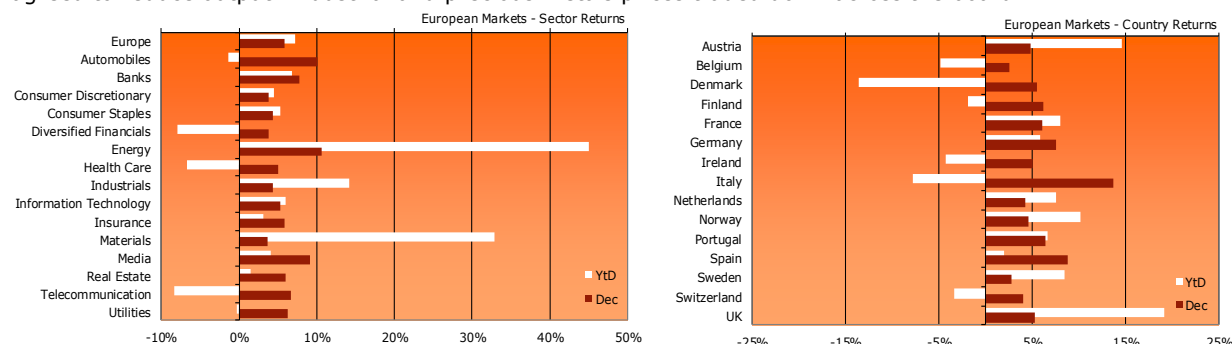


Fund Performance										
	December	YTD	3M	6M	1 Yr	3 Yr (ann)	5 Yr (ann)	7 Yr (ann)	NAV (30-Dec-2016)	Inception
Share Class B	-1.2%	-10.1%	2.7%	0.6%	-10.1%	8.9%	6.5%	8.0%	EUR 1408.51	26-Jun-2008
Share Class A	-1.3%	-10.5%	2.5%	0.3%	-10.5%	7.7%	5.6%	6.9%	EUR 1459.32	26-Jan-2009
Share Class D	-1.3%	-10.5%	2.5%	0.3%	-10.5%				EUR 894.96	31-Dec-2015

Saemor Europe Alpha Fund ended the year on a bleak note, losing 1.2% in December. The Fund was down -10.1% for the year. Our overweight position in Value at the expense of Price Momentum was fruitful, but not sufficient to shield the portfolio from the low quality, cyclical rally that continued after Donald Trump won the US presidential election. Our multi-factor model underperformed due to its inherent exposure to Momentum and Quality. Cyclical Value and Risk were the best performing styles during December. The risk-on trade focused mostly on year-to-date laggards, so Price Momentum was the worst performing factor in our universe. With the stock market up more than 5% over the month, all of our top 10 detractors came from the short book, where some higher risk names such as Nokia, Tenaris, Berkeley, Credit Suisse and Lundin Petroleum rallied. Conversely, all of the top 10 contributors were long positions, including Bayer and Société Générale. With no earnings announcements and no take-overs affecting our holdings, the individual stock contributions remained limited between plus and minus 40 basis points.

### Market Developments

In Europe, stock markets rose by 5.8% in December on hopes of US fiscal spending and stronger than anticipated global macro data. The Eurozone ended 2016 on a strong footing, as domestic data continued to be supportive. The ECB extended its QE program until the end of 2017, albeit at a slower pace of €60bn per month from March. Italian PM Renzi lost the constitutional referendum and stepped down. The market's reaction to the Italian referendum was modest. Later in the month, Banca Monte dei Paschi was nationalized following its failed attempt to execute on its recapitalization plan. All European markets recorded positive returns in December. Italy was the best performer, up 13.7%. Spanish and German equities were also strong. Belgium, Sweden and Switzerland had the lowest gains. The best sectors were Energy, Autos, Media and Banks, while Materials and Consumer Discretionary posted the smallest gains. US 10-year yields rose 6 bps to 2.45%. Gilts and Bund yields fell by 18 and 7bps. Credit spreads tightened. At its FOMC meeting, the Fed hiked rates by 25bps to 0.75%. This led to some further US dollar strength. The euro and pound weakened 0.8% and 1.3% respectively. Brent Crude continued to rally (+12.6% in December), as countries from outside OPEC also agreed to reduce output. Industrial and precious metals prices traded down across the board.



