Saemor Europe Alpha Fund

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 DECEMBER 2013

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FUND INFORMATION

REGISTERED OFFICE	WTC Tower E 7th Floor Prinses Margrietplantsoen 44 2595 BR The Hague The Netherlands www.saemor.com
INVESTMENT MANAGER	Saemor Capital B.V. WTC Tower E 7th Floor Prinses Margrietplantsoen 44 2595 BR The Hague The Netherlands
TRUSTEE	Stichting Bewaarder Saemor Europe Alpha Fund c/o: SGG Netherlands N.V. Claude Debussylaan 24 1082 MD Amsterdam The Netherlands
FUND ADMINISTRATOR	Citibank Europe plc 1 North Wall Quay Dublin 1 Ireland
PRIME BROKERS	Morgan Stanley 25 Cabot Square Canary Wharf London, E14 4QA United Kingdom UBS AG 1 Finsbury Avenue London EC2M 2PP United Kingdom
LEGAL ADVISOR	De Brauw Blackstone Westbroek N.V. Claude Debussylaan 80 1082 MD Amsterdam The Netherlands
COMPLIANCE	CLCS B.V. Keizersgracht 433 1017 DJ Amsterdam The Netherlands
INDEPENDENT AUDITORS	Ernst & Young Accountants LLP Wassenaarseweg 80 2596 CZ The Hague The Netherlands

FUND PROFILE

Saemor Europe Alpha Fund
The Fund is an open-ended investment fund. Issue and redemption of units of participation is possible at the instigation of the Participant as described in the Prospectus. Date of commencement of NAV calculation was 25 June 2008.

Key Features Document ("Essentiële Beleggersinformatie") and Prospectus
For this financial product a Key Features Document applies containing Fund information related to its costs and risks. The Key Features Document and the Prospectus are available on www.saemor.com.

Investment objective
The Funds' objective is to achieve attractive absolute returns in the long term. Funds that aim for absolute returns in the long term are characterised by a modest volatility and a low correlation with regional equity indices. Assets can be invested in a wide range of financial instruments. The Fund makes use of combinations of long and short positions in equities, as well as derivative positions. The Fund may also use leverage to achieve the return targets or for liquidity reasons in case units of participation are redeemed. Assets will predominantly be invested in European securities. Saemor Capital B.V. has defined a Socially Responsible Investing policy with reference to the investments held by the Fund, implying that some specific companies can be excluded from the investment universe.

Dividend
In principle the Fund does not pay dividends. The Investment Manager is, however, authorised to decide to pay part of the capital gain available for distribution to the Participants.

Investment Manager
Saemor Capital B.V. is the Investment Manager of the Fund and as such is responsible for implementing the investment policy. Saemor Capital B.V. is registered at The Netherlands Authority of the Financial Markets (AFM). The Saemor Europe Alpha Fund does not employ any personnel, as all services are provided by the Investment Manager.

Saemor Capital B.V. was incorporated on 7 April 2008 and has its registered office in The Hague. The directors of Saemor Capital B.V. are Qmetrics B.V. (directed by S. Bouman) and Emphi B.V. (directed by P.P.J. van de Laar).

Trustee
The Trustee is Stichting Bewaarder Saemor Europe Alpha Fund. The manager of the "Stichting" is SGG Netherlands N.V.

Administrator and Prime Brokers
The Fund is administered by Citibank Europe plc. The Prime Brokers of the Fund are Morgan Stanley, London, United Kingdom and UBS AG, London, United Kingdom.

SUMMARY FINANCIAL INFORMATION

	2013	2012	2011	2010	2009
Class A (€ '000)	471	10	24	91	(2)
Class B (€ '000)	67,532	39,394	112,581	49,131	(11,499)
Income	**68,003**	**39,404**	**112,605**	**49,222**	**(11,501)**
Class A (€ '000)	(286)	(10)	(27)	(42)	(4)
Class B (€ '000)	(41,031)	(40,572)	(33,129)	(22,794)	(14,825)
Expenses and withholding taxes	**(41,317)**	**(40,582)**	**(33,156)**	**(22,836)**	**(14,829)**
Class A (€ '000)	185	-	(3)	49	(6)
Class B (€ '000)	26,501	(1,178)	79,452	26,337	(26,324)
Increase/(Decrease)	**26,686**	**(1,178)**	**79,449**	**26,386**	**(26,330)**
Net assets (€ '000)	477,456	447,521	524,547	446,808	440,946
Number of units of participation					
Class A	2,826.21	99.75	99.75	856.60	99.75
Class B	434,247.57	434,083.97	510,653.55	511,737.83	536,689.59
Net asset value per unit of participation					
Class A (in €)	1,169.53	1,112.15	1,112.26	968.03	917.00
Class B (in €)	1,091.89	1,030.70	1,026.99	871.50	821.43
Performance					
Class A (in %)	5.2	0.0	14.9	5.6	(8.3)
Class B (in %)	5.9	0.4	17.8	6.1	(3.5)
Ongoing Charges Figure (in %)*					
Class A (in %)	1.59	1.58	1.57	1.74	1.41
Ongoing Charges Figure (in %)*					
Class B (in %)	1.09	1.08	1.07	1.11	1.24

*Figures for 2009 and 2010 are based on Total Expense Ratios

INVESTMENT MANAGER'S REPORT

For the year ended 31 December 2013

1. Performance

The Saemor Europe Alpha Fund (class B) ended the year up 5.9%. Nine out of twelve months showed positive performance.

Fund Performance

2013	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Class B	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**
Class A	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**

Source: Citibank Europe plc.

The Fund marginally underperformed its Equity Market Neutral peer group. Hedge funds recorded their best performance in four years in 2013. Hedge funds returned over 9% last year, according to a composite of widely-followed industry indices (an equally weighted average of the monthly returns of the Dow Jones Credit Suisse Index, HFRX and the Barclay Hedge Fund indices). Long/short equity funds returned in excess of 14% and were the best-performing strategy of 2013. This was largely due to the strong equity market. Developed market funds outperformed emerging markets focused funds. Event-driven and activist hedge funds also did well. Equity Market Neutral strategies rose decently over the full year (+6.5%). Macro and managed futures funds continued their performance slide and lost on the year. Credit strategies also disappointed although they still ended the year in the black. Underperformance could be attributed to the impact of the rise in bond yields during the second half of the year.

Equity Market Neutral Hedge Fund Indices

2013	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Equity Market Neutral	1.3	-0.1	0.2	0.5	0.4	0.1	1.2	-1.2	0.4	1.3	1.4	0.8	**6.5**

Note: The Equity Market Neutral composite is an equally weighted average of the monthly returns of the Dow Jones Credit Suisse Index, HFRX and the Barclay Hedge Fund indices.
Source: Bloomberg

2. Market review

General

European equity markets made substantial gains in 2013, with the MSCI Europe index rising 19.8% after posting +17.3% in the previous year. The euro increased a couple of percentage points versus the dollar, closing the year at 1.38 USD per euro. The euro and dollar were particularly strong against the Japanese yen and emerging market currencies as Japan deliberately weakened its currency by massive quantitative easing and emerging markets showed surprisingly weak economic data. Not surprisingly, emerging market equities as a group were slightly down for the year. The euro also held up well versus the Swiss franc, never testing the artificial low of 1.20 set by the Swiss central bank last year, ending 2013 at 1.23 CHF per euro. Oil prices strengthened into September, but came down in the last few months of the year, closing slightly below 100. Other commodities were under more pressure, most notably Gold, which ended the year down more than 28% as developed market growth picked up and credit stress in southern Europe eased considerably. As a result, volatility in equity markets also came down further, with the implied volatility index VSTOXX closing out the year at 17%, with a low of 14% at the end of November.

European Equity Market Returns

2013	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	**YTD**
MSCI Europe	2.8	1.0	1.6	1.6	1.9	-5.1	5.1	-0.6	4.4	3.8	1.0	1.0	**19.8**

Note: The MSCI Europe Index (Net Return, Local) measures market performance in developed European markets, including both price performance and income from dividend payments.
Source: Bloomberg

Market Developments

The global economy continued to recover, albeit at a modest pace, supported by ultra-accommodative monetary policy, most notably in Japan. In January, the new government approved a 116 bn USD stimulus package and a 2% inflation target, supported by an open-ended asset purchase program. The yen weakened and Japanese equity prices skyrocketed for the first five months of the year.
In the US, low interest rates were pared with open market bond buy-backs by the Fed, resulting in a gradual decline of the unemployment rate throughout the year. House prices and consumer confidence also rose, supporting a steady and strong trending US equity market.

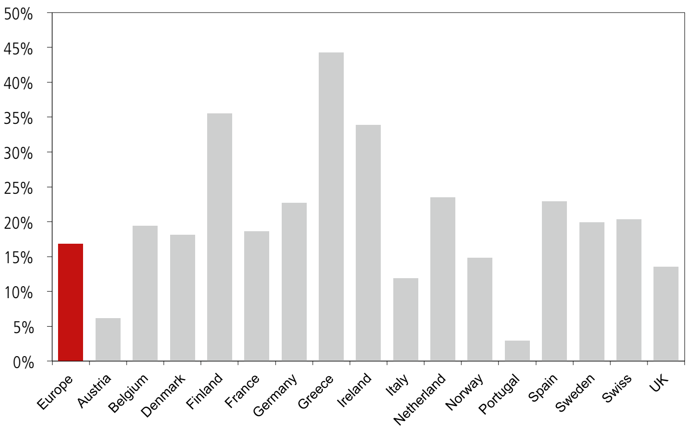
In Europe, the year started a bit rougher, with Spanish unemployment rates topping 25%, European GDP contracting 0.6% in Q4 2012, Italian elections causing considerable angst among investors and Cyprus needing a bailout in March. Equity markets found their way up however, as Draghi suggested the ECB will remain as accommodative for as long as needed and the Bank of England showing no signs of raising interest rates either. The UK government started a "help to buy" scheme aiming to boost the housing market and thus the consumer. With all four major economies trying to outdo each other in monetary easing and government stimulus, markets were set for a strong rally into year end, but not before a bit of a wobble mid-year, when the Federal Reserve said it was appropriate to moderate the pace of asset purchases later in the year. The prospect of "tapering" coupled with liquidity crunch fears in China caused markets to correct more than 10% in May and June.

From June 24th onward, markets rose on a steady pace as credit spreads in Southern Europe narrowed, China injected funds into money markets and the outlook for tapering had become milder than originally feared. A month later, euro area flash PMI surveys rose for the fourth month in a row and came in above the 50 "no-change" level for the first time since January 2012. The more benign market environment caused a shift in style performance for European equities. Whereas in the first half of the year low risk stocks were driving equity markets higher (and higher risk stocks related to emerging markets and Southern Europe lagging behind), the second half of the year saw more risk taking, which benefitted higher volatility names, small caps and cyclical stocks.

Heading into year-end, signs of credit risk could not slow the market down. Detroit became the largest US city to file for bankruptcy and the US government actually shut down for 16 days before Democrats and Republicans finally agreed on a debt ceiling increase. Meanwhile in Europe, Merkel won the German election, thereby providing a stable European political environment despite growing disapproval in France for its prime minister Francois Hollande. Elsewhere, emerging markets struggled more, specifically so called "twin deficit" countries and their currencies. This did not stop European equity markets from ending the year on new highs.

Countries, Sectors & Risk Factors
All European countries were up for the year with Spain and Germany leading the way. Both domestic growth in Germany, Scandinavia and the UK and a reduction of risk aversion in southern Europe led markets higher. The UK was "only" up 14%, but the FTSE was mostly held back by a defensive tilt and a high exposure of Oil and Mining companies with Emerging Market exposure.

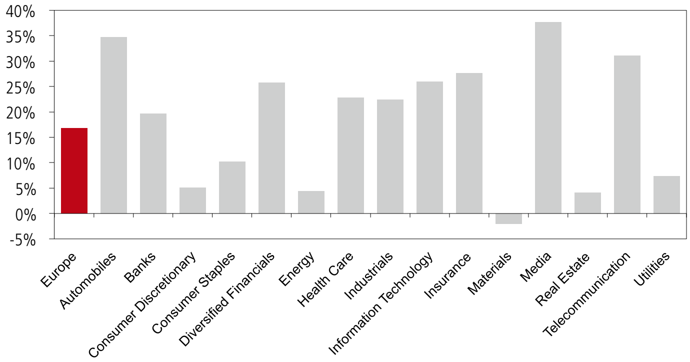
European Equity Markets, 2013 Performances by country



Note: These MSCI Europe country indices are free float-adjusted market capitalization weighted.

