

JKC FUND

Société d'Investissement à Capital Variable ("SICAV")
with multiple sub-funds
incorporated under Luxembourg law

Unaudited Semi-Annual Report
As at June 30th, 2017

Luxembourg Trade and Companies Register (R.C.S.) No. B 144.551

Subscriptions may only be accepted on the basis of the latest prospectus which is only valid if accompanied by the last available annual report and, if applicable, the last available half-yearly report if the latter was published after the last annual report.

JKC FUND

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JKC FUND

Organization

Registered Office :

12, rue Eugène Ruppert, L-2453 Luxembourg

Date of incorporation :

January 19th, 2009

Board of Directors :

Chairman :

- Mr Fabrice Jacob, CEO,
JK Capital Management Ltd.

Directors :

- Mr Alex King Yue Leung, CFO and Risk Manager,
JK Capital Management Ltd.
- Mr Jean-Luc Neyens, Director,
Banque Degroof Petercam Luxembourg S.A.
- Ms Pascale Auclair, Managing Director,
La Française AM, Paris

Management Company :

La Française AM International
2, boulevard de la Foire, L-1528 Luxembourg

Investment Manager :

JK Capital Management Ltd.
Suite 1101, Chinachem Tower, 34-37 Connaught
Road Central, Hong Kong

Hedging Manager :

Degroof Petercam Asset Services S.A.
12, rue Eugène Ruppert, L-2453 Luxembourg

Custodian, Domiciliary and Corporate Agent, Administrative Agent, Paying Agent, Registrar and Transfert Agent :

Banque Degroof Petercam Luxembourg S.A.
12, rue Eugène Ruppert, L-2453 Luxembourg

Cabinet de Révision agréé :

KPMG Luxembourg, Société Cooperative,
39, avenue John F. Kennedy, L-1855 Luxembourg

JKC FUND

General Information of the Fund

JKC FUND (the "SICAV") is an open-ended investment company organized under the laws of the Grand Duchy of Luxembourg as a "Société d'Investissement à Capital Variable".

The SICAV was incorporated for an unlimited period of time on January 19th, 2009 and is governed by the Luxembourg law of August 10th, 1915 on commercial companies, as amended, and by the Part 1 of the Law of December 17th, 2010 concerning undertakings for collective investment, as may be amended from time to time.

The SICAV is registered at the "Registre de Commerce et des Sociétés" with the District Court of Luxembourg under the number B 144.551.

The Articles were published in the "Mémorial C, Recueil des Sociétés et Associations" (the "Mémorial") of February 20th, 2009. Any interested person may inspect this document at the Chancery of the District Court of Luxembourg; copies are available on request at the registered office of the SICAV.

The net asset value per share of each sub-fund is consolidated in USD on each Luxembourg bank business day.

The net asset value, the subscription price and the redemption price along with any other notices to the shareholders are available at the registered office of the Custodian Bank.

The prospectus, semi-annual and annual financial reports may be obtained at the registered office of the SICAV.

Additional determination of the net asset value per share is made on June 30th and December 31st for financial reporting purposes.

As at June 30th, 2017 the SICAV has two sub-funds named :

- JKC Fund - LA FRANÇAISE JKC China Equity ;
- JKC Fund - LA FRANÇAISE JKC Asia Value.

The sub-fund JKC Fund - LA FRANÇAISE JKC China Equity offers ten Capitalisation Shares :

- Class I EURO-HEDGED : Shares denominated in EUR and intended for institutional investors ;
- Class I USD : Shares denominated in USD and intended for institutional investors ;
- Class GP EURO-HEDGED : Shares denominated in EUR and intended for retail investors ;
- Class GP USD : Shares denominated in USD and intended for retail investors ;
- Class P EURO-HEDGED : Shares denominated in EUR and intended for all types of investors subscribing through Independent Financial Advisors ;
- Class P USD : Shares denominated in USD and intended for all types of investors subscribing through Independent Financial Advisors ;
- Class Q USD : Shares denominated in USD and intended for institutional investors, subject to a high minimum of holding and acceptance by the Board of Directors ;
- Class DC USD : Shares denominated in USD and intended for institutional investors, subject to a high minimum of holding and acceptance by the Board of Directors ;
- Class T EURO-HEDGED : Shares denominated in EUR and intended for any type of investors, subject to acceptance by the Board of Directors. This Class is a Trailer-Fee-Clean Share Class (T) ;
- Class T USD : Shares denominated in USD and intended for any type of investors, subject to acceptance by the Board of Directors. This Class is a Trailer-Fee-Clean Share Class (T).

The classes T EURO-HEDGED and Class T USD are not yet launched.

JKC FUND

General Information of the Fund

The sub-fund JKC Fund - LA FRANÇAISE JKC Asia Equity offers eight Capitalisation Shares :

- Class I EURO-HEDGED : Shares denominated in EUR and intended for institutional investors ;
- Class I USD : Shares denominated in USD and intended for institutional investors ;
- Class GP EURO-HEDGED : Shares denominated in EUR and intended for retail investors ;
- Class GP USD : Shares denominated in USD and intended for retail investors ;
- Class P EURO-HEDGED : Shares denominated in EUR and intended for all types of investors subscribing through Independent Financial Advisors ;
- Class P USD : Shares denominated in USD and intended for all types of investors subscribing through Independent Financial Advisors ;
- Class T EURO-HEDGED : Shares denominated in EUR and intended for any type of investors, subject to acceptance by the Board of Directors. This Class is a Trailer-Fee-Clean Share Class (T) ;
- Class T USD : Shares denominated in USD and intended for any type of investors, subject to acceptance by the Board of Directors. This Class is a Trailer-Fee-Clean Share Class (T).

The classes T EURO-HEDGED and Class T USD are not yet launched.