### Investment Outlook & Strategy

We added weight to Cyclical Value factors at the end of the year, further increasing our Value overweight at the expense of predominantly Price Momentum. We expect high risk and deep value names to continue to do well into January, in line with the performance seen in November and December. This is backed by our style timing models, which includes macro cycle indicators and seasonal effects. Economic activity and data points have been strong across the world and especially in Europe where monetary easing is still on the table, in contrast to the US. This should be beneficiary for our long positions in European exporters to the US which can be found within Automobiles, Health Care, IT and Media. Fund flows into European equities seem to have commenced. A strong full year earnings season, after a very positive Q3 could spark renewed interest in Europe. A prolonged rally in deep value laggards could pose a risk to the Fund, if the earnings of these stocks do not get strong upward revisions. As a reminder, Cyclical Value itself makes up only a small portion of our overall model weights.

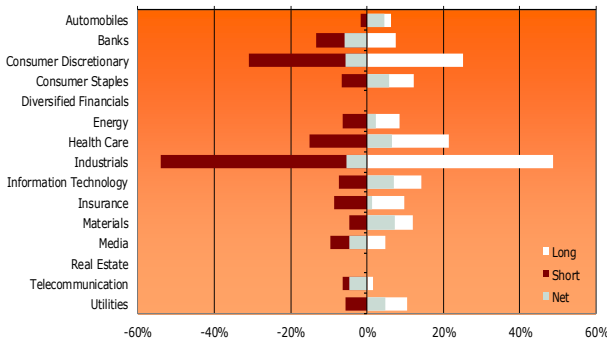
### Key Portfolio Information

Total Net Assets (in mln)	€433 / \$457	Net Exposure Beta-Adj	0.13
Outstanding Shares (B/A)	292855 / 13316	Beta (ex post, 3Y monthly data)	-0.02
Number of Long Positions	103	Volatility (ex ante, short-term risk model)	6.8%
Long Positions (% of NAV)	183.0%	Volatility (ex post, 3Y monthly data)	9.1%
Number of Short Positions	99	VaR (1 day / 95% conf)	0.7%
Short Positions (% of NAV)	-169.5%	Long Liquidity (avg)	0.43 days
Gross Exposure (% of NAV)	352.5%	Short Liquidity (avg)	0.40 days
Net Exposure (% of NAV)	13.5%	Portfolio Turnover (/GAV)	0.5



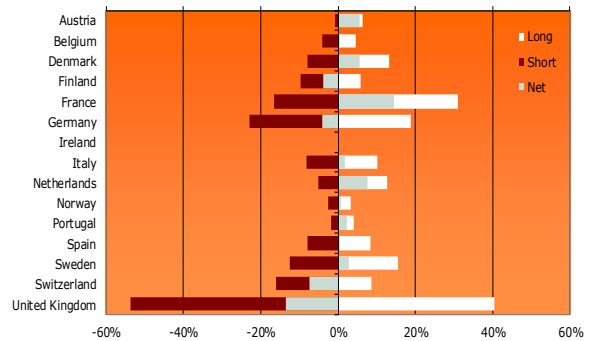
**Sector Allocation (L&S as % NAV)**

The Fund is net short Banks, Consumer Discretionary, Industrials, Media and Telecommunication, while it is net long Materials, Information Technology, Health Care, Consumer Staples, Utilities, Automobiles and Energy. Positions in Insurance are balanced. The Fund has no exposure in Real Estate and Diversified Financials.



**Country Allocation (L&S as % NAV)**

French, Dutch, Danish, Austrian, Swedish, Portuguese and Italian stocks are overweight in the portfolio, whereas stocks in the United Kingdom, Switzerland, Germany and Finland are underrepresented. The Fund is neutral in Belgium, Norway and Spain. The Fund currently has no exposure in Ireland.



