Saemor Europe Alpha Fund

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 DECEMBER 2015

AUDITED FINANCIAL STATEMENTS

For the year ended 31 December 2015

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FUND INFORMATION

REGISTERED OFFICE	WTC E-Tower 7th Floor Prinses Margrietplantsoen 44 2595 BR The Hague The Netherlands www.saemor.com
MANAGER	Saemor Capital B.V. WTC E-Tower, 7th Floor Prinses Margrietplantsoen 44 2595 BR The Hague The Netherlands
DEPOSITARY	The Bank of New York Mellon SA/NV^ WTC Building, Podium Office, B-Tower Strawinskylaan 337 1077 XX Amsterdam The Netherlands
TITLE HOLDER	Stichting Saemor Europe Alpha Fund c/o: SGG Custody B.V. Claude Debussylaan 24 1082 MD Amsterdam The Netherlands
ADMINISTRATOR	The Bank of New York Mellon SA/NV^ WTC Building, Podium Office, B-Tower Strawinskylaan 337 1077 XX Amsterdam The Netherlands
PRIME BROKERS	Morgan Stanley 25 Cabot Square Canary Wharf London, E14 4QA United Kingdom Merrill Lynch International 2 King Edward Street London EC1A 1HQ United Kingdom Barclays Bank PLC 5 The North Colonnade Canary Wharf London E14 4BB
LEGAL ADVISOR	De Brauw Blackstone Westbroek N.V. Claude Debussylaan 80 1082 MD Amsterdam The Netherlands
EXTERNAL COMPLIANCE OFFICER	CLCS B.V. Keizersgracht 433 1017 DJ Amsterdam The Netherlands
INDEPENDENT AUDITOR	PricewaterhouseCoopers Accountants N.V. Fascinatio Boulevard 350 3065 WB Rotterdam The Netherlands
FINANCIAL REPORTING TO DNB	Solutional Financial Reporting B.V. Vlietweg 16/17, 5th Floor 2266 KA Leidschendam The Netherlands

^Effective 13 April 2015, the Bank of New York Mellon SA/NV replaced Citibank Europe plc as administrator and replaced Citibank International Ltd Netherlands branch as Depositary.

FUND PROFILE

Saemor Europe Alpha Fund
Saemor Europe Alpha Fund (the "Fund") is an open-ended investment fund. Issue and redemption of units of participation is possible as per instruction 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
The Fund's Key Features Document contains information related to its costs and risks. The Key Features Document and the Prospectus are available on www.saemor.com.

Investment objective
The Fund's objective is to achieve capital appreciation in the middle to long-term through investing in a diversified portfolio that is predominantly composed of long and short positions in listed equities. The investment universe encompasses Europe, the Middle East and Africa (EMEA). Investment focus will, however, to a large extent be on European countries. The Fund aims for returns that have a low correlation with the returns of relevant market indices. The Fund is not tied to a benchmark.

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

Manager
Saemor Capital B.V. is the Manager of the Fund and as such is responsible for determining and 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 Manager.

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

Depositary
The Manager has appointed The Bank of New York Mellon in Amsterdam, trading as The Bank of New York Mellon SA/NV Amsterdam Branch, as Depositary of the Fund. Effective as of 13 April 2015, The Bank of New York Mellon SA/NV, Amsterdam Branch replaced Citibank International Ltd Netherlands branch as Depositary.

Stichting Saemor Europe Alpha Fund ("Stichting") is the legal owner of the assets of the Fund. The Manager of the "Stichting" is SGG Custody B.V.

Administrator
The Bank of New York Mellon SA/NV, Amsterdam Branch, is the administrator of the Fund, effective as of 13 April, 2015; certain administration services are being outsourced to BNY Mellon Fund Services (Ireland) Ltd. in Dublin, Ireland. Furthermore, certain services in relation to transfer agency are being outsourced to The Bank of New York Mellon (Luxembourg) S.A.

Prime Brokers
The Prime Brokers of the Fund are Morgan Stanley, London, United Kingdom, Merrill Lynch International, London United Kingdom and Barclays Bank PLC, London, United Kingdom. Barclays Banks PLC is a newly appointed Prime Broker, replacing UBS AG, London, United Kingdom.

SUMMARY FINANCIAL INFORMATION

	2015	2014	2013	2012	2011
	€ '000	€ '000	€ '000	€ '000	€ '000
Class A (€)	4,390	1,385	471	10	24
Class B (€)	108,006	190,879	67,532	39,394	112,581
Income	**112,396**	**192,264**	**68,003**	**39,404**	**112,605**
Class A (€)	(1,983)	(447)	(286)	(10)	(27)
Class B (€)	(48,777)	(61,597)	(41,031)	(40,572)	(33,129)
Expenses and withholding taxes	**(50,760)**	**(62,044)**	**(41,317)**	**(40,582)**	**(33,156)**
Class A (€)	2,407	938	185	-	(3)
Class B (€)	59,229	129,282	26,501	(1,178)	79,452
Increase/(decrease)	**61,636**	**130,220**	**26,686**	**(1,178)**	**79,449**
Net assets (€)	**484,118**	**608,112**	**477,456**	**447,521**	**524,547**
Number of units of participation					
Class A	11,595.18	2,993.50	2,826.21	100	100
Class B	297,070.52	434,423.60	434,247.57	434,083.97	510,653.55
Net asset value per unit of participation					
Class A (in €)	1,630.66	1,463.47	1,169.53	1,112.15	1,112.26
Class B (in €)	1,565.99	1,389.73	1,091.89	1,030.70	1,026.99
Performance					
Class A (in %)	11.42	25.1	5.2	0.0	14.9
Class B (in %)	12.68	27.3	5.9	0.4	17.8
Ongoing Charges Figure (in %)					
Class A (in %)	1.66	1.62	1.59	1.58	1.57
Class B (in %)	1.16	1.12	1.09	1.08	1.07

MANAGER'S REPORT

For the year ended 31 December 2015

1. Performance

The Saemor Europe Alpha Fund generated a performance of +11.4% for share class A and +12.7% for share class B in 2015.

Fund Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	**2015**
Class A	1.1	2.4	3.3	0.1	3.2	0.5	0.1	0.0	1.2	-3.3	-0.6	3.0	**11.4**
Class B	1.2	2.6	3.6	0.1	3.4	0.6	0.2	0.1	1.3	-3.5	-0.6	3.3	**12.7**

Source: Citibank Europe plc and BNY Mellon.

2015 was another challenging year for the hedge fund industry as low interest rates, steep commodity losses and higher equity market volatility created a challenging environment. The industry recorded its lowest annual performance since 2011, but preserved capital and outperformed most other asset classes. Hedge funds had a strong start to the year, but suffered from June to September on the back of the events in Europe and China. CTA, event-driven and credit funds ended the year in the red. Equity Market-Neutral funds delivered the strongest results, closely followed by Long/Short Equity hedge funds. The Saemor Europe Alpha Fund convincingly outperformed its market neutral peer group.

2. Market Review

European equity markets were up for the year, rising 5% in local currency (total return). European and US economic activity underpinned positive returns for domestic and US related stocks, while equities with emerging market exposure generally declined. Information Technology, Consumer Staples and Automobiles led the field in 2015, while Energy, Materials and Banks were down for the year. The euro declined versus the US dollar, closing below 1.10 at year-end.

In January, Draghi announced that the ECB will start buying €60bn a month in national and agency bonds in an effort to kick start the economy. Markets reached seven-year highs, despite continuing slide of the oil price and political uncertainty in Greece following the election win by the Syriza party. Swiss stocks fell the most in 25 years, as the Swiss National Bank unexpectedly announced removal of CHF's peg against the euro. Swiss exporters slid as the franc jumped to a record against the euro and surged as much as 27 percent versus the dollar, whilst the euro fell to a 11-year low against the dollar. European companies generally announced upbeat full year outlooks and their strong Q1 numbers further underpinned the case for European equities.

With emerging markets showing continued weakness and bond markets selling off after hitting a low point in yields on April 20th, European equities proved to be an attractive asset class for investors. Consumer and manufacturing data in both the UK and core Europe were stronger than in most other regions in the world. The sentiment deteriorated when talks between the new left wing government in Greece and European leaders about restructuring and debt forgiveness came to a halt in May and June. With Greece banks running out of money and an IMF payment skipped, Greece was facing a default. Just before the end of the month, prime minister Tsipras announced a surprise referendum about further austerity, angering his European negotiation partners. European equity markets closed the first half of 2015 8% lower than their peaks in mid-April.

Markets responded positively in July with the potential debt crisis in the Eurozone being avoided. The Greek Parliament accepted a €7bn bridging loan in exchange for austerity measures and avoided further default from the ECB. However, the impact of the market sell-off in China limited upside globally, with the Shanghai composite index falling 8% in one day despite government intervention to stabilize it. Markets plunged in August, spurred by worries that China's economy was slowing down more than anticipated, resulting in Europe's Stoxx index recording -5.3%, its biggest one-day loss since December 2008.

Q2 earnings season in Europe came in surprisingly strong, with 39% of companies beating estimates, yet markets continued to be under pressure in the third quarter. Two stocks, Volkswagen and Glencore, dominated the headlines in September. VW admitted fixing emission testing results, resulting in the stock falling 37% MoM and widespread investigation from governments, regulators and consumer groups. Glencore fell 38% MoM as investors de-risked following a spike in the CDS spread, driven by concerns over debt levels and falling commodity prices.

