

SECTOR CAPITAL FUNDS PLC
*(A company incorporated with limited liability as an open-ended umbrella investment company
with variable capital under the laws of Ireland)*

UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD 1 JANUARY 2016 TO 30 JUNE 2016

Registration No. 489443

SECTOR CAPITAL FUNDS PLC
Unaudited Interim Financial Statements
For the financial period 1 January 2016 to 30 June 2016

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GENERAL INFORMATION

Directors

Michael Boyce (*Irish*)[^]
Paul Dobbyn (*Irish*)[^]
Lars Tell (*Swedish*)

[^]*Independent non-executive Director*

Investment Manager

Sector Global Equity Kernel Fund
Sector Omega AS
Filipstad Brygge 2
PO Box 1994 Vika
N - 0125 Oslo
Norway

Investment Manager

Sector Healthcare Value Fund
Sector Gamma AS
Filipstad Brygge 2
PO Box 1994 Vika
N - 0125 Oslo
Norway

Investment Manager

Sector Sigma Nordic Fund
Sigma Fondsforvaltning AS
Filipstad Brygge 2
PO Box 1994 Vika
N - 0125 Oslo
Norway

Administrator, Registrar and Transfer Agent *

BNY Mellon Fund Services (Ireland) Designated Activity Company
Riverside Two
Sir John Rogerson's Quay
Grand Canal Dock
Dublin 2
Ireland

Depository

BNY Mellon Trust Company (Ireland) Limited**
Guild House
Guild Street
IFSC
Dublin 1
Ireland

Registered Office

2nd Floor, Beaux Lane House
Mercer Street Lower
Dublin 2
Ireland

Independent Auditors

Deloitte
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House
Earlsfort Terrace
Dublin 2
Ireland

Legal Advisers to the Company (*advisers as to Norwegian law*)

Bugge, Arentz-Hansen & Rasmussen Advokatfirma (BA-HR)
Tjuvholmen allé 16
NO-0252 Oslo
PO Box 1524 Vika
NO - 0117 Oslo
Norway

Legal Advisers to the Company (*advisers as to Irish law*)

Maples and Calder
75 St. Stephen's Green
Dublin 2
Ireland

Sponsoring Brokers

Maples and Calder
75 St. Stephen's Green
Dublin 2
Ireland

Company Secretary

MFD Secretaries Limited
2nd Floor, Beaux Lane House
Mercer Street Lower
Dublin 2
Ireland

* *Effective 1 July 2016, BNY Mellon Investment Servicing (International) Limited was merged with BNY Mellon Fund Services (Ireland) Designated Activity Company and BNY Mellon Fund Services (Ireland) Designated Activity Company replaced BNY Mellon Investment Servicing (International) as administrator to the Company.*

** *BNY Mellon Trust Company (Ireland) Limited acted as the Custodian during the period and was appointed as Depository effective 14 April 2016.*

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INVESTMENT MANAGERS' REPORTS

Sector Sigma Nordic Fund

The Nordic market, as measured by the VINX, has returned -7.6% during the first half of 2016. The market had a weak start to the year falling over 15% into mid-February, and bounced back into mid-March with YTD return by the end of the first quarter at -6.3%. The second quarter was range bound, with a sharp drop post the Brexit referendum on June 23rd, leaving YTD return at -7.6% by the end of the second quarter.

Sector Sigma Nordic Fund followed much of the same pattern as the overall Nordic market, although with much lower volatility and smaller drawdowns at the start of the year and during the post-Brexit sell-off. Overall, the Fund was down 5.1% as at the end of June. On a single stock level, the largest positive contributors to the first half performance came from the long positions in the Norwegian oil E&P company Det norske oljeselskap, followed by the fish farmers Salmar and Marine Harvest. The largest drag on performance came from long positions in Autoliv, Hexpol and Hennes & Mauritz. In the shortbook the largest positive contributions came from Telenor, Swedbank and ICA Gruppen, while the largest drag came from ABB, Metso and Cargotec.

Sector Global Equity Kernel Fund

During the first half year of 2016, the global equity market (as measured by the MSCI ACWI) was up 1.2%.

The Sector Global Equity Kernel Fund has outperformed its index by 1.9%, logging a total return for the first six months of the year of nearly 3.16 (Class P USD). In particular, the Fund's investment style and active bets contributed with excess returns, outperforming the market during the first half year of 2016. Within investment style, the largest contributors were the size factor as well as momentum, whilst company goodness (or quality) represented the largest drag. The portfolio's outperformance from active bets came from both sector selection and stock selection.

Sector Healthcare Value Fund

As things stand at the mid-point of the year, the healthcare sector is down 1.6 percent compared to a 1 percent gain for the broader global equity markets. Drug pricing worries and the run-up to the US presidential election has weighted on the sector. Healthcare stocks has significantly underperformed other defensive sectors such as consumer staples and utilities stocks. On a healthcare sub-sector basis, mid-cap biotech stocks are down over 20 percent whereas medical technology and healthcare services stocks both have positive returns year to date.

The Sector Healthcare Value Fund is up 4.65 percent in the first half of the year, outperforming both healthcare stocks and the broader equity markets. The investment strategy has benefited from an improved stock picking environment. Both higher dispersion and a mean reversion type of market has benefited our bottom up value focused investment style. The overweigh in the medical technology sector has also been profitable year to date. On a single stock level, our most profitable positions have been St Jude, Baxter and Otsuka. The fund's biggest losing positions have been Mylan, Vertex and Biogen.

August 2016

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BALANCE SHEET

As at 30 June 2016

	Note	Sector Global Equity Kernel Fund USD	Sector Healthcare Value Fund USD	Sector Sigma Nordic Fund NOK	Sector Capital Funds PLC USD
Current Assets					
Investments in financial assets held at fair value through profit or loss		122,388,041	40,590,533	396,572,700	210,407,083
Cash at bank and brokers	6	4,372,839	2,763,561	249,784,896	37,009,674
Amounts due from broker		–	–	3,982,596	476,303
Receivable for securities sold		1,044,705	754,559	–	1,799,264
Dividends receivable		139,113	62,501	–	201,614
Other assets		46,908	1,752	240,568	77,431
Total Assets		127,991,606	44,172,906	650,580,760	249,971,369
Current Liabilities					
Investments in financial liabilities held at fair value through profit or loss		2,139,232	–	7,339,006	3,016,948
Amounts due to broker		–	494,514	–	494,514
Payable for securities purchased		–	429,971	–	429,971
Payable to investment manager	9	61,587	38,285	644,551	176,958
Incentive fee	10	–	826,490	–	826,490
Administration fee	11	46,923	29,152	428,324	127,301
Directors' fees and expenses	12	1,862	962	12,903	4,367
Auditors' fee	13	8,467	7,773	51,306	22,376
Depository/Custodian fee	11	4,176	2,827	35,257	11,219
Legal fee		–	4,093	–	4,093
Dividends payable		–	–	1,103	132
Interest payable		–	–	7,930	948
Equalisation credit payable		–	491,812	–	491,812
Other creditors		14,259	17,545	183,373	53,735
Total Liabilities (excluding net assets attributable to holders of Redeemable Participating Shares)		2,276,506	2,343,424	8,703,753	5,660,864
Net assets attributable to holders of Redeemable Participating Shares		125,715,100	41,829,482	641,877,007	244,310,505

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BALANCE SHEET (Continued)

As at 30 June 2016 (Continued)

	Sector Global Equity Kernel Fund USD	Sector Healthcare Value Fund USD	Sector Sigma Nordic Fund NOK
Shares outstanding	8		
Class A EUR	–	51,058	31,803
Class A NOK	33,229	37,287	179,714
Class A USD	104	23,322	81,263
Class B EUR	–	–	24,755
Class B NOK	–	83,566	77,438
Class B SEK	–	2,205	–
Class C NOK	–	–	2,127
Class C SEK	–	–	28,389
Class D NOK	–	–	18,397
Class D SEK	–	–	73,651
Class L NOK	–	23,844	8,095
Class O NOK	1,571	–	–
Class P NOK Hedged	752,800	–	–
Class P NOK Unhedged	321,589	–	–
Class P USD	184,201	–	–
Net Asset Value per Share			
Class A EUR	–	226.50	1,015.17
Class A NOK	102.52	211.05	1,470.40
Class A USD	101.44	282.01	930.61
Class B EUR	–	–	1,228.98
Class B NOK	–	118.38	1,409.85
Class B SEK	–	116.55	–
Class C NOK	–	–	1,371.38
Class C SEK	–	–	968.13
Class D NOK	–	–	952.68
Class D SEK	–	–	934.37
Class L NOK	–	237.74	1,651.97
Class O NOK	100.48	–	–
Class P NOK Hedged	91.48	–	–
Class P NOK Unhedged	101.10	–	–
Class P USD	112.71	–	–

Sector Sigma Nordic Fund is translated in the Company total column at the Balance Sheet exchange rate of 0.1196.

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BALANCE SHEET (Continued)

As at 30 June 2015

	Note	Sector Global Equity Kernel Fund USD	Sector Healthcare Value Fund USD	Sector Sigma Nordic Fund NOK	Sector Capital Funds PLC USD
Current Assets					
Investments in financial assets held at fair value through profit or loss		26,367,910	49,925,118	443,942,912	132,718,172
Cash at bank and brokers	6	2,061,860	2,261,683	122,601,406	19,906,182
Amounts due from broker		1,178,119	–	4,007,511	1,687,473
Receivable for securities sold		246,345	–	–	246,345
Interest receivable		–	–	430	55
Dividends receivable		19,949	71,679	–	91,628
Other assets		39,196	15,443	314,437	94,604
Total Assets		29,913,379	52,273,923	570,866,696	154,744,459
Current Liabilities					
Investments in financial liabilities held at fair value through profit or loss		–	–	2,371,341	301,397
Amounts due to broker		83,348	55,681	–	139,029
Payable for securities purchased		1,780,606	–	–	1,780,606
Payable to investment manager	9	4,991	45,509	983,906	175,554
Incentive fee	10	1,161	473,357	372,154	521,819
Administration fee	11	6,012	24,792	245,992	62,070
Directors' fees and expenses	12	775	2,078	16,454	4,944
Auditors' fee	13	8,186	7,729	38,354	20,790
Depository/Custodian fee	11	3,761	4,617	48,112	14,493
Legal fee		–	4,121	7,436	5,066
Interest payable		856	–	7	857
Equalisation credit payable		–	400,593	152,220	419,940
Other creditors		10,355	24,679	141,353	53,000
Total Liabilities (excluding net assets attributable to holders of Redeemable Participating Shares)		1,900,051	1,043,156	4,377,329	3,499,565
Net assets attributable to holders of Redeemable Participating Shares		28,013,328	51,230,767	566,489,367	151,244,894

	Note	Sector Global Equity Kernel Fund USD	Sector Healthcare Value Fund USD	Sector Sigma Nordic Fund NOK
Shares outstanding				
Class A EUR	8	–	61,401	49,159
Class A NOK		–	16,299	182,349
Class A USD		–	68,888	48,599
Class B EUR		–	–	7,056
Class B NOK		–	94,306	89,536
Class B SEK		–	118	–
Class C NOK		–	–	2,415
Class C SEK		–	–	41,269
Class L NOK		–	25,492	20,260
Class O NOK		1,748	–	–
Class P NOK Hedged		52,308	–	–
Class P NOK Unhedged		82,274	–	–
Class P USD		125,080	–	–
Net Asset Value per Share				
Class A EUR		–	190.83	110.09
Class A NOK		–	1,643.65	1,461.53
Class A USD		–	262.57	111.27
Class B EUR		–	–	134.11
Class B NOK		–	907.73	1,412.69
Class B SEK		–	914.58	–
Class C NOK		–	–	1,380.35
Class C SEK		–	–	1,004.09
Class L NOK		–	1,786.54	1,608.51
Class O NOK		830.04	–	–
Class P NOK Hedged		794.00	–	–
Class P NOK Unhedged		800.16	–	–
Class P USD		113.39	–	–

Sector Sigma Nordic Fund is translated in the Company total column at the Balance Sheet exchange rate of 0.1271.

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BALANCE SHEET (Continued)

*As at 31 December 2015**

	Sector Global Equity Kernel Fund USD	Sector Healthcare Value Fund USD	Sector Sigma Nordic Fund NOK
Shares outstanding	8		
Class A EUR	–	63,745	47,693
Class A NOK	115	21,945	192,251
Class A USD	100	52,318	106,372
Class B EUR	–	–	12,513
Class B NOK	–	100,487	82,430
Class B SEK	–	1,034	–
Class C NOK	–	–	2,927
Class C SEK	–	–	39,105
Class D NOK	–	–	12,315
Class D SEK	–	–	73,684
Class L NOK	–	25,492	20,188
Class O NOK	1,634	–	–
Class P NOK Hedged	53,246	–	–
Class P NOK Unhedged	218,499	–	–
Class P USD	182,955	–	–
Net Asset Value per Share			
Class A EUR	–	195.79	116.21
Class A NOK	857.61	1,696.66	1,554.85
Class A USD	99.12	269.48	117.67
Class B EUR	–	–	141.03
Class B NOK	–	941.14	1,494.54
Class B SEK	–	943.30	–
Class C NOK	–	–	1,457.37
Class C SEK	–	–	1,050.78
Class D NOK	–	–	1,009.91
Class D SEK	–	–	1,011.21
Class L NOK	–	1,870.97	1,738.16
Class O NOK	875.61	–	–
Class P NOK Hedged	760.27	–	–
Class P NOK Unhedged	868.22	–	–
Class P USD	109.35	–	–

* Included for three period NAV comparison purposes.

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PROFIT AND LOSS ACCOUNT

For the financial period 1 January 2016 to 30 June 2016

	Note	Sector Global Equity Kernel Fund USD	Sector Healthcare Value Fund USD	Sector Sigma Nordic Fund NOK	Sector Capital Funds PLC USD
Income					
Dividend income		1,498,053	470,681	10,677,424	3,234,105
Interest income		2	–	359,092	42,558
Other income		629	77	–	706
		<u>1,498,684</u>	<u>470,758</u>	<u>11,036,516</u>	<u>3,277,369</u>
Net realised gain/(loss) on:					
- investments		(3,621,593)	3,206,899	(45,096,441)	(5,759,028)
- foreign currency		2,102,638	939,038	7,850,193	3,971,994
Net change in unrealised appreciation/(depreciation) on:					
- investments		6,128,795	(1,115,419)	21,535,480	7,565,524
- foreign currency		(368,259)	522,591	(39,536,032)	(4,531,043)
		<u>5,740,265</u>	<u>4,023,867</u>	<u>(44,210,284)</u>	<u>4,524,816</u>
Expenses					
Management fee	9	(135,398)	(242,363)	(3,968,722)	(848,090)
Incentive fee	10	–	(375,509)	–	(375,509)
Administration fee	11	(110,656)	(54,341)	(1,179,508)	(304,779)
Depository/Custodian fee	11	(28,312)	(11,666)	(196,040)	(63,211)
Directors' fees and expenses	12	(3,461)	(1,383)	(29,978)	(8,397)
Auditors' fee	13	(5,154)	(4,855)	(49,088)	(15,826)
Dividend expense		–	–	(3,562,391)	(422,176)
Legal fee		(6,292)	(5,134)	(59,929)	(18,528)
Listing fee		(1,976)	(1,791)	(4,600)	(4,312)
Trading and research fees		–	(18,806)	(285,812)	(52,677)
Other expenses		(14,885)	(4,701)	(209,781)	(44,447)
Total expenses before waivers		<u>(306,134)</u>	<u>(720,549)</u>	<u>(9,545,849)</u>	<u>(2,157,952)</u>
Expense waiver from Investment Manager	9	85,627	–	–	85,627
Net expenses after waivers		<u>(220,507)</u>	<u>(720,549)</u>	<u>(9,545,849)</u>	<u>(2,072,325)</u>
		<u>5,519,758</u>	<u>3,303,318</u>	<u>(53,756,133)</u>	<u>2,452,491</u>
Finance costs					
Interest expense		(1,572)	(238)	(1,612,351)	(192,888)
Total finance costs		<u>(1,572)</u>	<u>(238)</u>	<u>(1,612,351)</u>	<u>(192,888)</u>
Taxation					
Withholding tax		(274,674)	(64,766)	(3,007,422)	(695,847)
Net increase/(decrease) in net assets attributable to holders of Redeemable Participating Shares resulting from operations		<u>5,243,512</u>	<u>3,238,314</u>	<u>(58,375,906)</u>	<u>1,563,756</u>

There are no recognised gains or losses for the year other than those set out in the Profit and Loss Account. All activities relate to continuing operations.