JKC FUND

Combined Statement of Net Assets as at June 30th, 2017

	Notes	Combined (IN USD)
<u>Assets</u>		
Investments in Securities	1a	91.357.849,99
Cash at Banks		5.204.613,37
Dividends Receivable on Shares		518.227,49
Interest Receivable on Cash Accounts		1.581,70
Unrealised Gain on Forward Exchange Contracts	7	181.415,40
Total Assets		97.263.687,95
<u>Liabilities</u>		
Taxes and Expenses Payable	2	301.484,93
Overdraft at Banks		49.484,97
Overdraft Interest Payable		364,39
Amounts Payable on Purchases		173.114,27
Amounts Payable on Redemptions		5.256,30
Total Liabilities		529.704,86
Net Assets at the end of the period		96.733.983,09

The accompanying notes form an integral part of these Financial Statements.

JKC FUND

Combined Statement of Operations and Changes in Net Assets from January 1st, 2017 to June 30th, 2017

	Notes	Combined (IN USD)
Income		
Dividends, net of taxes	1h	968.787,10
Interest on Bonds, net of taxes		5.782,34
Interest on Cash Accounts		5.469,71
Total Income		980.039,15
Expenses		
Management Fees		44.716,95
Investment Management Fees	5	683.576,48
Hedging Fees		13.072,05
Depository Fees		13.404,15
Subscription Tax	6	9.309,58
Administration Fees		89.291,37
Miscellaneous Fees		160.989,78
Transaction Fees		203.072,83
Overdraft Interest		1.452,66
Taxes paid to Foreign Authorities		14.224,94
Performance Fees	5	4.484,81
Total Expenses		1.237.595,60
Net Profit / (Loss)		-257.556,45
Net Realised Profit / (Loss)		
- on investments	1c	2.948.970,41
- on currencies		-73.019,85
- on forward exchange contracts		4.196.911,89
Net Realised Profit / (Loss)		6.815.306,00
Change in Net Unrealised Appreciation / (Depreciation)		
- on investments	1f	16.246.116,13
- on currencies		-11.789,79
- on forward exchange contracts		-438.280,17
Result of Operations		22.611.352,17
- Subscriptions		7.364.114,03
- Redemptions		-18.587.556,96
Net Changes in Net Assets for the Period		11.387.909,24
Net Assets at the Beginning of the Period		85.346.073,85
Net Assets at the End of the Period		96.733.983,09

The accompanying notes form an integral part of these Financial Statements.

JKC FUND

Statement of Net Assets as at June 30th, 2017

	Notes	LA FRANÇAISE JKC China Equity (in USD)	LA FRANÇAISE JKC Asia Equity (in USD)
Assets			
Investments in Securities	1a	58.107.523,35	33.250.326,64
Cash at Banks		3.346.181,99	1.858.431,38
Dividends Receivable on Shares		425.081,54	93.145,95
Interest Receivable on Cash Accounts		1.039,60	542,10
Unrealised Gain on Forward Exchange Contracts	7	56.358,14	125.057,26
Total Assets		61.936.184,62	35.327.503,33
Liabilities			
Taxes and Expenses Payable	2	189.637,30	111.847,63
Overdraft at Banks		49.484,97	0,00
Overdraft Interest Payable		238,86	125,53
Amounts Payable on Purchases		0,00	173.114,27
Amounts Payable on Redemptions		5.256,30	0,00
Total Liabilities		244.617,43	285.087,43
Net Assets at the end of the period		61.691.567,19	35.042.415,90
Number of Shares Outstanding (at the end of the period)			
- Class I EURO-HEDGED		415.910,097	143.007,260
- Class I USD		237.339,421	1.927,545
- Class GP EURO-HEDGED		60.851,541	90.438,000
- Class GP USD		31.142,024	13.081,500
- Class P EURO-HEDGED		16.881,691	42.435,998
- Class P USD		4.643,426	866,867
- Class DC USD		169.374,424	-
Net Asset Value per Share (at the end of the period)			
- Class I EURO-HEDGED		44,33	106,39
- Class I USD		62,96	111,41
- Class GP EURO-HEDGED		44,32	102,89
- Class GP USD		62,80	106,09
- Class P EURO-HEDGED		90,59	111,04
- Class P USD		95,13	115,07
- Class DC USD		109,87	-

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JKC FUND

Statement of Operations and Changes in Net Assets from January 1st, 2017 to June 30th, 2017

	Notes	LA FRANÇAISE JKC China Equity (in USD)	LA FRANÇAISE JKC Asia Equity (in USD)
Income			
Dividends, net of taxes	1h	689.572,15	279.214,95
Interest on Bonds, net of taxes		0,00	5.782,34
Interest on Cash Accounts		2.994,82	2.474,89
Total Income		692.566,97	287.472,18
Expenses			
Management Fees		27.414,70	17.302,25
Investment Management Fees	5	407.596,29	275.980,19
Hedging Fees		5.758,30	7.313,75
Depositary Fees		8.224,41	5.179,74
Subscription Tax	6	4.167,18	5.142,40
Administration Fees		48.807,96	40.483,41
Miscellaneous Fees		93.375,83	67.613,95
Transaction Fees		87.287,28	115.785,55
Overdraft Interest		768,51	684,15
Taxes paid to Foreign Authorities		7.552,46	6.672,48
Performance Fees	5	0,00	4.484,81
Total Expenses		690.952,92	546.642,68
Net Profit / (Loss)		1.614,05	-259.170,50
Net Realised Profit / (Loss)			
- on investments	1c	1.307.326,77	1.641.643,64
- on currencies		-5.046,16	-67.973,69
- on forward exchange contracts		1.885.555,99	2.311.355,90
Net Realised Profit / (Loss)		3.189.450,65	3.625.855,35
Change in Net Unrealised Appreciation / (Depreciation)			
- on investments	1f	10.574.152,89	5.671.963,24
- on currencies		-7.211,90	-4.577,89
- on forward exchange contracts		-236.226,04	-202.054,13
Result of Operations		13.520.165,60	9.091.186,57
- Subscriptions		7.018.382,37	345.731,66
- Redemptions		-10.189.612,41	-8.397.944,55
Net Changes in Net Assets for the Period		10.348.935,56	1.038.973,68
Net Assets at the Beginning of the Period		51.342.631,63	34.003.442,22
Net Assets at the End of the Period		61.691.567,19	35.042.415,90

The accompanying notes form an integral part of these Financial Statements.