After a recovery in October, European equities ended the year on a negative note, with the Stoxx index falling 5% in December, predominantly driven by the ECB delivering less monetary stimulus than expected. The bar was set very high and thus the 10bps deposit rate cut (from -0.2% to -0.3%) and 6-month extension to the program disappointed. Chinese growth continued to surprise on the downside and oil prices extended their decline, which started in June. The Fed raised rates for the first time in almost a decade by 25bps.

Contrary to 2014, which saw multiple expansion and earnings mostly supported by a weakening euro, earnings in 2015 were also helped by strengthening sales and margin figures. A large number of takeovers further supported share prices. In 2014, global M&A jumped sharply to levels not seen since before the financial crisis. 2015 volumes actually exceeded this remarkable pace. A notable resurgence in megadeals (e.g. Royal Dutch Shell - BG Group, Nokia – Alcatel Lucent, AB InBev - SABMiller) shows that corporates are increasingly eager to invest.

3. Investment Policy

We started the year with a fairly positive stance on equities, based on the January effect and accelerating economic growth in Europe. Since mid-December 2014 we had tilted our multi-factor stock selection model towards cyclical value at the expense of quality (low risk) and price momentum. This worked well for the first four months of the year as markets moved higher and investors slowly warmed up to higher risk names found within southern Europe and Financial sectors. In May we took our pro-risk bias off and deployed a more neutral stance, with only a slight overweight in defensive value factors. With the macro cycle losing some momentum and issues in Greece and China growing, we felt it no longer wise to continue with our pro-cyclical stance.

Our main concern since June 2015 has been that while economic activity and earnings announcements in Europe remained strong, the global cycle showed signs of a slowdown. Companies with non-US international exposure performed accordingly, while domestic companies and especially those with UK consumer exposure performed more in-line with a growth regime.

At the end of the year we upped our exposure to cyclical value and risk once again, firstly to benefit from the January effect and secondly to balance out our tilt towards quality and momentum, which had become strongly correlated with the domestic Europe theme, declining commodities and weakening emerging markets.

Our largest contributors for the year were found in the quality-growth category, with UK consumer related names dominating. Betfair, Berkeley and Paddy Power all contributed more than 1.25%. Pandora, the Danish jewellery maker, featured in our top ten positive contributor list for the second year in a row. Vestas Wind was the biggest contributor for the year, proving that cyclical European exposure triumphed over emerging market cyclicals. A merger between Ahold and Delhaize concluded a very positive year, with both companies (long positions) adding more than a percent to the performance in 2015. Our two best shorts were both haunted by bad news, with Tesco and Volkswagen down more than 30% for the year.

Most of our negative contributors came from our shorts, mostly higher risk stocks surprising positively in a European context. Mediolanum, Regus, Lanxess, Italcementi (this was a takeover) and Yoox all benefited from stronger than expected European growth. Adidas's share price rose while most other companies with Chinese consumer exposure performed poorly. RWE and Rio Tinto were both long positions that did not pay off, unsurprisingly with energy and commodity prices taking a hit. Our biggest detractor for 2015 was Genmab, which reported positive results for cancer treatment in clinical studies.

The portfolio volatility as measured by a short-term statistical risk model stood at 6.0% per December 30th (Year end 2014: 6.5%). The ex-post volatility of the portfolio, based on 3 years of monthly NAV's declined from 10.4% at the end of 2014 to 10.2%. The net beta-adjusted exposure was 20% at the end of December. Gross leverage stood at 360%.

4. Outlook

We are tactically optimistic going into the new year. The fund currently has a higher beta than usual, and is less quality and momentum oriented than it has been for most of 2015. European economic activity has been improving and monetary policy has been accommodating for a while now. Eurozone PMIs, business confidence and employment are at recent year's highs. Excess liquidity, euro weakness and low commodity prices are a tailwind for Eurozone earnings. This is also reflected in the earnings picture. Although in December analysts downgraded more stocks than they upgraded, domestic stocks displayed a much stronger earnings momentum than the broader market. With quality and momentum styles outperforming for two years in a row, we expect a good possibility of risk reversal in January, being typically a good month for cyclical value, small caps and risk anyway.

Macro-economic uncertainty remains at high levels in an environment characterized by sharp oil price declines, Chinese RMB devaluation, emerging markets outflows and an industrial slowdown in the US. The uncertainty has been fuelled by the Fed tightening. The major risks to Europe are thus external. We expect this to be our biggest dilemma for the year. Tightening monetary conditions in the US and weakness in emerging markets point towards more exposure to quality stocks, but quality and earnings momentum have outperformed for a long time now. Further slowdown could actually mean a sell-off in lower risk names, which are also high momentum.

We expect the first quarter earnings announcements and company guidance to shed some light on the balance between European strength and global weakness.

5. Risk Management

In 2004 the Principles of Fund Governance were introduced by DUFAS (Dutch Fund and Asset Management Association) as a guideline for sound operations and the duty of care requirements which apply to fund managers. By way of self-regulation these Principles were endorsed by Saemor Capital B.V. Since the implementation of the Alternative Investment Fund Managers Directive (AIFMD) in 2014 in the Dutch regulation, the aforementioned Principles are embedded in the current Dutch regulation ("Wet op het financieel toezicht").

We have devised a prudent risk management framework that is appropriate to the nature, scope and complexity of the activities deployed. The proportionality principle is applied when implementing applicable laws and regulations as regards hierarchical and functional separation between risk management and other functions within Saemor Capital B.V., establishing and managing risk limits as well as regards risk measurement and risk management.
In Compliance, Directors and Portfolio Management meetings, risks are reviewed, identified and previously identified risks are monitored.

Risk management is considered an integral part of the investment and the operational process. Risk management supports decision making in order to minimize unexpected losses and achieve the absolute return objective. Financial risk management encompasses all elements of our investment process from idea generation, implementation of trades, performance measurement, reporting and attribution analysis. A number of risk management systems allow us to notice any deviations to intended positioning and targets. The portfolio managers are monitoring the financial risk management continuously. In addition the investment guidelines as described in the prospectus are monitored by the risk manager at least twice a month.

Operational risk management recognizes the four areas of potential losses; processes, systems, people and external events. With these sources of risk in mind processes and controls are developed, documented and monitored by the risk manager.

Exposures to markets, currencies or countries are described in Note 11 of the financial statement. 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 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.
The risk manager is monitoring periodically this limit independently from the portfolio managers.

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. Liabilities or receivables following from the OTC CFD contracts are taken into account in the overall margin requirement calculation which takes the total exposure into account.

Thus, when positive unrealised results under the CFD contract leads to to a receivable, no specific collateral for that purpose is to be received but it will increase the equity part in the margin calculation.

6. Other information

Statement related to administrative organisation and internal control
The 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 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) is to increase investor protection. The Fund appointed Bank of New York Mellon SA/NV, Amsterdam Branch as Depository.

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 has automatically been converted into an AIFMD license as of 22 July 2014.

Saemor Capital B.V reviewed the existing documentations and has formalized the independent risk function. Saemor Capital B.V. complies with AIFMD, including the 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, 26 April 2016

Sven Bouman, on behalf of Qmetrics B.V. Director Saemor Capital B.V.	P.P.J. van de Laar, Director Saemor Capital B.V.

STATEMENT OF FINANCIAL POSITION

As at 31 December 2015

	Note	2015	2014
		€	€
Assets			
Financial assets at fair value through profit or loss	3	506,335,650	719,280,106
Amounts due from brokers	6	7,965,452	16,996,562
Dividends receivable		1,529,653	737,320
Interest receivable		-	184,919
Other assets and prepaid expenses		-	41,183
Margin accounts	5	378,355,876	415,756,098
Cash and cash equivalents	4	34,043,282	70,881,474
Total assets		**928,229,913**	**1,223,877,662**
Liabilities			
Financial liabilities at fair value through profit or loss	3	(417,980,995)	(539,974,726)
Amounts due to brokers	6	(14,810,822)	(50,660,937)
Dividends payable		(427,174)	(586,959)
Management fee payable	7	(428,062)	(573,245)
Performance fee payable	7	(9,505,189)	(23,036,646)
Interest payable		(415,675)	(661,976)
Equalisation credit payable	7	(221,335)	(16,633)
Accrued expenses	8	(322,261)	(254,135)
Total liabilities (excluding net assets attributable to holders of redeemable units of participation)		**(444,111,513)**	**(615,765,257)**
Net assets attributable to holders of redeemable units of participation		**484,118,400**	**608,112,405**

Net asset value per unit of participation

Class A	**2015**	**2014**	**2013**
Number of units of participation (note 13)	11,595.18	2,993.50	2,826.21
Net asset value per unit of participation	€ 1,630.66	€ 1,463.47	€ 1,169.53
Class B			
Number of units of participation (note 13)	297,070.52	434,423.60	434,247.57
Net asset value per unit of participation	€ 1,565.99	€ 1,389.73	€ 1,091.89
Total Net Asset Value	**€ 484,118,400**	**€ 608,112,405**	**€ 477,455,918**

