
PZENA VALUE FUNDS PLC

An open-ended investment company with variable capital incorporated in Ireland with registered number 412507 established as an umbrella fund with segregated liability between sub-funds.

**PZENA GLOBAL VALUE FUND
PZENA U.S. LARGE CAP EXPANDED VALUE FUND
PZENA EMERGING MARKETS VALUE FUND
PZENA GLOBAL EXPANDED VALUE FUND**

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

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DIRECTORS' REPORT

The Directors have the pleasure of submitting their annual report together with the audited financial statements for Pzena Value Funds Plc (the "Company" and/or the "Fund") for the financial year ended 31 December 2018.

The Company is organised in the form of an open-ended umbrella fund with four sub-funds, the Pzena Global Value Fund, the Pzena U.S. Large Cap Expanded Value Fund, the Pzena Emerging Markets Value Fund and the Pzena Global Expanded Value Fund (the "Sub-funds") in existence at the year end.

The Pzena Global Value Fund is offering one class of Share - Class A. The Sub-fund commenced operations on 1 March 2006 when the first subscription was made. The Sub-fund's shares were listed on the Irish Stock Exchange. On 13 December 2016, the Directors of Pzena Value Funds Plc approved the delisting of the Share Classes from the MSM of the Irish Stock Exchange with effect on 5 January 2017. The Sub-fund was approved by the Central Bank of Ireland (the "Central Bank") on 23 December 2005.

The Pzena U.S. Large Cap Expanded Value Fund is offering one class of Share - Class A. The Sub-fund commenced operations on 21 June 2012 when the first subscription was made. The sub-fund's shares were listed on the Irish Stock Exchange. On 13 December 2016, the Directors of Pzena Value Funds Plc approved the delisting of the Share Classes from the MSM of the Irish Stock Exchange with effect on 5 January 2017. The Sub-fund was approved by the Central Bank on 23 December 2011.

The Pzena Emerging Markets Value Fund is offering four classes of Share - Class A, Class AEU, Class AGD and Class BEU. The Sub-fund commenced operations on 25 January 2013 when the first subscription was made. The Sub-fund's shares were listed on the Irish Stock Exchange. On the 13 December 2016, the Directors of Pzena Value Funds Plc approved the delisting of the Share Classes from the MSM of the Irish Stock Exchange with effect on 5 January 2017. The Sub-fund was approved by the Central Bank on 15 June 2011.

The Pzena Global Expanded Value Fund is offering three classes of Share - Class A, Class AEU and Class AUD. The Sub-fund commenced operations on 25 June 2014 when the first subscription was made. The Sub-fund's shares were listed on the Irish Stock Exchange. On the 13 December 2016, the Directors of Pzena Value Funds Plc approved the delisting of the Share Classes from the MSM of the Irish Stock Exchange with effect on 5 January 2017. The Sub-fund was approved by the Central Bank on 2 January 2014.

Principal Activities, Business Review and Future Developments

The Company was incorporated in Ireland on 14 December 2005 as an open-ended umbrella company with variable capital and is organised under the laws of Ireland as a public limited company pursuant to the Companies Act 2014, as amended. The Company is currently authorised by the Central Bank pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (the "UCITS Regulations") and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (as amended) (the "Central Bank UCITS Regulations").

The Company has appointed DMS Investment Management Services (Europe) Limited ("Manager") as the UCITS management company in respect of the Company pursuant to a Management Agreement dated 29 June 2017 between the Company and the Manager. The Manager will also act as promoter of the Company. The Manager is authorised and regulated as a management company by the Central Bank under the UCITS Regulations and has the necessary permissions to manage an Irish domiciled UCITS, such as the Company.

The Directors may, in their absolute discretion, differentiate between the rights attached to the different classes of shares within a particular sub-fund including, without limitation, the dividend policy, the level of management fees, the subscription charge and/or the redemption charge payable in respect of each class.

Details of any future sub-funds to be established by the Company will be as set out in the applicable Supplement in accordance with the requirements of and with the prior approval of the Central Bank. The applicable Supplement of any future sub-funds will form part of, and should be read in conjunction with, the Prospectus.

There were subscriptions into the Pzena Global Value Fund during the financial year ended 31 December 2018 of US\$9,566 and redemptions of US\$4,728,944. The Net Asset Value per Share has decreased by 17.88% from US\$143.90 to US\$118.17 during the year under review. Net assets under management decreased from US\$6,357,326 to US\$945,138 during the year under review.

DIRECTORS' REPORT (Continued)

Principal Activities, Business Review and Future Developments (Continued)

There were subscriptions into the Pzena U.S. Large Cap Expanded Value Fund during the financial year ended 31 December 2018 of US\$2,654,122 and redemptions of US\$2,322,212. The Net Asset Value per Share has decreased by 14.90% from US\$235.12 to US\$200.09 during the year under review. Net assets under management decreased from US\$7,016,531 to US\$6,243,284 during the year under review.

There were subscriptions into the Pzena Emerging Markets Value Fund during the financial year ended 31 December 2018 of US\$166,538,453 and redemptions of US\$29,947,000. The Net Asset Value per Share for class A decreased by 9.97% from US\$123.35 to US\$111.05 during the year under review. The Net Asset Value per Share for class AEU decreased by 5.43% from EUR125.53 to EUR118.71 during the year under review. The Net Asset Value per Share for class AGD was GBP95.55. The Net Asset Value per Share for class BEU was EUR98.84. Net assets under management increased from US\$330,101,060 to US\$427,637,014 during the year under review.

There were subscriptions into the Pzena Global Expanded Value Fund during the financial year ended 31 December 2018 of GBP39,070,595 and redemptions of GBP16,154,003. The Net Asset Value per Share for class A has decreased by 11.32% from GBP154.63 to GBP137.13 during the year under review. The Net Asset Value per Share for class AEU has decreased by 12.16% from EUR105.95 to EUR93.07 during the year under review. The Net Asset Value per Share for class AUD was US\$87.23. Net assets under management increased from GBP74,599,544 to GBP87,327,955 during the year under review.

The investment objective is the long-term growth of capital. The Directors may declare dividends in respect of distributing classes of Shares. As at 31 December 2018 two distributing classes were offered, the Pzena Emerging Markets Value Fund Class AGD and the Pzena Global Expanded Value Fund Class AUD. The business review and review of future developments have been included in the Investment Manager's Report.

Directors

The names of the persons who were Directors at any time during the year to 31 December 2018 are set out below.

Denise Kinsella (Chairman)* (Irish)

Adrian J. Waters* (Irish)

Joan Berger** (United States)

Ulrik Ahrendt-Jensen** (Denmark)

* Independent Non-Executive Directors

** Non-Executive Directors

Results for the year and assets, liabilities and financial position at 31 December 2018

Details of the assets, liabilities and financial position of the Company and results for the financial year ended 31 December 2018 are set out on the Statement of Financial Position and Statement of Comprehensive Income. The Net Assets Attributable to Holders of Redeemable Participating Shares as at 31 December 2018 was US\$546,496,058 (31 December 2017: US\$444,378,260).

Dividends and Retention

It is not the current intention of the Directors of the Company to declare a distribution for the Sub-funds. All of the Sub-funds' income and capital gains will be reinvested in accordance with the investment objectives and policy of the Sub-funds.

Investment Strategy and Risk Management

The Company will continue to pursue its investment strategies as set out in the prospectus. The strategy of individual Sub-funds is described in detail in the respective Investment Manager's Reports under Background to the Fund.

There can be no assurance that the Company will achieve its investment objective. The value of shares may rise or fall as the capital value of the securities in which the Company invests fluctuates.

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

A detailed explanation of the risks, to which the Company is exposed, is provided in Note 5 to the financial statements.

DIRECTORS' REPORT (Continued)

Directors' and Secretary's Interests

The Directors of the Company, the Secretary and their families had no interests in the shares of the Company at 31 December 2018. Joan Berger and Ulrik Ahrendt-Jensen are Directors of the Investment Manager, Pzena Investment Management, LLC. No Director of the Company had at any time during the year a material interest in any contract of significance, subsisting during or at the end of the year in relation to the business of the Company. Related party transactions are described in Note 6 to the Financial Statements.

Statement of Directors' Responsibilities

Irish company law requires the Directors to prepare financial statements for each financial year. Under the law, the Directors have elected to prepare the financial statements in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland ("relevant financial reporting framework").

Under Irish law, the Directors shall not approve the financial statements unless they are satisfied that they give a true and fair view of the company's assets, liabilities and financial position as at the end of the financial year and the profit or loss of the company for the financial year.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards and identify the standards in question, subject to any material departures from those standards being disclosed and explained in the notes to the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to:

- correctly record and explain the transactions of the company;
- enable, at any time, the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy; and
- enable the Directors to ensure that the financial statements comply with Irish statute comprising the Companies Act 2014, as amended, the UCITS Regulations and the Central Bank UCITS Regulations and enable those financial statements to be audited.

The Directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Investment Manager's website. This information is included and maintained by the Investment Manager. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Under the Central Bank UCITS Regulations, the Directors are required to entrust the assets of the Company to a depository for safe-keeping. In carrying out this duty, the Company has appointed Brown Brothers Harriman Trustee Services (Ireland) Limited as depository (the "Depository").

Basis of Presentation

The format and certain wordings of the Financial Statements have been adapted from those contained in the Companies Act 2014, as amended, and FRS 102 so that, in the opinion of the Directors, they more appropriately reflect the nature of the Company's business as investment funds.

Statement of Relevant Audit Information

The Directors in office at the date of this report have each confirmed that:

- As far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- They have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The Board of Directors decided it was not necessary to constitute an audit committee given the frequency of the meetings of the Board of Directors throughout the year and given the size of the Board of Directors.

DIRECTORS' REPORT (Continued)

Directors' Compliance Statement

It is the policy of the Company to comply with its relevant obligations (as defined in the Companies Act 2014, as amended). As required by Section 225(2) of the Companies Act 2014, as amended, the Directors acknowledge that they are responsible for securing the Company's compliance with the relevant obligations. The Directors have drawn up a compliance policy statement as defined in Section 225(3)(a) of the Companies Act 2014, as amended, and a compliance policy which refers to the arrangements and structures that are in place and which are, in the Directors' opinion, designed to secure material compliance with the Company's relevant obligations. In discharging their responsibilities under Section 225, the Directors relied upon, among other things, the services provided, advice and/or representations from third parties whom the Directors believe have the requisite knowledge and experience in order to secure material compliance with the Company's relevant obligations.

Connected Persons Transactions

The Central Bank UCITS Regulation 41(1) "Restrictions on transactions with connected persons" states that, inter alia, any transaction carried out with a UCITS by the management company or depositary; and the delegates or sub-delegates of such a management company or depositary (excluding any non-group company sub-custodians appointed by a depositary); and any associated or group company of these ("connected persons") must be carried out as if negotiated at arm's length. Transactions must be in the best interests of the shareholders.

The Directors of the Company are satisfied that: (i) there are arrangements (evidenced by written procedures) in place, to ensure that the obligations set out in the Central Bank UCITS Regulation 41(1) are applied to all transactions with connected persons; and (ii) transactions with connected persons entered into during the period complied with the obligations set out in the Central Bank UCITS Regulation 41(1).

During the year the Company entered into foreign exchange transactions and held cash on deposit with the Depositary. Transactions entered into with the Investment Manager are described in Note 6.

Accounting Records

The measures taken by the Directors to secure compliance with the Company's obligation to keep adequate accounting records are the use of appropriate systems and procedures and employment of competent persons. The accounting records are kept at 30 Herbert Street, Dublin 2, Ireland.

Segregated Liability

The Company is established as a segregated portfolio company. As a matter of Irish law, the assets of one sub-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 the sub-funds will not seek to enforce such sub-funds' obligations against another sub-funds.

Corporate Governance Statement

The Company is subject to:

- (i) the Articles of Association of the Company;
- (ii) UCITS Regulations and the Central Bank UCITS Regulations;
- (iii) the Irish Companies Act 2014, as amended;
- (iv) the provisions of the Voluntary Corporate Governance Code published by Irish Funds.

The Company does not apply additional requirements in addition to those required by the above. Each of the service providers engaged by the Company is subject to their own corporate governance requirements.

Financial Reporting Process - Description of Main Features

The Board of Directors is responsible for establishing and maintaining adequate internal control and risk management systems of the Company in relation to the financial reporting process. Such systems are designed to manage rather than eliminate the risk of failure to achieve the Company's financial reporting objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

DIRECTORS' REPORT (Continued)

Corporate Governance Statement (Continued)

The Board has established processes regarding internal control and risk management systems to ensure its effective oversight of the financial reporting process. These include appointing the Brown Brothers Harriman Fund Administration Services (Ireland) Limited ("Administrator") to maintain the books and records. The Administrator is authorised and regulated by the Central Bank and must comply with the rules imposed by the Central Bank. The Administrator is also contractually obliged to prepare for review and approval by the Board the annual report including financial statements intended to give a true and fair view and the half yearly financial statements.

The Board evaluates and discusses significant accounting and reporting issues as the need arises. From time to time the Board receives reports on the Administrator's financial accounting and reporting routines and the external auditors' role, qualifications and independence. The Administrator has operating responsibility in respect of its internal controls in relation to the financial reporting process and the Administrator's reports to the Board.

Risk Assessment

The Board is responsible for assessing the risk of irregularities whether caused by fraud or error in financial reporting and ensuring the processes are in place for the timely identification of internal and external matters with a potential effect on financial reporting. The Board also periodically considers changes in accounting rules and recommendations to ensure that these changes are accurately reflected in the Company's financial statements.

Control Activities

The Administrator maintains control structures to manage the risks over financial reporting. These control structures include appropriate division of responsibilities and specific control activities aimed at detecting or preventing the risk of significant deficiencies in financial reporting for every significant account in the financial statements and the related notes in the Company's annual report. Examples of control activities exercised by the Administrator include analytical review procedures, reconciliations and automated controls over IT systems. Prices not available from external independent sources are typically subject to fair valuation pricing procedures and fair valued by the Investment Manager.

Information and Communication

The Company's policies and the Board's instructions with relevance for financial reporting are updated and communicated via appropriate channels, such as e-mail, correspondence and meetings to ensure that all financial reporting information requirements are met in a complete and accurate manner.

Monitoring

The Board receives regular presentations and reviews reports from the Depositary, Investment Manager and Administrator. The Board also has an annual process to ensure that appropriate measures are taken to consider and address any shortcomings identified and measures recommended by the external auditor.

Capital Structure

No Director (or person related to the Director) has a significant direct or indirect holding of securities in the Company. No Director (or person related to the Director) has any special rights of control over the Company's share capital. There are no restrictions on voting rights.

Powers of the Directors

With regard to the appointment and replacement of Directors, the Company is governed by its Articles of Association, Irish statute comprising the Companies Act 2014, as amended, the UCITS Regulations and the Central Bank UCITS Regulations as applicable to investment funds. The Articles of Association themselves may be amended by special resolution of the Shareholders.

The Board is responsible for managing the business affairs of the Company in accordance with the Articles of Association. The Directors may delegate certain functions to the Administrator and other parties, subject to the supervision and direction by the Directors. The Directors have delegated the day to day administration of the Company to the Administrator and the investment management and distribution functions to the Investment Manager. Consequently none of the Directors are an executive Director.

The Articles of Association provide that the Directors may exercise all the powers of the Company to borrow money, to mortgage or charge its undertaking, property or any part thereof and may delegate these powers to the Investment Manager.

DIRECTORS' REPORT (Continued)

Corporate Governance Statement (Continued)

The Directors may, with the consent of the Depositary, at any time and from time to time temporarily suspend the calculation of the Net Asset Value of a particular sub-fund and the issue, repurchase and conversion of Shares in any of the following instances:

- (a) during any period (other than ordinary holiday or customary weekend closings) when any market or recognised exchange is closed and which is the main market or recognised exchange for a significant part of investments of the relevant sub-fund, or in which trading thereon is restricted or suspended;
- (b) during any period when an emergency exists as a result of which disposal by the Company of investments which constitute a substantial portion of the assets of the relevant class is not practically feasible; or it is not possible to transfer monies involved in the acquisition or disposition of investments at normal rates of exchange; or it is not practically feasible for the Directors or their delegate fairly to determine the value of any assets of the relevant sub-fund;
- (c) during any breakdown in the means of communication normally employed in determining the price of any of the investments of the relevant sub-fund or of current prices on any market or recognised exchange;
- (d) when for any reason the prices of any investments of the relevant class cannot be reasonably, promptly or accurately ascertained;
- (e) during any period when remittance of monies which will or may be involved in the realisation of or in the payment for any of the investments of the relevant class cannot, in the opinion of the Directors, be carried out at normal rates of exchange;
- (f) for the purpose of winding up the Company or terminating any sub-fund; or
- (g) if any other reason makes it impossible or impracticable to determine the value of a substantial portion of the investments of the Company or any sub-fund.

Notice of any such suspension and notice of the termination of any such suspension shall be given immediately to the Central Bank and shall be notified to applicants for Shares or to Shareholders requesting the repurchase of Shares at the time of application or filing of the written request for such repurchase. Where possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

Registered Shares may be transferred by instrument in writing. The instrument of transfer must be accompanied by a certificate from the transferee that it is not acquiring such Shares on behalf of or for the benefit of a US person. In the case of the death of one of the joint Shareholders, the survivor or survivors will be the only person or persons recognised by the Administrator as having any title to or interest in the Shares registered in the names of such joint Shareholders. The Directors may decline to register a transfer if they are aware or reasonably believe the transfer would result in the beneficial ownership of Shares by a person in contravention of any restrictions on ownership imposed by the Directors or might result in legal, regulatory, pecuniary, taxation or material administrative disadvantage to the relevant sub-fund or Shareholders generally.

Shareholder Meetings

The Annual General Meeting of the Company will usually be held in Ireland, normally within six months of the end of each financial year. Notice convening the Annual General Meeting in each year at which the audited financial statements of the Company will be presented (together with the Directors' and Auditor's Reports of the Company) will be sent to Shareholders at their registered addresses not less than 21 clear days before the date fixed for the meeting. Other general meetings may be convened from time to time by the Directors in such manner as provided by Irish law.

Each of the Shares entitles the holder to attend and vote at meetings of the Company and of the sub-fund represented by those Shares. Matters may be determined by a meeting of Shareholders on a show of hands unless a poll is requested by any Shareholder having the right to vote at the meeting or unless the chairman of the meeting requests a poll. Each Shareholder has one vote on a show of hands. Each Share gives the holder one vote in relation to any matters relating to the Company which are submitted to Shareholders for a vote by poll.

DIRECTORS' REPORT (Continued)

Corporate Governance Statement (Continued)

No class of Shares confers on the holder thereof any preferential or pre-emptive rights or any rights to participate in the profits and dividends of any other Share class or any voting rights in relation to matters relating solely to any other Share class.

Any resolution to alter the class rights of the Shares requires the approval of three quarters of the holders of the Shares represented or present and voting at a general meeting of the class. The quorum for any general meeting of the class convened to consider any alteration to the class rights of the Shares shall be such number of Shareholders being two or more persons whose holdings comprise one third of the Shares.

Each of the Shares other than Subscriber Shares entitles the Shareholder to participate equally on a pro-rata basis in the dividends and net assets of the sub-funds in respect of which the Shares have been issued, save in the case of dividends declared prior to becoming a Shareholder.

Management Shares entitle the Shareholders holding them to attend and vote at all general meetings of the Company but do not entitle the holders to participate in the dividends or net assets of the Company.

Composition and Operation of Board and Committees

There were four Directors as at 31 December 2018, all of whom were non-executive Directors and two of whom were independent of the Investment Manager. The Directors may be removed by the Shareholders by ordinary resolution in accordance with the procedures established under the Irish Companies Act 2014, as amended. The Board meets at least quarterly.

Independent Auditors

The independent auditor PricewaterhouseCoopers have indicated their willingness to continue in office in accordance with Section 383(2) of the Companies Act 2014, as amended.

Remuneration

In accordance with its obligations pursuant to Directive 2014/91/EU of the European Parliament and of the Council ("the UCITS V Directive"), the Company is required to have remuneration policies and practices for those categories of staff, including senior management, risk takers, control functions, and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers whose professional activities have a material impact on the risk profiles of the Company ("Identified Staff"), that are consistent with and promote sound and effective risk management and do not encourage risk-taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the Company.

The Company has established this remuneration policy in accordance with the requirements of the UCITS V Directive to the extent that it is appropriate to its size, internal organisation and the nature, scope and complexities of its activities.

This remuneration policy has been adopted by the Board of Directors of the Company and any revisions to this remuneration policy requires approval of the Board of Directors.

Significant Events during the Year

For the Pzena Global Expanded Value Fund a new Class AUD was launched on 3 April 2018.

For the Pzena Emerging Markets Value Fund a new Class AGD was launched on 1 May 2018.

For the Pzena Emerging Markets Value Fund a new Class BEU was launched on 11 July 2018.

A new supplement to the prospectus for Pzena Global Expanded Value Fund was released on 27 February 2018.

A new supplement to the prospectus for Pzena Emerging Markets Value Fund was released on 27 March 2018.

A new prospectus for the Company was released on 14 December 2018, to incorporate changes in policies and restrictions, legal representation, UK Political Environment referred to Brexit, Investment Manager's assets under management amount, data protection, Net Asset Value valuation, FATCA implementation as well as United States tax.

There were no other significant events affecting the Company during the year.

DIRECTORS' REPORT (Continued)

Significant Events after the Year End

Dividends in respect of distributing classes of Shares were declared since the financial year ended are shown below:

Pzena Emerging Markets Value Fund

Ex Date	Record Date	Share Class	Dividend/Share (USD)
2 January 2019	31 December 2018	AGD	2.62616

Pzena Global Expanded Value Fund

Ex Date	Record Date	Share Class	Dividend/Share (GBP)
2 January 2019	31 December 2018	AUD	0.97783

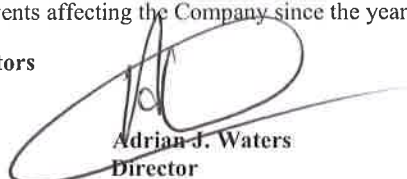
Effective 1 March 2019, Brown Brothers Harriman Fund Administration Services (Ireland) Limited ceased as Administrator, Registrar and Transfer Agent for the Company and this transferred to Northern Trust International Fund Administration Services (Ireland) Limited. Similarly on 1 March 2019, Brown Brothers Harriman Trustee Services (Ireland) Limited ceased as Depositary with this function transferring to Northern Trust Fiduciary Services (Ireland) Limited.