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Schedule of Investments as at June 30th, 2017

Sub-Fund LA FRANCAISE JKC CHINA EQUITY

Investment	Quantity	CCY	Cost (in USD)	Market Value (in USD)	% Total Net Assets
Transferable Securities admitted to an Official Stock Exchange or dealt in on Another Regulated Market					
Shares & Related Securities					
HANGZHOU HIKVISION DIGITAL TECH -A-	81.000	CNY	311.204,11	385.913,85	0,63%
KWEICHOW MOUTAI CO LTD -A-	22.429	CNY	772.898,73	1.561.049,57	2,53%
Total CHINESE YUAN RENMINBI			1.084.102,84	1.946.963,42	3,16%
3SBIO INC.	1.048.500	HKD	1.125.254,51	1.391.471,90	2,26%
AAC TECHNOLOGIES HLDG INC.	167.000	HKD	1.239.018,84	2.087.913,67	3,38%
AGRICULTURAL BANK OF CHINA -H-	3.013.000	HKD	1.381.081,70	1.424.202,51	2,31%
AIA GROUP LTD	212.200	HKD	1.232.560,54	1.550.769,59	2,51%
ANGANG STEEL CO -H-	318.000	HKD	190.121,92	237.080,78	0,38%
CHINA COMMUNICATIONS SERVICES -H-	2.228.000	HKD	1.355.802,35	1.284.322,08	2,08%
CHINA CONSTRUCTION BANK CORP.	4.823.000	HKD	3.503.296,50	3.737.824,32	6,06%
CHINA JINMAO HLDG GROUP LTD	1.424.000	HKD	433.760,44	587.370,47	0,95%
CHINA LIFE INSURANCE CO LTD	375.000	HKD	1.077.399,68	1.145.686,78	1,86%
CHINA MOBILE LTD	112.500	HKD	1.310.848,80	1.193.964,14	1,94%
CHINA PETROLEUM & CHEMICAL CORP. -H-	1.696.000	HKD	1.189.791,12	1.323.090,01	2,14%
CHINA RESOURCES PHOENIX HEALTHCARE	855.000	HKD	1.289.185,72	1.052.533,07	1,71%
CHINA SHENHUA ENERGY CO	152.000	HKD	301.086,49	338.407,21	0,55%
CHINA STATE CONSTRUCTION INTERNATIONAL HLDG	864.000	HKD	1.525.012,21	1.478.653,62	2,40%
CSPC PHARMACEUTICAL GROUP LTD	962.000	HKD	1.024.593,65	1.404.837,76	2,28%
GOODBABY INTERNATIONAL HLDG LTD	2.318.000	HKD	1.169.992,36	962.065,61	1,56%
GUANGZHOU AUTOMOBILE GROUP CO LTD	724.000	HKD	1.170.929,33	1.270.589,85	2,06%
INDUST. & COMMERC. BANK OF CHINA LTD	4.495.000	HKD	2.633.633,63	3.034.495,94	4,92%
JIANGXI COPPER CO LTD -H-	50.000	HKD	79.962,79	82.111,56	0,13%
LI NING CO LTD	798.500	HKD	542.346,43	607.585,80	0,98%
MINTH GROUP LTD	318.000	HKD	1.100.892,46	1.348.346,04	2,19%
NEXTEER AUTOMOTIVE GROUP LTD	892.000	HKD	759.765,53	1.398.596,77	2,27%
NWS HLDG LTD	538.000	HKD	841.011,39	1.058.570,39	1,72%
PETROCHINA CO LTD	1.310.000	HKD	1.048.720,13	802.131,26	1,30%
PING AN INSURANCE -H-	273.000	HKD	1.492.012,79	1.799.261,45	2,92%
Q TECHNOLOGY GROUP CO LTD	1.576.000	HKD	726.771,36	1.556.527,65	2,52%
SHANGHAI FOSUN PHARMACEUTICAL	239.000	HKD	625.590,54	926.124,83	1,50%
SHENZHOU INTERNATIONAL GROUP LTD	216.000	HKD	613.386,28	1.419.441,06	2,30%

The accompanying notes form an integral part of these Financial Statements.

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Schedule of Investments as at June 30th, 2017

Sub-Fund LA FRANCAISE JKC CHINA EQUITY

Investment	Quantity	CCY	Cost (in USD)	Market Value (in USD)	% Total Net Assets
TENCENT HLDG LTD	165.800	HKD	3.054.933,91	5.929.883,88	9,61%
TONGDA GROUP HLDG LTD	5.810.000	HKD	1.414.624,73	1.734.116,63	2,81%
XINGDA INTERNATIONAL HLDG LTD	3.579.000	HKD	1.554.722,79	1.448.755,27	2,35%
XINYI GLASS HLDG CO	1.560.000	HKD	946.412,53	1.544.722,03	2,50%
Total HONG-KONG DOLLAR			37.954.523,45	47.161.453,93	76,45%
ALIBABA GROUP HLDG LTD -ADR-	42.100	USD	3.715.772,79	5.931.890,00	9,62%
JD.COM INC. -ADR-	15.300	USD	613.832,94	600.066,00	0,97%
NEW ORIENTAL EDUCATION TECHNOLOGY	35.000	USD	1.421.266,95	2.467.150,00	4,00%
Total U.S. DOLLAR			5.750.872,68	8.999.106,00	14,59%
Total Portfolio			44.789.498,97	58.107.523,35	94,19%

The accompanying notes form an integral part of these Financial Statements.