See notes to the financial statements

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2015

	Note	2015 €	2014 €
Income			
Interest income	9	65,675	273,140
Gross dividend income	10	30,768,351	26,375,617
Net gain on financial assets and liabilities at fair value through profit or loss		75,126,581	162,972,288
Net foreign exchange gain on cash and cash equivalents		6,137,797	2,643,219
Other income		297,211	-
Total income		**112,395,615**	**192,264,264**
Expenses			
Dividend expense on securities sold short	10	(23,490,241)	(21,810,793)
Management fee	7	(5,499,982)	(5,495,908)
Performance fee	7	(10,958,559)	(23,042,815)
Interest expense	9	(7,189,410)	(7,429,281)
Audit fee	7	(70,907)	(23,000)
Administration fee	7	(439,006)	(315,722)
Depositary fee	7	(236,180)	(155,468)
Legal fee	7	(53,750)	(45,000)
Costs of supervision	7	(65,000)	(64,999)
Other expenses	7	(26,111)	(51,460)
Trustee's fee	7	(6,150)	(45,000)
Total operating expenses		**(48,035,296)**	**(58,479,446)**
Profit before tax		**64,360,319**	**133,784,818**
Withholding taxes		(2,724,505)	(3,564,756)
Profit after tax		**61,635,814**	**130,220,062**
Other comprehensive income		-	-
Increase attributable to holders of redeemable unit of participation		**61,635,814**	**130,220,062**

See notes to the financial statements

STATEMENT OF CASH FLOWS

For the year ended 31 December 2015

	2015	2014
	€	€
Cash flows from operating activities		
Increase attributable to holders of redeemable units of participation	61,635,814	130,220,062
Adjustment for net foreign exchange gain/(loss) - cash and cash equivalent	(6,137,797)	(2,643,219)
Adjustment for interest income	(65,675)	(273,140)
Adjustment for dividend income	(30,768,351)	(26,375,617)
Adjustment for interest expenses	7,189,410	7,429,281
Adjustment for dividend expenses	23,490,241	21,810,793
Adjustments to reconcile increase attributable to holders of redeemable units of participation to net cash provided by operating activities:		
Decrease/(increase) in financial assets at fair value through profit or loss	212,944,456	(155,110,487)
(Decrease)/increase in financial liabilities at fair value though profit or loss	(121,993,731)	66,667,758
Decrease/(increase) in margin cash	37,400,222	(74,826,238)
(Decrease)/increase in management fee payable	(145,183)	148,665
(Decrease)/increase in performance fee payable	(13,531,457)	18,328,938
Decrease in amounts due to brokers	(35,850,115)	(65,722,872)
Decrease in amounts due from brokers	9,031,110	54,410,612
Increase in accrued expenses	68,126	175,274
Decrease/(increase) in other assets and prepaid expenses	41,183	(41,183)
Increase/(decrease) in equalisation credit payable	204,702	(5,347)
Cash provided by/(used in) operating activities	**143,512,955**	**(25,806,720)**
Interest received	250,594	88,221
Dividend received	29,976,018	26,462,882
Interest paid	(7,435,711)	(7,300,189)
Dividend paid	(23,650,026)	(21,390,485)
Net cash used in operating activities	**142,653,830**	**(27,946,291)**
Cash flows from financing activities		
Proceeds from issue of redeemable units of participation	13,831,654	536,260
Payments from redemptions of redeemable units of participation	(199,256,771)	(105,182)
Cash flow related to equalisation (deficit)/surplus previous year	(204,702)	5,347
Net cash flow (used in)/provided by financing activities	**(185,629,819)**	**436,425**
Net decrease in cash and cash equivalents	(42,975,989)	(27,509,866)
Net foreign exchange (loss)/gain - cash and cash equivalents	6,137,797	2,643,219
Cash and cash equivalents at the beginning of the year	70,881,474	95,748,121
Cash and cash equivalents at the end of the year	**34,043,282**	**70,881,474**

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

For the year ended 31 December 2015

	Note	Number of shares	2015
			€
Balance at the beginning of the year		**437,417**	**608,112,405**
Increase attributable to holders of redeemable units of participation resulting from operations for the year		-	61,635,814
Issue of redeemable units of participation during the year	13	8,663	13,831,654
Payments from redeemable units of participation during the year	13	(137,426)	(199,256,771)
Subscription related to equalisation surplus		12	16,633
Movement related to current year equalisation deficit payable		-	(221,335)
Net assets attributable to holders of redeemable units of participation at the end of the year		**308,666**	**484,118,400**

For the year ended 31 December 2014

	Note	Number of shares	2014
			€
Balance at the beginning of the year		**437,074**	**477,455,918**
Increase attributable to holders of redeemable units of participation resulting from operations for the year		-	130,220,062
Issue of redeemable units of participation during the year	13	407	536,260
Payments from redeemable units of participation during the year	13	(83)	(105,182)
Subscription related to equalisation surplus		19	5,347
Net assets attributable to holders of redeemable units of participation at the end of the year		**437,417**	**608,112,405**

See notes to the financial statements

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

1. FUND INFORMATION

General

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 dealing date 27 January 2009. The Fund is not listed on any stock exchange. The units of participation are registered per investor. Initial subscriptions of Class D units of participation were received on dealing day 4 January 2016.

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 Manager holds the right to suspend redemptions in the 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 Manager, the Title Holder and the Participant. The 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 for the Financial Markets (AFM). Granted license (non-UCITS) to managers, is automatically transferred into an AIFM license as of 22 July 2014. Under AIFMD the fund appointed Citibank International Ltd, Netherlands branch, as depositary to be an independent custodian responsible for safekeeping of the Fund's assets. Effective 13 April 2015, the bank of New York Mellon SA/NV replaced Citibank International Ltd Netherlands branch as Depositary.

Since its incorporation and until 13 April 2015, the Fund appointed Citibank Europe plc as Administrator. The Administrator provides administration and transfer agency services to the Fund. Effective 13 April 2015, the Bank of New York Mellon SA/NV, Amsterdam branch, replaced Citibank Europe plc as administrator.

Certain administration services are being outsourced to BNY Mellon Fund Services (Ireland) Ltd in Dublin, Ireland. BNY Mellon Fund Services (Ireland) Ltd is a licensed bank, authorised and regulated by the Central Bank of Ireland. Furthermore, certain services in relation to transfer agency are being outsourced to The Bank of New York Mellon (Luxembourg) S.A.

The Fund's objective is to achieve capital appreciation in the middle to long-term through investing in a diversified portfolio that is predominantly composed of long and short positions in listed equities. The investment universe encompasses Europe, the Middle East and Africa (EMEA). Investment focus will, however, to a large extent be on European countries. The Fund aims for returns that have a low correlation with the returns of relevant market indices. The Fund is not tied to a benchmark.

Classes of participations

The assets of the Fund are divided into several Classes of Participations, with a specific fee structure, and if applicable lock-up period, for each Class of Participations. The underlying investments and risk profile of the various Classes of Participations are identical. Each Class of Participations may be further segmented in Subclasses of Participations, each such Subclass of Participations to be denominated in a different currency.

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 conformity 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. The Manager 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 Manager and the Title Holder are based and operate in Euro markets, the Fund's performance is evaluated and its liquidity is managed in Euros.

There are no standards and amendments to existing standards that are effective for the first time for the financial period beginning 1 January 2015 that have material impact on the Fund.

New standards, amendments and Interpretations effective after 1 January 2015 and have not yet been early adopted by the Fund

The below mentioned standards, amendments to standards and interpretations in issue are not yet effective, and have not been applied in preparing these financial statements. Management is currently assessing the possible impact of these new standards and interpretations.

IFRS 9 Financial Instruments (effective date 1 January 2018)

IFRS 9 replaces the multiple classification and measurement models in IAS 39 Financial instruments: Recognition and measurement with a single model that has initially only two classification categories: amortised cost and fair value. Classification of debt assets will be driven by the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. A debt instrument is measured at amortised cost if: a) the objective of the business model is to hold the financial asset for the collection of the contractual cash flows, and b) the contractual cash flows under the instrument solely represent payments of principal and interest.

All other debt and equity instruments, including investments in complex debt instruments and equity investments, must be recognised at fair value.

All fair value movements on financial assets are taken through the statement of profit or loss, except for equity investments that are not held for trading, which may be recorded in the statement of profit or loss or in reserves (without subsequent recycling to profit or loss).

For financial liabilities that are measured under the fair value option entities will need to recognise the part of the fair value change that is due to changes in the their own credit risk in other comprehensive income rather than profit or loss.

The new hedge accounting rules (released in December 2013) align hedge accounting more closely with common risk management practices. As a general rule, it will be easier to apply hedge accounting going forward. The new standard also introduces expanded disclosure requirements and changes in presentation.

In December 2014, the IASB made further changes to the classification and measurement rules and also introduced a new impairment model. With these amendments, IFRS 9 is now complete.

The Fund will assess the impact on the financial statements prior to the effective date.

IFRS 15 Revenue from contracts with customers (effective 1 January 2018)
The IASB has issued a new standard for the recognition of revenue. This will replace IAS 18 which covers contracts for goods and services and IAS 11 which covers construction contracts. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards.

A new five-step process must be applied before revenue can be recognised:
(i) identify contracts with customers
(ii) identify the separate performance obligation
(iii) determine the transaction price of the contract
(iv) allocate the transaction price to each of the separate performance obligations, and
(v) recognise the revenue as each performance obligation is satisfied.

Entities will have a choice of full retrospective application, or prospective application with additional disclosures. The Fund will assess the impact on the financial statements prior to the effective date.

(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 are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, brokers and dealers. Transaction costs, when incurred, are immediately recognised in net gain or loss on financial assets and liabilities at fair value through profit or loss.

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 markets 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 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.

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.

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 (CFD) 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 CFDs are recognised through net gain on financial assets and liabilities at fair value through profit or loss in the Statement of Comprehensive Income.

