation. If the redemption is suspended or no redemption prices are established for certain investment units, these units and all other assets will be valued at their appropriate market value, as determined in good faith by the Management Company in line with generally accepted and verifiable rules.
- e. If the prices in question are not fair market prices, if the financial instruments under (b) are not traded on a regulated market, and if no prices are set for financial instruments different from those listed under (a) - (d), then these financial instruments and the other legally permissible assets shall be valued at their current market value, which shall be established in good faith by the Management Company on the basis of generally accepted and verifiable valuation rules (e.g. suitable valuation models taking account of current market conditions). The procedure for this is stipulated in the Management Company's valuation guidelines.
- f. Liquid assets are valued at their par value plus interest.
- g. Amounts due, for example deferred interest claims and liabilities, shall in principle be rated at their nominal value.
- h. The market value of transferable securities, money market instruments, derivatives and other investments denominated in a currency other than the relevant sub-fund currency, shall be converted into the sub-fund currency at the exchange rate of the trading day preceding the valuation day, using WM/Reuters fixing at 17:00 (16:00 GMT). Profits and losses from foreign exchange transactions shall, on each occasion be added or subtracted.

PEGASO CAPITAL SICAV

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023

The Management Company may stipulate for individual sub-funds that transferable securities, money market instruments, derivative financial instruments (derivatives) and other assets denominated in a currency other than that of the sub-fund be converted into the sub-fund currency at the exchange rate of the valuation day. Profits and losses from foreign exchange transactions shall, on each occasion, be added or subtracted. Details on this can be found in the Annex of the sales prospectus to the relevant sub-funds.

For accounting reasons, the tables published in this report may contain rounding discrepancies of +/- one unit (currency, percent, etc.).

3.) TAXATION

Taxation of the Investment Company

The Company's assets are not subject to taxation on its income and profits in the Grand Duchy of Luxembourg. The Company's assets in the Grand Duchy of Luxembourg are only subject to the "taxe d'abonnement" which is currently 0.05% p.a. A reduced "taxe d'abonnement" of 0.01% p.a. is applicable to (i) sub-funds or share classes whose shares are only issued to institutional shareholders within the meaning of Article 174 of the Law of 17 December 2010, (ii) sub-funds whose sole purpose is to invest in money market instruments, time deposits with credit institutions or both. If the sub-fund invests in sustainable economic activities in accordance with Article 3 of Regulation (EU) 2020/852 (EU Taxonomy), a reduction of the "taxe d'abonnement" may be applied in accordance with Article 174(3) of the Law of 17 December 2010. The "taxe d'abonnement" is payable quarterly, based on the Company's net assets reported at the end of each quarter. The amount of the "taxe d'abonnement" is specified for each sub-fund or share class in the relevant Annex to the Sales Prospectus. An exemption from the "taxe d'abonnement" applies, inter alia, to the extent that the Fund's assets are invested in other Luxembourg investment funds, which in turn are already subject to "taxe d'abonnement".

Income received by the Fund (particularly interest and dividends) may be subject to withholding tax or assed tax in the countries in which the respective sub-fund's assets are invested. The Fund may also be taxed on realised or unrealised capital gains on its investments in the source country. Neither the Depositary nor the Management Company is required to obtain tax certificates.

Taxation on income from investment fund shares for the investor

Shareholders who are or were not tax resident in the Grand Duchy of Luxembourg and who do not maintain a permanent establishment there or have a permanent representative there are not subject to Luxembourg corporation tax in respect of their income or capital gains on their shares in the Fund.

Natural persons who are resident in the Grand Duchy of Luxembourg are subject to progressive Luxembourg income tax.

Companies that are tax resident in the Grand Duchy of Luxembourg are subject to corporation tax on the income from the fund units.

Interested parties and shareholders are recommended to find out about laws and regulations that apply to the taxation of corporate assets, the subscription, the purchase, the ownership, the redemption or the transfer of shares and to seek the advice of external third parties, especially a tax adviser.

4.) USE OF INCOME

Income of all share classes is accumulated. Further details on the use of income are provided in the sales prospectus.

5.) INFORMATION RELATING TO FEES AND EXPENSES

Please refer to the current sales prospectus for information regarding management and depositary fees.

6.) TRANSACTION COSTS

Transaction costs include all costs which were accounted for the fund in the reporting period and are directly connected with a purchase or sale of assets.