A new prospectus for the Company as well as supplements to the prospectus for Pzena Global Value Fund, Pzena U.S. Large Cap Expanded Value Fund, Pzena Emerging Markets Value Fund and Pzena Global Expanded Value Fund were released on 4 March 2019 to incorporate appointment of Northern Trust as the Administrator, Registrar, Transfer Agent and Depositary.

There were no other significant events affecting the Company since the year end.

On behalf of the Board of Directors


Denise Kinsella
Director


Adrian J. Waters
Director

23 April 2019

INVESTMENT MANAGER'S REPORT – PZENA GLOBAL VALUE FUND
For the financial year ended 31 December 2018

Background to the Sub-Fund

In managing the Fund's assets, the Investment Manager conducts fundamental securities analysis and follows a classic value strategy. It seeks to identify companies with a market capitalization of approximately US\$1 billion or more that it believes are undervalued on the basis of current price relative to an estimated normal level of earnings, and constructs a portfolio of 40 to 60 stocks that it believes represent the most undervalued portion of its universe. The Investment Manager does not employ financial leverage in the management of the Fund's assets and does not purchase derivative instruments for the Fund.

Performance Review

After posting strong gains in the first nine months of 2018, global equity markets came under pressure in the fourth quarter as macro uncertainty came to dominate investor psyches. Investors wrestled with an escalating trade war, rising political instability (Brexit, US government shutdown, French riots) and further signs of economic deceleration globally, leaving a flight to safety as the default choice. Defensive sectors such as utilities, real estate and staples outperformed cyclical sectors from around mid-year, gathering momentum in the fourth quarter. For the year, the MSCI All Country World Index was down 9.42% and the MSCI World Value Index posted a -10.79% return. Healthcare, utilities, and information technology were the top performing sectors in 2018, while the more cyclically inclined materials, financials, energy, and industrial sectors underperformed. Concern about recession and the peaking of the credit cycle dominated, while a sharp correction (down ~40%) in oil prices in the fourth quarter took their toll on the energy sector.

The Fund was down 17.88% (net of fees) during the year, with relative underperformance driven mostly by holdings in financials, healthcare, and energy, and by country, holdings in the US and UK. The largest individual detractor was Mylan. The stock fell sharply after the company received an FDA warning letter regarding its West Virginia (USA) manufacturing facility in November and fell further on ongoing concerns over a longstanding price fixing accusation aimed at several pharmaceutical manufacturers, including Mylan. The stock was also negatively impacted by 2019 guidance that was significantly below street expectations. We continue to hold Mylan as we see significant self-help opportunities and a stabilization in generic drug pricing underpinning earnings normalization. Also detracting was US oil services company National Oilwell Varco (a new buy in 2018), as oil prices declined in the fourth quarter and the company reported weaker-than-expected results due to an inability to pass through higher raw material and labor costs. The company hosted an analyst day displaying an impressive array of market leading technologies and a strong balance sheet. The company is a late cycle energy company, which is cheap based on our estimate of normalized earnings, and we continued to build our position on the weakness.

The Fund's largest contributor was P&C Insurer XL Group, as its shares rose sharply on an acquisition of the business by France's AXA Group for 1.5x book value, a 33% premium; we tendered our shares. Chinese PC manufacturer Lenovo posted a series of strong quarterly earnings reports including, as the year progressed, evidence that it is addressing its two loss-making units, mobile phones and servers. It continues to consolidate its strong regional position in PCs. We trimmed shares of Lenovo during the year on strength.

Investment Approach

New stocks introduced into the Fund this year have included, National Oilwell Varco; General Electric as it grapples with the consequence of slower demand for its gas turbines in its Power division; branded products company Newell Brands, as it rationalizes its branded products line-up following a merger with Jarden Brands and pays down debt; Californian utility, Edison International, which was purchased after the markets punished the shares in the wake of wildfires in the state; and the world's largest container shipping company, Maersk, as the container shipping cycle turns and the company focuses on its core shipbuilding and forwarding activities, and exiting its other interests (significantly in energy). Disposals included integrated energy company, Eni (and we reduced our exposure to other oil names, moving into a late-cycle energy service company), and Walmart and Sony, all on valuation.

Overall, our Fund remain idiosyncratic in nature with multiple drivers back to fair value, across a range of industries.

Pzena Investment Management, LLC

April 2019

INVESTMENT MANAGER'S REPORT – PZENA U.S. LARGE CAP EXPANDED VALUE FUND
For the financial year ended 31 December 2018

Background to the Sub-Fund

In managing the Fund's assets, the Investment Manager conducts fundamental securities analysis and follows a classic value strategy. It seeks to identify companies in the United States among the 500 largest by market capitalization, that it believes are undervalued on the basis of current price relative to an estimated normal level of earnings, and constructs a portfolio of generally 50 to 80 stocks that it believes represent the most undervalued portion of its universe. The Investment Manager does not employ financial leverage in the management of the Fund's assets and does not purchase derivative instruments for the Fund.

Performance Review

US equities were down for the 12 months ending 31 December 2018, following bouts of volatility due to trade war tensions, rising interest rates and recession concerns. For the year, value underperformed growth. Growth's outperformance shifted between companies viewed as delivering reliable growth with little concern for their valuations and those that provided stability and yield. On the other hand, companies that disappointed in delivering growth were severely punished, even if the underlying businesses remained healthy. The Russell 1000 Value Index fell 8.27% for the period while the Fund was down 14.76% (net of fees). The Fund's relative underperformance was driven mostly by holdings in financials, health care, consumer discretionary, and industrials, and was partially offset by consumer staples holdings and an underexposure to materials.

The largest individual detractor was General Electric (a new position in 2018), as the company reported weak earnings, cut the dividend to \$.01, and took a \$22 billion charge during the year. The market also responded poorly to new management's guarded guidance on liability management and to disappointment surrounding its largest division, Power. We expect a successful turnaround of GE Power to be a multiyear process and don't believe its poor results reduce its ability to recover over the long term. Also detracting was Mylan, as its stock fell sharply after the company received an FDA warning letter regarding its West Virginia (USA) manufacturing facility in November and fell further on ongoing concerns over a longstanding price fixing accusation aimed at several pharmaceutical manufacturers, including Mylan. The stock was also negatively impacted by 2019 guidance that was significantly below street expectations. We continue to hold Mylan as we see significant self-help opportunities and a stabilization in generic drug pricing underpinning earnings normalization.

The Fund's largest contributors included large pharmaceutical companies Merck and Pfizer. Merck rose on continued strong growth in its blockbuster cancer drug Keytruda, and its new Hepatitis C drug, Zepatier, while Pfizer was driven by strong performance across its portfolio and management's continued confidence for steady organic growth from its own pipeline without the need for a transformative deal. In financials, XL Group rose sharply on an acquisition of the business by France's AXA Group for 1.5x book value, a 33% premium; we tendered our shares.

Investment Approach

For the year we added several new names to the Fund including General Electric, a leading industrial company, and Lear, a leading auto supplier, with a dominant position in seating system design and manufacturing. Lear was added on weakness over fears of peak auto sales. Other new purchases included National Oilwell Varco, a leading drilling equipment and services provider, which has been weak due to low oil prices and the oversupply of offshore drilling equipment; Newell Brands, a consumer brands company down over fears of the company's ability to successfully restructure; and AXA Equitable Holdings, an attractively valued insurance and annuity provider made cheap during its partial spin out by its French parent company. We exited positions in Regions Financial, Hilton Worldwide, State Street, and among others, as those stocks approached our estimate of fair value. We also exited Express Scripts as it was acquired by Cigna. We trimmed several of our better performing positions such as Microsoft, Walmart, and BP, as they rose in value.

The markets have exhibited continued volatility, and increased fear of cyclical companies has set in, enabling us to purchase several great global franchises at what we believe are cheap prices. Our Fund remains skewed toward economically sensitive stocks, many with self-help opportunities.

Pzena Investment Management, LLC

April 2019

INVESTMENT MANAGER'S REPORT – PZENA EMERGING MARKETS VALUE FUND
For the financial year ended 31 December 2018

Background to the Sub-Fund

In managing the Fund's assets, the Investment Manager conducts fundamental securities analysis and follows a classic value strategy. It seeks to identify companies from non-developed countries among the 1500 largest by market capitalization, that it believes are undervalued on the basis of current price relative to an estimated normal level of earnings, and constructs a portfolio of generally 40 to 80 stocks that it believes are in the most undervalued portion of its universe. The Investment Manager does not employ financial leverage in the management of the Fund's assets and does not purchase derivative instruments for the Fund.

Performance Review

Emerging market equities were down in 2018, as fears over growing protectionist policies, rising geopolitical tensions, whipsawing oil prices, and tighter Federal Reserve monetary policy took hold. The MSCI Emerging Markets Index declined nearly 15%. Most markets declined; stocks in Turkey were down the most on political instability. Smaller market participants Qatar and Peru were able to produce positive returns during the period. China's weakness dragged down indices on a combination of structural deleveraging and trade tensions, leading to negative spillover effects for manufacturing companies in Asia. Energy was the sole sector in the black for 2018. Investors in emerging markets rotated into value from growth. The MSCI EM Value Index outperformed its growth counterpart by approximately 750 basis points.

Our Fund was down (-9.88%, net of fees) but outperformed the index. Stock selection in China was the largest contributor to relative performance, as our Chinese holdings were down significantly less than the index's. Positions in Russia, and by sector, positions in energy and information technology also drove the outperformance.

Lenovo Group was the largest individual contributor in the Fund. The PC, smartphone, and data center equipment manufacturer recently reported better-than-expected and encouraging 2QFY19 results, characterized by healthy topline growth and an improvement in operating income and margins. By segment, PC performance remained strong, and, while Mobile and Data Center continue to lose money, the level of losses continues to decline with both segments showing signs that management's turnaround efforts appear to be progressing. Russian energy positions Lukoil and Rosneft also contributed as both benefitted from rising crude oil prices during the first half of the year; investors were also encouraged by their improving capital return policy to shareholders, including share buybacks.

The largest detractor, Hon Hai Precision Industry, traded down with the technology sector but the company also reported lower-than-expected margins, likely attributable to higher expenses related to iPhone production, and a more muted iPhone unit growth outlook. Akbank, a leading Turkish bank, was also a leading detractor as Turkish macro conditions deteriorated leading to a Turkish lira decline, and investors assessed the potential rise in funding costs for Turkish banks. While Akbank is highly sensitive to the Turkish macroeconomy, we believe it is a great operator with a solid earnings history and the strongest balance sheet among its peers. We continue to hold both Hon Hai and Akbank in the Fund.

Investment Approach

During the year, we added several new diverse companies to Fund, notably Realtek Semiconductor, a Taiwan-based fabless semiconductor company serving end markets like communications, PC peripheral, and media, Huadian Power International, one of the largest Chinese coal utilities, and Siam Commercial Bank, one of the largest banks in Thailand. Realtek has followed a strategy of becoming a market leader by focusing on mature tech categories by focusing on being the cost leader in each market. The company has continued to gain share and recent weakness in its gross margins led to the underperformance of the stock and have created an attractive opportunity. For Huadian, the company's profitability has been hurt by rising coal prices, but we believe it should improve through a combination of regulatory price increases and coal price normalization. Lastly, Siam became cheap due to concerns around the small-and medium-enterprise credit cycle, the costs associated with its digitalization program, and the impact of a reduction in transaction related fees. We believe the market overreacted to these issues, and we were able to purchase a solid franchise with self-help opportunities at an attractive valuation. To help fund these purchases, we exited Russian energy major Gazprom, due to its questionable capital discipline. We also exited a position in one of our public sector Indian banks, Bank of Baroda, to fund the purchase of private sector Indian bank ICICI. We also sold out of positions in Randon, Usiminas, and China Shineway Pharmaceutical on valuation.

INVESTMENT MANAGER'S REPORT – PZENA EMERGING MARKETS VALUE FUND (Continued)
For the financial year ended 31 December 2018

Investment Approach (Continued)

Our largest sector weightings remain information technology and financials, with no exposure to health care or real estate. While this lends our Fund a more cyclical bent, our relatively large exposure to utilities has balanced the Fund during this turbulent period and remains, as we enter the new year. Our largest country concentrations are to China and Korea, with Asia overall constituting the bulk of the Fund, and we also hold a relative overweight to emerging Europe and very little exposure to Latin America.

Pzena Investment Management, LLC

April 2019

INVESTMENT MANAGER'S REPORT – PZENA GLOBAL EXPANDED VALUE FUND
For the financial year ended 31 December 2018

Background to the Sub-Fund

In managing the Fund's assets, the Investment Manager conducts fundamental securities analysis and follows a classic value strategy. It seeks to identify companies with a market capitalization of approximately US\$1 billion or more that it believes are undervalued on the basis of current price relative to an estimated normal level of earnings, and constructs a portfolio of 60 to 95 stocks that it believes represent the most undervalued portion of its universe. The Investment Manager does not employ financial leverage in the management of the Fund's assets and does not purchase derivative instruments for the Fund.

Performance Review

After posting strong gains in the first nine months of 2018, global equity markets came under pressure in the fourth quarter as macro uncertainty came to dominate investor psyches. Investors wrestled with an escalating trade war, rising political instability (Brexit, US government shutdown, French riots) and further signs of economic deceleration globally, leaving a flight to safety as the default choice. Defensive sectors such as utilities, real estate and staples outperformed cyclical sectors from around mid-year, gathering momentum in the fourth quarter. For the year, the MSCI World Index was down 3.04% in GBP and the MSCI World Value Index posted a -5.24% return. Healthcare, utilities, and information technology were the top performing sectors in 2018, while the more cyclically inclined materials, financials, energy, and industrial sectors underperformed. Concern about recession and the peaking of the credit cycle dominated, while a sharp correction (down ~40%) in oil prices in the fourth quarter took their toll on the energy sector.

The Fund was down 10.49% (net of fees) during the year, with relative underperformance driven mostly by holdings in financials, health care, and consumer discretionary, and by country, holdings in the US and UK.

The largest individual detractor was Mylan. The stock fell sharply after the company received an FDA warning letter regarding its West Virginia (USA) manufacturing facility in November and fell further on ongoing concerns over a longstanding price fixing accusation aimed at several pharmaceutical manufactures including Mylan. The stock was also negatively impacted by 2019 guidance that was significantly below street expectations. We continue to hold Mylan as we see significant self-help opportunities and a stabilization in generic drug pricing underpinning earnings normalization. Also detracting was US oil services company National Oilwell Varco (a new buy in 2018), as oil prices declined in the fourth quarter and the company reported weaker-than-expected results due to an inability to pass through higher raw material and labor costs. The company hosted an analyst day displaying an impressive array of market leading technologies and a strong balance sheet. The company is a late cycle energy company, which is cheap based on our estimate of normalized earnings, and we continued to build our position on the weakness.

Top contributing stocks over the year were Swedish global wireless equipment and services company Ericsson and Chinese PC manufacturer Lenovo. Ericsson delivered better-than-expected margins and sales. Margin improvement was driven by management's cost savings initiatives following slower demand post the 4G network build out. Ericsson also benefitted from early signs of end demand improvement related to 5G buildouts. The stock has risen by over 50% since we initiated the position earlier in the year and we have sold it down. Lenovo posted a series of strong quarterly earnings reports including, as the year progressed, evidence that it is addressing its two loss-making units, mobile phones and servers. It continues to consolidate its strong regional position in PCs. We trimmed shares of Lenovo during the year on strength.

INVESTMENT MANAGER'S REPORT – PZENA GLOBAL EXPANDED VALUE FUND (Continued)
For the financial year ended 31 December 2018

Investment Approach

New stocks introduced into the Fund this year have included, National Oilwell Varco; General Electric as it grapples with the consequence of slower demand for its gas turbines in its Power division; branded products company Newell Brands, as it rationalizes its branded products line-up following a merger with Jarden Brands and pays down debt; Californian utility, Edison International, which was purchased after the markets punished the shares in the wake of wildfires in the state; and the world's largest container shipping company, Maersk, as the container shipping cycle turns and the company focuses on its core shipbuilding and forwarding activities, and exiting its other interests (significantly in energy). Disposals included integrated energy company, Eni (and we reduced our exposure to other oil names, moving into a late-cycle energy service company), and Cisco Systems and Sony, all on valuation.

Overall, our Fund remain idiosyncratic in nature with multiple drivers back to fair value, across a range of industries.

Pzena Investment Management, LLC

April 2019

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REPORT OF THE DEPOSITARY TO THE SHAREHOLDERS

Depositary's Report

We have enquired into the conduct of Pzena Value Funds Plc (the "Company") for the financial year ended 31 December 2018, in our capacity as Depositary to the Company.

This report including the opinion has been prepared for and solely for the shareholders in the Company as a body, in accordance with Part 5 of the European Communities (Undertakings for Collective Investment in Transferable Securities) regulations 2011, as amended, ('the UCITS Regulations'), and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

Responsibilities of the Depositary

Our duties and responsibilities are outlined in Part 5 of the UCITS Regulations. One of those duties is to enquire into the conduct of the Company in each annual accounting period and report thereon to the shareholders.

Our report shall state whether, in our opinion, the Company has been managed in that period in accordance with the provisions of the Company's Memorandum and Articles of Association and the UCITS Regulations. It is the overall responsibility of the Company to comply with these provisions. If the Company has not so complied, we as Depositary must state why this is the case and outline the steps which we have taken to rectify the situation.

Basis of Depositary Opinion


The Depositary conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties as outlined in Part 5 of the UCITS Regulations and to ensure that, in all material respects, the Company has been managed (i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of the constitutional documentation and the appropriate regulations and (ii) otherwise in accordance with the Company's constitutional documentation and the appropriate regulations.

Opinion

In our opinion, the Company has been managed during the year, in all material respects:

(i) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the Memorandum & Articles of Association, the UCITS Regulations and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 ('the Central Bank UCITS Regulations'); and

(ii) otherwise in accordance with the provisions of the Memorandum & Articles of Association, the UCITS Regulations and the Central Bank UCITS Regulations.


Brown Brothers Harriman Trustee Services (Ireland) Limited
30 Herbert Street
Dublin 2
Ireland

23 April 2019



Independent auditors' report to the members of Pzena Value Funds plc

Report on the audit of the financial statements

Opinion

In our opinion, Pzena Value Funds plc's financial statements:

- give a true and fair view of the Company's and sub-funds' assets, liabilities and financial position as at 31 December 2018 and of their results for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Irish law); and
- have been properly prepared in accordance with the requirements of the Companies Act 2014 and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended).

We have audited the financial statements, included within the Annual Report and Audited Financial Statements, which comprise:

- the Statement of Financial Position as at 31 December 2018;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Changes in Net Assets Attributable to Redeemable Participating Shareholders for the year then ended;
- the Schedule of Investments for each of the sub-funds as at 31 December 2018; and
- the notes to the financial statements for the Company and for each of its sub-funds, which include a description of the significant accounting policies.

Certain required disclosures have been presented elsewhere in the Annual Report and Audited Financial Statements, rather than in the notes to the financial statements. These are cross-referenced from the financial statements and are identified as audited.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law.

Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's and sub-funds' ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's and sub-funds' ability to continue as going concerns.



Reporting on other information

The other information comprises all of the information in the Annual Report and Audited Financial Statements other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the Companies Act 2014 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (Ireland) and the Companies Act 2014 require us to also report certain opinions and matters as described below:

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.
- Based on our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's and sub-funds' ability to continue as going concerns, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:

https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf

This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Other required reporting

Companies Act 2014 opinions on other matters

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
 - In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
 - The financial statements are in agreement with the accounting records.
-

Companies Act 2014 exception reporting

Directors' remuneration and transactions

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.

A handwritten signature in black ink, appearing to read 'Sarah Murphy', is written over a faint, light-colored signature line.