(h) Redeemable units of participation
The Fund has issued three classes of redeemable units of participation, Class A units, Class B units and Class D units, which are redeemable at the participant's option. Class A and D units differ from Class B units with respect to management fees and performance fees. Redeemable units of participation can be put back to the Fund at any Dealing day for cash equal to a proportionate share of the Fund's net asset value attributable to the share class.

Units of participation are redeemable monthly. 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.

The redeemable units of participation are carried at the redemption amount that is payable at the Statement of Financial Position date if the holder exercised the right to put the unit of participation back to the Fund.

(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 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
The Fund's investors are mainly from the Eurozone, with the subscriptions and redemptions denominated in Euro. The performance of the Fund is measured and reported to the investors in Euro. Therefore the financial statements are presented in Euro, which is the Fund's functional and presentation currency.

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 net foreign exchange loss in the Statement of Comprehensive Income.

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, Merrill Lynch and Barclays Bank plc.

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'.

(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 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) Short sales
The Fund makes short sales in which a borrowed security is sold in anticipation of a decline in the market value of that security. Short sales are classified as financial liabilities at fair value through profit or loss.

(s) 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. Transaction costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, brokers and dealers. Transaction costs, when incurred, are immediately recognised in net gain or loss on financial assets and liabilities at fair value through profit or loss.

(t) Other expenses
Other expenses are recognised on the statement of comprehensive income on an accruals basis.

(u) Margin accounts
Cash collateral provided by the Fund is identified in the Statement of Financial Position as margin cash and is not included as a component of cash and cash equivalents. Margin accounts represent cash deposits with brokers, transferred as collateral against open futures or other securities.

(v) 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.

(w) Other payables and accrued expenses
Expenses payable at year end and accrued expenses are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method.

3. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

Movement schedule investments

Equity securities	**2015**	**2014**
	€	**€**
Beginning market value 1 January	142,695,856	48,228,931
Purchase	3,434,634,342	4,208,351,645
Sale	(3,480,725,210)	(4,207,614,286)
Revaluation	(15,912,703)	93,729,566
Ending market value 31 December	**80,692,285**	**142,695,856**

Contracts for Difference	**2015**	**2014**
	€	€
Beginning market value 1 January	36,609,524	42,633,720
Purchase	13,787,064	-
Sale	(132,942,493)	(75,266,918)
Revaluation	91,047,403	69,242,722
Ending market value 31 December	**8,501,498**	**36,609,524**

Debt securities	**2015**	**2014**
	€	**€**
Beginning value 1 January	-	-
Purchase	-	-
Sale	(831,009)	-
Revaluation	(8,119)	-
Ending market value 31 December	**(839,128)**	**-**

Total	**2015**	**2014**
	€	€
Beginning value 1 January	179,305,380	90,862,651
Purchase	3,448,421,406	4,208,351,645
Sale	(3,614,498,712)	(4,282,881,204)
Revaluation	75,126,581	162,972,288
Ending market value 31 December	**88,354,655**	**179,305,380**

Purchase and sale on CFD investments reflect only the realised gain and loss of closing transactions.

As at 31 December 2015 and 2014, financial assets and liabilities at fair value through profit or loss were as follows:

	2015	2014
Financial assets at fair value through profit or loss:	**€**	**€**
Equity securities	459,093,405	650,373,303
Contracts-for-difference	47,242,245	68,906,803
Financial assets at fair value through profit or loss	**506,335,650**	**719,280,106**
Financial liabilities at fair value through profit or loss:		
Debt securities	(839,128)	-
Equity securities	(378,401,120)	(507,677,447)
Contracts-for-difference	(38,740,747)	(32,297,279)
Financial liabilities at fair value through profit or loss	**(417,980,995)**	**(539,974,726)**
Total financial assets and liabilities at fair value through profit and loss	**88,354,655**	**179,305,380**

In Note 11 risks associated with those financial instruments held will be described.

As at 31 December 2015 and 2014, listed equity securities at fair value through profit or loss are recorded at fair value based on quoted market prices in active markets.

As at 31 December 2015 and 2014, the gain and loss breakdown of net gain or loss on financial assets and liabilities at fair value through profit or loss was as follows:

	Net gain or loss on financial assets and liabilities at fair value through profit or loss	
	2015	**2014**
Realised Gain	360,314,893	306,182,956
Unrealised Gain	146,650,531	258,850,313
Realised Loss	(205,753,805)	(164,528,043)
Unrealised Loss	(226,085,038)	(237,532,938)
Total	**75,126,581**	**162,972,288**

The financial assets and liabilities at fair value through profit or loss are classified under category 'assets and liabilities at fair value through profit and loss' under IFRS 7. The remaining financial instruments are classified under category 'loans and receivables' and 'other financial liabilities' under IFRS 7.

4. CASH AND CASH EQUIVALENTS

Cash represents short-term funds available to the Fund.

	2015	2014
	€	€
Cash at brokers	34,043,282	70,881,474
Total	**34,043,282**	**70,881,474**

Cash at brokers relates to cash balances with the Fund's Prime Brokers excluding margin requirements.

5. MARGIN ACCOUNTS

Margin accounts represent cash deposits with brokers, transferred as collateral against open futures or other securities.

The Prime Brokers calculate the maximum amount to be lent on the basis of all long and short securities held at the Prime Brokers; 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 was €292,713,575 (31 December 2014: €355,860,248) with Morgan Stanley and €76,031,316 (31 December 2014: €59,895,814) with Merrill Lynch International and €9,610,985 with Barclays PLC (31 December 2014: €nil).

	2015	2014
	€	€
Margin accounts	378,355,876	415,756,098
	378,355,876	**415,756,098**

6. 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 period 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.

As at 31 December 2015 and 31 December 2014, the following were held as amounts due to or from brokers.

	2015	2014
	€	€
Balances due from brokers	7,965,452	16,996,562
Balances due to brokers	(14,810,822)	(50,660,937)
Amounts due to brokers	**(6,845,370)**	**(33,664,375)**

7. FEES AND EXPENSES

Management fee
The management fee is charged to the Fund and is credited to the 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 and D units of Participation, 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 €5,499,982 (31 December 2014: €5,495,908) were incurred for the year ended 31 December 2015, of which €428,062 (31 December 2014: €573,245) was payable at 31 December 2015.

Performance fee
The performance fee is charged on a unit by unit basis and is credited to the 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 €10,958,559 (31 December 2014: €23,042,815) were incurred for the year ended 31 December 2015, of which €9,505,189 (31 December 2014: €23,036,646) was payable at 31 December 2015.

As of 4 January 2016 the Fund opens Class D units of participation. The performance fee is equal to 20% of the monthly increase in the net asset value of the capital of Class D units of participation. The performance fee for Class D units of participation will be calculated on the basis of a monthly period from calendar month end to calendar month end. A high watermark applied, "equalisation" method is not applicable.

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 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 2015 amounted €221,335 (31 December 2014: €16,633).

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 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. There were no equalisation credits settled during the years ended 31 December 2015 and 31 December 2014.

Other costs charged to the assets of the Fund

	2015	2014
	€	€
Audit fee	70,907	23,000
Administration fee	439,006	315,722
Depositary fee	236,180	155,468
Legal fee	53,750	45,000
Costs of supervision	65,000	64,999
Trustee's fee	6,150	45,000
Other expenses	26,111	51,460
	897,104	**700,649**

Costs of supervision are fees charged by the supervising authorities AFM and the Dutch Central Bank.

For the period from 22 July 2014 to 13 April 2015, the Depositary charged a fee as an annual percentage of 0.05% of the GAV at each month end. Effective 13 April 2015, the Depositary charged a fee as an annual percentage of 0.03% of the NAV at each month end subject to a minimum fee of €25,000 per annum.

Due to the changed role of the Title Holder since 22 July 2014, the Title Holder received a trustee fee of €11,000 on an annual basis.

Other expenses	**2015**	**2014**
	€	**€**
Miscellaneous expenses	795	3,005
Brokerage fees (excluded in Ongoing Charges Figure)	25,316	48,455
	26,111	**51,460**

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 subscription or redemption amount. 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 the year ended 31 December 2015, the Fund charged redemption fees of €297,211 (31 December 2014: Nil).

Ongoing Charges Figure
The Ongoing Charges Figure (OCF) is a ratio of the total ongoing costs to the average net assets value of the Fund. Ongoing costs include cost of management and administration, plus other costs of running the fund, such as fees for custodians, regulators and independent 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 2015 and 2014 is as follows:

Ongoing Charges Figure	**Share Class A**	**Share Class B**
2015	1.66%	1.16%
2014	1.62%	1.12%

Performance fee ratio
Performance fee ratio is a ratio of the total performance fee (including equalisation deficit) to the average net assets value of the Fund. This ratio will be calculated once a year, as of end of 2015 and 2014 the ratio is as follows:

Performance fee ratio	**Share Class A**	**Share Class B**
2015	2.30%	2.00%
2014	5.70%	4.30%

Transaction costs
Transaction costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, brokers and dealers. Transaction costs, when incurred, are immediately recognised in net gain or loss on financial assets and liabilities at fair value through profit or loss.

The transaction costs amounted to €3,415,352 in 2015 (2014: €3,342,155).