7.) TOTAL EXPENSE RATIO (TER)

In calculating the total expense ratio (TER), the following calculation method was applied: Total expense in

$$\text{TER} = \frac{\text{fund currency}}{\text{Average total net assets (basis: daily TNA *)}} \times 100$$

* TNA = Total net assets

PEGASO CAPITAL SICAV

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023

The TER indicates the level of expenses charged to the fund. It covers management and depositary fees and the “*taxe d’abonnement*” as well as all other costs with the exception of transaction costs incurred by the fund. It shows the total amount of these costs as a percentage of the average total net assets in the reporting period. (Any performance fees are shown separately in direct relation to the TER.)

If the fund invests in target funds, no synthetic TER is calculated.

According to the Articles of Association, the Fund will not invest in target funds that are subject to a management fee of more than than 3% p.a. In the past financial year, the fund invested in target funds. The above-mentioned requirement was observed in the investment selection.

8.) PORTFOLIO TURNOVER RATIO (TOR)

Based on the Second Shareholder Rights Directive (SRD II), asset managers are required to disclose certain information. As part of fund-specific disclosure, this document contains the portfolio turnover ratios (TORs) for the same period as the annual reports of the listed subfunds.

Turnover figures are calculated using the following methodology adopted by the CSSF:

Turnover = $((\text{Total 1} - \text{Total 2}) / M) * 100$ Where: Total 1 = sum of all securities transactions (purchases and sales) made during the period; Total 2 = Total of all subscriptions and redemptions made during the period; M = average net assets of the Fund.

The TOR for the period 1 January 2023 to 31 December 2023 for the PEGASO CAPITAL SICAV is:

PEGASO CAPITAL SICAV - Strategic Trend: 187,00%

PEGASO CAPITAL SICAV - Strategic Bond: 81,58%

PEGASO CAPITAL SICAV - Managed Volatility: 2,29%

9.) INCOME AND EXPENSE EQUALISATION

The income and expense equalisation are included in the ordinary net result. This covers net result arising during the period under review which the purchaser of shares pays for as part of the issue price and the seller of shares receives as part of the redemption price.

10.) CURRENT ACCOUNTS (CASH AT BANK/LIABILITIES TO BANKS) OF THE SUB-FUNDS

All current accounts of the sub-funds (even if they are in different currencies) which constitute in fact and at law merely elements of a single indivisible current account, are disclosed as one indivisible current account in the statement of net assets of the fund. Current accounts in foreign currencies, if existing, are converted in the fund currency. The requirements for each account apply as basis for the interest calculation.

11.) STATEMENT OF CHANGES IN THE SECURITIES PORTFOLIO

A statement detailing all purchases and sales made during the financial year is available free of charge on request at the registered office of the Management Company.

12.) RISK MANAGEMENT (UNAUDITED)

The Management Company employs a risk management process enabling it to monitor and assess the risk connected with investment holdings as well as their share in the total risk profile of the investment portfolio of the funds it manages at any time. In accordance with the Law of 17 December 2010 and the applicable prudential supervisory requirements of the CSSF, the Management Company reports regularly to the CSSF about the risk management process used. Within the framework of the risk management process and using the necessary and appropriate methods, the Management Company ensures that the overall risk associated with derivatives of the funds managed does not go beyond the total net value of their portfolios. To this end, the Management Company makes use of the following methods:

Commitment Approach:

With the commitment approach, the positions from derivative financial instruments are converted into their corresponding underlying equivalents using the delta approach. In doing so, the netting and hedging effects between derivative financial instruments and their underlying assets are taken into account. The total of these underlying equivalents may not exceed the total net value of the Fund's portfolio.

VaR Approach:

The VaR figure is a mathematical-statistical concept and is used as a standard risk measure in the financial sector. VaR indicates the possible loss of a portfolio that will not be exceeded during a certain period (the holding period) with a certain probability (the confidence level).

PEGASO CAPITAL SICAV

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023

Relative VaR approach:

With the relative VaR approach, the VaR of the Fund must not exceed the VaR of a reference portfolio by more than a factor dependent on the amount of the Fund's risk profile. The maximum permissible factor specified by the supervisory authority is 200%. The reference portfolio is essentially an accurate reflection of the Fund's investment policy.

Absolute VaR approach:

With the absolute VaR approach, the VaR (99% confidence level, 20-day holding period) of the Fund may not exceed a portion of the Fund's assets dependent on the Fund's risk profile. The maximum permissible factor specified by the supervisory authority is 20% of the Fund's assets.