2013 was characterized by a sector and style rotation as the markets' perception of risk changed through the year. The year was distinctly split into two parts: before and after the Fed's tapering announcement. Oddly enough, before the announcement, market participants were more worried about a reduction in asset purchases and an accommodative stance by the Fed than after the actual announcement. Despite an initial considerable market drop, investors started adding more risk to their portfolio from July onward. Banks did very well initially and other sectors in southern Europe picked up later. High beta sectors such as Automobiles and Media did very well during 2013, followed by Telecom and Insurance, while Energy and Materials lagged, the latter being the only sector to be down for the year.

European Equity Markets, 2013 Performances by sector



Note: These MSCI Europe sector indices are free float-adjusted market capitalization weighted.

3. Investment Policy

Our core stock selection model is based on a dynamic multi-factor quantitative model ("the Quadrant model"), which ranks and generates implicit return forecasts for each stock in our universe. Our portfolio is constructed and rebalanced based on these ranks on an ongoing basis.

Saemor Quadrant Model
The Quadrant model uses a wide variety of explanatory factors, divided into four distinct segments: Valuation, Momentum, Profitability & Growth and Quality. We then sub-divide these quadrants into clusters, which in turn are composites of factor families. For Valuation, for example, we look at Defensive Value (e.g. P/E, dividend yield), Cyclical Value (e.g. P/B, P/S) and Fair Value (e.g. intrinsic value) measures.

A successful approach
We started the year with a higher net exposure than normal, with a slight value tilt, anticipating the traditional January effect. As markets and the macro environment favored a more quality oriented stance, we increased the weights of profitability, growth and stability. This worked well for us from April to June, with the fund up more than 6% YTD. July and August caught us by surprise however, as high risk outperformed and most of our quant factors posted negative returns. Earnings and price momentum suffered heavily, and cyclical value did a lot better than defensive value, which has a much higher weight in our multi-factor model.

We took a more pro-cyclical stance in September, adding weight to cyclical value and reducing exposure to quality and growth. We also took down our gross exposure from 410% to 350-360% and applied tighter sector and country limits going forward. The higher ranked stocks with southern European exposure we had in our portfolio started working in our favor from September onward. Additionally, some higher quality names with domestic German and UK exposure also picked up where they left off in August, reversing more than all of their August pull-back. Low ranked and shorted materials stocks lagged for the last four months of the year, helping us post a very strong performance run into year end.

Mid December we added more weight to cyclical value at the expense of stability, pre-positioning ourselves for more risk taking in January 2014. Our macro models are more cautious however, so after a possible January effect we will most likely focus more on stocks that do well in a slowdown, notably quality and earnings momentum type names.

The long and short of it
Our Long Book posted performances more or less in line with the market. Our short book strongly outperformed, as the stock prices of the short positions rose much less than the MSCI Europe.

Positions in the Consumer Discretionary, Industrials and Healthcare sectors contributed most. The P&L of Materials, Information Technology and Telecommunications was detrimental to performance. On the stock level, the long position in ITV was the largest positive contributor and the long position in K+S the largest bleeder.

The portfolio volatility as measured by a short term statistical risk model stood at 6.6% per December 31st (2012: 6.8%). The ex-post volatility based on 3 year monthly NAV's ended the year at 9.8%. At the end of December gross and net leverage stood at respectively 393% and 5%. The gross and net leverage averaged 382% and 7% over 2013.

4. Outlook

The outlook for 2014 seems mixed. Economic growth is improving for the 3rd straight year in developed markets, market volatility is low and earnings growth in Europe is finally picking up. European PMIs and US unemployment look favorable to equity markets. Most equity strategists are positive for the year and inflows from bonds into equities have a long way to go yet. On the other hand, markets closed 2013 on new highs and tactical positioning by hedge funds and others are at peak levels. The Fed has started slowing their open market bond purchases and there does not seem any room for further easing elsewhere in developed markets. Moreover, emerging markets look vulnerable, with growth in China slowing and Argentina and Turkey looking particularly at risk. Countries with budget and trade deficits have seen their currencies weaken dramatically and civil unrest seems to be increasing.

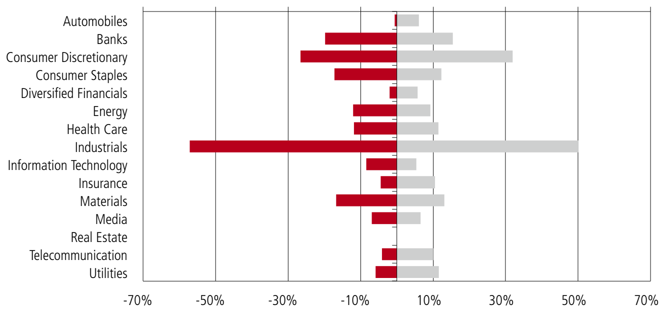
Even though unemployment is decreasing in Europe and the US and growth is picking up as well, the scope for further improvement seems limited. Our models seem to suggest that Europe is already heading for a temporary growth slowdown, which would lead us to more quality, profitability and earnings momentum in our stock selection model. We expect the earnings outlook for European companies to be positive overall, but the longer term trend for earnings downgrades will be tough to break, with margins outside banks at very high levels. This is especially the case for US companies. Current macro numbers are consistent with over 10% earnings growth for 2014.

We are optimistically positioned going into the year, but will look to take some risk off the table if and when the January effect has come to fruition. At the end of 2013 we increased the weight of Cyclical Value in our models at the expense of profitability and we also increased the beta of the portfolio slightly. We prefer domestic cyclical like consumer discretionary, insurance and banks over more emerging markets exposed names in Metals and Industrials.

In a scenario of prolonged growth in developed markets or somewhat of a slowdown, we would expect most of the factors in our quant model to do relatively well. Value, momentum, profitability and quality factors should bring above average returns in 2014. The biggest risk to our approach would be a sharp rebound in emerging markets and growth rates in Europe and the US surprising considerably on the upside. Also high volatility coming back to European equity markets may make our job more difficult as well.

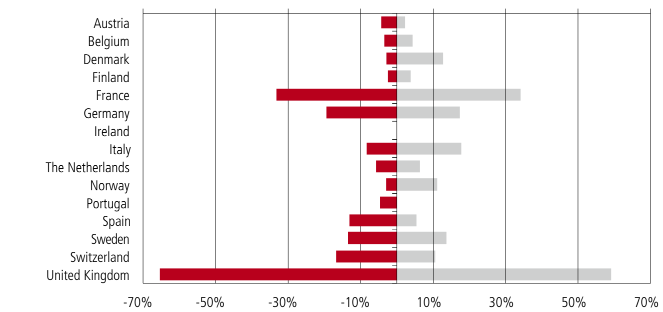
Sector positioning
We have a preference for domestic cyclical and sectors with a tilt towards the US. We feel that US and European growth will continue to surprise on the upside and see good value in some southern European names as well. This leads us to Consumer Discretionary, Automobiles, Insurance, Telecom and Utilities. We are more cautious on global growth and more specifically emerging markets related stocks which can be found in Industrials, Metals and Mining (though some mining names look increasingly cheap) and Energy. Our negative view on Consumer Staples stands out as it is both very expensive and has very negative earnings revisions because of emerging markets exposure.

Sector positions (31-12-2013)



Country positioning
There are no clear cut themes to be found in our portfolio when it comes to country positioning. We like domestic growth in the UK and Germany, but on the other hand, both countries are somewhat geared towards Emerging Markets growth as well through Industrials and Materials / Energy. Our biggest overweights are in Denmark, Norway, Italy and France and we are net short in Switzerland, Spain and the UK. The Fund takes no positions in Greece.

Country positions (31-12-2013)



Style positioning
Our style timing models favor an overweight in Defensive Value. Both in a recovery scenario and the world moving to expansion at some point in H1 should benefit Value. We continue to like Earnings Momentum. After a rise in risk appetite, we expect investors to become more discriminative in stock selection, where earnings upgrades should drive returns. We are not sure how far (low quality) cheap stocks can run, but we do expect expensive companies to underperform in any economic scenario. Investors have paid up handsomely for low volatility, stable growth companies over the last two-three years and these shares should be vulnerable in both an expansion or a renewed crisis situation. We are underweight Price Momentum going into the new year.

Risk positioning
Our target volatility remains between 8 and 10 percent. The Fund is run with low (beta-adjusted) net exposure and is predominantly market-neutral over time. Net sector weights are typically below 6% but may be larger if the sector volatility is limited. Individual stock positions are initiated at maximally 3 percent of NAV and are sliced down as soon as they grow naturally above 3.5 percent.

Quant Models
We continuously look to improve our investment process. On an annual basis we adjust our factor weights to reflect one more year of market data. Additionally we will include some new thoughts and findings with regards to factor performance, the grouping and clustering of factors and sector specific data. For 2014 our focus will be on optimizing weight limits for individual stocks, sectors and countries as well as a better understanding of optimal rebalancing and turnover schemes. Style timing will also be an ongoing field of research for us.

5. Risk Management

Saemor Capital B.V. has formulated the Saemor Capital Fund Governance Code, which complies to the Dufas Fund Governance Principles. This code can be downloaded at: www.saemor.com.

We have devised a prudent risk management framework that is appropriate to the size and scope of the firm and operations. In Compliance, Directors and Portfolio Management meetings, risks are reviewed, identified and previously identified risks are monitored.

The undertaken investment activities may expose the Fund to financial risks such as market risk, concentration risk and liquidity risk. These risks are taken intentionally as part of the investment policy. The company's risk management policies and objectives are therefore not designed to minimize but to limit the potential impacts of these risks on the results of the Fund. Operational risk is managed by maintaining an advanced operational infrastructure. Our operational risk management recognizes the four areas of potential losses: processes, systems, people and external events. Processes and controls are developed, documented and monitored with these sources of risk in mind.

Exposures to markets, currencies or countries are described in Paragraph 10 of the Notes to the financial statements. The most important risks are described below; a more extensive list of risks is described in the Prospectus.

Risks

Volatility of securities held
Many factors can affect the market value of the securities invested by the Fund. Not only can factors inherent to the pertinent issuing company or the sector in which it operates influence that value; geopolitical, national developments and macro economic factors may have an effect.

The performance of the Fund largely depends on the decisions that the fund manager takes as part of the investment process, leading from identification to the implementation of investment opportunities. Investments may be geared towards an expected upswing or downswing in the value of a security; if the security moves adversely, the value of the Fund may be negatively affected.

Market risk is mitigated by the allocation of appropriate capital resources, which are determined on the basis of stress testing, sensitivity testing and modeling. Concentration risk is mitigated by diversification and an adequate number of holdings in the portfolio. The liquidity policy is aimed at maintaining assets in such proportion that it will at all times enable the manager to meet its liabilities as they arise.

Short selling
The Fund may sell equities with the purpose of buying them back later. These are borrowed, as the Fund does not hold those equities. The cost for borrowing varies and influences the return realized on the pertinent position. Conceivably, borrowed equities may need to be returned to the lender at an earlier than expected date. The value of the borrowed amount is limited to a maximum of 250% of the Net Asset Value of all (Sub)Classes of Participations.

Loans
Loans provided by the prime brokers enable the fund to enhance its gross exposure. This increases the Fund's risk profile in terms of price volatility and interest rate volatility. Theoretically, holdings purchased with borrowed funds could drop to a value that is less than the amount borrowed. The value of the loan amount is limited to a maximum of 250% of the Net Asset Value of all (Sub)Classes of Participations.

Counterparty risk
The Fund is susceptible to the risk of counterparties of the Fund defaulting on their obligations as a result of inter alia a moratorium of payment or involuntarily liquidation.

Such counterparties include the Prime Brokers. A Prime Broker is entitled to pledge assets of the Fund to third parties to secure financing to the Fund (rehypothecation). In case of involuntary liquidation of the Prime Broker, the Fund ranks as a general creditor in respect to the value of the rehypothecated assets, with the risk that this value may not be reclaimed. The amount of rehypothecation of long assets is limited to 140% of the net indebtness of the Fund.

Derivatives
The Fund may utilise investment instruments such as exchange-traded futures, OTC options and other derivative contracts. Depending on the type of instrument, a relatively small movement in the price of a contract may result in a profit or loss that is high in proportion to the amounts of the funds actually placed as initial margin or premium paid. Because OTC transactions are not executed via an exchange, pricing may be less transparent. Additionally, OTC transactions may involve counterparty risk with respect to the unrealised profit value within the contract.

6. Other information

Statement related to administrative organisation and internal control
The Investment Manager has a statement of operational management, which meets the requirements of the Dutch Financial Supervision Act (Wet op het financieel toezicht, or 'Wft') and the Dutch Market Conduct Supervision of Financial Enterprises Decree (Besluit gedragstoezicht financiële ondernemingen, or 'Bgfo').