Soft dollar arrangement
The Manager may choose to allocate transactions to brokers with whom the Manager has concluded a commission sharing agreement (CSA). A CSA is concluded with a view to allowing the 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 Manager in order to pay for certain services rendered by either the broker or by a third party. The 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 2015

	Actual Costs	**Estimated costs Prospectus**
Management fee	€ 5,499,982	% of GAV: Class A=1.5% and Class B=1.0%
Performance fee	€ 10,958,559	% of annual increase GAV: Class A=20% and Class B=15%
Administrator fee	€ 439,006	+/-0.08% of NAV
Trustee's fee*	€ 6,150	Annual fee €11,000
Independent Auditor's and advisor**	€ 189,657	Not Specified
Depositary fee	€ 236,180	0.036% of GAV
Other costs***	€ 795	Not Specified

31 December 2014

	Actual Costs	**Estimated costs Prospectus**
Management fee	€5,495,908	% of GAV: Class A=1.5% and Class B=1.0%
Performance fee	€23,042,815	% of annual increase GAV: Class A=20% and Class B=15%
Administrator fee	€315,722	Max 0.08% of NAV
Trustee's fee*	€45,000	Annual fee €11,000
Independent Auditor's and advisor**	€132,999	Not Specified
Depositary fee	€155,468	0.05% of GAV
Other costs***	€3,005	Not Specified

* Until 21 July 2014: maximum charge amounts to €32,500 excluding VAT and indexation starting as of 2008. From 22 July 2014 on, a fixed fee of €11,000 applies.
** Independent auditor's and advisor's costs include audit fee, legal fee and cost of supervision. Audit fee refers to services provided by the independent auditor and relate to the audit of the Financial Statements. No other services were provided by the independent auditor 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)
Total 2: the total amount of subscriptions and redemptions by Participants
X: average net asset value of the Fund

Portfolio Turnover Rate	**2015 €**	**2014 €**
Securities purchase	6,927,821,290	6,541,984,249
Securities sale	6,976,048,702	6,577,223,658
Total securities transactions	**13,903,869,992**	**13,119,207,907**
Subscriptions participants	13,831,654	536,260
Redemptions participants	199,256,771	96,447
Total movement in participations	**213,088,425**	**632,707**
Average net asset value	543,515,812	536,551,054
Turnover Rate	**2,519%**	**2,445%**

8. ACCRUED EXPENSES

Accrued expenses	2015	2014
	€	€
Audit fee	33,911	9,807
Administration fee	114,625	50,050
Depositary fee	43,545	88,892
Legal and tax advice fees	51,898	19,300
Costs of supervision	65,164	64,934
Trustee's fee	7,477	14,926
Other accrued expenses	5,641	6,226
	322,261	**254,135**

9. INTEREST INCOME/EXPENSE AND BORROWING FEE

	2015	2014
	€	€
Interest income	65,675	273,140
Interest expense	(4,954,405)	(4,909,855)
Borrowing fee	(2,235,005)	(2,519,426)
	(7,123,735)	**(7,156,141)**

Borrowing fee for the year ended 31 December 2015 and 2014 resulted from borrowing securities in relation to short positions.

10. DIVIDEND INCOME/EXPENSE

	2015	2014
	€	€
Dividend income	30,768,351	26,375,617
Dividend expense on securities sold short	(23,490,241)	(21,810,793)
	7,278,110	**4,564,824**

11. RISK ASSOCIATED WITH FINANCIAL INSTRUMENTS

Risk management is an integral part of the investment and the operational process. Risk management can be distinguished in financial risk management, operational risk management and independent risk measurement. 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. Risk measurement is an independent function, which is functionally separated from the operational department and portfolio management.

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. The following risks are described below: equity risk, currency risk, interest rate risk, credit risk and liquidity risk. Each type of risk is arising from the financial instruments it holds and is discussed in turn below. Qualitative and quantitative analyses are provided where relevant to give the reader an understanding of the risk management methods used by the 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:
- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are 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); and
- Level 3 inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

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 Fund's financial assets and liabilities measured at fair value as at 31 December 2015 and as at 31 December 2014:

Financial assets at fair value through profit or loss	**31 December 2015 €**	**Level 1 €**	**Level 2 €**	**Level 3 €**
Equity securities	459,093,405	459,093,405	-	-
Derivatives	47,242,245	-	47,242,245	-
Total	**506,335,650**	**459,093,405**	**47,242,245**	**-**

Financial liabilities at fair value through profit or loss	**31 December 2015 €**	**Level 1 €**	**Level 2 €**	**Level 3 €**
Debt securities	(839,128)	(839,128)	-	-
Equity securities sold short	(378,401,120)	(378,401,120)	-	-
Derivatives	(38,740,747)	-	(38,740,747)	-
Total	**(417,980,995)**	**(379,240,248)**	**(38,740,747)**	**-**

Financial assets at fair value through profit or loss	**31 December 2014 €**	**Level 1 €**	**Level 2 €**	**Level 3 €**
Equity securities	650,373,303	650,373,303	-	-
Derivatives	68,906,803	-	68,906,803	-
Total	**719,280,106**	**650,373,303**	**68,906,803**	**-**

Financial liabilities at fair value through profit or loss	**31 December 2014 €**	**Level 1 €**	**Level 2 €**	**Level 3 €**
Equity securities sold short	(507,678,447)	(507,677,447)	-	-
Derivatives	(32,297,279)	-	(32,297,279)	-
Total	**(539,975,726)**	**(507,677,447)**	**(32,297,279)**	**-**

For the year ended 31 December 2015 and the year ended 31 December 2014, there were no transfers between levels.

For assets and liabilities carried at amortised cost, their carrying values are a reasonable approximation of fair value.

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 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 (optimising) 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 0.05 (2014: 0.10), calculated from a regression of the daily returns of the Fund on the MSCI Europe, from January 1 up to December 31. The ex-ante Beta measured at year end 2015 is 0.06 (2014: 0.065). *(The ex-ante Beta is measured against the MSCI Europe index. Source: Nomura TradeSpex Portfolio tool, European statistical factor risk model).

2015

Market indices	Ex-ante Beta	Change	Effect on net assets and profit	Change	Effect on net assets and profit
		%	€	%	
MSCI Europe	0.0603	25	26,246,916	(25)	(26,246,916)

2014

Market indices	Ex-ante Beta	Change	Effect on net assets and profit	Change	Effect on net assets and profit
		%	€	%	
MSCI Europe	0.065	25	35,046,565	(25)	(35,046,565)

If an investment portfolio of a fund is relatively concentrated, it is considerably dependent on volatility in specific equities (idiosyncratic risk). The Manager has defined several guidelines to adhere to, with respect to maximum percentages held on a security and sector level. The Fund's investments are all well within the guidelines as described in the Prospectus. 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 effect on the value of that portion of the Fund's assets or liabilities denominated in currencies other than the Euro.

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 2015 and 2014; 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 Fund's currency risk is managed on a daily basis by the Manager in accordance with policies and procedures which are in place.

The total economic exposure to different currencies at 31 December 2015 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	(69,081,987)	78,860,740	(3,087,086)	6,691,667	1.38%	669,167	(669,167)
DKK	(22,460,444)	25,375,968	5,758,385	8,673,909	1.79%	867,391	(867,391)
GBP	4,865,929	552,487	895,382	6,313,798	1.30%	631,380	(631,380)
NOK	17,964,811	(13,499,423)	(879,062)	3,586,326	0.74%	358,632	(358,632)
SEK	23,749,089	(21,330,645)	(3,336,549)	(918,105)	-0.19%	(91,811)	91,811
USD	-	12,166	-	12,166	0.00%	1,217	(1,217)
Total	**(44,962,602)**	**69,971,293**	**(648,930)**	**24,359,761**	**5.02%**	**2,435,976**	**(2,435,976)**

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

The currency rate as of 31 December 2015 is as following:

	CHF	DKK	GBP	NOK	SEK	USD
FX/EUR	0.92	0.13	1.36	0.10	0.11	0.92

The total economic exposure to different currencies at 31 December 2014 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	(15,512,894)	26,963,713	(19,124)	11,431,695	1.88%	1,143,170	(1,143,170)
DKK	49,192,420	(29,272,718)	-	19,919,702	3.28%	1,991,970	(1,991,970)
GBP	29,732,527	(14,658,548)	(33,709)	15,040,270	2.47%	1,504,027	(1,504,027)
NOK	71,625,381	(65,717,491)	-	5,907,890	0.97%	590,789	(590,789)
SEK	28,183,027	(14,976,641)	-	13,206,386	2.17%	1,320,639	(1,320,639)
USD	-	118,855	-	118,855	0.02%	11,886	(11,886)
Total	**163,220,461**	**(97,542,830)**	**(52,833)**	**65,624,798**	**10.79%**	**6,562,481**	**(6,562,481)**