For funds whose total risk is determined using VaR approaches, the Management Company estimates the anticipated degree of leverage. Depending on the respective market situation, this degree of leverage may deviate from the actual value and may be exceeded or fallen short of. Investors should be aware that no conclusions regarding the risk content of the Fund may be drawn from this data. In addition, the published anticipated degree of leverage is explicitly not to be considered an investment limit.

In accordance with the prospectus valid at the end of the reporting period, the subfunds of PEGASO CAPITAL SICAV apply the following risk management procedures:

UCITS	Risk management procedure applied
PEGASO CAPITAL SICAV – Strategic Trend	Commitment Approach
PEGASO CAPITAL SICAV – Strategic Bond	Commitment Approach
PEGASO CAPITAL SICAV – Managed Volatility	Absolute VaR

Absolute VaR Approach for PEGASO CAPITAL SICAV - Managed Volatility

In the period from 1 January 2023 to 31 December 2023, the absolute VaR Approach was used to monitor and measure the total risk associated with derivatives. An absolute value of 15% was used for the internal limit. The VaR figures in relation to this internal limit were a minimum of 6,27%, a maximum of 40,34% and an average of 24,33% over the period in question. The VaR was calculated using a (parametric) variance-covariance approach, applying the calculation standard of a one-sided confidence interval of 99%, a holding period of 20 days and a (historical) observation period of 252 trading days.

In the period from 1 January 2023 to 31 December 2023, the leverage had the following values:

Lowest leverage:	0.00%
Highest leverage:	572,79%
Average leverage:	466,82%
Calculation method:	Nominal value method (sum of the nominal values of all derivatives)

13.) SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

With effect from 1 July 2023 the Investment Company PEGASO CAPITAL SICAV made of a change of service provider for business reasons.

	Up to 30 June 2023	From 1 July 2023
Management Company	Waystone Management Company (Lux) S.A. 19, rue de Bitbourg L-1273 Luxembourg	MainFirst Affiliated Fund Managers S.A. (société anonyme) 16, rue Gabriel Lippmann L-5365 Munsbach
Registered office	60, avenue J.F. Kennedy L-1855 Luxembourg	4, rue Thomas Edison L-1445 Strassen, Luxembourg
Depository	BNP Paribas, Luxembourg Branch 60, avenue J.F. Kennedy L-1855 Luxembourg	DZ PRIVATBANK S.A. (société anonyme) 4, rue Thomas Edison L-1445 Strassen, Luxembourg
Central Administration Agent, Registrar and Transfer Agent, Domiciliary agent, Paying agent Grand Duchy of Luxembourg	BNP Paribas, Luxembourg Branch 60, avenue J.F. Kennedy L-1855 Luxembourg	DZ PRIVATBANK S.A. (société anonyme) 4, rue Thomas Edison L-1445 Strassen, Luxembourg
Fund Manager	Pegaso Capital Partners SA Via Peri 9a 6900 Lugano Switzerland	Pegaso Capital Partners SA Via Peri 9a 6900 Lugano Switzerland
Auditor	KPMG Audit S.á r.l. 39, avenue J.F. Kennedy L-1855 Luxembourg	Ernst & Young S.A. 35E, avenue J.F. Kennedy L-1855 Luxembourg

PEGASO CAPITAL SICAV

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023

Changes in the sub-fund PEGASO CAPITAL SICAV – Strategic Trend

- Change in the fee structure

Type of fee	Up to 30 June 2023	From 1 July 2023
Management Company fee:	up to 0.0425% p.a. of the total net assets	Included in the (Flat-rate fee) Management Fee
(Flat-rate fee) Management fee: Retail Shares: Institutional Shares:	No Flat-rate fee including the Management fee	up to 1.80% p.a. of the total net assets up to 1.50% p.a. of the total net assets In addition, up to a sub-fund volume of EUR 33,333,333 the Management Company shall receive a monthly fee of EUR 1.666,67.
Performance fee in favour of the Fund Manager	15% of the annual Positive Performance in excess of 1 Year EUR SWAP OIS (EESWE1 Curncy) plus 150 basis points	up to 15% of the share value performance if the share value at the financial year-end is higher than the highest share value at the end of the previous financial years or higher than the initial share value at the end of the first financial year (high-water mark principle)
Flat-rate fee (other providers)	Up to 2.50% p.a. for the Depositary and Paying Agent, Domiciliary and Listing Agent, the Administrative Agent, the Investment Manager, the Principal Placement and Distribution Agent	Included in the Management fee (Flat-rate fee) with the exception of the Registrar and transfer agent fee
Registrar and transfer agent fee	Included in the Flat-rate fee (other providers)	the Registrar and Transfer Agent receives from the Fund's net assets a fee of EUR 250 p.a. per investment account and an annual basic fee of up to EUR 3,000.