Sarah Murphy
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Dublin
23 April 2019

SCHEDULE OF INVESTMENTS - PZENA GLOBAL VALUE FUND
As at 31 December 2018

	Currency	Nominal Holding	Fair Value US\$	% of Net Assets
Financial Assets at Fair Value through Profit or Loss (31 December 2017: 98.40%)				
Common Stock (31 December 2017: 98.40%)				
China (31 December 2017: 1.86%)				
Lenovo Group	HKD	36,000	24,324	2.57%
			24,324	2.57%
Denmark (31 December 2017: 0.00%)				
AP Moller - Maersk	DKK	14	17,552	1.86%
			17,552	1.86%
France (31 December 2017: 6.10%)				
Schneider Electric	EUR	374	25,532	2.70%
Total	EUR	261	13,778	1.46%
Vallourec	EUR	1,949	3,622	0.38%
			42,932	4.54%
Germany (31 December 2017: 2.03%)				
Volkswagen Preference Shares	EUR	125	19,851	2.10%
			19,851	2.10%
Hong Kong (31 December 2017: 1.91%)				
China Mobile	HKD	1,450	13,955	1.48%
			13,955	1.48%
Italy (31 December 2017: 4.68%)				
Enel	EUR	4,257	24,546	2.60%
UniCredit	EUR	775	8,765	0.93%
			33,311	3.53%
Japan (31 December 2017: 9.26%)				
Fujitsu	JPY	400	24,963	2.64%
Honda Motor	JPY	989	26,092	2.76%
Inpex	JPY	2,500	22,369	2.37%
Isuzu Motors	JPY	1,500	21,171	2.24%
			94,595	10.01%
Netherlands (31 December 2017: 0.96%)				
ING Groep	EUR	855	9,197	0.97%
			9,197	0.97%
Singapore (31 December 2017: 1.35%)				
Wilmar International	SGD	7,200	16,481	1.74%
			16,481	1.74%
South Korea (31 December 2017: 4.14%)				
Hana Financial Group	KRW	421	13,677	1.45%
POSCO	KRW	71	15,463	1.63%
			29,140	3.08%
Sweden (31 December 2017: 0.00%)				
Telefonaktiebolaget LM Ericsson	SEK	616	5,414	0.57%
			5,414	0.57%
Switzerland (31 December 2017: 6.29%)				
Credit Suisse Group	CHF	1,187	13,004	1.37%
Roche Holding	CHF	135	33,333	3.53%
UBS Group	CHF	1,124	13,950	1.48%
			60,287	6.38%

SCHEDULE OF INVESTMENTS - PZENA GLOBAL VALUE FUND (Continued)
As at 31 December 2018

	Currency	Nominal Holding	Fair Value US\$	% of Net Assets
Financial Assets at Fair Value through Profit or Loss (31 December 2017: 98.40%) (Continued)				
Common Stock (31 December 2017: 98.40%) (Continued)				
Taiwan (31 December 2017: 1.23%)				
Hon Hai Precision Industry	TWD	7,525	17,333	1.84%
			17,333	1.84%
United Kingdom (31 December 2017: 17.98%)				
Barclays	GBP	7,227	13,854	1.47%
HSBC Holdings	GBP	2,151	17,722	1.87%
J Sainsbury	GBP	2,642	8,917	0.94%
Royal Bank of Scotland Group	GBP	4,972	13,722	1.45%
Royal Dutch Shell	EUR	489	14,341	1.52%
Standard Chartered	GBP	2,484	19,276	2.04%
Tesco	GBP	7,415	17,953	1.90%
Travis Perkins	GBP	2,418	32,952	3.49%
Vodafone Group	GBP	10,722	20,879	2.21%
			159,616	16.89%
United States (31 December 2017: 38.19%)				
American International Group	USD	599	23,607	2.50%
Avnet	USD	643	23,212	2.46%
Bank of America	USD	566	13,946	1.47%
Capital One Financial	USD	235	17,764	1.88%
Citigroup	USD	313	16,295	1.72%
Cognizant Technology Solutions	USD	304	19,298	2.04%
Dover	USD	60	4,257	0.45%
Edison International	USD	313	17,769	1.88%
Franklin Resources	USD	562	16,669	1.76%
General Electric	USD	3,380	25,587	2.71%
Hewlett Packard Enterprise	USD	1,710	22,589	2.39%
McKesson	USD	200	22,094	2.34%
Morgan Stanley	USD	448	17,763	1.88%
Mylan	USD	820	22,468	2.38%
National Oilwell Varco	USD	642	16,499	1.74%
Newell Brands	USD	1,210	22,494	2.38%
News Corp Class A	USD	1,263	14,335	1.52%
Omnicom Group	USD	419	30,687	3.25%
Oracle	USD	439	19,821	2.10%
Voya Financial	USD	453	18,183	1.92%
Wells Fargo	USD	296	13,640	1.44%
			398,977	42.21%
Total Common Stock			942,965	99.77%
Total Financial Assets at Fair Value through Profit or Loss			942,965	99.77%
Cash at bank (31 December 2017: 2.28%)			12,910	1.37%
Other net current liabilities (31 December 2017: (0.68%))			(10,737)	(1.14%)
Net Assets Attributable to Redeemable Participating Shareholders			945,138	100.00%

PZENA VALUE FUNDS PLC

SCHEDULE OF INVESTMENTS - PZENA GLOBAL VALUE FUND (Continued)
As at 31 December 2018

Portfolio Analysis	% of total assets
Transferable securities and money market instruments admitted to an official stock exchange	84.95
Transferable securities and money market instruments traded on another regulated market	10.28
	95.23

All investments are transferable securities admitted to an official stock exchange listing or traded on a recognised market.

SCHEDULE OF INVESTMENTS - PZENA U.S. LARGE CAP EXPANDED VALUE FUND
As at 31 December 2018

	Currency	Nominal Holding	Fair Value US\$	% of Net Assets
Financial Assets at Fair Value through Profit or Loss (31 December 2017: 95.19%)				
Common Stock (31 December 2017: 95.19%)				
Bermuda (31 December 2017: 2.13%)				
Axis Capital	USD	2,380	122,903	1.97%
			122,903	1.97%
Canada (31 December 2017: 1.00%)				
Cenovus Energy	USD	8,829	62,068	0.99%
Gildan Activewear	USD	1,132	34,368	0.55%
			96,436	1.54%
Switzerland (31 December 2017: 2.53%)				
UBS Group	USD	2,566	31,767	0.51%
			31,767	0.51%
United Kingdom (31 December 2017: 7.00%)				
BP	USD	1,708	64,767	1.04%
Royal Dutch Shell	USD	4,495	261,924	4.19%
			326,691	5.23%
United States (31 December 2017: 82.53%)				
Allstate	USD	406	33,548	0.54%
American International Group	USD	4,878	192,242	3.08%
Amgen	USD	681	132,570	2.12%
AT&T	USD	1,149	32,792	0.52%
Avangrid	USD	1,654	82,849	1.33%
AXA Equitable Holdings	USD	7,455	123,977	1.98%
Baker Hughes	USD	500	10,750	0.17%
Bank of America	USD	7,616	187,658	3.00%
Capital One Financial	USD	2,537	191,772	3.07%
Cardinal Health	USD	1,377	61,414	0.98%
Cigna	USD	397	75,398	1.21%
Cisco Systems	USD	709	30,721	0.49%
Citigroup	USD	2,749	143,113	2.29%
Cognizant Technology Solutions	USD	2,568	163,017	2.61%
CVS Health	USD	1,000	65,520	1.05%
Dover	USD	1,643	116,571	1.87%
Edison International	USD	2,980	169,175	2.71%
Entergy	USD	264	22,722	0.36%
Exxon Mobil	USD	2,160	147,290	2.36%
Fifth Third Bancorp	USD	2,471	58,143	0.93%
Ford Motor	USD	23,286	178,138	2.85%
Franklin Resources	USD	3,826	113,479	1.82%
General Electric	USD	26,968	204,148	3.27%
Goldman Sachs	USD	537	89,706	1.44%
Halliburton	USD	2,437	64,775	1.04%
Hewlett Packard Enterprise	USD	11,357	150,026	2.40%
Interpublic Group	USD	6,353	131,062	2.10%
Invesco	USD	1,184	19,820	0.32%
JPMorgan Chase	USD	1,746	170,444	2.73%
Juniper Networks	USD	2,336	62,862	1.01%
Kellogg	USD	959	54,673	0.87%

PZENA VALUE FUNDS PLC

SCHEDULE OF INVESTMENTS - PZENA U.S. LARGE CAP EXPANDED VALUE FUND (Continued)
As at 31 December 2018

	Currency	Nominal Holding	Fair Value US\$	% of Net Assets
Financial Assets at Fair Value through Profit or Loss (31 December 2017: 95.19%) (Continued)				
Common Stock (31 December 2017: 95.19%) (Continued)				
United States (31 December 2017: 82.53%) (Continued)				
KeyCorp	USD	3,786	55,957	0.90%
KKR	USD	2,884	56,613	0.91%
L3 Technologies	USD	225	39,073	0.63%
Lear	USD	1,299	159,595	2.56%
McKesson	USD	796	87,934	1.41%
Merck	USD	1,977	151,063	2.42%
Merck	USD	4,442	182,388	2.92%
MetLife	USD	392	39,815	0.64%
Microsoft	USD	3,998	158,521	2.54%
Morgan Stanley	USD	5,996	164,290	2.63%
Mylan	USD	2,477	63,659	1.02%
National Oilwell Varco	USD	5,955	110,703	1.77%
Newell Brands	USD	4,985	56,580	0.91%
News Corp Class A	USD	1,744	127,731	2.05%
Omnicom Group	USD	4,251	191,933	3.07%
Oracle	USD	385	57,419	0.92%
Parker Hannifin	USD	2,979	130,033	2.08%
Pfizer	USD	548	31,187	0.50%
Qualcomm	USD	462	55,320	0.89%
Stanley Black & Decker	USD	2,990	120,019	1.92%
Voya Financial	USD	1,078	100,416	1.61%
Wal-Mart Stores	USD	3,532	162,755	2.61%
Wells Fargo	USD			
			5,583,379	89.43%
Total Common Stock			6,161,176	98.68%
			6,161,176	98.68%
Total Financial Assets at Fair Value through Profit or Loss				
			81,856	1.31%
Cash at bank (31 December 2017: 2.82%)			252	0.01%
Other net current assets (31 December 2017: 1.99%)				
Net Assets Attributable to Redeemable Participating Shareholders			6,243,284	100.00%

Portfolio Analysis	% of total assets
Transferable securities and money market instruments admitted to an official stock exchange	85.33
Transferable securities and money market instruments traded on another regulated market	12.50
	97.83

All investments are transferable securities admitted to an official stock exchange listing or traded on a recognised market.

SCHEDULE OF INVESTMENTS - PZENA EMERGING MARKETS VALUE FUND
As at 31 December 2018

	Currency	Nominal Holding	Fair Value US\$	% of Net Assets
Financial Assets at Fair Value through Profit or Loss (31 December 2017: 97.85%)				
Common Stock (31 December 2017: 92.63%)				
Brazil (31 December 2017: 5.27%)				
Cia de Saneamento Basico do Estado de Sao Paulo	BRL	1,113,086	9,046,561	2.11%
Compania Energetica de Minas Gerais	BRL	1,331,000	4,759,765	1.11%
Petroleo Brasileiro	BRL	289,900	1,696,428	0.40%
Telefonica Brasil	USD	569,466	6,793,730	1.59%
			22,296,484	5.21%
China (31 December 2017: 11.04%)				
Baidu	USD	50,686	8,038,799	1.88%
China Construction Bank	HKD	4,597,000	3,792,987	0.89%
China Dongxiang Group	HKD	22,736,000	3,484,734	0.82%
China Shenhua Energy	HKD	1,198,500	2,626,816	0.61%
Dongfeng Motor Group	HKD	9,706,000	8,801,829	2.06%
Grand Baoxin Auto Group	HKD	21,556,500	6,084,779	1.42%
Huadian Power International	HKD	17,456,000	7,870,344	1.84%
Lenovo Group	HKD	19,940,000	13,472,715	3.15%
			54,173,003	12.67%
Czech Republic (31 December 2017: 1.17%)				
CEZ	CZK	343,576	8,164,357	1.91%
			8,164,357	1.91%
Hong Kong (31 December 2017: 12.02%)				
China Agri-Industries Holdings	HKD	23,011,000	8,200,003	1.92%
China Mobile	HKD	1,152,000	11,086,897	2.59%
China Resources Power Holdings	HKD	5,284,000	10,163,939	2.38%
Dah Chong Hong Holdings	HKD	3,909,166	1,353,093	0.32%
Pacific Basin Shipping	HKD	49,747,213	9,467,369	2.21%
Stella International Holdings	HKD	985,500	1,169,356	0.27%
Texwinca Holdings	HKD	3,854,000	1,260,161	0.29%
			42,700,818	9.98%
Hungary (31 December 2017: 1.83%)				
OTP Bank	HUF	113,232	4,555,457	1.06%
			4,555,457	1.06%
India (31 December 2017: 2.49%)				
ICICI Bank	INR	849,633	4,390,856	1.03%
NHPC	INR	10,215,087	3,804,229	0.89%
NTPC	INR	3,145,190	6,698,987	1.57%
Punjab National Bank	INR	3,922,950	4,388,489	1.02%
Reliance Industries	USD	169,735	5,406,060	1.26%
State Bank of India	USD	136,421	5,811,534	1.36%
			30,500,155	7.13%
Indonesia (31 December 2017: 0.98%)				
Bank Danamon Indonesia Tbk	IDR	6,349,800	3,355,944	0.78%
			3,355,944	0.78%
Malaysia (31 December 2017: 1.47%)				
Genting Malaysia Bhd	MYR	9,745,400	7,121,865	1.67%
			7,121,865	1.67%

SCHEDULE OF INVESTMENTS - PZENA EMERGING MARKETS VALUE FUND (Continued)
As at 31 December 2018

	Currency	Nominal Holding	Fair Value US\$	% of Net Assets
Financial Assets at Fair Value through Profit or Loss (31 December 2017: 97.85%) (Continued)				
Common Stock (31 December 2017: 92.63%) (Continued)				
Poland (31 December 2017: 1.30%)				
Cyfrowy Polsat	PLN	851,291	5,112,165	1.20%
			5,112,165	1.20%
Romania (31 December 2017: 0.00%)				
Banca Transilvania	RON	6,829,781	3,362,813	0.79%
			3,362,813	0.79%
Russia (31 December 2017: 8.73%)				
Lukoil	USD	143,700	10,270,640	2.40%
MMC Norilsk Nickel PJSC	USD	549,722	10,312,785	2.41%
Rosneft	USD	1,748,200	10,803,876	2.53%
			31,387,301	7.34%
Singapore (31 December 2017: 2.01%)				
Wilmar International	SGD	4,504,800	10,311,795	2.41%
			10,311,795	2.41%
South Africa (31 December 2017: 3.19%)				
Reunert	ZAR	1,327,106	6,533,587	1.53%
Sasol	ZAR	205,172	6,061,738	1.42%
			12,595,325	2.95%
South Korea (31 December 2017: 17.99%)				
Dongbu Insurance	KRW	130,020	8,203,449	1.92%
Hana Financial Group	KRW	195,340	6,346,187	1.48%
Hyundai Heavy Industries	KRW	85,098	9,800,227	2.29%
Hyundai Motor Preference Shares	KRW	60,881	3,830,298	0.90%
Hyundai Motor	KRW	47,005	4,992,017	1.17%
KB Financial Group	KRW	147,000	6,126,098	1.43%
POSCO	KRW	56,633	12,333,589	2.89%
Samsung Electronic	KRW	234,298	8,126,306	1.90%
Shinhan Financial Group	KRW	240,220	8,525,463	1.99%
			68,283,634	15.97%
Taiwan (31 December 2017: 8.29%)				
Catcher Technology	TWD	502,000	3,674,724	0.86%
Compal Electronics	TWD	14,786,000	8,394,303	1.96%
Hon Hai Precision Industry	TWD	3,291,665	7,582,064	1.77%
Lite-On Technology	TWD	4,518,000	5,967,752	1.40%
Realtek Semiconductor	TWD	1,639,000	7,625,240	1.78%
Taiwan Semiconductor Manufacturing	TWD	1,432,000	10,505,775	2.46%
			43,749,858	10.23%
Thailand (31 December 2017: 2.58%)				
Bangkok Bank XDR	THB	924,900	5,766,422	1.35%
Bangkok Bank	THB	100,000	635,749	0.15%
Siam Commercial Bank	THB	1,568,100	6,429,403	1.50%
			12,831,574	3.00%
Turkey (31 December 2017: 1.96%)				
Akbank TAS	TRY	3,551,471	4,579,614	1.07%
			4,579,614	1.07%

SCHEDULE OF INVESTMENTS - PZENA EMERGING MARKETS VALUE FUND (Continued)
As at 31 December 2018

	Currency	Nominal Holding	Fair Value US\$	% of Net Assets
Financial Assets at Fair Value through Profit or Loss (31 December 2017: 97.85%) (Continued)				
Common Stock (31 December 2017: 92.63%) (Continued)				
United Arab Emirates (31 December 2017: 1.36%)				
Union National Bank PJSC	AED	4,347,243	5,550,704	1.30%
			5,550,704	1.30%
United Kingdom (31 December 2017: 3.63%)				
Antofagasta	GBP	617,238	6,156,847	1.44%
Standard Chartered	GBP	1,446,404	11,224,160	2.62%
			17,381,007	4.06%
United States (31 December 2017: 4.39%)				
Cognizant Technology Solutions	USD	130,502	8,284,267	1.94%
Flextronics International	USD	726,393	5,527,851	1.29%
Genpact	USD	126,703	3,419,714	0.80%
			17,231,832	4.03%
Total Common Stock			405,245,705	94.76%
Total Financial Assets at Fair Value through Profit or Loss			405,245,705	94.76%
Cash at bank (31 December 2017: 2.39%)			23,745,843	5.55%
Other net current liabilities (31 December 2017: (0.24%))			(1,354,534)	(0.31%)
Net Assets Attributable to Redeemable Participating Shareholders			427,637,014	100.00%

Portfolio Analysis	% of total assets
Transferable securities and money market instruments admitted to an official stock exchange	89.00
Transferable securities and money market instruments traded on another regulated market	5.07
	94.07

All investments are transferable securities admitted to an official stock exchange listing or traded on a recognised market.

SCHEDULE OF INVESTMENTS - PZENA GLOBAL EXPANDED VALUE FUND
As at 31 December 2018

	Currency	Nominal Holding	Fair Value GBP	% of Net Assets
Financial Assets at Fair Value through Profit or Loss (31 December 2017: 96.92%)				
Common Stock (31 December 2017: 96.92%)				
China (31 December 2017: 0.94%)				
Lenovo Group	HKD	3,162,000	1,670,175	1.91%
			1,670,175	1.91%
Denmark (31 December 2017: 0.00%)				
AP Moller - Maersk	DKK	1,510	1,481,345	1.70%
			1,481,345	1.70%
France (31 December 2017: 6.01%)				
Credit Agricole	EUR	29,149	246,049	0.28%
Schneider Electric	EUR	36,362	1,943,814	2.23%
Total	EUR	24,667	1,019,664	1.17%
Vallourec	EUR	194,131	282,468	0.32%
			3,491,995	4.00%
Germany (31 December 2017: 3.28%)				
Siemens	EUR	4,795	417,970	0.48%
Volkswagen Preference Shares	EUR	13,395	1,665,692	1.91%
			2,083,662	2.39%
Hong Kong (31 December 2017: 1.30%)				
China Mobile	HKD	122,036	918,154	1.05%
			918,154	1.05%
Italy (31 December 2017: 3.91%)				
Enel	EUR	472,884	2,135,093	2.45%
UniCredit	EUR	41,626	368,658	0.42%
			2,503,751	2.87%
Japan (31 December 2017: 11.19%)				
Fujitsu	JPY	44,200	2,151,221	2.46%
Honda Motor	JPY	77,110	1,586,524	1.82%
Inpex	JPY	284,500	1,985,288	2.27%
Isuzu Motors	JPY	120,100	1,321,955	1.51%
Sumitomo Mitsui Financial Group	JPY	32,204	834,392	0.96%
Toyota Motor	JPY	10,002	455,445	0.52%
			8,334,825	9.54%
Netherlands (31 December 2017: 2.52%)				
ING Groep	EUR	100,609	847,449	0.97%
Koninklijke KPN	EUR	390,554	894,969	1.03%
			1,742,418	2.00%
Singapore (31 December 2017: 0.85%)				
Wilmar International	SGD	493,801	883,977	1.01%
			883,977	1.01%

PZENA VALUE FUNDS PLC

SCHEDULE OF INVESTMENTS - PZENA GLOBAL EXPANDED VALUE FUND (Continued)
As at 31 December 2018

	Currency	Nominal Holding	Fair Value GBP	% of Net Assets
Financial Assets at Fair Value through Profit or Loss (31 December 2017: 96.92%) (Continued)				
Common Stock (31 December 2017: 96.92%) (Continued)				
South Korea (31 December 2017: 4.11%)				
Hana Financial Group	KRW	30,935	786,428	0.90%
POSCO	KRW	7,883	1,343,378	1.54%
			2,129,806	2.44%
Sweden (31 December 2017: 0.00%)				
Telefonaktiebolaget LM Ericsson	SEK	219,898	1,496,819	1.71%
			1,496,819	1.71%
Switzerland (31 December 2017: 5.53%)				
Credit Suisse Group	CHF	98,633	848,534	0.97%
Roche Holding	CHF	17,128	3,319,317	3.80%
UBS Group	CHF	102,192	998,132	1.14%
			5,165,983	5.91%
Taiwan (31 December 2017: 0.73%)				
Hon Hai Precision Industry	TWD	785,520	1,420,689	1.63%
Taiwan Semiconductor Manufacturing	TWD	162,000	933,190	1.07%
			2,353,879	2.70%
United Kingdom (31 December 2017: 16.55%)				
Barclays	GBP	691,243	1,040,459	1.19%
HSBC Holdings	GBP	206,802	1,337,802	1.53%
Imperial Brands	GBP	18,137	431,117	0.49%
J Sainsbury	GBP	308,939	815,445	0.94%
Royal Bank of Scotland Group	GBP	490,409	1,062,716	1.22%
Royal Dutch Shell	EUR	47,972	1,101,658	1.26%
Standard Chartered	GBP	192,454	1,172,622	1.34%
Tesco	GBP	862,607	1,639,816	1.88%
Travis Perkins	GBP	197,171	2,098,136	2.40%
Vodafone Group	GBP	1,148,433	1,755,954	2.01%
			12,455,725	14.26%
United States (31 December 2017: 38.87%)				
American International Group	USD	48,265	1,459,934	1.67%
Avnet	USD	81,107	2,282,413	2.61%
Bank of America	USD	59,844	1,147,741	1.31%
Capital One Financial	USD	25,762	1,510,968	1.73%
Cigna	USD	4,900	731,925	0.84%
Citigroup	USD	36,390	1,475,805	1.69%
Cognizant Technology Solutions	USD	33,658	1,669,279	1.91%
Dover	USD	14,398	795,028	0.91%
Edison International	USD	38,729	1,713,919	1.96%
Exxon Mobil	USD	16,158	869,468	1.00%
Franklin Resources	USD	24,198	558,423	0.64%
General Electric	USD	402,482	2,384,204	2.73%
Hewlett Packard Enterprise	USD	187,028	1,926,224	2.21%
Interpublic Group	USD	99,761	1,603,197	1.84%
JPMorgan Chase	USD	5,452	414,544	0.48%
McKesson	USD	17,933	1,559,172	1.79%
Merck	USD	17,865	1,065,543	1.22%

SCHEDULE OF INVESTMENTS - PZENA GLOBAL EXPANDED VALUE FUND (Continued)
As at 31 December 2018

	Currency	Nominal Holding	Fair Value GBP	% of Net Assets
Financial Assets at Fair Value through Profit or Loss (31 December 2017: 96.92%) (Continued)				
Common Stock (31 December 2017: 96.92%) (Continued)				
United States (31 December 2017: 38.87%) (Continued)				
MetLife	USD	20,155	645,275	0.74%
Morgan Stanley	USD	22,359	692,058	0.79%
Mylan	USD	83,615	1,799,480	2.06%
National Oilwell Varco	USD	74,909	1,496,130	1.71%
Newell Brands	USD	96,310	1,387,316	1.59%
News Corp Class A	USD	117,578	1,038,088	1.19%
Omnicom Group	USD	31,271	1,781,988	2.04%
Oracle	USD	63,121	2,236,075	2.56%
Pfizer	USD	32,031	1,089,618	1.25%
Voya Financial	USD	25,079	777,621	0.89%
Wal-Mart Stores	USD	19,787	1,433,793	1.64%
Wells Fargo	USD	33,853	1,213,281	1.38%
			38,758,510	44.38%
Total Common Stock			85,471,024	97.87%
			85,471,024	97.87%
Total Financial Assets at Fair Value through Profit or Loss			85,471,024	97.87%
Cash at bank (31 December 2017: 2.64%)			2,104,184	2.41%
Other net current liabilities (31 December 2017: 0.44%)			(247,253)	(0.28%)
Net Assets Attributable to Redeemable Participating Shareholders			87,327,955	100.00%

Portfolio Analysis	% of total assets
Transferable securities and money market instruments admitted to an official stock exchange	88.02
Transferable securities and money market instruments traded on another regulated market	9.31
	97.33

All investments are transferable securities admitted to an official stock exchange listing or traded on a recognised market.