**Top Long Positions**

Company	Model Score	As % NAV
NKT	94	3.2%
Merck	98	3.2%
WPP	93	3.2%
Amadeus IT	94	3.2%
OMV	91	3.1%

**Top Short Positions**

Company	Model Score	As % NAV
Fielmann	1	3.2%
AB InBev	6	3.1%
ADP	5	3.1%
Geberit	1	3.1%
Whitbread	8	3.1%

- NKT manufactures high voltage and optic cables as well as cleaning equipment under the Nilfisk brand. The company has recently announced the acquisition of ABB's high voltage cables business, which should help to improve margins. Earnings expectations for 2017 have been steadily increasing for the last five months. Management also aims to unlock shareholder value through splitting the company into a cables business that will keep the NKT name and Nilfisk.
- Merck is a global chemical, pharmaceutical and life science company. With Pharmaceutical only covering 40% of its EBITDA, Merck's diversified business structure offers a lower exposure to US pricing pressure faced by the industry. The shares have enjoyed an upward trajectory, as the market started to appreciate the defensive nature of its Life Science business, the emergent of its pipeline optionality and the anticipation of sales and margin benefit owing to new technology launches within its Performance Materials unit.
- WPP is a communications firm, offering advertising, public relations and other media services to companies worldwide. It has posted solid earnings growth over the past years, each time surprising positively. The stock has shown a relatively stable performance and the company has bought back some of its stock. Although it has become slightly expensive, it ranks on top of its peer group.
- Amadeus IT is a software company processing transactions for the global travel and tourism industry (Global Distribution System). Recent earnings were a little light, but the slowdown in its GDS business (competition from airlines e.g. Lufthansa) was compensated by its IT business, which is expected to grow double digits for the coming years. Although the company is not cheap, it is the top-ranked large cap in the sector.
- OMV continues to shift the mix of its production assets to gas from oil. Management is expected to sensibly manage the required capital expenditure. In addition, investment in the downstream division has been reduced. Overall, the company should be able to grow the dividend meaningfully while the valuation is at a discount to peers.
- Fielmann is the largest optical chain in continental Europe. Through its subsidiaries, the company sells visual aids and other optical products. In Q3 2016, its multi-year positive trend was broken by a profit warning. Store traffic flows became more volatile and the defensiveness of the business was put to a test. As earnings estimates were downgraded, the share price plummeted. Yet, Fielmann is trading at 32x PER after the correction, still a large premium to its peers.
- AB Inbev is the largest brewer in the world. Its Q3 results were poor, marking the fifth disappointment in the last six quarters. Profit hit from transactional FX in Brazil reflects the ongoing uncertainty in its second largest market. Following the acquisition of SABMiller, ABI has been involved in an asset disposal program, selling part of its African business to Coca Cola and its Eastern European business to Asahi. At 29x forward PE, ABI is trading at a premium to its peers and its own history.
- Aéroports de Paris manages all the civil airports in the Paris area. Both airlines and airports have been under pressure throughout 2016, with the larger companies taking most of the hit. Both Frankfurt and Paris are seeing declines in profitability, but the downgrades that started in July have been more stark in Paris. The share price has rebounded in December though, leaving the company trading at a hefty 23x 2017 earnings expectations.
- Geberit manufactures and supplies sanitary systems and related products for the commercial and residential construction markets. As a defensive company within a cyclical sector, the company has outperformed Emerging Market related names over the past two years. With no earnings upgrades, moderate growth and trading at 24x 2017 earnings, the shares seem very expensive.
- Whitbread operates hotels, restaurants and coffee shops, primarily in the UK. It is one of the most negatively affected stocks in the event of Brexit. Macro data points highlight the significant downside risk to earnings. Amidst growing competition from dotcom companies, profits are under pressure due to a costly expansion program and rising cost pressures. The growth of its coffee business, Costa, is stagnating at around 6% today versus 21% post crisis.



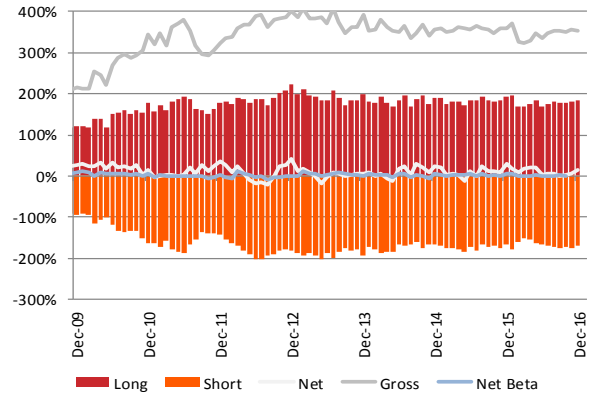
**Exchange Liquidity Breakdown**

The holdings in the Fund are highly liquid. The table below shows the percentage of securities in the portfolio which can be unwound within a particular period of time. The calculation is based on the assumption that maximum 25% of average daily volume (ADV, based on most recent 3 months) in a security can be traded per day. A higher participation rate is possible but will result in market impact costs. Under these assumptions and current market circumstances over 93% of the portfolio can be liquidated within 3 days.