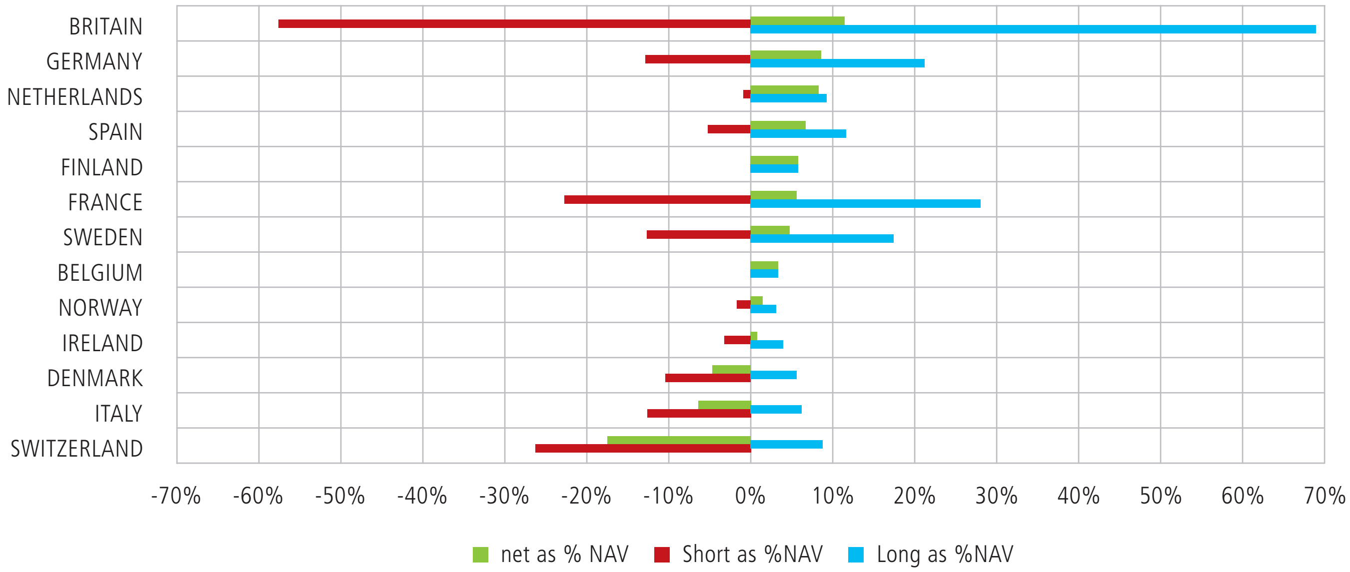
Amounts in the table are based on the financial assets and financial liabilities.

The currency rate as of 31 December 2014 is as following:

	CHF	DKK	GBP	NOK	SEK	USD
FX/EUR	0.83	0.13	1.29	0.11	0.11	0.83

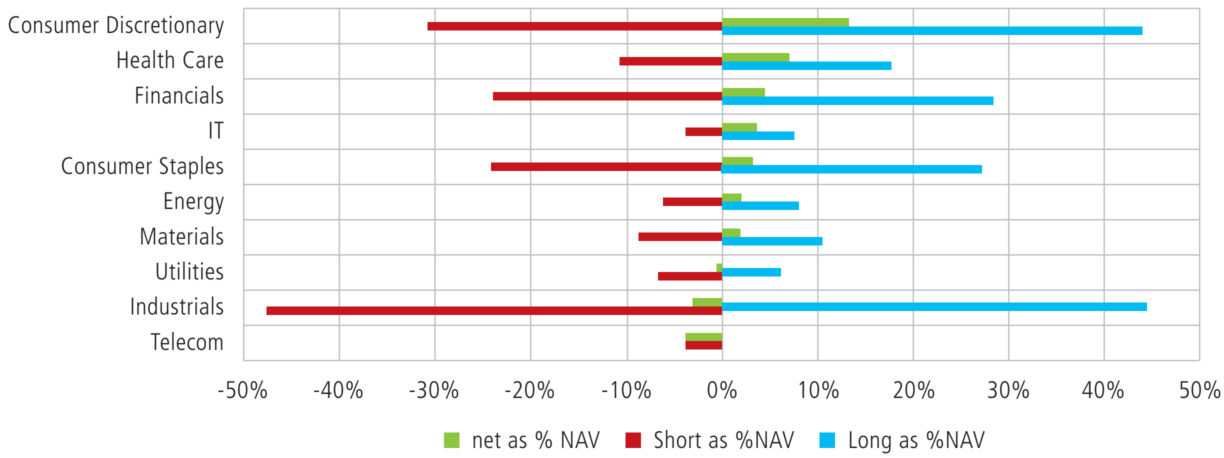
Concentration risk
The country allocation (net exposure, long positions and short positions per country) as a percentage of the NAV at 31 December 2015 was as follows:

COUNTRY ALLOCATION SAEMOR EUROPE ALPHA FUND



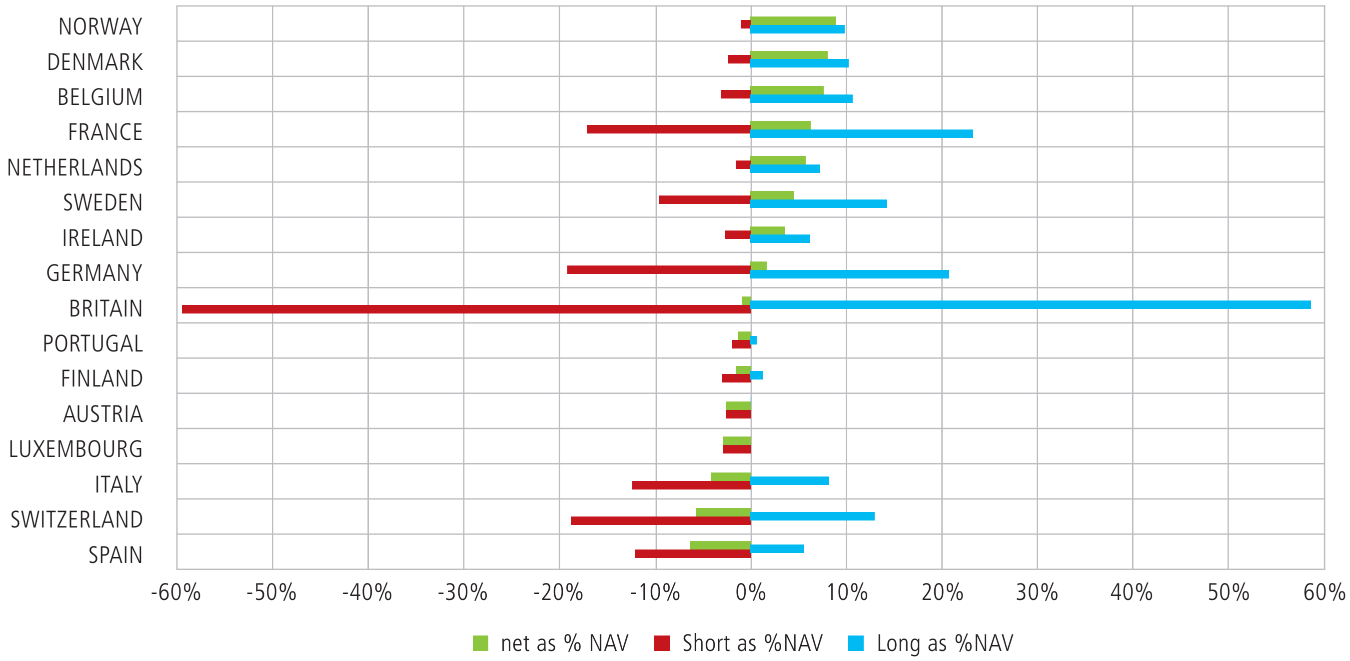
The sector allocation (net exposure, long positions and short positions per sector) as a percentage of the NAV at 31 December 2015 was as follows:

SECTOR ALLOCATION SAEMOR EUROPE ALPHA FUND



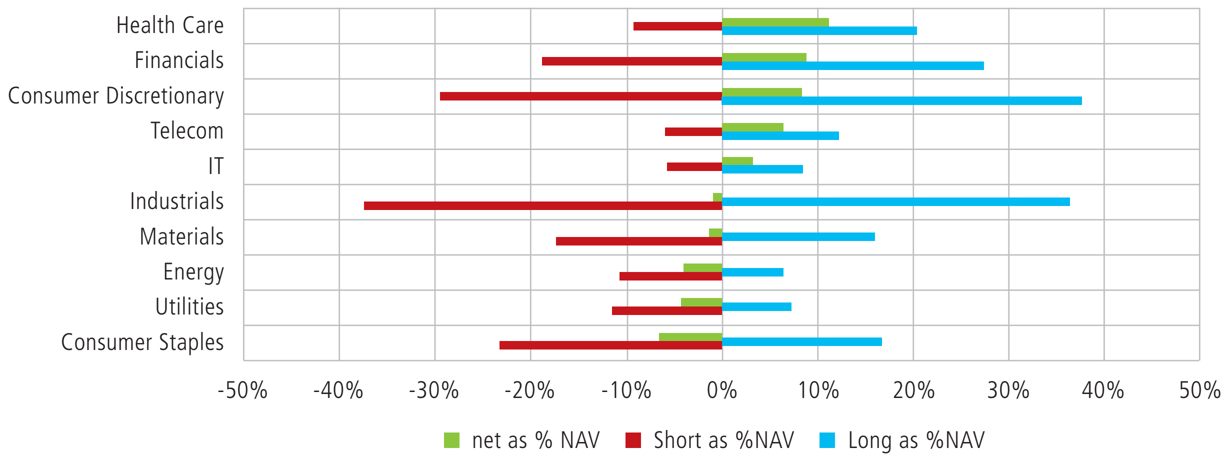
The country allocation (net exposure, long positions and short positions per country) as a percentage of the NAV at the end of 31 December 2014 was as follows:

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 2014 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 2015 were as follows:

TOP LONG POSITIONS 2015	
	As % NAV
Deutsche Lufthansa	3.3%
Merck	3.3%
ACS Actividades de Construccion y Servicios	3.3%
Swedish Match	3.2%
Royal Mail	3.2%
Rio Tinto	3.2%
Persimmon	3.2%
Swiss Re	3.2%
UnipolSai	3.1%
UPM-Kymmene	3.1%

TOP SHORT POSITIONS 2015	
	As % NAV
Tryg	3.2%
Barry Callebaut	3.2%
Dixons Carphone	3.1%
Fresnillo	3.1%
Saab	3.1%
Assa Abloy	3.1%
Jyske Bank	3.1%
Melrose Industries	3.1%
Beiersdorf	3.1%
Geberit	3.0%

The top long and top short exposures as a percentage of the NAV at the end of 2014 were as follows:

TOP LONG POSITIONS 2014	
	As % NAV
Pandora	3.2%
Bpost	3.2%
Belgacom	3.2%
Hannover Rueck	3.2%
Shire	3.2%
Koninklijke Ahold	3.2%
Merck	3.2%
Swiss RE	3.1%
Delhaize Group	3.1%
Boskalis Westminster	3.1%

TOP SHORT POSITIONS 2014	
	As % NAV
Reckitt Benckiser	3.2%
Standard Life	3.2%
Lafarge	3.2%
Vivendi universal	3.1%
Diageo	3.1%
Dufry	3.1%
Intertek	3.1%
Stmicroelectronics	3.1%
Thyssenkrupp	3.0%
Volvo	3.0%

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. The Fund is subject to cash flow interest rate risk; however the effect is not considered material due to the short-term nature.