Sector Sigma Nordic Fund is translated in the Company total column at the average exchange rate of 0.1185.

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PROFIT AND LOSS ACCOUNT (Continued)

For the financial period 1 January 2015 to 30 June 2015

	Note	Sector Global Equity Kernel Fund USD	Sector Healthcare Value Fund USD	Sector Sigma Nordic Fund NOK	Sector Capital Funds PLC USD
Income					
Dividend income		251,303	493,261	7,184,240	1,671,331
Interest income		–	–	556,861	71,835
		<u>251,303</u>	<u>493,261</u>	<u>7,741,101</u>	<u>1,743,166</u>
Net realised gain/(loss) on:					
- investments		568,274	7,843,887	13,900,048	10,205,267
- foreign currency		(398,176)	(5,641,671)	(3,501,258)	(6,491,509)
Net change in unrealised appreciation/(depreciation) on:					
- investments		505,175	(529,892)	(16,919,414)	(2,207,321)
- foreign currency		74,916	2,620,942	4,142,774	3,230,276
Net investment gain		<u>1,001,492</u>	<u>4,786,527</u>	<u>5,363,251</u>	<u>6,479,879</u>
Expenses					
Management fee	9	(30,154)	(294,762)	(2,658,992)	(667,926)
Incentive fee	10	(5,184)	(212,141)	(418,983)	(271,374)
Administration fee	11	(44,910)	(64,855)	(838,186)	(217,891)
Depository/Custodian fee	11	(22,150)	(13,351)	(152,931)	(55,229)
Directors' fees and expenses	12	(1,314)	(4,148)	(34,985)	(9,975)
Auditors' fee	13	(5,583)	(5,122)	(36,270)	(15,384)
Commission fee		–	–	(5,000)	(645)
Dividend expense		–	–	(2,268,586)	(292,648)
Legal fee		(1,895)	(16,400)	(155,190)	(38,314)
Listing fee		(1,491)	(1,724)	(4,789)	(3,833)
Trading and research fees		–	(12,961)	(224,987)	(41,984)
Other expenses		(9,880)	(26,493)	(155,105)	(56,382)
Total expenses before waivers		<u>(122,561)</u>	<u>(651,957)</u>	<u>(6,954,004)</u>	<u>(1,671,585)</u>
Expense waiver from Investment Manager	9	66,774	–	–	66,774
Net expenses after waivers		<u>(55,787)</u>	<u>(651,957)</u>	<u>(6,954,004)</u>	<u>(1,604,811)</u>
Net gain/(loss) before finance costs		<u>945,705</u>	<u>4,134,570</u>	<u>(1,590,753)</u>	<u>4,875,068</u>
Finance costs					
Interest expense		(1,855)	(1,791)	(321,631)	(45,136)
Total finance costs		<u>(1,855)</u>	<u>(1,791)</u>	<u>(321,631)</u>	<u>(45,136)</u>
Taxation					
Withholding tax		(45,998)	(102,362)	(1,979,100)	(403,664)
Net increase/(decrease) in net assets attributable to holders of Redeemable Participating Shares resulting from operations		<u>897,852</u>	<u>4,030,417</u>	<u>(3,891,484)</u>	<u>4,426,268</u>

There are no recognised gains or losses for the year other than those set out in the Profit and Loss Account. All activities relate to continuing operations.

Sector Sigma Nordic Fund is translated in the Company total column at the average exchange rate of 0.1290.

SECTOR CAPITAL FUNDS PLC
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STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES

For the financial period 1 January 2016 to 30 June 2016

	Sector Global Equity Kernel Fund USD	Sector Healthcare Value Fund USD	Sector Sigma Nordic Fund NOK	Sector Capital Funds PLC USD
Net Assets attributable to holders of Redeemable Participating Shares at beginning of period	46,195,182	48,052,089	776,334,220	181,973,038
Capital transactions:				
Issue of Redeemable Participating Shares	76,422,398	7,618,160	85,029,897	94,117,366
Redemption of Redeemable Participating Shares	(2,145,992)	(16,863,771)	(161,111,204)	(38,102,891)
Equalisation applied	–	(215,310)	–	(215,310)
Net increase/(decrease) in net assets resulting from capital transactions of Redeemable Participating Shares	74,276,406	(9,460,921)	(76,081,307)	55,799,165
Currency adjustment	–	–	–	4,974,546
Net increase/(decrease) in net assets attributable to holders of Redeemable Participating Shares resulting from operations	5,243,512	3,238,314	(58,375,906)	1,563,756
Net Assets attributable to holders of Redeemable Participating Shares at end of period	125,715,100	41,829,482	641,877,007	244,310,505

Sector Sigma Nordic Fund is translated in the Company total column at the average exchange rate of 0.1185.

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STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES (Continued)

For the financial period 1 January 2015 to 30 June 2015

	Sector Global Equity Kernel Fund USD	Sector Healthcare Value Fund USD	Sector Sigma Nordic Fund NOK	Sector Capital Funds PLC USD
Net Assets attributable to holders of Redeemable Participating Shares at beginning of period	10,152,525	58,586,309	328,500,775	112,560,837
Capital transactions:				
Issue of Redeemable Participating Shares	25,923,985	6,638,489	318,599,141	73,661,763
Redemption of Redeemable Participating Shares	(8,959,924)	(17,936,235)	(76,539,382)	(36,769,739)
Equalisation applied	(1,110)	(88,213)	(179,683)	(112,502)
Net increase/(decrease) in net assets resulting from capital transactions of Redeemable Participating Shares	16,962,951	(11,385,959)	241,880,076	36,779,522
Currency adjustment	–	–	–	(2,521,733)
Net increase/(decrease) in net assets attributable to holders of Redeemable Participating Shares resulting from operations	897,852	4,030,417	(3,891,484)	4,426,268
Net Assets attributable to holders of Redeemable Participating Shares at end of period	28,013,328	51,230,767	566,489,367	151,244,894

Sector Sigma Nordic Fund is translated in the total column at the average exchange rate of 0.1290

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SCHEDULES OF INVESTMENTS

As at 30 June 2016

Sector Global Equity Kernel Fund

<i>Investment</i>	Units	Fair Value as a % of Net Assets	Fair Value USD
<u>Financial Assets at Fair Value through profit or loss</u>			
<u>Equities</u>			
<u>Australia</u>			
Newcrest Mining Ltd.	86,700	1.18%	1,484,807
Northern Star Resources Ltd.	449,900	1.31%	1,654,878
Regis Resources Ltd.	610,500	1.24%	1,554,658
Telstra Corp Ltd.	279,200	0.92%	1,155,881
Total Australia		<u>4.65%</u>	<u>5,850,224</u>
<u>Brazil</u>			
Centrais Eletricas Brasileiras SA (Preferred)	323,200	1.41%	1,776,528
Edp - Energias Do Brasil S.A.	331,000	1.12%	1,407,170
EDP - Energias do Brasil SA	90,782	0.31%	391,039
Total Brazil		<u>2.84%</u>	<u>3,574,737</u>
<u>Canada</u>			
Loblaw Cos. Ltd.	22,100	0.94%	1,176,046
Total Canada		<u>0.94%</u>	<u>1,176,046</u>
<u>China</u>			
China Construction Bank Corp.	1,918,000	1.01%	1,265,819
China Mobile Ltd.	98,500	0.89%	1,125,558
Total China		<u>1.90%</u>	<u>2,391,377</u>
<u>Denmark</u>			
Pandora A/S	8,100	0.87%	1,097,046
Total Denmark		<u>0.87%</u>	<u>1,097,046</u>
<u>Finland</u>			
Fortum Oyj	71,300	0.90%	1,139,050
Orion Oyj	29,800	0.92%	1,152,100
Tieto Oyj	36,500	0.79%	995,089
Total Finland		<u>2.61%</u>	<u>3,286,239</u>
<u>France</u>			
Engie	74,300	0.95%	1,197,707
Orange S.A.	53,700	0.70%	874,288
Thales S.A.	13,000	0.86%	1,083,321
Total S.A.	345	0.01%	16,627
Total France		<u>2.52%</u>	<u>3,171,943</u>
<u>Germany</u>			
Beiersdorf AG	12,700	0.95%	1,197,719
Henkel AG & Co. KGaA (Preferred)	9,700	0.94%	1,180,534
Infineon Technologies AG	81,100	0.93%	1,169,022
MTU Aero Engines AG	10,500	0.78%	977,408
SAP AG	15,085	0.89%	1,125,513
Siemens AG	10,800	0.88%	1,101,560
Total Germany		<u>5.37%</u>	<u>6,751,756</u>
<u>Hong Kong</u>			
Guangdong Investments Ltd.	822,000	0.99%	1,248,160
Total Hong Kong		<u>0.99%</u>	<u>1,248,160</u>
<u>India</u>			
Genpact Ltd.	36,800	0.79%	987,712
Total India		<u>0.79%</u>	<u>987,712</u>
<u>Ireland</u>			
DCC PLC	13,400	0.94%	1,179,579
Eaton Corp. PLC	19,900	0.94%	1,188,627
Total Ireland		<u>1.88%</u>	<u>2,368,206</u>

The accompanying notes form an integral part of the financial statements

SECTOR CAPITAL FUNDS PLC
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SCHEDULES OF INVESTMENTS (continued)

As at 30 June 2016

Sector Global Equity Kernel Fund (Continued)

<i>Investment</i>	Units	Fair Value as a % of Net Assets	Fair Value USD
<u>Financial Assets at Fair Value through profit or loss (continued)</u>			
<u>Israel</u>			
Taro Pharmaceutical Industries Ltd.	8,100	0.94%	1,179,360
Total Israel		<u>0.94%</u>	<u>1,179,360</u>
<u>Italy</u>			
Enel S.p.A.	265,800	0.94%	1,175,256
Total Italy		<u>0.94%</u>	<u>1,175,256</u>
<u>Japan</u>			
KDDI Corp.	38,300	0.93%	1,162,179
Kyowa Exeo Corp.	93,400	0.92%	1,159,875
Nippon Telegraph & Telephone Corp.	25,900	0.96%	1,211,814
NTT DoCoMo, Inc.	45,300	0.97%	1,221,585
Total Japan		<u>3.78%</u>	<u>4,755,453</u>
<u>Netherlands</u>			
Koninklijke Ahold NV	42,300	0.74%	935,164
Unilever NV	23,951	0.89%	1,115,157
Total Netherlands		<u>1.63%</u>	<u>2,050,321</u>
<u>Norway</u>			
Leroy Seafood Group ASA	26,200	0.98%	1,230,481
Marine Harvest ASA	72,200	0.96%	1,203,628
Total Norway		<u>1.94%</u>	<u>2,434,109</u>
<u>Singapore</u>			
Singapore Telecommunications Ltd.	338,800	0.83%	1,039,634
UOL Group Ltd.	7,073	0.02%	28,694
Total Singapore		<u>0.85%</u>	<u>1,068,328</u>
<u>Spain</u>			
Endesa S.A.	51,500	0.82%	1,031,567
Total Spain		<u>0.82%</u>	<u>1,031,567</u>
<u>Sweden</u>			
Boliden AB	68,800	1.05%	1,321,968
Intrum Justitia AB	33,121	0.82%	1,028,886
Svenska Cellulosa AB	33,200	0.84%	1,054,068
Total Sweden		<u>2.71%</u>	<u>3,404,922</u>
<u>Switzerland</u>			
Actelion Ltd.	7,800	1.04%	1,306,672
Barry Callebaut AG	1,000	0.98%	1,228,701
Geberit AG	2,900	0.87%	1,095,463
Pargesa Holding S.A.	17,100	0.90%	1,126,894
Sika AG	300	1.00%	1,255,184
Sonova Holding AG	8,700	0.92%	1,152,022
Swisscom AG	2,400	0.94%	1,189,160
Total Switzerland		<u>6.65%</u>	<u>8,354,096</u>
<u>Taiwan</u>			
Chin-Poon Industrial Co. Ltd.	610,000	1.04%	1,310,425
Chunghwa Telecom Co. Ltd.	333,000	0.96%	1,202,595
Largan Precision Co. Ltd.	12,000	0.87%	1,095,508
Total Taiwan		<u>2.87%</u>	<u>3,608,528</u>
<u>United Kingdom</u>			
Aon PLC	10,800	0.94%	1,179,684
Cranswick PLC	34,400	0.76%	959,726
Scottish & Southern Energy PLC	52,300	0.87%	1,086,474

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SCHEDULES OF INVESTMENTS (continued)

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Sector Global Equity Kernel Fund (Continued)

<i>Investment</i>	Units	Fair Value as a % of Net Assets	Fair Value USD
<u>Financial Assets at Fair Value through profit or loss (continued)</u>			
<u>United Kingdom (continued)</u>			
Total United Kingdom		2.57%	3,225,884
<u>United States</u>			
Aetna, Inc.	10,800	1.05%	1,319,004
Anadarko Petroleum Corp.	23,500	1.00%	1,251,375
AT&T, Inc.	32,300	1.11%	1,395,683
CA, Inc.	38,100	0.99%	1,250,823
Carter's, Inc.	10,100	0.86%	1,075,347
Celanese Corp.	17,400	0.91%	1,138,830
Consolidated Edison, Inc.	16,900	1.08%	1,359,436
Devon Energy Corp.	33,600	0.97%	1,218,000
Ecolab, Inc.	10,300	0.97%	1,221,580
Entergy Corp.	16,800	1.09%	1,366,680
Exxon Mobil Corp.	12,000	0.89%	1,124,880
Gentex Corp./MI	69,900	0.86%	1,079,955
Genuine Parts Co.	10,700	0.86%	1,083,375
Hain Celestial Group, Inc.	26,400	1.04%	1,313,400
Ingredion Inc.	10,900	1.12%	1,410,569
iShares MSCI ACWI Index Fund	29,001	1.30%	1,630,726
Johnson & Johnson	11,100	1.07%	1,346,430
Lam Research Corp.	13,100	0.88%	1,101,186
Leggett & Platt, Inc.	23,900	0.97%	1,221,529
Linear Technology Corp.	21,600	0.80%	1,005,048
Moody's Corp.	13,300	0.99%	1,246,343
Newmont Mining Corp.	36,600	1.14%	1,431,792
NextEra Energy, Inc.	8,400	0.87%	1,095,360
Occidental Petroleum Corp.	14,900	0.90%	1,125,844
OGE Energy Corp.	37,900	0.99%	1,241,225
Patterson Cos., Inc.	22,900	0.87%	1,096,681
Pinnacle West Capital Corp.	13,800	0.89%	1,118,628
Public Service Enterprise Group, Inc.	24,200	0.90%	1,127,962
Quest Diagnostics, Inc.	15,200	0.98%	1,237,432
Sonoco Products Co.	25,700	1.01%	1,276,262
Stryker Corp.	9,900	0.94%	1,186,317
Synopsys, Inc.	23,600	1.02%	1,276,288
The Travelers Cos, Inc.	8,800	0.83%	1,047,552
Thor Industries, Inc.	17,700	0.91%	1,145,898
TJX Cos., Inc.	13,800	0.85%	1,065,774
Universal Health Services, Inc.	8,800	0.94%	1,180,080
Verizon Communications, Inc.	20,500	0.91%	1,144,720
Walgreens Boots Alliance, Inc.	14,500	0.96%	1,207,415
Total United States		36.72%	46,165,429
<u>United States of America</u>			
Aflac Inc	17,000	0.98%	1,226,720
CDW Corp./DE	28,900	0.92%	1,158,312
Duke Energy Corp.	12,800	0.87%	1,098,112
Total United States of America		2.77%	3,483,144
Total Equities		90.55%	113,839,843
Contracts-for-Difference			
<u>Peoples' Republic of China</u>			
Zhejiang NHU Co Ltd.	369,342	0.94%	1,174,694
Total Contracts-for-Difference		0.94%	1,174,694