- Amendments to the investment objective and policy
- Amendments of the Risk profile
- Change of name of shareclasses

Share classes up to 30 June 2023	Share classes from 1 July 2023
Retail Shares	CR EUR
Institutional Shares	CI EUR

Changes in the sub-fund PEGASO CAPITAL SICAV – Strategic Bond

- Change in the fee structure:

Type of fee	Up to 30 June 2023	From 1 July 2023
Management Company fee:	up to 0.0425% p.a. of the total net assets	Included in the (Flat-rate fee) Management Fee
(Flat-rate fee) Management fee:	No Flat-rate fee including the Management fee	up to 1.10% p.a. of the total net assets In addition, up to a sub-fund volume of EUR 33,333,333 the Management Company shall receive a monthly fee of EUR 1.666,67.
Performance fee in favour of the Fund Manager	15% of the annual Positive Performance in excess of 1 Year EUR SWAP OIS (EESWE1 Curncy), 1 Year USD SOFR SWAP OIS (USOSFR1 Curncy) respectively of the Net Asset Value per EUR, USD class of the sub-fund.	up to 15% of the share value performance if the share value at the financial year-end is higher than the highest share value at the end of the previous financial years or higher than the initial share value at the end of the first financial year (high- watermark principle)
Flat-rate fee (other providers)	Up to 2.50% p.a. for the Depositary and Paying Agent, Domiciliary and Listing Agent, the Administrative Agent, the Investment Manager, the Principal Placement and Distribution Agent	Included in the Management fee (Flat-rate fee) with the exception of the Registrar and transfer agent fee
Registrar and transfer agent fee	Included in the Flat-rate fee (other providers)	the Registrar and Transfer Agent receives from the Fund's net assets a fee of EUR 250 p.a. per investment account and an annual basic fee of up to EUR 3,000.

PEGASO CAPITAL SICAV

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023

- Amendments to the investment objective and policy
- Amendments of the Risk profile
- Change of name of shareclasses

Share classes up to 30 June 2023	Share classes from 1 July 2023
Class C Shares EUR	C EUR
Class C Shares USD	C USD (Hedged)

- Payment of the issue and redemption price

With effect from 3 July 2023 the following amendments were made to the Sales Prospectus:

- Different NAV calculation base: „today calculation of yesterday’s NAV with yesterday’s closing prices“
- Launch of the new subfund PEGASO Capital SICAV - Managed Volatility

Russia/Ukraine conflict:

As a result of the measures decided worldwide due to the invasion of Russian troops into Ukraine at the end of February 2022, European stock exchanges in particular recorded significant price losses. In the medium term, the financial markets and the global economy are facing a future characterised primarily by uncertainty.

In the Management Company’s opinion, at the time this report was prepared, there were no indications that the fund and its sub-funds would not continue as a going concern, and there were no valuation or liquidity problems. Apart from the above mentioned amendments, no further significant events occurred in the reporting period.

14.) SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

With effect from 1 January 2024 the following amendments were made to the Sales Prospectus

1. Change of management company

Like all funds of the Management Company MainFirst Affiliated Fund Managers S.A., this investment company migrated to ETHENEA Independent Investors S.A. with effect from January 1, 2024. With effect from 10 January 2024, the name of MainFirst Affiliated Fund Managers S.A. was changed to MainFirst (Luxembourg) S.à r.l.

No other significant events occurred after the reporting period.

PEGASO CAPITAL SICAV

AUDIT REPORT

To the Shareholders of
PEGASO CAPITAL SICAV
4, rue Thomas Edison
L-1445 Strassen



Opinion

We have audited the financial statements of PEGASO CAPITAL SICAV (the “Fund”) and of each of its sub-funds, which comprise the statement of net assets and the statement of investments as at 31 December 2023, and the statement of operations and the statement of changes in fund net assets for the year then ended, and the 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 the Fund and of each of its sub-funds as at 31 December 2023, 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 23 July 2016 on the audit profession (the “Law of 23 July 2016”) and with International Standards on Auditing (“ISAs”) as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (“CSSF”). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the “responsibilities of the “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 Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for 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 matter

The financial statements of the Fund for the year ended 31 December 2022 were audited by another “réviseur d’entreprises agréé” who expressed an unmodified opinion on those financial statements on 26 April 2023.