JKC FUND

Schedule of Investments as at June 30th, 2017

Sub-Fund LA FRANCAISE JKC ASIA EQUITY

Investment	Quantity	CCY	Cost (in USD)	Market Value (in USD)	% Total Net Assets
Transferable Securities admitted to an Official Stock Exchange or dealt in on Another Regulated Market					
Shares & Related Securities					
HANGZHOU HIKVISION DIGITAL TECH -A-	43.700	CNY	167.896,54	208.202,90	0,59%
KWEICHOW MOUTAI CO LTD -A-	16.510	CNY	723.057,25	1.149.089,50	3,28%
Total CHINESE YUAN RENMINBI			890.953,79	1.357.292,40	3,87%
AAC TECHNOLOGIES HLDG INC.	63.000	HKD	435.731,23	787.656,06	2,25%
AIA GROUP LTD	173.600	HKD	1.015.407,78	1.268.678,61	3,62%
CHINA CONSTRUCTION BANK CORP.	951.000	HKD	773.248,54	737.024,87	2,10%
CHINA JINMAO HLDG GROUP LTD	970.000	HKD	279.168,08	400.104,89	1,14%
CHINA MOBILE LTD	17.500	HKD	190.612,29	185.727,76	0,53%
CHINA STATE CONSTRUCTION INTERNATIONAL HLDG	362.000	HKD	573.392,92	619.528,48	1,77%
CSPC PHARMACEUTICAL GROUP LTD	626.000	HKD	830.357,17	914.166,78	2,61%
FORTUNE REAL ESTATE INVESTMENT TRUST	376.000	HKD	464.695,39	466.721,57	1,33%
GOODBABY INTERNATIONAL HLDG LTD	411.000	HKD	199.078,48	170.581,95	0,49%
GUANGZHOU AUTOMOBILE GROUP CO LTD	202.000	HKD	332.621,55	354.501,59	1,01%
INDUST. & COMMERC. BANK OF CHINA LTD	1.191.000	HKD	774.639,77	804.023,28	2,29%
MINTH GROUP LTD	122.000	HKD	503.618,70	517.289,99	1,48%
NEXTEER AUTOMOTIVE GROUP LTD	521.000	HKD	539.594,43	816.893,41	2,33%
PETROCHINA CO LTD	498.000	HKD	387.247,89	304.932,34	0,87%
PING AN INSURANCE -H-	137.000	HKD	754.618,79	902.926,08	2,58%
SHENZHOU INTERNATIONAL GROUP LTD	102.000	HKD	393.262,55	670.291,61	1,91%
SUNNY OPTICAL TECHNOLOGY CO LTD	21.000	HKD	166.568,18	188.305,75	0,54%
TENCENT HLDG LTD	67.000	HKD	1.107.368,40	2.396.273,95	6,84%
Total HONG-KONG DOLLAR			9.721.232,14	12.505.628,97	35,69%
BANK CENTRAL ASIA TBK	579.400	IDR	649.681,47	789.053,18	2,25%
PT TELEKOMUNIKASI INDONESIA -B-	3.015.100	IDR	835.341,00	1.022.565,91	2,92%
Total INDONESIAN RUPIAH			1.485.022,47	1.811.619,09	5,17%
INDUSIND BANK LTD	39.294	INR	848.674,42	899.072,87	2,57%
MARUTI SUZUKI INDIA LTD	5.028	INR	462.311,97	561.439,85	1,60%
POWER GRID CORP. OF INDIA LTD	313.207	INR	948.534,79	1.020.238,86	2,91%
ZEE ENTERTAINMENT ENTERPRISES LTD	100.882	INR	825.819,56	766.866,56	2,19%

The accompanying notes form an integral part of these Financial Statements.

JKC FUND

Schedule of Investments as at June 30th, 2017

Sub-Fund LA FRANCAISE JKC ASIA EQUITY

Investment	Quantity	CCY	Cost (in USD)	Market Value (in USD)	% Total Net Assets
Total INDIAN RUPEE			3.085.340,74	3.247.618,14	9,27%
HANSOL CHEMICAL CO LTD	5.497	KRW	346.135,30	341.115,21	0,97%
KOH YOUNG TECHNOLOGY INC.	13.526	KRW	533.769,63	709.312,53	2,02%
LG CHEM LTD	3.527	KRW	816.384,92	897.047,51	2,56%
NAVER CORP.	1.093	KRW	714.838,93	800.536,57	2,28%
SAMSUNG ELECTRONICS CO LTD	561	KRW	677.640,99	1.165.491,31	3,33%
SAMSUNG ELECTRONICS CO LTD -PREF-	523	KRW	490.695,35	851.134,83	2,43%
SFA ENGINEERING CORP.	3.852	KRW	172.270,23	151.332,77	0,43%
SK HYNIX INC.	4.405	KRW	164.376,71	259.491,30	0,74%
VIATRON TECHNOLOGIES INC.	40.272	KRW	910.482,65	869.395,02	2,48%
Total SOUTH KOREAN WON			4.826.594,71	6.044.857,05	17,25%
AYALA CORP.	20.170	PHP	313.718,00	339.764,19	0,97%
D&L INDUSTRIES INC.	1.736.400	PHP	355.124,62	413.625,23	1,18%
SECURITY BANK CORP.	107.840	PHP	434.187,35	463.759,04	1,32%
Total PHILIPPINE PESO			1.103.029,97	1.217.148,46	3,47%
SIAM CEMENT PUBLIC CO -NVDR-	36.900	THB	525.080,11	547.471,06	1,56%
Total THAI BAHT			525.080,11	547.471,06	1,56%
CHROMA ATE INC.	248.000	TWD	596.601,67	798.947,62	2,28%
LARGAN PRECISION CO LTD	3.000	TWD	455.164,19	478.303,49	1,36%
TAIWAN SEMICONDUCTOR MANUFACTURING	192.000	TWD	820.697,92	1.315.975,61	3,76%
WIN SEMICONDUCTORS CORP.	70.536	TWD	190.682,46	387.228,98	1,11%
Total TAIWAN DOLLAR			2.063.146,24	2.980.455,70	8,51%
ALIBABA GROUP HLDG LTD -ADR-	12.700	USD	1.405.503,87	1.789.430,00	5,11%
JD.COM INC. -ADR-	8.200	USD	328.982,36	321.604,00	0,92%
NEW ORIENTAL EDUCATION TECHNOLOGY	18.100	USD	775.430,22	1.275.869,00	3,64%
Total U.S. DOLLAR			2.509.916,45	3.386.903,00	9,67%
Total Transferable Securities admitted to an Official Stock Exchange or dealt in on Another Regulated Market			26.210.316,62	33.098.993,87	94,45%
Other Transferable Securities					
SFA ENGINEERING CORPO -BONUS- 20170614	3.852	KRW	0,00	151.332,77	0,43%
Total Other Transferable Securities			0,00	151.332,77	0,43%
Total Portfolio			26.210.316,62	33.250.326,64	94,89%