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SCHEDULES OF INVESTMENTS (continued)

As at 30 June 2016

Sector Global Equity Kernel Fund (Continued)

<i>Investment</i>	Units	Fair Value as a % of Net Assets	Fair Value USD
<u>Financial Assets at Fair Value through profit or loss (continued)</u>			
Real Estate Investment Trust			
Camden Property Trust	14,200	1.00%	1,255,564
Dexus Property Group	181,600	0.97%	1,219,679
Kimco Realty Corp.	41,600	1.04%	1,305,408
Stockland	345,200	0.96%	1,210,639
The Macerich Co.	14,700	1.00%	1,255,233
Total Real Estate Investment Trust		4.97%	6,246,523
Net unrealised gain on forward foreign currency contracts (Note 7)		0.91%	1,126,981
Total Financial Assets at Fair Value through profit or loss		97.37%	122,388,041
<u>Financial Liabilities at Fair Value through profit or loss</u>			
Net unrealised loss on forward foreign currency contracts (Note 7)		(1.72)%	(2,139,231)
Total Financial Liabilities at Fair Value through profit or loss		(1.72)%	(2,139,231)
Total Investments at Fair Value		95.65%	120,248,809
Cash at bank and brokers		3.48%	4,372,839
Other assets in excess of liabilities		0.87%	1,093,452
Total Net Assets		100.00%	125,715,100

ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR CONTRACTS-FOR-DIFFERENCE AND FORWARD FOREIGN CURRENCY CONTRACTS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS

<u>Analysis of Total Assets</u>	<u>% of Total Assets</u>
Transferable securities admitted to an official exchange listing or traded on a regulated market	93.82%
Financial derivative instruments	1.80%
Other assets	4.38%
Total Assets	100.00%

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SCHEDULES OF INVESTMENTS (continued)

As at 30 June 2016

Sector Healthcare Value Fund

<i>Investment</i>	Units	Fair Value as a % of Net Assets	Fair Value USD
<u>Financial Assets at Fair Value through profit or loss</u>			
<u>Equities</u>			
<u>Denmark</u>			
H Lundbeck A/S	21,800	1.94%	813,170
Total Denmark		<u>1.94%</u>	<u>813,170</u>
<u>France</u>			
Ipsen S.A.	18,017	2.65%	1,109,486
Sanofi-Aventis S.A.	36,600	7.29%	3,046,305
Total France		<u>9.94%</u>	<u>4,155,791</u>
<u>Hungary</u>			
Richter Gedeon Nyrt	20,800	0.99%	413,586
Total Hungary		<u>0.99%</u>	<u>413,586</u>
<u>Ireland</u>			
Perrigo Co. Plc	7,000	1.52%	634,690
Total Ireland		<u>1.52%</u>	<u>634,690</u>
<u>Japan</u>			
Astellas Pharmaceutical Co. Ltd.	55,006	2.05%	857,877
Daiichi Sankyo Co. Ltd.	34,459	1.99%	830,825
Otsuka Holdings Co. Ltd.	23,000	2.53%	1,057,969
Total Japan		<u>6.57%</u>	<u>2,746,671</u>
<u>Jersey</u>			
Shire Plc	8,035	3.54%	1,479,083
Total Jersey		<u>3.54%</u>	<u>1,479,083</u>
<u>Netherlands</u>			
Koninklijke Philips NV	43,534	2.59%	1,083,114
Mylan NV	22,000	2.27%	951,280
Total Netherlands		<u>4.86%</u>	<u>2,034,394</u>
<u>Sweden</u>			
Getinge AB	30,186	1.47%	615,285
Total Sweden		<u>1.47%</u>	<u>615,285</u>
<u>United Kingdom</u>			
GlaxoSmithKline Plc	132,338	6.79%	2,838,512
Smith & Nephew Plc	86,578	3.50%	1,466,394
Total United Kingdom		<u>10.29%</u>	<u>4,304,906</u>
<u>United States</u>			
Abbott Laboratories	20,200	1.90%	794,062
Anthem, Inc.	6,300	1.98%	827,442
Baxter International, Inc.	49,096	5.31%	2,220,121
Biogen, Inc.	3,500	2.02%	846,370
Bio-Rad Laboratories, Inc.	5,839	2.00%	835,094
Boston Scientific Corp.	62,000	3.46%	1,448,940
Bristol-Myers Squibb Co.	12,500	2.20%	919,375
Cigna Corp.	5,000	1.53%	639,950
Eli Lilly & Co.	39,390	7.41%	3,101,962
Exelixis, Inc.	127,227	2.37%	993,643
Impax Laboratories, Inc.	10,000	0.69%	288,200
Integra LifeSciences Holdings Corp.	14,200	2.71%	1,132,876
Ironwood Pharmaceuticals, Inc.	79,236	2.48%	1,036,011
Masimo Corp.	15,500	1.95%	813,982
McKesson Corp.	4,160	1.86%	776,464
Merck & Co., Inc.	14,500	2.00%	835,345
Momenta Pharmaceuticals, Inc.	40,560	1.05%	438,048
Owens & Minor, Inc.	9,000	0.80%	336,420

The accompanying notes form an integral part of the financial statements

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SCHEDULES OF INVESTMENTS (continued)

As at 30 June 2016

Sector Healthcare Value Fund (Continued)

<i>Investment</i>	Units	Fair Value as a % of Net Assets	Fair Value USD
<u>Financial Assets at Fair Value through profit or loss (continued)</u>			
<u>United States (continued)</u>			
Patterson Cos., Inc.	20,000	2.29%	957,800
PerkinElmer, Inc.	22,000	2.76%	1,153,240
Spectrum Pharmaceuticals, Inc.	34,500	0.54%	226,665
St. Jude Medical, Inc.	11,000	2.05%	858,000
Tenet Healthcare Corp.	13,500	0.89%	373,140
United Therapeutics Corp.	3,300	0.83%	349,536
Vertex Pharmaceuticals, Inc.	11,000	2.26%	946,220
Total United States		55.34%	23,148,906
Total Equities		96.46%	40,346,482
Net unrealised gain on forward foreign currency contracts (Note 7)		0.58%	244,051
Total Financial Assets at Fair Value through profit or loss		97.04%	40,590,533
Total Investments at Fair Value		97.04%	40,590,533
Cash at bank and brokers		6.61%	2,763,561
Liabilities in excess of other assets		(3.64)%	(1,524,612)
Total Net Assets		100.00%	41,829,482

ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR FORWARD FOREIGN CURRENCY CONTRACTS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS

<u>Analysis of Total Assets</u>	<u>% of Total Assets</u>
Transferable securities admitted to an official exchange listing or traded on a regulated market	91.34%
Financial derivative instruments	0.55%
Other assets	8.11%
Total Assets	100.00%

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SCHEDULES OF INVESTMENTS (continued)

As at 30 June 2016

Sector Sigma Nordic Fund

<i>Investment</i>	Units	Fair Value as a % of Net Assets	Fair Value NOK
<u>Financial Assets at Fair Value through profit or loss</u>			
Equities			
<u>Denmark</u>			
Danske Bank A/S	69,000	2.36%	15,122,738
Novo Nordisk A/S*	54,000	3.76%	24,162,943
Pandora A/S	11,000	1.94%	12,466,706
Royal Unibrew A/S*	63,000	3.66%	23,458,950
Total Denmark		<u>11.72%</u>	<u>75,211,337</u>
<u>Finland</u>			
Amer Sports Oyj	81,500	2.90%	18,607,994
Huhtamaki Oyj	80,000	4.31%	27,651,135
Total Finland		<u>7.21%</u>	<u>46,259,129</u>
<u>France</u>			
Total S.A.	41,000	2.57%	16,534,345
Total France		<u>2.57%</u>	<u>16,534,345</u>
<u>Norway</u>			
Det Norske Oljeselskap ASA	273,000	4.31%	27,682,200
Marine Harvest ASA	190,000	4.13%	26,505,000
Orkla ASA	262,000	3.01%	19,348,700
Salmar ASA	101,500	3.91%	25,080,650
Statoil ASA	162,000	3.64%	23,344,200
Total Norway		<u>19.00%</u>	<u>121,960,750</u>
<u>Sweden</u>			
AAK AB*	40,300	3.72%	23,861,156
Boliden AB	134,000	3.35%	21,545,493
Investor AB	77,000	3.33%	21,361,892
Nordea Bank AB	190,000	2.07%	13,304,455
Svenska Cellulosa AB	65,000	2.69%	17,268,829
Swedbank AB	95,000	2.57%	16,485,139
Total Sweden		<u>17.73%</u>	<u>113,826,964</u>
<u>United Kingdom</u>			
Royal Dutch Shell PLC	77,000	2.75%	17,659,299
Total United Kingdom		<u>2.75%</u>	<u>17,659,299</u>
Total Equities		<u>60.98%</u>	<u>391,451,824</u>
Contracts-for-Difference			
<u>Denmark</u>			
TDC A/S	(389,000)	0.10%	612,743
<u>Sweden</u>			
ICA Gruppen AB	(56,000)	0.02%	103,921
Nibe Industrier AB-B Shares	(187,000)	0.02%	161,157
Skanska AB	(109,000)	0.01%	85,791
SKF AB	(109,000)	0.09%	598,635
Svenska Handelsbanken ser A	(165,000)	0.04%	244,700
Wallenstam AB-B Shares	(139,959)	0.02%	117,914
Total Sweden		<u>0.20%</u>	<u>1,312,118</u>
Total Contracts-for-Difference		<u>0.30%</u>	<u>1,924,861</u>
Index Options			
July 16 Puts on OBX Put 500 21/07/2016	500	0.02%	93,750
July 16 Puts on OMX Put 1220 15/07/2016	200	0.01%	49,382
July 16 Puts on OMX Put 1250 15/07/2016	400	0.04%	256,786
July 16 Puts on OMX Put 1270 15/07/2016	300	0.04%	244,440
July 16 Puts on OMX Put 1290 15/07/2016	400	0.09%	622,211

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SCHEDULES OF INVESTMENTS (continued)

As at 30 June 2016

Sector Sigma Nordic Fund (Continued)

<i>Investment</i>	Units	Fair Value as a % of Net Assets	Fair Value NOK
<u>Financial Assets at Fair Value through profit or loss (continued)</u>			
Index Options (continued)			
Total Index Options		0.20%	1,266,569
Unrealised gain on forward foreign currency contracts (Note 7)		0.30%	1,929,446
Total Financial Assets at Fair Value through profit or loss		61.78%	396,572,700
<u>Financial Liabilities at Fair Value through profit or loss</u>			
Contracts-for-Difference			
<u>Sweden</u>			
AXFOOD AB NPV	(85,000)	(0.14)%	(936,847)
FASTIGHETS AB BALDER-B SHRS	(43,000)	(0.01)%	(38,326)
OMX Stockholm 30 Index	(12,500)	(0.14)%	(884,690)
Total Sweden		(0.29)%	(1,859,863)
<u>Finland</u>			
Konecranes Oyj	(38,000)	(0.04)%	(258,571)
<u>Norway</u>			
OBX Stock Index	(31,000)	(0.12)%	(769,432)
<u>Canada</u>			
Lundin Mining Corp.	(737,000)	(0.26)%	(1,699,478)
Total Contracts-for-Difference		(0.71)%	(4,587,344)
Equity Options			
July 16 Calls on MHG NO Call 140.64 21/07/2016	(1,000)	(0.04)%	(235,000)
July 16 Calls on ORK NO Call 75 21/07/2016	(2,000)	(0.04)%	(280,000)
July 16 Calls on SCAB SS Call 260 15/07/2016	(200)	(0.03)%	(185,182)
July 16 Calls on SWEDA SS Call 170 15/07/2016	(450)	(0.05)%	(294,439)
July 16 Calls on SWEDA SS Call 185 15/07/2016	(500)	0.00%	(24,691)
Total Equity Options		(0.16)%	(1,019,312)
Unrealised loss on forward foreign currency contracts (Note 7)		(0.27)%	(1,732,350)
Total Financial Liabilities at Fair Value through profit or loss		(1.14)%	(7,339,006)
Total Investments at Fair Value		60.64%	389,233,694
Cash at bank and brokers		38.91%	249,784,896
Other assets in excess of liabilities		0.45%	2,858,417
Total Net Assets		100.00%	641,877,007

* Securities pledged, in whole or in part, as margin to cover derivative contracts-for-difference trading.

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SCHEDULES OF INVESTMENTS (continued)

As at 30 June 2016

Sector Sigma Nordic Fund (Continued)

ALL SECURITIES ARE TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON A REGULATED MARKET EXCEPT FOR CONTRACTS-FOR-DIFFERENCE, FORWARD FOREIGN CURRENCY CONTRACTS AND OPTIONS WHICH ARE FINANCIAL DERIVATIVE INSTRUMENTS.

<u>Analysis of Total Assets</u>	<u>% of Total Assets</u>
Transferable securities admitted to an official exchange listing or traded on a regulated market	60.17%
Financial derivative instruments	0.79%
Other assets	39.04%
Total Assets	100.00%

SECTOR CAPITAL FUNDS PLC
Unaudited Interim Financial Statements
For the financial period 1 January 2016 to 30 June 2016

NOTES TO THE FINANCIAL STATEMENTS

1. Organisation and Structure

Sector Capital Funds plc (the “Company”) was incorporated and registered in Ireland under the Companies Act 1963 (as amended) and is governed by the Companies Act 2014 as an open-ended umbrella investment company with variable capital and with segregated liability between sub-funds on 27 September 2010 with registered number 489443. The Company is authorised by the Central Bank of Ireland pursuant to European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48 (1) (Undertakings for Collective Investment in Transferable Securities) Regulations, 2015 (the “Regulations”).

As at 30 June 2016, the Company has three funds in existence (31 June 2015: three), Sector Global Equity Kernel Fund, Sector Healthcare Value Fund and Sector Sigma Nordic Fund (the “Funds”).

Sector Healthcare Value Fund commenced trading on 17 November 2010. The base currency of Sector Healthcare Value Fund is U.S. Dollars (“USD”). As at 30 June 2016, six classes are currently subscribed to in the Fund (30 June 2015: six), Class A EUR Shares, Class A NOK Shares, Class A USD Shares, Class B NOK Shares, Class B SEK Shares and Class L NOK Shares. Class B SEK Shares launched on 12 February 2015. Class A EUR Shares, Class A NOK Shares and Class A USD Shares were listed on the Irish Stock Exchange on 18 November 2010 and Class B NOK Shares on 10 September 2013.

Sector Sigma Nordic Fund commenced trading on 25 June 2012. The base currency of Sector Sigma Nordic Fund is Norwegian Krone (“NOK”). As at 30 June 2016, eight classes are currently subscribed to in the Fund (30 June 2015: eight), Class A EUR Shares, Class A NOK Shares, Class A USD Shares, Class B EUR Shares, Class B NOK Shares, Class C NOK Shares, Class C SEK Shares, Class D NOK, Class D SEK Shares and Class L NOK Shares. Class C SEK Shares launched on 18 February 2015 and Class D SEK Shares launched on 16 November 2015. No application has been made to list the shares on any stock exchange.