Liquidity	Long	Short	Portfolio
Within 3 Days	92.1%	95.2%	93.7%
Within 1 Week	98.4%	98.4%	98.4%
Within 2 Weeks	100.0%	100.0%	100.0%
Within 1 Month	100.0%	100.0%	100.0%

**Market Exposure**

The Fund applies leverage but is typically run with low (beta-adjusted) net exposure and will be predominantly market-neutral over time.



**Monthly Performance Contribution by Sector and Market Capitalization (%)**

	Long				Short				Total
	> 5bn	1-5bn	< 1bn		> 5bn	1-5bn	< 1bn		
Automobiles	0.5	0.3	0.2	0.0	-0.2	0.0	-0.2	0.3	
Banks	1.1	1.1	0.0	0.0	-1.3	-0.8	-0.5	-0.2	
Consumer Discretionary	0.5	0.6	-0.2	0.1	-1.8	-0.6	-1.1	-1.3	
Consumer Staples	0.3	0.1	0.2	0.0	-0.3	-0.1	-0.1	0.0	
Diversified Financials	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Energy	0.8	0.3	0.5	0.0	-0.7	-0.6	-0.1	0.0	
Health Care	0.8	0.9	0.0	-0.1	-0.9	-0.6	-0.2	-0.1	
Industrials	2.1	0.9	1.2	0.0	-2.0	-1.4	-0.4	0.1	
Information Technology	0.2	0.1	0.2	0.0	-0.6	-0.4	-0.2	-0.4	
Insurance	1.0	0.7	0.3	0.0	-0.4	-0.2	-0.2	0.6	
Materials	0.3	0.4	-0.1	0.0	-0.1	0.0	-0.1	0.2	
Media	0.3	0.2	0.1	0.0	-1.1	-0.4	-0.7	-0.8	
Real Estate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Telecommunication	0.2	0.2	0.0	0.0	-0.3	-0.1	-0.1	-0.1	
Utilities	0.7	0.3	0.4	0.0	-0.2	-0.1	0.0	0.5	
Cash / Other								-0.2	
<b>Total</b>	<b>8.9</b>	<b>6.1</b>	<b>2.8</b>	<b>0.0</b>	<b>-9.9</b>	<b>-5.2</b>	<b>-4.0</b>	<b>-1.2</b>	

**Top Contributors**

Bayer	0.3%	Long
Societe Generale	0.3%	Long
DFDS	0.3%	Long
UnipolSai	0.3%	Long
Christian Dior	0.3%	Long

**Top Detractors**

Nokia	-0.4%	Short
JCDecaux	-0.4%	Short
Tenaris	-0.3%	Short
ADP	-0.3%	Short
Berkeley	-0.3%	Short