We have assessed several aspects of operational management throughout the past financial year. We have noticed nothing in our assessments that would lead us to conclude that the description of the structural aspects of operational management within the meaning of article 121 of the Bgfo failed to meet the requirements as specified in the Wft and related regulations. Based on these findings we, as Investment Manager of the Fund, declare that we possess a statement of operational management as defined by article 121 of the Bgfo, which meets the requirements of the Bgfo.

We have noticed nothing that would lead us to conclude that operational management does not function as described in this statement.
We therefore declare with reasonable assurance that operational management has been effective and has functioned as described throughout the reporting year.

AIFMD
The primary stated aim of the Alternative Investment Fund Managers Directive (AIFMD) was to increase investor protection. One important requirement is to appoint a Depository, who needs to act honestly, fairly professionally and independently, to act in the interests of the Fund and their investors and to avoid conflicts of interest.

Saemor Capital B.V. has been granted the license to manage investment funds (as meant in Article 2:65, first paragraph, sub a, Wet op het Financieel Toezicht (WFT)). The license will automatically be transferred into an AIFMD license as of 22 July 2014.

Saemor Capital B.V. started the AIFMD project in 2013 to have the Fund to meet all requirements before the end of June 2014. The appointment of the Depositary has been started. Important at this stage is the finalisation of legal negotiations between the Depositary and the prime brokers of the Fund. Implementation also started on building required AIFMD reporting.

The WFT encompasses requirements on organisational control and fund transparency. As such Saemor Capital B.V. already has documented its policies and procedures extensively. Those policies and procedures, legal agreements and the funds prospectus are under review by qualified external parties and will be amended where relevant. Further, the required independent risk function will be formalised. Saemor Capital B.V. complies already with AIFMD solvability and liquidity requirements.

Personnel
The Fund does not employ any personnel and will not employ any personnel for the foreseeable future.

Investment
The Fund aims to achieve capital appreciation through investing in long and short positions in listed European equities. The Fund seeks to limit the downward risk while keeping correlation with the returns of relevant market indices low. (Please note that the value of the investments may fluctuate. Past performance is not necessarily a guide to future performance. The value of the product is (among others) subordinated to the developments on financial markets and, if applicable, other markets.) Long and short investment opportunities are selected from the European stock universe of listed, liquid equities.

The Hague, 24 April 2014

Sven Bouman,
on behalf of Qmetrics B.V.
Director Saemor Capital B.V.

P.P.J. van de Laar,
on behalf of Emphi B.V.
Director Saemor Capital B.V.

STATEMENT OF FINANCIAL POSITION

As at 31 December 2013

	Note	2013	2012
		€	€
Assets			
Cash and cash equivalents	4	436,677,981	310,565,298
Financial assets at fair value through profit or loss	3	564,169,619	625,614,003
Amounts due from brokers	5	71,407,174	15,113,246
Dividends receivable		824,585	800,043
Total assets		**1,073,079,359**	**952,092,590**
Liabilities			
Financial liabilities at fair value through profit or loss	3	473,306,968	468,102,269
Amounts due to brokers	5	116,383,809	34,748,847
Management fee payable	6	424,580	379,656
Performance fee payable	6	4,707,708	283,891
Dividends payable		166,651	314,699
Interest payable		532,884	672,143
Accrued expenses	7	78,861	69,804
Equalisation credit payable	6	21,980	-
Total liabilities		**595,623,441**	**504,571,309**
Net assets attributable to holders of redeemable units of participation		**477,455,918**	**447,521,281**

Class A	**2013**	**2012**	**2011**
Number of units of participation (note 12)	2,826.21	99.75	99.75
Net asset value per unit of participation	€ 1,169.53	€ 1,112.15	€ 1,112.26
Class B	**2013**	**2012**	**2011**
Number of units of participation (note 12)	434,247.57	434,083.97	510,653.55
Net asset value per unit of participation	€ 1,091.89	€ 1,030.70	€ 1,026.99
Total Net Asset Value	**€ 477,455,918**	**€ 447,521,281**	**€ 524,547,461**

See notes to the financial statements

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2013

	Note	2013	2012
		€	€
Income			
Interest income	8	129,303	460,593
Gross dividend income	9	30,968,055	33,734,902
Net gain on financial assets and liabilities at fair value through profit or loss	3	37,238,501	5,576,760
Net foreign exchange loss	3	(334,884)	(368,437)
Other income		1,548	-
Total income		**68,002,523**	**39,403,818**
Expenses			
Dividend expense on securities sold short	9	(22,889,347)	(25,421,356)
Interest expense	8	(7,007,232)	(8,308,750)
Performance fee	6	(4,708,260)	(283,891)
Management fee	6	(4,587,280)	(4,566,299)
Administration fee	6	(275,379)	(281,573)
Costs of supervision	6	(63,000)	-
Trustee's Fee	6	(41,100)	(41,490)
Other expenses	6	(32,013)	(31,501)
Legal fees	6	(20,000)	(27,407)
Audit fees	6	(18,000)	(17,182)
Total expenses		**(39,641,611)**	**(38,979,449)**
Withholding taxes		(1,675,651)	(1,602,439)
Increase/(decrease) attributable to holders of redeemable unit of participation		**26,685,261**	**(1,178,070)**

See notes to the financial statement

STATEMENT OF CASH FLOWS

For the year ended 31 December 2013

	Note	2013	2012
		€	€
Cash flows from operating activities			
Increase/(decrease) attributable to holders of redeemable units of participation		26,685,261	(1,178,070)

Adjustments to reconcile (decrease)/increase attributable to holders of redeemable units of participation to net cash provided by operating activities:

	Note	2013	2012
Decrease in financial assets at fair value through profit or loss		61,444,384	40,078,915
Increase/(decrease) in financial liabilities at fair value though profit or loss		5,204,699	(49,373,772)
(Increase)/decrease in dividends receivable		(24,542)	(192,265)
Increase/(decrease) in management fee payable		44,924	(53,883)
Increase/(decrease) in performance fee payable		4,423,817	(2,158,875)
Increase/(decrease) in amounts due to brokers		81,634,962	(220,072)
(Increase)/decrease in amounts due from brokers		(56,293,928)	45,921,745
(Decrease)/increase in interest payable		(139,259)	346,016
Decrease)/increase in dividends payable		(148,048)	(1,083,778)
Increase/(decrease) in accrued expenses		9,057	(55,390)
Increase/(decrease) in Equalisation credit payable		21,980	-
Net cash Provided by operating activities		**122,863,307**	**32,030,571**
Cash flows from financing activities			
Proceeds from issue of redeemable units of participation		3,459,451	1,771,130
Payments from redemptions of redeemable units of participation		(202,722)	(68,890,000)
Redemption related to equalisation deficit previous year		(7,353)	(8,729,240)
Net cash flow provided by/(used in) financing activities		**3,249,376**	**(75,848,110)**
Net increase/(decrease) in cash and cash equivalents		126,112,683	(43,817,539)
Cash and cash equivalents at the beginning of the year		310,565,298	354,382,837
Cash and cash equivalents at the end of the year	**4**	**436,677,981**	**310,565,298**

See notes to the financial statements

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS OF PARTICIPATION

For the year ended 31 December 2013

	Note	Number of shares	2013
			€
Balance at the beginning of the year		**434,184**	**447,521,281**
Increase attributable to holders of redeemable units of participation resulting from operations for the year		-	26,685,261
Issue of redeemable units of participation during the year	12	3,221	3,459,451
Payments from redeemable units of participation during the year	12	(324)	(202,722)
Redemption related to equalisation deficit previous year	12	(7)	(7,353)
Net assets attributable to holders of redeemable units of participation at the end of the year		**437,074**	**477,455,918**

	Note	Number of shares	2012
			€
Balance at the beginning of the year		**510,753**	**524,547,461**
Decrease attributable to holders of redeemable units of participation resulting from operations for the year		-	(1,178,070)
Issue of redeemable units of participation during the year	12	1,772	1,771,130
Payments from redeemable units of participation during the year	12	(69,868)	(68,890,000)
Redemption related to equalisation deficit previous year	12	(8,474)	(8,729,240)
Net assets attributable to holders of redeemable units of participation at the end of the year		**434,184**	**447,521,281**

See notes to the financial statements

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2013

1. FUND INFORMATION

Saemor Europe Alpha Fund (the "Fund") is an open-ended investment fund incorporated on 19 June 2008. The first trade date for Class B units of participation was on 26 June 2008. Initial subscriptions for Class A units of participation were received on trade date 27 January 2009. The Fund is not listed on any stock exchange. The units of participation are registered per investor.

The Fund will, under certain conditions, be able to issue and purchase units of participation. Issue and redemption of units of participation is possible on a dealing date, which is the first business day of each month. The Investment Manager holds the right to suspend redemptions in case of extreme market circumstances, when effectuating the lock up on Class B units of participation or in case of a significant size of the redeemed amount. The right to suspend redemptions is explained in more detail in the Prospectus of the Fund.

The Fund is a Fund for Joint Account, which means that there is a contractual obligation among the Investment Manager, the Trustee and the Participant. The Investment Manager was granted the license to manage investment funds under the Financial Supervision Act (Wft) as of 9 December 2010. As of 29 July 2011 the Fund has been registered under this license at The Netherlands Authority of the Financial Markets (AFM). Granted licenses (non-UCITS) to managers, will be automatically transferred into an AIFM license as of 22 July 2014.

The Fund's objective is to achieve attractive absolute returns in the long term by investing in securities of European companies. Funds that aim for absolute returns in the long term are characterised by a modest volatility and a low correlation with regional equity market indices. Assets can be invested in a wide range of financial instruments. The Fund makes use of combinations of long and short positions in equities, as well as derivative positions. The Fund may use leverage to achieve the return targets or for liquidity reasons in case units of participation are redeemed. Assets will predominantly be invested in European securities.

Since its incorporation and until 31 December 2013, the Saemor Europe Alpha Fund appointed Citibank Europe plc. The Administrator provides fund administration and transfer agency services to the Fund. Citibank Europe plc is based in Ireland and adheres to Irish AML rules and regulations.

2. PRINCIPAL ACCOUNTING POLICIES

(a) Statement of compliance

The financial statements of the Fund have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union (EU), the Dutch Financial Supervision Act and Title 9 book 2 Dutch Civil Code.

(b) Basis of preparation

The financial statements have been prepared on a historical cost basis, except for financial instruments classified at fair value through profit or loss which have been measured at fair value.

The financial statements are presented in Euro.

The preparation of financial statements in accordance with IFRS, as adopted by the EU, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Management believes that the estimates utilised in preparing its financial statements are reasonable and prudent. Actual results could differ from these estimates.

The Fund's functional and presentation currency is the euro. As most holders of Units of Participation, the Investment Manager and the Trustee are based and operate in Euro markets, the Fund's performance is evaluated and its liquidity is managed in euros.

New accounting standards adopted

On 31 October 2012 the IASB issued Investment Entities: Amendments to IFRS 10, IFRS 11, IFRS 12, IAS 27 and IAS 28, effective as per 1 January 2014 (together "the Amendments"). The EU endorsed the Amendments to IAS 32 and IFRS 7 on 20 November 2013. The Amendments defined an investment entity and introduced an exemption to consolidating particular subsidiaries for investment entities. These amendments require an investment entity to measure those subsidiaries at fair value through profit or loss in accordance with IAS 39 Financial Instruments: Recognition and Measurement in its financial statements. The amendments also introduce new disclosure requirements for investment entities in IFRS 12 and IAS 27. Although the Fund believes that it qualifies as an investment entity as defined by the Amendments, no impact is expected as the Fund has no investments that substantiate control.

IFRS 13: Fair Value Measurement

IFRS 13, 'Fair value measurement', effective for annual periods beginning on or after 1 January 2013 has been adopted. The standard improves consistency and reduces complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRS. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRS. If an asset or liability measured at fair value has a bid price and an ask price, the standards requires valuation to be based on a price within the bid-ask spread that is most representative of fair value. The standard allows the use of mid-market pricing or other pricing conventions that are used by market participants as a practical expedient for fair value measurement within a bid ask spread.

IFRS 7 Disclosures: Offsetting Financial Assets and Financial Liabilities
On 16 December 2011, the IASB released Disclosures — Offsetting Financial Assets and Financial Liabilities (Amendments to IFRS 7). The standard amends the disclosure requirements in IFRS 7 Financial Instruments: Disclosure to require information about all recognised financial instruments that are set off in accordance with paragraph 42 of IAS 32. The new offsetting disclosure requirements are effective for annual periods beginning on or after 1 January 2013 and interim periods within those annual periods. The amendments need to be provided retrospectively to all comparative periods. No impact is expected as the Fund has no master netting agreements with their prime brokers.