Sector Global Equity Kernel Fund commenced trading on 19 March 2014. The base currency of Sector Global Equity Kernel Fund is U.S. Dollars (“USD”). As at 30 June 2016, four classes are currently subscribed to in the Fund (30 June 2015: four), Class O NOK Shares, Class P NOK Hedged Shares, Class P NOK Unhedged Shares and Class P USD Shares. Class P NOK Hedged Shares launched on 18 February 2015, Class P NOK Unhedged Shares launched on 20 April 2015, Class A USD Shares launched on 4 November 2015 and Class A NOK Shares launched on 30 November 2015. Class L NOK Shares were fully redeemed during March 2015. Class P USD Shares were listed on the Irish Stock Exchange on 27 March 2014.

Investment Objective

The investment objective of the Sector Global Equity Kernel Fund is to maximize long-term total return relative to MSCI ACWI Index (the “Index”). The Index is a free float-adjusted market capitalisation weighted index that is designed to measure the equity market performance of developed and emerging markets. The MSCI ACWI consists of 45 country indices comprising 24 developed and 21 emerging market country indices. There can be no guarantee that the investment objective of the Fund will be achieved.

The investment objective of Sector Healthcare Value Fund is to achieve attractive long term investment returns relative to the MSCI Daily TR World Net Health Care USD (the “Index”). The Index is a capitalisation weighted index that monitors the performance of health care stocks from around the world. The Fund may invest in equities and financial instruments that are not part of the Index. There can be no guarantee that the investment objective of the Fund will be achieved.

The investment objective of Sector Sigma Nordic Fund is to generate attractive risk adjusted return for its investors, primarily through investment in Norway, Sweden, Denmark, Finland and Iceland (the “Nordic Region”) with the aim of generating positive return over time in rising as well as falling equity markets. There can be no guarantee that the investment objective of the Fund will be achieved.

2. Summary of Significant Accounting Policies

The financial statements have been prepared in accordance with the Financial Reporting Standard 102 (“FRS 102”), the Financial Reporting Standard applicable in the UK and Republic of Ireland, the Companies Act 2014, the regulations and the listing rules of the Irish Stock Exchange.

The significant accounting policies and estimation techniques adopted by the Company for the period ended 30 June 2016 are consistent with those adopted for the prior year other than for Amendments to FRS – Fair Value Hierarchy Disclosures which was issued in March 2016 and is effective for annual periods beginning on or after 1 January 2017. The Company has chosen to early adopt the standard. The amendments require disclosure of financial instruments held at fair value to be on the basis of a fair value hierarchy consistent with International Financial Reporting Standards (“IFRS”) as disclosed in note 9 (f).

SECTOR CAPITAL FUNDS PLC
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. Summary of Significant Accounting Policies (Continued)

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss in accordance with the European Communities (Fair Value Accounting) Regulations 2011.

The Company has availed of certain exemptions available to open-ended investment funds in FRS 102 not to prepare a cash flow statement.

The preparation of financial statements in accordance with FRS102 requires Directors to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the financial year. Actual results could differ from those estimates.

(a) Portfolio valuation

Investment transactions

(i) Classification

The Company classifies all of its investments as financial assets or financial liabilities at fair value through profit or loss. These financial instruments are designated on the basis that their fair value can be reliably measured and their performance has been evaluated on a fair value basis in accordance with the risk management and/or investment strategy as set out in the Company's Prospectus.

(ii) Recognition

The Company recognises financial assets and financial liabilities on the date it becomes party to the contractual provisions of the instrument. Investment transactions are accounted for on a trade date basis at cost. Purchases and sales of securities are accounted for on the trade date on which the transaction takes place. Transaction costs are expensed immediately to the Income Statement and not capitalised as part of cost of the investment.

(iii) Measurement

Financial assets and financial liabilities held for trading are measured at fair value. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arms length transaction.

Realised gains and losses on sales of investments are calculated on a First-In, First-Out ("FIFO") basis. Unrealised gains and losses on investments are recognised in the Profit and Loss Account. Forward foreign currency contracts and any other instruments held by the Company and traded on an exchange will be measured at fair value based on the last reported traded price on such regulated market as at the relevant valuation point.

If an investment is quoted, listed or normally dealt in on more than one market, the Directors may, in their absolute discretion, select any of such markets for the valuation purposes.

(iv) Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

(b) Forward foreign currency contracts

The unrealised gain or loss on open forward foreign currency contracts is calculated by reference to the difference between the contracted rate and the rate to close out the contract. Realised gains or losses include net gains on contracts which have been settled or offset by other contracts.

(c) Options

When the Company writes or purchases put or call options, an amount equal to the premium received or paid is recorded as a liability or an asset and is subsequently marked-to-market based on quoted market prices in the Balance Sheet. Premiums received or paid from writing or purchasing put or call options which are expired or were unexercised are recognised on the expiration date as realised gains or losses in the Income Statement. If an option is exercised, the premium received or paid is included with the proceeds or the cost of the transaction to determine whether the Company has realised a gain or loss on the related investment transaction in the Profit and Loss Account. When the Company enters into a closing transaction, the Company will realise a gain or loss in the Profit or Loss Account depending upon whether the amount from the closing transaction is greater or less than the premium received or paid.

SECTOR CAPITAL FUNDS PLC
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. Summary of Significant Accounting Policies (Continued)

(d) Contracts-for-difference

A contract-for-difference (“CFD”) is a contract between two parties, buyer and seller, stipulating that the seller will pay to the buyer the difference between the current value of an asset (a security, instrument, basket or index) and its value at contract time. The payment flows are usually netted against each other, with the differences being paid by one party to the other. The unrealised gain or loss depends upon the prices at which the underlying financial instruments of the CFD is valued at and is included in the Profit and Loss Account.

(e) Foreign exchange translation

Items included in the Company’s financial statements are measured using the currency of the primary economic environment in which it operates (the “functional currency”). The functional currency of Sector Global Equity Kernel Fund is the United States Dollar (“USD”), due to the fact that the majority of the Fund’s assets are denominated in USD and that a substantial portion of capital is issued in USD. The functional currency of Sector Healthcare Value Fund is the United States Dollar (“USD”), due to the fact that the majority of the Fund’s assets are denominated in USD and that a substantial portion of capital is issued in USD. The functional currency of Sector Sigma Nordic Fund is Norwegian Krone (“NOK”), due to the fact that the majority of the Fund’s assets are denominated in NOK and that a substantial portion of capital is issued in NOK. Each Fund has adopted its functional currency as the presentation currency for these financial statements. Assets and liabilities expressed in foreign currencies are converted into the functional currency of each Fund using the exchange rates prevailing as at the balance sheet date. Transactions in foreign currencies are translated into the Fund’s functional currency at exchange rates ruling at the transaction dates. Gains and losses on foreign exchange transactions are recognised in the Profit and Loss Account in determining the result for the period.

At 30 June 2016, in accordance with FRS 102, a period end exchange rate of NOK/USD 0.1196 (30 June 2015: NOK/USD 0.1271) was used to translate the Balance Sheet of Sector Sigma Nordic Fund in arriving at the total USD value for the Company in the financial statements.

At 30 June 2016, the Profit and Loss Account and Statement of Changes in Net Assets attributable to holders of Redeemable Participating Shares of Sector Sigma Nordic Fund have been prepared using an average rate of exchange of NOK/USD 0.1185 (30 June 2015: NOK/USD 0.1290) in arriving at the total USD value for the Company in the financial statements. This results in a foreign currency translation loss in the Statement of Changes in Net Assets attributable to holders of Redeemable Participating Shares when compared to the NOK/USD rate used at period end. The adjustment recorded in the Statement of Changes in Net Assets attributable to holders of Redeemable Participating Shares for the period ended 30 June 2016 was a gain of USD4,974,546 (30 June 2015: loss USD2,521,733).

(f) Offsetting financial instruments

Financial assets and financial liabilities may be offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. As at 30 June 2016 and 30 June 2015 no offsetting has been presented in the balance sheet.

(g) Income

Dividends are recognised as income on the dates that securities are first quoted “ex-dividend” to the extent information thereon is reasonably available to the Company. Interest income is accrued on a daily basis. Deposit interest is recognised as income on an accruals basis.

(h) Expenses

Operating expenses are accounted for on an accruals basis.

(i) Net asset value per share

The Net Asset Value per Share of each class is calculated by dividing the Net Asset Value attributable to a class by the number of shares of a class in issue as at the relevant valuation point.

SECTOR CAPITAL FUNDS PLC
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. Summary of Significant Accounting Policies (Continued)

(j) Redeemable participating shares

Shares issued by each Fund provide shareholders with the right to redeem their shares, for cash equal to their proportional share of the net asset value of the Fund and are classified as financial liabilities in accordance with FRS 102. The Fund does not meet the requirement to be classified as equity as the Fund offers different classes of shares with varying rights attached to them. The liabilities to shareholders are presented on the Balance Sheet as "Net Assets Attributable to Shareholders" and are determined based on the residual assets of the Fund after deducting the Fund's other liabilities.

(k) Amounts due from/to broker

Amounts due from/to broker relate to the outstanding amounts pending settlement on forward foreign currency contracts and upfront cash payments for fully funded contracts-for-difference.

(l) Taxation

The Company incurs dividend withholding tax imposed by certain countries on investment income. Dividend income is shown gross of any non-recoverable withholding taxes, which are disclosed separately in Profit and Loss Account.

(m) Transaction costs

Transaction costs are costs incurred to acquire financial assets or financial liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisers, brokers and dealers. Transaction costs, when incurred, are immediately recognised in profit or loss as an expense. For the period ended 30 June 2016 Sector Global Equity Kernel Fund incurred transaction costs of USD189,973 (30 June 2015: USD54,752), Sector Healthcare Value Fund incurred transaction costs of USD22,289 (30 June 2015: USD31,214) and Sector Sigma Nordic incurred transaction costs of NOK1,372,626 (30 June 2015: NOK1,340,362).

3. Dividend and Distribution Policy

The Directors do not currently intend to pay dividends. Accordingly, the price of the shares shall rise as income and capital gains accrue.

4. Taxation

The Company will not be liable to tax in respect of its income and gains, other than on the occurrence of a chargeable event. Generally a chargeable event arises on any distribution, redemption, repurchase, cancellation, transfer of shares or on the ending of a 'Relevant Period', a 'Relevant Period' being an eight year period beginning with the acquisition of the shares by the shareholders and each subsequent period of eight years beginning immediately after the preceding relevant period.

A chargeable event does not include:

- (i) Any transactions in relation to shares held in a recognised clearing system: or
- (ii) An exchange of shares representing a fund for another fund: or
- (iii) An exchange of shares arising on a qualifying amalgamation or reconstruction of a Fund with another fund: or
- (iv) Certain exchanges of shares between spouses and former spouses.

A chargeable event will not occur in respect of shareholders who are neither resident nor ordinarily resident in Ireland and who have provided the Company with a relevant declaration to that effect.

In the absence of an appropriate declaration, the Company will be liable to Irish Tax on the occurrence of a chargeable event. There were no chargeable events during the period under review. Capital gains, dividends and interest received may be subject to withholding taxes imposed by the country of origin and such taxes may not be recoverable by the Company or its shareholders.

SECTOR CAPITAL FUNDS PLC
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. Exchange Rates

The following exchange rates (against USD) were used to convert the investments and other assets and liabilities denominated in currencies other than USD as at 30 June 2016 and 30 June 2015:

Currency	30 June 2016	30 June 2015
Australian Dollar	1.3430	1.3011
Brazilian Real	3.2038	3.1066
British Pound	0.7481	0.6358
Canadian Dollar	1.2987	1.2484
Chinese Renminbi	6.6445	6.1996
Danish Krone	6.6968	6.6934
Euro	0.9001	0.8975
Hong Kong Dollar	7.7580	7.7519
Hungarian Forint	285.7143	285.7143
Japanese Yen	102.5900	121.9512
Korean Won	1,111.1111	1,111.1111
Norwegian Krone	8.3680	7.8678
Singapore Dollar	1.3459	-
Swedish Krona	8.4727	8.2988
Swiss Franc	0.9742	0.9346
Taiwan Dollar	32.2590	30.8642

The following exchange rates (against NOK) were used to convert the investments and other assets and liabilities denominated in currencies other than NOK as at 30 June 2016 and 30 June 2015:

Currency	30 June 2016	30 June 2015
British Pound	0.0894	0.0808
Danish Krone	0.8003	0.8510
Euro	0.1076	0.1141
Swedish Krona	1.0126	1.0546
US Dollar	0.1195	0.1271

An average exchange rate of 0.1185 was used to convert NOK to USD in the Income Statement (30 June 2015: 0.1290).

6. Cash

As at 30 June 2016 and 30 June 2015 all cash balances are held with BNY Mellon Trust Company (Ireland) Limited (the “Depository”), DNB, Goldman Sachs and Nordea.

	Sector Global Equity Kernel Fund USD	Sector Healthcare Value Fund USD	Sector Sigma Nordic Fund NOK
30 June 2016			
BNY Mellon	4,372,839	2,763,561	66,403,098
DNB	-	-	53,049,976
Goldman Sachs	-	-	27,891,562
Nordea	-	-	102,443,059
SEB	-	-	(2,799)
	4,372,839	2,763,561	249,784,896
30 June 2015			
BNY Mellon	2,056,248	2,261,683	20,246,236
DNB	-	-	7,614,456
Goldman Sachs	5,612	-	22,414,036
Nordea	-	-	72,362,678
	2,061,860	2,261,683	122,637,406

SECTOR CAPITAL FUNDS PLC
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. Financial Instruments and Associated Risks

Included in the Company's financial instruments, but not limited to, are global equities and equity related securities (including but not limited to American Depositary Receipts, Global Depositary Receipts, European Depositary Receipts and other equity based derivatives) that shall be listed or traded on any market.

The main risks arising from the Company's financial instruments are market price, liquidity, foreign currency and credit risks.

The Market Risk Group ("MRG") functions across all Sector Investment Manager entities and the group is responsible for defining risk management related limits in addition to the investment restrictions found in the Prospectus and related supplements, securing that the Funds have a portfolio construction and risk exposure that are in line with the intentions of the individual Funds. The limits are generally related to exposure towards single positions and sectors, total portfolio exposure and Value-at-Risk ("VaR"). MRG consists of the CEO of Sector Asset Management AS (leader of MRG), Head of Fund Operations and CEO of Sector Fund Services AS. The Head of Fund Operations has the mandate to give short term exceptions to the risk limits set by MRG if he/she finds that under certain market conditions, the limits have unintended adverse effects, for example in extreme market conditions. Such exceptions are reported to the other members of MRG and to the Group Chief Compliance Officer.

(a) Market price risk

Market price risk arises from uncertainty concerning future prices of financial instruments. The consequence might be a decline in the Fund's value. The risk related to the Funds – i.e. a combination of the probability of loss and the consequences – must be weighed against the potential gain for the Fund. To limit the risk, the Funds are both diversified and constructed through fundamental analyses of the expected behaviour and volatility of the individual instruments while following each Fund's investment objective.

The main risk management tool for VaR calculations was Bloomberg Alpha. The Bloomberg Alpha VaR calculation is based on Monte Carlo simulations at a 95% confidence interval i.e. that one in every 20 days is expected to be above this measure in the long run. The MRG utilises the commitment approach to calculate global exposure.

There are inherent limitations to VaR. While VaR offers a clear, quantifiable measure, predicting future behaviour involves extracting patterns from past data and applying judgment and modelling to project forward. There is no guarantee that any particular combination of past data modelling or judgment will actually predict future performance. For the purposes of the figures below, the holding period is 1 day and the length of data history used in the model is one year.