PEGASO CAPITAL SICAV

AUDIT REPORT



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 the “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 the 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 and each of its sub-funds 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 any of its sub-funds 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

Our objectives 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 the “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 23 July 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 23 July 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.

PEGASO CAPITAL SICAV

AUDIT REPORT



- 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 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 or any of its sub-funds 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 the "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 the "réviseur d'entreprises agréé". However, future events or conditions may cause the Fund or any of its sub-funds 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.

Ernst & Young
Société anonyme
Cabinet de révision agréé

Nadia Faber

Luxembourg, 18 April 2024

PEGASO CAPITAL SICAV

FURTHER NOTES (UNAUDITED)

1.) INFORMATION ON THE REMUNERATION SYSTEM

Waystone Management Company (Lux) S.A., the Management Company of the fund until 30 June 2023, has adopted a remuneration policy on the application of the ESMA Guidelines on sound remuneration policies under the UCITS Directive of 14 October 2016 (ESMA/2016/575), ESMA Guidelines on sound remuneration policies under the AIFMD (ESMA/2013/232 as amended by ESMA/2016/579), and CSSF Circular 18/698 on the Authorization and organization of investment fund managers incorporated under Luxembourg law.

As prescribed by the Sustainable Finance Disclosure Regulation (EU) 2019/2088 adopted by the European Parliament on November 27th, 2019, the company ensures when performing its activities as AIFM/management company that the structure of its remuneration does not encourage excessive risk taking with respect to sustainability risks.

Details of the remuneration policy of the management company, including the persons in charge of determining the fixed and variable remunerations of staff, a description of the key remuneration elements and an overview of how remuneration is determined, is available at <https://www.waystone.com/waystone-policies/>.

With respect to the financial year ended December 31, 2022 (as of that date, Waystone Management Company (Lux) S.A. had a headcount of 92 employees), the total fixed and variable remuneration paid by Waystone Management Company (Lux) S.A. to its employees amounted to EUR 6,680,489.44 and to EUR 865,637.79 respectively. The total remuneration paid by the Management Company to senior management and members of its identified staff whose actions have a material impact on the risk profile of the collective investment schemes managed amounted to EUR 3,736,654.76. The remuneration committee of the management company has reviewed the implementation of the remuneration policy and has not identified any deficiency in that respect. Moreover, the current version of the remuneration policy was updated and approved by the Board of Directors in the course of the financial year ended December 31, 2022, the current version being dated February 2022.

The remuneration Policy was reviewed and approved by the Board of Directors Q2 2023

The management company MainFirst Affiliated Fund Managers S.A. has established and applies a remuneration system that complies with legal requirements. The remuneration system is designed in such a way that it is compatible with sound and effective risk management and neither encourages the assumption of risks that are incompatible with the risk profiles, contractual conditions or articles of association of the managed undertakings for collective investment in transferable securities (hereinafter „UCITS“), nor prevents ETHENEA Independent Investors S.A. from acting dutifully in the best interests of the UCITS.

The remuneration of the employees consists of an appropriate fixed annual salary and variable performance- and results-based remuneration.

The total remuneration of the 13 employees of MainFirst Affiliated Fund Managers S.A. amounts to EUR 1,614,000.00 as at 31 December 2023. The above remuneration relates to all UCITS managed by MainFirst Affiliated Fund Managers S.A.. All employees are involved in the management of all funds as a whole, meaning that it is not possible to make a breakdown per fund.

The total remuneration is divided into:

Total amount of employee remuneration paid in the financial year

ended 31 December 2023 paid to employees: 1,614,000.00 EUR

Fixed remuneration: 1,454,000.00 EUR

Variable remuneration: 160,000.00 EUR

Remuneration paid directly from the fund: 0.00 EUR

Number of employees: 13

Further details of the current remuneration policy can be found free of charge on the management company's website at www.ethenea.com under the heading „Legal information“. A paper version will be made available to investors free of charge on request.