IAS 1 - Financial Statement Presentation - Presentation of Items of Other Comprehensive Income (OCI)
The amendments to IAS 1 change the grouping of items presented in OCI. Items that could be reclassified (or 'recycled') to profit or loss at a future point in time (for example, upon derecognition or settlement) would be presented separately from items that will never be reclassified. The amendment affects presentation only and has no impact on the Protected Cell's financial position or performance. The amendment becomes effective for annual periods beginning on or after 1 July 2012.

New standards, amendments and interpretations to existing standards which are relevant to the Fund and not yet effective

IFRS 9 Financial Instruments: Classification and Measurement
IFRS 9 as issued reflects the first phase of the IASB's work on the replacement of IAS 39 and applies to classification and measurement of financial assets and financial liabilities as defined in IAS 39. The standard is effective for annual periods beginning on or after 1 January 2015. In subsequent phases, the IASB will address hedge accounting and impairment of financial asset. The adoption of the first phase of IFRS 9 will have an effect on the classification and measurement of the Fund's financial assets but will potentially have no impact on classification and measurements of financial liabilities. The Fund will quantify the effect in conjunction with the other phases, when issued, to present a comprehensive picture.

(c) Financial instruments
Financial assets and liabilities at fair value through profit or loss
The category of financial assets and liabilities at fair value through profit or loss are categorised as financial assets and liabilities held for trading. These include equities, contracts for difference (CFDs) and liabilities from short sales of financial instruments.

These instruments are acquired or incurred principally for the purpose of generating a profit from short-term fluctuation in price. Derivatives are categorised as held for trading, as the Fund does not designate any derivatives as hedges for hedge accounting purposes as described under IAS 39.

Initial measurement
Purchases and sales of financial instruments are accounted for at trade date. Realised gains and losses on disposals of financial instruments are calculated using the first-in-first-out ("FIFO") method. Financial instruments categorised at fair value through profit or losses are measured initially at fair value. Transaction costs incurred with an opening position in equities and CFDs (opening buy in case of a long position or opening sale in case of a short position) are included in the net consideration. Transaction costs incurred with the closing of a position in equities and CFDs (closing sale in case of a long position or closing buy in case of a short position) are included in the net consideration.

Subsequent measurement
After initial measurement, the Fund measures financial instruments which are classified as at fair value through profit or loss at fair value. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The fair value of financial instruments traded in active market is based on their quoted market prices or sourced from a data vendor, at the statement of financial position date without any deduction for estimated future selling costs. Financial assets are priced at their current bid prices, while financial liabilities are priced at their current offer price.

For all other financial instruments not traded in an active market and if a quoted market price is not available from a data vendor, the fair value of the financial instruments may be estimated by the Investment Manager using valuation techniques, including use of recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Subsequent changes in the fair value of financial instruments at fair value through profit or loss are recognised in the Statement of Comprehensive Income.

All of the Fund's investments in investment funds are held for trading, with changes in fair value reflected in the Statement of Comprehensive Income. Fair value is determined based on financial data supplied independently from a third party administrator.

Where the Fund has assets and liabilities with offsetting market risks it uses mid-market prices as a basis for establishing fair values for the offsetting risk positions and applies the bid or offer price to the net position as appropriate.

(d) Recognition
The Fund recognises a financial asset or a financial liability when, and only when, it becomes a party to the contractual provisions of the instrument.

Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace are recognised on the trade date, i.e., the date that the Fund commits to purchase or sell the asset.

(e) Derecognition
The Fund derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition in accordance with IAS 39.

The Fund derecognises a financial liability when the obligation specified in the contract is discharged, cancelled or expires.

(f) Offsetting financial instruments
Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(g) Contract for Difference
A contract for difference is an agreement between two parties to exchange the difference between the opening and closing value of a position in a specific financial instrument, such as quoted securities, index and foreign exchange. The daily changes in contract value are recorded as unrealised gains or losses and the Company recognises a realised gain or loss when the contract is closed. Unrealised gains and losses on contracts for difference are recognised in the Statement of Comprehensive Income.

(h) Redeemable units of participation
The Fund has issued two classes of redeemable units of participation, Class A units and Class B units, which are redeemable at the participant's option. In accordance with IAS 32 such instruments give rise to a financial liability for the present value of the redemption amount.

The participants of Class B units of participation are not entitled to request the Fund to redeem all or part of their redeemable units of participation during the "lock-up" period of one year from the acceptance of subscriptions. After the "lock-up" period, the redeemable units of participation can be put back to the Fund on any dealing day for cash equal to a proportionate share of the Fund's net asset value.

(i) Subscription and redemption fees
A fee could be charged upon each issue, transfer or redemption of a unit of Participation of up to 1.0%. The actual fee charged is set by the Investment Manager, is credited to the Fund and is charged to cover transaction related costs.

(j) Interest income/expense and borrowing fee
Interest income and interest expense are recognised on an accruals basis in line with the contractual terms. The majority of the interest expense in the Statement of Comprehensive Income includes CFD interest, borrowing fee and cash interest. Borrowing fee is paid fee related to stock loan activities.

(k) Expenses
Expenses are recognised in the Statement of Comprehensive Income on an accrual basis accounted in the year that the costs are incurred.

(l) Dividend income and expense
Dividends are credited to the Statement of Comprehensive Income on the dates on which the relevant securities are listed as "ex-dividend". Income is shown gross of any non-recoverable withholding taxes, which is disclosed separately in the Statement of Comprehensive Income, and net of any tax credits. Dividend expense relating to equity securities sold short is recognised when the shareholders' right to receive the payment is established.

(m) Statement of Cash Flows
The Statement of Cash Flows is prepared according to the indirect method. For the purposes of the Statement of Cash Flows, financial instruments at fair value through profit or loss are included under operating activities. Cash flows from financing activities include proceeds from subscriptions and payments for redemptions of shares of the Fund.

(n) Foreign currency translation
Functional and presentation currency
Items included in the Fund's financial statements are measured and presented using the currency of the primary economic environment in which it operates (the "functional currency"). This is the Euro, which reflects the Fund's primary domicile, including the subscription into and redemption out of the Fund.

Foreign currency transactions
Monetary assets and liabilities denominated in currencies other than Euro are translated into Euro at the closing rates of exchange at each year end. Transactions during the year, including purchases and sales of securities, income and expenses, are translated at the rate of exchange prevailing on the date of the transaction. Foreign currency translation gains and losses are included in realised and unrealised gain and loss on investments.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

(o) Cash and cash equivalents
Cash consists of cash at bank and cash equivalents consist of short-term investments available to the Fund with original maturities of three months or less and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash is held with Morgan Stanley and UBS AG.

Margin accounts represent cash deposits with brokers, transferred as collateral against open futures or other securities. Other broker balances relate to cash balances with the Fund's Prime Brokers and amounts receivable or payable for securities transactions.

Short-term investments that are not held for the purpose of meeting short-term cash commitments and restricted margin accounts are not considered as 'cash and cash equivalents'.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(p) Taxation
The Fund is organised as a fund for joint account ("Fonds voor gemene rekening") as defined in article 2 paragraph 2, of the Dutch Corporate Income Tax Act ("CITA") ("Wet op de vennootschapsbelasting 1969") and qualifies as a tax exempt investment fund ("Vrijgestelde Beleggingsinstelling") within the meaning of article 6a, CITA. Consequently, the Fund will be fully exempt from corporate income tax in The Netherlands.

All payments by the Fund under the participations can be made free of withholding or deduction of any taxes of whatsoever nature imposed, levied, withheld or assessed by The Netherlands or any political subdivision or taxing authority thereof or therein.

The issuance or transfer of participation, and payments under a participation, will not be subject to value added tax in The Netherlands.

The subscription, issue, placement, allotment, delivery or transfer of a participation, will not be subject to registration tax, stamp duty or any other similar tax or duty payable in The Netherlands.

In some jurisdictions, investment income and capital gains are subject to withholding tax deducted at the source of the income.

The Fund presents the withholding tax separately from the gross investment income in the Statement of Comprehensive Income. For the purpose of the Cash Flow Statement, cash inflows from investments are presented net of withholding taxes, when applicable.

(q) Significant accounting estimates and judgment in applying accounting policies
Application of the accounting policies in the preparation of the fund financial statements may require the Investment Manager to apply judgment involving assumptions and estimates concerning future results and other developments including the likelihood, timing or amount of future transactions or events.

The Fund has no significant accounting estimates that require complex estimates or significant judgment in applying its accounting policies.

(r) Events after statement of financial position date
The financial statements are adjusted to reflect material events that occurred between the statement of financial position date and the date when the financial statements are authorised for issue, provided they give evidence of conditions that existed at the statement of financial position date. Material events that are indicative of conditions that arose after the statement of financial position date are disclosed, but do not result in an adjustment of the financial statements themselves.

3. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

Movement schedule investments

Equity securities	**2013**	**2012**
	€	**€**
Beginning market value 1 January	133,894,185	112,345,842
Purchase	3,610,546,074	4,414,392,087
Sale	(3,673,734,955)	(4,403,754,027)
Revaluation	(22,476,373)	10,910,283
Ending market value 31 December	**48,228,931**	**133,894,185**

Contracts for Difference	**2013**	**2012**
	€	**€**
Beginning market value 1 January	23,617,549	35,871,035
Purchase	76,431,115	32,046,398
Sale	(117,129,818)	(38,966,361)
Revaluation	59,714,874	(5,333,523)
Ending market value 31 December	**42,633,720**	**23,617,549**

Total	**2013**	**2012**
	€	**€**
Beginning value 1 January	157,511,734	148,216,877
Purchase	3,686,977,189	4,446,438,485
Sale	(3,790,864,773)	(4,442,720,388)
Revaluation	37,238,501	5,576,760
Ending market value 31 December	**90,862,651**	**157,511,734**

Movements on CFD investment reflect only the realised gain and loss of closing transactions.

As at 31 December 2013 and 2012, financial assets and liabilities at fair value through profit or loss were as follows:

	2013	2012
Equity securities	506,141,837	573,148,199
Contracts for Difference	58,027,782	52,465,804
Financial assets at fair value through profit or loss	**564,169,619**	**625,614,003**

	2013	2012
Equity securities	(457,912,906)	(439,254,014)
Contracts for Difference	(15,394,062)	(28,848,255)
Financial liabilities at fair value through profit or loss	**(473,306,968)**	**(468,102,269)**
Total	**90,862,651**	**157,511,734**

In note 10 risk associated with those financial instruments held will be described.

As at 31 December 2013 and 2012, listed equity securities at fair value through profit or loss are recorded at fair value based on quoted market prices in active markets.

	Net gain or loss on financial assets and liabilities at fair value through profit or loss	Net foreign exchange gain or loss	Total
2013			
Realised Gain	293,292,245	9,194,235	302,486,480
Unrealised Gain	143,638,667	4,044,074	147,682,741
Realised Loss	(275,971,328)	(8,524,837)	(284,496,165)
Unrealised Loss	(123,721,083)	(5,048,356)	(128,769,439)
Total	**37,238,501**	**(334,884)**	**36,903,617**
2012			
Realised Gain	290,183,815	7,050,000	297,233,815
Unrealised Gain	151,921,421	5,439,586	157,361,007
Realised Loss	(237,000,345)	(8,778,399)	(245,778,744)
Unrealised Loss	(199,528,131)	(4,079,624)	(203,607,755)
Total	**5,576,760**	**(368,437)**	**5,208,323**

4. CASH AND CASH EQUIVALENTS

Cash represents short-term funds available to the Fund.

	2013	2012
	€	€
Cash at broker	277,161,569	127,444,458
Margin accounts	159,516,412	183,120,840
	436,677,981	**310,565,298**

Cash at broker relates to cash balances with the Fund's Prime Brokers. Margin accounts represent cash deposits with brokers, transferred as collateral against open futures or other securities.

The prime broker calculates the maximum amount to be lent on the basis of all long and short securities held at the prime broker; this is called the total margin requirement. The Fund does not provide individual securities as collateral for each individual short security transaction. The total short position is taken into account in the calculation of margin requirement. The total amount of margin requirements with the Fund's Prime Brokers were €292,579,686 (2012: €305,089,626) with Morgan Stanley and €48,350,174 (2012: €84,992,704) with UBS AG at 31 December 2013.