PZENA VALUE FUNDS PLC

STATEMENT OF FINANCIAL POSITION

	Notes	Pzena Global Value Fund As at 31 December 2018 US\$	Pzena Global Value Fund As at 31 December 2017 US\$	Pzena U.S. Large Cap Expanded Value Fund As at 31 December 2018 US\$	Pzena U.S. Large Cap Expanded Value Fund As at 31 December 2017 US\$	Pzena Emerging Markets Value Fund As at 31 December 2018 US\$
Current Assets						
Financial assets at fair value through profit or loss	1	942,965	6,255,330	6,161,176	6,678,709	405,245,705
Cash at bank	2	12,910	144,682	81,856	197,926	23,745,843
Dividends receivable		2,165	12,704	7,783	7,645	1,779,299
Securities sales receivable		–	3,306	11,335	–	–
Subscriptions receivable		–	–	–	360,000	–
Other receivables	1	32,140	14,384	35,782	22,270	1,993
Total Current Assets		990,180	6,430,406	6,297,932	7,266,550	430,772,840
Current Liabilities - Amounts falling due within one year						
Management fees payable	4	(5,069)	(32,602)	(19,046)	(9,373)	(1,027,944)
Administration fees payable	4	(10,333)	(9,842)	(16,230)	(10,307)	(47,562)
Bank overdraft		–	–	–	–	–
Depository fees payable	4	(3,417)	(3,540)	(3,303)	(3,284)	(50,145)
Audit fees payable	4	(12,673)	(12,936)	(13,075)	(13,338)	(12,605)
Organisational fees payable to Investment Manager		–	–	–	(893)	(33,568)
Legal fees payable	4	(3,762)	(732)	(48)	(3,056)	(550,958)
Miscellaneous fees payable	4	(7,757)	(8,733)	(968)	(586)	(6,317)
Transaction costs payable		(1,417)	(4,115)	(1,667)	(92,627)	(1,398,049)
Securities purchases payable		–	–	–	(260)	(8,678)
Directors' fees payable	4	(614)	(580)	(311)	(116,295)	–
Redemptions payable		–	–	–	–	–
Total Current Liabilities		(45,042)	(73,080)	(54,648)	(250,019)	(3,135,826)
Net Assets Attributable to Holders of Redeemable Participating Shares (for financial reporting purposes)		945,138	6,357,326	6,243,284	7,016,531	427,637,014
Adjustment in relation to unamortised preliminary expenses	14	–	–	–	–	–
Swing Price adjustment	8	–	–	–	–	–
Net Assets Attributable to Holders of Redeemable Participating Shares		945,138	6,357,326	6,243,284	7,016,531	427,637,014

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

PZENA VALUE FUNDS PLC

STATEMENT OF FINANCIAL POSITION (Continued)

	Pzena Emerging Markets Value Fund As at 31 December 2017 US\$	Pzena Global Expanded Value Fund As at 31 December 2017 GBP	Pzena Global Expanded Value Fund As at 31 December 2017 GBP	Total* As at 31 December 2018 US\$	Total* As at 31 December 2017 US\$
Current Assets					
Financial assets at fair value through profit or loss	323,001,191	85,471,024	72,302,366	521,645,918	433,731,410
Cash at bank	7,901,311	2,104,184	1,966,065	26,105,859	10,903,219
Dividends receivable	981,301	168,437	127,176	2,004,636	1,173,668
Securities sales receivable	—	—	66,607	11,335	93,399
Subscriptions receivable	—	40,069	283,293	476,713	743,182
Other receivables	—	27,951	63,788	105,657	122,933
Total Current Assets	331,883,803	87,811,665	74,809,295	550,350,118	446,767,811
Current Liabilities - Amounts falling due within one year					
Management fees payable	(851,868)	(136,128)	(138,814)	(1,226,133)	(1,081,603)
Administration fees payable	(39,534)	(14,443)	(11,900)	(92,594)	(75,779)
Bank overdraft	—	(32)	—	(41)	—
Depository fees payable	(42,436)	(7,594)	(5,341)	(66,576)	(56,484)
Audit fees payable	(12,882)	(9,745)	(9,905)	(50,814)	(52,553)
Organisational fees payable to Investment Manager	(1,866)	(3,724)	(8,294)	(4,762)	(13,084)
Legal fees payable	(18,910)	(7,226)	(4,392)	(46,618)	(26,476)
Miscellaneous fees payable	(797,906)	(7,377)	(7,377)	(575,786)	(819,673)
Transaction costs payable	(5,964)	(2,469)	(2,546)	(12,558)	(14,109)
Securities purchases payable	—	—	—	(1,398,049)	(92,627)
Directors' fees payable	(11,870)	(2,931)	(3,196)	(13,351)	(17,033)
Redemptions payable	—	(157,566)	(180,853)	(201,488)	(360,917)
Total Current Liabilities	(1,783,236)	(354,451)	(372,618)	(3,688,770)	(2,610,338)
Net Assets Attributable to Holders of Redeemable Participating Shares (for financial reporting purposes)	330,100,567	87,457,214	74,436,677	546,661,348	444,157,473
Adjustment in relation to unamortised preliminary expenses	493	2,193	6,763	2,804	9,641
Swing Price adjustment	—	(131,452)	156,104	(168,094)	211,146
Net Assets Attributable to Holders of Redeemable Participating Shares	330,101,060	87,327,955	74,599,544	546,496,058	444,378,260

*The Company Total at 31 December 2018 has been adjusted to account for balances in the name of the Company. There were no such balances at 31 December 2017.

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

PZENA VALUE FUNDS PLC

STATEMENT OF FINANCIAL POSITION (Continued)

	31 December 2018	31 December 2017	31 December 2016
PZENA GLOBAL VALUE FUND			
Net Assets Attributable to Holders of Redeemable Participating Shares	Class A US\$945,138	Class A US\$6,357,326	Class A US\$3,086,171
Redeemable Participating Shares issued and outstanding	7,998	44,180	461,937
Net Asset Value per Redeemable Participating Share	US\$118.17	US\$143.90	US\$114.92
PZENA U.S. LARGE CAP EXPANDED VALUE FUND			
Net Assets Attributable to Holders of Redeemable Participating Shares	Class A US\$6,243,284	Class A US\$7,016,531	Class A US\$6,250,457
Redeemable Participating Shares issued and outstanding	31,202	29,843	31,248
Net Asset Value per Redeemable Participating Share	US\$200.09	US\$235.12	US\$200.03
PZENA EMERGING MARKETS VALUE FUND			
Net Assets Attributable to Holders of Redeemable Participating Shares	Class A US\$311,920,121	Class A US\$243,415,099	Class A US\$188,735,261
Redeemable Participating Shares issued and outstanding	2,808,944	1,973,415	1,985,276
Net Asset Value per Redeemable Participating Share	US\$111.05	US\$123.35	US\$95.07
Net Assets Attributable to Holders of Redeemable Participating Shares	Class AEU EUR71,180,750	Class AEU EUR72,190,175	Class AEU EUR61,494,515
Redeemable Participating Shares issued and outstanding	599,618	575,082	558,294
Net Asset Value per Redeemable Participating Share	EUR118.71	EUR125.53	EUR110.15
Net Assets Attributable to Holders of Redeemable Participating Shares	Class AGD* GBP26,608,086		
Redeemable Participating Shares issued and outstanding	278,459		
Net Asset Value per Redeemable Participating Share	GBP95.55		
Net Assets Attributable to Holders of Redeemable Participating Shares	Class BEU** EUR401,140		
Redeemable Participating Shares issued and outstanding	4,058		
Net Asset Value per Redeemable Participating Share	EUR98.84		

* Class AGD was launched on 1 May 2018.

** Class BEU was launched on 11 July 2018.

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

PZENA VALUE FUNDS PLC

STATEMENT OF FINANCIAL POSITION (Continued)

	31 December 2018	31 December 2017	31 December 2016
PZENA GLOBAL EXPANDED VALUE FUND			
Net Assets Attributable to Holders of Redeemable Participating Shares			Class A
Redeemable Participating Shares issued and outstanding	GBP65,885,252	GBP68,680,105	GBP61,659,637
Net Asset Value per Redeemable Participating Share	480,465 GBP137.13	444,168 GBP154.63	452,531 GBP136.26
Net Assets Attributable to Holders of Redeemable Participating Shares			Class AEU*
Redeemable Participating Shares issued and outstanding	EUR5,853,391	EUR6,679,431	EUR6,679,431
Net Asset Value per Redeemable Participating Share	62,890 EUR93.07	63,046 EUR105.95	
Net Assets Attributable to Holders of Redeemable Participating Shares			Class AUD**
Redeemable Participating Shares issued and outstanding	US\$20,719,772	237,525	
Net Asset Value per Redeemable Participating Share	237,525 US\$87.23		

* Class AEU was launched on 8 June 2017.

** Class AUD was launched on 3 April 2018.



Denise Kinsella
Director

23 April 2019



Adrian J. Waters
Director

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

PZENA VALUE FUNDS PLC

STATEMENT OF COMPREHENSIVE INCOME

	Pzena Global Value Fund Financial Year ended 31 December 2018	Pzena Global Value Fund Financial Year ended 31 December 2017	Pzena U.S. Large Cap Expanded Value Fund Financial Year ended 31 December 2018	Pzena U.S. Large Cap Expanded Value Fund Financial Year ended 31 December 2017	Pzena Emerging Markets Value Fund Financial Year ended 31 December 2018
	US\$	US\$	US\$	US\$	US\$
Investment income					
Net (loss)/gain on financial assets and liabilities at fair value through profit or loss	(756,937)	7,406,240	(1,177,321)	996,946	(46,344,711)
Dividend income	153,055	1,247,265	217,645	165,712	13,751,435
Interest income	1,116	3,247	1,986	879	135,775
Other income	8	113	-	187	-
Total Investment (Loss)/Income	(602,758)	8,656,865	(957,690)	1,163,724	(32,457,501)
Operating expenses					
Management fees	(52,682)	(426,730)	(41,644)	(32,866)	(3,686,290)
Transaction fees	(16,303)	(121,572)	(10,182)	(6,287)	(417,151)
Administration fees	(64,629)	(62,495)	(69,236)	(62,062)	(258,249)
Depository fees	(19,332)	(27,880)	(19,956)	(19,524)	(280,981)
Legal and professional fees	(21,235)	(25,329)	(15,873)	(4,219)	(163,261)
Other expenses	(2,806)	(12,243)	(2,540)	(2,700)	(152,656)
Audit fees	(14,448)	(14,020)	(14,448)	(14,422)	(14,448)
Directors' fee	(767)	(3,934)	(954)	(762)	(37,481)
Preliminary expenses	-	-	(1,269)	-	-
Total Operating Expenses	(192,202)	(694,203)	(176,102)	(142,842)	(5,010,517)
Operating Expenses - general reimbursement	116,906	14,386	92,829	78,617	-
Net (Loss)/Profit for the Year before Tax	(678,054)	7,977,048	(1,040,963)	1,099,499	(37,468,018)
Withholding taxes on dividends	(23,268)	(151,100)	(67,447)	(37,778)	(1,586,988)
Net (Loss)/Profit for the Year after Tax	(701,322)	7,825,948	(1,108,410)	1,061,721	(39,055,006)
Adjustment in relation to unamortised preliminary expenses	-	-	-	(2,321)	(493)
Swing Price adjustment	-	-	-	-	-
(Decrease)/Increase in Net Assets Attributable to Redeemable Participating Shareholders from Operations	(701,322)	7,825,948	(1,108,410)	1,059,400	(39,055,499)

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

PZENA VALUE FUNDS PLC

STATEMENT OF COMPREHENSIVE INCOME (Continued)

	Pzena Emerging Markets Value Fund Financial Year ended 31 December 2017	Pzena Global Expanded Value Fund Financial Year ended 31 December 2018	Pzena Global Expanded Value Fund Financial Year ended 31 December 2017	Total Financial Year ended 31 December 2018	Total Financial Year ended 31 December 2017
	US\$	GBP	GBP	US\$	US\$
Investment income					
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss	77,685,197	(11,179,726)	7,250,785	(63,203,904)	95,435,370
Dividend income	12,416,898	2,487,919	1,874,441	17,443,507	16,246,217
Interest income	43,790	6,892	1,544	148,078	49,906
Other income	430	90	170	128	949
Total Investment Income/(Loss)	90,146,315	(8,684,825)	9,126,940	(45,612,191)	111,732,442
Operating expenses					
Management fees	(3,373,189)	(510,792)	(385,016)	(4,462,523)	(4,329,109)
Transaction fees	(470,766)	(75,815)	(71,090)	(544,849)	(690,267)
Administration fees	(238,575)	(82,946)	(69,200)	(502,847)	(452,338)
Depository fees	(251,519)	(38,364)	(30,226)	(371,485)	(337,887)
Legal and professional fees	(131,766)	(35,935)	(31,093)	(248,342)	(201,396)
Other expenses	(152,172)	(6,197)	(12,154)	(166,275)	(182,783)
Audit fees	(13,965)	(10,770)	(10,505)	(57,722)	(55,949)
Directors' fee	(37,927)	(9,315)	(8,523)	(51,638)	(53,610)
Preliminary expenses	—	—	—	(1,269)	—
Total Operating Expenses	(4,669,879)	(770,134)	(617,807)	(6,406,950)	(6,303,339)
Operating Expenses - general reimbursement	—	55,524	47,350	283,859	154,042
Net Profit/(Loss) for the Year before Tax	85,476,436	(9,399,435)	8,556,483	(51,735,282)	105,583,145
Withholding taxes on dividends	(1,428,631)	(504,754)	(274,435)	(2,351,549)	(1,971,283)
Net Profit/(Loss) for the Year after Tax	84,047,805	(9,904,189)	8,282,048	(54,086,831)	103,611,862
Adjustment in relation to unamortised preliminary expenses	(6,672)	(4,570)	(4,570)	(6,837)	(13,838)
Swing Price adjustment	—	(287,557)	315,785	(379,240)	408,304
Increase/(Decrease) in Net Assets Attributable to Redeemable Participating Shareholders from Operations	84,041,133	(10,196,316)	8,593,263	(54,472,908)	104,006,328

There are no gains or losses other than those included in the Statement of Comprehensive Income. In arriving at the results for the financial period all amounts relate to continuing operations.

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

PZENA VALUE FUNDS PLC

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO REDEEMABLE PARTICIPATING SHAREHOLDERS

	Notes	Pzena Global Value Fund Financial Year ended 31 December 2018 US\$	Pzena Global Value Fund Financial Year ended 31 December 2017 US\$	Pzena U.S. Large Cap Expanded Value Fund Financial Year ended 31 December 2018 US\$	Pzena U.S. Large Cap Expanded Value Fund Financial Year ended 31 December 2017 US\$	Pzena Emerging Markets Value Fund Financial Year ended 31 December 2018 US\$
Net Assets Attributable to Holders of Redeemable Participating Shares at the beginning of the year		6,357,326	53,086,171	7,016,531	6,250,457	330,101,060
Proceeds from redeemable participating shares issued	3	9,566	6,493,519	2,654,122	1,662,495	166,538,453
Redemption of redeemable participating shares	3	(4,728,944)	(61,132,189)	(2,322,212)	(1,955,821)	(29,947,000)
Net (decrease)/increase from share transactions		(4,719,378)	(54,638,670)	331,910	(293,326)	136,591,453
Subscription charges and redemption charges	8	8,512	83,877	3,253	—	—
Movement in currency translation	1	—	—	—	—	—
(Decrease)/Increase in Net Assets Attributable to Redeemable Participating Shareholders		(701,322)	7,825,948	(1,108,410)	1,059,400	(39,055,499)
Net assets Attributable to Holders of Redeemable Participating Shares at the end of the year		945,138	6,357,326	6,243,284	7,016,531	427,637,014

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

PZENA VALUE FUNDS PLC

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

	Pzena Emerging Markets Value Fund Financial Year ended 31 December 2017 US\$	Pzena Global Expanded Value Fund Financial Year ended 31 December 2018 GBP	Pzena Global Expanded Value Fund Financial Year ended 31 December 2017 GBP	Total Financial Year ended 31 December 2018 US\$	Total Financial Year ended 31 December 2017 US\$
Net Assets Attributable to Holders of Redeemable Participating Shares at the beginning of the year	253,596,599	74,599,544	61,659,637	444,378,260	389,064,381
Proceeds from redeemable participating shares issued	90,170,939	39,070,595	15,256,324	221,361,385	117,993,880
Redemption of redeemable participating shares	(97,937,049)	(16,154,003)	(10,909,680)	(58,563,750)	(175,088,727)
Net (decrease)/increase from share transactions	(7,766,110)	22,916,592	4,346,644	162,797,635	(57,094,847)
Subscription charges and redemption charges	229,438	8,135	-	22,625	313,315
Movement in currency translation	-	-	-	(6,229,554)	8,089,083
Increase/(Decrease) in Net Assets Attributable to Redeemable Participating Shareholders	84,041,133	(10,196,316)	8,593,263	(54,472,908)	104,006,328
Net assets Attributable to Holders of Redeemable Participating Shares at the end of the year	330,101,060	87,327,955	74,599,544	546,496,058	444,378,260

Notes

Net Assets Attributable to Holders of Redeemable Participating Shares at the beginning of the year

Proceeds from redeemable participating shares issued

Redemption of redeemable participating shares

Net (decrease)/increase from share transactions

Subscription charges and redemption charges

Movement in currency translation

Increase/(Decrease) in Net Assets Attributable to Redeemable Participating Shareholders

Net assets Attributable to Holders of Redeemable Participating Shares at the end of the year

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

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

1 Significant Accounting Policies

The following accounting policies have been applied to Pzena Value Funds Plc (the "Company") consistently in dealing with the Company's financial statements.

Basis of Preparation of Financial Statements

The Financial Statements for the financial year ended 31 December 2018 have been prepared in accordance with accounting standards generally accepted in Ireland, including FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102"), Irish statute comprising the Companies Act 2014, as amended, the European Communities (undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (the "Central Bank UCITS Regulations"). Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those published by Chartered Accountants Ireland and issued by the Financial Reporting Council ("FRC").

The format and certain wordings of the Financial Statements have been adapted from those contained in the Companies Act 2014, as amended, and FRS 102 so that, in the opinion of the Directors, they more appropriately reflect the nature of the Company's business as investment funds.

The Company has availed of the exemption available to open-ended investment funds under section 7 of FRS 102 not to prepare a Cash Flow Statement.

The preparation of the financial statements requires management to make certain estimates and assumptions that may affect the amount reported in the financial statements and related notes. Actual results may differ from these estimates and the differences could be material. The financial statements are prepared under the historical cost convention as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss. The valuation point for financial reporting is Close of Business 5.00pm (GMT) on the last business day of the year, 31 December 2018.

The increase/(decrease) in Net Assets Attributable to Redeemable Participating Shareholders arose solely from continuing operations.

Investments at Fair Value

Under FRS 102, in accounting for all of its financial instruments, an entity is required to apply either (a) the full requirements of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS 102, (b) the recognition and measurement provisions of International Accounting Standards 39 "Financial Instruments: Recognition and Measurement" ("IAS 39") as adopted for use in the European Union and the disclosure requirements of Sections 11 and 12, or (c) the recognition and measurement provisions of International Financial Reporting Standards ("IFRS") 9 "Financial Instruments" ("IFRS 9") and the disclosure requirements of Sections 11 and 12. The Company has elected to apply the recognition and measurement provisions of IAS 39 and the disclosure requirements of Sections 11 and 12.

Classification

In accordance with FRS 102: "Measurement at Initial Recognition" and "Subsequent Measurement", all of the Company's investments are classified at fair value through profit or loss. While positions within the portfolio will often be held with a view to long term capital gains, the Company also undertakes short term trading and, accordingly, for the purpose of FRS 102, the Directors have classified the Company's portfolio as financial assets and liabilities at fair value through profit or loss.

Recognition and Initial Measurement

Purchases and sales of financial instruments are accounted for at trade date. Investments are initially recognised at fair value, and transaction costs for all financial assets carried at fair value through profit or loss are expensed as incurred. Investments are derecognised when the rights to receive cash flows from investments have expired or the Company has transferred substantially all risks and rewards of ownership. Fair value gains and losses on disposals of financial instruments are calculated using the net proceeds on disposal, net of transaction costs, and the average cost attributable to those investments, and are included in the Statement of Comprehensive Income.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2018

I Significant Accounting Policies (Continued)

Investments at Fair Value (Continued)

Subsequent Measurement

After initial measurement, the Company measures financial instruments classified as financial assets at fair value through profit or loss at their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Securities which are quoted, listed or traded on a recognised exchange will be valued at last traded price. The value of any security which is not quoted, listed or dealt in on a recognised exchange or which is so quoted, listed or dealt in but for which no such quotation or value is available or the available quotation or value is not representative of the fair market value shall be the probable realisation value as estimated with care and good faith by the Directors or by a competent person, firm or corporation appointed for such purpose by the Depositary.

Income

Dividends are recognised as income on the date that the related investment is first quoted 'ex-dividend' to the extent information thereon is reasonably available. Dividend income is shown gross of any withholding taxes which are disclosed separately in the Statement of Comprehensive Income, and net of any tax credits. Interest income and interest expense are recognised using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or financial liability.

Transaction Costs

Transaction costs are the costs incurred in the acquisition, issue or disposal of financial assets and liabilities. Transaction costs include fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Transaction costs do not include debt premiums or discount, financing costs or internal administrative or holdings costs. Transaction costs are recognised in the Statement of Comprehensive Income in "Transaction Fees".