The accompanying notes form an integral part of these Financial Statements.

JKC FUND

Geographic Allocation as at June 30th, 2017

LA FRANCAISE JKC China Equity	% TOTAL NETS ASSETS
CAYMAN ISLANDS	53,43%
CHINA	31,37%
HONG KONG	7,68%
BERMUDA	1,72%
Total Portfolio	94,19%

LA FRANCAISE JKC Asia Equity	% TOTAL NETS ASSETS
CAYMAN ISLANDS	27,26%
SOUTH KOREA	17,68%
CHINA	12,73%
INDIA	9,27%
TAIWAN	8,51%
HONG KONG	7,90%
INDONESIA	5,17%
PHILIPPINES	3,47%
THAILAND	1,56%
SINGAPORE	1,33%
Total Portfolio	94,89%

These allocations of assets were established on basis of data (gross) used by the Central Administration and do not reflect inevitably the geographic analysis which directed the assets selection.

JKC FUND

Economic Allocation as at June 30th, 2017

LA FRANCAISE JKC China Equity	% TOTAL NETS ASSETS
IT & INTERNET	20,20%
BANKS	13,29%
ELECTRIC & ELECTRONIC COMPONENTS	8,41%
INSURANCE COMPANIES	7,29%
ROAD VEHICLES	6,51%
PHARMACOLOGY & PERSONAL CARE	6,03%
TELECOMMUNICATIONS	4,02%
MISCELLANEOUS	4,00%
ELECTRIC & ELECTRONIC MATERIALS	3,44%
TOBACCO & SPIRITS	2,53%
BUILDING MATERIALS	2,40%
TYRES & RUBBER	2,35%
TEXTILE & GARMENTS	2,30%
ENERGY SOURCES	2,14%
ROAD & RAILWAY TRANSPORTS	1,72%
HEALTH CARE & SERVICES	1,71%
MISCELLANEOUS CONSUMER GOODS	1,56%
OIL & DERIVED	1,30%
RETAIL TRADING, DEPARTMENT STORES	0,98%
REAL ESTATE	0,95%
INTERMEDIATE INDUSTRY PRODUCTS	0,93%
NONFERROUS METALS	0,13%
Total Portfolio	94,19%

These allocations of assets were established on basis of data (gross) used by the Central Administration and do not reflect inevitably the economic analysis which directed the assets selection.

JKC FUND

Economic Allocation as at June 30th, 2017

LA FRANCAISE JKC Asia Equity	% TOTAL NETS ASSETS
IT & INTERNET	15,15%
ELECTRIC & ELECTRONIC COMPONENTS	13,60%
BANKS	10,54%
ROAD VEHICLES	6,42%
INSURANCE COMPANIES	6,20%
MECHANICAL CONSTRUCTION	5,37%
CHEMICAL PRODUCTS	4,71%
PHOTOGRAPHY & OPTICAL	4,09%
MISCELLANEOUS	3,64%
TELECOMMUNICATIONS	3,45%
BUILDING MATERIALS	3,33%
TOBACCO & SPIRITS	3,28%
ENERGY SOURCES	2,91%
ELECTRIC & ELECTRONIC MATERIALS	2,87%
PHARMACOLOGY & PERSONAL CARE	2,61%
REAL ESTATE	2,47%
TEXTILE & GARMENTS	1,91%
FINANCIAL SERVICES - HOLDINGS	0,97%
OIL & DERIVED	0,87%
MISCELLANEOUS CONSUMER GOODS	0,49%
Total Portfolio	94,89%

These allocations of assets were established on basis of data (gross) used by the Central Administration and do not reflect inevitably the economic analysis which directed the assets selection.

JKC FUND

Allocation by Currency as at June 30th, 2017

LA FRANCAISE JKC China Equity	% TOTAL NETS ASSETS
HONG-KONG DOLLAR	76,45%
U.S. DOLLAR	14,59%
CHINESE YUAN RENMINBI	3,16%
Total Portfolio	94,19%

LA FRANCAISE JKC Asia Equity	% TOTAL NETS ASSETS
HONG-KONG DOLLAR	35,69%
SOUTH KOREAN WON	17,68%
U.S. DOLLAR	9,67%
INDIAN RUPEE	9,27%
TAIWAN DOLLAR	8,51%
INDONESIAN RUPIAH	5,17%
CHINESE YUAN RENMINBI	3,87%
PHILIPPINE PESO	3,47%
THAI BAHT	1,56%
Total Portfolio	94,89%

These allocations of assets were established on basis of data (gross) used by the Central Administration and do not reflect inevitably the currency analysis which directed the assets selection.