5. AMOUNTS DUE FROM/(TO) BROKERS

Amounts receivable from and payable to brokers include cash balances with the Fund's Prime Brokers and amounts receivable or payable for securities transactions that have not settled at the year end. Certain amounts of this cash results from the proceeds of trading securities sold short and may therefore be subject to withdrawal restrictions until such time as the securities are purchased by the Fund. The Fund has also purchased securities on margin and the related margin balances are secured on certain of the Fund's investments in securities.

	2013	2012
	€	€
Balances due to brokers	(116,383,809)	(34,748,847)
Balances due from brokers	71,407,174	15,113,246
Amounts due to brokers	**(44,976,635)**	**(19,635,601)**

6. FEES AND EXPENSES

Management fee
The management fee is charged to the Fund and is credited to the Investment Manager. The management fee is levied once a month. The management fee is set as an annual percentage of 1.5% of the gross asset value (GAV) for Class A units of participation and 1.0% of the GAV for Class B units of participation (before deduction of the accrued performance fee). The management fee is calculated each month as one twelfth (1/12) part of the annual management fee on the GAV of the Class in question on the last business day of each month. The fee is payable, in arrears following completion and finalisation each month. Management fees of €4,587,280 (2012: €4,566,299) were incurred for the year ended 31 December 2013, of which €424,580 (2012: €379,656) were payable at 31 December 2013.

Performance fee
The performance fee is charged on a unit by unit basis and is credited to the Investment Manager. The performance fee is calculated and accrued for in each net asset calculation as at each month end.

The performance fee is equal to 20% of the annual increase in the net asset value of the capital of Class A units of participation. The performance fee is 15% of the annual increase in the net asset value of the capital of Class B units of participation.

The performance fee will be calculated on the basis of an annual period from calendar year end to calendar year end. In a year of introduction of a new Class in a specific currency, the performance fee will be based on the period from introduction date to calendar year end. A high watermark applies.

Performance fees of €4,708,260 (2012: €283,891) were incurred for the year ended 31 December 2013, of which €4,707,708 (2012: €283,891) was payable at 31 December 2013.

Performance fee – Equalisation
The performance fee is calculated according to the "equalisation" method, which means that each Participant pays a fee that truly corresponds to the increase in value of the units of participation that he/she holds. Participations are subscribed to against the gross asset value per unit of participation. If the subscription price exceeds the high water mark (HW) on a dealing day, an equalisation credit is granted to the participant. Following the date of grant, the value of the equalisation credit fluctuates with the increase and decrease of the net asset value (NAV). The equalisation credit will at no time turn into a negative value, and it will not increase beyond the value at the time of issue. By issuing participations against the value of the Participant's equalisation credit at the ultimate valuation day of the financial year of the Fund, the credit will be finally settled.

The equalisation credit as of 31 December 2013 amounted €21,980 (31 December 2012: €Nil).

Conversely, a participant that acquires participations at a time that the HW exceeds the NAV per participation, at which point in time the

GAV equals the NAV as no performance fee is accrued, will build up an equalisation deficit from the moment that the NAV per participation exceeds the subscription price. Any deficit will be finally settled by way of mandatory redemption of the equalisation deficit bearing Participations. The Investment Manager is entitled to the ensuing claim. Redemption will take place per the ultimate dealing day of the financial year of the Fund, or at redemption during the year. The equalisation deficit as of 31 December 2013 amounted €8,735 (31 December 2012: €7,353).

Audit Fee
These fees refer to services provided by EY and relate to the audit of the Financial Statements of €18,000 (2012: €17,182). No other services were provided by EY or its member firms.

Other costs charged to the assets of the Fund

	2013	**2012**
	€	**€**
Administration fees	275,379	281,573
Legal fees / costs of supervision	83,000	27,407
Audit fees	18,000	17,182
Trustee's fees	41,100	41,490
Other expenses	32,013	31,501
	449,492	**399,153**

Costs of supervision have been accrued separately for the first time in 2013 and are fees charged by supervising authorities AFM and the Dutch Central Bank.

Other expenses

	2013	**2012**
	€	**€**
Printing and stationery	-	(24)
Miscellaneous expenses	2,850	3,957
Brokerage fees (excluded in Ongoing Charges Figure)	29,163	27,568
Other expenses	**32,013**	**31,501**

Subscription and redemption fees
The Fund may upon issue and redemption of a unit of Participation charge a fee up to 1.0% of the then current Gross or Net Asset Value of a unit of Participation. These costs may be charged in order to cover the costs incurred in transactions related to subscription and/or redemption and are credited to the Fund. During 2013 and 2012, the Fund did not charge any subscription or redemption fees.

Ongoing Charges Figure
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, regulators and auditors. Transaction costs of investments, interest expenses and performance fee are excluded from the calculation. The OCF will be calculated once a year, the figure as of end of 2013 is as follow:

	Share Class	**Share Class**
2013	**A**	**B**
Ongoing Charges Figure	1.59%	1.09%

	Share Class	**Share Class**
2012	**A**	**B**
Ongoing Charges Figure	1.58%	1.08%

Transaction costs
The costs charged by brokers in relation to the purchase or sale of financial instruments form the main component of the cost of a transaction. In addition, transaction-related taxes and duties such as registration tax and stamp duties may apply. Transaction costs incurred with an opening position in equities and CFDs (opening buy in case of a long position or opening sale in case of a short position) are included in the net consideration. Transaction costs incurred with the closing of a position in equities and CFDs (closing sale in case of a long position or closing buy in case of a short position) are included in the net consideration.

The transaction costs amounted to €3,482,267 in 2013 (2012: €2,560,017).

Soft dollar arrangement
The Investment Manager may choose to allocate transactions to brokers with whom the Investment Manager has concluded a commission sharing agreement (CSA). A CSA is concluded with a view to allowing the Investment Manager to provide a better level of service to the Fund, with the aim of improving the results. Pursuant to a CSA, the broker receives a commission for executing a transaction that is split ('unbundled') into: 1) execution and 2) research. The sum of money received by the broker that is related to research is entered into a separate account and may be used by the Investment Manager in order to pay for certain services rendered by either the broker or by a third party. The Investment Manager will, however, at all times aim for best execution. CSAs may be concluded with more than one broker.

The Fund has entered into a CSA with UBS AG in order to facilitate the purchase of research from Starmine.

Comparison realised costs versus costs included in Prospectus
Article 123 paragraph 1 sub j of the Decree on the Supervision Conduct of Financial Enterprises (Bgfo) requires a comparison between the actual costs for the reporting year and the costs as mentioned in the Prospectus. This comparison is included in the Notes to the Financial Statements.

31 December 2013

	Actual Costs	Estimated costs Prospectus
Management fee	€4,587,280	% of GAV: Class A=1.5% and Class B=1.0%
Performance fee	€4,708,260	% of annual increase NAV: Class A=20% and Class B=15%
Administrator fee	€275,379	Max 0.08% of NAV
Trustee fee*	€41,100	Maximum fee €32,500
Auditor's and advisor's costs**	€101,000	Not Specified
Other costs***	€2,850	Not Specified

31 December 2012

	Actual Costs	Estimated costs Prospectus
Management fee	€4,566,299	% of GAV: Class A=1.5% and Class B=1.0%
Performance fee	€283,891	% of annual increase NAV: Class A=20% and Class B=15%
Administrator fee	€281,573	Max 0.08% of NAV
Trustee fee*	€41,490	Maximum fee €32,500
Auditor's and advisor's costs**	€44,589	Not Specified
Other costs***	€3,957	Not Specified

* Maximum charge amounts to €32,500 excluding VAT and indexation starting as of 2008.
** Auditor's and advisor's costs include audit fee, legal fee and cost of supervision. Audit fee refers to services provided by EY and relate to the audit of the Financial Statements. No other services were provided by EY or its member firms.
*** Other costs include miscellaneous expenses

Portfolio Turnover Rate
The Portfolio Turnover Rate indicates the turnover ratio of the Fund's portfolio. This rate is an indicator of how actively the investment portfolio is being altered as a consequence of investment decisions and is therefore a function of the investment policy and specifically gross exposure.

The Turnover Rate is calculated as follows:
[(Total 1 – Total 2) / X] *100
Total 1: the total amount of investment transactions (purchase and sale of all equity and CFD investments)
Total 2: the total amount of subscriptions and redemptions by Participants
X: average net asset value of the Fund

Portfolio Turnover Rate

	2013 €	2012 €
Securities purchase	6,735,587,584	5,543,346,823
Securities sale	6,937,880,728	5,524,431,585
Total securities transactions	**13,673,468,312**	**11,067,778,408**
Subscriptions participants	3,481,420	1,771,130
Redemptions participants	202,559	68,890,000
Total movement in participations	**3,683,979**	**70,661,130**
Average net asset value	457,612,492	461,216,417
Turnover Rate	**2987%**	**2384%**

7. ACCRUED EXPENSES

Accrued expenses	**2013 €**	**2012 €**
Administration fee	46,871	43,768
Legal and tax advice fees	8,051	(3,750)
Audit fees	12,048	15,046
Trustee's fees	7,954	10,099
Other accrued expenses	3,937	4,641
	78,861	**69,804**

8. INTEREST INCOME/EXPENSE AND BORROWING FEE

	2013	2012
	€	€
Interest income	129,303	460,593
	129,303	**460,593**

	2013	2012
	€	€
Interest expense	4,361,777	4,783,927
Borrowing fee	2,645,455	3,524,823
	7,007,232	**8,308,750**

Borrowing fee in 2013 and 2012 is paid fee related to stock loan activities.

9. DIVIDEND INCOME/EXPENSE

	2013	2012
	€	€
Dividend income	30,968,055	33,734,902
	30,968,055	**33,734,902**

	2013	2012
	€	€
Dividend expense on securities sold short	22,889,347	25,421,356
	22,889,347	**25,421,356**

10. RISK ASSOCIATED WITH FINANCIAL INSTRUMENTS

Risk management is an integral part of the investment and the operational process. Financial risk management encompasses all elements of the investment process. A number of risk management systems allow us to notice any deviations from intended positioning and targets. Operational risk management encompasses the four areas of potential losses: processes, systems, people and external events.

Financial instruments and associated risks
The Fund's investment objective is to preserve capital and then achieve absolute returns for Participants by investing in securities of European Companies. The Fund aims to achieve strong risk adjusted returns without large exposure to the overall stock market and without taking high volatility single factor risks.

Financial instruments and associated risks
The Fund will primarily invest in a diversified portfolio consisting of long and short positions in listed equities. The Fund may utilise derivative financial instruments for the purpose of risk management and for potentially improving returns.

The nature and extent of the financial instruments outstanding at the statement of financial position date and the risk management policies employed by the Fund are discussed below.

The Fund is exposed to several risks. The Prospectus of the Fund describes an extensive list. Below the following risks are described: equity risk, currency risk, interest rate risk, credit risk and liquidity risk. Qualitative and quantitative analyses are provided where relevant to give the reader an understanding of the risk management methods used by the Investment Manager.

Fair Value Estimation
IFRS 13 states that when measuring fair value, the objective is to estimate the price at which an orderly transaction to sell an asset or to transfer a liability would take place between market participants at the measurement date under current market conditions (i.e. to estimate an exit price).

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy shall have the following levels:

Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1). Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2). Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety shall be 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 judgment, considering factors specific to the asset or liability.

The following tables analyse the fair value hierarchy of the Company's financial assets and liabilities measured at fair value at 31 December 2013:

Financial assets at fair value through profit or loss	31 December 2013 €	Level 1 €	Level 2 €	Level 3 €
Equity securities	506,141,837	506,141,837	-	-
Derivatives	58,027,782	-	58,027,782	-
Total	**564,169,619**	**506,141,837**	**58,027,782**	**-**

Financial liabilities at fair value through profit or loss	31 December 2013 €	Level 1 €	Level 2 €	Level 3 €
Equity securities sold short	(457,912,906)	(457,912,906)	-	-
Derivatives	(15,394,062)	-	(15,394,062)	-
Total	**(473,306,968)**	**(457,912,906)**	**(15,394,062)**	**-**

Financial assets at fair value through profit or loss	31 December 2012 €	Level 1 €	Level 2 €	Level 3 €
Equity securities	573,148,199	573,148,199	-	-
Derivatives	52,465,804	-	52,465,804	-
Total	**625,614,003**	**573,148,199**	**52,465,804**	**-**

Financial liabilities at fair value through profit or loss	31 December 2012 €	Level 1 €	Level 2 €	Level 3 €
Equity securities sold short	(439,254,014)	(439,254,014)	-	-
Derivatives	(28,848,255)	-	(28,848,255)	-
Total	**(468,102,269)**	**(439,254,014)**	**(28,848,255)**	**-**

Equity risk

Equity risk is the risk that the Fund is exposed to the volatility of the fair value of the equity securities it holds. The fair value of individual securities may fluctuate as a result of e.g. company specific news, broad market movements, interest rate risk or foreign currency movements. The Investment Manager continuously monitors the (potential) determinants of the value of the securities held and the total portfolio value. As such, risk management is an integral part of investment management which comprises security selection and portfolio construction. Frequently various stock, sector and country exposures are measured and managed against the norms which have been defined for those exposures. Further the overall portfolio is monitored using various (external) portfolio risk (optimizing) systems to monitor and manage market or style exposures.