Cash and Other Liquid Assets

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term investments in an active market with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown in current liabilities in the Statement of Financial Position. As at 31 December 2018 the bank overdrafts were US\$41 (31 December 2017: US\$Nil). Cash and other liquid assets will be valued at their face value together with accrued interest, where applicable, to the valuation point on the relevant dealing day.

Fair Value Gains/(Losses) on Investments

Realised fair value gains or losses on disposal of investments during the year and unrealised fair value gains and losses on valuation of investments held at the year end are dealt with in the Statement of Comprehensive Income.

Fees and Charges

All expenses, including management fees, are recognised in the Statement of Comprehensive Income.

Redeemable Participating Shares

Redeemable Participating Shares are redeemable at the Shareholders' option and are classified as financial liabilities.

The Participating Shares can be put back to the Company on any dealing day for cash equal to a proportionate share of the Company's Net Asset Value. The Participating Share is carried at the redemption amount that is payable at the statement of financial position date if the Shareholder exercised its right to put the share back to the Company.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2018

1 Significant Accounting Policies (Continued)

Foreign Currency

(a) Functional and Presentation Currency

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 the Company is US Dollars ("US\$"). The functional currencies of the Sub-funds are set out in the applicable Supplement, and are as follows: for the Pzena Global Value Fund, Pzena U.S. Large Cap Expanded Value Fund, Pzena Emerging Markets Value Fund – US\$, for the Pzena Global Expanded Value Fund – British Sterling Pound ("GBP").

Movement in currency translation of US\$(6,229,554) (31 December 2017: US\$8,089,083) arises from the translation of the Statement of Comprehensive Income and the Statement of Changes Attributable to Holders of Redeemable Participating Shares using the average rate for the financial year ended 31 December 2018. The method of translation has no effect on the value of the net assets of the Fund. The average exchange rate used for this purpose was: GBP1 = US\$1.3350 (31 December 2017: GBP1 = US\$1.2891).

(b) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

Taxation

Under current law and practice, the Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended. On that basis, it is not chargeable to Irish tax on its income or capital gains. However, Irish tax can arise on the happening of a "chargeable event". A chargeable event includes any distribution payments to Shareholders or any encashment, redemption, cancellation or transfer of shares and the holding of shares at the end of each eight year period beginning with the acquisition of such shares. Any tax arising on a chargeable event is a liability of the Shareholder, albeit it is paid by the Company (although if the Company fails to deduct the tax or the correct amount of tax it becomes ultimately a liability of the Shareholder).

No tax will arise on the Company in respect of chargeable events in respect of a Shareholder who is:

- (i) a Shareholder who is neither Irish resident nor ordinarily resident in Ireland for tax purposes, at the time of the chargeable event, provided appropriate valid declarations in accordance with the provisions of the Taxes Consolidation Act, 1997, as amended, are held by the Company and the Company has been authorised by the Irish Revenue to make gross payments in the absence of appropriate declarations; and
- (ii) certain exempted Irish tax resident Shareholders who have provided the Company with the necessary signed statutory declarations.

Dividends, interest and capital gains (if any) received on investments made by the Company may be subject to withholding taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Company or its Shareholders.

2 Cash at Bank

Pzena Global Value Fund	As at 31 December 2018	As at 31 December 2017
	US\$	US\$
Banco Santander, Frankfurt	–	135,739
Brown Brothers Harriman & Co.	12,910	8,943
	<u>12,910</u>	<u>144,682</u>

At 31 December 2018, there were no overnight deposits.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2018

2 Cash at Bank (Continued)

Pzena U.S. Large Cap Expanded Value Fund	As at	As at
	31 December 2018	31 December 2017
	US\$	US\$
Standard Chartered, Singapore*	81,734	–
Brown Brothers Harriman & Co.	122	111
Banco Santander, Frankfurt	–	197,815
	<u>81,856</u>	<u>197,926</u>

* At 31 December 2018, overnight deposits were held with Standard Chartered, Singapore.

Pzena Emerging Markets Value Fund	As at	As at
	31 December 2018	31 December 2017
	US\$	US\$
Standard Chartered Bank, Singapore*	21,930,445	–
Brown Brothers Harriman & Co.	1,329,678	206,381
BNP Paribas, Paris*	267,740	–
HSBC Bank Plc, London*	217,980	–
Banco Santander, Frankfurt	–	7,427,483
Deutsche Bank, Grand Cayman	–	267,447
	<u>23,745,843</u>	<u>7,901,311</u>

* At 31 December 2018, overnight deposits were held with BNP Paribas, Paris, HSBC Bank Plc, London and Standard Chartered, Singapore.

Pzena Global Expanded Value Fund	As at	As at
	31 December 2018	31 December 2017
	GBP	GBP
Banco Santander, Frankfurt*	1,975,448	1,959,079
HSBC Bank Plc, London*	74,323	–
Brown Brothers Harriman & Co.	54,413	6,986
	<u>2,104,184</u>	<u>1,966,065</u>

* At 31 December 2018, overnight deposits were held with Banco Santander, Frankfurt and HSBC Bank Plc, London.

All cash at bank balances are held with Brown Brothers Harriman & Co., or with third party institutions approved by the Investment Manager on overnight deposit, or directly with a sub-custodian. All deposits held on call with banks are returned to the Depository the following day.

In line with the Central Bank Guidance paper entitled Umbrella Funds – Cash Accounts Holding Subscription, Redemption and Dividend Monies published in March 2016, one or more Company cash accounts are being operated by the Administrator, on behalf of the Company, in accordance with the requirements of the Central Bank. Such Company cash accounts are designed to hold unprocessed subscription monies received from investors, redemption monies payable to investors and/or other amounts due to investors. As at 31 December 2018, the amount held in these cash accounts was US\$425,475 (31 December 2017: US\$Nil).

3 Share Capital

The authorised Share Capital of the Company is 100,000,400,000 divided into 400,000 Subscriber Shares of US\$1.00 each and 100,000,000,000 Redeemable Participating Shares of no par value. As at 31 December 2018 the Investment Manager and Michael D. Peterson each held 1 Subscriber Share. The Subscriber Shares do not form part of the Net Asset Value of the Company and are thus disclosed in the financial statements by way of this note only, which in the opinion of the Directors reflects the nature of the Company's business as an investment fund.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2018

3 Share Capital (Continued)

The following tables represent the change in Redeemable Participating Shares during the year:

Pzena Global Value Fund	31 December 2018		31 December 2017	
	Number of Shares	Proceeds US\$	Number of Shares	Proceeds US\$
	A Class	A Class	A Class	A Class
Shares in issue at the start of the year	44,180	48,757,632	461,937	103,396,302
Shares issued during the year	69	9,566	53,129	6,493,519
Shares redeemed during the year	(36,251)	(4,728,944)	(470,886)	(61,132,189)
Shares in issue at the end of the year	7,998	44,038,254	44,180	48,757,632

Pzena U.S. Large Cap Expanded Value Fund	31 December 2018		31 December 2017	
	Number of Shares	Proceeds US\$	Number of Shares	Proceeds US\$
	A Class	A Class	A Class	A Class
Shares in issue at the start of the year	29,843	(38,854,359)	31,248	(38,561,033)
Shares issued during the year	11,138	2,654,122	7,699	1,662,495
Shares redeemed during the year	(9,779)	(2,322,212)	(9,104)	(1,955,821)
Shares in issue at the end of the year	31,202	(38,522,449)	29,843	(38,854,359)

Pzena Emerging Markets Value Fund	31 December 2018		31 December 2017	
	Number of Shares	Proceeds US\$	Number of Shares	Proceeds US\$
	A Class	A Class	A Class	A Class
Shares in issue at the start of the year	1,973,415	185,246,953	1,985,276	195,408,206
Shares issued during the year	1,097,962	127,224,523	746,563	79,845,329
Shares redeemed during the year	(262,433)	(29,947,000)	(758,424)	(90,006,582)
Shares in issue at the end of the year	2,808,944	282,524,476	1,973,415	185,246,953
	AEU Class	AEU Class	AEU Class	AEU Class
Shares in issue at the start of the year	575,082	71,560,244	558,294	69,107,284
Shares issued during the year	24,536	3,707,251	74,192	10,075,610
Shares redeemed during the year	—	—	(57,404)	(7,622,650)
Shares in issue at the end of the year	599,618	75,267,495	575,082	71,560,244
	AGD Class*	AGD Class*		
Shares in issue at the start of the year	—	—		
Shares issued during the year	278,459	35,140,846		
Shares redeemed during the year	—	—		
Shares in issue at the end of the year	278,459	35,140,846		

* Class AGD was launched on 1 May 2018.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2018

3 Share Capital (Continued)

Pzena Emerging Markets Value Fund
(Continued)

	31 December 2018	
	Number of Shares	Proceeds US\$
	BEU Class*	BEU Class*
Shares in issue at the start of the year	—	—
Shares issued during the year	4,058	465,833
Shares redeemed during the year	—	—
Shares in issue at the end of the year	4,058	465,833

	31 December 2017	
	Number of Shares	Proceeds US\$
	CUS Class**	CUS Class**
Shares in issue at the start of the year	—	—
Shares issued during the year	2,500	250,000
Shares redeemed during the year	(2,500)	(307,817)
Shares in issue at the end of the year	—	(57,817)

* Class BEU was launched on 11 July 2018.

** Class CUS was launched on 13 January 2017 and liquidated on 20 October 2017.

Pzena Global Expanded Value Fund

	31 December 2018		31 December 2017	
	Number of Shares	Proceeds GBP	Number of Shares	Proceeds GBP
	A Class	A Class	A Class	A Class
Shares in issue at the start of the year	444,168	46,220,489	452,531	47,480,070
Shares issued during the year	136,586	20,829,291	63,462	9,199,761
Shares redeemed during the year	(100,289)	(15,229,047)	(71,825)	(10,459,342)
Shares in issue at the end of the year	480,465	51,820,733	444,168	46,220,489
	AEU Class	AEU Class	AEU Class*	AEU Class*
Shares in issue at the start of the year	63,046	5,606,225	—	—
Shares issued during the year	9,576	884,373	68,100	6,056,563
Shares redeemed during the year	(9,732)	(912,330)	(5,054)	(450,338)
Shares in issue at the end of the year	62,890	5,578,268	63,046	5,606,225
	AUD Class**	AUD Class**		
Shares in issue at the start of the year	—	—		
Shares issued during the year	237,691	17,356,931		
Shares redeemed during the year	(166)	(12,626)		
Shares in issue at the end of the year	237,525	17,344,305		

* Class AEU was launched on 8 June 2017.

** Class AUD was launched on 3 April 2018.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2018

4 Fees**Management Fees**

The Investment Manager is entitled to an annual fee of 1.00% (Class A) of the Net Asset Value of the Pzena Global Value Fund as calculated on each valuation date.

The Investment Manager is entitled to an annual fee of 0.50% (Class A) of the Net Asset Value of the Pzena U.S. Large Cap Expanded Value Fund as calculated on each valuation date.

The Investment Manager is entitled to an annual fee of 1.00% (Class A, Class AEU, Class AGD) and annual fee of 1.20% (Class BEU) of the Net Asset Value of the Pzena Emerging Markets Value Fund as calculated on each valuation date.

The Investment Manager is entitled to an annual fee of 0.55% (Class A, Class AEU and Class AUD) of the Net Asset Value of the Pzena Global Expanded Value Fund as calculated on each valuation date.

Investment management fees are accrued on each valuation date and are payable on a quarterly basis in arrears. The Investment Manager earned a fee of US\$4,315,999 for the financial year ended 31 December 2018 (31 December 2017: US\$4,259,971). Investment management fees of US\$1,133,787 (31 December 2017: US\$1,011,781) were payable at the year end.

The Manager is paid an annual management fee out of the assets of the Company of 3 basis points of the Net Asset Value of the Company. Such management fees are accrued at each valuation date and are payable on a quarterly basis in arrears. The Manager earned a fee of US\$146,524 for the financial year ended 31 December 2018 (31 December 2017: US\$69,138). Manager fees of US\$92,346 (31 December 2017: US\$69,822) were payable at the year end.

Administration and Transfer Agent Fees

The Administrator is entitled to an annual fee equal to 0.06% on the first US\$500 million of the Net Asset Value of each Fund, subject to a minimum fee of US\$3,000 per Sub-fund per month (plus VAT, if any), an annual fee equal to 0.05% per annum on the Net Asset Value between US\$500 million and US\$2 billion and an annual fee of 0.04% on the Net Asset Value over US\$2 billion. These fees are calculated on each valuation date.

The Administrator is also entitled to receive a fee for acting as Registrar and Transfer Agent and transaction charges, subject to a minimum annual fee of US\$5,000 per Sub-fund.

The Administrator is entitled to a minimum annual reporting fee of US\$1,500 and a minimum annual facility fee of US\$10,000.

Administration fees accrue on each valuation date and are payable monthly in arrears. The Administrator is also entitled to be paid out of the assets of each Sub-fund all of its reasonable out-of-pocket expenses incurred on behalf of the Fund in the performance of its duties.

The Administrator earned a fee of US\$502,847 for the financial year ended 31 December 2018 (31 December 2017: US\$452,338), of which US\$92,594 (31 December 2017: US\$75,779) was payable at the year end.

Depositary and Trustee Fees

The Depositary is entitled to an annual trustee fee of 0.025% of the Net Asset Value of each Fund each valuation date, subject to minimum trustee fee of US\$10,000.

The fees are accrued at each valuation date and are payable monthly in arrears. The Depositary shall also receive reimbursement for all out-of-pocket expenses reasonably and properly incurred by the Depositary.

The Depositary is also entitled to safekeeping and transactional services fee ranging from 0.0075% to 0.6% of the value of the relevant securities, depending on the relevant recognised market.

The Depositary earned a fee of US\$371,485 for the financial year ended 31 December 2018 (31 December 2017: US\$337,887), of which US\$66,576 (31 December 2017: US\$56,484) was payable at the year end.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2018

4 Fees (Continued)

Directors' Fees

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 will not exceed €50,000 (plus VAT, if any).

The aggregate emoluments of the Directors for the financial year ended 31 December 2018 was US\$51,638 (31 December 2017: US\$53,610) of which US\$13,351 (31 December 2017: US\$17,033) was outstanding at the year end.

Audit Fees

The statutory audit firm earned fees of US\$ 60,000 (31 December 2017: US\$60,000) (including expenses), of which US\$40,000 (31 December 2017: US\$40,000) related to the statutory audit of entity financial statements and US\$20,000 (31 December 2017: US\$20,000) related to tax advisory services (including VAT).

Differences to the figures noted above are in relation to under and over accruals.

Other Fees

The Company also pays out of the assets of each Sub-fund, fees in respect of the publication and circulation of details of Net Asset Value per Share, stamp duties, taxes, brokerage, tax, legal and other professional advisers.

The Company pays fees in respect of the Global Automatic Exchange of Taxpayer Information Services (Foreign Account Tax Compliance Act & Reporting Standard). There is an annual fee of US\$10,000 and further fees based on the volume of reports filed with local tax authorities as well as one time fees.

Operating Expenses – General Reimbursement

A fee cap of 1.35% of total operating expenses is applied to the Pzena Global Value Fund (Class A). If the total expenses exceed this percentage the Investment Manager has agreed to reimburse the Sub-fund by this amount. The Investment Manager may terminate this agreement upon the giving of notice.

During the financial year ended 31 December 2018 US\$116,906 (31 December 2017: US\$14,386) was reimbursed to the Pzena Global Value Fund.

A fee cap of 1.00% of total operating expenses is applied to the Pzena U.S. Large Cap Expanded Value Fund (Class A). If the total expenses exceed this percentage the Investment Manager has agreed to reimburse the Sub-fund by this amount. The Investment Manager may terminate this agreement upon the giving of notice.

During the financial year ended 31 December 2018 US\$92,829 (31 December 2017: US\$78,617) was reimbursed to the Pzena U.S. Large Cap Expanded Value Fund.

A fee cap of 1.55% of total operating expenses is applied to the Pzena Emerging Markets Value Fund (Class A, Class AEU, Class AGD) and 1.75% of total operating expenses to the Class BEU. If the total expenses exceed this percentage the Investment Manager has agreed to reimburse the Sub-fund by this amount. The Investment Manager may terminate this agreement upon the giving of notice.

During the financial year ended 31 December 2018 US\$Nil (31 December 2017: US\$Nil) was reimbursed to the Pzena Emerging Markets Value Fund.

A fee cap of 0.75% of total operating expenses is applied to the Pzena Global Expanded Value Fund (Class A, Class AEU and Class AUD). If the total expenses exceed this percentage the Investment Manager has agreed to reimburse the Sub-fund by this amount. The Investment Manager may terminate this agreement upon the giving of notice.

During the financial year ended 31 December 2018 GBP55,524 (31 December 2017: GBP47,350) was reimbursed to the Pzena Global Expanded Value Fund.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2018

5 Financial Instruments – Risk

In pursuing its investment objectives the Company may hold the following instruments:

- Equities and bonds;
- Participatory Notes;
- Other Funds;
- Cash, liquid resources and short-term debtors and creditors that arise directly from its operations.

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

The Investment Manager assists the Company in risk management and periodically reviews the relevant procedures in place within the Administrator, Depositary and the Investment Manager to ensure that all significant risks of the Company can be identified, monitored and managed at all times.

Market Price Risk

The Investment Manager regularly considers the asset allocation of the portfolio in order to maximise the investment return for the Company while seeking to minimise the risk associated with particular industry sectors and continuing to follow the investment objective. There is, however, no assurance that this objective will be achieved as the value of investments may fall as well as rise and investors may not recoup the original amount invested.

At 31 December 2018 and 31 December 2017, the overall market exposures were as presented in the Sub-funds' Schedule of Investments.

The Investment Manager monitors market price risk on a monthly basis by estimating risk decomposition by market, asset class, sector and market capitalisation.

The benchmark used by the Investment Manager to monitor the performance of the Pzena Global Value Fund is the MSCI ACWI Index (Net of Withholding Tax). The Sub-fund is not managed to the benchmark.

If the MSCI ACWI Index (Net of Withholding Tax) at 31 December 2018 had increased or decreased by 1% (31 December 2017: 1%) with all other variables held constant, this would have increased or reduced net assets attributable to holders of redeemable Shares for Shareholders dealing purposes by approximately US\$8,564 (31 December 2017: US\$72,263).

The benchmark used by the Investment Manager to monitor the performance of the Pzena U.S. Large Cap Expanded Value Fund is the Russell 1000 Value Index. The Sub-fund is not managed to the benchmark.

If the Russell 1000 Value Index at 31 December 2018 had increased or decreased by 1% (31 December 2017: 1%) with all other variables held constant, this would have increased or reduced net assets attributable to holders of redeemable Shares for Shareholders dealing purposes by approximately US\$65,540 (31 December 2017: US\$80,030).

The benchmark used by the Investment Manager to monitor the performance of the Pzena Emerging Markets Value Fund is the MSCI Emerging Markets Index (Net of Withholding Tax). The Sub-fund is not managed to the benchmark.

If the MSCI Emerging Markets Index at 31 December 2018 had increased or decreased by 1% (31 December 2017: 1%) with all other variables held constant, this would have increased or reduced net assets attributable to holders of redeemable Shares for Shareholders dealing purposes by approximately US\$2,896,702 (31 December 2017: US\$1,910,652).

The benchmark used by the Investment Manager to monitor the performance of the Pzena Global Expanded Value Fund is the MSCI World Index (Net of Withholding Tax). The Sub-fund is not managed to the benchmark.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2018

5 Financial Instruments – Risk (Continued)***Market Price Risk (Continued)***

If the MSCI World Index at 31 December 2018 had increased or decreased by 1% (31 December 2017: 1%) with all other variables held constant, this would have increased or reduced net assets attributable to holders of redeemable Shares for Shareholders dealing purposes by approximately GBP727,916 (31 December 2017: GBP789,178).

Some limitations of sensitivity analysis are:

- (i) the models are based on historical data and cannot take account of the fact that future market price movements, correlations between markets and levels of market liquidity in conditions of market stress may bear no relation to historical patterns;
- (ii) the market price risk information is a relative estimate of risk rather than a precise and accurate number;
- (iii) the market price information represents a hypothetical outcome and is not intended to be predictive; and
- (iv) future market conditions could vary significantly from those experienced in the past.

Credit Risk

The Company may be exposed to credit risk with the counterparties with which it executes transactions to purchase and sell securities, and may bear the risk of settlement default.

The Company minimises concentration of credit risk by undertaking transactions with a large number of customers and counterparties on recognised and reputable exchanges. The Company only buys and sells investments through brokers which have been approved by the Investment Manager as an acceptable counterparty.

The Investment Manager monitors the credit risk exposure of the Company on a quarterly basis by reviewing the transaction records to assess deal-pricing, transaction fees and the effectiveness of settlement and reports to the Board on a quarterly basis.

Credit risk also includes the risk of counterparty default. Credit risk is generally higher when a non-exchange traded financial instrument is involved because the counterparty for non-exchange traded financial instruments is not backed by an exchange or clearing house.

Cash held via accounts opened on the books of Brown Brothers Harriman & Co. (“BBH”) are obligations of BBH while cash held in accounts opened directly on the books of a third party cash correspondent bank, sub-custodian or a broker (collectively, “agency accounts”) are obligations of the third party. Cash held via agency cash accounts are liabilities of the third party, creating a debtor/creditor relationship directly between the agent and the Company. Accordingly, while BBH is responsible for exercising reasonable care in the administration of such agency cash accounts where it has appointed the agent (i.e., in the case of cash correspondent banks and sub-custodians), it is not liable for their repayment in the event the agent, by reason of its bankruptcy, insolvency or otherwise, fails to make repayment. Cash is held in unsegregated accounts.

BBH as global sub-custodian for Brown Brothers Harriman Trustee Services (Ireland) Limited (the “Depositary”) performs both the initial and ongoing due diligence on the sub-custodians in its global custody network. Such reviews include an assessment of the sub-custodian’s financial strength and general reputation and standing and, at a minimum, meet the due diligence requirements established by applicable law. The financial analysis is focused on the sub-custodian bank’s capital adequacy, asset quality, financial flexibility and strength, management expertise, earnings, and liquidity as key indicators of its financial standing in the market. These reviews are not audits.

As at 31 December 2018 all of the Company’s investments and overnight deposits were held by the Depositary either directly with BBH (as global sub-custodian), or through its network of sub-custodians and or cash correspondent banks.