JKC FUND

Changes in the Number of Shares

		LA FRANÇAISE JKC China Equity (in USD)	LA FRANÇAISE JKC Asia Equity (in USD)
Number of shares at the beginning of the Financial Period	Class I EURO-HEDGED	524.596,686	145.419,260
	Class I USD	163.690,197	77.661,000
	Class GP EURO-HEDGED	61.036,151	90.438,000
	Class GP USD	33.218,009	13.081,500
	Class P EURO-HEDGED	9.375,034	42.963,310
	Class P USD	5.118,963	500,069
	Class Q USD	23.564,318	-
	Class DC USD	176.000,000	-
Number of shares subscribed	Class I EURO-HEDGED	1.558,589	0,000
	Class I USD	104.412,047	1.9117,545
	Class GP EURO-HEDGED	240,000	0,000
	Class GP USD	0,000	0,000
	Class P EURO-HEDGED	8.034,436	490,219
	Class P USD	0,000	866,867
	Class Q USD	0,000	-
	Class DC USD	0,000	-
Number of shares redeemed	Class I EURO-HEDGED	110.245,178	2.412,000
	Class I USD	30.762,823	77.651,000
	Class GP EURO-HEDGED	424,610	0,000
	Class GP USD	2.075,985	0,000
	Class P EURO-HEDGED	527,779	1.017,531
	Class P USD	475,537	500,069
	Class Q USD	23.564,318	-
	Class DC USD	7.625,576	-
Number of shares at the end of the Financial Period	Class I EURO-HEDGED	415.910,097	143.007,260
	Class I USD	237.339,421	1.927,545
	Class GP EURO-HEDGED	60.851,541	90.438,000
	Class GP USD	31.142,024	13.081,500
	Class P EURO-HEDGED	16.881,691	42.435,998
	Class P USD	4.643,426	866,867
	Class Q USD	0,000	-
	Class DC USD	168.374,424	-

JKC FUND

Changes in Capital, Total Net Assets and Net Asset Value per Share

SUB-FUND	VALUATION DATE	SHARES CLASSES	SHARES OUTSTANDING	TOTAL NET ASSETS (IN USD)	NET ASSET VALUE PER SHARE	
LA FRANÇAISE JKC CHINA EQUITY FUND	31.12.2014	Class I EURO-HEDGED	1.657.807,644	175.318.580,83	EUR 41,60	
		Class I USD	536.853,477		USD 57,35	
		Class GP EURO-HEDGED	182.260,216		EUR 41,48	
		Class GP USD	112.255,406		USD 57,24	
		Class P EURO-HEDGED	87.839,822		EUR 86,45	
		Class P USD	32.272,360		USD 88,14	
		Class Q USD	118.971,259		USD 116,67	
		Class DC USD	196.000,000		USD 99,94	
	31.12.2015	Class I EURO-HEDGED	768.131,069	84.851.874,03	EUR 39,48	
		Class I USD	380.698,207		USD 54,39	
		Class GP EURO-HEDGED	100.864,842		EUR 39,48	
		Class GP USD	95.861,551		USD 54,28	
		Class P EURO-HEDGED	13.288,196		EUR 81,61	
		Class P USD	13.715,777		USD 83,09	
		Class Q USD	23.764,318		USD 111,48	
		Class DC USD	176.000,000		USD 94,91	
	31.12.2016	Class I EURO-HEDGED	524.596,686	51.342.631,63	EUR 36,01	
		Class I USD	163.690,197		USD 50,62	
		Class GP EURO-HEDGED	61.036,151		EUR 36,00	
		Class GP USD	33.218,009		USD 50,50	
		Class P EURO-HEDGED	9.375,034		EUR 73,89	
		Class P USD	5.118,963		USD 76,77	
		Class Q USD	23.564,318		USD 104,54	
		Class DC USD	176.000,000		USD 88,34	
	30.06.2017	Class I EURO-HEDGED	415.910,097	61.691.567,19	EUR 44,33	
		Class I USD	237.339,421		USD 62,96	
		Class GP EURO-HEDGED	60.851,541		EUR 44,32	
		Class GP USD	31.142,024		USD 62,80	
		Class P EURO-HEDGED	16.881,691		EUR 90,59	
		Class P USD	4.643,426		USD 95,13	
		Class DC USD	168.374,424		USD 109,87	
		LA FRANÇAISE JKC ASIA EQUITY FUND	31.12.2014		Class I EURO-HEDGED	304.096,429
	Class I USD			32.940,866	USD 95,45	
	Class GP EURO-HEDGED			91.937,900	EUR 90,30	
	Class GP USD			13.081,500	USD 90,95	
	Class P EURO-HEDGED			47.917,911	EUR 99,03	
Class P USD	4.991,676			USD 99,94		
31.12.2015	Class I EURO-HEDGED		170.077,260	33.620.341,12	EUR 92,21	
	Class I USD		18.290,866		USD 93,95	
	Class GP EURO-HEDGED		91.188,000		EUR 89,17	
	Class GP USD		13.081,500		USD 89,48	
	Class P EURO-HEDGED		42.924,632		EUR 97,25	
	Class P USD		3.335,412		USD 97,86	
31.12.2016	Class I EURO-HEDGED		145.419,260	34.003.442,22	EUR 87,77	
	Class I USD		77.661,000		USD 91,31	
	Class GP EURO-HEDGED		90.438,000		EUR 84,91	
	Class GP USD		13.081,500		USD 86,92	
	Class P EURO-HEDGED		42.963,310		EUR 91,95	
	Class P USD		500,069		USD 94,40	
30.06.2017	Class I EURO-HEDGED		143.007,260	35.042.415,90	EUR 106,37	
	Class I USD		1.927,545		USD 111,41	
	Class GP EURO-HEDGED		90.438,000		EUR 102,89	
	Class GP USD		13.081,500		USD 106,09	
	Class P EURO-HEDGED		42.435,998		EUR 111,04	
	Class P USD		866,867		USD 115,07	

JKC FUND

Notes to the Financial Statements as at June 30th, 2017

Note 1 – Accounting Principles and Methods

The Financial Statements of JKC FUND (the “SICAV” or the “FUND”) have been prepared in accordance with accounting principles generally accepted in Luxembourg, including the following significant policies:

a) Valuation of investments

The value of each security or other asset which is quoted or dealt in on a stock exchange will be based on its last available price in Luxembourg on the stock exchange which is normally the principal market for such security.