The value of the securities the Fund holds are partly driven by general market movements. As the Fund has long and short positions in securities, the Fund aims to control its exposure to these general market movements. The following table represents management's best estimate of the effect on the Fund's total net assets due to a 25% change in the market equity price, with all other variables held constant.

The Beta is a measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. The Beta of a portfolio can be measured by a regression of the portfolio return with the market return, i.e. the ex-post Beta. The Beta of a portfolio can also be measured as the weighted average of the Beta's of the underlying securities, i.e. the ex-ante Beta.

Please note that the calculation of a Beta is based upon historical data. It gives an insight in the co-movement of the portfolio with the market as a whole; such calculated Beta can be used as a rough estimate for the co-movement going forward. Significant differences may occur between the estimate and the co-movement that occurs next year.

The ex-post Beta for the Fund was 0.14 (2012: 0.017), calculated from a regression of the daily returns of the Fund on the MSCI Europe, from 1 January up to 31 December. The ex-ante Beta measured at year end 2013 is 0.007 (2012: 0.069). *(The ex-ante Beta is measured against the MSCI Europe index. Source: Nomura TradeSpex Portfolio tool, European statistical factor risk model).

2013

Market indices	Ex-ante Beta	Change	Effect on net assets and profit	Change	Effect on net assets and profit
		%	€	%	
MSCI Europe	0.007	25	3,285,716	(25)	(3,285,716)

2012

Market indices	Ex-ante Beta	Change	Effect on net assets and profit	Change	Effect on net assets and profit
		%	€	%	
MSCI Europe	0.069	25	31,024,006	(25)	(31,024,066)

If an investment portfolio of a fund is relatively concentrated, it is considerably dependent on volatility in specific equities (idiosyncratic risk). The Investment Manager has defined several guidelines to adhere to, with respect to maximum percentages held on a security and sector level. The portfolio of the Fund is fairly diversified as is illustrated by the percentages held as disclosed in the sector allocation. The long and short positions are showed separately as a percentage of the net asset value. The net exposure per sector is also stated as a percentage of the net asset value.

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Fund may invest in financial instruments and enter into transactions denominated in currencies other than its functional currency (Euro).

Consequently, the Fund is exposed to risks that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse affect on the value of that portion of the Fund's assets or liabilities denominated in currencies other than the Euro.

The Fund's currency risk is managed on a daily basis by the Investment Manager in accordance with policies and procedures which are in place.

IFRS 7 considers the foreign exchange exposure related to non-monetary assets and liabilities to be a component of market price risk not foreign currency risk. The Fund however monitors the exposure on all foreign currency denominated assets and liabilities and hence, the table below has been prepared for monetary and non-monetary items combined to meet the requirements of IFRS 7.

The following table demonstrates management's best estimate of the sensitivity to a reasonable change in the foreign exchange rates, with all other variables being constant, of the most representative Fund's foreign currency exposures. The currency sensitivity below is based upon a movement of exchange rates and the direct currency exposures as a result of Fund holdings which are denominated in currencies other than Euro, the functional currency of the Fund. Please note that the table below is based upon the holdings as at the end of December 2013 and 2012; currency exposures continuously change.

The Fund has the possibility to hold and to manage currency exposures, but in principle will hedge significant exposures.

The sensitivity analysis for the currency exposures held by the Fund is based on the assumption of a 10% movement in the foreign exchange rates against the Fund's functional currency (Euro). The table below is based upon the breakdown of the assets and liabilities in the different currencies.

The total exposure to different currencies at 31 December 2013 was:

	Financial assets/ (liabilities) at fair value through profit or loss	Cash and amounts due from/ (to) brokers	Other assets/ (liabilities)	Net currency exposure	In % of total net assets	+10% Movement	-10% Movement
	€	€	€	€	%	€	€
CHF	(29,187,994)	25,776,599	(56,200)	(3,467,595)	(0.73)%	(346,760)	346,760
DKK	48,756,812	(31,582,916)	(159)	17,173,737	3.60%	1,717,374	(1,717,374)
GBP	23,367,439	(18,315,964)	356,018	5,407,493	1.13%	540,749	(540,749)
NOK	40,392,302	(30,421,396)	(4)	9,970,902	2.09%	997,090	(997,090)
SEK	1,932,619	4,573,693	-	6,506,312	1.36%	650,631	(650,631)
USD	-	(1,458)	-	(1,458)	(0.00)%	(146)	146
Total	**85,261,178**	**(49,971,442)**	**299,655**	**35,589,391**	**7.45%**	**3,558,938**	**(3,558,938)**

Amounts in the table are based on the financial assets and financial liabilities.

The currency rate as of 31 December 2013 is as following:

	CHF	DKK	GBP	NOK	SEK	USD
EUR/FX	0.82	0.13	1.20	0.12	0.11	0.73

The total exposure to different currencies at 31 December 2012 was:

	Financial assets/ (liabilities) at fair value through profit or loss	Cash and amounts due from/ (to) brokers	Other assets/ (liablities)	Net currency exposure	In % of total net assets	+10% Movement	-10% Movement
	€	€	€	€	€	€	€
CHF	(46,113,155)	45,133,476	(45,532)	(1,025,211)	(0.23)%	(102,521)	102,521
DKK	20,706,284	(6,131,278)	(56)	14,574,950	3.26%	1,457,495	(1,457,495)
GBP	24,292,503	(13,298,105)	335,829	11,330,227	2.53%	1,133,023	(1,133,023)
NOK	41,868,317	(36,880,553)	(1,720)	4,986,044	1.11%	498,604	(498,604)
SEK	(269,240)	1,766,868	-	1,497,628	0.34%	149,763	(149,763)
USD	-	(360,292)	(23,326)	(383,618)	(0.09)%	(38,362)	38,362
Total	**40,484,709**	**(9,769,884)**	**265,195**	**30,980,020**	**6.92%**	**3,098,002**	**(3,098,002)**

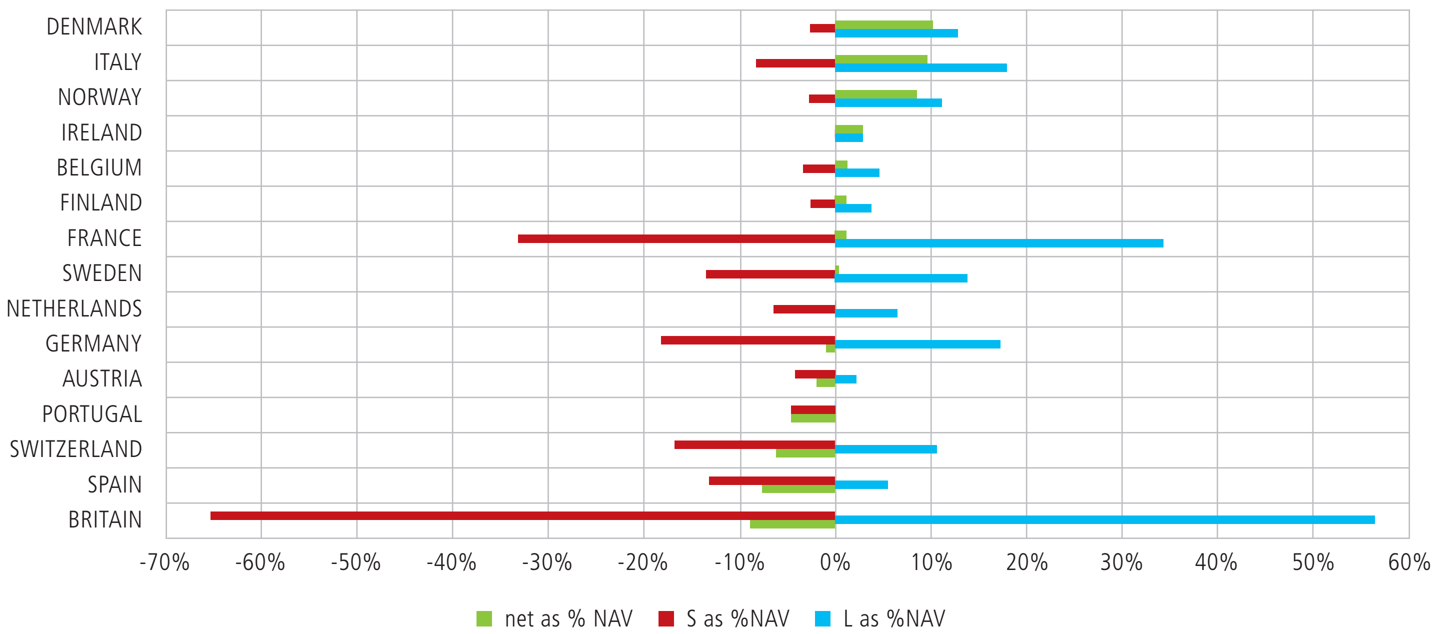
Amounts in the table are based on the financial assets and financial liabilities.

The currency rate as of 31 December 2012 is as following:

	CHF	DKK	GBP	NOK	SEK	USD
EUR/FX	0.83	0.13	1.23	0.14	0.12	0.76

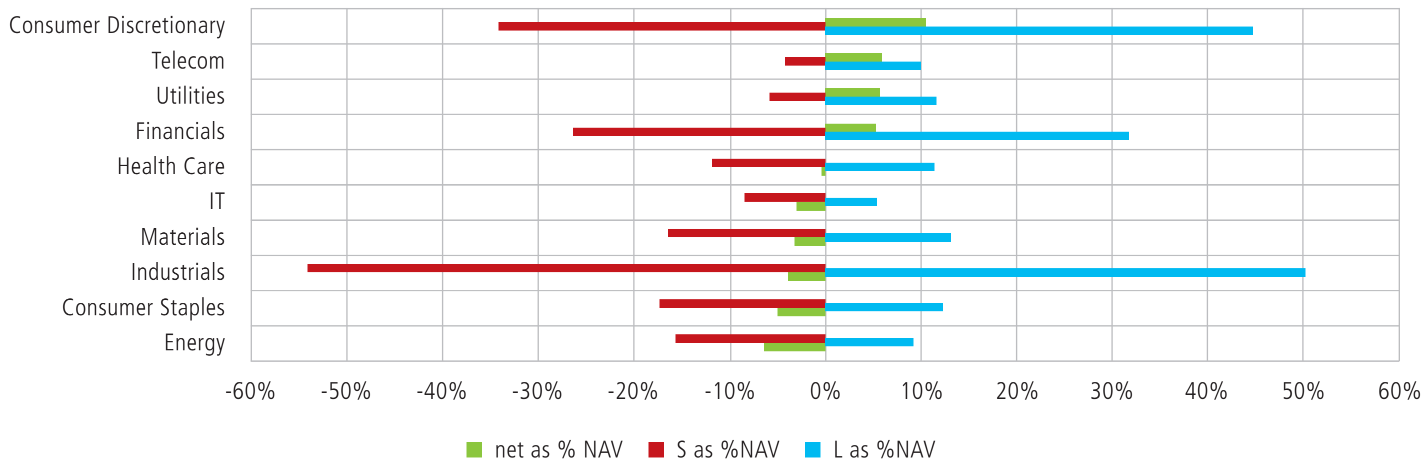
Concentration risk
The country allocation (net exposure, long positions and short positions per country) as a percentage of the NAV at the end of 31 December 2013 was as follows:

COUNTRY ALLOCATION SAEMOR EUROPE ALPHA FUND



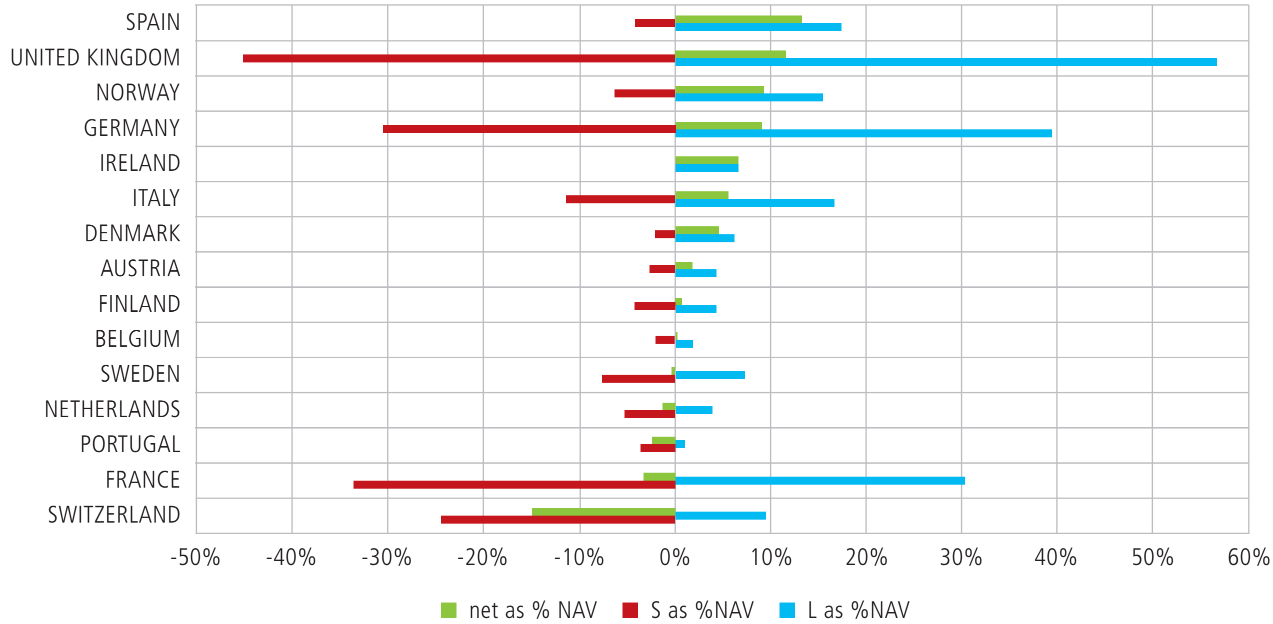
The sector allocation (net exposure, long positions and short positions per sector) as a percentage of the NAV at the end of 31 December 2013 was as follows:

SECTOR ALLOCATION SAEMOR EUROPE ALPHA FUND



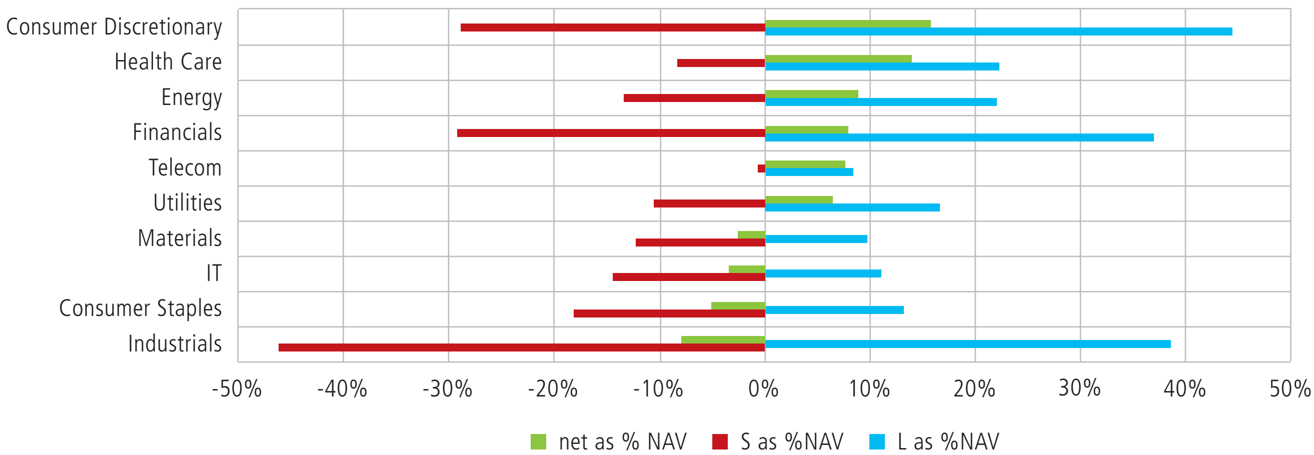
The country allocation (net exposure, long positions and short positions per sector) as a percentage of the NAV at the end of 31 December 2012 was as follows:

COUNTRY ALLOCATION SAEMOR EUROPE ALPHA FUND



The sector allocation (net exposure, long positions and short positions per sector) as a percentage of the NAV at the end of 31 December 2012 was as follows:

SECTOR ALLOCATION SAEMOR EUROPE ALPHA FUND



The top long and top short exposures as a percentage of the NAV at the end of 2013 were as follows:

TOP LONG POSITIONS 2013	
	As % NAV
Swedbank Ab	3.4%
Skandinaviska Enskilda Bank	3.4%
Merck	3.3%
Easyjet	3.3%
Bouygues	3.3%
Next	3.2%
Actelion	3.2%
Thales	3.2%
Henkel	3.1%
Howden Joinery Group	3.1%

TOP SHORT POSITIONS 2013	
	As % NAV
Aggreko	3.3%
Ucb	3.3%
Melrose Industries	3.3%
BBVA	3.3%
Inditex	3.2%
Thyssenkrupp	3.2%
Sgs	3.2%
ANDRITZ	3.1%
Intertek Group	3.1%
Informa	3.1%

The top long and top short exposures as a percentage of the NAV at the end of 2012 were as follows:

TOP LONG POSITIONS 2012	
	As % NAV
Koninklijke Ahold	3.3%
Aberdeen Asset Management	3.3%
Swedbank	3.3%
Coloplast	3.2%
Royal Dutch Shell	3.2%
Next Group	3.2%
Suedzucker	3.2%
Vinci	3.2%
British Sky Broadcasting	3.2%
Roche Holding	3.2%

TOP SHORT POSITIONS 2012	
	As % NAV
Aggreko	3.3%
Carrefour	3.3%
Kingfisher	3.2%
Seadrill	3.2%
Hennes & Mauritz	3.2%
Vopak	3.2%
SGS	3.2%
Pennon Group	3.2%
UBS	3.2%
Fraport	3.1%

Interest rate risk

The majority of the Fund's financial assets are non-interest-bearing. At the statement of financial position date the Fund has not invested in deposits or fixed income securities. As a result, the Fund is subject to limited direct exposure to interest rate risk due to fluctuations in the prevailing levels of market interest rates. Note that changing levels of interest rates may influence the value of equity securities held.

Fund exposure to direct interest rate risk in Euro at 31 December 2013 was:

2013 Assets	**Within 1 month**	**1 to 3 months**	**3 to 12 months**	**1 to 5 years**	**No stated maturity**	**Total**
	€	**€**	**€**	**€**	**€**	**€**
Financial assets at fair value through profit or loss	-	-	-	-	564,169,619	564,169,619
Amounts due from brokers	71,407,174	-	-	-	-	71,407,174
Cash and cash equivalents	436,677,981	-	-	-	-	436,677,981
Total	**508,085,155**	**-**	**-**	**-**	**564,169,619**	**1,072,254,774**

2013 Liabilities	**Within 1 month**	**1 to 3 months**	**3 to 12 months**	**1 to 5 years**	**No stated maturity**	**Total**
	€	**€**	**€**	**€**	**€**	**€**
Financial liabilities at fair value through profit or loss	-	-	-	-	473,306,968	473,306,968
Amounts due to brokers	116,383,809	-	-	-		116,383,809
Total	**116,383,809**	**-**	**-**	**-**	**473,306,968**	**589,690,777**

Fund exposure to direct interest rate risk in Euro at 31 December 2012 was:

2012 Assets	**Within 1 month**	**1 to 3 months**	**3 to 12 months**	**1 to 5 years**	**No stated maturity**	**Total**
	€	**€**	**€**	**€**	**€**	**€**
Financial assets at fair value through profit or loss	-	-	-	-	625,614,003	625,614,003
Amounts due from brokers	15,113,246	-	-	-	-	15,113,246
Cash and cash equivalents	310,565,298	-	-	-	-	310,565,298
Total	**325,678,544**	**-**	**-**	**-**	**625,614,003**	**951,292,547**

2012 Liabilities	**Within 1 month**	**1 to 3 months**	**3 to 12 months**	**1 to 5 years**	**No stated maturity**	**Total**
	€	**€**	**€**	**€**	**€**	**€**
Financial liabilities at fair value through profit or loss	-	-	-	-	468,102,269	468,102,269
Amounts due to brokers	34,748,847	-	-	-	-	34,748,847
Total	**34,748,847**	**-**	**-**	**-**	**468,102,269**	**502,851,116**

Credit risk
Credit risk refers to the potential loss arising if a counterparty is unable to fulfill its financial obligations when due. The Fund is exposed to credit risk in terms of cash deposited at banks or prime brokers, (rehypothecated) securities held at prime brokers and derivatives with other financial institutions as counterparties. The Fund's exposure in relation to financial derivative instruments and other debtors is as follows at year end:

	2013	2012
	€	€
Derivatives	58,027,782	52,465,804
Dividends & Interest receivable	824,585	800,043
Amounts due from brokers	71,407,174	15,113,246
Cash at broker	277,161,569	127,444,458
Margin Accounts	159,516,412	183,120,840
Total	**566,937,522**	**378,944,391**

Most of the Fund's derivative contracts are listed or traded on one or more recognised exchanges where a Clearing House acts as regulator.

In 2013 OTC derivative transactions were only executed with the Fund's Prime Broker Morgan Stanley.

To mitigate credit risk, two prime brokers have been legally appointed, allowing a transfer of securities and cash. Further, securities and cash are only held at, and derivatives are only executed with (investment grade) rated counterparties. Long term ratings for Morgan Stanley at year end were Baa2 (2012: Baa1 (Moody's)) and A- (2012: A- (S&P)). Long term ratings for UBS AG at year end were A2 (2012: A2 (Moody's)) and A (2012: A (S&P)).

The Prime Brokers may acquire legal title to the Fund's assets up to an amount of more than 100% (max 140%) of the value of the (i) liabilities or (ii) net indebtedness, as the case may be, of the Fund towards the relevant Prime Brokers (rehypothecation). The Fund will have a right to the redelivery of equivalent assets from the Prime Brokers. In the event of an insolvency of either party, the obligation to redeliver will be given a cash value and will form part of a set off calculation against the amount the Fund owes the Prime Brokers. To the extent that the Prime Brokers have rehypothecated assets in excess of the amount that the Fund owes, the Fund ranks as a general creditor for the excess following the operation of set-off, with the risk that such excess may not be reclaimed. The Fund continuously monitors the creditworthiness of its Prime Brokers and has appointed multiple Prime Brokers.

To enable to short securities, the Fund borrows securities. At 31 December 2013, the Fund borrowed securities for an amount of €969,413,920 (2012: €810,693,669).

Liquidity risk
Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities.

The Fund is exposed to cash redemptions of redeemable units of participation for a monthly valuation day, with twenty business days previous notice. With regard to Class B units of participation this relates to redemption requests received after the one year lock up period. The Fund invests the majority of its assets in investments that are listed and traded in active markets and can be readily realisable as they are all listed on major European stock exchanges.

The Fund may invest limited amounts of the portfolio in derivative contracts traded over the counter, which are not traded on a regulated exchange and may be illiquid. As a result, the Fund may not be able to liquidate quickly its investments in these instruments at their fair value to meet its liquidity requirements. If OTC derivative contracts are used, the counterparties will be rigorously selected and monitored.

The liquidity of all securities is continuously monitored by the Investment Manager.