The short-term credit rating for BBH is F1; this indicates the strongest intrinsic capacity for timely payment of financial commitments, as rated by Fitch Ratings Inc.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2018

5 Financial Instruments – Risk (Continued)

Credit Risk (Continued)

The short-term credit rating for all other institutions with which cash was held at 31 December 2018 is F1 or F1+; this indicates the strongest or strong intrinsic capacity for timely payment of financial commitments, as rated by Fitch Ratings Inc.

The Investment Manager regularly reviews relationships with brokers including the competitiveness of commissions paid and the quality of reporting/settlement. The Investment Manager reports this to the Board periodically.

In the normal course of business, the Company may utilise Participatory Notes (“P Notes”) to gain access to markets that otherwise might not be accessible to it as a foreign investor. P Notes are issued by banks or broker-dealers and allow the Company to gain exposure to local shares of issuers in foreign markets. P Notes are not used for the purposes of hedging any risks in the Company. They are valued with reference to their underlying securities.

Investments in P Notes involve similar risks associated with a direct investment in the underlying foreign companies or foreign markets that they seek to replicate. Although each P Note is structured with a defined maturity date, early redemption may be possible. Other risks associated with P Notes include the possible failure of a counterparty to perform in accordance with the terms of the agreement and potential delays or an inability to redeem before maturity under certain market conditions. The Company minimises this risk by entering into agreements only with the counterparties that the Investment Manager deems credit worthy. Due to liquidity and transfer restrictions, the secondary markets on which the P Notes are traded may be less liquid than the markets for other securities, or may be completely liquid.

As at 31 December 2018, the Company did not hold any P Notes (31 December 2017: the short-term credit rating for CitiGroup Global Market Holdings Inc. with whom the Company held P Notes was F1+, as rated by Fitch Ratings Inc.).

Liquidity Risk

The Company’s assets comprise of readily realisable securities. The main liability of the Company is the redemption of any Shares that investors wish to sell. Shareholder demand for redemption may cause the Company to dispose of securities at a time when it is not convenient or in the Company’s best interest to do so.

The Company is exposed to daily cash redemptions of redeemable Participating Shares. It therefore invests the majority of its assets in investments that are traded in an active market and can be readily disposed of.

The Investment Manager monitors the liquidity risk of the Company on a monthly basis and reports it to the Board on a quarterly basis.

The following tables analyse the Company’s financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of the discounting is not considered to be significant.

Pzena Global Value Fund	Up to 1 month US\$	1-12 months US\$	Over 12 months US\$	Total US\$
As at 31 December 2018				
Accrued expenses	20,236	24,806	–	45,042
Redeemable Participating Shares	945,138	–	–	945,138
Total Financial Liabilities	965,374	24,806	–	990,180

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2018

5 Financial Instruments – Risk (Continued)

Liquidity Risk (Continued)

Pzena Global Value Fund (Continued)

	Up to 1 month US\$	1-12 months US\$	Over 12 months US\$	Total US\$
As at 31 December 2017				
Accrued expenses	50,099	22,981	–	73,080
Redeemable Participating Shares	6,357,326	–	–	6,357,326
Total Financial Liabilities	6,407,425	22,981	–	6,430,406

Pzena U.S. Large Cap Expanded Value Fund

	Up to 1 month US\$	1-12 months US\$	Over 12 months US\$	Total US\$
As at 31 December 2018				
Accrued expenses	40,246	14,402	–	54,648
Redeemable Participating Shares	6,243,284	–	–	6,243,284
Total Financial Liabilities	6,283,530	14,402	–	6,297,932

	Up to 1 month US\$	1-12 months US\$	Over 12 months US\$	Total US\$
As at 31 December 2017				
Securities purchases payable	92,627	–	–	92,627
Redemptions payable	–	116,295	–	116,295
Accrued expenses	23,550	17,547	–	41,097
Redeemable Participating Shares	7,016,531	–	–	7,016,531
Total Financial Liabilities	7,132,708	133,842	–	7,266,550

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2018

5 Financial Instruments – Risk (Continued)

*Liquidity Risk (Continued)***Pzena Emerging Markets Value Fund**

	Up to 1 month US\$	1-12 months US\$	Over 12 months US\$	Total US\$
As at 31 December 2018				
Securities purchases payable	1,398,049	–	–	1,398,049
Accrued expenses	1,131,968	605,809	–	1,737,777
Redeemable Participating Shares	427,637,014	–	–	427,637,014
Total Financial Liabilities	430,167,031	605,809	–	430,772,840

	Up to 1 month US\$	1-12 months US\$	Over 12 months US\$	Total US\$
As at 31 December 2017				
Organisational fees payable to Investment Manager	–	1,866	–	1,866
Accrued expenses	939,802	841,568	–	1,781,370
Redeemable Participating Shares	330,101,060	–	–	330,101,060
Total Financial Liabilities	331,040,862	843,434	–	331,884,296

Pzena Global Expanded Value Fund

	Up to 1 month GBP	1-12 months GBP	Over 12 months GBP	Total GBP
As at 31 December 2018				
Redemptions payable	–	157,566	–	157,566
Organisational fees payable to Investment Manager	–	3,724	–	3,724
Accrued expenses	160,666	32,495	–	193,161
Redeemable Participating Shares	87,327,955	–	–	87,327,955
Total Financial Liabilities	87,488,621	193,785	–	87,682,406

	Up to 1 month GBP	1-12 months GBP	Over 12 months GBP	Total GBP
As at 31 December 2017				
Redemptions payable	–	180,853	–	180,853
Organisational fees payable to Investment Manager	–	4,570	3,724	8,294
Accrued expenses	158,601	24,870	–	183,471
Redeemable Participating Shares	74,599,544	–	–	74,599,544
Total Financial Liabilities	74,758,145	210,293	3,724	74,972,162

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2018

5 Financial Instruments – Risk (Continued)

Interest Rate Risk

The majority of the Company's financial assets and liabilities are non-interest bearing; as a result, the Company is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. Any excess cash and cash equivalents are invested at short-term market interest rates.

The Company is exposed to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows.

Currency Risk

Changes in exchange rates between currencies or the conversion from one currency to another may also cause the value of the investments to diminish or increase. The Net Asset Value per Share of each Sub-fund is computed in its functional currency, whereas some of the investments may be acquired in other currencies, some of which may be affected by currency movements of a more volatile nature than those of developed countries and some of which may not be freely convertible. In such cases performance may be strongly influenced by movements in foreign exchange rates because currency positions held by a Company may not correspond with the securities positions held by it.

Pzena Global Value Fund

Total Net Assets

Year	CHF US\$000s	DKK US\$000s	EUR US\$000s	GBP US\$000s	HKD US\$000s	JPY US\$000s	KRW US\$000s	SEK US\$000s
31 December 2018	60	18	120	146	38	95	30	5
31 December 2017	400	–	1,004	997	239	589	266	–

Year	SGD US\$000s	TWD US\$000s	USD US\$000s	TOTAL US\$000s
31 December 2018	16	18	399	945
31 December 2017	86	78	2,698	6,357

Pzena U.S. Large Cap Expanded Value Fund

The majority of the financial assets and liabilities of Pzena U.S. Large Cap Expanded Value Fund are denominated in US Dollars and consequently the Fund has no significant exposure to foreign currency risk.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2018

5 Financial Instruments – Risk (Continued)

*Currency Risk (Continued)***Pzena Emerging Markets Value Fund****Total Net Assets**

Year	AED	BRL	CZK	EUR	GBP	HKD	HUF	IDR
	US\$000s	US\$000s	US\$000s	US\$000s	US\$000s	US\$000s	US\$000s	US\$000s
31 December 2018	5,551	15,892	8,164	—	17,381	89,177	4,555	3,356
31 December 2017	4,498	12,828	3,847	3,068	11,989	70,031	6,031	3,253

Year	INR	KRW	MYR	PLN	RON	SGD	THB	TRY
	US\$000s	US\$000s	US\$000s	US\$000s	US\$000s	US\$000s	US\$000s	US\$000s
31 December 2018	19,282	69,471	7,122	5,112	3,363	10,312	12,832	4,580
31 December 2017	—	59,970	4,838	4,301	—	6,652	8,518	6,475

Year	TWD	USD	ZAR	TOTAL
	US\$000s	US\$000s	US\$000s	US\$000s
31 December 2018	44,742	93,932	12,813	427,637
31 December 2017	27,356	85,908	10,538	330,101

Pzena Global Expanded Value Fund**Total Net Assets**

Year	CHF	DKK	EUR	GBP	HKD	JPY	KRW	SEK
	GBP000s	GBP000s	GBP000s	GBP000s	GBP000s	GBP000s	GBP000s	GBP000s
31 December 2018	5,166	1,481	11,018	12,782	2,588	8,348	2,166	1,497
31 December 2017	4,127	—	13,258	12,437	1,674	8,355	3,093	—

Year	SGD	TWD	USD	TOTAL
	GBP000s	GBP000s	GBP000s	GBP000s
31 December 2018	884	2,408	39,119	87,457
31 December 2017	635	546	30,312	74,437

The tables overleaf show the estimated change in the market value of investments given a 5% movement in the underlying currency against the base currency of each Sub-fund. The market value of each currency is made up of its investments, cash, receivables and payables.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2018

5 Financial Instruments – Risk (Continued)

Currency Risk (Continued)

An average of 5% is deemed an appropriate sensitivity for movement in foreign exchange in a year by the Investment Manager as currencies will have different correlations and generally will not all move in the same direction by the same amount but 5% is deemed a significant movement. Movements above 5% are deemed to be longer term and less likely to reverse in the shorter term.

Pzena Global Value Fund

Total Net Assets

Year	CHF US\$	DKK US\$	EUR US\$	GBP US\$	HKD US\$	JPY US\$	KRW US\$	SEK US\$
31 December 2018	3,014	878	6,001	7,299	1,914	4,740	1,484	271
31 December 2017	19,989	=	50,232	49,844	11,981	29,468	13,278	=

Year	SGD US\$	TWD US\$	TOTAL US\$
31 December 2018	824	897	27,322
31 December 2017	4,289	3,904	182,985

Pzena Emerging Markets Value Fund

Total Net Assets

Year	AED US\$	BRL US\$	CZK US\$	EUR US\$	GBP US\$	HKD US\$	HUF US\$	IDR US\$
31 December 2018	277,535	794,615	408,218	=	869,050	4,458,838	227,773	167,797
31 December 2017	224,890	641,386	192,359	153,412	599,466	3,501,552	301,525	162,635

Year	INR US\$	KRW US\$	MYR US\$	PLN US\$	RON US\$	SGD US\$	THB US\$	TRY US\$
31 December 2018	964,128	3,473,555	356,093	255,608	168,141	515,590	641,579	228,981
31 December 2017	=	2,998,506	241,908	215,043	=	332,596	425,911	323,744

Year	TWD US\$	ZAR US\$	TOTAL US\$
31 December 2018	2,237,098	640,671	16,685,270
31 December 2017	1,367,814	526,892	12,209,639

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2018

5 Financial Instruments – Risk (Continued)

Currency Risk (Continued)

Pzena Global Expanded Value Fund

Total Net Assets

Year	CHF	DKK	EUR	HKD	JPY	KRW	SEK	SGD
	GBP	GBP	GBP	GBP	GBP	GBP	GBP	GBP
31 December 2018	258,299	74,068	550,902	129,417	417,393	108,303	74,841	44,199
31 December 2017	206,344	–	662,901	83,696	417,766	154,664	–	31,755

Year	TWD	USD	TOTAL
	GBP	GBP	GBP
31 December 2018	120,388	1,955,971	3,733,781
31 December 2017	27,273	1,515,582	3,099,981

Fair Value Estimation

FRS 102 Section 11.27 on “Fair Value: Disclosure” requires disclosure relating to the fair value hierarchy in which fair value measurements are categorised for assets and liabilities. The disclosures are based on a three level fair value hierarchy for the inputs used in valuation techniques to measure fair value.

The fair value hierarchy has the following levels:

Level 1:

Investments whose values are based on quoted market prices in active markets, and therefore classified within Level 1, include active listed equities. Quoted prices for these instruments are not adjusted.

Level 2:

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These include investment-grade corporate bonds and certain non-US sovereign obligations and over-the-counter derivatives. As Level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

Level 3:

Investments classified within Level 3 have significant unobservable inputs, as they trade infrequently. Level 3 instruments include certain corporate debt securities. Pricing inputs are unobservable for the investments and include situations where there is little, if any, market activity for the instrument. As observable prices are not available for these securities, each Sub-fund would have used valuation techniques to derive the fair value if applicable.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety, 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 observable inputs that require significant adjustment based on unobservable inputs, 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 financial asset or liability.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2018

5 Financial Instruments – Risk (Continued)

Fair Value Estimation (Continued)

The determination of what constitutes ‘observable’ requires significant judgement by the Directors in consultation with the Investment Manager. The Directors consider 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.

The following tables analyse within the fair value hierarchy the Sub-funds’ financial assets and liabilities measured at fair value at 31 December 2018 and as at 31 December 2017:

Pzena Global Value Fund

31 December 2018	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial Assets at fair value through profit or loss:				
Common Stock	942,965	–	–	942,965
Total Assets	942,965	–	–	942,965

Transfers into and out of levels are recognised at the end of the reporting period. There were no transfers into or out of Level 3 during the financial year ended 31 December 2018.

Pzena Global Value Fund

31 December 2017	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial Assets at fair value through profit or loss:				
Common Stock	6,255,330	–	–	6,255,330
Total Assets	6,255,330	–	–	6,255,330

Transfers into and out of levels are recognised at the end of the reporting period. There were no transfers into or out of Level 3 during the financial year ended 31 December 2017.

Pzena U.S. Large Cap Expanded Value Fund

31 December 2018	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial Assets at fair value through profit or loss:				
Common Stock	6,161,176	–	–	6,161,176
Total Assets	6,161,176	–	–	6,161,176

Transfers into and out of levels are recognised at the end of the reporting period. There were no transfers into or out of Level 3 during the financial year ended 31 December 2018.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2018

5 Financial Instruments – Risk (Continued)

*Fair Value Estimation (Continued)***Pzena U.S. Large Cap Expanded Value Fund**

31 December 2017	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial Assets at fair value through profit or loss:				
Common Stock	6,678,709	–	–	6,678,709
Total Assets	6,678,709	–	–	6,678,709

Transfers into and out of levels are recognised at the end of the reporting period. There were no transfers into or out of Level 3 during the financial year ended 31 December 2017.

Pzena Emerging Markets Value Fund

31 December 2018	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial Assets at fair value through profit or loss:				
Common Stock	405,245,705	–	–	405,245,705
Total Assets	405,245,705	–	–	405,245,705

Transfers into and out of levels are recognised at the end of the reporting period. There were no transfers into or out of Level 3 during the financial year ended 31 December 2018.

Pzena Emerging Markets Value Fund

31 December 2017	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial Assets at fair value through profit or loss:				
Common Stock	305,787,086	–	–	305,787,086
Participatory Notes	–	17,214,105	–	17,214,105
Total Assets	305,787,086	17,214,105	–	323,001,191

Transfers into and out of levels are recognised at the end of the reporting period. There were no transfers into or out of Level 3 during the financial year ended 31 December 2017.

Pzena Global Expanded Value Fund

31 December 2018	Level 1 GBP	Level 2 GBP	Level 3 GBP	Total GBP
Financial Assets at fair value through profit or loss:				
Common Stock	85,471,024	–	–	85,471,024
Total Assets	85,471,024	–	–	85,471,024

Transfers into and out of levels are recognised at the end of the reporting period. There were no transfers into or out of Level 3 during the financial year ended 31 December 2018.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2018

5 Financial Instruments – Risk (Continued)

Fair Value Estimation (Continued)

Pzena Global Expanded Value Fund

31 December 2017	Level 1 GBP	Level 2 GBP	Level 3 GBP	Total GBP
Financial Assets at fair value through profit or loss:				
Common Stock	72,302,366	–	–	72,302,366
Total Assets	72,302,366	–	–	72,302,366

Transfers into and out of levels are recognised at the end of the reporting period. There were no transfers into or out of Level 3 during the financial year ended 31 December 2017.

6 Related Party Transactions

Related Party Transactions

The Company considers that the Investment Manager, Manager, and the Directors are related parties. The following transactions were entered into with related parties:

Pzena Investment Management LLC as “Investment Manager” earned a management fee of US\$4,315,999 (31 December 2017: US\$4,259,971) of which US\$283,859 (31 December 2017: US\$154,042) was reimbursed during the year. Investment management fees of US\$1,133,787 (31 December 2017: US\$1,011,781) were payable at the year end. Details of the reimbursement amounts are included in Note 4.

DMS Investment Management Services (Europe) Limited as “Manager” earned a Manager fee of US\$146,524 for the financial year ended 31 December 2018 (31 December 2017: US\$69,138). Manager fees of US\$92,346 (31 December 2017: US\$69,822) were payable at the year end.

During the financial year ended 31 December 2018, Adrian Waters and Denise Kinsella received US\$51,638 (31 December 2017: US\$53,610) in Directorship fees. Directorship fees of US\$13,351 (31 December 2017: US\$17,033) were payable to Adrian Waters and Denise Kinsella at the year end.

In 2012 the Investment Manager paid US\$25,236 in preliminary expenses on behalf of the Pzena U.S. Large Cap Expanded Value Fund. The adjustments for financial reporting purposes have been fully written off over the last five years. There will be no further adjustments since 2018.

In 2013 the Investment Manager paid US\$33,361 in preliminary expenses on behalf of the Pzena Emerging Markets Value Fund of which US\$Nil (31 December 2017: US\$1,866) was due to the Investment Manager from the Company at the year end.

In 2014 the Investment Manager paid GBP22,852 in preliminary expenses on behalf of the Pzena Global Expanded Value Fund of which GBP3,724 (31 December 2017: GBP8,294) was due to the Investment Manager from the Company at year end.

7 Soft Commission Arrangements

When purchasing and selling securities for the Company, the Investment Manager will obtain the best execution available to the Company. When selecting broker-dealers to execute portfolio transactions for the Company, consideration is given to such factors as the price of the security, the rate of any commission, the size and difficulty of the order, the reliability, integrity, financial condition, general execution and operational capabilities for competing broker-dealers, and brokerage or research services that they provide.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2018

7 Soft Commission Arrangements (Continued)

The Investment Manager trades soft dollar commission in conjunction with best execution policy. As a result, the Company is deemed to be paying for research products and services with “soft” or commission dollars. These services include: advice, either directly or through publications or writing, as to the value of securities, the advisability of investing in, purchasing or selling securities, and the availability of securities or purchasers or sellers of securities; furnishing of analyses and reports concerning issuers, securities or industries; providing information on economic factors and trends; and other products or services (e.g., quotation equipment and certain computer-related costs and expenses).

The products and services available from brokers include both internally generated items (such as research reports prepared by employees of the broker) as well as items acquired by the broker from third parties (such as quotation equipment). Such services are used by the Investment Manager in connection with its investment decision-making process with respect to one or more accounts managed by the Investment Manager and may not be used exclusively with respect to the Company.

The Investment Manager, in accordance with the Investment Manager counterparty selection policy selects the executing brokers used by the Company. Neither the Investment Manager nor any of its affiliates share directly in any of the revenues generated by the Company’s brokerage or over-the-counter transactions.

The Investment Manager utilises a minimum number of soft dollar brokers to administer soft dollar payments to third party vendors. As trades are executed with the Investment Manager’s soft dollar brokers, the commissions are not allocated to any specific expense, but aggregated in an account that can be used to pay any number of vendors. Commissions from any one client are not allocated to any individual expense.

During the financial year ended 31 December 2018, the brokers received US\$162,961 in commissions (31 December 2017: US\$495,804) all of which relates to third party commissions paid by the Company.

8 Subscription charges, Redemption charges and Swing Pricing

Shares are issued on each Subscription Date at a price equal to the Net Asset Value per Share as at the Valuation Point on the Valuation Date immediately preceding the Subscription Date. Shares are redeemed on each Redemption Date at a price equal to the Net Asset Value per Share as at the Valuation Point on the Valuation Date immediately preceding the Redemption Date.

At the discretion of the Directors, charges on subscriptions and redemptions may be levied up to the amounts as per the table below.

Fund	Subscription charge	Redemption charge
Pzena Global Value Fund	up to 0.40%	up to 0.35%
Pzena U.S. Large Cap Expanded Value Fund	up to 0.15%	up to 0.15%
Pzena Emerging Markets Value Fund	up to 0.50%	up to 0.50%
Pzena Global Expanded Value Fund	N/A	N/A

Subscription Charge

The total value of subscriptions for the year was US\$221,361,385 (31 December 2017: US\$117,993,880). The subscription charge for the period is US\$1,815 (31 December 2017: US\$229,438).

Redemption Charge

The total value of redemptions for the year was US\$58,563,750 (31 December 2017: US\$175,088,727). The redemption charge for the period is US\$9,950 (31 December 2017: US\$83,877).

Swing Pricing

Since 30 June 2014, the Sub-fund Pzena Global Expanded Value Fund applied a swing-pricing mechanism to counter the dilution of the Sub-fund’s assets and protect Shareholders from the impact of transaction costs arising from subscription and redemption activity. The Sub-fund will adopt a ‘full swing’ approach and adjust the Net Asset Value on every Subscription Date or Redemption Date where there is net capital activity, using a swing factor.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2018

8 Subscription charges, Redemption charges and Swing Pricing (Continued)

Swing Pricing (Continued)

The direction of the swing will be determined by the net capital flows and may be adjusted upwards or downwards. If the net capital activity on any Subscription Date leads to a net inflow of assets, the Net Asset Value will be adjusted upwards by the swing factor to reflect the costs incurred in purchasing investments to satisfy subscriptions. If the net capital activity on any Redemption Date leads to a net outflow of assets, the Net Asset Value will be adjusted downwards by the swing factor to reflect the costs incurred in liquidating investments to satisfy redemptions.

9 Dividend Policy

The Directors do not anticipate paying a dividend in respect of the Accumulating Shares. If sufficient net income (i.e. income less expenses) is available in the Fund, the Directors have the discretion to make a single distribution to holders of Distributing Shares of substantially the whole of the net income of the Fund attributable to such Distributing Shares.

Any dividend payment in respect of a Fund shall be made in accordance with the dividend policy of that Fund as set out in the applicable Supplement to the Prospectus.