INFORMATION ON EMPLOYEE REMUNERATION IN THE EVENT OF OUTSOURCING

The Management Company has outsourced the fund management to Pegaso Capital Partners SA.

The total remuneration of the employees of Pegaso Capital Partners SA entrusted with the portfolio management of the fund amounts to CHF 255,994.60 as of December 31, 2023. The total remuneration is divided into:

Total amount of employee compensation paid in the past financial year of the outsourcing company 255,994.60 CHF

Thereof fixed remuneration 255,994.60 CHF

Thereof variable remuneration 0.00 CHF

Remuneration paid directly from the fund 0.00 CHF

Number of employees of the outsourcing company 6.00

PEGASO CAPITAL SICAV

FURTHER NOTES (UNAUDITED)

2.) PERFORMANCE FEE

PEGASO CAPITAL SICAV – Strategic Trend and PEGASO CAPITAL SICAV – Strategic Bond

The Fund Manager receives a performance fee of up to 15% of the share value performance if the share value at the financial year-end is higher than the highest share value at the end of the previous financial years or higher than the initial share value at the end of the first financial year (high-water mark principle).

High-water mark principle: at the launch of the Fund, the high-water mark is identical to the initial share value. If the share value on the last valuation day of a subsequent financial year is above the high-water mark, the high-water mark is set to the calculated share value on the last valuation day of the financial year. In all other cases, the high-water mark remains unchanged. The high-water mark reference period extends over the entire life of the relevant share classes of the Fund.

Share value: net asset value per share, i.e. gross asset value per share less all pro rata costs such as management fees, depositary fees, any performance fees and other costs that are charged to the share certificate class. This share value corresponds to the published share price.

The performance of the share value ("share value performance") is calculated on each valuation date by comparing the current share value with the highest share value of the previous financial year-ends (high-water mark). If there are different share classes in the Fund, the share value per share class is used as a basis for the calculation.

To determine the share value performance, any dividend payments made in the meantime are taken into account – i.e. these are added to the actual share value, from which these distributions had been deducted.

Beginning with the start of each financial year, the performance fee is calculated on each valuation day on the basis of the share value performance mentioned above, the average shares in circulation during the financial year, and the highest share value at the ends of the previous financial years (high-water mark).

On valuation days on which the current share value exceeds the high-water mark, the accrued total amount changes according to the method outlined above. On valuation days on which the current share value is less than the high-water mark, the accrued total amount is eliminated. As a basis of calculation, data from the previous valuation day (at financial year-end on the same day) is used.

The amount calculated on the last valuation day of the accounting period may, if a performance fee is payable, be paid out from the relevant share class of the Fund at the end of the financial year.

The accounting period begins on 1 January and ends on 31 December of each calendar year. A shortening of the accounting period is possible, in the event of a merger or dissolution of the subfund. VAT shall be added to this fee, as applicable.

Due to the migration of the fund and the amendment to the sales prospectus, the first possible payout date of a potential performance fee is December 31, 2024.

The following performance fee accrued in the period from January 1, 2023 to December 31, 2023 is therefore not recognized in profit or loss in the annual financial statements as at December 31, 2023:

Currency	Subfund /Share Class	ISIN	Performance Fee	
			in EUR	in %
EUR	PEGASO CAPITAL SICAV - Strategic Bond C EUR	LU0683647100	0.00	0.00%
EUR	PEGASO CAPITAL SICAV - Strategic Bond C USD (Hedged)	LU0683647282	30,913.28	0.25%
EUR	PEGASO CAPITAL SICAV - Strategic Trend CR EUR	LU0538498220	0.00	0.00%
EUR	PEGASO CAPITAL SICAV - Strategic Trend CI EUR	LU0538499541	0.00	0.00%

PEGASO CAPITAL SICAV – Managed Volatility

The Fund Manager receives a performance fee of up to 10% of the share value performance if the share value at the financial year-end is higher than the highest share value at the end of the previous financial years or higher than the initial share value at the end of the first financial year (high-water mark principle).

High-water mark principle: at the launch of the Fund, the high-water mark is identical to the initial share value. If the share value on the last valuation day of a subsequent financial year is above the high-water mark, the high-water mark is set to the calculated share value on the last valuation day of the financial year. In all other cases, the high-water mark remains unchanged. The high-water mark reference period extends over the entire life of the relevant share classes of the Fund.