Fund exposure to direct interest rate risk in Euro at 31 December 2015 was:

2015 Assets	**Within 1 month**	**1 to 12 months**	**1 to 5 years**	**> 5 years**	**No stated maturity**	**Total**
Financial assets at fair value through profit or loss	-	-	-	-	506,335,650	506,335,650
Amounts due from brokers	7,965,452	-	-	-	-	7,965,452
Margin accounts	378,355,876	-	-	-	-	378,355,876
Cash and cash equivalents	34,043,282	-	-	-	-	34,043,282
Total	**420,364,610**	**-**	**-**	**-**	**506,335,650**	**926,700,260**

2015 Liabilities	**Within 1 month**	**1 to 12 months**	**1 to 5 years**	**> 5 years**	**No stated maturity**	**Total**
	€	**€**	**€**	**€**	**€**	**€**
Financial liabilities at fair value through profit or loss	-	-	-	839,128	417,141,867	417,980,995
Amounts due to brokers	14,810,822	-	-	-	-	14,810,822
Total	**14,810,822**	**-**	**-**	**-**	**417,141,867**	**432,791,817**

Fund exposure to direct interest rate risk in Euro at 31 December 2014 was:

2014 Assets	**Within 1 month**	**1 to 12 months**	**1 to 5 years**	**> 5 years**	**No stated maturity**	**Total**
	€	**€**	**€**	**€**	**€**	**€**
Financial assets at fair value through profit or loss	-	-	-	-	719,280,106	719,280,106
Amounts due from brokers	16,996,562	-	-	-	-	16,996,562
Margin accounts	415,756,098	-	-	-	-	415,756,098
Cash and cash equivalents	70,881,474	-	-	-	-	70,881,474
Total	**503,634,134**	**-**	**-**	**-**	**719,280,106**	**1,222,914,240**

2014 Liabilities	**Within 1 month**	**1 to 12 months**	**1 to 5 years**	**> 5 years**	**No stated maturity**	**Total**
	€	**€**	**€**	**€**	**€**	**€**
Financial liabilities at fair value through profit or loss	-	-	-	-	539,974,726	539,974,726
Amounts due to brokers	50,660,937	-	-	-	-	50,660,937
Total	**50,660,937**	**-**	**-**	**-**	**539,974,726**	**590,635,663**

Credit risk
Credit risk refers to the potential loss arising if a counterparty is unable to fulfil 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:

	2015	2014
	€	€
Derivatives	47,242,245	68,906,803
Dividends & interest receivable	1,529,653	922,239
Amounts due from brokers	7,965,452	16,996,562
Cash at broker	34,043,282	70,881,474
Margin Accounts	378,355,876	415,756,098
Total	**469,136,508**	**573,463,179**

The Fund's derivative contracts are equity CFD's, executed with the Fund's Prime Broker Morgan Stanley and Barclays Bank PLC.

To mitigate credit risk, three 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 31 December 2015 were A1 (Moody's) (31 December 2014: Baa2) and A (S&P) (31 December 2014: A-). Long term ratings for Barclays Bank PLC at year end were A2 (Moody's) (31 December 2014: n/a) and A- (S&P) (31 December 2014: n/a). Long term ratings for Merrill Lynch at year end were A (Moody's) (31 December 2014: Baa1) and A- (S&P) (31 December 2014: A-).

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.

The Fund has entered into master netting agreements with its Prime Brokers. Under these agreements all assets and liabilities with the Prime Broker can be offset with each other. The financial assets and liabilities which are subject to offsetting as of 31 December 2015 and as of 31 December 2014, are as follows:

Financial assets subject to offsetting, enforceable master netting agreements and similar agreements

	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set-off in the statement of financial position	Net amounts of financial assets presented in the statement of financial position	Related amounts not set-off in the statement of financial position: Financial instrument	Net amount
2015		-	-		-
Investments pledged* MS	101,125,712	-	101,125,712		101,125,712
Derivative assets MS	47,085,456	-	47,085,456	37,619,752	9,465,704
Investments pledged ML	156,885,490	-	156,885,490		156,885,490
Investments pledged Barclays	-	-	-		-
Derivative assets Barclays	156,789	-	156,789	156,789	-
2014		-	-		-
Investments pledged* MS	241,978,168	-	241,978,168	-	241,978,168
Derivative assets MS	68,906,803	-	68,906,803	32,297,279	36,609,524
Investments pledged ML	216,459,528	-	216,459,528	-	216,459,528
Derivative assets ML	-	-	-	-	-

* rehypothecated equity long

Financial assets subject to offsetting, enforceable master netting agreements and similar agreements

	Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets set-off in the statement of financial position	Net amounts of financial liabilities presented in the statement of financial position	Related amounts not set-off in the statement of financial position: Financial instrument	Net amount
2015		-	-		-
Derivative liabilities MS	37,619,752	-	37,619,752	37,619,752	-
Derivative liabilities ML	-	-	-	0	-
Derivative liabilities Barclays	1,120,996	-	1,120,996	156,789	964,207
2014		-	-		-
Derivative liabilities MS	32,297,279	-	32,297,279	32,297,279	-
Derivative liabilities ML	-	-	-	0	-

To enable short securities, the Fund borrows securities. At 31 December 2015, the Fund borrowed securities for an amount of €885,110,563 (31 December 2014: €1,029,758,847).

The maximum exposure in relation to financial instruments and other debtors is the carrying value of the financial assets.

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 15 business day's 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 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 Manager.

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

2015

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	-	-	-	-	459,093,405	459,093,405
Derivatives	-	-	-	-	47,242,245	47,242,245
Dividends and interest receivables	1,529,653	-	-	-	-	1,529,653
Amounts due from brokers	7,965,452	-	-	-	-	7,965,452
Margin accounts	378,355,876	-	-	-	-	378,355,876
Cash and cash equivalents	34,043,282	-	-	-	-	34,043,282
Total	**421,894,263**	**-**	**-**	**-**	**506,335,650**	**928,229,913**

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	-	-	-	-	379,240,248	379,240,248
Derivatives	-	-	-	-	38,740,747	38,740,747
Other payables and accrued expenses	11,319,696	-	-	-	-	11,319,696
Amounts due to brokers	14,810,822	-	-	-	-	14,810,822
Total	**26,130,518**	**-**	**-**	**-**	**417,980,995**	**444,111,513**
Redeemable units of participation	-	484,118,400	-	-	-	484,118,400
Total	**26,130,518**	**484,118,400**	**-**	**-**	**417,980,995**	**928,229,913**
Liquidity gap	**395,763,745**	**(484,118,400)**	**-**	**-**	**88,354,655**	**-**

2014

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	-	-	-	-	650,373,303	650,373,303
Derivatives	-	-	-	-	68,906,803	68,906,803
Dividends and interest receivables	922,239					922,239
Amounts due from brokers	16,996,562	-	-	-	-	16,996,562
Margin accounts	70,881,474					70,881,474
Cash and cash equivalents	415,756,098	-	-	-	-	415,756,098
Total	**504,556,373**	**-**	**-**	**-**	**719,280,106**	**1,223,836,479**

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	-	-	-	-	507,677,447	507,677,447
Derivatives	-	-	-	-	32,297,279	32,297,279
Other payables and accrued expenses	25,129,594					25,129,594
Amounts due to brokers	50,660,937	-	-	-	-	50,660,937
Total	**75,790,531**	**-**	**-**	**-**	**539,974,726**	**615,765,257**
Redeemable units of participation	-	608,112,405	-	-	-	608,112,405
Total	**75,790,531**	**608,112,405**	**-**	**-**	**539,974,726**	**1,223,877,662**
Forward currency contracts						
Gross cash inflow	-	-	-	-	-	-
Gross cash outflow	-	-	-	-	-	-
Total undiscounted gross						
Settled derivatives						
inflow	-	-	-	-	-	-
Liquidity gap	**428,765,842**	**(608,112,405)**	**-**	**-**	**179,305,380**	**(41,183)**

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 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 tables stated the percentage of the assets held in 5 different classes of market liquidity. For example: 54% of the Fund in long position can be sold within one day.

The holdings in the Fund are highly liquid. The 'average' holding can be sold almost within one day under normal circumstances. The table shows that more than 89% of the portfolio holdings can be liquidated within three days under the assumption that we trade maximum 25% of the daily volume. The daily volume is measured by the average daily trading volume in a security over the last 3 months of 2015 (ADV).