10 Efficient Portfolio Management

Each Sub-fund may employ techniques and instruments relating to transferable securities and/or other financial instruments in which they invest for investment purposes or hedging.

Where the Sub-funds invest in financial derivative instruments for such purposes, a risk management process will be submitted to the Central Bank by the Company, prior to the Sub-funds engaging in such transactions in accordance with the Central Bank's requirements. The Company on behalf of each Sub-fund, will on request, provide supplementary information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

The Investment Manager did not use any derivative instruments during the year (31 December 2017: Nil).

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2018

11 Exchange Rates

The following exchange rates to US Dollars were used as at 31 December 2018 and 31 December 2017:

Currency	31 December 2018	31 December 2017
Brazilian Real	3.87575	3.31710
British Sterling Pound	0.78518	0.73923
Czech Koruna	22.51410	21.26000
Danish Krone	6.52795	N/A
Euro	0.87478	0.83278
Hong Kong Dollar	7.82935	7.81730
Hungarian Forint	280.62810	258.33195
Indian Rupee	69.81500	N/A
Indonesian Rupiah	14,380.00000	13,567.50000
Japanese Yen	109.71500	112.65000
Malaysian Ringgit	4.13250	4.04700
Polish Zloty	3.75675	3.47480
Romanian Leu	4.07210	N/A
Singapore Dollar	1.36300	1.33640
South African Rand	14.38500	12.38000
South Korean Won	1,115.80000	1,070.55000
Swedish Krona	8.86585	N/A
Swiss Franc	0.98580	0.97450
Taiwan Dollar	30.73700	29.75850
Thailand Baht	32.56000	32.59000
Turkish Lira	5.31990	3.79160
United Arab Emirates Dirham	3.67315	3.67280

The following exchange rates to GBP were used as at 31 December 2018 and 31 December 2017:

Currency	31 December 2018	31 December 2017
Danish Krone	8.34231	N/A
Euro	1.11715	1.12839
Hong Kong Dollar	10.01511	10.56928
Japanese Yen	140.68168	152.25542
Singapore Dollar	1.74287	1.80795
South Korean Won	1,425.93418	1,444.19821
Swedish Krona	11.44724	N/A
Swiss Franc	1.25829	1.32081
Taiwan Dollar	39.14637	40.12421
US Dollar	1.27875	1.35260

12 Segregated Liability

The Company is established as a segregated portfolio company. As a matter of Irish law, the assets of one of the sub-funds 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 sub-fund will not seek to enforce such sub-fund's obligations against another sub-fund.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2018

13 Significant Shareholders

As at 31 December 2018, together with comparative figures for 31 December 2017, a Shareholder of Pzena Global Value Fund had interests in excess of 20% of the issued Share Capital. The number of Shares held were 6,836 which amounted to 85.47% of the Share Capital (31 December 2017: 36,250 Shares held which amounted to 82.05% of Share Capital).

As at 31 December 2018, together with comparative figures for 31 December 2017, two Shareholders of Pzena U.S. Large Cap Expanded Value Fund had interests in excess of 20% of the issued Share Capital. The number of Shares held were 22,571 and 8,631 which amounted to 72.34% and 27.66% of the Share Capital respectively (31 December 2017: 22,269 and 7,574 Shares held which amounted to 74.62% and 25.38% of the Share Capital respectively).

As at 31 December 2018, together with comparative figures for 31 December 2017, two Shareholders of Pzena Emerging Markets Value Fund Class A had interests in excess of 20% of the issued Share Capital. The numbers of Shares held were 1,448,148 and 573,077 which amounted to 51.55% and 20.40% of the Share Capital respectively (31 December 2017: 1,235,205 and 524,862 Shares held which amounted to 62.59% and 26.60% of the Share Capital respectively). As at 31 December 2018, together with comparative figures for 31 December 2017, a Shareholder of Pzena Emerging Markets Value Fund Class AEU had interests in excess of 20% of the issued Share Capital. The numbers of Shares held were 519,993 which amounted to 86.72% of the Share Capital (31 December 2017: 517,598 Shares held which amounted to 90.00% of the Share Capital). As at 31 December 2018, a Shareholder of Pzena Emerging Markets Value Fund Class AGD had interests in excess of 20% of the issued Share Capital. The numbers of Shares held were 278,459 which amounted to 100.00% of the Share Capital. As at 31 December 2018, two Shareholders of Pzena Emerging Markets Value Fund Class BEU had interests in excess of 20% of the issued Share Capital. The numbers of Shares held were 2,050 and 2,008 which amounted to 50.51% and 49.49% of the Share Capital respectively.

As at 31 December 2018, together with comparative figures for 31 December 2017, two Shareholders of Pzena Global Expanded Value Fund Class A had interests in excess of 20% of the issued Share Capital. The number of Shares held were 267,500 and 153,189 which amounted to 55.68% and 31.88% of the Share Capital respectively (31 December 2017: 230,904 and 146,546 Shares held which amounted to 51.99% and 32.99% of the Share Capital respectively). As at 31 December 2018, together with comparative figures for 31 December 2017, a Shareholder of Pzena Global Expanded Value Fund Class AEU had interests in excess of 20% of the issued Share Capital. The number of Shares held were 56,927 which amounted to 90.52% of the Share Capital (31 December 2017: 55,159 Shares held which amounted to 87.49% of Share Capital). As at 31 December 2018, a Shareholder of Pzena Global Expanded Value Fund Class AUD had interests in excess of 20% of the issued Share Capital. The number of Shares held were 237,525 which amounted to 100.00% of the Share Capital.

14 Adjustment in Relation to Unamortised Preliminary Expenses

Preliminary expenses of the Pzena Global Value Fund were fully amortised during the financial year ended 31 December 2012, therefore there have been no further adjustments for financial reporting purposes since then.

As at 31 December 2012, US\$25,236 preliminary expenses were written off in full in the Statement of Comprehensive Income of the Pzena U.S. Large Cap Expanded Value Fund in accordance with FRS 102. However, in accordance with the Prospectus dated 14 December 2018 and applicable Supplement, the Net Asset Value reported each month reflects these preliminary expenses written off over a period of sixty months. Consequently in the current year US\$Nil (31 December 2017: US\$ Nil) adjusts the carrying amount of Net Assets attributed to Redeemable Participating Shareholders to the redemption amount and the change in the adjustment for the amount of US\$Nil (31 December 2017: US\$(2,321)) is recognised in the Statement of Comprehensive Income.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2018

14 Adjustment in Relation to Unamortised Preliminary Expenses (Continued)

As at 31 December 2013, US\$33,361 preliminary expenses were written off in full in the Statement of Comprehensive Income of the Pzena Emerging Markets Value Fund in accordance with FRS 102. However, in accordance with the Prospectus dated 14 December 2018 and applicable Supplement, the Net Asset Value reported each month reflects these preliminary expenses written off over a period of sixty months. Consequently in the current year US\$Nil (31 December 2017: US\$493) adjusts the carrying amount of Net Assets attributed to Redeemable Participating Shareholders to the redemption amount and the change in the adjustment for the amount of US\$(493) (31 December 2017: US\$(6,672)) is recognised in the Statement of Comprehensive Income.

As at 31 December 2014, GBP22,852 preliminary expenses were written off in full in the Statement of Comprehensive Income of the Pzena Global Expanded Value Fund, in accordance with FRS 102. However, in accordance with the Prospectus dated 14 December 2018 and applicable Supplement, the Net Asset Value reported each month reflects these preliminary expenses written off over a period of sixty months. Consequently in the current year GBP2,193 (31 December 2017: GBP6,763) adjusts the carrying amount of Net Assets attributed to Redeemable Participating Shareholders to the redemption amount and the change in the adjustment for the amount of GBP(4,570) (31 December 2017: GBP(4,570)) is recognised in the Statement of Comprehensive Income.

15 Significant Events during the Year

For the Pzena Global Expanded Value Fund a new Class AUD was launched on 3 April 2018.

For the Pzena Emerging Markets Value Fund a new Class AGD was launched on 1 May 2018.

For the Pzena Emerging Markets Value Fund a new Class BEU was launched on 11 July 2018.

A new supplement to the prospectus for Pzena Global Expanded Value Fund was released on 27 February 2018.

A new supplement to the prospectus for Pzena Emerging Markets Value Fund was released on 27 March 2018.

A new prospectus for the Company was released on 14 December 2018, to incorporate changes in policies and restrictions, legal representation, UK Political Environment referred to Brexit, Investment Manager's assets under management amount, data protection, Net Asset Value valuation, FATCA implementation as well as United States tax.

There were no other significant events affecting the Company during the year.

16 Significant Events after the Year End

Dividends in respect of distributing classes of Shares were declared since the financial year ended are shown below:

Pzena Emerging Markets Value Fund

Ex Date	Record Date	Share Class	Dividend/Share (USD)
2 January 2019	31 December 2018	AGD	2.62616

Pzena Global Expanded Value Fund

Ex Date	Record Date	Share Class	Dividend/Share (GBP)
2 January 2019	31 December 2018	AUD	0.97783

Effective 1 March 2019, Brown Brothers Harriman Fund Administration Services (Ireland) Limited ceased as Administrator, Registrar and Transfer Agent for the Company and this transferred to Northern Trust International Fund Administration Services (Ireland) Limited. Similarly on 1 March 2019, Brown Brothers Harriman Trustee Services (Ireland) Limited ceased as Depository with this function transferring to Northern Trust Fiduciary Services (Ireland) Limited.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the financial year ended 31 December 2018

16 Significant Events after the Year End (Continued)

A new prospectus for the Company as well as supplements to the prospectus for Pzena Global Value Fund, Pzena U.S. Large Cap Expanded Value Fund, Pzena Emerging Markets Value Fund and Pzena Global Expanded Value Fund were released on 4 March 2019 to incorporate appointment of Northern Trust as the Administrator, Registrar, Transfer Agent and Depositary.

There were no other significant events affecting the Company since the year end.

17 Comparative Figures

The comparative figures stated in the financial statements are those for the financial year ended 31 December 2017.

18 Approval of Financial Statements

The Board of Directors approved the annual report and audited financial statements on 23 April 2019.

STATEMENT OF CHANGES IN THE PORTFOLIO – PZENA GLOBAL VALUE FUND (UNAUDITED)
For the financial year ended 31 December 2018

In accordance with the Central Bank (Supervision and Enforcement) Act 2013 (section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (S.I. No. 420 of 2015), a statement of changes in the composition of the Schedule of Investments during the reporting period is provided to ensure that Shareholders can identify changes in the investments held by the Company. These statements present the aggregate purchases and sales of transferable securities exceeding 1% of the total value of purchases and sales for the period. At a minimum the largest 20 purchases and 20 sales must be given.

Aggregate largest purchases

Security Description	Acquisitions Nominal	Cost US\$
General Electric	12,764	147,747
National Oilwell Varco	2,847	123,204
Edison International	1,894	122,116
Newell Brands	4,499	121,562
Telefonaktiebolaget LM Ericsson	18,871	121,282
Fujitsu	11,000	65,776
Travis Perkins	3,933	58,021
Hon Hai Precision Industry	19,000	53,484
Wells Fargo	778	43,672
Omnicom Group	443	33,755
J Sainsbury	9,284	33,577
Cognizant Technology Solutions	406	31,339
Capital One Financial	273	27,464
China Mobile	2,500	23,015
American International Group	420	20,831
Inpex	1,900	20,403
Barclays	8,794	20,343
AP Moller - Maersk	14	18,309
Standard Chartered	2,166	17,274
HSBC Holdings	224	1,904

STATEMENT OF CHANGES IN THE PORTFOLIO – PZENA GLOBAL VALUE FUND (UNAUDITED)
 (Continued)
 For the financial year ended 31 December 2018

Aggregate sales greater than one percent of the total value of sales	Disposals Nominal	Proceeds US\$
Security Description		
Hewlett Packard Enterprise	9,897	159,081
Omnicom Group	2,274	155,873
Fujitsu	2,300	154,235
Telefonaktiebolaget LM Ericsson	18,255	153,740
Roche Holding	633	150,777
J Sainsbury	36,580	149,427
XL Group	2,656	148,188
Travis Perkins	10,314	138,986
Mylan	4,136	136,321
Eni	7,110	134,197
Avnet	3,343	133,692
China Mobile	13,000	127,142
Wal-Mart Stores	1,362	125,079
Inpex	9,900	121,704
Oracle	2,561	120,823
McKesson	906	118,153
POSCO	449	117,689
Total	1,880	116,568
General Electric	9,384	114,733
Voya Financial	2,428	112,633
Royal Dutch Shell	3,320	109,082
Lenovo Group	174,000	108,190
Edison International	1,581	107,458
Citigroup	1,562	107,440
Schneider Electric	1,394	100,271
Dover	1,200	99,473
American International Group	1,944	95,676
Honda Motor	3,500	94,755
Cognizant Technology Solutions	1,319	94,049
Capital One Financial	1,046	93,947
News Corp Class A	7,299	93,476
Tesco	32,399	92,615
National Oilwell Varco	2,205	90,934
Isuzu Motors	2,205	88,022
Morgan Stanley	2,005	87,074
Volkswagen Preference Shares	521	85,292
Vodafone Group	42,480	85,024
Wells Fargo	1,582	81,684
Standard Chartered	10,843	80,011
Bank of America	2,777	78,454
Hon Hai Precision Industry	34,000	77,743
Enel	15,142	75,693
Barclays	33,346	72,009
Gazprom	13,675	69,818
Hana Financial Group	1,760	66,884
Franklin Resources	2,338	65,994
Wilmar International	29,900	65,793
UBS Group	4,592	65,612
Royal Bank of Scotland Group	20,049	64,080
Sony	1,300	63,908
HSBC Holdings	7,509	61,951
Credit Suisse Group	4,430	59,746
Newell Brands	3,289	57,317

PZENA VALUE FUNDS PLC

STATEMENT OF CHANGES IN THE PORTFOLIO – PZENA U.S. LARGE CAP EXPANDED VALUE
FUND (UNAUDITED)

For the financial year ended 31 December 2018

Aggregate purchases greater than one percent of the total cost of purchases

Security Description	Acquisitions Nominal	Cost US\$
General Electric	26,968	313,558
Amgen	1,174	215,012
Lear	1,299	186,341
Ford Motor	16,262	179,841
Newell Brands	5,955	160,489
AXA Equitable Holdings	7,455	153,319
Edison International	2,128	131,396
American International Group	2,314	127,014
Merck	2,212	124,182
MetLife	2,431	115,207
Capital One Financial	1,110	108,109
National Oilwell Varco	2,477	107,417
Royal Dutch Shell	1,456	97,405
Morgan Stanley	1,908	84,790
Mylan	2,014	84,616
Cognizant Technology Solutions	1,124	82,090
KKR	2,884	78,844
Oracle	1,523	72,447
Exxon Mobil	831	68,734
Cigna	364	67,052
Wells Fargo	1,048	65,412
Juniper Networks	2,336	64,439
Avangrid	1,208	59,984
XL Group	1,576	54,382
Citigroup	701	52,911
McKesson	332	51,324
Axis Capital	942	47,120
JPMorgan Chase	404	43,730
Dover	400	41,347
Pfizer	1,131	41,018
Hewlett Packard Enterprise	2,628	39,385

STATEMENT OF CHANGES IN THE PORTFOLIO – PZENA U.S. LARGE CAP EXPANDED VALUE FUND (UNAUDITED) (Continued)

For the financial year ended 31 December 2018

Aggregate sales greater than one percent of the total value of sales		
Security Description	Disposals Nominal	Proceeds US\$
XL Group	3,770	201,451
Cigna	781	160,204
Regions Financial	6,962	133,153
State Street	1,332	130,043
Hilton Worldwide Holdings	1,573	128,673
Merck	1,757	121,076
Express Scripts Holding	1,047	101,948
Amgen	493	97,804
Murphy Oil	2,886	97,134
Wal-Mart Stores	984	96,475
Microsoft	991	93,507
TE Connectivity	893	87,876
Pfizer	1,977	84,114
PG&E	1,977	83,727
Seagate Technology	1,535	75,183
BP	1,687	73,311
UBS Group	4,342	70,585
Royal Dutch Shell	1,007	68,600
Citigroup	963	67,462
Cisco Systems	1,500	67,286
Oracle	1,190	59,553
Hewlett Packard Enterprise	3,359	58,943
Omnicom Group	716	55,035
Parker Hannifin	259	54,105
Exxon Mobil	649	53,369
ConocoPhillips	715	49,971
Avangrid	968	48,623
Micro Focus International	2,848	48,250
Qualcomm	633	46,133
Allstate	442	44,237
Stanley Black & Decker	254	44,224
Ford Motor	4,112	44,119
Dover	467	41,313
Apergy	1,004	39,829
Willis	260	38,956
Citizens Financial Group	1,002	37,595
Bank of America	1,095	33,765

STATEMENT OF CHANGES IN THE PORTFOLIO – PZENA EMERGING MARKETS VALUE FUND
(UNAUDITED)

For the financial year ended 31 December 2018

Aggregate purchases greater than one percent of the total cost of purchases		
Security Description	Acquisitions Nominal	Cost US\$
State Bank of India	203,010	9,332,762
NTPC	3,145,190	7,547,359
Realtek Semiconductor	1,639,000	7,376,554
Huadian Power International	17,456,000	7,250,933
Hon Hai Precision Industry	2,474,000	7,134,846
Siam Commercial Bank	1,568,100	6,623,240
Taiwan Semiconductor Manufacturing	793,000	6,011,467
Lite-On Technology	4,518,000	5,904,890
Flextronics International	549,139	5,844,007
Shinhan Financial Group	135,710	5,578,117
Genting Malaysia Bhd	6,267,600	5,550,044
Standard Chartered	625,054	4,980,543
Baidu	25,995	4,938,747
Hyundai Motor	60,881	4,919,378
CEZ	178,841	4,441,191
Punjab National Bank	3,922,950	4,415,874
Compania Energetica de Minas Gerais	1,331,000	4,399,420
Dongfeng Motor Group	4,496,000	4,274,923
Catcher Technology	502,000	4,148,432
NHPC	10,215,087	4,124,518
Pacific Basin Shipping	18,117,438	4,116,650
Grand Baoxin Auto Group	12,546,500	3,991,726
POSCO	16,943	3,979,314
Banca Transilvania	6,659,200	3,925,945
Wilmar International	1,627,900	3,764,197
Antofagasta	372,902	3,722,929
ICICI Bank	849,633	3,699,248
Telefonica Brasil	291,507	3,393,441
China Agri-Industries Holdings	8,979,000	3,333,962
Cia de Saneamento Basico do Estado de Sao Paulo	456,100	3,301,839
China Mobile	335,000	3,080,706
Lenovo Group	5,618,000	2,700,783
MMC Norilsk Nickel PJSC	143,738	2,429,888
Akbank TAS	1,059,073	2,306,542
Reunert	464,958	2,284,432
KB Financial Group	48,560	2,043,922
Hyundai Heavy Industries	17,085	1,904,835

STATEMENT OF CHANGES IN THE PORTFOLIO – PZENA EMERGING MARKETS VALUE FUND
(UNAUDITED) (Continued)
For the financial year ended 31 December 2018

Total sales	Disposals	Proceeds
Security Description	Nominal	US\$
Taiwan Semiconductor Manufacturing	854,000	6,517,228
Bangkok Bank XDR	666,500	4,111,895
China Mobile	427,000	3,989,014
Reliance Industries	118,643	3,572,213
Gazprom	765,152	3,487,074
China Shineway Pharmaceutical Group	1,547,250	2,889,118
State Bank of India	66,589	2,881,972
Randon Participacoes	856,244	2,025,845
Usinas Siderurgicas de Minas Gerais	719,725	2,023,909
Alpha Bank	717,871	1,831,757
Lukoil	21,900	1,478,865
National Bank of Greece	1,999,060	1,138,898
Magyar Telekom Telecommunications	751,138	1,084,580
Rosneft	138,450	867,195
Petroleo Brasileiro	122,800	806,086
National Bank of Greece	1,778,016	753,370
Baidu	2,805	745,797
Cognizant Technology Solutions	8,396	690,600
Pacific Basin Shipping	2,330,000	648,889
Hon Hai Precision Industry	267,000	634,575
Telefonica Brasil	43,718	494,879

**STATEMENT OF CHANGES IN THE PORTFOLIO – PZENA GLOBAL EXPANDED VALUE FUND
(UNAUDITED)**

For the financial year ended 31 December 2018

Aggregate purchases greater than one percent of the total cost of purchases

Security Description	Acquisitions Nominal	Cost GBP
General Electric	402,482	2,947,673
National Oilwell Varco	74,909	2,344,709
Newell Brands	96,310	1,918,463
Edison International	38,729	1,829,617
Telefonaktiebolaget LM Ericsson	325,447	1,588,648
AP Moller - Maersk	1,510	1,465,791
Hon Hai Precision Industry	687,000	1,406,633
Fujitsu	297,000	1,286,953
American International Group	32,509	1,192,769
Enel	259,540	1,152,170
Interpublic Group	58,424	1,031,237
Travis Perkins	78,488	988,535
Vodafone Group	508,086	960,310
Taiwan Semiconductor Manufacturing	162,000	940,953
Roche Holding	5,295	866,183
Capital One Financial	12,369	845,300
Inpex	93,900	793,252
Cognizant Technology Solutions	13,642	787,507
Oracle	22,445	760,107
McKesson	6,458	701,030
Wells Fargo	18,073	698,842
Standard Chartered	99,668	683,131
J Sainsbury	257,476	646,472
HSBC Holdings	89,792	620,502
ING Groep	53,758	599,541
Tesco	279,915	597,918
Avnet	20,218	589,663
Lenovo Group	1,478,000	563,694
Merck	13,452	558,851
China Mobile	82,000	551,263
Schneider Electric	7,454	473,180
Royal Bank of Scotland Group	177,399	456,809
Citigroup	8,657	443,236
UBS Group	35,691	434,608
Hewlett Packard Enterprise	34,112	426,426
Pfizer	16,181	421,881
Mylan	14,697	417,613

STATEMENT OF CHANGES IN THE PORTFOLIO – PZENA GLOBAL EXPANDED VALUE FUND
 (UNAUDITED) (Continued)
 For the financial year ended 31 December 2018

Aggregate sales greater than one percent of the total value of sales		
Security Description	Disposals Nominal	Proceeds GBP
Eni	132,600	1,896,508
Sony	34,900	1,291,168
J Sainsbury	397,144	1,218,168
Cisco Systems	26,706	983,192
Koninklijke Philips Electronics	26,802	913,800
Dover	11,837	795,490
Total	16,241	759,627
Telefonaktiebolaget LM Ericsson	105,549	703,887
China Mobile	89,500	690,382
Samsung Electronic	429	661,961
Gazprom	177,726	631,536
Royal Dutch Shell	22,500	563,782
Fujitsu	9,100	497,219
JPMorgan Chase	5,718	477,346
Continental	2,040	401,631
XL Group	9,875	394,013
Apergy	13,117	385,568
Antofagasta	37,368	375,232
Bank of America	15,673	365,145
Cigna	2,329	364,130
Wal-Mart Stores	4,838	341,358
Credit Agricole	32,946	333,294
Oracle	7,219	270,091
Standard Chartered	42,542	260,693
Hewlett Packard Enterprise	18,649	257,107
Micro Focus International	20,185	256,716
Voya Financial	5,606	216,076
Capital One Financial	2,735	195,693

UCITS MANAGER'S REPORT – PZENA GLOBAL VALUE FUND (UNAUDITED)
For the financial year ended 31 December 2018

DMS Investment Management Services (Europe) Limited (the "Manager") is authorised and regulated as an UCITS Manager by the Central Bank under the European Union (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 as amended from time to time ("UCITS Regulations"). The Manager has appointed Pzena Investment Management, LLC (the "Investment Manager") to carry out discretionary investment management in relation to the Pzena Global Value Fund (the "Fund"), a sub-fund of Pzena Value Funds Plc.