For the period ended 30 June 2016

	Period end VaR	Gross Exposure*	Net Exposure**	lowest VaR	highest VaR	average VaR
Sector Global Equity Kernel Fund	1.34%	97.5%	97.5%	1.12%	1.31%	1.19%
	Period end VaR	Gross Exposure*	Net Exposure**	lowest VaR	highest VaR	average VaR
Sector Healthcare Value Fund	1.65%	96.8%	96.8%	1.37%	1.64%	1.48%
	Period end VaR	Gross Exposure*	Net Exposure**	lowest VaR	highest VaR	average VaR
Sector Sigma Nordic Fund	0.67%	100.0%	21.6%	0.34%	0.89%	0.57%

* Exposure as % of NAV

** Net open position as % of NAV

SECTOR CAPITAL FUNDS PLC
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. Financial Instruments and Associated Risks (Continued)

(a) Market price risk (Continued)

For the period ended 30 June 2015

	Period end VaR	Gross Exposure*	Net Exposure**	lowest VaR	highest VaR	average VaR
Sector Global Equity Kernel Fund	0.90%	98.7%	98.7%	0.83%	1.02%	0.94%
Sector Healthcare Value Fund	1.06%	96.8%	96.8%	0.98%	1.12%	1.05%
Sector Sigma Nordic Fund	0.58%	114.00%	40.0%	0.39%	0.86%	0.65%

* Exposure as % of NAV

** Net open position as % of NAV

Exposure

Exposure for pure equities is equal to the fair value of the securities. The total gross exposure of each Fund is the sum of the absolute values of all long and short exposures.

(b) Interest rate risk

Interest rate risk is the risk (variability in value) borne by an interest-bearing asset, due to variability of interest rates. In general, as rates rise, the price of a fixed rate bond will fall, and vice versa. Interest rate risk is commonly measured by the bond's duration. For the period ended 30 June 2016 and 30 June 2015 the Funds have not invested in interest bearing assets, other than cash amounts. As at 30 June 2016 and 30 June 2015, the Funds do not have any significant fair value interest rate risk exposure.

Tables outlining the currency and interest exposure as at 30 June 2016 and 30 June 2015 are outlined in note 7(d).

(c) Liquidity risk

Liquidity risk is linked to the Funds having to realise assets in unfavourable market conditions with large losses as a consequence due to for example, redemptions in a Fund or a collapse in long asset values. This means that there are two aspects that are monitored; what is the probability of the situation occurring and how fast can the Funds realise their positions without significant adverse effects on the value of the positions.

Liquidity of portfolio

The Company's Prospectus provides for daily subscription and redemption of shares in the Funds, therefore the Funds are exposed to a liquidity risk of meeting shareholder redemptions on a daily basis. The majority of the Funds' assets are comprised of publicly traded securities and are thus relatively easily realised. Still, with each Fund having positions in small cap equities, the ability of a Fund to realise assets within a short period of time without a large negative impact on the value of the assets is important. Some of the recognised exchanges on which a Fund may invest may prove to be less liquid or highly volatile from time to time. The Funds may invest a limited proportion of their assets in unquoted securities.

For the period ended 30 June 2016 and 30 June 2015, the Funds held very liquid assets and liquidity was monitored daily by the Investment Manager.

The reports below are snapshots of the estimated liquidity of the Funds as at 30 June 2016:

Sector Global Equity Kernel Fund

Description	Cumulative
< 1 day	99%
1-2 days	100%

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. Financial Instruments and Associated Risks (Continued)

(c) Liquidity risk (Continued)

Sector Healthcare Value Fund

Description	Cumulative
< 1 day	100%

Sector Sigma Nordic Fund

Description	Cumulative
< 1 day	87%
1-2 days	96%
3-5 days	99%
1-2 weeks	99%
3-4 weeks	99%
> 4 weeks	100%

The reports below are snapshots of the estimated liquidity of the Funds as at 30 June 2015:

Sector Global Equity Kernel Fund

Description	Cumulative
< 1 day	100%

Sector Healthcare Value Fund

Description	Cumulative
< 1 day	98%
1-2 days	100%

Sector Sigma Nordic Fund

Description	Cumulative
< 1 day	87%
1-2 days	93%
3-5 days	95%
1-2 weeks	97%
3-4 weeks	97%
> 4 weeks	100%

(d) Foreign currency risk

A substantial portion of the financial assets of the Funds are denominated in currencies other than the relevant Fund's functional currency with the effect that the balance sheet of the Funds can be significantly affected by currency movements.

Foreign currency risk is in reality a sub-group of market risk, but with its own idiosyncrasies, both with respect to the Funds portfolio as well as the investor classes denominated in different currencies. Certain currency related transactions may, for example, be employed by the Funds in order to hedge against foreign exchange risk subject to the conditions and limits laid down by the Central Bank of Ireland. Such transactions include forward foreign currency contracts and may for example be executed in cases where an investment is in a currency other than the Fund's functional currency.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. Financial Instruments and Associated Risks (Continued)

(d) Foreign currency risk (Continued)

Currency exposure for investor classes

The shares of the Company are denominated in United States Dollar (USD), Euro (EUR), Norwegian Krone (NOK) and Swedish Krona (SEK) and are issued and redeemed in those currencies. The Investment Manager may seek to hedge the foreign currency exposure of the assets attributable to the shares in order to neutralise as far as reasonably possible, the impact of fluctuations in exchange rates. This is done monthly in addition to when a Fund has more than 3% absolute return, month to date. There is no guarantee that such hedging will give returns that are equal regardless of which currency the shareholders have invested in. In addition, shareholders whose assets and liabilities are predominantly in currencies other than the currency of investment in the Company should take into account the potential risk of loss arising from fluctuations in value between USD, EUR, NOK or SEK being the currency of shareholder investment, and such other currencies as invested in by the Company.

Portfolio currency exposure

The Funds trade in many different markets across the world and in many different currencies. Thus, certain assets in the portfolio may, regardless of the shares of the Fund, be invested in securities which are denominated in currencies other than USD, EUR, NOK or SEK. Consequently, the value of such assets will be affected either favourably or unfavourably by fluctuations in currency rates. The exposure towards the different currencies based on the denomination of the securities is reported daily for each Fund. For each individual Fund, action towards currency exposure in the portfolio is taken by the Investment Manager based on reported exposure of the Fund's assets.

Amounts represented below primarily are monetary assets and monetary liabilities except for investments in non-interest bearing securities, which include equities and contracts-for-difference, which are non-monetary assets.

The foreign currency exposure as at 30 June 2016 is as follows:

Sector Global Equity Kernel Fund	Cash at Bank and Brokers	Forward Currency Contracts	Investments in Interest Bearing Assets	Investments in Non-Interest Bearing Assets	Investments in Non-Interest Bearing Liabilities	Net Other Assets/ (Liabilities)	Total Net Asset Value
Currency	USD	USD	USD	USD	USD	USD	USD
AUD	676	(191,125)	–	8,280,542	–	46,169	8,136,262
BRL	255	–	–	3,574,737	–	–	3,574,992
CAD	4	(14,246)	–	1,176,046	–	3,319	1,165,123
CHF	87	–	–	8,354,096	–	–	8,354,183
CNY	–	–	–	1,174,694	–	–	1,174,694
DKK	139	–	–	1,097,046	–	–	1,097,185
EUR	(82)	(66,958)	–	18,646,661	–	29,011	18,608,632
GBP	17,950	–	–	2,046,200	–	23,407	2,087,557
HKD	25,430	–	–	3,639,537	–	–	3,664,967
JPY	316,471	(231,815)	–	4,755,453	–	–	4,840,109
NOK	(357,449)	(508,106)	–	2,434,109	–	–	1,568,554
SEK	51	–	–	3,404,922	–	–	3,404,973
SGD	615	–	–	1,068,328	–	–	1,068,943
TWD	92,614	–	–	3,608,528	–	–	3,701,142
USD	4,276,077	–	–	58,000,161	–	991,547	63,267,785
Total	4,372,838	(1,012,250)	–	121,261,060	–	1,093,453	125,715,101

Sector Healthcare Value Fund	Cash at Bank and Brokers	Forward Currency Contracts	Investments in Interest Bearing Assets	Investments in Non-Interest Bearing Assets	Investments in Non-Interest Bearing Liabilities	Net Other Assets/ (Liabilities)	Total Net Asset Value
Currency	USD	USD	USD	USD	USD	USD	USD
CHF	910	–	–	–	–	–	910
DKK	251	–	–	813,170	–	–	813,421
EUR	46,068	45,780	–	5,238,905	–	309,520	5,640,273
GBP	4,294	–	–	4,304,906	–	31,098	4,340,298
HUF	5,295	–	–	413,586	–	–	418,881
JPY	(305,251)	–	–	2,746,671	–	332,299	2,773,719
NOK	11,788	197,049	–	–	–	(353,608)	(144,771)
SEK	16,472	1,222	–	615,285	–	(15,749)	617,230
USD	2,983,736	–	–	26,213,959	–	(1,828,172)	27,369,523
Total	2,763,563	244,051	–	40,346,482	–	(1,524,612)	41,829,484

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. Financial Instruments and Associated Risks (Continued)

(d) Foreign currency risk (Continued)

Sector Sigma Nordic Fund	Cash at Bank and Brokers	Forward Currency Contracts	Investments in Interest Bearing Assets	Investments in Non-Interest Bearing Assets	Investments in Non-Interest Bearing Liabilities	Net Other Assets/(Liabilities)	Total Net Asset Value
Currency	NOK	NOK	NOK	NOK	NOK	NOK	NOK
DKK	386,530	1,076,767	–	75,824,080	–	–	77,287,377
EUR	545,281	283,228	–	80,452,773	(258,571)	1,152,524	82,175,235
GBP	436	–	–	–	–	–	436
NOK	247,891,309	–	–	122,054,500	(1,284,432)	(1,037,507)	367,623,870
SEK	946,241	569,451	–	116,311,901	(4,063,653)	(42,222)	113,721,718
USD	15,099	(1,732,350)	–	–	–	2,785,622	1,068,371
Total	249,784,896	197,096	–	394,643,254	(5,606,656)	2,858,417	641,877,007

The foreign currency exposure as at 30 June 2015 is as follows:

Sector Global Equity Kernel Fund	Cash at Bank and Brokers	Forward Currency Contracts	Investments in Interest Bearing Assets	Investments in Non-Interest Bearing Assets	Investments in Non-Interest Bearing Liabilities	Net Other Assets/(Liabilities)	Total Net Asset Value
Currency	USD	USD	USD	USD	USD	USD	USD
AUD	1,987	–	–	492,864	–	–	494,851
BRL	142	–	–	–	–	–	142
CAD	316	–	–	–	–	–	316
CHF	131	–	–	471,500	–	–	471,631
CNY	–	–	–	670,355	–	–	670,355
DKK	68	–	–	504,658	–	–	504,726
EUR	20,756	–	–	4,120,016	–	–	4,140,772
GBP	1,660	–	–	1,466,753	–	2,744	1,471,157
HKD	7,772	–	–	972,922	–	441	981,135
JPY	10,623	–	–	3,375,994	–	1,060	3,387,677
KRW	–	–	–	282,133	–	–	282,133
NOK	4,171	36,362	–	270,073	–	–	310,606
SEK	181	–	–	252,418	–	–	252,599
TWD	23	–	–	242,623	–	–	242,646
USD	2,014,030	–	–	13,209,239	–	(420,687)	14,802,582
Total	2,061,860	36,362	–	26,331,548	–	(416,442)	28,013,328

Sector Healthcare Value Fund	Cash at Bank and Brokers	Forward Currency Contracts	Investments in Interest Bearing Assets	Investments in Non-Interest Bearing Assets	Investments in Non-Interest Bearing Liabilities	Net Other Assets/(Liabilities)	Total Net Asset Value
Currency	USD	USD	USD	USD	USD	USD	USD
CHF	8,720	–	–	1,632,016	–	–	1,640,736
DKK	121	–	–	2,119,397	–	–	2,119,518
EUR	28,548	35,251	–	5,975,734	–	–	6,039,533
GBP	3,632	–	–	3,855,907	–	38,845	3,898,384
HUF	36	–	–	–	–	–	36
JPY	29,097	–	–	2,878,764	–	6,920	2,914,781
NOK	35,253	136,117	–	–	–	–	171,370
SEK	6,917	42	–	701,730	–	–	708,689
USD	2,149,359	–	–	32,590,160	–	(1,001,800)	33,737,719
Total	2,261,683	171,410	–	49,753,708	–	(956,035)	51,230,766

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. Financial Instruments and Associated Risks (Continued)

(d) Foreign currency risk (Continued)

Sector Sigma Nordic Fund	Cash at Bank and Brokers	Forward Currency Contracts	Investments in Interest Bearing Assets	Investments in Non-Interest Bearing Assets	Investments in Non-Interest Bearing Liabilities	Net Other Assets/ (Liabilities)	Total Net Asset Value
Currency	NOK	NOK	NOK	NOK	NOK	NOK	NOK
DKK	262,715	–	–	56,951,920	–	–	57,214,635
EUR	351,356	(253,068)	–	68,985,937	–	–	69,084,225
GBP	482	–	–	–	–	–	482
NOK	120,701,570	–	–	76,225,736	(924,080)	2,316,389	198,319,615
SEK	793,418	(124,430)	–	218,355,018	(775,757)	–	218,248,249
USD	491,865	(294,005)	–	23,424,301	–	–	23,622,161
Total	122,601,406	(671,503)	–	443,942,912	(1,699,837)	2,316,389	566,489,367

As at 30 June 2016 the following forward foreign currency contracts were held by the Funds:

Sector Global Equity Kernel Fund

Maturity Date	Counterparty	Sale Currency	Amount	Purchase Currency	Amount	Unrealised gain/(loss) USD
5/7/2016	BNY Mellon	AUD	6,948,485	NOK	41,574,915	(204,530)
5/7/2016	BNY Mellon	CAD	1,952,608	NOK	12,439,199	(17,015)
5/7/2016	BNY Mellon	CHF	5,029,113	NOK	42,125,881	(129,691)
5/7/2016	BNY Mellon	EUR	13,410,327	NOK	124,317,916	(44,352)
5/7/2016	BNY Mellon	GBP	2,545,594	NOK	30,915,831	291,507
5/7/2016	BNY Mellon	JPY	366,214,001	NOK	27,623,216	(269,163)
5/7/2016	BNY Mellon	USD	45,781,388	NOK	378,119,689	(595,020)
5/7/2016	BNY Mellon	NOK	41,574,915	AUD	6,588,349	(63,576)
5/7/2016	BNY Mellon	NOK	12,439,199	CAD	1,919,770	(8,270)
5/7/2016	BNY Mellon	NOK	42,125,881	CHF	4,816,518	(88,599)
5/7/2016	BNY Mellon	NOK	124,317,916	EUR	13,200,573	(188,714)
5/7/2016	BNY Mellon	NOK	30,915,831	GBP	2,700,646	(84,228)
5/7/2016	BNY Mellon	NOK	27,623,216	JPY	333,746,467	(47,363)
5/7/2016	BNY Mellon	NOK	378,119,689	USD	4,821,960	(929,038)
2/8/2016	BNY Mellon	AUD	6,512,023	NOK	41,172,985	77,261
2/8/2016	BNY Mellon	CAD	880,219	NOK	5,765,289	11,096
2/8/2016	BNY Mellon	CHF	4,807,164	NOK	42,116,795	87,776
2/8/2016	BNY Mellon	EUR	11,979,691	NOK	113,008,002	179,178
2/8/2016	BNY Mellon	GBP	2,164,082	NOK	24,490,624	32,934
2/8/2016	BNY Mellon	JPY	276,502,832	NOK	23,288,597	84,880
2/8/2016	BNY Mellon	USD	43,262,616	NOK	370,076,289	960,861
2/8/2016	BNY Mellon	NOK	984,301	AUD	157,785	(281)
2/8/2016	BNY Mellon	NOK	69,241	CAD	10,671	(56)
2/8/2016	BNY Mellon	NOK	2,275,242	CHF	260,578	(3,832)
2/8/2016	BNY Mellon	NOK	8,220,116	EUR	871,361	(13,070)
2/8/2016	BNY Mellon	NOK	9,179,241	GBP	808,981	(15,194)
2/8/2016	BNY Mellon	NOK	11,008,304	USD	1,279,891	(35,583)
2/8/2016	BNY Mellon	NOK	185,903	JPY	2,259,317	(169)
Total unrealised loss on forward foreign currency contracts						<u>(1,012,251)</u>

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. Financial Instruments and Associated Risks (Continued)

(d) Foreign currency risk (Continued)

As at 30 June 2015 the following forward foreign currency contracts were held by the Funds:

Sector Global Equity Kernel Fund

Maturity Date	Counterparty	Sale Currency	Amount	Purchase Currency	Amount	Unrealised gain/(loss) USD
3/8/2015	BNY Mellon	USD	5,321,766	NOK	42,189,900.00	36,362
Total unrealised gain on forward foreign currency contracts						36,362

Sector Healthcare Value Fund

Maturity Date	Counterparty	Sale Currency	Amount	Purchase Currency	Amount	Unrealised gain/(loss) USD
3/8/2015	BNY Mellon	USD	13,071,075	EUR	11,757,524	35,251
3/8/2015	BNY Mellon	USD	19,924,066	NOK	157,953,880	136,117
3/8/2015	BNY Mellon	USD	12,984	SEK	108,000	42
Total unrealised gain on forward foreign currency contracts						171,410

Sector Sigma Nordic Fund

Maturity Date	Counterparty	Sale Currency	Amount	Purchase Currency	Amount	Unrealised gain/(loss) NOK
3/8/2015	BNY Mellon	NOK	56,120,047	EUR	6,364,946	(253,068)
3/8/2015	BNY Mellon	NOK	39,655,934	SEK	41,628,024	(124,430)
3/8/2015	BNY Mellon	NOK	43,163,909	USD	5,444,489	(294,005)
Total unrealised loss on forward foreign currency contracts						(671,503)

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. Financial Instruments and Associated Risks (Continued)

(e) Credit risk

Credit risk is the risk that a counterparty will fail to discharge an obligation or commitment that it has entered into with the Funds.