The value of each security or other asset which is quoted or dealt in on any other regulated market that operates regularly, is recognized and is open to the public (a "Regulated Market") will be based on its last available price in Luxembourg.

In the event that any assets are not listed nor dealt in on any stock exchange or on any other Regulated Market, or if, with respect to assets listed or dealt in on any stock exchange or on any other Regulated Market as aforesaid, the price as determined pursuant to the two above subparagraphs is not representative of the fair market value of the relevant assets, the value of such assets will be based on the reasonably foreseeable sales price determined prudently and in good faith by the Board of Directors.

Units or shares of undertakings for collective investment will be valued at their last determined and available net asset value or, if such price, in the opinion of the Board of Directors, is not representative of the fair market value of such assets, then the price shall be determined by the Board of Directors on a fair and equitable basis.

The liquidating value of spot or forward contracts not traded on stock exchanges nor on other Regulated Markets shall mean their net liquidating value determined, pursuant to the policies established by the Board of Directors, on a basis consistently applied for each different variety of contracts. The liquidating value of spot or forward contracts traded on stock exchanges or on other Regulated Markets shall be based upon the last available settlement prices of these contracts on stock exchanges and Regulated Markets on which the particular spot or forward contracts are traded by the Fund; provided that if a spot or forward contracts could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the Board of Directors may deem fair and reasonable.

All other securities and other assets will be valued at fair market value as determined in good faith pursuant to procedures established by the Board of Directors.

b) Valuation of forward exchange contracts

The unrealized gain or loss of outstanding forward foreign exchange contracts is valued on the basis of the forward exchange rates prevailing at the valuation date.

c) Net realised profit / (loss) on sale of investments and derivatives

The net realised profit / (loss) on sale of investments and derivatives is determined on the basis of the average cost of investments and derivatives sold. The net gain or loss on variation of exchange rates is recorded in the account "Net Realised Gain / (Loss) on currencies" during the sale transaction.

d) Conversion of foreign currencies

The Fund maintains its accounting records in USD. The value of all assets and liabilities expressed in currencies other than USD are converted into USD at the exchange rate prevailing at the closing date of the financial statements (note 2).

JKC FUND

Notes to the Financial Statements as at June 30th, 2017

Note 1 – Accounting Principles and Methods (continued)

d) Conversion of foreign currencies (continued)

Income and expenses in currencies other than USD are converted into USD at the exchange rate prevailing on payment date.

e) Acquisition cost of investments

The cost of investments expressed in currencies other than USD is converted into USD at the exchange rate prevailing on purchase date.

f) Unrealised appreciation/(depreciation)

In accordance with current practices, unrealised appreciation/(depreciation) at the end of the Financial Period are accounted for in the financial statements.

g) Purchases and sales of investments

The details of purchases and sales of investments of the Period may be obtained at the registered office of the Fund.

h) Investment income

Dividends are booked on an ex-dividend basis. Dividends are stated net of irrecoverable withholding taxes, if any.

Note 2 – Exchange Rates as at June 30th, 2017

1 USD = 0,876769 EUR

Note 3 – Taxes and Expenses Payable

Management Company Fees (note 5)	23.068,79	USD
Investment Management Fees (note 5)	122.345,97	USD
Hedging Fees (note 5)	2.388,40	USD
Performance Fees	4.484,81	USD
Subscription Tax (note 6)	4.886,90	USD
Custody Fees	6.909,71	USD
Other fees	137.400,35	USD
Total	301.484,93	USD

Note 4 – Subscription and redemption fees

After the initial subscription period, the subscription price corresponds to the Net Asset Value per Share for the relevant Class on the relevant Valuation Day, which may be increased by a sales charge of a maximum of 5% of the applicable relevant Net Asset Value per Share and which shall revert to the sales agents.

The redemption price shall be based on the Net Asset Value per Share for the relevant Class on the relevant Valuation Day. A redemption fee of a maximum of 1,5% of the applicable relevant Net Asset Value will be levied at the discretion of the Board of Directors and will revert to the Investment Manager, provided that the principle of equal treatment of shareholders be complied with. In the sub-fund JKC Fund - LA FRANÇAISE JKC China Equity, for classes I EURO-HEDGED, I USD, P EURO-HEDGED, P USD, Q USD, DC USD, T EURO-HEDGED and T USD, no redemption fee will be levied. In the sub-fund JKC Fund - LA FRANÇAISE JKC Asia Value, for classes I EURO-HEDGED, I USD, P EURO-HEDGED, P USD, T EURO-HEDGED and T USD, no redemption fee will be levied.

JKC FUND

Notes to the Financial Statements as at June 30th, 2017

Note 5 - Management Company fees, investment management fees, performance fees and hedging management fees

A management fee is payable to the Management Company by each sub-fund in remuneration for its services. Such fee is payable quarterly in arrears and calculated on the average of the net assets of the sub-fund for the relevant quarter as follows:

- 0,10% per annum with a minimum of EUR 30.000,00 per annum.