Investment Objective of the Fund

The assets of the Fund must be invested in accordance with the restrictions on investments set out in the UCITS Regulations and such additional investment restrictions in accordance with Central Bank requirements. The investment objective of the Fund is to achieve long-term growth of capital through investing in a portfolio of both U.S. and non-U.S. equities. These securities will consist of companies listed or traded in the United States, on foreign stock exchanges or over the counter and in developed and emerging markets which have securities listed or traded on the Recognised Markets as set forth in the Prospectus.

Remuneration Policy

The Manager has implemented a Remuneration Policy which is in line with the provisions of the UCITS Regulations and in accordance with the European Securities Market Authority Guidelines on Sound Remuneration Policies under the UCITS Directive (ESMA/2016/575). It is consistent with the business strategy, objectives, values and interests of the Manager, the ICAV and the Shareholders of the ICAV and includes measures to avoid conflicts of interest. The objective of this Policy is to ensure that the Manager maintains and applies a sound and prudent remuneration process, which identifies and manages any conflicts of interest, promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profile of the Manager or the risk profiles and rules of the managed UCITS.

The Manager has established a Remuneration Policy to ensure that the requirements of the Remuneration Code are met proportionately for all relevant staff. This policy applies to the Manager and the Funds it manages. In accordance with the proportionality provisions of the ESMA Guidelines on Remuneration and taking into account its size, nature and the scope of its activities, the Board has dis-applied the requirements of the ESMA Guidelines in relation to the following: variable remuneration in instruments, retention, deferral, ex post incorporation of risk for variable remuneration (together, with the immediately foregoing bullets points, the Pay-out Process Rules); and the requirement to establish a remuneration committee.

Employee remuneration disclosure

The table below provides an overview of Aggregate total remuneration paid by the Manager to all staff; and Aggregate total remuneration paid by the Manager to Manager Remuneration Code Staff. The total remuneration in relation to the Fund has been calculated by apportioning the total remuneration costs based on the AUM of the Fund as a percentage of the total AUM of Funds managed by the Manager.

	Headcount	Total Remuneration (\$'000s)
Manager staff (apportioned to Fund)	26	0
<i>of which</i>		
<i>Fixed remuneration</i>	26	0
<i>Variable remuneration</i>	N/A	N/A
<i>Carried interest</i>	N/A	N/A
Manager Remuneration Code Staff	26	4,167
<i>of which</i>		
<i>Senior Management</i>	26	4,167
<i>Other Code Staff</i>	0	0

UCITS MANAGER'S REPORT – PZENA GLOBAL VALUE FUND (UNAUDITED) (Continued)
For the financial year ended 31 December 2018

Manager activities

The following table provides an overview of the size and composition of the fund managed by the Manager. This shows the total number of funds managed as at 31 December 2018.

	<i>Number of Sub-Funds</i>	<i>AUM (\$) (millions)</i>	<i>% of AUM</i>
<i>DMS Investment Management Services (Europe) Limited</i>	<i>113</i>	<i>11,241</i>	<i>100%</i>
<i>of which</i>			
<i>UCITS Funds</i>	<i>16</i>	<i>918</i>	<i>8%</i>
<i>Pzena Global Value Fund</i>	<i>1</i>	<i>1</i>	<i>0.01%</i>

Risk Management & Risk Profile

The risk management function has effective policies and procedures in order to identify, measure, manage and monitor, on an on-going basis, all risks relevant to the Fund's investment strategy, and to ensure that the risk profile is consistent with the risk limits. The risk management function monitors compliance with these risk limits and the Manager's Chief Risk Officer manages situations when the Fund's risk profile is inconsistent with these limits. There were no significant changes to systems during the year.

Operational Risk

The Manager has operational risk management policies and procedures in order to identify, measure, manage and monitor appropriately operational risks including professional liability risks to which the Fund is or could be reasonably exposed. As a result of this ongoing review, the Manager is satisfied that the control framework in place is adequate for the services being provided to the Fund. There have been no material changes to the above process since the Manager was appointed. There were no areas of concern identified by the Manager.

The Risk Profile of the Fund at 31 December 2018 is as follows:

Risk Analysis	Value
Euro Stress Scenario	-13.38%
Fall 2008	-43.31%
Rate Rise 94	0.37%
S&P500 -20%	-11.69%

Risk Analytics	Value
Currency Delta	5,449
VaR Hist 99	1.87%
CVaR Hist 99	2.34%

UCITS MANAGER'S REPORT – PZENA U.S. LARGE CAP EXPANDED VALUE FUND (UNAUDITED)
For the financial year ended 31 December 2018

DMS Investment Management Services (Europe) Limited (the "Manager") is authorised and regulated as an UCITS Manager by the Central Bank under the European Union (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 as amended from time to time ("UCITS Regulations"). The Manager has appointed Pzena Investment Management, LLC (the "Investment Manager") to carry out discretionary investment management in relation to the Pzena US Large Cap Expanded Value Fund (the "Fund"), a sub-fund of Pzena Value Funds plc.

Investment Objective of the Fund

The assets of the Fund must be invested in accordance with the restrictions on investments set out in the UCITS Regulations and such additional investment restrictions in accordance with Central Bank requirements. The investment objective of the Fund is to achieve long-term growth of capital through investing in a portfolio of U.S. equities. These securities will consist of companies listed or traded in the United States, but may include companies listed or traded on other Recognised Markets as set forth in the Prospectus.

Remuneration Policy

The Manager has implemented a Remuneration Policy which is in line with the provisions of the UCITS Regulations and in accordance with the European Securities Market Authority Guidelines on Sound Remuneration Policies under the UCITS Directive (ESMA/2016/575). It is consistent with the business strategy, objectives, values and interests of the Manager, the ICAV and the Shareholders of the ICAV and includes measures to avoid conflicts of interest. The objective of this Policy is to ensure that the Manager maintains and applies a sound and prudent remuneration process, which identifies and manages any conflicts of interest, promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profile of the Manager or the risk profiles and rules of the managed UCITS.

The Manager has established a Remuneration Policy to ensure that the requirements of the Remuneration Code are met proportionately for all relevant staff. This policy applies to the Manager and the Funds it manages. In accordance with the proportionality provisions of the ESMA Guidelines on Remuneration and taking into account its size, nature and the scope of its activities, the Board has dis-applied the requirements of the ESMA Guidelines in relation to the following: variable remuneration in instruments, retention, deferral, ex post incorporation of risk for variable remuneration (together, with the immediately foregoing bullets points, the Pay-out Process Rules); and the requirement to establish a remuneration committee.

Employee remuneration disclosure

The table below provides an overview of Aggregate total remuneration paid by the Manager to all staff; and Aggregate total remuneration paid by the Manager to Manager Remuneration Code Staff. The total remuneration in relation to the Fund has been calculated by apportioning the total remuneration costs based on the AUM of the Fund as a percentage of the total AUM of Funds managed by the Manager.

	Headcount	Total Remuneration (\$'000s)
Manager staff (apportioned to Fund)	26	2
<i>of which</i>		
<i>Fixed remuneration</i>	26	2
<i>Variable remuneration</i>	N/A	0
<i>Carried interest</i>	N/A	N/A
Manager Remuneration Code Staff	26	4,167
<i>of which</i>		
<i>Senior Management</i>	26	4,167
<i>Other Code Staff</i>	0	0

UCITS MANAGER'S REPORT – PZENA U.S. LARGE CAP EXPANDED VALUE FUND (UNAUDITED)
(Continued)

For the financial year ended 31 December 2018

Manager activities

The following table provides an overview of the size and composition of the fund managed by the Manager. This shows the total number of funds managed as at 31 December 2018.

	<i>Number of Sub-Funds</i>	<i>AUM (\$ (millions)</i>	<i>% of AUM</i>
<i>DMS Investment Management Services (Europe) Limited</i>	<i>113</i>	<i>11,241</i>	<i>100%</i>
<i>of which UCITS Funds</i>	<i>16</i>	<i>10,322</i>	<i>8%</i>
<i>Pzena US Large Cap Expanded Value Fund</i>	<i>1</i>	<i>6</i>	<i>0.06%</i>

Risk Management & Risk Profile

The risk management function has effective policies and procedures in order to identify, measure, manage and monitor, on an on-going basis, all risks relevant to the Fund's investment strategy, and to ensure that the risk profile is consistent with the risk limits. The risk management function monitors compliance with these risk limits and the Manager's Chief Risk Officer manages situations when the Fund's risk profile is inconsistent with these limits. There were no significant changes to systems during the year.

Operational Risk

The Manager has operational risk management policies and procedures in order to identify, measure, manage and monitor appropriately operational risks including professional liability risks to which the Fund is or could be reasonably exposed. As a result of this ongoing review, the Manager is satisfied that the control framework in place is adequate for the services being provided to the Fund. There have been no material changes to the above process since the Manager was appointed. There were no areas of concern identified by the Manager.

The Risk Profile of the Fund at 31 December 2018 is as follows:

Risk Analysis	Value
Euro Stress Scenario	-6.06%
Fall 2008	-43.92%
Rate Rise 94	-0.92%
S&P500 -20%	-18.15%

Risk Analytics	Value
Currency Delta	0
VaR Hist 99	2.63%
CVaR Hist 99	3.40%

UCITS MANAGER'S REPORT – PZENA EMERGING MARKETS VALUE FUND (UNAUDITED)
For the financial year ended 31 December 2018

DMS Investment Management Services (Europe) Limited (the "Manager") is authorised and regulated as an UCITS Manager by the Central Bank under the European Union (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 as amended from time to time ("UCITS Regulations"). The Manager has appointed Pzena Investment Management, LLC (the "Investment Manager") to carry out discretionary investment management in relation to the Pzena Emerging Markets Value Fund (the "Fund"), a sub-fund of Pzena Value Funds plc.

Investment Objective of the Fund

The assets of the Fund must be invested in accordance with the restrictions on investments set out in the UCITS Regulations and such additional investment restrictions in accordance with Central Bank requirements. The investment objective of the Fund is to achieve long-term growth of capital through investments in equity securities of companies in emerging markets. These securities will consist of companies listed or traded on foreign stock exchanges or over the counter and in developed and Emerging Markets which have securities listed or traded on the Recognised Markets as set forth in the Prospectus.

Remuneration Policy

The Manager has implemented a Remuneration Policy which is in line with the provisions of the UCITS Regulations and in accordance with the European Securities Market Authority Guidelines on Sound Remuneration Policies under the UCITS Directive (ESMA/2016/575). It is consistent with the business strategy, objectives, values and interests of the Manager, the ICAV and the Shareholders of the ICAV and includes measures to avoid conflicts of interest. The objective of this Policy is to ensure that the Manager maintains and applies a sound and prudent remuneration process, which identifies and manages any conflicts of interest, promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profile of the Manager or the risk profiles and rules of the managed UCITS.

The Manager has established a Remuneration Policy to ensure that the requirements of the Remuneration Code are met proportionately for all relevant staff. This policy applies to the Manager and the Funds it manages. In accordance with the proportionality provisions of the ESMA Guidelines on Remuneration and taking into account its size, nature and the scope of its activities, the Board has dis-applied the requirements of the ESMA Guidelines in relation to the following: variable remuneration in instruments, retention, deferral, ex post incorporation of risk for variable remuneration (together, with the immediately foregoing bullets points, the Pay-out Process Rules); and the requirement to establish a remuneration committee.

Employee remuneration disclosure

The table below provides an overview of Aggregate total remuneration paid by the Manager to all staff; and Aggregate total remuneration paid by the Manager to Manager Remuneration Code Staff. The total remuneration in relation to the Fund has been calculated by apportioning the total remuneration costs based on the AUM of the Fund as a percentage of the total AUM of Funds managed by the Manager.

	Headcount	Total Remuneration (\$'000s)
Manager staff (apportioned to Fund)	26	159
<i>of which</i>		
<i>Fixed remuneration</i>	26	159
<i>Variable remuneration</i>	N/A	N/A
<i>Carried interest</i>	N/A	N/A
Manager Remuneration Code Staff	26	4,167
<i>of which</i>		
<i>Senior Management</i>	26	4,167
<i>Other Code Staff</i>	0	0

UCITS MANAGER'S REPORT – PZENA EMERGING MARKETS VALUE FUND (UNAUDITED)
(Continued)

For the financial year ended 31 December 2018

Manager activities

The following table provides an overview of the size and composition of the fund managed by the Manager. This shows the total number of funds managed as at 31 December 2018.

	<i>Number of Sub-Funds</i>	<i>AUM (\$ (millions)</i>	<i>% of AUM</i>
<i>DMS Investment Management Services (Europe) Limited</i>	<i>113</i>	<i>11,241</i>	<i>100%</i>
<i>of which</i>			
<i>UCITS Funds</i>	<i>16</i>	<i>918</i>	<i>8%</i>
<i>Pzena Emerging Markets Value Fund</i>	<i>1</i>	<i>428</i>	<i>3.8%</i>

Risk Management & Risk Profile

The risk management function has effective policies and procedures in order to identify, measure, manage and monitor, on an on-going basis, all risks relevant to the Fund's investment strategy, and to ensure that the risk profile is consistent with the risk limits. The risk management function monitors compliance with these risk limits and the Manager's Chief Risk Officer manages situations when the Fund's risk profile is inconsistent with these limits. There were no significant changes to systems during the year.

Operational Risk

The Manager has operational risk management policies and procedures in order to identify, measure, manage and monitor appropriately operational risks including professional liability risks to which the Fund is or could be reasonably exposed. As a result of this ongoing review, the Manager is satisfied that the control framework in place is adequate for the services being provided to the Fund. There have been no material changes to the above process since the Manager was appointed. There were no areas of concern identified by the Manager.

The Risk Profile of the Fund at 31 December 2018 is as follows:

Risk Analysis	Value
Euro Stress Scenario	-14.22%
Fall 2008	-28.39%
Rate Rise 94	-0.17%
S&P500 -20%	-5.79%

Risk Analytics	Value
Currency Delta	3,322,521
VaR Hist 99	1.79%
CVaR Hist 99	2.28%

UCITS MANAGER'S REPORT – PZENA GLOBAL EXPANDED VALUE FUND (UNAUDITED)
For the financial year ended 31 December 2018

DMS Investment Management Services (Europe) Limited (the "Manager") is authorised and regulated as an UCITS Manager by the Central Bank under the European Union (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 as amended from time to time ("UCITS Regulations"). The Manager has appointed Pzena Investment Management, LLC (the "Investment Manager") to carry out discretionary investment management in relation to the Pzena Global Expanded Value Fund (the "Fund"), a sub-fund of Pzena Value Funds plc.

Investment Objective of the Fund

The assets of the Fund must be invested in accordance with the restrictions on investments set out in the UCITS Regulations and such additional investment restrictions in accordance with Central Bank requirements. The investment objective of the Fund is to achieve long-term growth of capital through investing in a portfolio of international equities. This will consist of equity securities of issuers located in countries throughout the world including the United States and will consist of companies listed or traded in on Recognised Markets as set forth in the Prospectus.

Remuneration Policy

The Manager has implemented a Remuneration Policy which is in line with the provisions of the UCITS Regulations and in accordance with the European Securities Market Authority Guidelines on Sound Remuneration Policies under the UCITS Directive (ESMA/2016/575). It is consistent with the business strategy, objectives, values and interests of the Manager, the ICAV and the Shareholders of the ICAV and includes measures to avoid conflicts of interest. The objective of this Policy is to ensure that the Manager maintains and applies a sound and prudent remuneration process, which identifies and manages any conflicts of interest, promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profile of the Manager or the risk profiles and rules of the managed UCITS.

The Manager has established a Remuneration Policy to ensure that the requirements of the Remuneration Code are met proportionately for all relevant staff. This policy applies to the Manager and the Funds it manages. In accordance with the proportionality provisions of the ESMA Guidelines on Remuneration and taking into account its size, nature and the scope of its activities, the Board has dis-applied the requirements of the ESMA Guidelines in relation to the following: variable remuneration in instruments, retention, deferral, ex post incorporation of risk for variable remuneration (together, with the immediately foregoing bullets points, the Pay-out Process Rules); and the requirement to establish a remuneration committee.

Employee remuneration disclosure

The table below provides an overview of Aggregate total remuneration paid by the Manager to all staff; and Aggregate total remuneration paid by the Manager to Manager Remuneration Code Staff. The total remuneration in relation to the Fund has been calculated by apportioning the total remuneration costs based on the AUM of the Fund as a percentage of the total AUM of Funds managed by the Manager.

	Headcount	Total Remuneration (£'000s)
Manager staff (apportioned to Fund)	26	32
<i>of which</i>		
<i>Fixed remuneration</i>	26	33
<i>Variable remuneration</i>	N/A	N/A
<i>Carried interest</i>	N/A	N/A
Manager Remuneration Code Staff	26	3,255
<i>of which</i>		
<i>Senior Management</i>	26	3,255
<i>Other Code Staff</i>	0	0

UCITS MANAGER'S REPORT – PZENA GLOBAL EXPANDED VALUE FUND (UNAUDITED) (Continued)
For the financial year ended 31 December 2018

Manager activities

The following table provides an overview of the size and composition of the fund managed by the Manager. This shows the total number of funds managed as at 31 December 2018.

	<i>Number of Sub-Funds</i>	<i>AUM (£) (millions)</i>	<i>% of AUM</i>
<i>DMS Investment Management Services (Europe) Limited</i>	<i>113</i>	<i>8,782</i>	<i>100%</i>
<i>of which UCITS Funds</i>	<i>16</i>	<i>717</i>	<i>8%</i>
<i>Pzena Global Expanded Value Fund</i>	<i>1</i>	<i>88</i>	<i>1.00%</i>

Risk Management & Risk Profile

The risk management function has effective policies and procedures in order to identify, measure, manage and monitor, on an on-going basis, all risks relevant to the Fund's investment strategy, and to ensure that the risk profile is consistent with the risk limits. The risk management function monitors compliance with these risk limits and the Manager's Chief Risk Officer manages situations when the Fund's risk profile is inconsistent with these limits. There were no significant changes to systems during the year.

Operational Risk

The Manager has operational risk management policies and procedures in order to identify, measure, manage and monitor appropriately operational risks including professional liability risks to which the Fund is or could be reasonably exposed. As a result of this ongoing review, the Manager is satisfied that the control framework in place is adequate for the services being provided to the Fund. There have been no material changes to the above process since the Manager was appointed. There were no areas of concern identified by the Manager.

The Risk Profile of the Fund at 31 December 2018 is as follows:

Risk Analysis	Value
Euro Stress Scenario	-16.10%
Fall 2008	-36.13%
Rate Rise 94	-10.24%
S&P500 -20%	-11.52%

Risk Analytics	Value
Currency Delta	746,263
VaR Hist 99	2.08%
CVaR Hist 99	2.42%

MANAGEMENT AND OTHER INFORMATION

Directors

Denise Kinsella (Chairman)* (Irish)
Adrian J. Waters* (Irish)
Joan Berger** (United States)
Ulrik Ahrendt-Jensen** (Denmark)

*Independent Non-Executive Directors

**Non-Executive Directors

Manager

DMS Investment Management Services (Europe) Limited
3rd Floor
76 Lower Baggot Street
Dublin 2, Ireland

Administrator, Registrar and Transfer Agent

Brown Brothers Harriman Fund Administration
Services (Ireland) Limited
30 Herbert Street
Dublin 2, Ireland

Company Secretary

SANNE
Fourth Floor
76 Lower Baggot Street
Dublin 2, Ireland

**Legal Advisers in the United States
(to the Investment Manager)**

Winston & Strawn LLP
200 Park Avenue
New York,
New York 10166-4193
United States

Registered Office

c/o SANNE
Fourth Floor
76 Lower Baggot Street
Dublin 2, Ireland

Investment Manager

Pzena Investment Management, LLC
320 Park Avenue, 8th Floor
New York, New York 10022
United States

Depository

Brown Brothers Harriman Trustee
Services (Ireland) Limited
30 Herbert Street
Dublin 2, Ireland

Legal Advisers in Ireland

McCann FitzGerald
Riverside One
37-42 Sir John Rogerson's Quay
Dublin 2, Ireland

Independent Auditors

PricewaterhouseCoopers
One Spencer Dock
North Wall Quay
Dublin 1, Ireland

Information for investors in Switzerland

The state of the origin of the fund is Ireland. This document may only be distributed in Switzerland to qualified investors within the meaning of art. 10 para. 3, 3bis and 3ter CISA. In Switzerland, the representative is ACOLIN Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zurich, whilst the paying agent is NPB Neue Privat Bank AG, Limmatquai 1/am Bellevue, P.O. Box, CH-8024 Zurich. The basic documents of the fund as well as the annual and, if applicable, semi-annual report may be obtained free of charge from the representative. In respect of the units distributed in or from Switzerland, the place of performance and jurisdiction is at the registered office of the representative. Past performance is no indication of current or future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units.