The liquidity profile of the Fund's financial assets and liabilities based on undiscounted contractual maturities is illustrated as follows:

2013 Assets	**Within 1 month**	**1 to 3 months**	**3 to 12 months**	**1 to 5 years**	**No stated maturity**	**Total**
	€	**€**	**€**	**€**	**€**	**€**
Cash and cash equivalents	436,677,981	-	-	-	-	436,677,981
Financial assets at fair value through profit or loss	-	-	-	-	506,141,837	506,141,837
Derivatives	-	-	-	-	58,027,782	58,027,782
Amounts due from brokers	71,407,174	-	-	-	-	71,407,174
Total	**508,085,155**	**-**	**-**	**-**	**564,169,619**	**1,072,254,774**

2013 Liabilities	**Within 1 month**	**1 to 3 months**	**3 to 12 months**	**1 to 5 years**	**No stated maturity**	**Total**
	€	**€**	**€**	**€**	**€**	**€**
Financial liabilities at fair value through profit or loss	-	-	-	-	457,912,906	457,912,906
Derivatives	-	-	-	-	15,394,062	15,394,062
Amounts due to brokers	116,383,809	-	-	-	-	116,383,809
Total	**116,383,809**	**-**	**-**	**-**	**473,306,968**	**589,690,777**
Redeemable units of participation	-	-	477,455,918	-	-	477,455,918
Total	**116,383,809**	**-**	**477,455,918**	**-**	**473,306,968**	**1,067,146,695**
Forward currency contracts	-	-	-	-	-	-
Gross cash inflow	-	-	-	-	-	-
Gross cash outflow	-	-	-	-	-	-
Total undiscounted gross						
Settled derivatives inflow	-	-	-	-	-	-
Liquidity gap	**391,701,346**	**-**	**(477,455,918)**	**-**	**90,862,651**	**5,108,079**

2012 Assets	Within 1 month	1 to 3 months	3 to 12 months	1 to 5 years	No stated maturity	Total
	€	€	€	€	€	€
Cash and cash equivalents	310,565,298	-	-	-	-	310,565,298
Financial assets at fair value through profit or loss	-	-	-	-	573,148,199	573,148,199
Derivatives	-	-	-	-	52,465,804	52,465,804
Amounts due from brokers	15,113,246	-	-	-	-	15,113,246
Total	**325,678,544**	**-**	**-**	**-**	**625,614,003**	**951,292,547**

2012 Liabilities	Within 1 month	1 to 3 months	3 to 12 months	1 to 5 years	No stated maturity	Total
	€	€	€	€	€	€
Financial liabilities at fair value through profit or loss	-	-	-	-	439,254,014	439,254,014
Derivatives	-	-	-	-	28,848,255	28,848,255
Amounts due to brokers	34,748,847	-	-	-	-	34,748,847
Total	**34,748,847**	**-**	**-**	**-**	**468,102,269**	**502,851,116**
Redeemable units of participation	-	-	447,521,281	-	-	447,521,281
Total	**34,748,847**	**-**	**447,521,281**	**-**	**468,102,269**	**950,372,397**
Forward currency contracts						
Gross cash inflow	-	-	-	-	-	-
Gross cash outflow	-	-	-	-	-	-
Total undiscounted gross						
Settled derivatives inflow	-	-	-	-	-	-
Liquidity gap	**290,929,697**	**-**	**(447,521,281)**	**-**	**157,511,734**	**920,150**

There is no contractual maturity for all equity investment held, those investments are classified under no stated maturity. The below liquidity analysis provides more details related to the liquidity of those investments.

Liquidity analysis
The liquidity of the securities is continuously monitored by the investment manager, who strives for being able to exit 50% of the assets in the Fund within three days, 95% in two weeks and 100% in one month time. As stated below the Fund is well within limits.

The holdings in the Fund are highly liquid. The 'average' holding can be sold within two days under normal circumstances. The table shows that more than 82% of the portfolio holdings of the long book can be liquidated within three days under the assumption that we trade maximum 33% of the average daily volume. The daily volume is measured by the average daily trading volume in a security over the last 3 months of 2013 (ADV).

Table 3: Liquidity profile of the Long book

	Average ADV	Max ADV	Percentage of Portfolio in % of the ADV				
			0%-25%	25%-50%	50%-100%	100%-250%	>250%
Percentage 3-months ADV	50%	238%	48%	23%	11%	18%	0%

Table 4: Liquidity profile of the Short book

	Average ADV	Max ADV	Percentage of Portfolio in % of the ADV				
			0%-25%	25%-50%	50%-100%	100%-250%	>250%
Percentage 3-months ADV	42%	208%	52%	19%	16%	13%	0%

11. DERIVATIVE CONTRACTS

Typically, derivative contracts serve as components of the Fund's investment strategies and are utilised primarily to structure and hedge investments to enhance performance and reduce risk to the Fund. The derivative contracts that the Fund holds or issues are equity CFDs.

The Fund records its derivative activities on a mark-to-market basis. The Fund uses widely recognised valuation models for determining fair values of CFD derivatives.

For CFD financial instruments, inputs into models are based on the price of the underlying financial instruments and are therefore market observable.

CFDs represent agreements that obligate two parties to exchange a series of cash flows at specified intervals based upon or calculated by reference to changes in specified prices or rates for a specified amount of an underlying asset or otherwise determined notional amount. The payment flows are usually netted against each other, with the difference being paid by one party to the other.

Therefore amounts required for the future satisfaction of the CFD may be greater or less than the amount recorded. The realised gain or loss depends upon the prices at which the underlying financial instruments of the CFD is valued at the CFD settlement date and is included in the Statement of Comprehensive Income.

Unrealised gains or losses are valued in accordance with the accounting policy stated in Note 2 and the resulting movement in the unrealised gain or loss is recorded in the Statement of Comprehensive Income.

As of 31 December 2013 and 2012, the following derivative contracts were included in the Fund's Statement of Financial Position at fair value through profit or loss:

	Fair value assets 2013	Fair value liabilities 2013	Fair value assets 2012	Fair value liabilities 2012
	€	€	€	€
Contracts for difference	58,027,782	(15,394,062)	52,465,804	(28,848,255)
	58,027,782	**(15,394,062)**	**52,465,804**	**(28,848,255)**

The table below details the total derivatives exposure at 31 December 2013 and 31 December 2012 in Euro. Gross exposure is the sum of absolute market value of all long and short positions. Net exposure is the balance of market value of all long and short positions. At year end 2013 and 2012 the Fund held long and short positions in CFDs.

The leverage of the Fund is a ratio between the total gross exposure and the net asset value of the Fund. The maximum leverage the Fund may have is 500%. At 31 December 2013 the leverage is 393% (31 December 2012: 402%).

31-Dec-13	Net Exposure	Gross Exposure	Gross as % NAV
Equity	48,229,963	964,053,714	202%
CFD	(22,666,784)	913,498,039	191%
Total Exposure	**25,563,179**	**1,877,551,753**	
Total as % of NAV	**5%**	**393%**	**393%**

31-Dec-12	Net Exposure	Gross Exposure	Gross as % NAV
Equity	133,892,469	1,012,400,454	226%
CFD	55,438,978	786,096,138	176%
Total Exposure	**189,331,447**	**1,798,496,592**	
Total as % of NAV	**42%**	**402%**	**402%**

12. REDEEMABLE UNITS OF PARTICIPATION

At inception of the Fund Class A and Class B units of participation were issued, both only in Euro. The (initial) investment required of a Participant in Class A is Euro 25,000. Subsequent subscriptions and redemptions have a minimum size of Euro 1,000.

Class B has a "lock up" of one year. The minimum (initial) investment for the 'seeding' investor', employees and employees of directors is Euro 1,000 and for other Participants Euro 100,000,000. Subscriptions and redemptions have a minimum size of Euro 1,000.

Each participant is entitled to cast one vote for each unit of participation. One or more Participants who jointly hold at least 10% of the total number of Participations can request the Investment Manager to hold a meeting and can add topics to the agenda.

Transactions in units of participation for Class A and Class B for the year ended 31 December 2013 and year ended 31 December 2012 were as follows:

	Number of units of participation 31 December 2013	Number of units of participation 31 December 2012
Class A		
Units of participation balance at the beginning of the year	99.75	99.75
Issue of redeemable units of participation	2,907.42	-
Redemption of redeemable units of Participation	(180.96)	-
Redemption related to equalisation deficit	-	-
Units of participation at the end of the Year	**2,826.21**	**99.75**

	Number of units of participation 31 December 2013	Number of units of participation 31 December 2012
Class B		
Units of participation balance at the beginning of the year	434,083.97	510,653.55
Issue of redeemable units of participation	171.23	1,772.32
Crystalised Transfer In	142.14	-
Crystalised Transfer Out	(142.63)	-
Redemption of redeemable units of participation	-	(69,868.13)
Redemption related to equalisation deficit	(7.14)	(8,473.77)
Units of participation at the end of the year	**434,247.57**	**434,083.97**

Capital management
As a result of the ability to issue and redeem shares, the capital of the Fund can vary depending on the demand for redemptions and subscriptions to the Fund. The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue or redemption of redeemable shares beyond those included in the Fund's constitution.

The Fund's objectives for managing capital are:

1. To achieve long-term capital appreciation;
The Fund aims for returns which have a low correlation with the returns of the market index. To achieve this objective the Fund uses investment instruments and applies an investment and risk management policy as described in the prospectus.
2. To maintain sufficient liquidity to meet redemption requests as they arise.

Note 10 'Risk associated with financial instruments' explains equity risk, currency risk, interest rate risk, credit risk and liquidity risk in more detail.

13. RELATED PARTY TRANSACTIONS

Employees of directors and employees of Saemor Capital B.V. held jointly 696.96 (31 December 2012: 501.93) Units of Participation Class B in the Fund. Saemor Capital B.V. held 1,330.75 (31 December 2012: 1,363.10) Units of Participation Class B in the Fund.

AEGON Investment Management B.V. held on behalf of 2 investment funds 432,218.94 (31 December 2012: 432,218.94) Units of Participation Class B and 99.75 (31 December 2012: 99.75) Units of Participation Class A. AEGON Investment Management B.V. is a 100% subsidiary of AEGON Asset Management Holding B.V., which is a 100% subsidiary of AEGON N.V. AEGON N.V. holds 100% of the shares in AEGON Asset Management Holding B.V., which holds 68% (31 December 2012: 68%) of the shares in Saemor Capital B.V.

14. PERSONAL INTERESTS OF DIRECTORS

In accordance with article 122 paragraph 2 Bgfo the Fund is required to list the total holdings in securities by the employees of directors in investments, which are also held by the Fund as of 1 January up to 31 December.

As of 31 December 2013 and 31 December 2012 the personal interests of the employees of directors in the Fund and which were also held by the Fund, amounted:

Stock	Market Value € 31 December 2013	Market Value € 31 December 2012
Brunel International	1,268	
CSM	-	1,625
Delta Lloyd	-	987
Fugro	897	890
Heineken	1,276	1,312
MAN PLC	-	1,115
UniCredit	931	641
Imtech	4,393	609
Vopak	893	-
Saemor Europe Alpha Fund	534,905	455,419
Total Amount (€)	**544,563**	**462,598**

15. SUBSEQUENT EVENTS

In 2014, Merrill Lynch International plc will be appointed as a new prime broker of the Fund.

16. APPROVAL OF THE FINANCIAL STATEMENTS

Approved on behalf of the Trustee:	Approved on behalf of the Investment Manager:
Stichting Bewaarder Saemor Europe Alpha Fund	Director Saemor Capital B.V
Date: 24 April 2014	Date: 24 April 2014

OTHER NOTES

For the year ended 31 December 2013

1. DIVIDEND AND ALLOCATION OF RESULT

The Fund did not pay dividends in 2013. The result is included in the Net assets attributable to holders of redeemable units of participation.

2. VOTING POLICY

The Fund does not pursue an active voting policy.

3.APPROVAL OF THE FINANCIAL STATEMENTS

The Trustee and the Investment Manager approved the financial statements on 24 April 2014.

To: the Board of Directors of Saemor Capital B.V. as investment manager of Saemor Europe Alpha Fund

INDEPENDENT AUDITOR'S REPORT

Report on the financial statements
We have audited the financial statements 2013 of Saemor Europe Alpha Fund, The Hague, which comprise the statement of financial position as at 31 December 2013, the statement of comprehensive income, the statement of cash flows, the statement of changes in net assets attributable to holders of redeemable units of participation for the year then ended and notes, comprising a summary of the significant accounting policies and other explanatory information.

Management's responsibility
Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as endorsed by the European Union, the Dutch Financial Supervision Act and with Title 9 Book 2 of the Dutch Civil Code, and for the preparation of the investment manager's report in accordance with the Dutch Financial Supervision Act and with Title 9 Book 2 of the Dutch Civil Code. Furthermore management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion with respect to the financial statements
In our opinion, the financial statements give a true and fair view of the financial position of Saemor Europe Alpha Fund as at 31 December 2013, its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as endorsed by the European Union, the Dutch Financial Supervision Act and with Title 9 Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements
Pursuant to the legal requirement under Section 2:393 sub 5 at e and f of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the investment manager's report, to the extent we can assess, has been prepared in accordance with Title 9 of Book 2 of this Code, and whether the information as required under Section 2:392 sub 1 at b-h has been annexed. Further we report that the management board report, to the extent we can assess, is consistent with the financial statements as required by Section 2:391 sub 4 of the Dutch Civil Code.

The Hague, 24 April 2014

Ernst & Young Accountants LLP

signed by T. de Kuijper