The Funds are exposed to credit risk associated with counterparties with whom it trades or holds assets, and will also be exposed to the risk of settlement default. All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

Trade counterparty

The Funds mitigate counterparty risk by undertaking transactions with large and well capitalised counterparties. The Funds also seek to trade with more than one counterparty and have reduced the activity with counterparties when there have been questions raised regarding the robustness of counterparties in terms of credit risk.

Although it is the intention of the Investment Managers to follow a general policy of seeking to spread the Funds' capital at risk over a number of investments and counterparties, the Funds may at certain times hold relatively few positions with the result that a loss in any such position either to trading counterparty or settlement default could have a substantial adverse impact on a Fund's capital.

The table below shows the long-term S&P credit ratings for the counterparties that hold cash as at 30 June 2016 and 30 June 2015:

	30 June 2016	30 June 2015
BNY Mellon	AA-	AA-
DNB	A+	A+
Goldman Sachs	A	A-
Nordea Bank	AA-	AA-

The value of underlying securities, held by Sector Sigma Nordic Fund, pledged as collateral with Goldman Sachs, in relation to derivative contracts-for-difference trading as at 30 June 2016 was as outlined below:

Sector Sigma Nordic Fund

Security	Counterparty	Market Value of Margin NOK
AAK AB	Goldman Sachs	8,615,574
Novo Dordisk A/S	Goldman Sachs	15,659,292
Royal Unibrew A/S	Goldman Sachs	11,355,750

(f) Fair value estimation

The Company has early adopted the amendments made in Section 34.22 and 34.42 of FRS 102 issued in March 2016, revising the disclosure requirements for financial institutions. The amendments require financial institutions to categorise fair value measurements into levels consistent with the fair value hierarchy set out in IFRS 13. As a result, the Company used the following fair value hierarchy levels in categorizing its financial instruments by source of inputs used to determine its fair value:

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

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

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. Financial Instruments and Associated Risks (Continued)

(f) Fair value estimation (Continued)

Investments classified as Level 3 are those for which a quoted price at year end was unavailable and evidence of a recent transaction at that date could not be ascertained. These investments represent collective investment schemes where the net asset value is calculated by an underlying administrator. The net asset values represent their best evidence of the fair value of these assets at year end, however due to the lack of quoted price and evidence of a recent transaction, a Level 3 classification is considered appropriate.

The level in the fair value hierarchy within which the fair value measurement is categorised is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses inputs that are unobservable, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

There were no significant transfers between Levels during the period ended 30 June 2016 or 30 June 2015. Transfers between levels of the fair value hierarchy, for the purpose of disclosure in financial statements, are deemed to have occurred at the end of the reporting period.

The fair values of investments valued under levels 1 to 3 are as follows for the period ended 30 June 2016:

Sector Global Equity Kernal Fund	Level 1 USD	Level 2 USD	Level 3 USD	Total 30 June 2016 USD
Financial assets at fair value through profit or loss				
Equity securities	25,921,885	-	-	25,921,885
Derivative instruments	-	446,025	-	446,025
Total	25,921,885	446,025	-	26,367,910

Sector Healthcare Value Fund	Level 1 USD	Level 2 USD	Level 3 USD	Total 30 June 2016 USD
Financial assets at fair value through profit or loss				
Equity securities	49,753,708	-	-	49,753,708
Derivative instruments	-	171,410	-	171,410
Total	49,753,708	171,410	-	49,925,118

Sector Sigma Nordic Fund	Level 1 NOK	Level 2 NOK	Level 3 NOK	Total 30 June 2016 NOK
Financial assets at fair value through profit or loss				
Equity securities	437,994,076	-	-	437,994,076
Derivative instruments	4,246,207	1,702,629	-	5,948,836
Financial liabilities at fair value through profit or loss				
Equity securities	-	-	-	-
Derivative instruments	-	(2,371,341)	-	(2,371,341)
Total	442,240,283	(668,712)	-	441,571,571

The categories of investments above comprise:

- Equity securities (which include equities) and
- Derivative instruments (which includes forward foreign currency contracts, contracts-for-difference and options).

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. Financial Instruments and Associated Risks (Continued)

(f) Fair value estimation (Continued)

The fair values of investments valued under levels 1 to 3 are as follows for the period ended 30 June 2015:

Sector Global Equity Kernal Fund	Level 1 USD	Level 2 USD	Level 3 USD	Total 30 June 2015 USD
Financial assets at fair value through profit or loss				
Equity securities	25,921,885	-	-	25,921,885
Derivative instruments	-	446,025	-	446,025
Total	25,921,885	446,025	-	26,367,910

Sector Healthcare Value Fund	Level 1 USD	Level 2 USD	Level 3 USD	Total 30 June 2015 USD
Financial assets at fair value through profit or loss				
Equity securities	49,753,708	-	-	49,753,708
Derivative instruments	-	171,410	-	171,410
Total	49,753,708	171,410	-	49,925,118

Sector Sigma Nordic Fund	Level 1 NOK	Level 2 NOK	Level 3 NOK	Total 30 June 2015 NOK
Financial assets at fair value through profit or loss				
Equity securities	437,994,076	-	-	437,994,076
Derivative instruments	4,246,207	1,702,629	-	5,948,836
Financial liabilities at fair value through profit or loss				
Equity securities				-
Derivative instruments		(2,371,341)		(2,371,341)
Total	442,240,283	(668,712)	-	441,571,571

The categories of investments above comprise:

- Equity securities (which include equities) and
- Derivative instruments (which includes forward foreign currency contracts, contracts-for-difference and options).

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. Share Capital

The authorised share capital of the Company is 1,000,000,000,000 Shares of no par value initially designated as unclassified shares. The issued share capital of the Company is €2 represented by 2 shares (the “Subscriber Shares”) issued for the purposes of the incorporation of the Company at an issue price of €1 per Share which are fully paid up and which are beneficially owned by Sector Asset Management AS and Sector Fund Services AS.

Sector Global Equity Kernel Fund may issue Class A EUR Shares, Class A NOK Shares, Class A SEK Shares and Class A USD Shares (the “Class A Shares”), Class B EUR Shares, Class B NOK Shares, Class B SEK Shares and Class B USD Shares (the “Class B Shares”), Class C EUR Shares, Class C NOK Shares, Class C SEK Shares and Class C USD Shares (the “Class C Shares”), Class L NOK Shares, Class O NOK Shares, and Class P NOK Hedged Shares, Class P NOK Unhedged Shares and Class P USD Shares (“the Class P Shares”).

Sector Healthcare Value Fund may issue Class A EUR Shares, Class A NOK Shares, Class A SEK Shares and Class A USD Shares (the “Class A Shares”), Class B EUR Shares, Class B NOK Shares, Class B SEK Shares and Class B USD Shares (the “Class B Shares”) and Class L NOK Shares.

Sector Sigma Nordic Fund may issue Class A EUR Shares, Class A NOK Shares, Class A SEK Shares and Class A USD Shares (the “Class A Shares”), Class B EUR Shares, Class B NOK Shares, Class B SEK Shares and Class B USD Shares (the “Class B Shares”), Class C NOK Shares and Class C SEK Shares (the “Class C Shares”), Class D EUR Shares, Class D NOK Shares, Class D SEK Shares and Class D USD Shares (the “Class D Shares”) and Class L NOK Shares.

On a show of hands every holder who is present in person or by proxy shall have one vote and the holders of Subscriber Shares present or in person or by proxy shall have one vote.

The rights attached to any class may be varied or abrogated with the consent in writing of the holders of three-fourths in number of the issued Shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the Shares of the class, and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up. The quorum at any such separate general meeting, other than an adjourned meeting, shall be two persons holding or representing by proxy at least one third of the issued Shares of the class in question and the quorum at an adjourned meeting shall be one person holding Shares of the class in question or his proxy.

Class L NOK Shares and Class O NOK (issued by Sector Global Equity Kernel Fund) are only available for subscription by (i) other funds, (including sub-funds of the Company), or similar collective investment schemes that a Sector Group (as defined in the Company’s prospectus) company manages; (ii) the Directors; (iii) any person or investor connected with any such person or entity referred to in parts (i) and (ii) including, without limitation, a trustee of a trust established by or for such an entity, (iv) any company, partnership or other entity controlled by a Sector Group company (v) any company, partnership or other entity which has been appointed or acts as investment manager or investment adviser of an entity referred to in part (i), (vi) any employee of the Sector Group or (vii) any nominee of any of the foregoing.

The Class L NOK Shares (issued by Sector Healthcare Value Fund and Sector Sigma Nordic Fund) are open for public participation. However, the Investment Manager intends the Class L NOK Shares will be primarily invested in by any employees of a Sector Group company, any spouse of such employee, or any company controlled by (one or more) such employee or spouse.

Class L NOK Shares (issued by all Funds) are exempt from paying investment management fees.

The following are the share class transactions during the period ended 30 June 2016:

	Sector Global Equity Kernel Fund	Sector Healthcare Value Fund	Sector Sigma Nordic Fund
Class A EUR			
Shares in issue at beginning of period	–	63,745	47,693
Number of shares issued	–	728	2,350
Number of shares redeemed	–	(13,415)	(18,240)
Number in issue at end of period	–	51,058	31,803
Class A NOK			
Shares in issue at beginning of period	115	21,945	192,251
Number of shares issued	33,760	15,343	27,897
Number of shares redeemed	(646)	(1)	(40,434)
Number in issue at end of period	33,229	37,287	179,714

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. Share Capital (Continued)

	Sector Global Equity Kernel Fund	Sector Healthcare Value Fund	Sector Sigma Nordic Fund
Class A USD			
Shares in issue at beginning of period	100	52,318	106,372
Number of shares issued	4	2,142	326
Number of shares redeemed	–	(31,138)	(25,435)
Number in issue at end of period	104	23,322	81,263
Class B EUR			
Shares in issue at beginning of period	–	–	12,513
Number of shares issued	–	–	12,243
Number of shares redeemed	–	–	(1)
Number in issue at end of period	–	–	24,755
Class B NOK			
Shares in issue at beginning of period	–	100,487	82,430
Number of shares issued	–	25,520	2,334
Number of shares redeemed	–	(42,441)	(7,326)
Number in issue at end of period	–	83,566	77,438
Class B SEK			
Shares in issue at beginning of period	–	1,034	–
Number of shares issued	–	4,889	–
Number of shares redeemed	–	(3,718)	–
Number in issue at end of period	–	2,205	–
Class C NOK			
Shares in issue at beginning of period	–	–	2,927
Number of shares issued	–	–	4
Number of shares redeemed	–	–	(804)
Number in issue at end of period	–	–	2,127
Class C SEK			
Shares in issue at beginning of period	–	–	39,105
Number of shares issued	–	–	4,722
Number of shares redeemed	–	–	(15,438)
Number in issue at end of period	–	–	28,389
Class D NOK			
Shares in issue at beginning of period	–	–	12,315
Number of shares issued	–	–	10,378
Number of shares redeemed	–	–	(4,296)
Number in issue at end of period	–	–	18,397
Class D SEK			
Shares in issue at beginning of period	–	–	73,684
Number of shares issued	–	–	8,208
Number of shares redeemed	–	–	(8,241)
Number in issue at end of period	–	–	73,651
Class L NOK			
Shares in issue at beginning of period	–	25,492	20,188
Number of shares issued	–	–	–
Number of shares redeemed	–	(1,648)	(12,093)
Number in issue at end of period	–	23,844	8,095
Class O NOK			
Shares in issue at beginning of period	1,634	–	–
Number of shares issued	3,200	–	–
Number of shares redeemed	(3,263)	–	–
Number in issue at end of period	1,571	–	–

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. Share Capital (Continued)

	Sector Global Equity Kernel Fund	Sector Healthcare Value Fund	Sector Sigma Nordic Fund
Class P NOK Hedged			
Shares in issue at beginning of period	53,246	–	–
Number of shares issued	699,554	–	–
Number of shares redeemed	–	–	–
Number in issue at end of period	752,800	–	–
Class P NOK Unhedged			
Shares in issue at beginning of period	218,499	–	–
Number of shares issued	118,822	–	–
Number of shares redeemed	(15,732)	–	–
Number in issue at end of period	321,589	–	–
Class P USD			
Shares in issue at beginning of period	182,955	–	–
Number of shares issued	3,609	–	–
Number of shares redeemed	(2,363)	–	–
Number in issue at end of period	184,201	–	–

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. Share Capital (Continued)

The following are the share class transactions during the period ended 30 June 2015:

	Sector Global Equity Kernel Fund	Sector Healthcare Value Fund	Sector Sigma Nordic Fund
Class A EUR			
Shares in issue at beginning of period	–	97,848	47,121
Number of shares issued	–	6,278	29,877
Number of shares redeemed	–	(42,725)	(27,839)
Number in issue at end of period	–	61,401	49,159
Class A NOK			
Shares in issue at beginning of period	–	15,692	74,103
Number of shares issued	–	607	108,246
Number of shares redeemed	–	–	–
Number in issue at end of period	–	16,299	182,349
Class A USD			
Shares in issue at beginning of period	–	85,070	1,355
Number of shares issued	–	9,047	47,491
Number of shares redeemed	–	(25,229)	(247)
Number in issue at end of period	–	68,888	48,599
Class B EUR			
Shares in issue at beginning of period	–	–	10,416
Number of shares issued	–	–	5,944
Number of shares redeemed	–	–	(9,304)
Number in issue at end of period	–	–	7,056
Class B NOK			
Shares in issue at beginning of period	–	96,094	88,301
Number of shares issued	–	26,497	20,760
Number of shares redeemed	–	(28,285)	(19,525)
Number in issue at end of period	–	94,306	89,536
Class B SEK			
Shares in issue at beginning of period	–	–	–
Number of shares issued	–	118	–
Number of shares redeemed	–	–	–
Number in issue at end of period	–	118	–
Class C NOK			
Shares in issue at beginning of period	–	–	2,498
Number of shares issued	–	–	937
Number of shares redeemed	–	–	(1,020)
Number in issue at end of period	–	–	2,415
Class C SEK			
Shares in issue at beginning of period	–	–	–
Number of shares issued	–	–	51,383
Number of shares redeemed	–	–	(10,114)
Number in issue at end of period	–	–	41,269
Class L NOK			
Shares in issue at beginning of period	4,000	25,492	20,184
Number of shares issued	–	–	76
Number of shares redeemed	(4,000)	–	–
Number in issue at end of period	–	25,492	20,260
Class O NOK			
Shares in issue at beginning of period	1,623	–	–
Number of shares issued	9,020	–	–
Number of shares redeemed	(8,895)	–	–
Number in issue at end of period	1,748	–	–

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. Share Capital (Continued)

	Sector Global Equity Kernel Fund	Sector Healthcare Value Fund	Sector Sigma Nordic Fund
Class P NOK Hedged			
Shares in issue at beginning of period	–	–	–
Number of shares issued	100,223	–	–
Number of shares redeemed	(47,915)	–	–
Number in issue at end of period	52,308	–	–
Class P NOK Unhedged			
Shares in issue at beginning of period	–	–	–
Number of shares issued	82,274	–	–
Number of shares redeemed	–	–	–
Number in issue at end of period	82,274	–	–
Class P USD			
Shares in issue at beginning of period	90,075	–	–
Number of shares issued	59,508	–	–
Number of shares redeemed	(24,503)	–	–
Number in issue at end of period	125,080	–	–

9. Investment Management Fees

The Company has appointed Sector Omega AS as Investment Manager to Sector Global Equity Kernel Fund, Sector Gamma AS as Investment Manager to Sector Healthcare Value Fund and has appointed Sigma Fondsforsvaltning AS as Investment Manager to Sector Sigma Nordic Fund to provide investment management services pursuant to the investment management agreement between the Company and the Investment Manager.