Liquidity profile of the Long book

Percentage of 3-months ADV	Average ADV	Max ADV	Percentage of Portfolio in % of the ADV				
			0%-25%	25%-50%	50%-100%	100%-200%	>200%
31-dec-15	41%	216%	54%	17%	18%	11%	0%
31-dec-14	39%	196%	56%	17%	15%	12%	0%

Liquidity profile of the Short book

Percentage of 3-months ADV	Average ADV	Max ADV	Percentage of Portfolio in % of the ADV				
			0%-25%	25%-50%	50%-100%	100%-200%	>200%
31-dec-15	44%	205%	40%	27%	22%	10%	1%
31-dec-14	32%	181%	53%	31%	14%	2%	0%

12. 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 contracts-for-difference ("CFD's").

The Fund records its derivative activities on a mark-to-market basis. The Fund uses widely recognised valuation models for determining fair values of over-the-counter 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 2015 and 31 December 2014, the following derivative contracts were included in the Fund's Statement of Financial Position at fair value through profit or loss:

	Fair value assets 31 December 2015	Fair value liabilities 31 December 2015
	€	€
Contracts for difference	47,242,245	(38,740,747)
	47,242,245	**(38,740,747)**

	Fair value assets 31 December 2014	Fair value liabilities 31 December 2014
	€	€
Contracts for difference	68,906,803	(32,297,279)
	68,906,803	**(32,297,279)**

The table below details the total derivatives exposure at 31 December 2015 and 2014. 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 31 December 2015 the Fund held long and short positions in CFD's.

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 2015 the leverage is 360% (31 December 2014: 357%).

31 December 2015	Net Exposure	Gross Exposure	Gross as % of NAV
Equity	78,949,541	871,503,569	180%
Contracts For Difference	58,766,307	868,746,978	179%
Convertible bond	(839,128)	839,128	0%
Total Exposure	**136,876,720**	**1,741,089,675**	
Total as % of NAV	**28%**	**360%**	**360%**

31 December 2014	Net Exposure	Gross Exposure	Gross as % of NAV
Equity	142,695,856	1,158,050,749	190%
Contracts For Difference	(6,304,035)	1,015,379,644	167%
Total Exposure	**136,391,821**	**2,173,430,393**	
Total as % of NAV	**22%**	**357%**	**357%**

13. 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 10,000.

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 25,000,000. Subscriptions and redemptions have a minimum size of Euro 10,000.

Class D units of participation were issued as of 4 January 2016. The (initial) investment required of a Participant in Class D is Euro 25,000. Subsequent subscriptions and redemptions have a minimum size of Euro 10,000.

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 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 2015 and year ended 31 December 2014 were as follows:

Class A (EUR)	Number of units of participation 2015	Number of units of participation 2014
Units of participation balance at the beginning of the year	2,993.50	2,826.21
Issue of redeemable units of participation	8,607.35	229.05
Crystalised transfer in	2,348.45	-
Crystalised transfer out	(2,348.45)	-
Redemption of redeemable units of participation	(12.04)	(79.54)
Movement related to equalisation deficit/credit	6.37	17.78
Units of participation at the end of the year	**11,595.18**	**2,993.50**

Class B (EUR)	Number of units of participation 2015	Number of units of participation 2014
Units of participation balance at the beginning of the year	434,423.60	434,247.57
Issue of redeemable units of participation	56.12	178.2
Crystalised transfer in	-	179.58
Crystalised transfer out	-	(182.29)
Redemption of redeemable units of Participation	(137,414.46)	(0.55)
Movement related to equalisation credit/deficit	5.26	1.09
Units of participation at the end of the year	**297,070.52**	**434,423.60**

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

14. RELATED PARTY TRANSACTIONS

Employees of directors and employees of Saemor Capital B.V. held jointly 931.24 (31 December 2014: 872.79) Units of Participation Class B in the Fund. Saemor Capital B.V. held 401.67 (31 December 2014: 1,327.16) Units of Participation Class B and 866.84 (31 December 2014: Nil) Units of Participation Class A in the Fund.

Three investment funds managed by Aegon Investment Management B.V. (AIM B.V.) held 295,732.90 (31 December 2014: 432,218.94) Units of Participation Class B and 99.75 (31 December 2014: 99.75) Units of Participation Class A.

AIM B.V. is a 100% subsidiary of Aegon Asset Management Holding B.V., which is a 100% subsidiary of Aegon N.V. Aegon Asset Management Holding B.V. holds 68% (31 December 2014: 68%) of the shares in Saemor Capital B.V.

15. 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 31 December 2015.

As of 31 December 2015 and 31 December 2014 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 2015	Market Value € 31 December 2014
UniCredit	899	934
Saemor Europe Alpha Fund	871,412	772,151
Total Amount (€)	**872,311**	**773,085**

16. REMUNERATION

Saemor Capital B.V. has defined a remuneration policy. This includes among other things provisions on the deferral of at least 40% of the bonus over 2015. The directors discuss the proposed budgeted amount for variable pay with the shareholders. The directors decide on the assessment of performances of members of personnel and the amount of variable pay allocated to each member of personnel. The amount of variable pay for each director, key risk taker or other employee is dependent on several criteria, a.o. the performance of the Fund, the contribution to the(improvement) of the investment process, the contribution to (the improvement of) other company processes among which risk management, the contribution to marketing and sales, as well as the quality of activities in the execution of existing company processes.
In line with the ESMA Guidelines, Saemor Capital B.V. applies the AIFMD remuneration rules in relation to the publication of variable remuneration as of 2015. Comparable previous year figures for the remuneration split by directors and other personnel will be included in next year's report. Senior management relates two statutory directors and other key risk taker. Other personnel include portfolio managers and all other (non-investment) staff. All employees are eligible to receive variable pay, and for all employees deferral of at least 40% of variable applies. On average the company had 11.2 FTE employed (2014: 10.7).

For year ended 31 December 2015

	Positions	FTE	"Variable remune-ration"	Salary
			€	€
Senior management	3.0	3.0	398,376	443,542
Other	14.0	8.8	672,355	800,264
All personnel	**17.0**	**11.8**	**1,070,731**	**1,243,806**

For the year ended 31 December 2014 the total gross wages for all personnel amounted €1,130,759 and variable pay for all personnel amounted €978,847.

In 2015 Saemor Capital B.V. managed only the Saemor Europe Alpha Fund.

17. SUBSEQUENT EVENTS

There are no subsequent events impacting the Fund subsequent to 31 December 2015 up to the date of approval of these financial statements.

18. APPROVAL OF THE FINANCIAL STATEMENTS

Approved on behalf of the Manager:

Director Saemor Capital B.V

Date: 26 April 2016

OTHER NOTES

For the year ended 31 December 2015

1. DIVIDEND AND ALLOCATION OF RESULT

During the year ended 31 December 2015, the Fund did not pay dividends. 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 Manager approved the financial statements on 26 April 2016.

Independent auditor's report

To: the board of directors of Saemor Capital B.V.
as investment manager of Saemor Europe Alpha Fund

Report on the financial statements 2015

Our opinion

In our opinion the accompanying financial statements give a true and fair view of the financial position of Saemor Europe Alpha Fund as at 31 December 2015, and of its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS), the Dutch Financial Supervision Act and with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying financial statements 2015 of Saemor Europe Alpha Fund, The Hague ('the Fund').

The financial statements comprise:

- the statement of financial position as at 31 December 2015;
- the following statements for 2015: statements of comprehensive income, cash flow and changes in net assets attributable to holders of redeemable units of participation;
- the notes, comprising a summary of the significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is EU-IFRS, the Dutch Financial Supervision Act and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the section 'Our responsibilities for the audit of the financial statements' of our report.

We are independent of Saemor Europe Alpha Fund in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO) and other relevant independence requirements in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA).

Ref.: e0378632

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

Responsibilities of Investment Manager

The investment manager is responsible for:

- the preparation and fair presentation of the financial statements in accordance with EU-IFRS, the Dutch Financial Supervision Act and with Part 9 of Book 2 of the Dutch Civil Code, and for the preparation of the investment manager's report in accordance with Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the investment manager determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the investment manager is responsible for assessing the Fund's ability to continue as a going-concern. Based on the financial reporting frameworks mentioned, the investment manager should prepare the financial statements using the going-concern basis of accounting unless the investment manager either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so. The investment manager should disclose events and circumstances that may cast significant doubt on the Fund's ability to continue as a going-concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our audit opinion aims to provide reasonable assurance about whether the financial statements are free from material misstatement. Reasonable assurance is a high but not absolute level of assurance which makes it possible that we may not detect all misstatements. Misstatements may arise due to fraud or error. They are considered to be material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A more detailed description of our responsibilities is set out in the appendix to our report.

Report on other legal and regulatory requirements

Our report on the investment manager's report and the other information

Pursuant to the legal requirements of Part 9 of Book 2 of the Dutch Civil Code (concerning our obligation to report about the investment manager's report and the other information):

- 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 Part 9 of Book 2 of this code, and whether the information as required by Part 9 of Book 2 of the Dutch Civil Code has been annexed.

- We report that the investment manager's report, to the extent we can assess, is consistent with the financial statements.

Amsterdam, 26 April 2016
PricewaterhouseCoopers Accountants N.V.

M.D. Jansen RA

Appendix to our auditor's report on the financial statements 2015 of Saemor Europe Alpha Fund

In addition to what is included in our auditor's report we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error. Our audit consisted, among others of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit 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 fund's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the investment manager.
- Concluding on the appropriateness of the investment manager's use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the fund's ability to continue as a going-concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the fund to cease to continue as a going-concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the investment manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.