**Monthly Fund Performance**

Perf. Class B	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2016	-4.2%	-3.0%	-1.3%	-2.6%	2.6%	-2.5%	-0.2%	-3.2%	1.4%	4.6%	-0.6%	-1.2%	-10.1%
2015	1.2%	2.6%	3.6%	0.1%	3.4%	0.6%	0.2%	0.1%	1.3%	-3.5%	-0.6%	3.3%	12.7%
2014	2.8%	3.5%	0.2%	-3.6%	-0.1%	6.5%	2.3%	2.1%	3.8%	2.7%	1.2%	3.3%	27.3%
2013	0.0%	0.5%	2.4%	1.4%	-1.9%	3.2%	-2.9%	-9.5%	2.1%	6.5%	2.4%	2.6%	5.9%
2012	-4.6%	-0.5%	-0.8%	3.6%	-1.3%	1.2%	0.6%	0.4%	1.0%	-0.8%	-0.5%	2.1%	0.4%
2011	0.7%	-1.7%	0.7%	0.0%	1.6%	4.5%	1.0%	-0.7%	2.4%	2.2%	3.2%	2.7%	17.8%
2010	0.7%	1.8%	1.4%	-1.2%	1.0%	-0.1%	-1.6%	0.5%	1.6%	2.0%	1.9%	-1.9%	6.1%
2009	5.0%	-0.4%	-1.0%	-3.1%	-1.3%	0.8%	-2.5%	-2.1%	-0.8%	2.7%	-0.5%	0.0%	-3.5%
2008							1.0%	-6.0%	-5.3%	-5.8%	-0.8%	1.4%	-14.9%
Perf. Class A	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2016	-4.2%	-3.0%	-1.3%	-2.7%	2.5%	-2.5%	-0.3%	-3.2%	1.4%	4.5%	-0.6%	-1.3%	-10.5%
2015	1.1%	2.4%	3.3%	0.1%	3.2%	0.5%	0.1%	0.0%	1.2%	-3.3%	-0.6%	3.0%	11.4%
2014	2.6%	3.3%	0.1%	-3.4%	-0.1%	6.1%	2.2%	1.9%	3.5%	2.5%	1.2%	3.1%	25.1%
2013	0.0%	0.5%	2.2%	1.3%	-1.9%	3.0%	-2.8%	-9.5%	2.1%	6.4%	2.2%	2.4%	5.2%
2012	-4.6%	-0.5%	-0.9%	3.6%	-1.3%	1.2%	0.7%	0.4%	1.0%	-0.8%	-0.5%	2.1%	0.0%
2011	0.7%	-1.7%	0.7%	-0.1%	1.6%	4.0%	0.8%	-0.6%	1.9%	1.7%	2.6%	2.5%	14.9%
2010	0.7%	1.8%	1.4%	-1.2%	0.9%	-0.2%	-1.6%	0.4%	1.5%	2.0%	1.8%	-2.0%	5.6%
2009	0.5%	-0.4%	-0.9%	-3.1%	-1.7%	0.7%	-2.5%	-2.2%	-0.9%	2.7%	-0.6%	-0.1%	-8.3%
Perf. Class D	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2016	-4.2%	-3.0%	-1.3%	-2.7%	2.5%	-2.5%	-0.3%	-3.2%	1.4%	4.5%	-0.6%	-1.3%	-10.5%

Source: Citi Financial Services and BNY. Inception: June 26th, 2008 (B) / Jan 26th, 2009 (A) / Dec 31st, 2015 (D). Returns are based on official month-end NAVs. Returns are net of all fees for a Day one investor in the fund. Results in 2008 and 2009 are not fully representative of our current quantitative investment strategy.

**Investment Objective**

The Saemor Europe Alpha Fund is a market-neutral long/short equity fund. The Fund aims to generate consistent returns of more than 8% per annum in bull and bear markets while keeping volatility around 8-10%. The Fund is run with low (beta-adjusted) net exposure and will be predominantly market-neutral over time.

**Fund Highlights**

Our alpha strategy encompasses an innovative quant factor model that is designed to add value during all phases of the business cycle and most market environments.

**Fund Facts**

Universe	Europe / EMEA
Currency share class	EUR
Min Investment EUR (A/B/C/D)	25k/25m/10m/25k
Lock-up (A/B/C/D)	no/1 year/no/no
Frequency Subs & Reds	Monthly
Notice Period Subs & Reds	5 /15 days
Early Redemption Fee	max 1.0%
Man Fee (A/B/C/D)	1.5%/1.0%/1.25%/1.5%
Perf Fee (A/B/C/D)	20%/15%/17.5%/20%
Equalization (A/B/C/D)	Yes/Yes/Yes/No
High Watermark	Yes
Ongoing Charges Figure 2015 (A/B) *	1.66%/1.16%

**Management**

Manager	Saemor Capital
Administrator	BNY Mellon Fund Services
Depository	Bank of New York Mellon
Prime Brokers	Morgan Stanley, BoA ML, Barclays
Auditor	PwC
Title Holder	SGG Custody B.V.
Legal	De Brauw Blackstone Westbroek
Fund Domicile	The Netherlands
Fund Structure	FGR (fund for joint account)
Tax Structure	VBI (tax exempt)

\* The Ongoing Charges Figure (OCF) is a ratio of the total ongoing costs to the average net assets of the Fund. Ongoing costs include cost of investment management and administration, plus other costs of running the fund, such as fees for custodians, depository, regulators and auditors. Transaction costs of investments, interest expenses and performance fee are excluded from the calculation.

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