Share value: net asset value per share, i.e. gross asset value per share less all pro rata costs such as management fees, depositary fees, any performance fees and other costs that are charged to the share certificate class. This share value corresponds to the published share price.

The performance of the share value ("share value performance") is calculated on each valuation date by comparing the current share value with the highest share value of the previous financial year-ends (high-water mark). If there are different share classes in the Fund, the share value per share class is used as a basis for the calculation.

PEGASO CAPITAL SICAV

FURTHER NOTES (UNAUDITED)

To determine the share value performance, any dividend payments made in the meantime are taken into account – i.e. these are added to the actual share value, from which these distributions had been deducted.

Beginning with the start of each financial year, the performance fee is calculated on each valuation day on the basis of the share value performance mentioned above, the average shares in circulation during the financial year, and the highest share value at the ends of the previous financial years (highwater mark).

On valuation days on which the current share value exceeds the high-water mark, the accrued total amount changes according to the method outlined above. On valuation days on which the current share value is less than the high-water mark, the accrued total amount is eliminated. As a basis of calculation, data from the previous valuation day (at financial year-end on the same day) is used.

The amount calculated on the last valuation day of the accounting period may, if a performance fee is payable, be paid out from the relevant share class of the Fund at the end of the financial year.

The accounting period begins on 1 January and ends on 31 December of each calendar year. A shortening of the accounting period is possible, in the event of a merger or dissolution of the subfund.

No Performance Fee was accrued for the financial year from 1 January 2023 to 31 December 2023.

3.) CLASSIFICATION UNDER SFDR-REGULATION (EU 2019/2088)

The Investment Company is a product within the meaning of Article 6 of Regulation (EU) 2019/2088 (Regulation on sustainability related disclosure requirements in the financial services sector).

Declaration according to Article 7 of Regulation (EU) 2020/852 of 18 June 2020 (taxonomy):

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

4.) TRANSPARENCY OF SECURITIES FINANCING TRANSACTIONS AND THEIR REUSE

MainFirst Affiliated Fund Managers S.A. is acting as a management company of undertakings for collective investment in transferable securities ("UCITS") and as alternative investment fund manager ("AIFM") and thus falls by definition within the scope of Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 ("SFTR"). During the financial year of the investment company no investments have been undertaken in securities financing transactions or total return swaps as defined in this regulation.

Therefore, the notes specified in Article 13 of this regulation will not be disclosed in the financial statements. Detailed information on the investment fund's investment strategy and the financial instruments used can be found in the current sales prospectus and on the Management Company's website.

5.) INFORMATIONEN FOR SWISS INVESTORS

a.) General Information

The Sales Prospectus including the Articles of Association, the Key Information Document and the Investment Company's financial statements and semi-annual reports as well as a statement detailing all purchases and sales made during the financial year are available free of charge at the Swiss Representative.

b) Securities number

Shareclass	Valore number
PEGASO CAPITAL SICAV - Managed Volatility CR EUR	127596069
PEGASO CAPITAL SICAV - Managed Volatility CI EUR	127596076
PEGASO CAPITAL SICAV - Strategic Bond C EUR	13975737
PEGASO CAPITAL SICAV - Strategic Bond C USD (Hedged)	13977329
PEGASO CAPITAL SICAV - Strategic Trend CR EUR	11760518
PEGASO CAPITAL SICAV - Strategic Trend CI EUR	11760519

PEGASO CAPITAL SICAV

FURTHER NOTES (UNAUDITED)

c) Total Expense Ratio (TER) according to the guidelines of the Asset Management Association Switzerland of 16 May 2008 (version of 5 August 2021):

The commissions and fees incurred for managing the collective capital investments must be reported in the indicator known internationally as the total expense ratio (TER). This indicator expresses the total of all commission and fees regularly incurred (operating expenses) by the capital of the collective investment retrospectively as a percentage of the net assets; in principle, it is calculated using the following formula:

$$\text{TER \%} = \frac{\text{Total operating expenses in UA}^*}{\text{Average net assets in UA}^*} \times 100$$

* UA = Units in the accounting currency of the collective capital investment

In accordance with the guideline of the Asset Management Association Switzerland of 16 May 2008 (version of 5 August 2021), the following TER was calculated for the period from 1 January 2023 to 31 December 2023:

Sub-fund	Swiss TER without Performance Fee	Swiss TER with Performance Fee	Swiss Performance Fee
PEGASO CAPITAL SICAV - Managed Volatility CR EUR	2,33%	2,33%	--
PEGASO CAPITAL SICAV - Managed Volatility CI EUR	1,42%	1,42%	--
PEGASO CAPITAL SICAV - Strategic Bond C EUR	1,87%	1,87%	--
PEGASO CAPITAL SICAV - Strategic Bond C USD (Hedged)	1,88%	1,88%	--
PEGASO CAPITAL SICAV - Strategic Trend CR EUR	2,67%	2,67%	--
PEGASO CAPITAL SICAV - Strategic Trend CI EUR	2,32%	2,32%	--

d) Information for investors

Fees for the distribution of the investment sub-fund (trailer fees) may be paid to distributors and asset managers from the fund management fee. Institutional unitholders who hold fund units for third parties may be granted retrocessions from the management fee.

e) Changes to the prospectus in the financial year

Publications of amendments to the prospectus during the financial year shall be made available for consultation on www.fundinfo.com.

PEGASO CAPITAL SICAV

ADMINISTRATION, DISTRIBUTION AND ADVISORY

Investment Company

PEGASO CAPITAL SICAV

60, Avenue John F. Kennedy (until June 30, 2023)
L-1855 Luxembourg

4, rue Thomas Edison (since July 1, 2023)
L-1445 Strassen

Board of Directors of the Investment Company

Chairman of the Board of Directors

Massimiliano Angemi
Pegaso Capital Partners SA

Member of the Board of Directors

Guido Filippo Ravenna
Pegaso Capital Partners SA

Marina Mastrangelo
Gentili & Partners (until December 31, 2023)
Lexxia Accocati (since January 1, 2024)

Riccardo del Tufo
Waystone Management Company (Lux) S.A.

Management Company

Waystone Management Company (Lux) S.A.

(until June 30, 2023)
19, rue de Bitbourg
L-1273 Luxembourg

MainFirst Affiliated Fund Managers S.A.

(since July 1, 2023)
16, rue Gabriel Lippmann
L-5365 Munsbach

Board of Directors of the Management Company

Chairman

Thomas Bernard
ETHENEA Independent Investors S.A.

Vice Chairwoman

Josiane Jennes
ETHENEA Independent Investors S.A.

Member of the Board

Skender Kurtovic (until 1 June 2023)
MainFirst Holding AG

Alexander Body (since 26 June 2023)
Haron Services S.à r.l.

Managing Directors of the Management Company

(since July 1, 2023)

Thomas Merx
Anja Richter (until July 31, 2023)
Frank Hauprich (since July 1, 2023)

Depositary, Central Administration, Paying Agent and Registrar and Transfer Agent

(until June 30, 2023)

BNP Paribas, Luxembourg Branch

60, Avenue John F. Kennedy
L-1855 Luxembourg

Depositary, Central Administration, Paying Agent and Registrar and Transfer Agent

(since July 1, 2023)

DZ PRIVATBANK S.A.

4, rue Thomas Edison
L-1445 Strassen, Luxembourg

PEGASO CAPITAL SICAV

ADMINISTRATION, DISTRIBUTION AND ADVISORY

Fund Manager

Pegaso Capital Partners SA

Via Peri 9A
CH-6900 Lugano, Switzerland

Information for investors in Italy:
Institution in accordance with the provisions of
EU Directive 2019/1160 Art. 92:

Allfunds Bank S.A.U. - Succursale di Milano

Via Bocchetto 6
IT-20123 Milan

Information for investors in Switzerland

(until June 30, 2023)

Representative

ACOLIN Fund Services AG

Leutschenbachstrasse 50
CH-8050 Zurich

Paying Agent in Switzerland

Banque Cramer & Cie S.A

22, Avenue de Miremont
CH-1206 Geneva

Information for investors in Switzerland

(since July 1, 2023)

Representative

IPConcept (Schweiz) AG

Münsterhof 12
Postfach
CH-8022 Zürich

Paying Agent

DZ PRIVATBANK (Schweiz) AG

Münsterhof 12
Postfach
CH-8022 Zürich

Auditor of the Investment Company and the Management Company

(since July 1, 2023)

Ernst & Young S.A.

35E, Avenue John F. Kennedy
L-1855 Luxembourg

Auditor of the Investment Company

(until June 30, 2023)

KPMG Luxembourg S.à r.l.

39, Avenue John F. Kennedy
L-1855 Luxembourg

MAINFIRST