An investment management fee is payable to the Investment Manager by the Management Company at the charge of each sub-fund, in remuneration for its services. Such fee is set at the annual rate of 1,50% per annum, payable monthly in arrears and calculated on the average of the net assets of the sub-fund attributable to the Classes I EURO-HEDGED, I USD, GP EURO-HEDGED, GP USD, DC USD (in the sub-fund JKC Fund - LA FRANÇAISE JKC China Equity), T EURO-HEDGED and T USD for the relevant month and a rate of 0,75% for class Q USD (in the sub-fund JKC Fund - LA FRANÇAISE JKC China Equity). Such fee is however set at the annual rate of 2,20% per annum, payable monthly in arrears and calculated on the average of the net assets of the sub-fund attributable to the Classes P EURO-HEDGED and P USD for the relevant month.

In addition, for each Class of the sub-fund, the Investment Manager is entitled to receive, within ten Business Days of the last Business Day of each calendar year, a performance fee equal to :

- 15% of the performance of the Net Asset Value per Share for Classes I EURO-HEDGED, I USD, GP EURO-HEDGED, GP USD, P EURO-HEDGED, P USD, T EURO-HEDGED and T USD;
- 7,5% of the performance of the Net Asset Value per Share for Class Q USD (in the sub-fund JKC Fund - LA FRANÇAISE JKC China Equity).

There is a performance of the Net Asset Value per Share of the Class if there is an increase in the Net Asset Value per Share of the Class compared to the highest Net Asset Value per Share ever previously achieved for this Class ("Reference Net Asset Value" -i.e. the last Net Asset Value on which a performance fee has been booked or the initial Subscription Price for new share classes).

Under the high water mark principle, if there is an under-performance for a given period, this under-performance will be taken into consideration, which means that the Reference Net Asset Value of the Class will be maintained, until a performance of the Net Asset Value per Share of the Class is recorded.

In addition, for the Class DC USD (in the sub-fund JKC Fund - LA FRANÇAISE JKC China Equity), the Investment Manager is entitled to receive, within ten Business Days of the last Business Day of each calendar year, a performance fee equal to:

- 15% of the Relative Performance over the High Water Mark (hereafter:"HWM") during the reference period.

The Relative performance is spread between the performance of the share class since inception and the performance of the MSCI China Free Net Total Return index (MSCNXNUS Index) during the same period.

Under the high watermark principle, if there is an under-performance for a given period, this under-performance will be taken into consideration, which means that the Reference Net Asset Value of the Class will be maintained, until a higher relative performance of the Net Asset Value per share of the Class is recorded.

JKC FUND

Notes to the Financial Statements as at June 30th, 2017

Note 5 - Management Company fees, investment management fees, performance fees and hedging management fees (continued)

The amount of the performance fee will be accrued on each Valuation Day, based on the outstanding Shares of the Class on that day.

A Performance fee of USD 4.484,81 have been charged during the Period ended June 30th, 2017.

Each sub-fund will pay a hedging fee to the Hedging Manager at the charge of Classes I EURO-HEDGED, GP EURO-HEDGED, P EURO-HEDGED and T EURO-HEDGED at the rate of 0,05% per annum, payable monthly in arrears and calculated on the average of the net assets of the sub-fund attributable to these Classes for the relevant month.

Note 6 - Subscription tax

The Fund is subject to Luxembourg tax laws.

Under current law and practice, the Fund is not liable to any Luxembourg income tax. The Fund is, however, liable in Luxembourg to a tax of 0,05% per annum, such tax being payable quarterly and calculated on the basis of the net assets of the sub-fund at the end of the relevant quarter. However, this tax is reduced to 0,01% per annum for the net assets attributable to the Classes dedicated to institutional investors (Classes I EURO-HEDGED, I USD, Q USD and DC USD).

As the SICAV is registered in Belgium, it is subject to a further tax at the annual rate of 0,0925% calculated for 2017 on the basis of the value of the shares distributed in Belgium as recorded at December 31st, 2016.

Note 7 - Forward Exchange Contracts

All forward foreign exchange contracts hereunder were dealt with Banque Degroof Petercam Luxembourg S.A. :

Sub-Fund LA FRANÇAISE JKC China Equity :

Maturity	Currency Bought	Nominal Bought	Currency Sold	Nominal Sold	Unrealised Gain / (Loss) (in USD)	Commitment (in USD)
31/07/2017	EUR	1.538.975,00	USD	1.754.739,30	3.435,92	1.754.739,30
31/07/2017	EUR	18.554.724,00	USD	21.156.096,30	41.425,31	21.156.096,30
31/07/2017	EUR	2.718.392,00	USD	3.094.073,77	11.496,91	3.094.073,77
				TOTAL	56.358,14	26.004.909,37

Sub-Fund LA FRANÇAISE JKC Asia Equity :

Maturity	Currency Bought	Nominal Bought	Currency Sold	Nominal Sold	Unrealised Gain / (Loss) (in USD)	Commitment (in USD)
31/07/2017	EUR	15.389.697,00	USD	17.516.553,13	65.087,63	17.516.553,13
31/07/2017	EUR	9.412.853,00	USD	10.713.709,28	39.809,78	10.713.709,28
31/07/2017	EUR	4.766.709,00	USD	5.425.468,18	20.159,85	5.425.468,18
				TOTAL	125.057,26	33.655.730,59

JKC FUND

Other Information - Unaudited

Overall risk determination

Each sub-fund shall ensure that its global exposure relating to financial derivative instruments does not exceed the total net value of its portfolio. Global exposure is a measure designed to limit the leverage generated by each sub-fund through the use of financial derivative instruments. In order to calculate global exposure, each sub-fund will use the commitment approach, thereby aggregating the market value of the equivalent position of underlying assets.

The investments within each sub-fund are subject to market fluctuations and to the risks inherent in all investments; accordingly, no assurance can be given that the investment objective of each sub-fund will be achieved.