Sector Global Equity Kernel Fund pays the Investment Manager a management fee of up to 1.5 per cent per annum of the Net Asset Value of the Class A Shares, up to 0.75 per cent per annum of the Net Asset Value of the Class B Shares, up to 0.5 per cent per annum of the Net Asset Value of the Class C Shares, up to 0.3 per cent per annum of the Net Asset Value of the Class P Shares and up to 3.0 per cent per annum of the Net Asset Value of the Class O Shares. The Investment Manager does not charge a fee in respect of the Class L NOK Shares.

Sector Healthcare Value Fund pays the Investment Manager a management fee of 1 per cent per annum of the Net Asset Value of Class A Shares and 2 per cent per annum of the Net Asset Value of Class B Shares. The Investment Manager does not charge a fee in respect of the Class L NOK Shares.

Sector Sigma Nordic Fund pays the Investment Manager a management fee of 1 per cent per annum of the Net Asset Value of Class A Shares, 1.5 per cent per annum of the Net Asset Value of Class B Shares, 2 per cent per annum of the Net Asset Value of Class C Shares and 1.5 per cent per annum of the Net Asset Value of Class D Shares. The Investment Manager will not charge a fee in respect of Class L NOK Shares.

The management fees accrued for the period ended 30 June 2016 were USD848,090 (30 June 2015: USD667,926) and the amount outstanding at 30 June 2016 was USD176,958 (30 June 2015: USD175,554).

The Investment Manager to Sector Global Equity Kernel Fund does not anticipate that the "Total Expense Ratio" which includes but is not limited to the management fee, administration fees and expenses, custodian/depositary fees and expenses, establishment costs of the Fund and other operating expenses of the Fund will exceed 0.5% of the Net Asset Value of Class P USD Shares each year of the Fund's operation (the "TER Threshold"). If the Total Expense Ratio exceeds the TER Threshold, the Investment Manager has undertaken to discharge that proportion of the Total Expense Ratio of Class P USD Shares above the TER Threshold and shall rebate the Fund accordingly.

The Investment Manager will invest in Class O NOK Shares in Sector Global Equity Kernel Fund and beginning on the date the Class O NOK subscription is booked to the Fund, the aggregate fees for Class P USD above the Class P USD threshold will be funded in this order on an ongoing basis; i) by utilising the 3% management fee attributable to Class O NOK, then ii) by utilising any preliminary charges attributable to Class O NOK accrued on the Fund. If the amounts funded in accordance with (i) and (ii) are not sufficient to achieve the Class P USD TER Threshold, then this excess cost shall accrue and be offset against future fees attributable to the Investment Manager, including future preliminary charges attributable to future investments in Class O NOK.

The total fees waived by the Investment Manager for the period ended 30 June 2016 was USD85,627 (30 June 2015: USD66,774) and the amount outstanding at 30 June 2016 was USD61,587 (30 June 2015: USD12,951).

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10. Incentive Fees

The Investment Manager is also entitled to receive an incentive fee, as calculated on the following basis:

Sector Global Equity Kernel Fund

The Fund, in respect of the Class B Shares, Class C Shares and Class O NOK Shares pays the Investment Manager an incentive fee (the "Incentive Fee") equal to 10 per cent of the amount by which the Net Asset Value (before the deduction of any performance fee) of the relevant Class exceeds the MSCI ACWI Index ("Index") adjusted Prior High Net Asset Value ("Index adjusted Prior High Net Asset Value") (as defined below). No Incentive Fee is charged in respect of the Class A Shares, Class P Shares and Class L NOK Shares.

The Incentive Fee is calculated on a share-by-share basis so that each share is charged a fee which equates precisely with that share's performance over each Calculation Period (as defined below). This method of calculation ensures that (i) any Incentive Fee paid to the Investment Manager is charged only to those shares which have outperformed their respective Prior High Net Asset Value over the course of a Calculation Period, (ii) all holders of shares have the same amount of capital per share at risk in the Fund, and (iii) all shares in a particular class have the same net asset value per share.

The Incentive Fee shall only be payable on the amount by which each share outperforms the previous high watermark or Index adjusted Prior High Net Asset Value for the relevant share. For each Calculation Period, an Incentive Fee will only be payable by a particular share if the net asset value of that share at the end of a Calculation Period is greater than the prevailing Prior High Net Asset Value for that share.

The "Prior High Net Asset Value" of each share is the highest net asset value per share on which Incentive Fee was paid in respect of any previous Calculation Period (or, if no Incentive Fee has yet been paid with respect to any such Calculation Period, the Initial Issue Price of the relevant share). The "Index adjusted Prior High Net Asset Value" of each share is the Prior High Net Asset Value adjusted by the performance of the Index for the relevant Calculation Period.

The calculation period for the Incentive Fee shall be a calendar year, closing on the 31 December each year (or if the 31 December is not a Business Day, on the last Business Day of the year) (the "Calculation Period"). The first Calculation Period was the period from the close of the initial offer period until the 31 December 2014. Thereafter, the Incentive Fee will be calculated on an annual basis. The Incentive Fee will accrue as at each valuation point and shall be payable annually in arrears (on or after the first business day of the following year).

At the end of each Calculation Period, where an Incentive Fee has been paid, and only then, the Prior High Net Asset Value per share will be reset to the Net Asset Value per share of the relevant class at the end of such Calculation Period. For the avoidance of doubt, where the relevant class has underperformed, (i.e. its net asset value per share at the end of a Calculation Period is below the Index adjusted Prior High Net Asset Value per share), no Incentive Fee will be payable until the underperformance is clawed back.

The Incentive Fee will be verified by the Custodian/Depositary.

As the Incentive Fee is based on net realised and net unrealised gains and losses as at the end of each Calculation Period and as a result, it may be paid on unrealised gains which may subsequently never be realised.

Sector Healthcare Value Fund

The Fund, in respect of the Class A Shares, pays the Investment Manager a fee equal to 20% of the amount by which the net asset value (before the deduction of any performance fee) of the relevant share exceeds the MSCI Daily TR World Net Healthcare USD (the "Index") (the "Incentive Fee"). The relevant share's subscription price or the initial issue price (where shares are issued during the initial offer period) is taken as the starting price for the purposes of determining the Incentive Fee. The Incentive Fee is accrued on a daily basis and reflected in the net asset value per share at each valuation point. The accrued Incentive Fee will only be paid to the Investment Manager once a shareholder redeems its investment in the Fund or when the Fund closes down where the performance of the relevant shares has exceeded the performance of the Index. The Incentive Fee may be payable even if the absolute return on the shareholder's investment is zero or negative. For example, if during the period of a shareholder's investment in the Fund, the net asset value per share on redemption is less than or equal to the net asset value per share that that shareholder paid on its initial subscription into the Fund, the Incentive Fee may still be payable if the net asset value per share on redemption exceeds the Index Net Asset Value per share, i.e. the Fund has outperformed the Index for the period of the shareholder's investment.

The Incentive Fee will be verified by the Custodian/Depositary.

No Incentive Fee will be charged in respect of the Class B Shares and Class L NOK Shares.

Sector Sigma Nordic Fund

The Investment Manager is also entitled to receive an incentive fee (the "Incentive Fee") of the aggregate appreciation in value of the Class A Shares, the Class B Shares and the Class C Shares (each a "Class") during the relevant Calculation Period (as defined below). No Incentive Fee will be charged in respect of the Class L NOK Shares.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10. Incentive Fees (Continued)

The Incentive Fee equals 15% of the aggregate appreciation in value of the Class A Shares and 20% of the aggregate appreciation in value of the Class B Shares and the Class C Shares.

The Incentive Fee accrues as at each valuation point and is calculated annually on the rate of return (net of the Investment Manager's fees) of each class, and will be payable annually in arrears (on or after the first business day of the following year), or upon redemption, if earlier. The calculation period shall be a calendar year, closing on the last business day each year (the "Calculation Period"). The first Calculation Period in respect of Class A USD Shares, Class A EUR Shares, Class A SEK Shares, Class B SEK Shares and Class C SEK Shares were from the close of the Initial Offer Period until the last business day of 2013. The Incentive Fee will be verified by the Custodian/Depository.

The Incentive Fee is calculated on a share-by-share basis so that each share is charged a fee which equates precisely with that share's performance over each Calculation Period. This method of calculation ensures that (i) any Incentive Fee paid to the Investment Manager is charged only to those shares which have outperformed their respective Prior High Net Asset Value (as defined below) over the course of a Calculation Period, (ii) all holders of shares have the same amount of capital per share at risk in the Fund, and (iii) all shares in a particular Class have the same net asset value per share.

The Incentive Fee shall only be payable on the amount by which each share outperforms the previous high watermark or "Prior High Net Asset Value" (as defined below) for the relevant share. For each Calculation Period, an Incentive Fee will only be payable by a particular share if the net asset value of that share at the end of a Calculation Period is greater than the prevailing Prior High Net Asset Value for that share.

The "Prior High Net Asset Value" of each share is the highest net asset value per share on which the Incentive Fee was paid in respect of any previous Calculation Period (or, if no Incentive Fee has yet been paid with respect to any such Calculation Period, the initial issue price of the relevant share). As the Incentive Fee is based on net realised and net unrealised gains and losses as at the end of each Calculation Period and as a result, it may be paid on unrealised gains which may subsequently never be realised.

At the end of each Calculation Period, where Incentive Fee has been paid, and only then, the Prior High Net Asset Value per share will be reset to the net asset value per share of the relevant class at the end of such Calculation Period. For the avoidance of doubt, where the relevant class has underperformed, (i.e. its net asset value per share at the end of a Calculation Period is below the Prior High Net Asset Value per share), no Incentive Fee will be payable until the underperformance is clawed back.

The Investment Manager shall also be entitled to an incentive fee ("Class D Incentive Fee") equal to 20% of the aggregated appreciation in value of the Class D Shares, in excess of the Prior High Net Asset Value (as defined below) adjusted by the performance of the following hurdle rates, (each a "Hurdle Rate"); Class D SEK Shares the return of 3 month Swedish treasury bills (Bloomberg Ticker: GSGT3M Index). The Investment Manager has agreed to waive the 3 month Swedish treasury bill as hurdle rate whenever the return of the 3 month Swedish treasury bills is negative. In this instance the hurdle rate is set at zero;

- Class D USD Shares the return of 3 month US treasury bills (Bloomberg Ticker: USGG3M Index);
- Class D NOK Shares the return of 3 month Norwegian treasury bills (Bloomberg Ticker: GNGT3M Index); and
- Class D EUR Shares the return of 3 month German treasury bills (Bloomberg Ticker: GETB1 Index).

"Prior High Net Asset Value per Share" is the greater of (i) the Initial Issue Price for the relevant Class D Shares or (ii) the Net Asset Value per Class D Share on which the Class D Incentive Fee was paid in respect of any previous Class D Calculation Period.

The first calculation period for the Class D Shares shall commence from the close of the relevant initial offer period for the Class D Shares and conclude on the next Business Day thereafter. The calculation period thereafter shall be each Business Day (the "Class D Calculation Period"). The Class D Incentive Fee will be calculated and crystallised as at each Valuation Point (net of the Investment Manager's fees), and will be payable monthly in arrears (on or after the first Business Day of the following month), or upon redemption, if earlier. The Class D Incentive Fee will be verified by the Custodian/Depository.

Equalisation Credit

The equalisation credit policy is applied to the calculation of the Incentive Fee payable by all Funds. The Incentive Fee is calculated on a share-by-share basis so that each relevant share is charged an Incentive Fee that equates precisely with that relevant share's performance. This method of calculation ensures that (i) the Incentive Fee is charged only to those relevant shares that have appreciated in value relative to the Index, (ii) all relevant shareholders have the same amount per relevant share of the relevant class at risk in the Fund, and (iii) all shares of the same class have the same net asset value per share. If a shareholder subscribes for relevant shares at a time when the net asset value per relevant share is other than the Index Net Asset Value, certain adjustments will be made to reduce inequities that could otherwise result to the subscriber or beneficiary of the Incentive Fee.

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10. Incentive Fees (Continued)

The Incentive Fees accrued for the period ended 30 June 2016 were USD375,509 (30 June 2015: USD271,374) and the amount outstanding at 30 June 2016 was USD826,490 (30 June 2015: USD521,819).

As at 30 June 2016 an equalisation credit of USD215,310 (30 June 2015: USD112,502) was applied.

11. Administration Fees and Depository/Custodian Fees

The Company has appointed BNY Mellon Fund Services (Ireland) DAC (replaced BNY Mellon Investment Servicing (International) Limited effective 1 July 2016), (“BNY Mellon”) to act as Administrator, registrar and transfer agent and BNY Mellon Trust Company (Ireland) Limited to act as Depository (the “Depository” from 14 April 2016 and the “Custodian” up to 14 April 2016). BNY Mellon is entitled to receive out of the assets of the Funds an annual administration fee, accrued and calculated on each dealing day and payable monthly in arrears of up to 0.105% of the aggregated Net Assets. BNY Mellon is also entitled to a shareholding services fee of USD1,875 per share class per month together with agreed upon transaction charges. The Administrator is also entitled a financial reporting fee of up to USD5,000 per set of financial statements and other out of pocket expenses out of the assets of the Funds (plus VAT thereon if any).

The Administration fee accrued for the period ended 30 June 2016 was USD304,779 (30 June 2015: USD217,891) and the amount outstanding at 30 June 2016 was USD127,301 (30 June 2015: USD62,070).

The Depository/Custodian is/was entitled to an asset based fee of up to 0.02% per annum payable monthly together with sub-custodians’ fees (which will be charged at normal commercial rates) as well as agreed upon transaction charges (which will be at normal commercial rates) and other out of pocket expenses (plus VAT thereon if any).

The Depository/Custodian fee accrued for the period ended 30 June 2016 was USD63,211 (30 June 2015: USD55,229) and the amount outstanding at 30 June 2016 was USD11,219 (30 June 2015: USD14,493).

12. Directors’ fees and expenses

The Directors are entitled to a fee in remuneration for their services at a rate to be determined from time to time by the Directors, but so that the aggregate amount of Directors’ remuneration in any one year shall not exceed €20,000 or such higher amount as may be approved by resolution of the Directors and notified to Shareholders. The Directors may also be paid all travelling, hotel and other expenses, properly incurred by them, in attending and returning from meetings of the Directors or general meetings of the Company or in connection with the business of the Company.

The Directors’ fees and expenses accrued for the period ended 30 June 2016 was USD8,397 (30 June 2015: USD9,975) and the amount outstanding at 30 June 2016 was USD4,367 (30 June 2015: USD4,944).

13. Efficient Portfolio Management

The Company may enter into a variety of derivative instruments including, but not limited to, forward foreign exchange contracts, futures, options, swaps, contracts-for-difference, stock lending and repurchase agreements for the purposes of efficient portfolio management only, subject to the conditions and limits set out in the Central Bank of Ireland’s Notices and within any further limits laid down by the Central Bank of Ireland from time to time. In particular, the Funds may engage in forward foreign exchange contracts to provide protection against exchange rate risks, including cross-currency hedging, and in order to hedge foreign currency exposure of the underlying assets of the Funds into the base currency of the Funds or into a currency institutionally linked to the base currency. It is intended that the use of such forwards may reduce the currency risk in respect of the Funds and will better enable the Funds to manage its assets and liabilities. Futures contracts may be used to hedge or gain exposure to an increase in the value of an asset, market, currency, or deposit. Options may be used to hedge or achieve exposure to a particular market instead of using a physical security. Swaps may be used to achieve profit as well as to hedge existing long positions. Contracts-for-difference (“CFDs”) are bilateral agreements to exchange the difference between opening and closing contracts, which represent the performance of an underlying share.

At the discretion of the Directors, the Funds may use financial derivative instruments as a primary investment policy and details of the investment policy will be set out in the applicable Supplement in accordance with the requirements of the Central Bank of Ireland.

For the period ended 30 June 2016 and 30 June 2015, the Company has utilised forward foreign currency contracts, contracts-for-difference and options.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

14. Related Party Transactions

Fees payable to the relevant Investment Manager are disclosed in notes 9 and 10.

Depositary and Administrator

Although not deemed to be related parties under FRS 102 as they do not exercise “significant influence” over the activities of the Company, the Regulations also deem a "Depositary" and its "associated or group companies" to be ‘connected parties’ to the Company. As such, BNY Mellon Trust Company (Ireland) Limited, the Depositary, and BNY Mellon Fund Services (Ireland) DAC (BNY Mellon Investment Servicing (International) Limited up to 1 July 2016), the Administrator, are connected parties to the Company.

The Board of Directors is satisfied that there are arrangements (evidenced by written procedures) in place, to ensure that any transaction carried out with the Company by a promoter, manager, depositary/custodian, investment manager and/or associated or group companies of these (“connected parties”) are carried out as if negotiated at arm’s length and that all such transactions are carried out in the best interests of the shareholders. The Board of Directors are satisfied that transactions with connected parties entered into during the period complied with the obligations set out in the Regulations.

The Board of Directors is not aware of any transactions with connected persons during the period ended 30 June 2016 other than as disclosed in these financial statements.

As at 30 June 2016 the following key personnel as defined within Section 33 of FRS 102 held a beneficial interest in the Funds as follows:

Key personnel	Role/Team	Fund/Class	Number of Shares held
Lars Tells	Director	Sector Sigma Nordic Fund, Class L NOK	91
Jan Henrik Arvesen	Investment Manager, Sigma Fondsforvaltning AS	Sector Sigma Nordic Fund, Class L NOK	3,341
Trond Tviberg	Investment Manager, Sector Gamma AS	Sector Healthcare Value Fund, Class L NOK	7,945
Trond Horneland	Investment Manager, Sector Gamma AS	Sector Healthcare Value Fund, Class L NOK	15,665
Sector Speculare AS	100% owned by Sector Omega AS	Sector Global Investments Fund, Class L NOK	3,857
Sector Speculare AS	100% owned by Sector Omega AS	Sector Global Equity Kernel Fund, Class A NOK	115
Sector Speculare AS	100% owned by Sector Omega AS	Sector Global Equity Kernel Fund, Class A USD	100
Sector Speculare AS	100% owned by Sector Omega AS	Sector Global Equity Kernel Fund, Class O NOK	1,571

As at 30 June 2016 and 30 June 2015, Sector Asset Management AS, ultimate parent company of the Investment Manager, held 3 Class A EUR Shares, 2 Class A NOK Shares and 2 Class A USD Shares in Sector Healthcare Value Fund.

As at 30 June 2015 the following key personnel as defined within Section 33 of FRS 102 held a beneficial interest in the Funds as follows:

Key personnel	Role/Team	Fund/Class	Number of Shares held
Lars Tell	Director	Sector Sigma Nordic Fund, Class L NOK	76
Jan Henrik Arvesen	Investment Manager, Sigma Fondsforvaltning AS	Sector Sigma Nordic Fund, Class L NOK	3,341
Trond Tviberg	Investment Manager, Sector Gamma AS	Sector Healthcare Value Fund, Class L NOK	7,945
Trond Horneland	Investment Manager, Sector Gamma AS	Sector Healthcare Value Fund, Class L NOK	15,665
Sector Omega AS	Investment Manager	Sector Global Equity Kernel Fund, Class O NOK	12,874
Sector Gammsa AS	Investment Manager	Sector Healthcare Value Fund, Class L SEK	118
Sector Speculare AS	100% owned by Sector Omega AS	Sector Global Equity Kernel Fund, Class O NOK	1,748

15. Contingent Liabilities

The Company is established as a segregated portfolio company. As a matter of Irish law, the assets of one Fund will not be available to satisfy the liabilities of another. However, the Company is a single legal entity which may operate or have assets held on its behalf or be subject to claims in other jurisdictions which may not necessarily recognise such segregation. There is no guarantee that the courts of any jurisdiction outside Ireland will respect the limitations on liability associated with segregated portfolio companies nor is there any guarantee that the creditors of one Fund will not seek to enforce such Funds’ obligations against another Fund.

As at 30 June 2016 there were three Funds in operation (30 June 2015: three) and there were no known contingent liabilities.

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16. Soft Commission

There were no soft commissions for the periods ended 30 June 2016 or 30 June 2015.

17. Prospectus

There were no prospectus updates during the period ended 30 June 2016.

18. Comparative Period

The prior period comparatives are for the period 1 January 2015 to 30 June 2015.

19. Significant Events during the Period

The Prospectus and each of the Supplements for (i) Sector Global Kernel (ii) Sector Sigma Nordic Fund and (iii) Sector Healthcare Value Fund were approved by the Central Bank on 14 April 2016. The Depositary Agreement was also approved on this date.

Updates made to the Prospectus in order to reflect current legislative and regulatory requirements including: UCITS V requirements including all relevant disclosures on depositary functions, liability provisions and manager remuneration provisions; Investor Money Regulations; Central Bank Regulations (i.e. SI No. 420 of 2015 Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015); OECD Common Reporting Standards; Taxation updates, including but not limited to, CRS updates and the repeal of the European Savings Directive (Directive 2003/48/EC) on 10 November 2015 by the European Council Updates to each of the Supplements for Sector Global Equity Kernel, Sector Sigma Nordic Fund and Sector Healthcare Value Fund to reflect the above regulatory updates as relevant, updates to initial offer periods and miscellaneous tidy-up amendments to ensure alignment with other Sector Group documents (i.e. share class definitions etc.) Additional non-UCITS V updates were made to Sector Global Equity Kernel in respect of amendments to settlement cycle in order to change to T+2.

There were no other significant events during the period.

20. Significant Events after the Balance Sheet Date

On 9 August 2016, the Company issued a revised Prospectus and Supplements for each Fund. The significant amendments relate to the change in the administrator and revisions to certain risk disclosures.

There were no other significant events after the balance sheet date.

21. Approval of Financial Statements

The financial statements were authorised for issue by the Directors on 23 August 2016.

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SIGNIFICANT PORTFOLIO MOVEMENTS

In accordance with the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48 (1) (Undertakings for Collective Investment in Transferable Securities) Regulations, 2015, a statement of the largest changes in the composition of the Schedule of Investments during the period is provided to ensure that the shareholders can identify changes in the investments held by the Fund. These statements present the aggregate purchases and sales of an investment, exceeding 1% of the total value of purchases and sales for the period. At a minimum the largest 20 purchases and sales are listed. If the Fund enters into less than 20 purchases or sales during the period, then all transactions are presented.

Sector Global Equity Kernel Fund

LARGEST PURCHASES	COST USD
iShares MSCI ACWI Index Fund	18,110,179
Swisscom AG	2,152,093
Ingredion Inc.	1,790,857
Sika AG	1,391,577
Amgen, Inc.	1,345,521
UOL Group Ltd.	1,312,074
Alimentation Couche Tard, Inc.	1,300,676
Moody's Corp.	1,256,904
Synopsys, Inc.	1,245,207
Entergy Corp.	1,238,196
Sonoco Products Co.	1,235,754
China Construction Bank Corp.	1,233,371
Eaton Corp. PLC	1,232,747
Ecolab, Inc.	1,232,495
GDF Suez S.A.	1,231,696
Centrais Eletricas Brasileiras SA	1,230,388
Anadarko Petroleum Corp.	1,224,294
CDW Corp./DE	1,220,177
Consolidated Edison, Inc.	1,219,021
Boliden AB	1,218,117

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SIGNIFICANT PORTFOLIO MOVEMENTS (Continued)

Sector Global Equity Kernel Fund

LARGEST SALES	PROCEEDS
	USD
iShares MSCI ACWI Index Fund	17,605,591
Richmont Mines, Inc.	1,669,265
Amgen, Inc.	1,633,155
Kinross Gold Corp.	1,274,413
BP PLC, ADR	1,213,465
Baxter International, Inc.	1,209,974
Alimentation Couche Tard, Inc. B	1,195,754
Yamana Gold, Inc.	1,174,598
UOL Group Ltd.	1,161,739
Icon PLC Usd Npv	1,155,847
JB Hi-Fi Ltd.	1,125,729
Brunswick Corp.	1,123,289
Andritz AG	1,100,302
Ingredion Inc.	1,087,292
African Barrick Gold Ltd.	1,078,882
Fuchs Petrolub AG	1,068,269
TKH Group NV	1,067,694
Torchmark Corp.	1,058,262
Hang Seng Bank Ltd.	1,053,964
Amdocs Ltd.	1,051,889
Taiwan Semiconductor Manufacturing Co. Ltd.	1,049,712
Randgold Resources Ltd.	1,021,439
Tyson Foods, Inc.	1,017,224
Bakkafrost P/F	1,003,408
eBay, Inc.	999,230
CVS Caremark Corp.	995,782
Total S.A.	992,704
Polaris Industries, Inc.	987,189
Brocade Communications Systems, Inc.	982,368
Cia Paranaense de Energia	982,137
CH Robinson Worldwide, Inc.	981,959
Copart, Inc.	979,918
Nevsun Resources Ltd.	978,788
Deutsche Boerse AG	977,385
American Electric Power Co, Inc.	975,946

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SIGNIFICANT PORTFOLIO MOVEMENTS (Continued)

Sector Healthcare Value Fund

LARGEST PURCHASES

	COST USD
Eli Lilly & Co.	1,792,599
Shire PLC, ADR	1,506,349
Sanofi-Aventis S.A.	1,321,381
Bayer AG	1,300,920
Merck & Co., Inc.	1,293,009
Patterson Cos., Inc.	889,041
St. Jude Medical, Inc.	832,714
Anthem, Inc.	810,015
Abbott Laboratories	775,556
Perrigo Co. PLC	764,514
Astellas Pharmaceutical Co. Ltd.	759,283
Exelixis, Inc.	605,096
Vertex Pharmaceuticals, Inc.	601,075
Bristol-Myers Squibb Co.	584,350
Mylan NV	512,201
Smith & Nephew Plc	491,792
Koninklijke Philips Electronics NV	451,400
United Therapeutics Corp.	377,045
Biogen Idec, Inc.	309,363
McKesson Corp.	298,470
Impax Laboratories, Inc.	280,521
GlaxoSmithKline Plc	260,914
Medivation, Inc.	233,503

LARGEST SALES

	PROCEEDS USD
Baxalta, Inc.	2,376,411
Johnson & Johnson	2,364,905
Bayer AG	1,347,101
Sanofi-Aventis S.A.	1,271,692
Eli Lilly & Co.	1,228,535
GlaxoSmithKline Plc	1,191,467
Medivation, Inc.	1,156,951
H Lundbeck A/S	1,093,444
St. Jude Medical, Inc.	943,595
Otsuka Holdings Co. Ltd.	940,449
WellCare Health Plans, Inc.	902,657
Biogen Idec, Inc.	869,287
Cardinal Health, Inc.	726,641
Bristol-Myers Squibb Co.	688,272
Mylan NV	643,921
Boston Scientific Corp.	639,860
Baxter International, Inc.	631,917
Merck & Co., Inc.	590,277
Daiichi Sankyo Co. Ltd.	588,758
Owens & Minor, Inc.	545,549
Ironwood Pharmaceuticals, Inc.	538,255
Bio-Rad Laboratories, Inc.	448,189
Integra LifeSciences Holdings Corp.	422,275
PerkinElmer, Inc.	406,899
Basilea Pharmaceutica AG	302,446

SECTOR CAPITAL FUNDS PLC
Unaudited Interim Financial Statements
For the financial period 1 January 2016 to 30 June 2016

SIGNIFICANT PORTFOLIO MOVEMENTS (Continued)

LARGEST PURCHASES	COST NOK
Boliden AB	35,853,838
Statoil ASA	29,181,580
Autoliv, Inc.	26,014,783
Danske Bank A/S	23,114,826
Yara International ASA	18,639,171
JM AB	18,496,991
Svenska Cellulosa AB	17,123,248
Swedbank AB	16,439,114
Royal Dutch Shell PLC	16,382,045
Total S.A.	16,338,629
Novo Nordisk A/S*	16,137,262
Bakkafrost P/F	16,053,414
Hennes & Mauritz AB	15,573,128
Nordea Bank AB	15,353,768
Huhtamaki Oyj	9,400,386
Skandinaviska Enskilda Banken AB	8,210,953
Investor AB	8,155,269
Telefonaktiebolaget LM Ericsson	7,748,662
Assa Abloy AB	7,702,316
Volvo AB	7,008,014
Det Norske Oljeselskap ASA	6,867,449
Coloplast A/S	6,187,232
Pandora A/S	5,550,651
AarhusKarlshamn AB	4,826,019
OBX Stock Index	4,516,122
Royal Unibrew A/S	3,726,148
 LARGEST SALES	 PROCEEDS NOK
Autoliv, Inc.	41,133,546
Yara International ASA	35,084,329
Telefonaktiebolaget LM Ericsson	33,859,964
Hennes & Mauritz AB, Class B	29,840,746
Volvo AB, Class B	27,376,202
Skandinaviska Enskilda Banken AB	27,005,915
Danske Bank A/S	26,791,646
Assa Abloy AB	25,635,946
Coloplast A/S	22,569,215
Tomra Systems ASA	19,926,834
Novo Nordisk A/S	19,619,505
JM AB	19,394,552
Sandvik AB	18,031,049
DSV A/S	17,306,537
Boliden AB	17,213,760
Hexagon AB	16,852,037
Hexpol AB	15,890,059
Bakkafrost P/F	15,854,867
Pandora A/S	12,998,662
Det Norske Oljeselskap ASA	12,229,500
Huhtamaki Oyj	10,060,041